



April 6, 2015

**Summary of the Monetary Committee discussion of March 23, 2015
on management of the foreign exchange reserves**

Background:

Market Operations Department representatives presented the Monetary Committee with the report on the principles for determining the appropriate long-term level of foreign exchange reserves, and the Bank's investment policy guidelines for the management of the foreign exchange reserves, for the previous year. The Monetary Committee is required to submit this to the Government and to the Finance Committee of the Knesset, in accordance with Section 56 of the Bank of Israel Law, 5770-2010.

Based on the principles approved by the Monetary Committee, the appropriate level of the reserves was updated, to a range of \$70–110 billion.

Monetary Committee decision:

The Committee approved the report.

Participants:

Members of the Monetary Committee

Dr. Karnit Flug, Governor of the Bank of Israel and Chairperson

Dr. Nadine Baudot-Trajtenberg, Deputy Governor of the Bank of Israel

Prof. Alex Cukierman

Prof. Reuben Gronau

Prof. Nathan Sussman, Director of the Research Department

Other participants

Ms. Francoise Ben-Zur, Head of Financial Division in Market Operations Department

Ms. Guenia De Mayo, Head of Risk Management Unit in Market Operations Department

Mr. Ilan Socianu, Assistant to Secretary of the Monetary Committee and the Supervisory Council

Mr. Yoav Soffer, Bank of Israel Spokesperson