

During today's MPC meeting, the committee reaffirmed its hawkish approach to addressing inflation. The CBN governor conveyed confidence in the potential moderation of inflation in the near future, despite the recent upsurge. He attributed this outlook to the coordinated efforts of monetary and fiscal policymakers, especially in addressing food inflation. Additionally, the CBN governor highlighted the growth in external reserves, which is expected to further enhance FX liquidity.

In conclusion, the MPC decided to increase the benchmark rate by 50 basis points and adjust the Asymmetric corridor from +100/-300 basis points to +500/-100 basis points around the MPR. All other parameters were left unchanged.

Below are the key decisions made by the committee:

- MPR increased by 50bps from 26.25% to 26.75%.
- Adjusted the Asymmetric corridor from +100/-300 basis points to +500/-100 basis points around the MPR.
- Retain CRR of Deposit Money Banks and Merchant Banks at 45.00% and 14.00%, respectively.
- Retain Liquidity ratio at 30.00%.

The CBN governor also mentioned that the trends in the global and domestic economies will influence the policies to address inflation effectively. The next MPC meeting is set for September 23 and 24, 2024.

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