**News Release**

**27 February 2017**

**Adjustments to the Bank of Jamaica Interest Rate Corridor:**

Bank of Jamaica announces the following changes **effective 02 March 2017:**

* The standard interest rate on the overnight Standing Liquidity Facility (SLF) will decrease from 7.25 per cent to 7.00 per cent. The SLF provides overnight liquidity to deposit-taking institutions on demand.
* The interest rate payable on overnight deposits will increase from 3.00 per cent to 4.00 per cent.

These adjustments will result in the narrowing of the width of the Bank’s interest rate corridor from 425 basis points to 300 basis points. Narrowing the width of the corridor is aimed at strengthening the signalling effect of the Bank’s monetary policy actions.

The Bank continues to offer unlimited amounts of 30-day certificates of deposit every week on Fridays at the signal rate, which remains unchanged at 5.00 per cent per annum.