



External Relations Department

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Clarification on Inflation target and forecast

In some sections of the media, SBP's average inflation forecast of 7-9% in FY22 is being interpreted as the "inflation target" and being compared to the inflation targets of other countries. This is incorrect.

SBP's inflation forecast represents our projections for the current fiscal year. On the other hand, Pakistan's inflation target is set by the Government and is 5 – 7 %. This target is to be achieved over the medium term. Monetary policy is anchored on achieving the government's inflation target over the medium term, i.e. over the next 18-24 months.
