

# BANK OF RUSSIA MONETARY POLICY REVIEW 2028: PLANNED ANALYTICAL WORK AND EVENTS

**The Bank of Russia launches a new round of its regular monetary policy analysis during the period of inflation targeting – the Monetary Policy Review (MPR), which is conducted every five years. The objective of the MPR is to assess the effectiveness of monetary policy amid evolving macroeconomic conditions. The Bank of Russia plans to carry out analytical work and public consultations in 2026–2027 and summarise MPR findings by mid-2028.**



**MPR 2023**

Regular reviews help systematically assess the efficiency of monetary policy in addressing new challenges and check whether its parameters remain relevant in the changing economic environment. The first MPR ([MPR 2023](#))<sup>1</sup> was completed in 2023. The studies confirmed that the implementation of monetary policy within the framework of inflation targeting made it possible to successfully weather crises, maintain price stability, and foster conditions conducive to balanced economic growth.

In 2021–2025, the Russian economy faced significant challenges: post-COVID overheating of demand, the structural transformation amid major changes in the external environment, and a large-scale fiscal impulse. During these years, inflation remained predominantly elevated, while the annual price growth rates were fluctuating within a wide range of 2.3–17.8%, averaging 8.6% per year. To bring inflation back to the target, the Bank of Russia tightened its monetary policy. The measures taken helped the regulator considerably reduce inflation by the end of 2025. Nevertheless, it still remains above the target level of 4%.

Recent years have also seen shifts in the functioning of the monetary policy transmission mechanism. The development of the domestic financial market and a decreasing dollarisation in the economy have boosted the efficiency of the interest rate channel. However, geopolitical factors, sanction restrictions, and a larger scope of subsidised lending programmes, on the contrary, have dampened the effects of certain transmission channels. Long-term structural trends require additional analysis as they will have a notable impact on the conditions of monetary policy implementation going forward.

A new review cycle will provide an opportunity to reassess these conditions and the outcomes of monetary policy pursued since the transition to inflation targeting in 2015. The regulator will take the [MPR 2028](#)<sup>2</sup> findings into account when updating its monetary policy approaches in the future. This is necessary to effectively achieve the primary objective of monetary policy, i.e. to protect and ensure the stability of the ruble by maintaining price stability, thus also promoting conditions for balanced and sustainable economic growth.<sup>3</sup>



**MPR 2028**

<sup>1</sup> [http://www.cbr.ru/eng/dkp/review\\_dkp/odkp-2023/](http://www.cbr.ru/eng/dkp/review_dkp/odkp-2023/).

<sup>2</sup> [http://www.cbr.ru/eng/dkp/review\\_dkp/odkp-2028/](http://www.cbr.ru/eng/dkp/review_dkp/odkp-2028/).

<sup>3</sup> Articles 3 and 34.1 of Federal Law No. 86-FZ, dated 10 July 2002, 'On the Central Bank of the Russian Federation (Bank of Russia)'.



## ANALYTICAL WORK

As part of the MPR 2028, the Bank of Russia research units plan to conduct analytical studies across six work streams in 2026–2027. The thematic structure of the current MPR generally maintains continuity with the first MPR 2023.

- Work Stream 1.** Inflation target format.
- Work Stream 2.** Operational framework of monetary policy.
- Work Stream 3.** Retrospective assessment of the effectiveness of monetary policy.
- Work Stream 4.** Communication as a monetary policy instrument.
- Work Stream 5.** Interaction of monetary policy and other economic policies.
- Work Stream 6.** Long-term trends and monetary policy.

The findings of Bank of Russia researchers will be published on the regulator’s website as authored analytical notes and working papers over 2026–2028 H1.

The Bank of Russia encourages leading experts, researchers, and analysts to join the analysis of monetary policy within these work streams. In the middle of 2027, the regulator plans a scientific conference to discuss the results of the studies conducted by both Bank of Russia specialists and external experts.



## PUBLIC CONSULTATIONS

Communication transparency is a prerequisite for public trust in monetary policy and, consequently, its effective implementation. This is why, as part of the MPR 2028, the Bank of Russia plans to hold a series of meetings with representatives of the business and expert communities, public organisations, and government authorities at its regional branches in 2027. An open dialogue will provide a clearer picture of public perception of inflation and the Bank of Russia’s monetary policy. Moreover, it will allow the regulator to receive feedback on its approaches to communicating monetary policy decisions.



## SUMMARISING MPR FINDINGS

Taking into account the scheduled programme of analytical work and events, the Bank of Russia plans to summarise MPR findings by mid-2028. By this time, the regulator will release a report outlining the main conclusions and proposals based on the results of the studies and public consultations. Drawing on the above, the Bank of Russia will decide to maintain or adjust the parameters of its monetary policy. These decisions will be taken into account when preparing the Monetary Policy Guidelines for 2029–2031.

## ANALYTICAL WORK STREAMS

### WORK STREAM 1.

#### INFLATION TARGET FORMAT

The concept of the inflation target format encompasses multiple aspects. The key ones include the level, type (as a point or a range), target index, time horizon, and symmetry of the target. Based on the MPR 2023 findings, the Bank of Russia kept the main parameters of the inflation target format unchanged. At the same time, the regulator estimated that by the end of 2021, the conditions in the Russian economy had become conducive to lowering the target level in the future. However, severe proinflationary shocks of recent years required caution in determining the timing of such a step and possible values to which the target could be lowered.

As part of Work Stream 1, the Bank of Russia will answer the following questions:

1. Why is low and stable inflation a prerequisite for the development and efficient structural transformation of the Russian economy?
2. When will the conditions be in place for lowering the inflation target in Russia? What should the new target level be?
3. Do the approaches to calculating and analysing the consumer price index in Russia need to be improved, given the shocks of recent years, among other things?
4. How have inflation target formats changed around the world since 2023?

