



**THE BANK OF MONGOLIA**

**MONETARY POLICY STATEMENT**  
Cutting the policy rate by 0.75 percentage point

Number: 2013/01

Effective date: 25 January 2013

On 25 January 2013, the Monetary Policy Committee (MPC) decided to cut the policy rate by 0.75 percentage point to 12.5 percent.

Expectations of the inflation outlook consistent with its target, and expected decreases in the demand-pull inflationary pressure and supply-driven inflation have enabled to reduce the policy rate.

The MPC anticipates that cutting the policy rate shall provide stable monetary and credit growth, ensure smooth functioning of financial system, and promote economic activity.

Although, macroeconomic outlook enables policy rate reduction, the MPC acknowledges cautious easing of monetary policy, considering uncertainties in foreign trade and foreign investment environment.

Concise minutes of the MPC meeting will be released in two weeks on the Bank of Mongolia's website.

**MONETARY POLICY COMMITTEE**