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- Act 31/1992 stipulates that the Board of Directors of *Banco de la República* must define and announce the inflation target.
- In accordance with this legal mandate, the BDBR is prepared to announce that it has set a target of 3.0% within a range of 2.0% to 4.0%.
- Inflation has risen globally and, by the end of 2021, will end up above the target in most countries, including Colombia.
- This has been the result of multiple unexpected shocks. In Colombia, these shocks include a greater-than-anticipated increase in aggregate demand and, on the other hand, the same type of global difficulties that have compromised the ability of supply to respond harmoniously.
- These supply factors include the increase in the prices of key inputs such as energy and the notable rise in international transportation prices. These difficulties are temporary by nature and should begin to fade, thus facilitating the convergence of inflation towards the target.
- Despite the many factors that have put upward pressure on inflation in the short term, inflation expectations on the medium- and long-term remain close to the 3.0% target.
- Within the framework of the inflation target strategy, the Board of Directors of *Banco de la República* will continue to evaluate the supply and demand factors that explain the behavior of inflation, its persistence, and its possible effects on inflation expectations at each of its meetings. The Board also reiterates that its actions seek to bring inflation to the 3.0% target in coordination with the general economic policy.

Fuente: https://www.banrep.gov.co/en/board-directors-banco-republica-holds-inflation-target-30-2022