

Indonesia Keeps Key Rate Unchanged for Fifth Month

Indonesia's central bank kept its benchmark interest rate unchanged for a fifth month, saying it isn't concerned about inflation pressures in the first half. Bank Indonesia maintained its reference rate at 6.5 percent, the lowest level since its introduction in July 2005, according to a statement in Jakarta today. All 18 economists in a Bloomberg News survey predicted the decision. Inflation in Southeast Asia's largest economy held near a decade low in December, giving the central bank more time before it joins other Asian policy makers in raising borrowing costs. Barclays Plc and HSBC Holdings Plc expect the threat of faster consumer-price gains this year may prompt Bank Indonesia to act next quarter.