

Summary minutes

Monetary policy meeting of the Executive Board, 11 December 2002

Present:

From the Executive Board: Svein Gjedrem, Jarle Bergo, Sylvi Røssland Sørffonn, Sigbjørn Johnsen, Trond R. Reinertsen, Vivi Lassen and Elisabeth Hunter.

From Norges Bank's administration: Jan F. Qvigstad, Jon A. Solheim, Jon Nicolaisen, Kristin Gulbrandsen (items 1-2), Morten Jonassen, Raymond Lokshall (items 1-2), Knut N. Kjær (items 3-4), Poul Henrik Poulsson, Ole J. Oldertrøen and Judith Ellingsen.

Matters for consideration:

1. The current monetary policy situation

Related documents: CONFIDENTIAL memo 5 December 2002
 "Assessments December 2002" from Monetary Policy
 STRICTLY CONFIDENTIAL memo (background and
 general assessment) 11 December 2002 from Monetary
 Policy
 Memo 4 December 2002 "National reports from Norges
 Bank's regional network 2002" 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.

The 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.

On this basis, the Executive Board discussed the proposal and decided to reduce the interest rate on banks' sight deposits and D-loans in Norges Bank by 0.5 percentage point to 6.50 and 8.50 percent respectively with effect as from 12 December 2002.

The Executive Board also took note of the memos "Assessments December 2002" and "National reports from Norges Bank's regional network 2002".

2. Release of charts in connection with the Executive Board's monetary policy meetings

Related document: Memo 6 December 2002 from Monetary Policy

The Executive Board decided that the charts used at the Executive Board's monetary policy meetings will be made available to the public. The charts will be released for the first time in connection with today's meeting.