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ROOM C-130

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EBD/87/225

August 31, 1987

To: Members of the Executive Board

From: The Secretary

Subject: Italy - Recent Monetary Measures

The Secretary has received the following memorandum dated August 28, 1987 from Mr. Zecchini:

I wish to inform the Board that effective August 28, 1987 official rates for rediscounts and advances by the central bank of Italy have been raised from 11.50 percent to 12.00 percent. This measure is designed to bring the central bank rates in line with market rates for short-term government securities and is taken in conjunction with a set of fiscal measures adopted by the Government. The increase in the official rates is also intended to help curb excessive expansion of bank lending and stresses the authorities' firm commitment to protect the external value of the Italian lira.

Other Distribution:
Department Heads

