

The Discount rate

4 January 1999

January 1999

The Reference rate - The Discount rate

The Riksbank - the Swedish central bank- has today determined the reference rate - the discount rate - to 1.5 per cent, effective January 5, 1999. The discount rate is purely a reference rate and not in any way connected with monetary policy. The discount rate has no relevance for Riksbank lending to the banking sector.

The interest rates used for monetary policy purposes by the Riksbank are the lending rate, the deposit rate and the repo rate.

The discount rate is computed as an average of the daily market rates for six-month treasury bills and five-year government bonds (based on daily fixing) in the preceding quarter less two-and-a-half percentage points, rounded to the nearest whole or half point.

The discount rate is decided by the Executive Board of the Riksbank on the first business day in each calendar quarter.

The Reference rate – The Discount rate

		Rate of interest Per cent	Change Percentage points			Rate of Interest Per cent	Change Percentage points
As from				As from			
1996	01-03	6.0	-1.0	1998	01-05	2.5	0.0
	04-02	5.5	-0.5		04-02	2.5	0.0
	07-02	4.5	-1.0		07-02	2.0	-0.5
	10-02	3.5	-1.0		10-02	2.0	0.0
1997	01-03	2.5	-1.0	1999	01-05	1.5	-0.5
	04-02	2.5	0.0				
	07-02	2.5	0.0				
	10-02	2.5	0.0				

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