

**STATE BANK OF PAKISTAN**  
**DOMESTIC MARKET & MONETARY MANAGEMENT DEPARTMENT**  
**I.I. CHUNDRIGAR ROAD**  
**KARACHI**

**DMMD Circular No. 04**

**Mar 02, 2023**

The Presidents/ Chief Executives,  
All Commercial Banks/ Primary Dealers

Dear Sirs/Madams,

**SBP's Policy Rate and Overnight Repo / Reverse-Repo Facilities**

Please refer to DMMD Circular No. 01 dated Jan 23, 2023. Following changes are announced with reference to this circular:

1. SBP has decided to increase 'Policy Rate' (Target Rate) from 17.00% to 20.00%.
2. SBP Overnight Reverse Repo (Ceiling) rate will be at 21.00% i.e. 100 bps above the SBP Policy Rate.
3. The SBP Overnight Repo (Floor) rate will be at 19.00% i.e. 100 bps below the SBP Policy Rate.
4. Accordingly, the Floor and Ceiling levels for the Interest Rate Corridor are 19.00% and 21.00% p.a. respectively (i.e. width of 200bps).

SBP will continue to ensure that the money market overnight rate remains close to the SBP Policy Rate (Target Rate).

Above changes are effective from Mar 03, 2023. Other instructions on the subject shall, however, remain unchanged.

Yours Sincerely,

**(Dr. Mahmood ul Hasan Khan)**  
Director