

Presentation of term
paper

“Monetary policy and its
tools”

Contents

- 1. Definition of a monetary policy
- 2. Open market operations
- 3. Required reserve ratio
- 4. Federal funds rate
- 5. Conclusion

Monetary policy

- The strongest tool of economic policy
- Provided by central bank or government

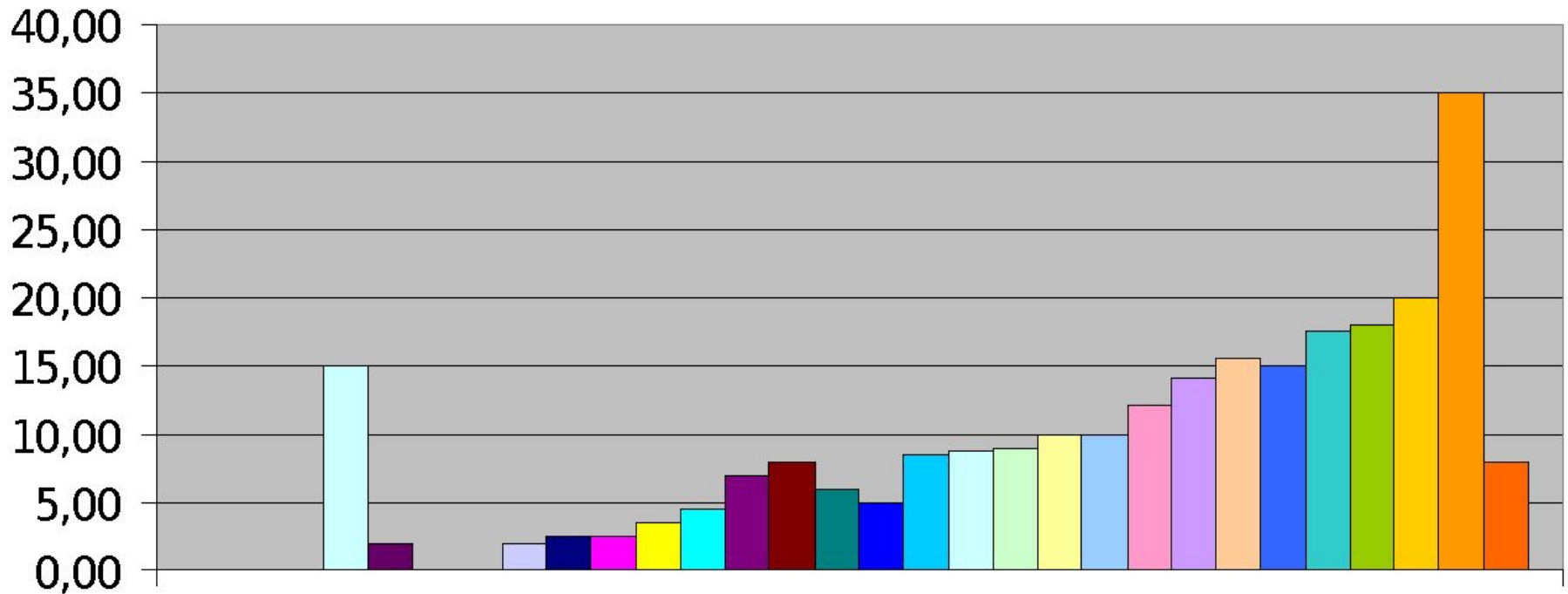
Tools of the monetary policy

- Open market operations
- Required reserve ratio
- Federal funds rate

Open market operations

- Open market operations are the most flexible and frequently used means of implementing Russia's monetary policy

Required reserve ratio



- | | | | | |
|-------------|------------------|--------------|----------------|------------------|
| ■ Australia | ■ Canada | ■ Mexico | ■ Costa Rica | ■ Czech Republic |
| ■ Sweden | ■ United Kingdom | ■ Eurozone | ■ South Africa | ■ Switzerland |
| ■ Poland | ■ Chile | ■ Pakistan | ■ Latvia | ■ Lithuania |
| ■ India | ■ Burundi | ■ Hungary | ■ Ghana | ■ United States |
| ■ Sri Lanka | ■ Bulgaria | ■ Croatia | ■ China | ■ Estonia |
| ■ Zambia | ■ Hong Kong | ■ Tajikistan | ■ Suriname | ■ Jordan |

Federal funds rate

Federal funds rate in the U.S.



Conclusion

- Monetary policy becomes the most important mean of economy policy in crisis period



Thank you for your attention.

- Manto Alexander
- Budget and Treasury
Academy in Moscow
- 2009