



BANK OF ISRAEL
Secretariat of the Monetary Committee

August 26, 2013

Summary of the discussion and decision of the Monetary Committee of August 26, 2013 regarding interest rate decisions

In accordance with Section 15(3) of the Bank of Israel Law, 5770-2010, the Bank of Israel Monetary Committee decided, by the power of its authority, to return to the framework of making interest rate decisions 12 times per year.

This past February, the Bank of Israel's Monetary Committee announced that it had resolved not to make decisions on the interest rate around the Passover and Tabernacles (Sukkot) holidays. This is because data are received with a lag due to the Passover holiday (which generally falls out in March–April) and the upcoming New Year holiday season (which falls out around September–October); data received then are irregular and activity levels are low due to the holidays.

Based on the experience gained since then, the Committee was of the opinion that under current circumstances, it is optimal to maintain the flexibility that comes with monthly monetary discussions on interest rate decisions, and resolved to return to a format of reaching interest rate decisions 12 times per year.

The decision was reached unanimously on August 26, 2013.

Participants in the discussion:

Members of the Monetary Committee:

Dr. Karnit Flug – Acting Governor

Prof. Alex Cukierman

Prof. Reuben Gronau

Prof. Barry Melnick

Mr. Barry Topf – Senior Advisor to the Governor on Monetary Policy

Others present:

Mr. Andrew Abir – Director of the Market Operations Department

Mr. Eddy Azulai – Chief of Staff to the Governor

Prof. Nathan Sussman – Director of the Research Department

Mr. Yoav Sofer – Deputy Spokesman

Mr. Ilan Socianu – Assistant to the Secretary of the Monetary Committee

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