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2009-05-12

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In the May 12, 2009 meeting the Board of CBA lowered the Refinancing Rate of CBA by 0.25 pp to 7.25 percent.

Inflation in April was 3.2 percent, while the 12-month inflation has grown by 2.1 percentage points in relation to the previous month, making up 3.1 percent.

The Board asserted that current inflation developments are mostly in line with the directions outlined for the forecast period. As was expected, the rate of inflation began accelerating from the second quarter but it will not, however, overstep the upper border of the target in the forecast time horizon. Further behavior of inflation will be determined mainly by the utility service fees (as the secondary impact of their increase occurred in April will materialize) as well as by a continued process of import price adjustment due to the depreciation of the dram observed at the beginning of March. In the same time, the lower-from-equilibrium GDP in the forecast time horizon and external deflationary environment will restrain the influence of the above mentioned factors on the general price level.

In view of the current and expected macro-environment, the Board finds it reasonable to continue implementing an expansionary monetary policy based on an effective combination of maintaining price stability and stimulation of economic activity by exercising gradual interest rate cuts in combination with quantitative easing.