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In the December 06, 2011 Meeting the Board of CBA decided to leave the Refinancing Rate of CBA unchanged, at 8 percent.

In November inflation was 1.2 percent, and the 12-month inflation fell by 0.9 pp against the previous month's indicator and reached 4.8 percent, returning the confidence band of $4\% \pm 1.5$ pp as a result.

The Board admitted that currently no inflationary pressures on the Armenian economy from the world economy are observed. It is expected that prices of raw materials and food products will not change notably in the face of expected slowing of world economic growth, which is congruent with the baseline scenario of world economic growth outlook as described in the Q4, 2011 Monetary Policy Program. In the meantime, uncertainties over debt crisis faced by developed countries are persisting.

The Board has consensus that no inflationary risks are expected from the Armenian economy either: an estimation still holds true that the developments existing in and expected from the labor market and aggregate demand will not create significant pressures on the inflation environment.

The Board summarized that the domestic economy develops in line with forecast trends as outlined in the Q4, 2011 Monetary Policy Program, and there is great likelihood that inflation in the 12-month horizon will be within the confidence band of $4\% \pm 1.5$ pp. The Board therefore finds it reasonable to keep up with the baseline scenario's direction mentioned in the Q4, 2011 Monetary Policy Program, which means implementing a neutral policy.