

NATIONAL OFFICE

First Floor, 3 Gwen Lane, Sandown, 2196
P.O. Box 652807, Benmore, 2010
Tel: +27 11 784-8000/1/2/3 | Fax: +27 (0) 86 609 8248
E-mail: busa@busa.org.za | Website: www.busa.org.za

PARLIAMENTARY OFFICE

9 Church Square, 1st Floor Graaffs Trust Building
Cape Town, 8001
P.O. Box 3867, Cape Town, 8000
Tel: +27 21 465 1633 | Fax: +27 21 461 5470

MEDIA STATEMENT
IMMEDIATE RELEASE
INTEREST RATES

Commenting on the interest rate decision by the Reserve Bank today BUSA says.

Quote:

BUSA is disappointed at the decision by the Reserve Bank today to leave interest rates unchanged and sees it as unduly cautious in present economic circumstances. The stronger rand, stable oil prices and domestic recessionary conditions combine to suggest that a further small cut in interest rates would have been feasible at this stage. BUSA would like to see the lowest possible level of interest rates consistent with control of inflation to get the economy moving again.

With fiscal policy already making its maximum contribution to SA's anti-recession stance, support from interest rate policy is needed, given the inevitable time-lags. The Reserve Bank acknowledges that the growth outlook remains uncertain. It is necessary to assist the interest rate-sensitive sectors of the economy and nurture the small signs appearing that the worst of the recession may soon be over for South Africa.

Ends

22 September 2009

Enquiries

Raymond Parsons

Deputy CEO-BUSA

Contact: 083 225 6642

