



THE BANK OF MONGOLIA

MONETARY POLICY STATEMENT

Cutting the policy interest rate by 1.0 percentage point

Number: 2013/03

Effective date: 8 April 2013

At its meetings on the 3rd and 5th of April 2013, the Monetary Policy Committee (MPC) of the Bank of Mongolia decided to cut the policy interest rate by 1.0 percentage point to 11.5 percent for the purpose of increasing domestic credits and investments, supporting the real sector and stimulating business activities.

Expected low impact of the government budget on inflation, decline in demand-pull and supply-driven inflationary pressure, and annual inflation outlook in upcoming months to be consistent with the targeted level have enabled to reduce the policy interest rate.

The MPC has prudently considered prolonged uncertainties in foreign investment environment and foreign trade on its decision.

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

MONETARY POLICY COMMITTEE