

**THE CBRT PRESS RELEASE
ON
FOREIGN EXCHANGE BUYING AUCTIONS**

The Central Bank of Turkey (CBRT) has been holding daily foreign exchange buying auctions since 23 January 2004, considering that strong reserve position would boost the market's confidence in the current program and observing the significant excess foreign exchange supply in foreign exchange markets since January. The amounts of daily foreign exchange auction have recently been changed with our press release of 14 April 2004. As always, it was also announced that, the CBRT might, with a prior notice, suspend the auctions before the end of the period in the cases where the depth of foreign exchange market is lost, and excessive volatility is observed in exchange rates due to an exogenous shock or unpredictable developments.

In this context, the CBRT has decided to suspend daily foreign exchange buying auctions starting from 27 April 2004 (today) until 3 May 2004, due to the decrease in bid amounts at the auctions and the volatility observed in the foreign exchange market. In the May 2004 Auction Program to be announced on 30 April 2004, which is the last working day of April, the CBRT will make public whether the auctions would resume or not, and the amounts of daily foreign exchange buying auction and optional selling in case of resumption of the auctions, by considering the foreign exchange volatility that could be observed in the coming days, and the direction of the excess foreign exchange supply, in close touch with the market players.

As usual, the CBRT will continue to closely monitor the volatility in exchange rates and will directly intervene in the markets in the event of an excessive volatility that might occur in either directions.