



## PRESS RELEASE

14<sup>TH</sup> FEBRUARY, 2005

After considering the persistent level of excess liquidity within the banking system and the outlook for these conditions, which remains buoyant, the Central Bank has decided to reduce the Discount Rate by 50 basis points to 5.25 percent, with immediate effect. The Bank would expect financial institutions to follow suit with a congruent reduction in the Prime Rate from 6.00 percent to 5.50 percent and similar reductions in their lending rate schedule.

The Central Bank will continue to monitor monetary and credit conditions closely and adjust its policies as appropriate.