



## Central Bank of Iceland interest rates and reserve requirements

Interest rates effective as of 16 November and 21 November 2016

Reserve requirements effective as of 21 November 2016

With reference to Article 10 of the Act on the Central Bank of Iceland, no. 36/2001, with subsequent amendments, the Bank has decided that interest rates on Central Bank facilities for financial undertakings shall be as follows. Interest rates according to Items 1, 2, and 3 take effect on 16 November, and rates according to Items 4 and 5 take effect on 21 November.

<b>Interest rates</b>	<b>Interest rate per annum</b>
1. Overnight loans <sup>1</sup>	7.00%
2. Collateralised loans <sup>1</sup>	6.00%
3. Seven-day term deposits <sup>2</sup>	5.25%
4. Current accounts	5.00%
5. Minimum required reserves	5.00%

Other interest rates are decided by the Governors at any given time. As soon as the interest rates and reserve requirements according to this announcement take effect, the Central Bank of Iceland interest rates and reserve requirements according to the announcement of 5 October 2016 shall cease to apply.

With reference to Article 11 of the Act on the Central Bank of Iceland, no. 36/2001, the Central Bank of Iceland has decided that the reserve requirement for items in the reserve base shall be as follows, effective 21 November 2016:

Reserve requirement on the reserve base	2.00%
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Reykjavík, 16 November 2016  
Central Bank of Iceland

Már Guðmundsson  
Governor

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1. Discounted rate. 2. Interest paid upon maturity.