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PRESS RELEASE

ECB INTRODUCES A NEGATIVE DEPOSIT FACILITY INTEREST RATE

- Deposit facility interest rate cut effective as of 11 June 2014
- Negative rate to apply also to average reserve holdings in excess of the minimum reserve requirements and other deposits held with the Eurosystem

When deciding to lower the key ECB interest rates at its meeting today, the Governing Council of the ECB took the decision to cut the interest rate on the deposit facility to -0.10%.

This change will come into effect on 11 June 2014, together with the changes to the interest rates on the main refinancing operations and on the marginal lending facility. The negative deposit facility interest rate will also apply to: (i) banks' average reserve holdings in excess of the minimum reserve requirements; (ii) government deposits held with the Eurosystem that exceed certain thresholds that will be set in the relevant Guideline to be published by 7 June; (iii) Eurosystem reserve management services accounts if not currently remunerated; (iv) participants' account balances in TARGET2; (v) non-Eurosystem NCB balances (overnight deposits) held in TARGET2; and (vi) other accounts held by third parties with Eurosystem central banks when stipulated that they are not currently remunerated or are remunerated at the deposit facility rate.

For media queries, please call William Lelieveldt on +49 69 1344 7316.

European Central Bank

Directorate General Communications and Language Services, Global Media Relations Division

Kaiserstrasse 29, D-60311 Frankfurt am Main

Tel.: +49 69 1344 7455, Fax: +49 69 1344 7404

Internet: <http://www.ecb.europa.eu>

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