



BANK OF MAURITIUS

NEWS RELEASE

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Interest rate adjustments by banks following Key Repo Rate hike

Following the decision of the Bank of Mauritius to raise the Key Repo Rate by 75 basis points from 8.50 per cent to 9.25 per cent per annum with effect from 2 July 2007, banks have adjusted their savings deposit rate (SDR) and their prime lending rate (PLR).

With a view to encourage savings and contain investment financing costs, the Governor suggested that banks adjust their SDR more than their PLR in response to the hike in the Key Repo Rate. The response of banks is shown in the table below.

Adjustment in SDR and PLR by banks as at 18 July 2007

BANK	Increase in Savings Deposit Rate	Increase in Prime Lending Rate	Effective Date
	<i>(Basis Points)</i>		
Bank of Baroda	75	75 *	12 July 2007
Banque des Mascareignes Ltee	100	75	9 July 2007
Barclays Bank PLC	100	75	10 July 2007
First City Bank	75	50	3 July 2007
Habib Bank Limited	100	25	10 July 2007
Hongkong and Shanghai Banking Corporation Limited	80	70	16 July 2007
Indian Ocean International Bank Limited	75	75	9 July 2007
Mauritius Commercial Bank Ltd	75	75	3 July 2007
Mauritius Post and Cooperative Bank Ltd	75	75 *	11 July 2007
South East Asian Bank Ltd	75	75	10 July 2007
Standard Bank (Mauritius) Limited	100	75	6 July 2007
State Bank of Mauritius Ltd	75	25 **	9 July 2007

* *Bank of Baroda and Mauritius Post Cooperative Bank Ltd have increased their interest rates on loans to certain sectors by less than 75 basis points.*

** *State Bank of Mauritius Ltd will raise its PLR by an additional 25 basis points on 1 October 2007.*