

## Summary proceedings

### Monetary policy meeting of the Executive Board, 5 March 2003

#### 1. The current monetary policy situation

Related documents:      CONFIDENTIAL memo 27 February 2003 (assessment memo) from Monetary Policy  
                                 STRICTLY CONFIDENTIAL memo 5 March 2003 (background and general assessment) from Monetary Policy  
                                 Draft minutes from meeting between Ministry of Finance and Norges Bank of 21 January 2003

The Deputy Governor presented a review of the main economic developments since the previous Executive Board meeting, with particular emphasis on developments in money, foreign exchange and capital markets and his assessment of these developments in relation to the monetary policy strategy.

Mr. Sven Are Jensen from Kunnskapsparken Bodø reported on work related to Norges Bank's regional network.

The Deputy Governor then presented the main assessments underlying the proposal for an interest rate decrease of 0.50 percentage point. The Board was informed that the matter had been submitted to the Ministry of Finance in a meeting on 4 March 2003 and a brief report of the meeting was presented.

On this basis, the Executive Board had a discussion and decided to reduce the rate on banks' sight deposits and D-loans in Norges Bank by 0.5 percentage point to 5.50 and 7.50 percent respectively with effect as from 6 March 2003.

The Executive Board also took note of the memo "Assessments February 2003". The Governor informed the Board that the minutes of the meeting between the Ministry of Finance and Norges Bank of 21 January 2003 had now been approved.