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In the July 13, 2010 meeting the Board of CBA decided to leave the Refinancing Rate of CBA unchanged, at 7.25 percent.

In June of 2010, 0.8 percent deflation was recorded, while the 12-month inflation has dropped by 0.5 pp against the previous month's indicator, and amounted to 5.8 percent.

The Board's consensus is that continued tightening of monetary conditions since the start of the year, falling international prices of raw materials and food products as well as diminishing effects of monetary and fiscal policies implemented in 2009 have all resulted in faster-than-forecast decline in the 12-month inflation, albeit it still outstrips the upper border of the band.

The Board estimates that though the above factors will have their influence in the upcoming period of time, gradual recovery of aggregate demand and dynamics of prices of seasonal agricultural products, however, tend to create inflationary pressures. On the other hand, still uncertain is the behavior of the European currency and international prices of raw materials and food products.

Under such circumstances the Board finds it reasonable to further withhold from changing monetary conditions.