

**1. BANK OF ALBANIA INTERVENTIONS IN THE MONEY MARKET OVER THE THIRD QUARTER OF YEAR 2011**

**Table 1:** Temporary operations volume in open market  
(in ALL million \*)

<b>DATE</b>	<b>1-week R/REPO</b>	<b>1-day R/REPO</b>	<b>3-month R/REPO</b>
07.07.2011	19,640.00		
14.07.2011	19,560.00		
21.07.2011	20,400.00		
28.07.2011	21,800.00		
04.08.2011	21,300.00		2,000.00
11.08.2011	25,000.00		
18.08.2011	20,500.00		
25.08.2011	22,300.00		
01.09.2011	22,700.00		3,000.00
08.09.2011	19,500.00		
15.09.2011	19,100.00		
22.09.2011	24,000.00	1,500.00	
23.09.2011		1,480.00	
29.09.2011	20,500.00		

1.1. Open market operations

Open market interventions, over the third quarter of year 2011, consist of liquidity-providing operations in the market.

One-week reverse repurchase agreement was employed at an weekly average of ALL 21.25 billion\*, as well as the three-month reverse repo agreement, which was used in two cases, an average of ALL 2.5 billion per auction. On September 22 and 23, 2011, coinciding with the last two days of the required reserve period, the one-day reverse repo agreement was used, at ALL 1.50 billion, respectively\*.

1.2. Standing facilities

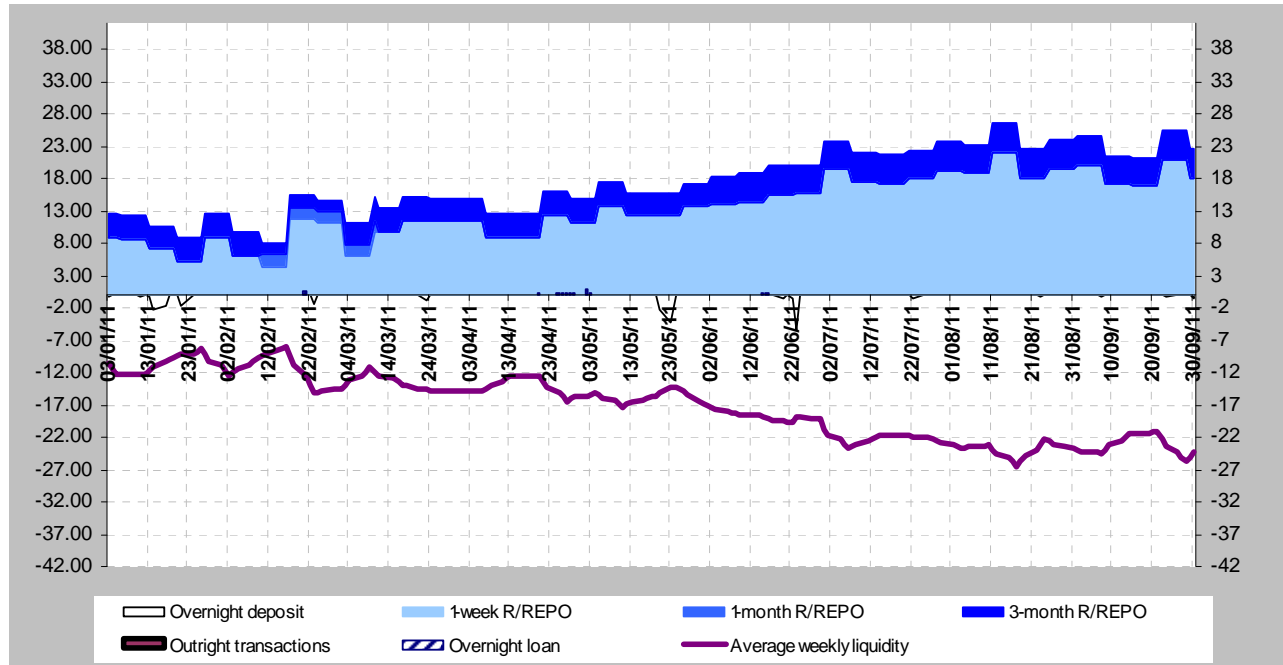
The overnight deposit facility was employed in 10 cases during the third quarter of year 2011, at an average of ALL 0.18 billion, about ALL 0.02 billion less than in the previous quarter, when this facility was employed in 19 cases, at an average of ALL 0.20 billion. The use of overnight deposit mainly occurred on July 22, August 23 and September 23, coinciding with the end of the required reserve period.

Overnight credit was employed in 9 cases, at an average ALL 0.05 billion relative to 13 cases in the previous quarter at an average of ALL 0.23 billion.

\* Figures are expressed at nominal value.

The following chart provides a summary of the Bank of Albania interventions in the money market for the year 2011.

Chart 1: The Bank of Albania interventions in the money market over the year 2011 (at purchase price)



## 2. BANK OF ALBANIA INTERVENTIONS IN THE DOMESTIC FOREIGN EXCHANGE MARKET OVER THE THIRD QUARTER OF YEAR 2011

### 2.1 Operations with commercial banks

During the third quarter of year 2011, Bank of Albania's intervention in the foreign exchange market consisted of purchasing the foreign currency from commercial banks with the purpose to increase the net foreign currency reserve. Owing to the interventions of the Bank of Albania, the sales for this period amounted to ALL 125.24 million.

### 2.2 Operations with other institutions

In the third quarter of year 2011, there were foreign currency transactions that were carried out with the Ministry of Finance. This quarter's transactions mainly consisted of *swaps contracts*, while MoF used its own foreign currency funds for external debt payments. Purchases from the Ministry, over this quarter, amounted to ALL 4,117.39 million, whereas sales were ALL 3,507.66 million. If swaps contracts are not taken into consideration, total transactions between MoF and BoA consist of foreign currency purchases in the equivalent of ALL 625.20 million.

**Interventions in the money market and foreign exchange market over the third quarter of year 2011**

Foreign currency purchases from international institutions were ALL 70.11 million (International Development Agency – IDA and the International Bank for Reconstruction and Development - IBRD).

<b>Financial Institution</b>	<b>Foreign currency purchases (in ALL million)</b>	<b>Foreign currency sales (in ALL million)</b>
MINISTRY OF FINANCE <i>SWAP</i>	3,492.19	3,507.66
MINISTRY OF FINANCE <i>OUTRIGHT</i>	625.20	
OTHER (IDA, IBRD)	70.11	