

SECRET



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CHANCELLOR

CC Sir D Wass
Sir K Couzens
Mr Burns
Mr Ryrie
Mr Middleton
Mr Britton
Mr Lovell
Mr Monck
Mr Turnbull

MINIMUM LENDING RATE

I have seen minutes from Mr Monck and Mr Turnbull, both of 30 January, and from Mr Middleton, of 2 February, discussing the case for a reduction in MLR between now and the Budget.

I strongly agree with their conclusion that this would be a very risky course indeed.

NL.

NIGEL LAWSON
2 February 1981

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