

Russian Central Bank Chief Aims for 4% Inflation Rate

November 24, 2016



Russia's Central Bank chief Elvira Nabiullina **Maxim Stulov / Vedomosti**

Russia should aim for reducing inflation to 4 percent, but no lower, Russia's Central Bank chief, Elvira Nabiullina, [said](#) in an interview with Forbes.

Nabiullina's target inflation rate is higher than the 2 percent rate common in most developed countries, but decreasing inflation any further could cause new problems, she believes.

"Mass deflation is dangerous," she said. "It decreases the stimulus for investment. In order to avoid this, the inflation level should be around 4 percent." Inflation above 4 percent will also halt investment, she added.

The Central Bank's goal should now be ensuring stable, low inflation and, as a result, stable and low interest rates on loans. These factors are more important than the ruble exchange rate, Nabiullina said.

Russia's annualized inflation for 2016 stands at 6.09 percent, according to the StatByuro statistical website. The Central Bank aims to reach its 4 percent target in 2017.

Original url:

<https://www.themoscowtimes.com/2016/11/24/central-bank-chief-aims-for-4-percent-inflation-rate-a56285>