

## **Executive Board meeting of 16 August 2006**

### 5. The current monetary policy situation

Related documents:           Memo 24 May 2006 – Economic developments since 21 June 2006 from Monetary Policy  
Draft minutes of meeting between Norges Bank and the Ministry of Finance on 28 June 2006  
CONFIDENTIAL memo 10 August 2006 – Updated inflation outlook from Monetary Policy  
STRICTLY CONFIDENTIAL memo 16 June 2006 from Monetary Policy.  
Background and general assessment (distributed at the meeting)  
Presentations from Monetary Policy

The 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.

On this basis, the Executive Board had a discussion. The Board decided to increase Norges Bank's sight deposit rate by 0.25 percentage point to 3.00 percent with effect from 17 August 2006. The D-loan rate will be increased correspondingly.