

Central Bank Could Lower Interest Rates

By [The Moscow Times](#)

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Central Bank Chairman Sergei Ignatiev has refused to rule out the possibility of lowering interest rates this month, Interfax reported Wednesday.

The comment comes ahead of a scheduled meeting of the bank's board of directors, which is scheduled for Monday.

"We will not consider the option of raising interest rates. We may leave our interest rates unchanged though that's not to say that we won't lower some interest rates, and keep others as they were," said Ignatiev, adding that the current economic climate called for tough decisions to be made.

Preliminary estimates by the Economic Development Ministry have suggested that Russia's GDP increased by 1.8 percent in the first four months of 2013, compared to an increase of 3.8 percent over the same period in 2012.

Ignatiev said the main reasons for the slowing of economic growth include demographic

problems as well as a decline in exports. Financial results from 2012 also saw unexpectedly high levels of growth, resulting in a distortion when compared to this year's results.

"In the past ten years, we have only seen one drop in the financial results posted in the first quarter compared to the previous year — and that was in the crisis year of 2009. This means a lot, insofar as company profit is the main source of private investment," the bank chief said.

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