# PRESS STATEMENT

## RESOLUTIONS OF THE MONETARY POLICY COMMITTEE MEETING HELD ON 24 APRIL 2020

The Bank's Monetary Policy Committee (MPC) met on 24 April 2020 and deliberated on a number of issues including the impact of Covid-19 on the economy and the necessary policy interventions to ensure that the economy remains on a growth trajectory. The MPC noted the compelling need to reinforce the Bank's first-round of economic policy responses to the Covid-19 pandemic and made the following resolutions:

a) The Bank Policy rate will be reviewed downwards from 25% to 15% per annum with effect from Friday, 1 May 2020, with the expectation that banks will do the same to provide affordable financial facilities to their customers during these challenging times.

b) The interest rate applicable to the Medium-Term Bank Accommodation (MBA) Facility will be reduced from the current 15% to 10% per annum with effect from Friday, 1 May 2020.

c) The MBA Facility has been increased by ZW$500 million to bring it to ZW$3 billion.

d) An additional ZW$2 billion will be raised from the market through money supply neutral financial instruments to augment the MBA Facility to ZW$5 billion.

e) Banks that access the MBA Facility are encouraged to on-lend at interest rates not exceeding 20%.

The above measures will provide further impetus to the resuscitation of production in the economy.

**JOHN. P. MANGUDYA**
**GOVERNOR**

**29 April 2020**