



News Release

01 May 2006.

SPECIAL DEPOSIT

Effective today 01 May 2006, the Bank of Jamaica has removed the requirement that deposit taking institutions must hold some portion of their assets as a Special Deposit with the Central Bank.

This requirement was introduced in January, 2003 to stabilize the financial markets. The initial deposit requirement was set at 5 per cent of prescribed liabilities and this was reduced to 1 per cent in two steps between February and May 2005.

The significant improvement in macroeconomic conditions and the positive outlook for 2006/07 now allow for the return of the remaining deposits.

The sum due to financial institutions as at 28 April was J\$1564.1 million.

Bank of Jamaica