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In the July 12, 2011 meeting the Board of CBA decided to leave the Refinancing Rate of CBA unchanged, at 8.5 percent.

There was 1.4 percent deflation recorded in June of 2011, and the 12-month inflation has fallen by 0.5 pp against the previous month's indicator and reached 8.5 percent, as a result. The contribution of the increase of food prices to the 12-month inflation is high – 7.3 pp.

The Board accepted that impulses coming from the external sector are not significant enough to shape an inflationary environment. In the second quarter of the year, prices in world commodity markets are relatively stable in spite of some observed volatility, and presently inflationary pressures have been neutralized.

The Board has a consensus that the developments in the domestic economy now do not lead to an inflationary environment, either: the impacts from the labor market and private spending are neutral and the impact from the fiscal policy restrictive. The tightening of monetary conditions since the beginning of the year remains a factor that contributes to the easing of the inflationary environment.

The Board summed up that the current developments in global and domestic economies as well as more favorable conditions in agriculture in comparison with the previous year allow to reaffirm that inflation in the forecast time horizon will most likely be within a target band of 4 % $\pm$ 1.5 pp, given the risks outlined in the monetary policy program show up balanced.