

PRIME MINISTER

BILATERAL WITH THE CHANCELLOR

The slot for your weekly bilateral tomorrow is only 15 minutes. I understand the Chancellor would like to discuss only one or possibly two items.

- (i) The meeting of IMF Finance Ministers.
- (ii) The RPI figure on Friday.

On the IMF meeting the main report will be about the arrangements made on the IMF quotas, IMF ranking and siting of the EBRD. You already have background notes from Charles Powell on this.

On the RPI, I wrote to the Treasury yesterday seeking comprehensive briefing, mainly with Friday's announcement in view. You will see from the attached note that the final RPI figure to be announced on Friday has stabilised at 9.4 per cent. As you know, this is considerably below both the worst and the mean City expectations.

BHP

BARRY H. POTTER

9 May 1990

C:\wpdocs\economic\bilateral (pmm)