

The Discount rate

1 October 1999

October 1999

The Reference rate - The Discount rate increased to 1.5 %

The Riksbank - the Swedish central bank- has today determined the reference rate - the discount rate - to 1.5 per cent, effective October 4, 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 Governor of the Riksbank on the first business day in each calendar quarter.

The Reference rate – The Discount rate

	As from	Rate of interest Per cent	Change Percentage points		As from	Rate of Interest Per cent	Change Percentage points
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		04-06	1.0	-0.5
	07-02	2.5	0.0		07-02	1.0	0.0
	10-02	2.5	0.0		10-04	1.5	0.5

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