

This study attempts to analyze the efficiency of intervention policy in Turkey during the period between 4.1.2005 and 31.12.2012 with a sub period which is between 4.1.2007 and 31.12.2010. For our study purpose, therefore we investigated how interventions with pre-announced auctions as a whole influence the exchange rates. Further, we analyze whether there is an asymmetric effect among the buying and selling transactions with respect to their impact on the exchange rates. In the study, the E-GARCH model is employed to find the asymmetric effect. The final object of this study is whether buying auctions which are conducted to serve for only purpose of increasing international reserves influence the exchange rates. We evaluate the efficiency of transactions in the same direction of central bank statements. In conclusion, the findings did not amount to any significant impact of total transaction on exchange rates. The study findings also suggest that there is asymmetric effect among the selling and buying transactions. The amounts of selling transaction have a negative impact on both level and volatility while buying auctions did not have any significant effect on them. As a new research result, we found that buying auctions served well with respect to their contributions to reserves while they do not influence the exchange rates.