



## News Release 15 October 2008

### **BOJ OFFERS TEMPORARY LENDING FACILITY TO PRESERVE FINANCIAL STABILITY**

As a direct consequence of the current global financial turmoil, and to preserve overall financial stability, the Bank of Jamaica has taken the decision to offer a temporary lending facility to domestic financial institutions. The facility is strictly intended to provide liquidity to these institutions for overseas margin and repo payments on GOJ global bonds during this period of dysfunctional money markets. The specific objectives of the temporary lending facility are to:-

- a. Alleviate any short-term US dollar liquidity needs of domestic financial institutions.
- b. Ensure the stability of GOJ global bond prices.
- c. Minimize pressures in the domestic foreign exchange market.

The Bank will continue to closely monitor the financial system and take appropriate action.