

2nd BI-MONTHLY



MONETARY POLICY

REVIEW



2018-19

Second Bi-Monthly Monetary Policy Statement, 2018-19

- **The RBI's Monetary Policy Committee (MPC) raised its key policy rate, the Repo Rate by 25 bps to 6.25 per cent, in its second BI-MONTHLY meeting of this fiscal.**
- **As a result, the Reverse Repo Rate under the LAF stands adjusted to 6.0 per cent, and the Marginal Standing Facility Rate and the Bank Rate to 6.50 per cent.**

Second Bi-Monthly Monetary Policy Statement, 2018-19

Reserve Ratio	Policy Rates
CRR : 4%	Repo Rate: 6.25%
SLR: 19.5%	Reverse Repo Rate: 6.00%
	Marginal Standing Facility: 6.50%
	Bank Rate: 6.50%

Second Bi-monthly Monetary Policy Statement, 2018-19
Resolution of the Monetary Policy Committee (MPC)
Reserve Bank of India

On the basis of an assessment of the current and evolving macroeconomic situation at its meeting today, the Monetary Policy Committee (MPC) decided to:

- increase the policy repo rate under the liquidity adjustment facility (LAF) by 25 basis points to 6.25 per cent.

Consequently, the reverse repo rate under the LAF stands adjusted to 6.0 per cent, and the marginal standing facility (MSF) rate and the Bank Rate to 6.50 per cent.

The decision of the MPC is consistent with the neutral stance of monetary policy in consonance with the objective of achieving the medium-term target for consumer price index (CPI) inflation of 4 per cent within a band of +/- 2 per cent, while supporting growth. The main considerations underlying the decision are set out in the statement below.

21. Dr. Chetan Ghate, Dr. Pami Dua, Dr. Ravindra H. Dholakia, Dr. Michael Debabrata Patra, Dr. Viral V. Acharya and Dr. Urjit R. Patel voted in favour of the decision. The minutes of the MPC's meeting will be published by June 20, 2018.

22. The next meeting of the MPC is scheduled on July 31 and August 1, 2018.

Monetary Policy Committee (MPC)

- The Monetary Policy Committee would be entrusted with the task of fixing the Benchmark Policy Rate (Repo rate) required to contain Inflation within the specified target level.

Total Members = 6	
3 Members = RBI	3 Members = GOI
Urjit Patel	Chetan Ghate
Viral Acharya	Pami Dua
Michael Patra	Ravindra H. Dholakia

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