

Sturzenegger: rate hikes will help provinces

The hikes to utility rates in Buenos Aires will help improve purchasing power in the rest of the country, Central Bank chief Federico Sturzenegger said yesterday in a rare public appearance.

Sturzenegger, who has only appeared in public a few times since taking office, argued during a presentation at the Economic Sciences Professional Council that families in other provinces

were in many cases paying more to subsidize consumption in the country's capital than what they paid for their own services.

The Central Bank kept interest rates unmoved yesterday, a move that will help contain inflation in the short term across the country but that has also been criticized for its effect in slowing down the economy by reducing private credit.