

Press Release

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Comments on the minutes of the monetary policy meeting held in April

Since the beginning of this year, the Riksbank has published the minutes of the Executive Board's monetary policy meetings with a time lag of six to eight weeks. The minutes of the monetary policy discussion on 22 April have been published today.

From the minutes, it is evident that the decision to keep the repo rate unchanged at 2.9 per cent was not unanimous. The First Deputy Governor of the Riksbank, Lars Heikensten, made a reservation about the decision and recommended a reduction of the repo rate by 0.25 percentage points and a reduction of the deposit and lending rates by 0.25 percentage points each.

In light of this, the Governor of the Riksbank, Urban Bäckström, makes the following comment: "When monetary policy is conducted in the way carried out by the Riksbank – with gradual changes in the repo rate based on inflation forecasts - it is natural that the views of the members of the Executive Board on the need for monetary policy changes may differ. Monetary policy is formed as a series of gradual decisions that are far from self-evident at the time decisions are made. This emerges clearly in the published minutes. Experiences from the Bank of England, which operates in a similar fashion in this respect, indicate the same. I have great respect for Lars Heikensten's decision to make a reservation against what became the majority line at the meeting on 22 April. I believe that this kind of reservation will be a recurrent feature of the decision-making process at the Riksbank in future."

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