



PRESS STATEMENT

RESOLUTIONS OF THE MONETARY POLICY COMMITTEE MEETING HELD ON 30 APRIL 2021

The Monetary Policy Committee (MPC) of the Reserve Bank of Zimbabwe (the Bank) met on 30 April 2021 and deliberated on recent economic and financial developments and their implications on monetary policy. The Committee noted with great satisfaction the reduction in inflation, which has further fallen from 240.1% in March 2021 to 194% in April 2021. The Committee reaffirmed its commitment to sustaining the disinflationary path to the end of the year and expects year-on-year inflation to go down to below 55% by July 2021.

The MPC also made the following resolutions to support economic activity and the current stability in the economy:

- a. Maintaining the Bank policy rate at 40% and the interest rate on the Medium Term Accommodation Facility (MBA) at 30% per annum;
- b. Approved a facility of ZW\$500 million for term finance for Micro, Small and Medium Enterprises (MSMEs) which the MSMEs will access from banks and microfinance institutions at 30% per annum for purposes of enhancing production and productivity across all the sectors of the economy; and
- c. Reaffirmed its position to support *bureaux de change* with foreign exchange requirements to support Micro, Small and Medium Size Enterprises (MSMEs) which need foreign currency for their various productive requirements.

The MPC reaffirmed its strong commitment to continue with the conservative monetary policy stance to ensure that the current price stability is maintained.

John P. Mangudya
Governor

4 May 2021