

G20 agrees to curb competitive currency devaluation

Finance Ministers and central bankers of the Group of 20 (G20) on Saturday pledged not to target exchange rates or devalue currencies for the purpose of making them more competitive.

G20 members would "refrain from competitive devaluation" and "resist all forms of protectionism and keep our markets open," said the communiqué after the G20 finance meeting.

It noted that monetary policy should be directed toward domestic price stability and support economic recovery.

"We commit to monitor and minimize the negative spillovers on other countries of policies implemented for domestic purposes," said the six-page document.

The communiqué also stressed the urgency to establish ambitious reforms and coordinated policies to achieve sustainable and balanced growth.

Russian Finance Minister Anton Siluanov said G20 finance ministers agreed that "steps of the Japanese government were so far within the common understanding of monetary policy," adding it was "an internal affair of the country."

Meanwhile, he warned against "any competitive devaluation of currencies."

"A change in the currency policy of one country will affect its trade partners. Then economic competition will be replaced with competition of currencies," Siluanov said.