



**BANK OF MAURITIUS**

*Communiqué*

*Released at 14.00 hours on 31 October 2008*

**Bank of Mauritius cuts the key Repo Rate  
by 50 basis points**

The Monetary Policy Committee (MPC) of the Bank of Mauritius convened a special meeting today to discuss recent developments on international financial markets and the global economic crisis. The MPC took note of government's policy stance to shore up the domestic economy.

Members noted that the domestic banking sector is sound, stable, profitable and well-capitalised, and is not facing the same liquidity, capital adequacy and risk-aversion problems as those affecting some advanced economies. The MPC also took note that several systemically-important countries have coordinated their monetary policies.

In the light of its review of the exceptional circumstances characterising the domestic and global economic and financial situation, and, taking into consideration government's policy stance to further strengthen the resilience of the domestic economy, the MPC decided by consensus to reduce the key Repo Rate by 50 basis points to 7.75 per cent per annum with immediate effect.

The Bank of Mauritius will issue a Monetary Policy Statement at 13.00 hours on Friday 7 November 2008.

*Bank of Mauritius*

*31 October 2008*