

February Inflation Hits 18-Month High

By [The Moscow Times](#)

March 05, 2013

The  Moscow Times

A rise in February in the annual consumer price inflation rate to its highest in 18 months lends weight to the Central Bank's argument to wait with monetary easing, despite strong signals that the economy is slowing.

Annual inflation reached 7.3 percent last month, official data released Tuesday show, its highest since August 2011 and well outside the 5 to 6 percent goal for the whole of the year. It was pushed up by a broad increase in food prices.

The Federal Statistics Service data came just over a week before the Central Bank meeting on interest rates on March 15. The Central Bank is expected to leave lending rates on hold, according to a Reuters poll.

Tuesday's data add weight to the Central Bank's defense against official pressure to soften monetary policy. The bank's chairman says cutting rates makes sense only if inflation falls.

A cut in rates could spur lending to businesses and increase investment and output.

Original url:

<https://www.themoscowtimes.com/2013/03/05/february-inflation-hits-18-month-high-a22102>