



16 May 2008

Ref.: 2008-15E

Interest rate increase

With effect from 16 May 2008 the lending rate and the interest rate for certificates of deposits are raised from 4.25 per cent to 4.35 per cent. The discount rate and the interest rate on banks' current accounts with Danmarks Nationalbank remain unchanged at 4.0 per cent.

Since August 2007 the spread between Danmarks Nationalbank's lending rate and ECB's marginal rate has been reduced with 15-20 basis points, thus the spread has more or less disappeared. In short periods of time the interest-rate spread has been negative.

The development of the interest-rate spread has led to a weakening of the Danish krone, and in accordance with the fixed-exchange-rate policy Danmarks Nationalbank has intervened to support the krone.

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