



# **Central Banking Market Operations Framework in Latin America and the Caribbean**

## **Compendium of Practices**

## Introduction

The implementation of central banking market operations, that is, the practice of monetary policy, is subject to different factors that are not necessarily under the control of the central bank. These factors are related to the development of financial markets, exchange policy, financial tensions, changes and international trends on the role and scope of monetary policy itself, to name a few. For a couple of decades, the central banks of Latin America and the Caribbean have experienced fundamental changes to design their monetary policy and, consequently, to implement their operations in different markets and among multiple participants.

This compendium offers detailed, current and comparable information on the practices and characteristics of the frameworks of market operations of the central bank of the region, with the objective of contributing to a better understanding of the implementation of monetary policy in Latin America and the Caribbean.

The data contained<sup>1</sup> in this compendium covers a) relevant institutional aspects of the central bank's operations framework, such as objectives, monetary regime and the decision-making process for monetary policy implementation; b) general aspects of the implementation of monetary policy operations framework, including instruments, tools and their main features, as well as relevant aspects of the collateral management framework; c) key information on liquidity management and its relationship with the implementation of monetary operations in the financial system; and d) other relevant aspects for the implementation of the monetary policy operations framework in the region.

The compendium is presented in two versions to facilitate its consultation, a compilation grouped by country and another by variables.

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<sup>1</sup> The Compendium has been prepared by the Financial Markets and Infrastructures Division of CEMLA with information provided by the respective central banks and is published under their consent. The original publications of each central bank remain as official references.

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**Section 1**

**Main characteristics of the monetary policy framework  
 (1.1)**

	Central bank mandate	Monetary Regime	Intermediate target	Operational target	Monetary policy instruments
<b>Argentina</b>	PS	I	--	STIR	OMO, SF
<b>Bolivia</b>	PS	I <sup>13/</sup>	1/	BR <sup>2/</sup>	OMO, SF <sup>3/</sup> , RR
<b>Brazil</b>	PS, FS	I	--	STIR	OMO, SF, RR
<b>Chile</b>	PS, PSS <sup>4/</sup>	I	--	STIR	OMO
<b>Colombia</b>	PS, O <sup>11/</sup>	I	NA	STIR	OMO
<b>Costa Rica</b>	PS	IT	--	STIR	OMO, SF, RR
<b>ECCB</b>	FS, PSS, EG	HP	IR	--	SF, RR O <sup>5/</sup>
<b>Ecuador</b>	O <sup>6/</sup> , FS, PSS, EG	D	MA, O <sup>7/</sup>	STIR, BR, O <sup>8/</sup>	OMO, RR, O <sup>9/</sup>
<b>El Salvador</b>	PS, PSS	D	NA	NA	NA
<b>Guatemala</b>	PS	I	EX	STIR	OMO, SF, RR
<b>Honduras</b>	PS, PSS	CP <sup>15/</sup>	RER	O <sup>16/</sup>	OMO, SF, RR O <sup>19/</sup>
<b>Mexico</b>	PS	I	--	STIR	OMO, SF, O <sup>10/</sup>
<b>Nicaragua</b>	PS, PSS	CP	ER	BR	OMO, RR
<b>Paraguay</b>	PS, FS	I	NA	STIR	OMO, SF
<b>Peru</b>	PS	I	IE	STIR <sup>17/</sup>	OMO, RR
<b>Dominican Republic</b>	PS	I	EX	STIR	OMO, SF, RR
<b>Trinidad &amp; Tobago</b>	O <sup>14/</sup>	FE	ERS	O <sup>18/</sup>	OMO, RR, O <sup>20/</sup>
<b>Uruguay</b>	PS, FS, PSS, EG	I	EX	MB	OMO, RR

Acronyms:

Central bank mandate: (PS) Price stability; (FS) Financial stability; (PSS) Sound functioning of payment systems, (EG) Long-term economic growth; (O) Other. Monetary Regime: (I) Inflation targeting; (TI) Transition to inflation targeting; (D) Dollarization; (HP) Hard peg; (CP) Crawling peg; (FE) Floating exchange. Intermediate target: (IR) International Reserves; (MA) Monetary aggregates; (EX) Expectations; (ER) Exchange rate; (RER) Real exchange rate; (IE) Inflation expectation; (ERS) Exchange rate stability. Operational target: (STIR) Short term interest rates; (BR) Bank reserves; (MB) Monetary base. Monetary policy instruments: (OMO) Open Market Operations; (SF) Standing facilities; (RR) Reserves requirement.

Notes:

1/ The monetary program sets maximum (minimum) expansive (contractive) quarterly intermediates quantities targets for the Net Domestic Credit and BCB Net Domestic Credit to Non-financial public sector in order to meet the inflation and growth objectives. Referentially, targets are also established for Net International Reserves. 2/ In addition to the intermediates targets, the monetary regime considers an operational target: excess reserves, of the financial intermediation entities, at the central bank. 3/ i) Open Market Operations; ii) legal reserves regimen, differentiated by currency; iii) deposit certificates addressed to the pension funds integral system; iv) Excess reserves; v) Monetary regulation special deposits; vi) Placement of securities to natural persons; vii) Liquidity credits with RAL fund collateral and Fondo para Crédito Productivo y Vivienda Social (Development and Housing Credit fund); and viii) Repo transactions. 4/ The Constitutional Organic Law established that the Bank objectives are "to ensure the price stability and the normal functioning of internal and external payments". 5/ Minimum rate on savings deposits; discount rate. 6/ Implement and execute policies and regulations dictated by the Monetary and Financial Policy and Regulation Board. 7/ Credit volume. 8/ Supply and distribution of bills and coins in the country. 9/ Domestic investment and securities issue. 10/ Monetary regulation deposits. 11/ Maintaining low and stable inflation and smooth fluctuations in output and employment around a path of sustained growth. 12/ Monetary Policy Rate; OMO: Credit and Investment SF (FPC and FPI); RR (Non-remunerated legal reserves and remunerated mandatory investments) 13/ Inflation and growth targets to manage, as well as monetary, fiscal and exchange rate policies objectives focus to foster the economic and social development preserving the macroeconomic stability. 14/ To maintain monetary stability, control and protect the external value of the monetary unit, administer external monetary reserves and encourage domestic production, trade and employment. 15/ Exchange anchor. 16/ Interbank rate. 17/ Short term interest rate. 18/ Repo rate. 19/ Monetary Policy Rate. 20/ Special liquidity facilities, repo rate, etc.

Section 1

Governance of the monetary policy framework  
(1.2)

	Degree of autonomy of monetary policy	Committee responsible of monetary policy decisions						Committee/area responsible of the implementation of the monetary policy decisions		
		Committee name	Organization	Appointment of members	Committee composition	Frequency of meetings	Decision-making	Committee name	Time frame between the decisions are taken and effectively implemented	
Argentina	FI	Consejo de Política Monetaria	CE	GB	6-8 members	F	C	General Operations Sub-Directorate	Immediately.	
Bolivia	PI	Comité de Política Monetaria y Cambiana y Comité de Operaciones de Mercado Abierto	CE	RE	6-8 members	<sup>15/</sup>	MV	Open Market Operations Committee	Immediately. <sup>17/</sup>	
Brazil	PI	Monetary Policy Committee (COPOM)	CE	P/C	9 or more members	8t	MV	Open Market Operations Department	Next day. <sup>18/</sup>	
Chile	FI <sup>1/</sup>	Consejo del Banco Central de Chile	CE	P/C	3-5 members	M	MV	Financial Market Division	Immediately.	
Colombia	PI	Junta Directiva del Banco de la República	CE	P <sup>10/</sup>	6-8 members	M	MV	Department of Operations and Market Development	Next business day. <sup>19/</sup>	
Costa Rica	PI	Comisión de Mercados	CE	P	9 or more members	F	C	Market Commission and the Asset and Liability Management Division	Variable. <sup>20/</sup>	
ECCB	FI	Policy Committee	CE	GB	9 or more members	F	C	Banking and Monetary Operations Department	Variable. <sup>21/</sup>	
Ecuador	SR	Junta de Política y Regulación Monetaria y Financiera	CE	NA	3-5 members	M, AH	MV	Monetary and Financial Policy and Regulation Board	Variable. <sup>22/</sup>	
El Salvador	NA	NA	NA	NA	NA	NA	NA	NA	NA	
Guatemala	FI	Junta Monetaria	CE	NA	6-8 members	W, AH	MV	Execution Committee	Immediately.	
Honduras	PI	Comisión de Operaciones de Mercado Abierto (COMA)	CE	GB	3-5 members <sup>7/</sup>	8t	U <sup>8/</sup>	Open Market Operations Commission, Monetary Policy Technical Committee, Liquidity Technical Committee, Auction Committee	Variable. <sup>23/</sup>	
Mexico	FI	Junta de Gobierno	CE	P/C	3-5 members	8t	MV	Central Bank Operations Division	Immediately. <sup>24/</sup>	
Nicaragua	FI	Comité de Operaciones de Mercado Abierto (COMA)	CE	GB	3-5 members	W	MV	Open Market Operations Committee	T+2 <sup>25/</sup> , y T+1 <sup>26/27/</sup>	
Paraguay	FI	Comité Ejecutivo de Operaciones Monetarias (CEOMA)	CE	<sup>11/</sup>	6-8 members <sup>2/</sup>	M <sup>4/</sup>	MV <sup>5/</sup>	Market Committee	Next day. <sup>28/</sup>	
Peru	FI	Directorio	CA <sup>9/</sup>	<sup>12/</sup>	6-8 members	W <sup>14/</sup>	C	Exchange and Monetary Operations Committee	Immediately.	
Dominican Republic	FI	Comité de Mercado Abierto	CE	GB	6-8 members	M	MV	Open Market Committee	Next business day. <sup>230/</sup>	
Trinidad & Tobago	--	--	CE	P	3-5 members	W	MV	--	<sup>30/</sup>	
Uruguay	PI	Comité de Política Monetaria (COPOM) <sup>6/</sup>	CE	<sup>13/</sup>	6-8 members	Q	<sup>16/</sup>	Market and Economic Policy Management	Immediately.	

Acronyms:

Degree of autonomy of monetary policy: (FI) Independence of objectives and instruments of monetary policy; (PI) Independence of instruments, but not of monetary policy objectives; (SR) Monetary policy objectives and instruments are decided jointly with the government. Organization: (CE) The committee responsible of monetary policy decisions and its functions are formally established; (CA) The committee main functions are other; (NC) There is no committee, but there is a similar institutional mechanism; (ND) There is no committee, decisions are taken ad-hoc.

Appointment of members: (P) Appointed by the country President; (P/C) Appointed by the country President with a ratification of the Congress; (GB) Appointed by the Governor, Board or other internal governing bodies of the central bank; (INT) The members who participate in these meetings are established according to internal rules.

Frequency of monetary policy committee meetings: (W) Weekly; (F) Fortnightly; (M) Monthly; (Q) Quarterly; (AH) Meets when necessary and on an ad-hoc basis; (8) Eight times a year.

Decision-making: (C) Consensus; (MV) Members majority vote; (U): Unanimity.

Notes:

1/ Objectives are established in general terms by law. The Central Bank interprets them autonomously (inflation at 3% most of the time). In addition, there is independence of monetary policy instruments. 2/ President is appointed by the President of the Republic, the Ministers of Public Finance, Economy and Agriculture, Livestock and Food; a member elected by the Congress of the Republic; a member elected by the presidents of the boards of directors of the national private banks; and, a member elected by the Superior Council of the University of San Carlos of Guatemala. 3/ The CEOMA is composed of: a) Chairman and the Directors of the Central Bank of Paraguay, all of whom shall have the right to speak and vote. The CEOMA will be chaired by the President or the Acting President of the BCP. If necessary, it will be chaired by one of the Directors of the institution designated by their peers. at the beginning of each meeting. b) Chief Economist. c) Superintendent of Bank, and d) Market Manager. 4/ According to article No. 4 of Resolution No. 14, Act No. 87 dated December 10, 2014: The CEOMA will meet at least once a month and will inform in advance through the Bank's website, the dates on which your ordinary meetings will be held. The CEOMA may also meet in an extraordinary or special way. 5/ The Chairman and the Board Directors of the BCP, all of whom shall have the right to speak and vote. 6/ It has an advisory nature, the decisions are taken by the board of directors (article 31, Organic Law) [http://www.bcu.gub.uy/Acerca-de-BCU/Normativa/Documents/Caria-Organica/carta\\_organica\\_toco.pdf](http://www.bcu.gub.uy/Acerca-de-BCU/Normativa/Documents/Caria-Organica/carta_organica_toco.pdf). 7/ 4 members (3 Directors and the Bank Manager). The COMA has an Ad hoc Secretary, with voice, but no vote (Technical Deputy Manager). 8/ The Commission decisions are adopted unanimously. If this is not achieved, the difference is resolved by the Bank President. 9/ The Board fulfills the functions of the monetary policy committee. 10/ The Manager is appointed by the President and by the titular members of the Board. 12/ Four are appointed by the President of the Republic and three by the Congress. 13/ By the Organic Law are the three members of the Board and three members appointed by them. 14/ The Board meets weekly, but for monetary policy decision making once a month. 15/ The Open Market Operations Committee meets biweekly. 16/ The decisions are made by the Board. 17/ The COMA ordinaries meetings will be held at least one a week, on Wednesdays, securities auctions day. The President had the power to call extraordinary sessions when he considers it necessary. The Secretary drafts the session minutes, which will be approved at the next session. Prior to the bidding, at least one day in advance, general on Friday, the BCB send a press release and sends electronically to the financial agents the amounts, terms and currencies of the securities offered for the auction to be held on the Wednesday following the publication. 18/ The final decision – the Selic rate target and the bias, if any – is announced by the Deputy Governor of Monetary Policy on the same day, after the closing time of local financial markets. The Open Market Department follows the new Selic rate target on the following day of the decision. 19/ However, for some decisions the Board of Directors may establish a term greater than 1 business day for implementation. 20/ The implementation time frame is established by the Board of Directors and can vary from the very short term to weeks or months, depending on the measure and the gradual application established by the Board of Directors. 21/ The time frame will be based on the nature of the decision. 22/ The Financial and Monetary Policy and Regulation Board established the measure implementation date and its temporality according to the resolutions characteristics. 23/ In the short term, however it varies according to the measure and instrument to be modified. 24/ The monetary policy decisions are announced usually, on Thursdays at 13:00 hrs. From that moment the OMOs are carry out with the target rate, so from the evening intervention of the monetary policy announcement day -18:00 hrs.- the new target rate is taken as a reference. 25/ The period granted for the implementation is T + 2 for the competitive auction. 26/ T + 1 for non-competitive auction. 27/ The decision implementation for auctions, is made 7 days after the COMA reunion. 28/ The time frame between the monetary policy committee decisions and its implementation is T+1. The announcement is published at 17:00 hrs, therefore, the new Standing Facilities rates begin to apply the following day. 29/ The monetary policy decisions regarding the interest rate are announced to the public through a press release at the end of the day on which the Monetary Policy Meeting is held, generally on the last working day of the month and the first working of the following month. 30/ The MPC usually convenes on a Monday and the Monetary Policy Announcement (Press Release) which communicates the decisions of the MPC is made on the Friday of the same week.

