



News Release
31 January 2010

BANK OF JAMAICA INTEREST RATES

Effective 01 February 2011, the interest rate payable on Bank of Jamaica 30-day Certificates of Deposit will be reduced by 25 basis points to 7.25 per cent.

This revision to the Bank's policy rate is consistent with the expectation that domestic inflation for this fiscal year will be within the programme projections of 7.5 to 9.5 per cent. While there has been an increase in commodity prices worldwide, the relative weakness in domestic demand conditions and the extended stability in the exchange rate will dampen the prospect of an upturn in inflation.

The progress being made in implementing fiscal and financial sector reforms has led to repeated observance of performance benchmarks related to the economic programme for this year. These successes continue to be reflected in financial market prices generally and in money market interest rates, in particular. The change in the Bank's policy rate endorses the positive outlook for continued stability.