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MASTER FILES

ROOM C-120

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EBD/86/63

March 7, 1986

To: Members of the Executive Board  
From: The Secretary  
Subject: Netherlands - Interest Rates

The Secretary has received the following memorandum dated March 6, 1986 from Mr. de Beaufort Wijnholds:

The following communication has been received today from the Netherlands Bank:

In agreement with similar measures abroad aimed at a continuing decline of the international interest rate level, which is justified by the declining inflation, the Netherlands Bank has decided to lower all its interest rates by 1/2 percentage point. This lowering opens the possibility of a gradual further decline of money market rates.

As from Friday, March 7 the following rates will apply:

discount on bills of exchange	4 1/2 percent
interest rate on advances	5 percent
discount on promissory notes	5 1/2 percent

Other Distribution:  
Department Heads