The National Bank of Rwanda (BNR) left its central bank rate (CBA) unchanged at 4.5 per cent to support an economy that is recovering.

The stance by the Monetary Policy Committee (MPC) council is believed to be adequate to support the economic recovery, while bringing inflation up to the medium term objective of 5.0 per cent.

The Governor of the BNR John Rwangombwa, who is also the Chairperson of the MPC on Wednesday, explained that the council has found that the economy does not have a serious problem with inflation.

“The economy has started to recover from the crisis caused by the COVID-19 epidemic, so it has been decided to support the economic recovery, with the basic profit of the Central Bank of Rwanda remaining at 4.5%,”he said.

While on the subject of market price pressures; he explained that this year it is very low and this season it has gone below 0.6%, but on average the annual average is likely to be at 0.7%, which will rise to 5.4% next year.

“What we are happy about is that while it is still in the baseline we are monitoring, the market prices we assume should not exceed 5%. This year is very low. ” He added.

Governor Rwangombwa also described the state of the economy underlining that: “This year’s figures from the International Monetary Fund (IMF) show that the economy will grow at a rate of 5.9% in 2021 and continue to grow in 2022, and in Africa,”

He disclosed that first; the economy grew by 3.5 per cent, in the second quarter (20.6 per cent) adding that the figures followed day by day, show that even in the third quarter the economy will continue to grow at a satisfactory rate.

According to the Governor, exports rose sharply by 58.8 per cent in the third quarter of this year based on the prices of minerals, coffee and tea but imports have continued to rise since the price of petroleum products has risen sharply.

Industrial expenditures have also risen and investment in general as the economy has grown. He points out that the best thing about this is that the difference between what the country exports and what it exports has decreased by 3.2%.

Governor Rwangombwa further explained that the other issue was the stability of the financial sector, which is also in good standing; whether it’s banks, insurance companies, and microfinance institutions.