



## PRESS RELEASE



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### **Bank of Canada keeps target for the overnight rate at 2 per cent**

**OTTAWA, Ontario, March 5, 2002** — The Bank of Canada today announced that it is maintaining its target for the overnight rate at 2 per cent. The operating band for the overnight rate is unchanged, and the Bank Rate remains at 2 1/4 per cent.

Information received since the Bank's last interest rate announcement on 15 January indicates that the overall pace of economic activity in Canada and the United States has been stronger than expected, confirming that a recovery is underway. Canadian consumer price data for January show core inflation at 1.8 per cent and total CPI inflation at 1.3 per cent.

The substantial amount of monetary stimulus in the economy continues to support economic growth in Canada, consistent with returning inflation to its 2 per cent target over the medium term. While uncertainties remain, the Bank expects the economy to gather strength as the year progresses.

**Information note:**

The Bank's next scheduled date for announcing policy interest rates is 16 April 2002.  
The *Monetary Policy Report* will be published on 24 April 2002.

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