

**MINUTES OF THE MEETING OF THE MONETARY POLICY COMMITTEE (MPC) HELD AT  
KARACHI ON MONDAY JUNE 26, 2023 AT 03:00 PM**

**P R E S E N T**

Mr. Jameel Ahmad	Chairperson & Governor SBP
Ms. Sima Kamil	Deputy Governor (FI & I)
Dr. Inayat Hussain	Deputy Governor (Banking & FMRM)
Mr. Fawad Anwar	Director SBP Board
Mr. Muhammad Ali Latif	Director SBP Board
Mr. Najaf Yawar Khan	Director SBP Board
Dr. Naved Hamid	External Member
Dr. Hanid Mukhtar	External Member
Dr. S. M. Turab Hussain	External Member
Mr. Fayyaz-ur-Rehman	Corporate Secretary-Acting

**Review of Current Economic Conditions and Outlook for FY23**

1. The staff apprised the Committee of the key developments in key macroeconomic indicators since the last MPC meeting of June 12, 2023. Moreover, assessments and analyses of evolving trends were also shared for the information of the Committee.
2. The staff apprised the Committee of two important domestic developments since the last MPC meeting on June 12, 2023; (i) upward revision in taxes, duties and Petroleum Development Levy (PDL), (ii) withdrawal of SBP's general guidance related to import prioritization. It was noted that an upward revision in taxes would contribute to inflation, both directly and indirectly. Further, a relaxation in the import restrictions may exert pressure on external account.

**Monetary Policy Deliberations and Decision Vote**

3. The MPC decided to increase the policy rate by 100bps with a majority vote of eight out of nine while one member voted to *keep the policy rate unchanged*.

**DECISIONS:**

- *The policy rate is increased by 100bps to 22 percent.*
- *The Monetary Policy Statement – June 26, 2023 is approved.*