



## **CBUAE Maintains the Base Rate at 15 Basis Points**

**Abu Dhabi (29 July 2021):** The Central Bank of the UAE (CBUAE) has decided to maintain the Base Rate applicable to the Overnight Deposit Facility (ODF) at 15 basis points, effective from Thursday, 29 July 2021.

This decision was taken following the US Federal Reserve Board's announcement on 28 July 2021 to set the Interest on Reserve Balances (IORB) at 15 basis points.

The CBUAE also has decided to maintain the rate applicable to borrowing short-term liquidity from the CBUAE through all standing credit facilities at 50 basis points above the Base Rate.

The Base Rate, which signals the general stance of the CBUAE's monetary policy, shall be anchored to the US Federal Reserve Board's IORB rate, effective from 29 July 2021. This follows the Federal Reserve's announcement that, as of 29 July 2021, rates applicable on Interest on Excess Reserves (IOER) and Interest of Required Reserves (IORR) will be replaced by the single IORB rate. Previously, the rate applicable to IOER had been the anchor for the CBUAE's Base Rate.

–Ends–