



## MONETARY POLICY STATEMENT

**Ref No: 2011/08**

**Date: August 24, 2011**

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*August 25, 2011-* BoM Board of Directors resolved to increase the policy rate by 0.25 unit percent to 11.75% and the required reserve by 2 unit percent to 11%.

According to the statistical data of July released by the National Statistical Office of Mongolia, the national CPI was 11.4% the capital CPI was 10.1%.

The core inflation has been increasing for 5 consecutive months and stands at 12% as of July due to the increase in price of some state regulated products. The total demand influence on inflation would not be decreased in this year. The oil price growth let the transportation cost higher in last months and through this reason the price of other goods and services might be heat up.

The Bank of Mongolia is taking the action to decentralize the expected inflation pressure, economic overheat and to strengthen the reliability of financial sector.

**BANK OF MONGOLIA**