

Press Release
08.09.2009

In its September 8, 2009 meeting the Board of CBA decided to lower the Refinancing Rate of CBA by 0.25 pp to 5.00 percent.

In August of 2009 some 0.4 percent deflation was recorded, while the 12-month inflation reached 3.5 percent.

The Board asserted that signs of recovery of the global economy were further reflected in the current period of time, coupled with gradually increasing international prices of raw materials and certain commodities. Under such conditions, regardless the declining trends of aggregate demand, no deflationary pressures were observed in domestic markets.

In consideration of continued trends of slackening GDP and by virtue of estimations for the inflation persisting within the target range, the Board finds it reasonable to lower interest rates, which is consistent with the trends seen in the financial market and encourages economic recovery the most without detriment to price stability.

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