

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

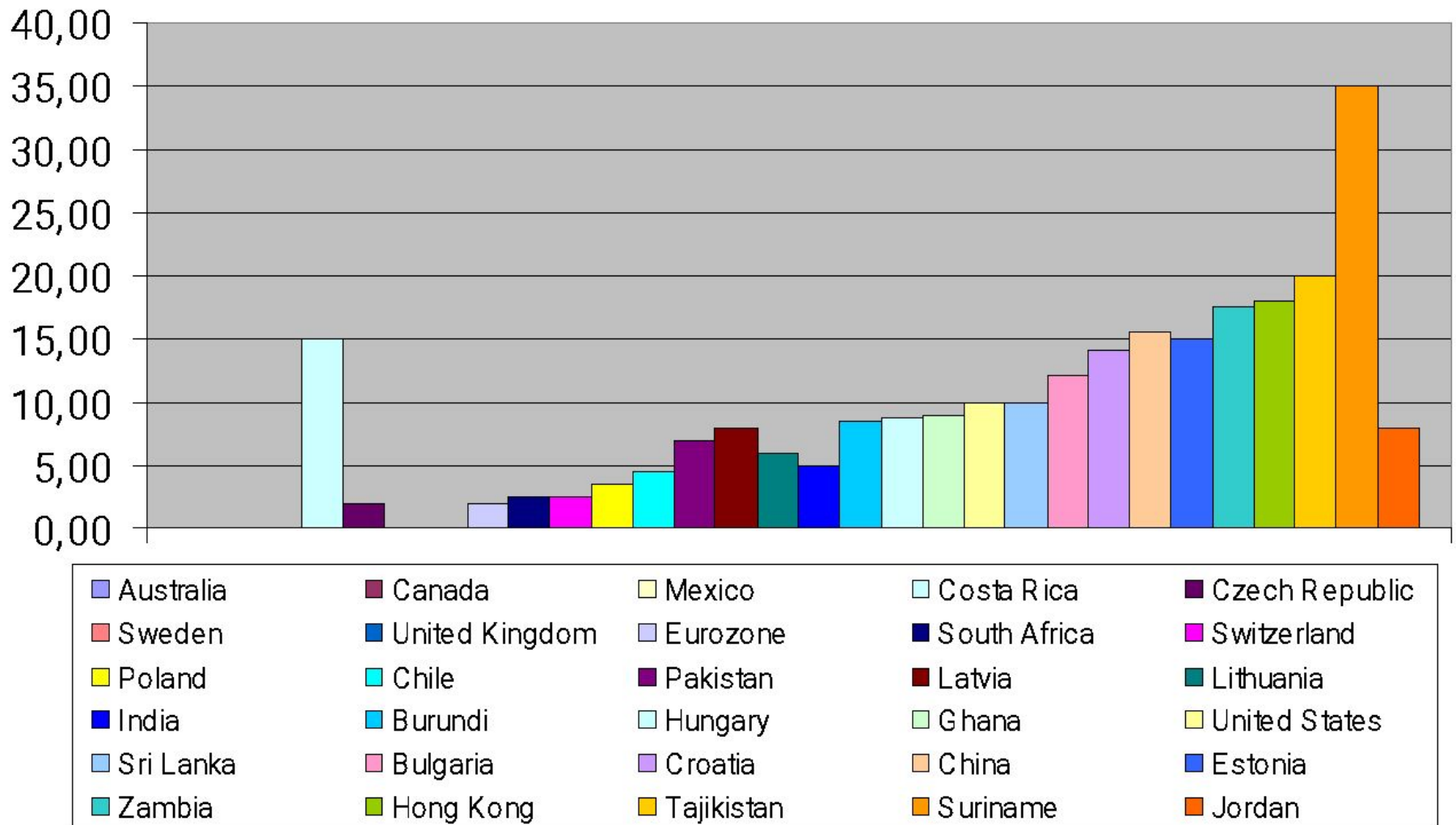
Tools of the monetary policy

- 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



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.

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