

Monetary policy meeting of the Executive Board, 17 September 2003

1. The current monetary policy situation

Related documents: CONFIDENTIAL memo 10 September 2003 from
Monetary Policy
STRICTLY CONFIDENTIAL memo 17 September
2003 (background and general assessment) from
Monetary Policy
Draft minutes of meeting Norges Bank and the Ministry
of Finance on 12 August 2003

The Governor and 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. Mr. Per Anders Havnes of Agderforskning presented a review of work related to Norges Bank's regional network.

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 2.5 and 4.5 percent respectively with effect as from 18 September 2003.

The Executive Board took note of the memo "Developments since 6 August". The Deputy Governor informed the Board that the minutes of the meeting between the Ministry of Finance and Norges Bank on 12 August 2003 had now been approved.