



New Release
16 June 2010

BANK OF JAMAICA INTEREST RATES

Effective 17 June 2010, the interest rate payable on BOJ 30-day Certificates of Deposit will be reduced by 50 basis points from 9.50 per cent to 9.00 per cent.

The inflation outturn for May, which was lower than the Bank's expectation, and the recent strengthening of the Jamaica Dollar both reinforce the likelihood that inflation for this fiscal year will tend towards 7.5 per cent. The target range for inflation in FY2010/11 remains 7.5 per cent to 9.5 per cent.

The Bank's net international reserves now stand at US\$1.75 billion and will again outperform the benchmark set under the current Stand-By programme for end-June. These resources constitute a strong buffer against financial or weather-related shocks that might otherwise threaten the achievement of the macroeconomic objectives.