

EBD/85/287

November 12, 1985

To: Members of the Executive Board
From: The Secretary
Subject: Italy - Monetary Measures

The Secretary has received the following memorandum dated November 8, 1985 from Mr. Zecchini:

Please inform the Executive Board that, with effect from November 8, 1985, the Bank of Italy has lowered the base rates for rediscounts and advances from 15.50 to 15.00 percent, and the discount rate applicable to agricultural credits from 8.5 to 8 percent. In addition, the penalty rates for frequent recourse to central bank lending have been reduced by amounts ranging between 0.5 and 0.75 percent. These measures follow the reduction of interest rates in domestic and international money and financial markets, which has taken place since the beginning of the year. My authorities consider this measure in line with the desired evolution of monetary and credit aggregates in Italy.

Other Distribution:
Department Heads

