



**THE BANK OF MONGOLIA**  
**MONETARY POLICY STATEMENT**  
**Cutting the policy interest rate by 1.0 percentage point**

**Number:** 2016/01

**Effective date:** 14 January 2016

As its meeting on 22 December 2015, the Monetary Policy Committee (MPC) of the Bank of Mongolia decided to cut the policy interest rate by 1.0 percentage point to 12.0 percent.

Annual inflation measured by CPI decreased to 2.9% as of November 2015, has still been lower than the targeted level for the last 5 months, so it broadens monetary policy room towards expansion. Supply-driven inflation has still been low and stable whilst demand-pull inflationary pressure is expected to be at low level.

Positive and stable outlook on foreign direct investment and its recovery in the medium-term shall support macroeconomic external balance.

This decision on cautious and gradual monetary easing shall positively affect promoting monetary and credit growth, private sector investments and economic activities.

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

MONETARY POLICY  
COMMITTEE