



External Relations Department

PRESS RELEASE

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SBP issues clarification on revising inflation target

In some of the media reports covering the release of SBPs First Quarterly Report of 2014-15 titled 'The State of the Pakistan's Economy', it has been erroneously reported that the SBP has revised the inflation target to 4.5 – 5.5 percent. It is clarified that the SBP neither fixes the inflation target nor revises it. The inflation target is set by Federal Government and is released in its Annual Plan. The SBP only provides its view as an estimate of the expected inflation, generally termed as projections or forecasts, in its publications. The target of inflation for 2014-15 has been set as 8 percent by the Federal Government. The SBP projects that inflation for 2014-15 may fall in the range of 4.5 – 5.5 percent. Inflation projections are typically reviewed before the meetings on monetary policy and published in its Monetary Policy Statements/Decisions and Annual/Quarterly Reports.
