



BANK OF ENGLAND

News release

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5 September 2013

Bank of England maintains Bank Rate at 0.5% and the size of the Asset Purchase Programme at £375 billion

The Bank of England's Monetary Policy Committee at its meeting on 4 September 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 £375 billion.

The Committee reached its decisions in the context of the monetary policy forward guidance announced alongside the publication of the August 2013 Inflation Report.

Also in the context of that guidance, the Committee agreed to reinvest the £1.9 billion of cash flows associated with the redemption of the September 2013 gilt held in the Asset Purchase Facility.

The minutes of the meeting will be published at 9.30am on Wednesday 18 September.

ENDS

Notes 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 previous change in the size of that programme was an increase of £50 billion to a total of £375 billion on 5 July 2012.

Information on the Committee's forward guidance strategy can be found on the Bank of England website at <http://www.bankofengland.co.uk/monetarypolicy/Pages/forwardguidance.aspx>.

Information on the Asset Purchase Facility can be found on the Bank of England website at <http://www.bankofengland.co.uk/monetarypolicy/Pages/qe/default.aspx>.

A market notice describing the reinvestment of the cash flows associated with the redemption of the September 2013 gilt held in the Asset Purchase facility can be found at <http://www.bankofengland.co.uk/markets/Documents/marketnotice130905.pdf>.

The Bank will continue to offer to purchase high-quality private sector assets on behalf of the Treasury, financed by the issue of Treasury bills, in line with the arrangements announced on 29 January 2009 and 29 November 2011.