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The Board of Directors of *Banco de la República*, in its meeting today, unanimously decided to maintain the benchmark interest rate at 4.25%

The Board took into consideration the following information:

- The average of core inflation indicators (2.82%) did not change, and remained below the target. Inflation expectations to different terms exhibited no significant changes, standing around observed inflation. In March, inflation rose and stood at 3.21%, mainly explained by the performance of the food and regulated items groups.
- Despite the recent positive growth data from the United States and China, the prospects for global growth continued to moderate. The market expects the Fed's benchmark rate to remain stable or decrease in the following two years.
- For 2019, the technical staff at the Central Bank continues projecting a growth figure of 3.5%, and estimates that the spare capacity of the economy will decline.

Based on this information, the Board considered the following factors for its decision:

- Observed inflation will be close to the target, and the upside risks are low.
- The spare capacity and the uncertainty around the pace with which it may reduce remain, as was estimated in the previous meeting of the Board.
- The effects of external conditions on the Colombian economy remain uncertain.

In this environment, upon assessing the economic situation and the risk balance, the Board deemed appropriate to maintain the benchmark interest rate at 4.25%, with which monetary policy continues to be slightly expansionary.

The Board will continue to carefully monitor the behavior of inflation and the forecasts for economic activity, as well as the international situation and the performance of the balance of payments. Finally, the Board reiterates that monetary policy will depend on the availability of new information.

Bogotá,

Fuente: https://www.banrep.gov.co/en/press-releases-26-april-2019-1