



[Times for Market News International stories are ET]

09:23 11/08 ECB TRICHET: Food/oil effect pushing inflation 0.2-0.3% higher  
 - Inflation hump well above 2% to be transitory

09:13 11/08 ECB TRICHET: Inflation hump to last longer, be bigger than expected

09:12 11/08 ECB TRICHET: We see an addition of reasons for inflation hump

09:09 11/08 ECB TRICHET: Inflation above 2% for some months, then progressive ease

09:04 11/08 ECB TRICHET: Observing pick-up in 5-yr inflation breakeven rate  
 - Assessing rise in breakeven rate is very complex  
 - Data reinforces intention to anchor inflation expectation  
 - We look at all parameters for monopoli, including fx

09:02 11/08 ECB TRICHET: Inflation expectations are absolutely decisive  
 - Inflation expectations are anchored  
 - Will do what's needed to solidly anchor inflation expectations  
 - See reasons to reaffirm won't allow disanchoring

08:51 11/08 EURO-DOLLAR: Remains at \$1.4660 after Trichet's prepared text, no market impact. Q&A getting underway.

08:43 11/08 SCHATZ: The yield on the 2-year Schatz has tested 3.90% level, before easing off again following hawkish comments from ECB President Jean-Claude Trichet. The 2-/10-year Bund yield curve is still maintaining steepening bias at +27bps vs +25bps pre-press conference.

08:43 11/08 ECB TRICHET: Energy price base effects pushing up inflation strongly  
 - Recent substantial oil hike, food hikes worsening inflation  
 - Risks to med-term price developments fully confirmed to the upside  
 - Expect inflation significantly above 2.0% in coming months  
 - Inflation rates then expected to moderate in 2008

08:39 11/08 ECB TRICHET: Level of uncertainty remains high  
 - On balance, risks to growth outlook are on the downside

08:39 11/08 ECB TRICHET: Data confirm main scenario of growth near potential  
 - but confidence indicators point to sustained growth

08:36 11/08 ECB TRICHET: Economic fundamentals sound  
 - Need more info. to draw new conclusions for monetary policy  
 - Continued uncertainty due risk reappraisal  
 - ECB will very closely monitor all developments

(Cont.)

07:48 11/08 **US DOLLAR LIBOR**: Compression resumes, 3 month LIBOR sets 0.94 bps lower at 4.8869%, +2.18 bps for the week. The 1-month LIBOR, set 0.50 bps lower at 4.6650%, the eighteenth consecutive session of compression and -1.75 bps for week.

Net weekly recap: 3-Month LIBOR 1-Month LIBOR

Oct 29-Nov 2	-11.88 bps	-11.50 bps
Oct 22-26	-16.75 bps	-15.75 bps
Oct 15-19	-6.31 bps	-9.50 bps
Oct 8-12	-1.93 bps	-6.19 bps
Oct 1-5	+1.43 bps	-0.19 bps
Sep 24-28	+2.63 bps	-0.75 bps
Sep 17-21	-44.38 bps	-48.25 bps
Sep 10-14	-7.87 bps	-21.00 bps
Sep 3-7	+10.37 bps	+10.38 bps
Aug 27-31	+11.57 bps	+21.75 bps
Aug 20-24	+1.00 bps	-0.75 bps

02:07 11/08 **JAPAN STOCKS**: Japanese government bonds ended Thursday's session higher across the board, boosted by the sharply lower domestic stockmarket. With Treasuries also ending higher overnight, JGBs were boosted from the getgo, and they continued to edge higher as stocks slumped. However, although demand was seen from both offshore and domestic accounts, it was relatively light, with few players prepared to push yields much lower without fresh news. Demand at the Ministry of Finance's 5-year auction was seen as muted, with the bid/cover ratio falling to 2.52 times.

-- Benchmark 10-year yield was 2 bps lower at 1.550%.  
 -- Benchmark 5-year yield was 1.5 bps lower at 1.065%.  
 -- Benchmark 20-year yield was 1 bps lower at 2.120%.  
 -- Benchmark 30-year yield was 1.5 bps lower at 2.350%.  
 -- Lead Dec JGB futures contract was up 0.29 at 136.59

News Release

**Bank of England** Maintains Bank Rate at 5.75%

8 November 2007

The Bank of England's Monetary Policy Committee today voted to maintain the official Bank Rate paid on commercial bank reserves at 5.75%.

The Committee's latest inflation and output projections will appear in the Inflation Report to be published on Wednesday 14 November.

The minutes of the meeting will be published at 9.30am on Wednesday 21 November.

PRESS RELEASE

8 November 2007 - Monetary policy decisions

At today's meeting the Governing Council of **the ECB** decided that the minimum bid rate on the main refinancing operations and the interest rates on the marginal lending facility and the deposit facility will remain unchanged at 4.00%, 5.00% and 3.00% respectively.