



MINISTRY OF FINANCE
REPUBLIC OF SOUTH AFRICA

Private Bag X115, Pretoria, 0001 • 40 Church Square, PRETORIA, 0002 • Tel: +27 12 315 5372, Fax: +27 12 406 9055 • www.treasury.gov.za

MEDIA STATEMENT

MINISTER OF FINANCE ENOCH GODONGWANA'S STATEMENT ON INFLATION TARGETING

The Minister of Finance, Mr Enoch Godongwana, would like to provide clarity on the most recent announcement by the Monetary Policy Committee (MPC) of the South African Reserve Bank (SARB) that it has a preference to target inflation at 3% and that going forward its forecasting will be based on this target.

As a result of this announcement, an expectation has been created that the Minister of Finance will make an announcement at the Medium-Term Budget Policy Statement (MTBPS) confirming this move to a 3% target.

Minister Godongwana has no plans to do this.

It is well-established that policy making responsibility in this area resides with the Minister of Finance, working with the President and Cabinet, who sets the inflation target in consultation with the South African Reserve Bank (SARB).

The SARB then operates independently in its pursuit of the inflation target.

"As I emphasised during the Budget presentation, any adjustments to our inflation-targeting framework will follow the established consultation process," said Minister Godongwana. "This means comprehensive consultation between National Treasury, the Reserve Bank, Cabinet, and relevant stakeholders – not unilateral announcements that pre-empt legitimate policy deliberation."

"Any changes to the target, if necessary, will follow this process that I have outlined above," Minister Godongwana added.

Issued by Ministry of Finance

Date: 01 August 2025