Section 1

Communication and transparency strategy of the monetary policy framework  
(1.3)

		Monetary policy objective	Implementation of the monetary policy strategy	Monetary framework	Monetary policy instruments design	Operations expected/observed effects	Economic outlook	Future potential monetary policy actions	Monetary policy committee meeting minutes	Monetary policy committee voting results	Liquidity forecast	Calendar of monetary policy meetings	Calendar of open market operations	Other	
Dissemination	Argentina	Channel of communication	RL	RL	RL	RL	RL <sup>1/</sup>	RL	--	--	--	RL	2/	--	
		Frequency	--	Q	Q	CH	M	Q	--	--	--	--	A	A	--
	Bolivia	Channel of communication	RP, O <sup>3/</sup>	RP, O <sup>5/</sup>	RP, O <sup>7/</sup>	RP, O <sup>5/</sup>	RP, O <sup>8/</sup>	RP, O <sup>9/</sup>	RP, O <sup>10/</sup>	--	--	--	--	RP <sup>12/</sup>	O <sup>13/</sup>
		Frequency	BN, A, O <sup>4/</sup>	BN, A, O <sup>6/</sup>	--	BN, A, O <sup>6/</sup>	BN, A, O <sup>4/</sup>	BN, A, O <sup>6/</sup>	BN, O <sup>11/</sup>	--	--	--	--	S	O <sup>14/</sup>
	Brazil	Channel of communication	RL, MI, RP	RL, MI, RP	--	RL, O <sup>15/</sup>	RL, O <sup>15/</sup>	RP	RL, MI, R	MI, O <sup>15/</sup>	MI, O <sup>15/</sup>	NAP	RL, O <sup>15/</sup>	NAP	--
		Frequency	--	--	--	D, BN, M	D, BN, M	Q	--	O <sup>16/</sup>	O <sup>16/</sup>	--	A	--	--
	Chile	Channel of communication	O <sup>17/</sup>	RP, RL, MI	O <sup>17/</sup>	--	--	RP	RP <sup>19/</sup>	20/	MI	--	21/	--	--
		Frequency	18/	Q, M	18/	--	--	Q	Q, M	M	M	--	22/	--	--
	Colombia	Channel of communication	O <sup>23/</sup>	O <sup>23/</sup>	O <sup>25/</sup>	O <sup>25/</sup>	RP <sup>26/</sup>	RP, RL <sup>28/</sup>	NAP	MI	RL, MI	NO	O <sup>25/</sup>	O <sup>28/</sup>	--
		Frequency	--	Q <sup>24/</sup>	O <sup>24/</sup>	O <sup>24/</sup>	Q, O <sup>27/</sup>	Q, T, O <sup>27/</sup>	NAP	M	M	--	O <sup>24/</sup>	D	--
	Costa Rica	Channel of communication	--	RP, RL, O <sup>30/</sup>	O <sup>30/</sup>	RP, RL	RP, RL, O <sup>31/</sup>	RP, RL, O <sup>32/</sup>	RP, RL, O <sup>30/</sup>	NO <sup>34/</sup>	NO	RP, O <sup>36/</sup>	NO	RL	--
		Frequency	--	A, BN, M, W, CH	CH	CH	A, BN, CH, D	A, S, M	O <sup>33/</sup>	35/	NAP	A, S	NAP	S	--
	ECCB	Channel of communication	RP, O <sup>37/</sup>	RL, O <sup>39/</sup>	O <sup>37/</sup>	RP, O <sup>37/</sup>	RP	RP	--	--	--	--	--	--	--
		Frequency	O <sup>38/</sup>	O <sup>40/</sup>	CH, O <sup>40/</sup>	CH	Q	--	--	--	--	--	--	--	--
	Ecuador	Channel of communication	RL	O <sup>41/</sup>	RP, O <sup>42/</sup>	RP, O <sup>42/</sup>	RP, O <sup>43/</sup>	RP	O <sup>42/ 43/</sup>	O <sup>45/</sup>	O <sup>45/</sup>	RP	RL	NAP	--
		Frequency	--	CH	A, O <sup>44/</sup>	Q, O <sup>44/</sup>	A, BN, O <sup>44/</sup>	A, Q	Q, CH	CH	CH	M, Q	M, O <sup>46/</sup>	NAP	--
	El Salvador	Channel of communication	NAP	NAP	NAP	NAP	NAP	NAP	NAP	NAP	NAP	NAP	NAP	NAP	NAP
		Frequency	NAP	NAP	NAP	NAP	NAP	NAP	NAP	NAP	NAP	NAP	NAP	NAP	NAP
	Guatemala	Channel of communication	RP, RL, O <sup>47/</sup>	RP, RL, O <sup>47/</sup>	RP, RL, O <sup>47/</sup>	RP, RL, O <sup>47/</sup>	RP, RL, O <sup>47/</sup>	RP, RL, O <sup>50/</sup>	O <sup>47/</sup>	MI, O <sup>48/</sup>	NO	O <sup>50/</sup>	RP, RL <sup>47/</sup>	RP, RL	--
		Frequency	A	BN, Q, CH	BN, Q, CH	BN, Q, CH	BN, Q, CH	Q, M, A	CH	O <sup>49/</sup>	NO	D	A	W	--
	Honduras	Channel of communication	RP, RL	RP, RL, O <sup>51/</sup>	RP, RL, O <sup>51/</sup>	RP, RL, O <sup>51/</sup>	RP	RP, RL	RP, RL	NAP	NAP	NAP	O <sup>53/</sup>	O <sup>55/</sup>	--
		Frequency	A, M, CH	A, O <sup>54/</sup>	A, O <sup>54/</sup>	A, O <sup>54/</sup>	A, CH	A, CH	A, CH	NAP	NAP	NAP	A	A	--
	Mexico	Channel of communication	RL	RP, O <sup>57/</sup>	RP	O <sup>58/</sup>	--	R	RP	MI	RL, MI	RL <sup>61/</sup>	RP	RL <sup>62/</sup>	--
		Frequency	O <sup>56/</sup>	CH, W, D y O <sup>58/</sup>	CH	CH	--	T	A	O <sup>56/</sup>	O <sup>60/</sup>	D	A	D, W, O <sup>63/</sup>	--
	Nicaragua	Channel of communication	RP	RP	RP	RP	RP	RP, O <sup>64/</sup>	RP	NAP	NAP	NAP	NAP	RL	--
		Frequency	--	A	A	A	A	A	A	--	--	NAP	NAP	Q	--
Paraguay	Channel of communication	RP, RL	RP, RL	MI, RL	RL, O <sup>65/</sup>	RP	RP	--	MI	NAP	NAP	RL	RL	--	
	Frequency	--	CH	M	CH	CH	Q	--	M	NAP	NAP	A	M, BN	--	
Peru	Channel of communication	RL	RL	RL	--	--	RP	--	--	--	--	RL	RL	--	
	Frequency	M	M	D	--	--	Q	--	--	--	--	--	--	--	
Dominican Republic	Channel of communication	RP, RL, O <sup>66/</sup>	RP, RL	RP	O <sup>76/</sup>	RP, RL	RP, RL	NO	RL	NO	NO	O <sup>67/</sup>	O <sup>68/</sup>	O <sup>68/</sup>	
	Frequency	A	M, BN	A	CH, O	O	M, BN, A	NO	NO	NO	NO	T	O <sup>70/</sup>	D	
Trinidad y Tobago	Channel of communication	RL, O <sup>71/</sup>	RL	O <sup>71/</sup>	RL, O <sup>71/</sup>	O <sup>71/</sup>	RL, O <sup>71/</sup>	NO	NO	NO	NO	O <sup>72/</sup>	NO	--	
	Frequency	--	O <sup>73/</sup>	CH	--	A, S	BM, BN, A	--	--	--	--	A	--	--	
Uruguay	Channel of communication	RL	RP	RL	RL	RP	RP	RL	NO	NO	NO	RL	O <sup>74/</sup>	O <sup>75/</sup>	
	Frequency	Q	Q	CH	CH	Q	Q	Q	NO	NO	NO	Q	BN	--	

Acronyms:  
Dissemination channels: (RP) Reports; (RL) Releases; (MI) Minutes; (O) Other; (NO) Not published; (NAP) Not applicable.  
Frequency: (A) Annual; (BN) Biannual; (Q) Quarterly; (BM) Bimonthly; (M) Monthly; (W) Weekly; (D) Daily; (CH) In case of change; (O) Other.

Notes:

1/ BRCA securities auctions. 2/ Auctions schedules. 3/ Reports: Monetary Policy Report (biannual); Other: Fiscal-Financial Program Decision Agreement 2017 (annual); Reports: BCB Institutional Memory (annual); Other: Institutional conferences, press releases (as required). 4/ As required. 5/ Reports: Monetary Policy Report (weekly); Reports: BCB Institutional Memory (annual); Others: Institutional conferences, press releases, Board resolutions (as required). 6/ As required. 7/ Reports: Monetary Policy Report; BCB Institutional Memory; Other: Conferences. 8/ Reports: Monetary Policy Report (biannual); Reports: OMOs and Monetary Reports; Reports: BCB Institutional Memory (annual); Other: Institutional Conferences, press releases (as required). 9/ Reports: Monetary Policy Report (biannual); Reports: BCB Institutional Memory (annual); Other: Institutional Conferences, press releases (as required). 10/ Reports: Monetary Policy Report (biannual); Other: Institutional Conferences, press releases (as required). 11/ As required. 12/ Reports: OMOs Report. 13/ Specific aspects are also reported in periodic reprints in the press. 14/ As required. 15/ Central Bank of Brazil website. 16/ Other: After each Monetary Policy Committee Meeting. 17/ Official document. 18/ The Central Bank of Chile Monetary Policy Framework it is summarized in BCCH (2007). 19/ Monetary Policy Dossier: the most probable trajectory of the monetary policy rate during the forecast horizon. The Monetary Policy Report (MPR) includes a reference to the most likely direction of the next monetary policy rate movements. 20/ Published eleven business days after the MPR. 21/ Published six months in advance. 22/ Monthly updated. 23/ Website (monetary policy); Inflation report introduction; Congress report introduction. 24/ Permanently posted on the website. 25/ website (Monetary policy). 26/ Reports: Congress Report (biannual); Inflation Report (quarterly). 27/ Biannual. 28/ Reports: Congress Report (biannual); Inflation Report (quarterly) Monetary Policy Report (monthly), Press Release (monthly). 29/ Other: Calls on Banco de la Republica's electronic board-Sebra. 30/ Other: Board of Directors Reports and Agreements. All the above is posted on the BCCR website. 31/ Other: BCCR website and conferences. 33/ Other: At the moment in which the Board approves the provisions. 34/ These are provided at the request of the interested party. 35/ Requested to the Bank. 36/ Other: Conferences; all the above is posted on the BCCR website. 37/ Other: ECCB website. 38/ Other: After the Monetary Council Meeting. 39/ Other: Press releases. 40/ Other: on the website there is a copy of the ECCB Agreement that specifies the monetary framework. 41/ Other: Resolutions. 42/ Other: Reserved Reports. 43/ Other: Assessment Report. 44/ Other: when necessary. 45/ Other: Minutes. 46/ Other: Extraordinary meetings. 47/ Monetary Board Resolutions. 48/ An arguments summary that the Monetary Board took into consideration for decisions. 49/ Eight times a year, 30 days after the decision. 50/ Estimated cash flow, only for internal use. 51/ Board resolutions. 52/ Speeches by the Banco de Guatemala president. 53/ Meetings calendar published on the BCH website. 54/ According to Board decision. 55/ Calendar published on the BCH website. 56/ Eight times a year, according to the schedule. 57/ Auctions calls and results. 58/ Each time auctions are held, depending on the auction type and instrument. 59/ Through minutes. 60/ Eight times a year (without names, only number of members who vote in favor, against or in which direction). 61/ 'www.banxico.org.mx/porta-mercado-valores/informacion-oportuna/subasta-y-colocacion-de-valores/convocatorias/regulacion-moneteria/intervencionBM.pdf 62/ http://www.banxico.org.mx/stdview.html?url=portal-mercado-valores/informacion-oportuna/subasta-y-colocacion-de-valores/convocatorias/regulacion-moneteria/subastas-de-liquidez/InforPrevia-Matutina.html 63/ Daily; liquidity auctions and deposits; Weekly: securities sales; Other: extraordinary securities sales. 64/ Press conferences. 65/ Board resolutions. 66/ Monetary Board resolutions. 67/ It is published on the Central Bank website. 68/ Short-term auctions calendar. 69/ All OMOs Statistics are published on the Central Bank website. 70/ Short-term, quarterly or annual central Bank securities. 71/ Releases. 72/ Website. 73/ Bimonthly. 74/ Website announcement. 75/ The reference of monetary policy is announced (M1 next quarter growth) and this variable's evolution is reported daily. 76/ Resolutions, Regulation and Instructive.

