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Press Release

High Demand for Accountant General's Foreign-Currency Deposit Auction

Banks Sent in Bids Worth Over USD 1 Billion; Auction Closed at Interest Rate Lower than LIBOR

The Ministry of Finance received USD 140 million in deposits

The first foreign-currency deposit auction held this afternoon by the Accountant General drew high demand. All banks that are market makers submitted bids, at a volume of over USD 1 billion. The auction closed at an average interest rate of 2.08% (below the LIBOR rate), at an amount of USD 140 million. The deposit is for a period of one year. The Ministry of Finance plans to hold additional auctions in the near future.

Ministry of Finance Accountant General Shuky Oren called the auction a success, due to both the high response from financial entities and the high level of demand from the participants. "These auctions represent a confluence of the interests of the banks and the government. Banks with high foreign-currency balances obtain a risk-free investment instrument, while the government diversifies its financing sources and reduces pressure on the domestic bond market," Oren said.