**WORK  
STREAM 2.****OPERATIONAL FRAMEWORK OF MONETARY POLICY**

Since 2022, the changes in banking regulation, the restrictions on money market transactions imposed on certain market participants, and the emergence of new active groups of participants (money market funds, banks with special business models) have been influencing the efficiency of the operational framework of monetary policy. These factors have strengthened the Bank of Russia's role in redistributing liquidity in the money market. Moving forward, payment and financial innovations will continue to impact the conditions of monetary policy implementation. Specifically, these innovations include the development of the Bank of Russia Payment System services and the expansion of its regulations, as well as the full-scale introduction of the digital ruble.

As part of Work Stream 2, the Bank of Russia will answer the following questions:

1. How effective is the operational framework of monetary policy given the changed structure of the money market? How is it adapting to new challenges related to innovations and the development of financial markets?
2. What should the optimal level of central bank involvement in market intermediation be in order to support activity in the money market and effectively manage interest rates, both under normal conditions and during crises?
3. Does the Bank of Russia need to adjust its operational framework? Does the central bank need instruments to support non-bank financial institutions during crises? How effective are the current approaches to managing collateral for monetary policy operations?
4. What are the global trends in the development of monetary policy operational frameworks?

**WORK  
STREAM 3.****RETROSPECTIVE ASSESSMENT OF THE EFFECTIVENESS  
OF MONETARY POLICY**

Since 2022, the Russian economy has faced a number of severe proinflationary shocks. Some of them were associated with supply-side factors, in particular a substantial deterioration in the external environment. Others were attributable to the significant overheating of domestic demand. Under these conditions, over the past five years, inflation has been mostly above 4%, requiring a considerable tightening of monetary policy for it to decline from the high levels.

As part of Work Stream 3, the Bank of Russia will answer the following questions:

1. What are the outcomes of inflation targeting in Russia, including given the extraordinary shocks of 2022?
2. How have structural changes in the Russian economy affected the monetary policy transmission mechanism?
3. What have the consequences of the prolonged period of significant upward deviation of inflation from the target been? How can the Bank of Russia's monetary policy minimise the risks of such deviations in the future?
4. Is there a need to change approaches to factoring in the non-linearities in the economy when implementing monetary policy?

**WORK  
STREAM 4.****COMMUNICATION AS A MONETARY POLICY INSTRUMENT**

The Bank of Russia has notably refined its communication policy since 2023. Specifically, the regulator now actively uses multi-layered formats, adapting its messages for different target audiences, with the Summary of the Key Rate Discussion launched and forecast model codes published. At this stage, the following key objectives for advancing the Bank of Russia's communication strategy can be identified: increasing general public confidence in order to anchor inflation expectations and fine-tuning the regulator's communication with professionals. The format of the latter has been evolving significantly around the world, including due to the proliferation of large language models.

As part of Work Stream 4, the Bank of Russia will answer the following questions:

1. Does the current communication 'menu' enable effective interaction with the professional community?
2. How has the predictability of monetary policy decisions changed after 2022?
3. Does the range of indicators used in the Bank of Russia's medium-term forecast need to be expanded?
4. How does artificial intelligence affect the central bank's interaction with its main audiences?
5. Is there a need to improve the approaches to communication with the general public in order to enhance the Bank of Russia credibility and anchor inflation expectations? How should society's information needs and values be incorporated into the communication approaches?

**WORK  
STREAM 5.****INTERACTION OF MONETARY POLICY AND OTHER  
ECONOMIC POLICIES**

The economic situation in the country is shaped not only by monetary policy but also by multiple other state policy areas. In Russia, the following two key policies had the most notable influence on the conditions of monetary policy implementation over the period after 2022:

- *fiscal policy*, which contributed significantly to aggregate demand dynamics and had a substantial impact on the macroeconomic situation; and
- *financial stability policy*, where the changes in prudential requirements and other measures affected monetary conditions.

As part of Work Stream 5, the Bank of Russia will answer the following questions:

1. What interaction between monetary policy and fiscal policy should be considered optimal?
2. How can the interaction between monetary policy and fiscal policy in Russia after 2021 be characterised?
3. Why is it important to preserve the distinction between the goals and instruments of monetary policy and those of financial stability policy?

**WORK  
STREAM 6.****LONG-TERM TRENDS AND MONETARY POLICY**

As part of MPR 2023, the Bank of Russia highlighted a number of new challenges for monetary policy. These included the transformation of the Russian economy under the influence of global trends and geopolitical developments, the evolution of the financial architecture, decarbonisation and global warming, and social and demographic challenges. Over the past years, some of these challenges have already materialised, while for others, more data have become available for analysis. Simultaneously, new trends are coming to the fore, especially those related to the development of transformative artificial intelligence and the platform economy.

In the MPR 2028, the Bank of Russia plans to focus on the following trends with potentially strong influence on economic growth rates, structural changes in the economy, and monetary policy transmission over a 5–10 year horizon:

- the platform economy;
- demographic changes in the labour market;
- artificial intelligence;
- growing physical climate risks; and
- the digitalisation of finance.

As part of Work Stream 6, the Bank of Russia will answer the following questions:

1. What opportunities (challenges) arise for the Russian economy in connection with these trends in terms of their effects on the labour market, capital accumulation, and total factor productivity, including production organisation?
2. What should be done to seize these opportunities (overcome the challenges), and what impact will these trends have on economic growth and the structure of the economy?
3. Which structural changes will have the greatest impact on monetary policy transmission and through which channels?