Section 2

Available instruments in the central bank operations framework  
(2.1)

	Open market operations <sup>a)</sup>	Standing facilities <sup>b)</sup>	Reserve requirements <sup>c)</sup>
Argentina	OMO	DF, CF	CD
Bolivia	OMO <sup>1/</sup>	CF <sup>2/</sup>	CD, SA, TD <sup>3/</sup>
Brazil	OMO	CF	CD, SA, TD
Chile	OMO	DF, CF	CD, TD
Colombia	OMO	DF, CF	NA <sup>4/</sup>
Costa Rica	OMO	DF, CF	CD
ECCB	--	DF, CF	CD
Ecuador	OMO	NA	CD
El Salvador	NA	NA	<sup>6/</sup>
Guatemala	OMO	DF, CF	CD, SA, TD
Honduras	OMO	DF, CF	CD, SA, TD
Mexico	OMO	DF, CF	O <sup>7/</sup>
Nicaragua	OMO	CF <sup>5/</sup>	CD, SA, TD
Paraguay	OMO	DF, CF	NA
Peru	OMO	DF, CF	CD, SA, TD
Dominican Republic	OMO	DF, CF	CD, SA, TD
Trinidad & Tobago	OMO	NA	CD
Uruguay	OMO, OMT	DF, CF	CD

Notes:

a) (OMO) Open Market Operations, (OMT) Other type of monetary operations.

b) (DF) Deposits facilities, (CF) Credit facilities.

c) (CD) Current account deposits, (SA) Saving accounts, (TD) Time deposits or deposit certificates.

1/ Comprise Securities placed through competitive auctions and money desk, Bonds to natural persons and Certificates of Deposit.

2/ Liquidity facilities with RAL fund collateral and Fondo para Crédito Productivo y Vivienda Social; and repo operations.

3/ Legal reserve on cash and securities on sight obligations, savings, fixed term.

4/ It is more an instrument to guarantee deposits, than one to regulate the amount of money.

5/ As lender of last resort.

6/ Liquidity Reserve is applied.

7/ Monetary regulation deposit.

Key features of the central bank operations framework  
(2.2)

Open Market Operations*						
	Instrument	Initiation mode	Bidding mode***	Term or maturity of the operation	Collateral requirement	Clearing and settlement
Argentina	BCRA securities issuance	M	AI	NA	N	T+1
	Purchase/Sale (secondary market) of BCRA or National Government securities with monetary policy purposes	B	NA	NA	N	T, T+1
	Purchase/Sale of securities (LEBACs o Public securities) (repo market) <sup>4/</sup>	B	NA	1D, 7D	Y	T
Bolivia	BCB securities, Auctions	M	AC, AI, MD	91D to 728D <sup>14/</sup>	N	--
	BCB bonds for natural persons	M	MD	63D to 364D <sup>15/</sup>	N	--
	Deposit certificates	M	MD	182D, 364D	N	--
Brazil	Purchase/sale of assets under a repurchase agreement (repos)	M	AI	Ov to 6M <sup>16/</sup>	Y	√ <sup>40/</sup>
	Purchase/sale of assets under a repurchase agreement (repos)	B	--	2D	Y	t
	Buying/selling government securities for monetary policy purposes	M	AI	O <sup>17/</sup>	--	t+1
Chile	Liquidity deposits	B	NA	≥ 1D	N	t
	REPO	M, B	AI	≥ 1D	Y	t
	FX Swap	M, B	AI	≥ 1D	Y	√ <sup>41/</sup>
	PDBC	M, B	AI	≥ 1D	N	√ <sup>42/</sup>
	Bonds (BCU, BCP, BCD)	M, B	AI	≥ 1D	N	√ <sup>41/</sup>
Colombia	Expansionary - Loans with collateral (repo operations) - Auctions	M	AI	O <sup>18/</sup>	Y	t
	Expansionary/contractionary - Purchase/Sale public debt securities at secondary market <sup>1/</sup>	BS <sup>2/</sup>	BS <sup>3/</sup>	NA	NA	t
	Contractionary - Non-legal-reserve paid deposits (DRNCE) - Auctions	M	AI	>1D to 14D <sup>19/</sup>	N	t+0
	Contractionary - Securities issuance in coordination with government. The issue amount is kept as a deposit at the central bank.	M	AI	>1D <sup>20/</sup>	N/A	t+0
Costa Rica	Central bank securities issuance, denominated Monetary Stabilization Bonds (BEM)	M	AC, AI	3Y <sup>21/</sup>	N	t+2
	Purchase of BEM at secondary market	B	--	<sup>22/</sup>	N	t+1
	Term deposits issuance (DEP)	B	--	≤ 5Y	N	t
	Injection and acquisition through auctions at liquidity market	M	AC, AI	1D, 7D, 14D	Y <sup>38/</sup>	t
ECCB	NA	NA	NA	NA	NA	NA
Ecuador	Banco Central del Ecuador Securities Issuance	B	NA	ST	N	t
	Rediscounting window	B	NA	ST	Y	t
	Reporto operations	B	NA	ST	Y	t
El Salvador	NA	NA	NA	NA	NA	NA



**Key features of the central bank operations framework (cont)**

(2.2)

**Open Market Operations\***

	Instrument	Initiation mode	Bidding mode***	Term or maturity of the operation	Collateral requirement	Clearing and settlement
Guatemala	Term deposits reception	M, B	AI	1D	Y	t
	DP rights constitutions auctions	M, B	AP	>1D - 2Y <sup>23/</sup>	N	t+1
	Window	B	O <sup>2/</sup>	1D - 2Y <sup>24/</sup>	N	t
Honduras	Notes	M	AI	1D	N	t
	Structural Notes	M	AI	3M - 12M <sup>25/</sup>	N	t+2
	Bonds	M	AI	2Y	N	t+2
Mexico	Repo agreements	B	DT	2D, 6D	Y	t
	Loans with collateral	M	AI	1D - 25D	Y	√ <sup>43/</sup>
	Purchase/sale of assets under a repurchase agreement (repo market)	M	AI	1D - 25D <sup>26/</sup>	Y	√ <sup>43/</sup>
	Purchase/sale of public assets with monetary policy purposes	M	AI	6M - 5Y	N	√ <sup>44/</sup>
Nicaragua	Deposits	M	AI	Ov	N	t
	Central bank bills	B	NA	√ <sup>27/</sup>	N	√ <sup>45/</sup>
Paraguay	Legal reserve	B	NA	DA	N	NA
	LRM (Monetary regulation bills)	M	AI	√ <sup>28/</sup>	N	t+2
Peru	ADL (Short-term liquidity management - deposit)	M	AI	7D	N	t
	ADL (Short-term liquidity management - REPO)	M	AI	O <sup>29/</sup>	Y	t
Peru	Term deposit	M, B	MP	1D - 30D	N	t
	Deposits certificates (CD BCRP)	M, B	MP	1M - 18M	N	t
	Variable-rate deposits certificates (CDV BCRP)	M, B	MP	3M - 12M	N	t
	Readjustable deposits certificates (CDR BCRP)	M, B	MP	1M - 12M	N	t
	Securities repo operations MN	M, B	MP	1D - 3Y	Y	t
	Currency repo operations MN	M, B	MP	6M - 5Y	Y	t
	Public entities term deposits	M	MP	3M - 12M	N	t
	Credit portfolio repo operations represented in securities	M, B	MP	O <sup>30/</sup>	Y	t
	Preferential participation certificates repo operations	M, B	MP	O <sup>30/</sup>	Y	t
Dominican Republic	BCRD issued securities with periodic coupons	M, B	AC	√ <sup>31/</sup>	N	√ <sup>46/</sup>
	BCRD issued securities - zero-coupon	M	AC	1D - 12M	N	√ <sup>47/</sup>
Trinidad and Tobago	Treasury Bills/Notes	M	AI	O <sup>32/</sup>	N	t
	Repurchase Agreement (overnight)	NA	NA	O <sup>33/</sup>	Y	t
	Special Fixed Deposits	NA	NA	O <sup>34/</sup>	N	t
Uruguay	Regulation monetary bills	M	AI	√ <sup>35/</sup>	N	√ <sup>48/</sup>
	Call PG	M	AI	7D - 28D	Y	t

**Key features of the central bank operations framework (cont)**

(2.2)

**Standing facilities\*\***

	Instrument	Initiation mode	Bidding mode***	Term or maturity of the operation	Collateral requirement	Clearing and settlement
Argentina	NA	NA	NA	NA	NA	NA
Bolivia	Special deposits for monetary regulation	M	O <sup>6/</sup>	91D	N	--
	Complementary Reserves	M	O <sup>7/</sup>	224D	N	--
	Repo operations	M	MD	≤ 15D	Y	--
	Liquid Asset Requirement Fund (RAL) collateral loans	M	MD	7D	Y	--
Brazil	Intraday credit facilities	B	--	In	Y	t
	Credit facility overnight	B	--	1D	Y	t
	Rediscounting window operations	B	--	≤ 365D	Y	t
Chile	FPD	B	NA	1D	N	t
	FPL	B	NA	1D	Y	t
	FLI	B	NA	In	Y	t
Colombia	Expansionary window - Collateral loans (repo operations)	B	O <sup>8/</sup>	Ov	Y	T+0
	Contractionary window	B	O <sup>9/</sup>	Ov	N	T+0
Costa Rica	Credit facility	B	--	1D	Y	t
	Deposit facility	B	--	1D	N	t

**Key features of the central bank operations framework (cont)**  
**(2.2)**

Standing facilities**						
	Instrument	Initiation mode	Bidding mode***	Term or maturity of the operation	Collateral requirement	Clearing and settlement
ECCB	FD	B	--	≤ 3M	N	t
	FC	B	--	≤ 91D; 12M	Y, N <sup>30/</sup>	t+1
	Current account deposits	B	--	O <sup>36/</sup>	N	t
Ecuador	NA	NA	NA	NA	NA	NA
El Salvador	NA	NA	NA	NA	NA	NA
Guatemala	Deposit facilities	B	AI	1D	N	t
	Credit facilities	B	AI	1D	Y	t
Honduras	Investment	B	DT	1D	N	t
	Credit	B	DT	1D	Y	t
Mexico	Deposit facilities	B	NA	Ov	N	t
	Credit facilities	B	NA	Ov	Y	t
Nicaragua	Overnight	B	O <sup>10/</sup>	1D	Y	NA
	Repos operations	B	O <sup>11/</sup>	1D	Y	NA
	Financial assistance line	B	O <sup>11/</sup>	7D	Y	NA
	Extraordinary financial assistance line	B	O <sup>11/</sup>	30D	Y	NA
Paraguay	FLI (Intraday liquidity facility)	B	--	In	Y	t
	FLIR (Shor-term liquidity facility with repo)	B	--	√ <sup>37/</sup>	Y	V
	Anticipated cancellation	B	--	--	--	--
	FPD (Permanent Deposit Facility)	B	--	Ov	N	t
	FPL (Standing liquidity facility)	B	--	1D	Y	t
Peru	Overnight deposits	B	--	Ov	N	t
	Window repo operations	B	--	Ov	Y	t
	Monetary regulation credit	B	--	Ov	Y	t
Dominican Republic	Remunerated deposit	B	--	1D	--	T
	Repos	B	--	1D	Y	T
Trinidad and Tobago	NA	NA	NA	NA	NA	NA
Uruguay	Deposits	B	O <sup>12/</sup>	1D	N	t
	Credit (Lombarda)	B	O <sup>13/</sup>	1D	N	t

Acronyms:

\*Includes: (i) loans against collateral; (ii) issuing securities of the central banks or buy/sell government securities for monetary policy purposes, (iii) accepting fixed-term deposits, (iv) buy/sell assets on the secondary market and (v) buy/sale of assets under a repurchase agreement in the repos market, or currency swaps, (vi) issuance of government securities with deposit, in the same amount, in the central bank; (vii) other [to be specified].

\*\*Includes credit, discount and Lombard facilities.

\*\*\*Select bidding mode if the response to initiation mode was (L) Multilateral / Bidding.

