



**Press Release**

March 16, 2020

In light of the recent global developments following the COVID-19 outbreak globally, the Monetary Policy Committee (MPC) decided in an unscheduled meeting held on March 16, 2020 to cut the Central Bank of Egypt's (CBE) overnight deposit rate, overnight lending rate, and the rate of the main operation by 300 basis points to 9.25 percent, 10.25 percent, and 9.75 percent, respectively. The discount rate was also cut by 300 basis points to 9.75 percent.

The MPC's preemptive decision provides appropriate support to domestic economic activity given the current challenging external environment, while the inflation outlook remains consistent with achieving the inflation target of 9 percent ( $\pm 3$  percentage points) in 2020 Q4.

The MPC will continue to closely monitor all economic developments and will not hesitate to adjust its stance to achieve its price stability mandate over the medium term.

**Monetary Policy Sector**

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