1. BANK OF ALBANIA INTERVENTIONS IN THE MONEY MARKET DURING 2015 Q3

Table 1 Temporary open market operations
(ALL million[*])

DATE	R/REPO overnight	R/REPO 1-week	R/REPO 1-month	R/REPO 3-month
2-Jul-15		23,500.00	4,000.00	
9-Jul-15		16,800.00	3,750.00	
16-Jul-15		23,600.00	4,000.00	
23-Jul-15		26,370.00	3,790.00	
24-Jul-15				2,450.00
30-Jul-15		23,500.00	4,000.00	
6-Aug-15		24,080.00	4,000.00	
13-Aug-15		19,970.00	4,000.00	
20-Aug-15		27,790.00	3,900.00	
24-Aug-15				1,500.00
27-Aug-15		21,900.00	4,000.00	
3-Sep-15		20,010.00	4,000.00	
10-Sep-15		18,580.00	4,000.00	
17-Sep-15		22,910.00	3,950.00	
23-Sep-15	5,740.00			
25-Sep-15		18,840.00	3,880.00	1,760.00

1.1. Open market operations

Money market interventions during 2015 Q3 consisted in open market operations for injecting temporary liquidity.

The total amount of injected liquidity averaged ALL 36.4 billion, from ALL 28.4 billion in the previous quarter and ALL 30.2 billion in the previous year.

To inject temporary liquidity, the Bank of Albania employed its main instrument, the one-week reverse repurchase agreement, on average ALL 22.14 billion, from the average of ALL 19.50 billion a week[*] in the previous quarter. The one-month injections averaged ALL 3.94 billion, from ALL 3.28 billion a week[*] in the second quarter. Since the end of July, Bank of Albania conduced three-month injections in three cases, driving the liquidity being injected through this maturity in the current quarter to average ALL 2.55 billion at a nominal value, and ALL 5.7 billion at the end of the quarter.

The overnight injecting transaction was employed in one case, on 23 September, at the end of the reserve maintenance period.

Bank of Albania did not conduct outright purchase or sale of treasury bills during the third quarter of 2015.

1.2. Use of standing facilities

Banks employed the overnight deposit facility twice compared to 11 cases in the previous quarter, averaging ALL 2.0 billion, from ALL 0.95 billion in the second quarter. The overnight loan was employed twice, at an average of ALL1.4 billion as opposed to three cases averaging ALL 1.0 billion in the previous quarter.

Chart 1 summarises Bank of Albania interventions in the money market during 2009-2015.

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[*] The figures are expressed in nominal value.

Chart 1: Bank of Albania interventions in the money market during 2009-2015 (nominal value)
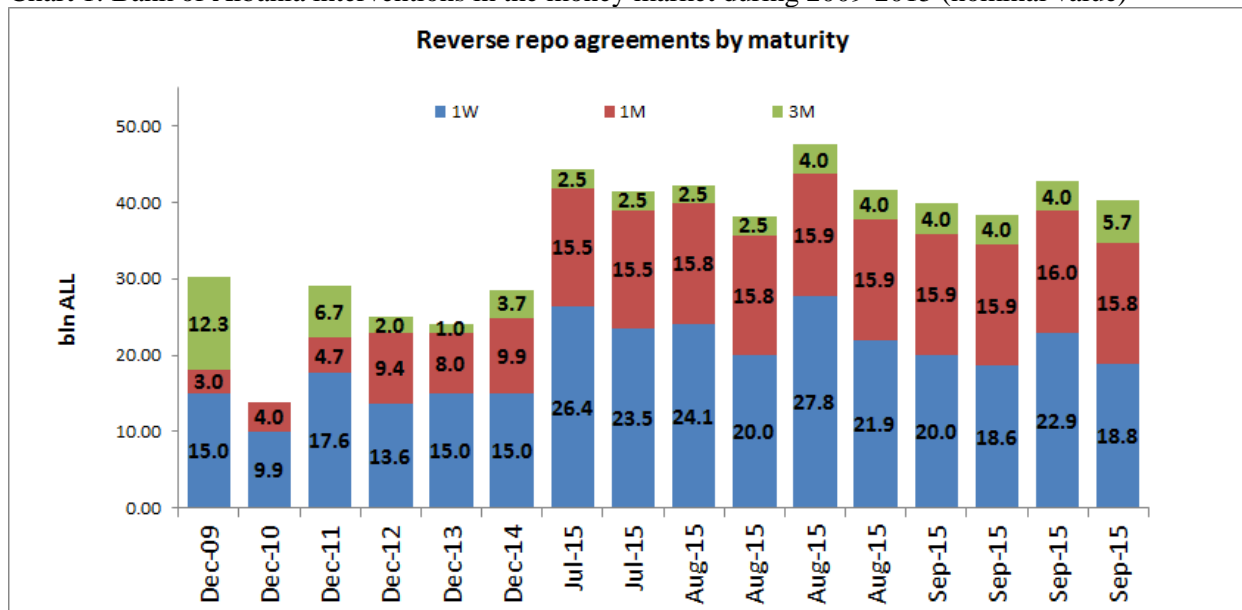
2. BANK OF ALBANIA INTERVENTIONS IN THE DOMESTIC FOREIGN EXCHANGE MARKET DURING 2015 Q3

