

The National Bank of Tajikistan keeps monetary policy stance unchanged

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Monetary Policy Committee of the National Bank of Tajikistan decided to keep monetary policy stance unchanged and refinancing rate at 14,0% (p.a.). The decision based on inflation and it's forecast over a mid-term period.

In Y2018, the national economy, in spite of unfavorable external environment, has reached the considerable progress showing, first of all in relative stabilization of macroeconomic situation, a stable inflation level, gradual development of financial sector and improvement institutional and legislative environment.

In this regard the effective reforms for monetary policy implementation, decline of inflationary and exchange rate pressure and improvement of some indicators of banking system have been observed.

According to statistical data, the headline inflation in January-November 2018 has reached 5,1%, that is 1,2 p.p. less compare to the same period of last year. The annual inflation (over last 12 months) decreasing by 1,2 p.p. points stood at 5,5 %.

The detected change of consumer prices occurred due to balanced supply and demand in the consumer market of the country and effective anti-inflationary monetary policy, which have provided stability of domestic prices.

According to analysis, owing to influence of seasonal and external factors, the annual inflation will accelerate and till the end of year remain around a targeted horizon.

It should be noted that in spite of stabilization of macroeconomic indicators there are still some external risks due to growing of geopolitical tension and introduction of new sanctions of the USA to main trade partners' countries, uncertainties in the global financial markets and tight policy of the US Central Bank.

Accordingly, for ensure of inflation within the targeted horizon taking into account potential risks, inflationary pressure decision was made on necessity of keeping the refinancing rate unchanged, and to continue intended monetary policy.

The next meeting of Monetary Policy Committee of the National Bank of Tajikistan will take place according to the schedule. Decisions will be published on the official site of the National Bank of Tajikistan.