

India central bank leaves interest rates unchanged
Malaysian Insider
1 Apr, 2014

The Reserve Bank of India on Tuesday left its policy interest rate unchanged, as expected, and said it does not expect further near-term policy tightening if headline inflation continues to ease towards the bank's targeted level.

The RBI kept its key repo rate at 8%, in line with the forecast of all 53 economists in a Reuters poll last week. Since taking office in September, RBI Governor Raghuram Rajan has raised the repo rate three times by a total of 75 basis points.

India's consumer price index inflation eased to 8.10% in February, near the RBI's January 2015 target of 8%, while the wholesale price index slowed to a 9-month low of 4.68%. The RBI wants CPI inflation to ease further to 6% by January 2016.

"If inflation continues along the intended glide path, further policy tightening in the near term is not anticipated at this juncture," Rajan said in his policy statement. – Reuters, April 1, 2014.

Hakcipta © 2014 The Malaysian Insider

Source: <http://www.themalaysianinsider.com/business/article/india-central-bank-leaves-interest-rates-unchanged>