

# HIGHLIGHTS



## In Summary:

- The spread of COVID-19 and measures implemented to limit its impact resulted in an unprecedented fall in world output during the first half of 2020, with a recovery anticipated in the second half of 2020.
- According to the Central Bank's Quarterly Index of Real Economic Activity, domestic economic activity contracted in the first half of 2020.
- The Central Government fiscal accounts registered an overall deficit in fiscal year (FY) 2019/20 (October 2019 – September 2020).
- Headline inflation has remained well contained in 2020.

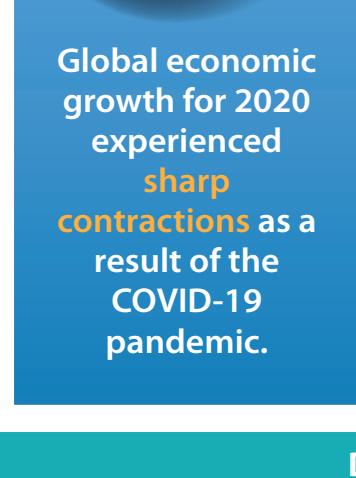
- Energy prices were subdued over the first ten months of 2020.

- Private sector credit granted by the consolidated financial system slowed in the first eight months in 2020. This trend can be attributed to a steeper decline in business lending along with slower consumer and real estate mortgage lending.

- In September 2020 the Monetary Policy Committee held the Repo rate constant at 3.50 per cent following a 150 basis point reduction in March 2020.

- The COVID-19 pandemic resulted in a general compression in the market for foreign currency, which remained tight thus far in 2020.

## INTERNATIONAL DEVELOPMENTS



## DOMESTIC ECONOMIC AND FINANCIAL CONDITIONS



## MONETARY POLICY CONSIDERATIONS

