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In the August 10, 2010 meeting, the Board of CBA decided to leave the Refinancing Rate of CBA unchanged, at 7.25 percent.

In July 2010, 0.8 percent deflation was recorded, while the 12-month inflation increased by 2.0 pp against the previous month's indicator, and amounted to 7.8 percent.

The board stated that the developments in the external and internal macroenvironment are consistent with the directions outlined in the monetary policy program for the third quarter. External inflationary pressures are somewhat increasing due to the appreciation of the European currency in the international financial markets and exacerbation of the problems in certain commodity markets, particularly in the wheat market. At the same time, conditioned by the absence of inflationary pressures coming from domestic demand and tightened monetary conditions in the beginning of the year, internal inflationary pressures are decreasing. Given this, consistent with the monetary program, 12-month inflation is expected to gradually decrease, after increasing in the third quarter as a result of agricultural product price movements, and reach the upper border of the inflation band at the end of the forecast horizon.

Given the described economic developments and taking into consideration still persisting uncertainties related to the response of domestic prices to the aforementioned external factors and further movements of the prices of agricultural products, the Board finds it reasonable to further withhold from changing monetary conditions. At the same time, depending on the materialization of the outlined risks, the Board is not ruling out the adjustment of the interest rates in the future.