

RESERVE BANK OF FIJI



PRESS RELEASE

Press Release No. : 22/2006

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Date : 11 October 2006

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Review of Reserve Bank Lending Rates and Rediscount Facility

The Reserve Bank has recently reviewed its lending rates and rediscount facility. The arrangements, effective from 16 October 2006, are as follows:

Lending Rates

The Bank has recently reviewed the interest rates at which commercial banks are allowed to borrow from the Reserve Bank to meet temporary liquidity needs. From 16 October 2006, the lending rates will be as follows:

- **Repurchase Facility Rate:** The latest weighted average overnight interbank rate plus 100 basis points.
- **Secured Advances:** The latest weighted average overnight interbank rate plus 150 basis points.
- **Unsecured Advances:** The latest weighted average overnight interbank rate plus 500 basis points.

Rediscount Facility

The Bank's rediscount facility has been extended to include Treasury Bills. The Reserve Bank may rediscount RBF Notes and Treasury Bills with a 50 basis points margin above the prevailing market yield.

Sada S Reddy
Deputy Governor
Reserve Bank of Fiji