

From: National Bank of Georgia, Otar Nadaraia
Subject: Reserve Requirements of Depository Institutions

Comments:

Dear Mr./Madam,

I would like to ask whether only need for introduction of term deposits is concern whether only existing facilities would be sufficient for transmission mechanism. In particular, there might be case when only existing tools are sufficient to control overnight interest rates, but for some reason, transmission channel from overnight to more longer term interest rates might be lost to some extent.

Thank you in advance,

Sincerely,

Otar Nadaraia
National Bank of Georgia