Initiation mode: (M) Multilateral or bidding; (B) Bilateral or window; (BS) Blind System.

Bidding mode: (AV) Auction by volume; (AI) Auction by interest rate; (MD) Money Desk; (DT) Direct Trading; (MP) Multiple Price; (BS) Blind System; (AP) Action by price; (O) Other mechanism

Term or maturity of the operation: (D) day; (M) Month; (Y) year; (V) Various; (Ov) Overnight; (ST) Short term; (In) Intraday; (DA) Daily; (O) Other.

Collateral requirement (Y) Yes; (N) No.

Clearing and settlement (V) Various.

Notes

1/ The Banco de la Republica is legally authorized to issue its own securities (and then could buy or sell them in the secondary market) however has not issued yet. 2/ Usually; Through an electronic trading platform (blind system). It could be done through auction. 3/ The Banco de la Republica makes purchases/sales of public debt securities in the electronic trading system for debt bonds (SEN). SEN is a blind system. However, the bank could hold auctions for the direct purchase / sale of public debt securities in the secondary market. 4/ Repos are permanently available as if they were deposit and credit facilities. 5/ At an agreed rate. 6/ Voluntary deposits with registration. 7/ Deposits with excesses reserve. 8/ There is no quota and resources are allocated at a single rate (100 p.b. above the policy rate). 9/ There is no quota and resources are allocated at a single rate (100 p.b. below the policy rate). 10/ Authorized by the Financial Operations Manager. 11/ Authorized by the Finance and Securities Committee. 12/ After hours, available to financial institutions. 13/ On schedule and after hours. 14/ 91, 180, 273, 364 and 728 days. 15/ 63, 91, 273 and 364 days. 16/ Overnight, 45 natural days, 3 months, 6 months. 17/ The BCB has not used this instrument since 2006. 18/ One day usually. Sporadically with terms longer than 1 day. 19/ More than 1 day. Usually 7 and 14 days. 20/ More than 1 day. In the past, bonds have been issued between 90 days and 3 years. 21/ Mostly up to three years. 22/ All terms issued (decreases the liability). 23/ > 1 day, with quarterly terms, up to 2 years. 24/ 1 day and > 1 day, up to 2 years. 25/ 3, 6, 9 and 12 months. 26/ Between 1 and 25 days on average. 27/ 7 days, 14 days and 1, 3, 6, 9 and 12 months. 28/ Monthly maturities with a maximum terms of 1.5 years. 29/ To be define. 30/ Not used. 31/ 3, 5 and 7 years. 32/ Treasury Bills – up to 365 days; Treasury Notes – from 1 to 5 years. 33/ Overnight in most cases, otherwise specified and agreed upon by CBTT and borrower. 34/ Determined by CBTT based on level of excess system liquidity. 35/ 30, 90, 180 y 365 days. 36/ Under demand. 37/ 1st tranche: 30 days, 2nd tranche: 60 days. 38/ In injection. 39/ Yes for commercial banks, no in the case of government. 40/ t (overnight and 45 days); t+1 (3 and 6 months). 41/ t+0, t+1, t+2. 42/ t+0, t+1 43/ t, t+1. t+2. 44/ t, t+1, 45/ Competitive mode: t+2, Non-competitive mode: t+1. 46/ T+2 or T+3. 47/ T and T+2. 48/ 30, 90 and 180: t, 365: t+1.

Section 2

Functions and main counterparts of the central bank operations framework  
(2.3)

Open market operations

	Instrument	Authorized institutions	Functions
Argentina	BCRA securities issuance	B, P, SC <sup>17</sup>	LM, MP, D
	Purchase/Sale (secondary market) of BCRA or National Government securities with monetary policy purposes <sup>2/</sup>	B	LM, MP, D
	Purchase/Sale of securities (LEBACs o Public securities) (repo market) <sup>3/</sup>	B	IR, LM, MP, D
Bolivia	BCB securities, Auctions	B, SM, ICP, O <sup>4/</sup>	IR, LM, MC, D
	BCB bonds for natural persons	P	LM, MC
	Deposit certificates	ICP, SC	LM, MC
Brazil	Purchase/sale of assets under a repurchase agreement (repos) - Overnight; 45 calendar days	B, O <sup>5/</sup>	LM
	Purchase/sale of assets under a repurchase agreement (repos) - 3 and 6 months	B, O <sup>6/</sup>	LM
	Buying/selling government securities for monetary policy purposes	B, O <sup>6/</sup>	LM
Chile	Liquidity deposits	B	IR, LM, MP, AF
	REPO	B	IR, LM, MP, D, AF
	FX Swap	B	IR, LM, MP
	PDBC	B, SM, IC, ICP	IR, LM, MP, D
	Bonds (BCU, BCP, BCD)	B, SM, IC, ICP	IR, LM, MP, D
Colombia <sup>7/</sup>	Temporary expansion <sup>8/</sup>	B, SM <sup>12/</sup>	LM, MP
	Temporary contraction <sup>9/</sup>	B, SM, IC, ICP, SC, O <sup>13/</sup>	LM, MP
	Permanent expansion/contraction <sup>10/</sup>	B, SM, IC, ICP, SC, O <sup>13/</sup>	LM, MP
	Liquidity regulation <sup>11/</sup>	B, SM, IC, ICP, SC, O <sup>13/</sup>	LM, MP
Costa Rica	Monetary Stabilization Bonds (BEM) issuance <sup>14/</sup>	B, SM	MC, MP, D
	Purchase of BEM at secondary market	SM	MP, D
	Term deposits issuance (DEP)	B, SM, IC, ICP, P	MC, D, MP
ECCB	NA	NA	NA
Ecuador	Banco Central del Ecuador Securities Issuance	PE <sup>16/</sup> , P	LM, MC, PCI, MP
	Rediscounting window	B	
	Reporto operations	B	
El Salvador	NA	NA	NA
Guatemala	Term deposits reception (overnight)	B	LM, MC, MP
	Liquidity injection (overnight)	B	LM, MC, MP
	DP rights constitutions auctions (> 1 day)	P	LM, MC, MP
Honduras	Daily notes	B	LM, MC, MP
	Structural Notes	B, SM, ICP, PE	LM, MC, MP
	Bonds	B, SM, ICP, PE	LM, MC, MP
	Repo agreements	B	LM, MC, MP
Mexico	Loans with collateral	B	IR, MP, LM
	Purchase/sale of assets under a repurchase agreement (repo market) <sup>17/</sup>	B	IR, MP, LM
	Purchase/sale of public assets with monetary policy purposes	B, SM, IC, ICP	IR, MP, LM
	Deposits	B	IR, MP, LM
Nicaragua	Central bank bills	<sup>18/</sup> B, SM, PE <sup>19/</sup> P	ML, MP
Paraguay	LRM (Monetary regulation bills)	B	ML, MP
	ADL (Shor-term liquidity management)	B	IR, MP, LM
Peru	Term deposit	B, O <sup>20/</sup>	LM, MP
	Deposits certificates (CD BCRP)	B, SM, IC, ICP, PE, O <sup>21/</sup>	LM, MC, MP, D
	Variable-rate deposits certificates (CDV BCRP)	B, O <sup>22/</sup>	LM, MP, D
	Readjustable deposits certificates (CDR BCRP)	B, IC, ICP, SC, O <sup>23/</sup>	<sup>24/</sup>
	Securities repo operations MN	B, IC, ICP	LM, MP
	Currency repo operations MN	B, O <sup>25/</sup>	LM, MC, O <sup>26/</sup>
	Public entities term deposits	B, O <sup>25/</sup>	--
	Credit portfolio repo operations represented in securities	B	LM
Preferent participation certificates repo operations	B	LM	

**Functions and main counterparts of the central bank operations framework (cont)**  
**(2.3)**

**Open market operations**

	Instrument	Authorized institutions	Functions
<b>Dominican Republic</b>	<i>BCRD issued securities with periodic coupons</i>	B, SM, IC, ICP, O <sup>27/</sup>	LM, MP
	<i>BCRD issued securities - zero-coupon</i>	B, SM, IC, ICP, O <sup>27/</sup>	LM, MP
<b>Trinidad and Tobago</b>	<i>Treasury Bills/Notes, OMO auctions</i>	B, O <sup>28/</sup>	LM, MC, MP
	<i>Repurchase Agreement (overnight)</i>	B	LM
	<i>Special Fixed Deposits</i>	B	LM, MP
<b>Uruguay</b>	<i>LRM tenders</i> <sup>29/</sup>	B, SM, IC, ICP	MC, MP, D
	<i>Call PG tenders</i>	B	LM

**Functions and main counterparts of the central bank operations framework (cont)**  
**(2.3)**

**Standing facilities**

	Instrument	Authorized institutions	Functions
<b>Argentina</b>	NA	NA	NA
<b>Bolivia</b>	<i>Special deposits for monetary regulation</i>	B, O <sup>30/</sup>	
	<i>Complementary Reserves</i>	B, O <sup>30/</sup>	
	<i>Repo operations</i>	B, O <sup>30/</sup>	LM, MC
	<i>Liquid Asset Requirement Fund (RAL) collateral loans</i> <sup>32/</sup>	B, O <sup>30/</sup>	LM, MC
<b>Brazil</b>	<i>Intraday Credit Facility</i>	B, O <sup>31/</sup>	LM, MC
	<i>Rediscount Window Operations</i>	B	LM, MP, O <sup>33/</sup>
<b>Chile</b>	<i>FPD</i>	B	IR, MP
	<i>FPL</i>	B	IR, MP
	<i>FLI</i>	B	
<b>Colombia</b>	<i>Expansionary window - Collateral loans (repo operations)</i>	B, SM, O <sup>34/</sup>	LM, MC
	<i>Contractionary window</i>	B, SM, IC, ICP, SC, O <sup>35/</sup>	LM, MC
<b>Costa Rica</b>	<i>Credit facility</i>	B, SM, IC, ICP, O <sup>36/</sup>	LM, MP, D
	<i>Deposit facility</i>	B, SM, IC, ICP, O <sup>36/37/</sup>	LM, MP, D
<b>ECCB</b>	<i>FD</i>	B, O <sup>44/</sup>	O <sup>38/</sup>
	<i>FC</i>	B, O <sup>44/</sup>	O <sup>39/</sup>
	<i>(DS) Current account deposits</i>	B, O <sup>44/</sup>	O <sup>40/</sup>
<b>Ecuador</b>	<i>Rediscounting window</i>	NA	LM, PCI, MP
<b>El Salvador</b>	NA	NA	NA
<b>Guatemala</b>	<i>Neutralization</i>	B	IR, LM, MC
	<i>Injection</i>	B	IR, LM, MC
<b>Honduras</b>	<i>Investment</i>	B	LM, MC, MP
	<i>Credit</i>	B	LM, MC, MP
<b>Mexico</b>	<i>Deposit facilities</i>	B	AF, MP
	<i>Credit facilities</i>	B	AF, MP
	<i>Monetary regulation deposit</i>	B	NA
<b>Nicaragua</b>	<i>Overnight</i>	B <sup>41/</sup>	NA
	<i>Repos</i>	B	NA
	<i>Financial assistance line</i>	B	NA
	<i>Extraordinary financial assistance line</i>	B	NA
<b>Paraguay</b>	<i>FLI (Intraday liquidity facility)</i>	B	LM
	<i>FLIR (Shor-term liquidity facility with repo)</i>	B	LM
	<i>Anticipated cancellation</i>	B	LM
	<i>FPD (Permanent Deposit Facility)</i>	B	IR, MP, LM
	<i>FPL (Standing liquidity facility)</i>	B	LM, IR

**Functions and main counterparts of the central bank operations framework (cont)**  
**(2.3)**

Standing facilities			
	Instrument	Authorized institutions	Functions
Perú	Overnight deposits	B, O <sup>22/</sup>	IR, MP, LM
	Window repo operations	B, O <sup>42/</sup>	IR, MP, LM
	Monetary regulation credit	B	IR, MP, LM
Dominican Republic	Remunerated deposit	B	LM
	Repos	B	LM
Trinidad and Tobago	NA	NA	NA
Uruguay	Deposit	NA	AF
	Credit (Lombarda)	NA	AF

**Functions and main counterparts of the central bank operations framework (cont)**  
**(2.3)**

Reserve requirements			
	Instrument	Authorized institutions	Functions
Argentina	Legal reserves	NA	LM, MP
Bolivia	Legal reserves - cash	NA	LM, MC
	Legal reserves - securities	NA	LM, MC
Brazil	On demand deposits	NA	IR, LM, MC, IS
	Term and saving deposits	NA	LM, MC
Chile	NA	NA	NA
Costa Rica	Reserve requirements	NA	MC, MP
ECCB	(DS) Current account deposits	NA	O <sup>43/</sup>
Ecuador	Minimum liquidity reserves	NA	LM, MC
El Salvador	NA	NA	NA
Guatemala	Legal reserves	NA	MC
Honduras	Legal reserves - non-remunerated	NA	LM, MC, MP
	Mandatory investments	NA	LM, MC, MP
Mexico	NA	NA	NA
Nicaragua	Legal reserves (daily 12% rate)	NA	LM, MC
	Legal reserves (biweekly 15 % rate)	NA	LM, MC
Paraguay	NA	NA	NA
Peru	Reserve requirements (Legal reserves)	NA	LM, MC, MP
Dominican Republic	NA	NA	NA
Trinidad and Tobago	Current account deposits	NA	LM, MC
Uruguay	NA	NA	NA

Acronyms:

Authorized institutions: (B) Banks (banks, financial entities); (SM) Stock markets; (IC) Investment companies; (ICP) Investment companies specialized in pensions funds; (P) Natural or legal person; (PE) Public entities; (SC) Insurance companies; (O) Other.  
 Functions: (IR) Interest rate buffer; (LM) Liquidity management; (MC) Monetary control; (PCI) Promote private capital investment; (MP) Contribute to the achievement of monetary policy objectives; (IS) Seigniorage income; (D) Disclosure; (AF) Adjustment function; (O) Other.

