



BANK OF ENGLAND

News release

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Bank of England Maintains Bank Rate at 0.5% and Maintains the Size of the Asset Purchase Programme at £200 billion

The Bank of England's Monetary Policy Committee today voted to maintain the official Bank Rate paid on commercial bank reserves at 0.5%. The Committee also voted to maintain the stock of asset purchases financed by the issuance of central bank reserves at £200 billion.

The minutes of the meeting will be published at 9.30am on Wednesday 17 March.

Note to Editors

The previous change in Bank Rate was a reduction of 0.5 percentage points to 0.5% on 5 March 2009. A programme of asset purchases financed by the issuance of central bank reserves was initiated on 5 March 2009. The most recent change in the size of that programme was an increase of £25 billion to a total of £200 billion on 5 November 2009.

Information on the Asset Purchase Facility can be found on the Bank of England website at

<http://www.bankofengland.co.uk/monetarypolicy/assetpurchases.htm>.

The Bank will continue to purchase high-quality private sector assets on behalf of the Treasury and financed by the issue of Treasury bills, in line with the arrangements announced on 29 January 2009. The letter from the Chancellor of the Exchequer to the Governor on 29 January 2009 and the Governor's reply to the Chancellor can be found at the following addresses:

http://www.hm-treasury.gov.uk/d/ck_letter_boe290109.pdf

<http://www.bankofengland.co.uk/markets/apfgovletter090129.pdf>

A letter from the Chancellor of the Exchequer to the Chairman of the Treasury Committee on 4 February 2010 regarding the use of the Asset Purchase Facility for these purposes can be found at the following address:

http://www.hm-treasury.gov.uk/d/chx_letter_040210.pdf