

PRESS RELEASE

I- DEVELOPMENTS IN THE MONETARY PROGRAM DURING THE MARCH-APRIL 2002 PERIOD

The targets specified in the Letter of Intent (LOI) dated 18 January 2002 as the performance and indicative criteria from the main monetary aggregates on the Central Bank balance sheet have been achieved. The details of the said targets and actual figures realised are given below:

1. As is known, in the 2002 Monetary Program, the monetary base was taken as the nominal anchor and the ceilings were set for it as the performance criteria during the first half of the year and as the indicative targets for the rest of the year. The ceiling set for the end-April 2002 was 8.900 trillion Turkish liras. The average monetary base figure for the said period has been realised as 8.680 trillion Turkish liras, well below the target ceiling of 8.900 trillion Turkish liras.

2. In the LOI, a floor was set for the Net International Reserves (NIR) as the performance criteria, which is calculated by subtracting the IMF credit tranche received by the Treasury and the short-term foreign exchange debt of the Treasury with maturity less than 1 year from the CBRT Net International Reserves. As of 30 April 2002, the realised CBRT NIR and its component items are as follows :

	(Million in US dollars)
CBRT Net International Reserves (1)	6.659
Treasury's debt to the IMF (2)	10.283
Treasury's foreign exchange debt with maturity less than 1 year (3)	1.302
Net International Reserves under the IMF program (4=1-2-3)	-4.926

Thus, taking these figures into consideration, the CBRT NIR materialised as (minus) -4.926 million USD, well above the performance target floor of (minus) -7.200 million USD.

3. Similarly, in the LOI, a floor was set for CBRT Net Domestic Assets (NDA) as an indicative target, which is calculated by adding the Turkish lira equivalents of the IMF credits received by the Treasury and the short-term foreign exchange debt of the Treasury with maturity less than 1 year to the CBRT NDA. The said target for the end-April 2002 was 27.700 trillion Turkish liras and its calculation is based on the averaging of the figures realised in the last five business days of April. As of 30 April 2002, the realised CBRT NDA and its component items are as follows :

		(Trillion TL)
CBRT Net Domestic Assets	(1)	8.519
Treasury's debt to the IMF	(2)	14.803
Treasury's foreign exchange debt with maturity less than 1 year	(3)	1.875
Net Domestic Assets under the IMF program	(4=1-2-3)	25.197

Thus, the average NDA realised is 25.197 trillion Turkish liras, which is below the indicative target-ceiling figure of 27.700 trillion Turkish liras.

II- TARGETS OF MONETARY PROGRAM FOR THE MAY-JUNE 2002 PERIOD.

1. The target for the monetary base, which is a performance criterion for the end-June, is 9.250 trillion Turkish liras. Calculation will be based on the averaging of the figures realised in the last five business days of June.

2. The floor set as a performance criterion for the NIR is (minus) - 7.800 million USD for the end-June.

3. The ceiling set for the NDA for the end-June, which is an indicative target, is 28.900 trillion Turkish liras. Calculation will be based on the averaging of the figures realised in the last five business days of June.