Notes:

1/ Auctions. However, the offers must be presented through MAE\* agents (banks and stock markets). \*MAE (Electronic Open Market). Other: mutual funds. SC: Labor risk insurance companies, pensions funds. 2/ Purchase/Sale (secondary market) of BCRA or National Government securities for monetary policy purposes. 3/ Repos are permanently available as if they were deposit and credit facilities. 4 / Mutuals. 5 / Security Brokerage Company, Security Distribution Company (primary dealers). 6 / Security Brokerage Company, Security Distribution Company, Consumer Finance Company, Real Estate Credit Company, Savings and Loan Association, Micro-financing Institution, Development Agency, Mortgage Company, Credit Union, Leasing Company (public offering). 7/ The largest participation was estimated, based on the period of January 2016 - June 13, 2017. NA = This type of operations was not given in that period. 8/ Repo operations - auctions. 9/ Banco de la República is legally authorized to issue its own securities (and then could buy or sell them in the secondary market) but has not issued. 10/ DRNCE: Remunerated deposits not part of legal reserves-auctions. 11/ The issued amount is held in a deposit at the central bank. 12/ SC: Stock Broker Companies; O: Financial companies, cooperatives companies. The "Creadores" program is created by the Ministry of Finance and Public Credit. 13/ O: Rediscount public entities, fiduciaries, capitalization companies, exchange and special financial services companies, financial entities guarantee fund; IC: investment management companies; ICP: Pension and unemployment fund management companies. 14/ BEM: monetary stabilization bonds. 15/ Rediscount public entities, fiduciaries, capitalization companies, exchange and special financial services companies, financial entities guarantee fund, central counterparty risk house. 16/ Public finance governing body. 17/ At repo market. 18/ Competitive auctions. PE: Nicaraguan Social Security Institute, 19/ Non-competitive, P: except those investors that are participants in the competitive modality. 20/ O: COFIDE: (development bank) and others determined by the BCRP. 21/ PE: financial public entities; O: Deposit insurance fund and others determined by the BCRP. 22/ O: Others determined by the BCRP. 23/ COFIDE. 24/ Exchange intervention. 25/ Macroprudential. 26/ Represented in securities. 27/ O: Institutional investors. 28/ O: selected Non-Bank Financial Institutions are authorized to carry out operations with the CBTT for the purpose of Liquidity Management. 29/ link: <http://www.bcu.gub.uy/Circulares/seggci2256.pdf> 30/ O: Mortgages financial institutions, cooperatives and SME banks. 31/ O: Financial and investment institutions. 32/ RAL: Liquid Assets Requirement. 33/ Aimed to mitigate systemic risk. 34/ SM: Stock Broker Companies (members of the Market Makers Program for public debt securities); O: Financial entities, financing companies and financial cooperatives. "Creadores" program is created by the Ministry of Finance and Public Credit. 35/ IC: investment management companies; ICP: Pension and unemployment fund management companies; O: Rediscount public entities, fiduciaries, capitalization companies, exchange and special financial services companies and financial entities guarantee fund. 36/ Financial companies (bank and non-banking) supervised by one of the Conassif superintendencies. 37/ Unsupervised savings and credit cooperatives and "solidaristas" associations (some of them are not supervised). 38/ At the service of banking. 39/ Lender of last resort. 40/ Reserves liquidity and requirement. 41/ Commercial banks. 42/ Investment banks. 43/ Financial stability tool. 44/ Other: Eastern Caribbean Currency Union governments.

Main features of the reserve requirements  
(2.4)

Local currency reserve requirements

	Use for settlement	Averaging period <sup>a</sup>	Carry over	Calculation type <sup>b</sup>	Calculation period <sup>c</sup>	Vault cash	Ratio	Remuneration	Remuneration to excess reserves	Penalties	Settlement day	
Current account deposits	Argentina	Y	5 <sup>1/</sup>	2	3	4 <sup>2/</sup>	NR	18-20%	NA	N	3 <sup>/</sup>	--
	Bolivia	Y	3	1	2	2	O	6% <sup>4/</sup> 5% <sup>5/</sup>	6 <sup>/</sup>	N	7 <sup>/</sup>	T
	Brazil	Y	3	8 <sup>/</sup>	1	2	CM	45%	0%	N	9 <sup>/</sup>	F
	Chile	N	4	NA	1	3	NR	9%	0%	N	10 <sup>/</sup>	11 <sup>/</sup>
	Colombia	Y	3	NA	1	2	<sup>12/</sup>	11%	NA	N	13 <sup>/</sup>	T
	Costa Rica	Y	3	NA	1	2	NR	15%	NA	N	14 <sup>/</sup>	NA
	ECCB	Y	2	1	3	1	CM	6%	0	N	15 <sup>/</sup>	W
	Ecuador	Y	3	NA	1	2	NR	5%-7%	NA	N	--	W
	El Salvador	NA	3	NA	1	2	O	25%	**	Y	***	NA
	Guatemala	Y	4	NA	1	3	CM <sup>16/</sup>	14.60%	0.60%	N	17 <sup>/</sup>	t+2
	Honduras	Y	3	NA	1	2	NR	18 <sup>/</sup>	19 <sup>/</sup>	N	20 <sup>/</sup>	NA
	Mexico	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	Nicaragua	N	1	NA	1	2	NA	21 <sup>/</sup>	NA	N	52 <sup>/</sup>	NA
	Paraguay	N	4	NA	1	3	CM <sup>22/</sup>	18%	23 <sup>/</sup>	N	24 <sup>/</sup>	25 <sup>/</sup>
	Peru	Y	4	NA	3	3	28 <sup>/</sup>	5%	27 <sup>/</sup>	Y	28 <sup>/</sup>	NA
	Dominican Republic	Y	1	1	2	1	NR	29 <sup>/</sup>	0%	Y <sup>30/</sup>	31 <sup>/</sup>	32 <sup>/</sup>
Trinidad y Tobago	Y	2	1	1	3	NR	33 <sup>/</sup>	NA	Y	34 <sup>/</sup>	W	
Uruguay	N	4	1	3	3	CM	28%	5%	N	35 <sup>/</sup>	--	

Saving accounts	Argentina	N	5 <sup>36/</sup>	NA	3	4	NR	18-20%	NA	N	37 <sup>/</sup>	--	
	Bolivia	Y	3	1	2	2	O	6-5% <sup>38/</sup>	39 <sup>/</sup>	N	40 <sup>/</sup>	T	
	Brazil	Y	2	NA	1	1	NR	25%	41 <sup>/</sup>	N	42 <sup>/</sup>	F	
	Chile	--	--	--	--	--	--	--	--	--	--	--	
	Colombia	Y	3	NA	1	2	<sup>43/</sup>	11%	NA	N	44 <sup>/</sup>	T	
	Costa Rica	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	45 <sup>/</sup>	NA
	ECCB	N	--	--	--	--	--	--	--	--	--	--	--
	Ecuador	Y	3	NA	1	2	NR	5-7%	NA	N	--	W	
	El Salvador	NA	3	NA	1	2	O	20%	**	Y	***	NA	
	Guatemala	Y	4	NA	1	3	CM <sup>46/</sup>	14.60%	0.60%	N	47 <sup>/</sup>	t+2	
	Honduras	Y	3	NA	1	2	NR	48 <sup>/</sup>	49 <sup>/</sup>	N	50 <sup>/</sup>	NA	
	Mexico	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
	Nicaragua	N	1	NA	1	2	NA	51 <sup>/</sup>	NA	N	52 <sup>/</sup>	NA	
	Paraguay	N	4	NA	1	3	CM <sup>53/</sup>	18%	54 <sup>/</sup>	N	55 <sup>/</sup>	56 <sup>/</sup>	
	Peru	Y	4	NA	3	3	57 <sup>/</sup>	5%	58 <sup>/</sup>	Y	59 <sup>/</sup>	NA	
	Dominican Republic	Y	1	1	2	1	NR	60 <sup>/</sup>	0%	Y <sup>61/</sup>	62 <sup>/</sup>	63 <sup>/</sup>	
Trinidad y Tobago	Y	2	1	1	3	NR	64 <sup>/</sup>	NA	Y	65 <sup>/</sup>	W		
Uruguay	N	4	1	3	3	CM	28%	5%	N	--	--		

Main features of the reserve requirements (cont)  
(2.4)

Local currency reserve requirements

Features	Use for settlement	Averaging period <sup>a</sup>	Carry over	Calculation type <sup>b</sup>	Calculation period <sup>c</sup>	Vault cash	Ratio	Remuneration	Remuneration to excess reserves	Penalties	Settlement day	
Time deposits or deposit certificates	Argentina	N	5 <sup>66/</sup>	NA	3	4	NR	0-14%	0	N	67/	--
	Bolivia	Y	3	1	2	2	O	5-6% <sup>68/</sup>	69/	N	70/	T
	Brazil	Y	2	NA	1	1	NR	36%	71/	N	72/	F
	Chile	N	4	NA	1	3	NR	3.6%	73/	N	74/	F
	Colombia	Y	3	NA	1	2	75/	76/	NA	N	77/	T
	Costa Rica	NA	NA	NA	NA	NA	NA	NA	NA	N	78/	NA
	ECCB	N	--	--	--	--	--	--	--	--	--	--
	Ecuador	Y	3	NA	1	2	NR	5-7%	NA	N	--	W
	El Salvador	NA	3	NA	1	2	O	20%	**	Y	***	NA
	Guatemala	Y	4	NA	1	3	CM <sup>79/</sup>	14.60%	0.60%	N	80/	t+2
	Honduras	Y	3	NA	1	2	NR	81/	82/	N	83/	NA
	Mexico	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	Nicaragua	N	1	NA	1	2	NA	84/	NA	N	85/	NA
	Paraguay	N	4	NA	1	3	CM <sup>86/</sup>	18% <sup>101/</sup>	87/	N	88/	89/
	Peru	Y	4	NA	3	3	90/	5%	91/	Y	92/	NA
Dominican Republic	Y	1	1	2	1	NR	93/	0%	Y <sup>94/</sup>	95/	96/	
Trinidad y Tobago	Y	2	1	1	3	NR	97/	NA	Y	98/	W	
Uruguay	N	4	1	3	3	CM	99/	5%	N	100/	--	

Acronyms:

a. Averaging period is the span of time for reserves be maintained. b. Delayed: the calculation period precedes the maintenance period  $t_2 < t_1$ . Semi-delayed: the calculation period partially overlaps with the maintenance period  $t_2 > t_1$ . Simultaneous: the end of the calculation and maintenance periods coincide  $t_2 = t_1$ . c. The calculation period refers to the period (days) considered for the calculation of the base to which the mandatory ratio applies

Use for settlement: (Y) Yes; (N) No.

Averaging period: (1) No average period; (2) 1 - 7 days; (3) 8 - 15 days; (4) >15 days; (5) not fixed.

Carry over: (1) Target range; (2) Band.

Calculation type: (1) Delayed; (2) Semi-delayed; (3) Simultaneous.

Calculation period: (1) 1-7 days; (2) 8-15 days; (3) >15 days; (4) not fixed.

Vault cash: (CM) Cash minimum requirement, (RE) Vault cash restriction, (NR) No requirement for vault cash. (O) Another instrument accepted to fulfill the requirement (e.g. securities).

Ratio: Indicate the ratio (or amount) that is required to each institution to keep in central bank money, according to the correspondent liabilities.

Remuneration: Indicate the ratio (or amount) that is paid to institutions if they comply with the requirement.

Remuneration to excess reserves: (Y) Yes; (N) No.

Penalties: Indicate the coefficient (or amount) which is charged for not meeting the requirement.

Settlement day: (M) Monday; (T) Tuesday; (W) Wednesday; (TH) Thursday; (F) Friday.

