

18 August 2020

BANK OF JAMAICA HOLDS POLICY RATE

Bank of Jamaica announces its decision to hold the policy interest rate (the rate offered to deposit-taking institutions on overnight placements with Bank of Jamaica) unchanged at **0.50 per cent** per annum, effective Wednesday, 19 August 2020.

Bank of Jamaica's monetary policy decisions are aimed at ensuring that the annual increase in the prices of consumer goods and services remains within the 4.0 per cent to 6.0 per cent inflation target set by the Government. The decision to hold the policy rate reflects Bank of Jamaica's assessment that inflation is projected to average 4.6 per cent over the next eight quarters, slightly higher than the Bank's previously forecasted average of 4.4 per cent at our last assessment in May 2020. The revised inflation outlook for the next eight quarters is primarily influenced by acceleration in agriculture and processed food price inflation, higher energy costs, as well as increases in some regulated prices.

These and other factors influencing today's monetary policy decision will be discussed at Bank of Jamaica's upcoming monetary policy press briefing scheduled for Wednesday, 26 August 2020.

The next policy decision announcement date is 30 September 2020.

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