MONETARY POLICY COMMITTEE
COMMUNIQUÉ No. 6/2025
Maputo, November 14, 2025

Monetary Policy Rate Reduced to 9.50%

The Monetary Policy Committee (MPC) of the Banco de Moçambique decided to reduce the monetary policy rate, MIMO, from 9.75% to 9.50%. This modest reduction reflects the heightened risks and uncertainties underlying the inflation projections, particularly stemming from the Government's delay in the payment of domestic public debt instruments.

Prospects of single-digit inflation remain unchanged over the medium term. In October 2025, annual inflation stood at 4.8%, after 4.9% in September. Core inflation, which excludes fruits and vegetables and administered prices, also declined. The persistence of single-digit inflation expectations over the medium term largely reflects the stability of the Metical and favourable trends in international commodity prices.

Domestic public debt continues to deteriorate, with implications for the normal functioning of the financial market. Domestic public debt, excluding loan and lease agreements and overdue liabilities, stands at 465.8 billion meticais, up by 50.3 billion relative to December 2024. The Government's delay in the payment of domestic public debt instruments is resulting in reduced appetite for government securities and rigidity in the interbank money market interest rates.

Risks and uncertainties associated with inflation projections remain high. Over the medium term, in addition to the risks and uncertainties stemming from climate shocks and the sluggish recovery of productive capacity and the supply of goods and services in the economy, the Government's delay in the payment of domestic public debt instruments is a notable source of vulnerability.

The MPC reaffirms its commitment to pursuing a prudent monetary policy geared towards macroeconomic stability. In light of heightened risks and uncertainties, the direction of monetary policy will henceforth be guided by the assessment of the risks and uncertainties underlying the inflation projections.

The next MPC meeting is scheduled for January 28, 2026.

Rogério Lucas Zandamela
Governor