Notes:

1/ Monthly between March and November; Quarterly December-February. 2/ Monthly. 3/ Two times commercial banks BADLAR rate for national currency deposits, reported for the last business day of the period. 4/ Cash reserves. 5/ Securities reserves. 6/ Only securities reserves, according to the market rates. 7/ 2% of the average shortfall incurred in the two-week period. And double for each successive period of two weeks if the shortfall has not been covered. 8/ Asymmetric carry over on excess deposits up to 3% of target range. 9/ Selic Rate + 4% p.a. 10/ Supervised and penalized by the Bank's Superintendence. 11/ It varies. 12/ RM in vault cash or in deposits at central bank. 13/ 3.5% of the unfulfilled. 14/ By default of the EML: rediscount rate (current rate 18%). 15/ 500 bps above the discount rate. 16/ 25%. 17/ A fine is applied on the deficit amount equivalent to one and a half times the maximum nominal interest active rate that the bank with a deficiency in its reserve has applied during the reserve calculation period. 18/ Non-remunerated: 12%, remunerated: 5%, total: 17%. 19/ 50% of the monetary policy rate. 20/ Average active maximum interest rate plus 4 percentage points. 21/ 12% daily reserve, 15% biweekly reserve. 22/ 100% of the last month average. 23/ Average of the minimum legal reserve maintained during the month to be remunerated and the proportion exceeding 7%. 24/ They will not be able to apply funds to the Permanent Deposit Facility (FPD) for a period of 30 calendar days and must maintain 100% of the balance of the Minimum Required Legal Reserve for a period of six months. 25/ First business day of the month. 26/ There is a minimum requirement for current account deposits in the BCRP (1% on national currency and 3% on foreign currency). Excess reserves may be covered with vault cash. 27/ Minimum legal reserve obligations are not remunerated. Excess reserves are remunerated at the reference rate minus 320 basis points, as long as it has been maintained in BCRP current account. 28/ On the legal reserve deficit, a coefficient of 1.5 times the average active interest rate of the national currency market is applied. 29/ Multiple banks: 12.2%. Other entities: 8.1%. 30/ Excess reserves in foreign currency are remunerated at a maximum rate of up to 0.75%. 31/ 1/10 of the 1% of the deficit. 32/ Daily. 33/ 17%-Commercial banks; 9%-non-banking institutions. 34/ 0.1% per day. 35/ A fine of 5 per thousand of the deficit is applied in the month. However, the minimum fine is 40,000 IU (indexed units). 36/ Monthly between March and November; Quarterly: December-February. 37/ Two times commercial banks BADLAR rate for national currency deposits, reported for the last business day of the period. 38/ 6% vault cash reserves. 5% securities reserves. 39/ Only securities reserves are remunerated, according to the market rates. 40/ 2% of the average shortfall incurred in the two-week period. And double for each successive period of two weeks if the shortfall has not been covered. 41/ Reference rate (TR)+6.17% p.a. (TR is a interest rate correlated to the Selic rate and is generally below this). 42/ Selic rate 9+4% p.a. 43/ RM in cash or deposit at the central bank. 44/ 3.5% of the unfulfilled amount. 45/ By default of the EML: rediscount rate (current rate 18%). 46/ 25%. 47/ A fine is applied on the deficit amount equivalent to one and a half times the maximum nominal interest active rate that the bank with a deficiency in its reserve has applied during the reserve calculation period. 48/ Non-remunerated: 12%, remunerated: 5%, total: 17%. 49/ 50% of the monetary policy rate. 50/ Average active maximum interest rate plus 4 percentage points. 51/ 12% daily reserve, 15% biweekly reserve. 52/ The highest rate charged by commercial banks and financial institutions for short-term credit operations in national currency during the fourteenth to which the day of the deficit belongs, plus one percent (1%), between three hundred and sixty (360) days, as a basis for calculation. 53/ 100% of the last month average. 54/ Average of the minimum legal reserve maintained during the month to be remunerated and the proportion exceeding 7%. 55/ They will not be able to apply funds to the Permanent Deposit Facility (FPD) for a period of 30 calendar days and must maintain 100% of the balance of the Minimum Required Legal Reserve for a period of six months. 56/ First business day of the month. 57/ There is a minimum requirement for current account deposits in the BCRP (1% on national currency and 3% on foreign currency). Excess reserves may be covered with vault cash. 58/ Minimum legal reserve obligations are not remunerated. The excess reserves are remunerated at the reference rate minus 320 basis points, as long as it has been maintained in BCRP current account. 59/ On the legal reserve deficit, a coefficient of 1.5 times the average active interest rate of the national currency market is applied. 60/ Multiple banks: 12.2%. Other entities: 8.1%. 61/ Excess reserves in foreign currency are remunerated at a maximum rate of up to 0.75%. 62/ 1/10 of the 1% of the deficit. 63/ Daily. 64/ 17%-Commercial banks; 9%-non-banking institutions. 65/ 0.1% per day. 66/ Monthly between March and November; Quarterly December-February. 67/ Two times commercial banks BADLAR rate for national currency deposits, reported for the last business day of the period. 68/ 6% for vault cash reserves, 5% for DPP securities reserves up to 360 days. 69/ Only securities reserves are remunerated, according to the market rates. 70/ 2% of the average shortfall incurred in the two-week period. And double for each successive period of two weeks if the shortfall has not been covered. 71/ Selic rate (a short-term interest rate used as monetary policy objective). 72/ Selic Rate + 4% p.a. 73/ Half of the monthly inflation of two month ago. 74/ Supervised and penalized by the Bank's Superintendence. 75/ RM in vault cash or in deposits at central bank. 76/ 4.5% for a < 18-months term; 0% for a > 18-month term. 77/ 3.5% of the unfulfilled. 78/ By default of the EML: rediscount rate (current rate 18%). 79/ 25% 80/ A fine is applied on the deficit amount equivalent to one and a half times the maximum nominal interest active rate that the bank with a deficiency in its reserve has applied during the reserve calculation period. 81/ Non-remunerated: 12%, remunerated: 5%, total: 17%. 82/ 50% of the monetary policy rate. 83/ Average active maximum interest rate plus 4 percentage points. 84/ 12% daily reserve, 15% biweekly reserve. 85/ The highest rate charged by commercial banks and financial institutions for short-term credit operations in national currency during the fourteenth to which the day of the deficit belongs, plus one percent (1%), between three hundred and sixty (360) days, as a basis for calculation. 86/ 100% of the last month average. 87/ Average of the minimum legal reserve maintained during the month to be remunerated and the proportion exceeding 7%. 88/ They will not be able to apply funds to the Permanent Deposit Facility (FPD) for a period of 30 calendar days and must maintain 100% of the balance of the Minimum Required Legal Reserve for a period of six months. 89/ First business day of the month. 90/ There is a minimum requirement for current account deposits in the BCRP (1% for national currency and 3% for foreign currency). Excess reserves may be covered with vault cash. 91/ Minimum legal reserve obligations are not remunerated. The excess reserves are remunerated at the reference rate minus 320 basis points, as long as it has been maintained in BCRP current account. 92/ On the legal reserve deficit, a coefficient of 1.5 times the average active interest rate of the national currency market is applied. 93/ Multiple banks: 12.2%. Other entities: 8.1%. 94/ Monthly. 95/ 1/10 of the 1% of the deficit. 96/ Daily. 97/ 17%-Commercial banks; 9%-non-banking institutions. 98/ 0.1% per day. 99/ Between 14% and 6% according to the term. 100/ A fine of 5 per thousand of the deficit is applied in the month. However, the minimum fine is 40,000 IU (indexed units). 101/ Up to 360 days. \*\* No compensation is paid for compliance, the total reserves are remunerated as established by of the BCR Board of Directors at the CD-12/2014 session on March 24, 2014 that says: At that time, the Board of Directors agreed to: a) Authorize that the remuneration of the three tranches of the liquidity reserves, held in the BCR by banks, cooperative banks and savings and credit companies, be made as follow: -Tranches I and II, will be remunerated based on the return of Bank of America - Merrill Lynch (GOB1) Treasury Index between 0 and 3 months, which will be calculated based on daily balances and will be remunerated quarterly. -Tranche III, will be remunerated based on the return of Bank of America - Merrill Lynch (GOB2) Treasury Index between 3 and 6 months, which will be calculated based on daily balances and will be remunerated semiannually. - b) Authorize that when the payment of the Tranches remuneration is negative, a symbolic remuneration of one cent of the United States Dollar will be applied. \*\*\* There is no penalty fee for non-compliance, because each non-compliance is evaluated by the Legal Unit of the Financial System Superintendence and the amount of the penalty depends on the severity of the breach. This amount can be up to two percent of the estate, in accordance with the provisions of Article 44 of the Law on Supervision and Regulation of the Financial System



Main features of the reserve requirements (cont)  
(2.4)

Foreign currency reserve requirements

	Use for settlement	Averaging period <sup>a</sup>	Carry over	Calculation type <sup>b</sup>	Calculation period <sup>c</sup>	Vault cash	Ratio	Remuneration	Remuneration to excess reserves	Penalties	Settlement day	
Current account deposits	Argentina	Y	4 <sup>1/</sup>	2	3	3 <sup>2/</sup>	NR	0.25	NA	N	<sup>3/</sup>	--
	Bolivia*	Y	3	1	2	2	O	<sup>4/</sup>	<sup>5/</sup>	N	<sup>6/</sup>	T
	Brazil	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	Chile	N	4	NA	1	3	NR	9%	0%	N	<sup>7/</sup>	<sup>72/</sup>
	Colombia	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	Costa Rica	Y	3	NA	1	2	NR	15%	NA	N	<sup>8/</sup>	NA
	ECCB	--	--	--	--	--	--	--	--	--	--	--
	Ecuador	--	--	--	--	--	--	--	--	--	--	--
	El Salvador	--	--	--	--	--	--	--	--	--	--	--
	Guatemala	Y	4	NA	1	3	CM <sup>9/</sup>	14.60%	0.60%	N	<sup>10/</sup>	t+2
	Honduras	Y	3	NA	1	2	NR	<sup>11/</sup>	<sup>12/</sup>	N	<sup>13/</sup>	NA
	Mexico	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	Nicaragua	N	1	NA	1	2	NA	<sup>14/</sup>	NA	N	<sup>15/</sup>	NA
	Paraguay	N	4	NA	1	3	CM <sup>75/</sup>	<sup>74/</sup>	<sup>76/</sup>	N	<sup>77/</sup>	<sup>78/</sup>
	Peru	Y	4	NA	3	3	<sup>16/</sup>	<sup>39/</sup>	<sup>17/</sup>	Y	<sup>18/</sup>	NA
Dominican Republic	Y	2	1	3	<sup>73/</sup>	NR	<sup>19/</sup>	0%	Y <sup>20/</sup>	<sup>21/</sup>	<sup>22/</sup>	
Trinidad and Tobago	--	--	--	--	--	--	--	--	--	--	--	
Uruguay	N	4	1	3	3	CM <sup>9/</sup>	28%	<sup>23/</sup>	N	--	--	

Saving accounts	Argentina	N	4 <sup>24/</sup>	NA	3	3 <sup>25/</sup>	NR	0.25	NA	N	<sup>26/</sup>	--
	Bolivia	Y	3	1	2	2	O	<sup>27/</sup>	28 /	N	<sup>29/</sup>	T
	Brazil	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	Chile	--	--	--	--	--	--	--	--	--	--	--
	Colombia	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	Costa Rica	NA	NA	NA	NA	NA	NA	NA	NA	N	<sup>30/</sup>	NA
	ECCB	--	--	--	--	--	--	--	--	--	--	--
	Ecuador	--	--	--	--	--	--	--	--	--	--	--
	El Salvador	--	--	--	--	--	--	--	--	--	--	--
	Guatemala	Y	4	NA	1	3	CM <sup>31/</sup>	14.60%	0.60%	N	<sup>32/</sup>	t+2
	Honduras	Y	3	NA	1	2	NR	<sup>33/</sup>	<sup>34/</sup>	N	<sup>35/</sup>	NA
	Mexico	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	Nicaragua	N	1	NA	1	2	NA	<sup>36/</sup>	NA	N	<sup>37/</sup>	NA
	Paraguay	N	4	NA	1	3	CM <sup>75/</sup>	<sup>74/</sup>	<sup>76/</sup>	N	<sup>77/</sup>	<sup>78/</sup>
	Peru	Y	4	NA	3	3	<sup>38/</sup>	<sup>39/</sup>	<sup>40/</sup>	Y	<sup>41/</sup>	NA
Dominican Republic	Y	2	1	3	<sup>73/</sup>	NR	<sup>42/</sup>	0	Y <sup>43/</sup>	<sup>44/</sup>	<sup>45/</sup>	
Trinidad and Tobago	--	--	--	--	--	--	--	--	--	--	--	
Uruguay	N	4	1	3	3	CM	28%	<sup>46/</sup>	N	--	--	

Main features of the reserve requirements (cont)  
(2.4)

Foreign currency reserve requirements

	Use for settlement	Averaging period <sup>a</sup>	Carry over	Calculation type <sup>b</sup>	Calculation period <sup>c</sup>	Vault cash	Ratio	Remuneration	Remuneration to excess reserves	Penalties	Settlement day	
Time deposits or deposit certificates	Argentina	N	4 <sup>47/</sup>	NA	3	3 <sup>48/</sup>	SR	0-23%	0	N	49/	--
	Bolivia*	Y	3	1	2	2	O	50/	51/	N	52/	T
	Brazil	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	Chile	N	4	NA	1	3	SR	3.6%	0%	N	53/	F
	Colombia	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	Costa Rica	NA	NA	NA	NA	NA	NA	NA	None	No	54/	NA
	ECCB	--	--	--	--	--	--	--	--	--	--	--
	Ecuador	--	--	--	--	--	--	--	--	--	--	--
	El Salvador	--	--	--	--	--	--	--	--	--	--	--
	Guatemala	Y	4	NA	1	3	RM <sup>55/</sup>	14.60%	0.60%	N	56/	t+2
	Honduras	Y	3	NA	1	2	SR	57/	58/	N	59/	NA
	Mexico	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	Nicaragua	N	1	NA	1	2	NA	60/	NA	N	61/	NA
	Paraguay	N	4	NA	1	3	CM <sup>75/</sup>	74/	76/	N	77/	78/
	Peru	Y	4	NA	3	3	62/	63/	64/	Y	65/	NA
	Dominican Republic	Y	2	1	3	73/	SR	66/	0%	Y <sup>67/</sup>	68/	69/
Trinidad and Tobago	--	--	--	--	--	--	--	--	--	--	--	
Uruguay	N	4	1	3	3	RM	70/	71/	N	--	--	

Acronyms:

a. Averaging period is the span of time for reserves be maintained. b. Delayed: the calculation period precedes the maintenance period  $t_2^c < t_1^p$ . Semi-delayed: the calculation period partially overlaps with the maintenance period  $t_2^c > t_1^p$ . Simultaneous: the end of the calculation and maintenance periods coincide  $t_2^c = t_1^p$ . c. The calculation period refers to the period (days) considered for the calculation of the base to which the mandatory ratio applies

Use for settlement: (Y) Yes; (N) No.

