

26th January, 2006

STATE BANK ISSUES ITS MONETARY POLICY STATEMENT

The State Bank of Pakistan issued its *Monetary Policy Statement* which was approved by the Central Board of Directors of SBP at its meeting held in Islamabad today, with Dr. Shamshad Akhtar, Governor State Bank of Pakistan, in the chair. The distinguishing feature of the Monetary Policy Statement is a public announcement of the monetary policy stance to be followed by the SBP during the second half of FY06.

The text of the Monetary Policy Statement is enclosed.

Encl:

Monetary Policy Statement

Macroeconomic Outlook