2.1 FX transactions with commercial banks

In 2015 Q3, the Bank of Albania carried out the two planned auctions in July and August to purchase foreign currency with the objective of increasing its foreign currency reserve. The announced amount for purchase for each of these auctions was EUR 2-5 million. The purchased amount in both actions totalled EUR 7.0 million. Following the July auction, Bank of Albania purchased EUR 6.3 million via bilateral agreements with the commercial banks.

Chart 2: EUR/ALL and USD/ALL in 2015 Q3
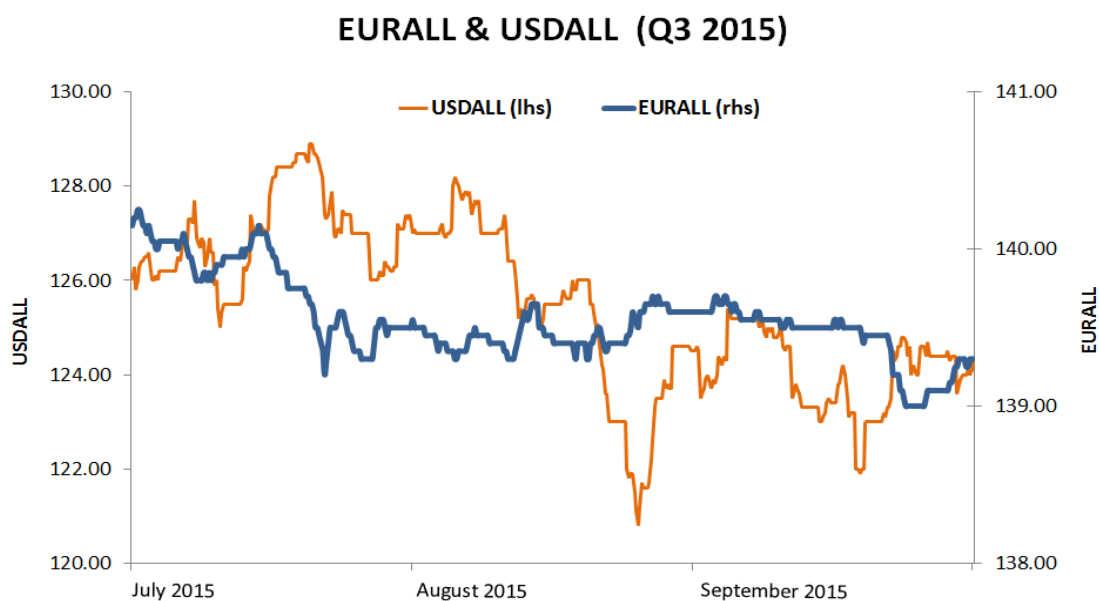
2.2 FX transactions with other institutions

Foreign currency swap agreements between the Bank of Albania and the Ministry of Finance continued in 2015 Q3, upon the request by the latter, for its liquidity management purposes. In Q3 2015, due to the above agreements, the Bank of Albania's purchases from the Ministry of Finance amounted to ALL 24,390.30 million, whereas sales amounted to ALL 24,463.23 million. As of end of Q3 2015, the amounts invested in swap agreements fell to SDR 65 million, compared with SDR 74 million at the end of Q2 2015, while those in EUR matured compared to EUR 18 million at the end of the second quarter.

International institutions purchased foreign currency equivalent to ALL 70.98 million (International Bank for Reconstruction and Development – IBRD and International Development Agency – IDA).

Table 2 Foreign currency operations with other institutions

Financial institution	Purchase of foreign currency (in ALL million)	Sale of foreign currency (in ALL million)
Ministry of Finance	24,390.30	24,463.23
Other (IDA, IBRD)	70.98	