Averaging period: (1) No average period; (2) 1 - 7 days; (3) 8 - 15 days; (4) >15 days; (5) not fixed.

Carry over: (1) Target range; (2) Band.

Calculation type: (1) Delayed; (2) Semi-delayed; (3) Simultaneous.

Calculation period: (1) 1-7 days; (2) 8-15 days; (3) >15 days, (4) not fixed.

Vault cash: (CM) Cash minimum requirement, (RE) Vault cash restriction, (NR) No requirement for vault cash, (O) Another instrument accepted to fulfill the requirement (e.g. securities).

Ratio: Coeficiente (o monto) que se requiere a cada institución mantener en el banco central, de acuerdo al pasivo correspondiente.

Remuneration: Indicate the ratio (or amount) that is paid to institutions if they comply with the requirement.

Remuneration to excess reserves: (Y) Yes; (N) No.

Penalties: Indicate the coefficient (or amount) which is charged for not meeting the requirement.

Settlement day: (M) Monday; (T) Tuesday; (W) Wednesday; (TH) Thursday; (F) Friday.

Notes:

Bolivia\* Financing from abroad (of free availability) and transactions (in all currencies) of headquarters and branches for foreign trade are exempt of cash or securities reserve requirements (foreign currency or indexed to this currency). 1/ Monthly. 2/ Monthly. 3/ Two times commercial banks USD BADLAR rate or two times the 30 days LIBOR rate for foreign currency transactions, reported for the last business day of the period or the last available, of both the greater one. 4/ 13.5% vault cash reserves; 43% securities reserves. 5/ Only securities reserves, according to the market rates. 6/ 2% of the average deficit incurred in the two-week period. And double for each successive period of two weeks if the deficit has not been covered. 7/ Supervised and penalized by the Bank's Superintendencia. 8/ By default of the EML: rediscount rate (current rate 18%). 9/ 25% 10/ A fine is applied on the deficit amount equivalent to one and a half times the maximum nominal interest active rate that the bank with a deficiency in its reserve has applied during the reserve calculation period. 11/ Non-remunerated 12%; remunerated 12%, total: 24%. 12/ Biweekly average of the 1-month term LIBID rate. 13/ Average active maximum interest rate plus 4 percentage points. 14/ 12% daily reserve, 15% biweekly reserve. 15/ The highest rate charged by commercial banks and financial institutions for short-term credit operations in national currency during the fourteenth to which the day of the deficit belongs, plus one percent (1%), between three hundred and sixty (360) days, as a basis for calculation. 16/ There is a minimum requirement for current account deposits in the BCRP (1% on national currency and 3% on foreign currency). The excess reserves may be covered with vault cash. 17/ Minimum legal reserve obligations are not remunerated. The excess reserves are remunerated at 1/4 of the 1-month LIBOR rate, as long as it has been maintained in BCRP current account. 18/ On the legal reserve deficit, a coefficient of 1.5 times the average active interest rate of the foreign currency market is applied. 19/ Multiple banks: 20%. Other entities: NA. 20/ Excess reserves in foreign currency are remunerated at a maximum rate of up to 0.75%. 21/ 1/10 of the 1% of the deficit. 22/ Weekly. 23/ Monetary Policy Rate-30pbs. 24/ Monthly. 25/ Monthly. 26/ Two times commercial banks USD BADLAR rate or two times the 30 days LIBOR rate for foreign currency transactions, reported for the last business day of the period or the last available, of both the greater one. 27/ 13.5% vault cash reserves; 43% securities reserves. 28/ Only securities reserves, according to the market rates. 29/ 2% of the average deficit incurred in the two-week period. And double for each successive period of two weeks if the deficit has not been covered. 30/ By default of the EML: rediscount rate (current rate 18%). 31/25%. 32/ A fine is applied on the deficit amount equivalent to one and a half times the maximum nominal interest active rate that the bank with a deficiency in its reserve has applied during the reserve calculation period. 33/ Non-remunerated 12%; remunerated 12%, total: 24%. 34/ Biweekly average of the 1-month term LIBID rate. 35/ Average active maximum interest rate plus 4 percentage points. 36/ 12% daily reserve, 15% biweekly reserve. 37/ The highest rate charged by commercial banks and financial institutions for short-term credit operations in national currency during the fourteenth to which the day of the deficit belongs, plus one percent (1%), between three hundred and sixty (360) days, as a basis for calculation. 38/ There is a minimum requirement for current account deposits in the BCRP (1% on national currency and 3% on foreign currency). The additional reserves may be covered with vault cash. 39/ Required reserves up to a total amount equal to current on the based date, are subject to the rate used in that month (base rate). For the excess reserves a marginal rate of 44% is used. 40/ Minimum legal reserve obligations are not remunerated. Excess reserves are remunerated at 1/4 of the 1-month LIBOR rate, as long as it has been maintained in BCRP current account. 41/ On the legal reserve deficit, a coefficient of 1.5 times the average active interest rate of the foreign currency market is applied. 42/ Multiple banks: 20%. Other entities: NA. 43/ Excess reserves in foreign currency are remunerated at a maximum rate of up to 0.75%. 44/ 1/10 of the 1% of the deficit. 45/ Weekly. 46/ Monetary Policy Rate-30pbs. 47/ Monthly. 48/ Monthly. 49/ wo times commercial banks USD BADLAR rate or two times the 30 days LIBOR rate for foreign currency transactions, reported for the last business day of the period or the last available, of both the greater one. 50/ 43% for securities reserves and 13.5% for vault cash reserves. For DPF up to 365 days. For DPF > 360 days up to 720 days only 43% of securities reserves. For > 720 days only 35% of securities reserves. 51/ Only securities reserves, according to the market rates. 52/ 2% of the average deficit incurred in the two-week period. And double for each successive period of two weeks if the deficit has not been covered. 53/ Supervised and penalized by the Bank's Superintendencia. 54/ By default of the EML: rediscount rate (current rate 18%). 55/ 25%. 56/ A fine is applied on the deficit amount equivalent to one and a half times the maximum nominal interest active rate that the bank with a deficiency in its reserve has applied during the reserve calculation period. 57/ Non-remunerated 12%; remunerated 12%, total: 24%. 28/ Biweekly average of the 1-month term LIBID rate. 59/ Average active maximum interest rate plus 4 percentage points. 60/ 12% daily reserve, 15% biweekly reserve. 61/ The highest rate charged by commercial banks and financial institutions for short-term credit operations in national currency during the fourteenth to which the day of the deficit belongs, plus one percent (1%), between three hundred and sixty (360) days, as a basis for calculation. 62/ There is a minimum requirement for current account deposits in the BCRP (1% on national currency and 3% on foreign currency). The additional reserves may be covered with vault cash. 63/ Required reserves up to a total amount equal to current on the based date, are subject to the rate used in that month (base rate). For the excess reserves a marginal rate of 44% is used. 64/ Minimum legal reserve obligations are not remunerated. The excess reserves are remunerated at 1/4 of the 1-month LIBOR rate, as long as it has been maintained in BCRP current account. 65/ On the legal reserve deficit, a coefficient of 1.5 times the average active interest rate of the foreign currency market is applied. 66/ Multiple banks: 20%. Other entities: NA. 67/ Excess reserves in foreign currency are remunerated at a maximum rate of up to 0.75%. 68/ 1/10 of the 1% of the deficit. 69/ Weekly. 70/ 28% up to 180-days term and 20% on longer terms. 71/ Monetary Policy Rate-30pbs. 72/ It varies. 73/ There is not an average period. 74/ Up to 360 days: 24%, from 361 to 540 days: 16.5%. 75/ 100% of the last month average. 76/ Average of the minimum legal reserve maintained during the month to be remunerated and the proportion exceeding 10%. 77/ They will not be able to apply funds to the Permanent Deposit Facility (FPD) for a period of 30 calendar days and must maintain 100% of the balance of the Minimum Required Legal Reserve for a period of six months. 78/ First business day of the month.

Section 2

Collateral management framework: operational aspects and key features (2.5)

	Legal certainty	Credit quality	Market transparency and price availability	Liquidity in the collateral market	Cost of handling and settlement	Eligible assets	Risk controls	Institutions that are eligible to collateralized credit facilities	Limits
Argentina	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/> <sup>3</sup>	<input checked="" type="checkbox"/> <sup>4</sup>	1, 8 <sup>5</sup>	1, 2 <sup>6f</sup>	FI	NA
Bolivia	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5	2, 3	G, FI	LC
Brazil <sup>1/</sup>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	NA	1	1	--	--
Brazil <sup>2/</sup>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	NA	NA	NA	1, 2, 3, 4, 6, 7	1	G, PS	NA
Chile	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	NA	4, 5, 8 <sup>7/</sup>	1, 4	FI	NA
Colombia	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	--	1, 3, 4, 8 <sup>8/</sup>	1, 2, 4 <sup>9/</sup>	FI <sup>10/</sup>	LI <sup>11/</sup>
Costa Rica	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1, 8 <sup>12/</sup>	1	FI	NA
ECCB	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	NA	NA	<input checked="" type="checkbox"/>	1	1, 2, 3	O <sup>13/</sup>	NA
Ecuador	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	NA	1, 5, 6, 7	2, 3	G, FI	LC
El Salvador	NA	NA	NA	NA	NA	NA	NA	NA	NA
Guatemala	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	NA	NA	1	1	FI	NA
Honduras	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	NA	1, 8 <sup>14/</sup>	1, 2 <sup>15/</sup>	FI	NA
Mexico	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	NA	1, 8 <sup>16/</sup>	1, 2	FI	NA
Nicaragua	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	NA	1, 6	1, 2, 3, 4	FI	1
Paraguay	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	NA	1	1	FI	NA
Peru	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1, 3, 6, 8	1, 4	FI	NA
Dominican Republic	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	NA	1	1, 2	FI	LI
Trinidad y Tobago	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	NA	1	1, 2	FI	NA
Uruguay	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	--	<input checked="" type="checkbox"/>	NA	1, 8 <sup>17/</sup>	1	G	LI

Definitions and acronyms:

Legal certainty: The central bank has the faculty and legal right to hold and settle the collateral after counterpart fails.

Credit quality: The central bank requires specific quality criteria for eligible collateral.

Liquidity in the collateral market: Collateral market is sufficiently wide to liquidate those eligible by the central bank.

Cost of handling and settlement: Settlement costs (for banks and the central bank) differ between types of collateral, e.g. some infrastructures for settlement and deposit charge lower rates than others and some others may be more automated for users than others.

Eligible assets: (1) Central or federal government debt, (2) Local government debt, (3) Corporate bonds, (4) Unsecured bank debt instruments (ABS) (6) Bank loans, (7) Equities (8) Others.

Risk controls: (1) Haircut, (2) Limits to credit for each institution, (3) Limits to the use of specific collateral for each institution, (4) Price and margin calls.

Institutions that are eligible to collateralized credit facilities: (G) Government, (PS) Private sector, (FI) Financial institutions, (O) International organizations, (O) Others

Limits (To avoid risk concentration): (LI) Individual counterparties credit limits, (LC) Individual counterparties limits on the use of specific collaterals.

Notes:

1/ OMOs; 2/ Standing facilities; 3/ Applies only to BCRA bill, no for all the National Government securities and issued under New York law that can only be kept in custody in a Caja de Valores collective deposit in Cede/Euroclear and not in the BCRA CRVL 5/ 1; Central or federal government debt; 8; Central Bank issued securities; 6/ 1; Haircut; 2; Prices and margin call; 7/ Others: Central Bank debt; 8/ Usually; 1, if necessary, 3, 4 and 8 are admissible. This is announced in call for expansion operations. At the 'Circular Reglamentaria Externa DEFI 354' norm (with number 3.1.2) it is specified that the transitory expansion and contraction transactions may be carried out through the execution of repurchase agreements (repo) with Security bonds, Agricultural Development securities (TDA), TES Class B; National Debt Securities; Securities issued by FOGAFIN and Securities already mentioned may be carried out as long as it has passed at least one month from the first placement of issue they dematerialized papers, securities from mortgage portfolio securitization (including residential leasing) and public debt securities different from those already mentioned by the BR. In addition, transitory expansion operations with ordinary bonds, Term Deposit Certificates -CDT-, commercial staying in a central securities depository and are rated by the rating agencies firms; 9/ Additional, credit rating (CRE DEFI 354 numeral 3.1.2); 10/ Defined as OMOs dealers according to the CRE DEFI 354 numeral 4.1); 11/ Other: It correspond to those securities issued by BCCR, autonomous entities, other sovereign governments that have long-term sovereign risk rating equal to AAA and securities issued by supranational entities that have a long-term risk rating equal to AAA; 13/ Commercial banks; 14/ Other: Central banks securities; 15/ Option 2 only for repo agreements (daily limit: L1,500.0 millions); 16/ For OMOs: 1 and 8 (deposits in pesos and USD constituted at the Central Bank); 17/ Other: BCU issued securities.

Section 3

Liquidity management and the central bank operations framework  
(3.1)

	Liquidity injection/withdrawal					Approach				
	One rate	Two rates	One rate and one auction	Auction	Other mechanisms	Liquid current account holdings	Liquidity analysis through the balance sheet (backward view)	Provision and withdrawal of liquidity from credit institutions by OMOs (forward view)	Liquidity provision based only on demand of commercial banks	Another approach
Argentina	NA	NA	NA	NA	A/	--	--	<input checked="" type="checkbox"/>	--	--
Bolivia	NA	NA	NA	NA	B/	--	--	<input checked="" type="checkbox"/>	--	--
Brazil	--	--	--	--	C/	--	--	--	--	4/
Chile	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	NA	NA	D/	<input checked="" type="checkbox"/>	--	<input checked="" type="checkbox"/>	--	--
Colombia	NA	<input checked="" type="checkbox"/> 1/	NA	<input checked="" type="checkbox"/> 2/	NA	--	--	<input checked="" type="checkbox"/>	--	5/
Costa Rica	NA	<input checked="" type="checkbox"/>	NA	<input checked="" type="checkbox"/>	--	--	--	--	--	6/
ECCB	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Ecuador	<input checked="" type="checkbox"/>	NA	NA	NA	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	NA	NA	--
El Salvador	NA	NA	NA	NA	NA	--	<input checked="" type="checkbox"/>	--	--	--
Guatemala	NA	NA	NA	<input checked="" type="checkbox"/>	NA	NA	NA	<input checked="" type="checkbox"/>	NA	NA
Honduras	NA	NA	NA	<input checked="" type="checkbox"/>	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	--
Mexico	NA	NA	NA	<input checked="" type="checkbox"/>	NA	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	--	--
Nicaragua	NA	NA	NA	NA	E/	--	--	<input checked="" type="checkbox"/>	--	--
Paraguay	NA	NA	NA	NA	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	--	--
Peru	NA	NA	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	--	--
Dominican Republic	NA	<input checked="" type="checkbox"/>	NA	<input checked="" type="checkbox"/>	NA	<input checked="" type="checkbox"/>	NA	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	NA
Trinidad y Tobago	NA	NA	NA	<input checked="" type="checkbox"/>	NA	--	--	<input checked="" type="checkbox"/>	--	--
Uruguay	--	3/	--	--	F/	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	--	--

Definitions and acronyms:

One rate: The central bank announces a single rate at which it receives and lends unlimited resources to the financial system.

Two rates: The central bank lends unlimitedly to a rate and receives any amount of resources at a lower rate.

One rate and one auction: The central bank announces daily an amount to be offered for a certain rate. If the market lacks liquidity, an expansionary auction is carried out (resources are provided) for a large enough amount so that the one-day rate is reduced. Otherwise, a contractionary auction is carried out (resources are borrowed from the financial system) for an amount equal to that required to increase the rate to a level similar to that of the policy rate.

Auction: The central bank makes its liquidity projections on a daily basis and offers that amount to the market through an auction.

Notes:

1/ Apply for over the counter transactions. 2/ Auctions with minimum rate (expansion). 3/ Are penalty rates. 4/ Liquidity and withdrawal provision of the financial institutions through OMOs - repo agreements (forward looking). 5/ Coordination to carry out the liquidity deposits for the central government. 6/ Take in consideration all those variables that involve funds inflows or outflows to or from the BCCR, such as government deposits, financial institutions sight deposits, debt maturities, fx transactions, demand for cash.

A/ Two rates and one monthly auction. The Central Bank lends in a daily basis and unlimitedly at a one rate and receives any amount of funds at a lower rate, so the interbank market short-term rates remain within the rate corridor whose center is the policy rate. Likewise, a monthly contractionary auction is carried out offering BC bills. B/ Auction with a weekly frequency. The Central Bank makes weekly liquidity projections and offers certain amount established by the Open Market Committee through a weekly auction. C/ Multiple rate auction. Specifically, based on liquidity projections, the Central Bank announced on a daily basis if there will be expansion or contractionary auctions. Market participants are allowed to make a single offer at any rate they choose. The Central Bank decides the total amount and the cut rate of the auction. Each institution will be charged the interest rate that it presented in its own offer. D/ Monthly auctions. According to the monthly liquidity projection and to the daily recalculations the available reserves amount on the system is regulated. E/ Central bank makes its liquidity projections weekly and offers that amount to the market through an auction. F/ Non-systematic facilities are offered, those are auctioned by rate when liquidity management is necessary.



**Section 3**

**Liquidity forecasts framework (2)  
 (3-3)**

	Autoregressive models' method	Time series based systematic modeling approach	Reference periods (historical): behavior in the previous year	Reference periods (historical): behavior of the same day/same date of the previous year	Behavior in recent weeks	Forecast errors- autocorrelation of errors.	Other
Argentina	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	--
Bolivia	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1/
Brazil	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	--	--
Chile	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	--	--
Colombia	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	5/
Costa Rica	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	--	--
ECCB	NA	NA	NA	NA	NA	NA	NA
Ecuador	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	--	<input checked="" type="checkbox"/>	2/
El Salvador	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	--
Guatemala	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	--	--
Honduras	NA	NA	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	NA	--
Mexico	<input checked="" type="checkbox"/>	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	--	3/
Nicaragua	<input checked="" type="checkbox"/>	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	--	--
Paraguay	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	--	--
Peru	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	4/
Dominican Republic	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	--	--
Trinidad y Tobago	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	--	6/
Uruguay	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	--	--	--

Notes:

- 1/ Forecast on variation at the CIN, issuance, RIN and monetary regulation.
- 2/ Liquidity forecast is also supported the disbursements and debt service programming, which do not correspond to econometric projection exercises.
- 3/ From a general approach (annual forecast) to a specific approach (monthly and daily) for each one of the factors.
- 4/ Surveys to banks regarding they daily liquidity demand.
- 5/ Forecast on the monetary base offer.
- 6/ Qualitative information, e.g. government bonds issuance.

**Section 3**

**Liquidity and the central bank balance sheet  
 (3.4)**

	<b>Relationship between the liquidity forecast and the central banks balance sheet.</b>	<b>Most frequent position of the central bank's balance sheet</b>
<b>Argentina</b>	They usually coincide. <sup>1/</sup>	Debtor
<b>Bolivia</b>	Projections such as balances at the end of the day almost always coincide. <sup>2/</sup>	Currently this calculation is not carried out
<b>Brazil</b>	They usually coincide	Debtor
<b>Chile</b>	They almost always coincide	Debtor
<b>Colombia</b>	They almost always coincide	Creditor
<b>Costa Rica</b>	The projections almost always coincide. <sup>3/</sup>	The most frequent position of the BCCR at MIL has been debtor. <sup>8/</sup>
<b>ECCB</b>	--	--
<b>Ecuador</b>	<sup>4/</sup>	Does not apply in the dollarization scheme
<b>El Salvador</b>	--	--
<b>Guatemala</b>	They almost always coincide	Debtor
<b>Honduras</b>	They usually coincide. It is considered a low forecast error.	Debtor
<b>Mexico</b>	They almost always coincide. <sup>5/</sup>	The structural position is debtor. <sup>9/</sup>
<b>Nicaragua</b>	They do not usually coincide.	Debtor
<b>Paraguay</b>	The balances that usually coincide. <sup>6/</sup>	The most frequent position is debtor.
<b>Peru</b>	They almost always coincide. <sup>7/</sup>	In the last 3 years the central bank has shown a small creditor position. <sup>10/</sup>
<b>Dominican Republic</b>	The liquidity projection and balances of the day almost always coincide.	The Central Bank presents a debtor position, carrying out contraction auctions.
<b>Trinidad y Tobago</b>	--	Debtor
<b>Uruguay</b>	They always coincide	Debtor

Notes:

1/ Especially on the most significant movement days. 2/ Our methodology links three sectors of the economy and, being related to the Financial Fiscal Program, also relates to the central bank balance. Taking into consideration a margin or deviation in amounts that are not significant in the majority of cases. 3/ Central Bank liquidity projections considers all those variables that involve inflows or outflows of resources to or from the BCCR. 4/ Short-term forecasts are directly linked to the institution balance sheet movements, both international reserves and the deposits accounts. 5/ Short-term forecast is very accurate, since the only source of deviation corresponds to the bills and coins demand. The flow of the rest of the factors is known at least one day in advance. 6/ Although daily liquidity analysis is not based on a formal central bank balance sheet scheme, all the elements that are incorporated are contemplated in the same. The forecast basically focuses on the availability of the banks' balance at the end of the day, which ends up being placed in standing facilities of 1-day deposits (up to the allowed limit) and a small remainder in settlement accounts (current accounts at zero rate). 7/ Central Bank liquidity projection tends to be quite accurate and only under unusual and unpredictable events that affect liquidity in a way not foreseen by the Central Bank, which does not always coincide. 8/ However, in the course of 2017, the Bank has presented both positions. 9/ However, liquidity is managed in such a way that in net, the short-term OMOs (carried out daily) are liquidity provisions in such a way that the Banco de Mexico's aggregate balance is creditor from the point of view of the Central Bank. However, because the amount of long-term monetary regulation liabilities is greater than the net creditor balance of short-term liquidity provision operations, the structural position is as debtor. 10/ In times of high capital inflows its position has been debtor to the banks due to exchange instruments sterilization. With the Treasury, its position has been debtor due to the accumulation of fiscal savings as deposits at the Central Bank.

Section 4

Desirable market conditions for the implementation of central banking operations  
(4.1)

Characteristics	Desirable market conditions for the implementation of central banking operations (4.1)										Observed characteristics	
	Inflation targeting is high priority above other objectives	Absence of fiscal dominance	Central bank independence	Significant control of the monetary policy instruments	Adequate methodology for liquidity forecasts	Well-developed government securities market	Deep interbank market	Institutions and financial markets that are resilient to fluctuations of the exchange rate and interest rate	Other			
Argentina	--	--	--	--	--	--	--	--	--	--	--	--
Bolivia	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO <sup>1/</sup>
Brazil	YES	YES	NO <sup>3/</sup>	YES	YES	YES	YES	YES	YES	YES	YES	--
Chile	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	--
Colombia	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	--
Costa Rica	YES	YES	YES	YES	YES	NO	NO	YES	YES	YES	YES	--
ECCB	--	--	--	--	--	--	--	--	--	--	--	--
Ecuador	NO	NO	YES	YES	YES	NO	NO	NO	NO	NO	NO	--
El Salvador	YES	YES	YES	YES	YES	NO	NO	NO	NO	NO	NO	--
Guatemala	YES	YES	YES	YES	YES	NO	NO	YES	YES	YES	YES	--
Honduras	YES	NO	YES	YES	YES	NO	NO	NO	NO	NO	NO	--
Mexico	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	--
Nicaragua	YES	NO	YES	YES	NO	NO	NO	NO	NO	NO	NO	--
Paraguay	YES	NO	YES	YES	YES	YES	YES	YES	YES	YES	YES	--
Peru	YES	YES	YES	YES	YES	NO	NO	NO	NO	NO	NO	--
Dominican Republic	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES <sup>2/</sup>
Trinidad y Tobago	--	--	--	--	--	--	--	--	--	--	--	--
Uruguay	--	--	--	--	--	YES	NO	YES	YES	YES	YES	--

Ranking: (NO) Strongly disagree, (2) Disagree, (YES) Neither agree nor disagree, Agree and Strongly agree.

Notes: 1/ Coordination with the Executive; 2/ Independence; 3/ Independence "de facto" but no "de jure".



Section 4

Barriers for the implementation of monetary policy framework (4.2)

Characteristics	Partial or total dollarization	Limited capacity to diversify or deepen financial markets due to low demand for financial services	The central bank must provide the government with liquidity whenever the government requires	Excess structural liquidity	Deficient monetary policy implementation	Undeveloped financial system	Other
Argentina	--	--	--	--	--	--	--
Bolivia	NO	YES	NO	NO	NO	YES	--
Brazil	NO	NO	NO	NO	NO	NO	--
Chile	NO	NO	NO	--	NO	NO	--
Colombia	NO	NO	NO	NO	NO	NO	--
Costa Rica	YES	YES	NO	YES	NO	NO	--
ECCB	--	--	--	--	--	--	--
Ecuador	YES	NO	NO		NO	NO	--
El Salvador	YES	--	NO	--	--	--	--
Guatemala	YES	Sí	NO	YES	NO	YES	--
Honduras	YES	Sí	YES	YES	NO	YES	--
Mexico	NO	NO	NO	NO	NO	NO	--
Nicaragua	YES	YES	NO	YES	NO	YES	--
Paraguay	NO	NO	YES	NO	NO	NO	--
Peru	YES	YES	NO	NO	NO	NO	--
Dominican Republic	NO	NO	NO	YES	NO	NO	--
Trinidad y Tobago	--	--	--	--	--	--	--
Uruguay	YES	YES	NO	--	NO	YES	--

Rating: (NO) Strongly disagree, (2) Disagree, (YES) Neither agree nor disagree, Agree and Strongly agree.