

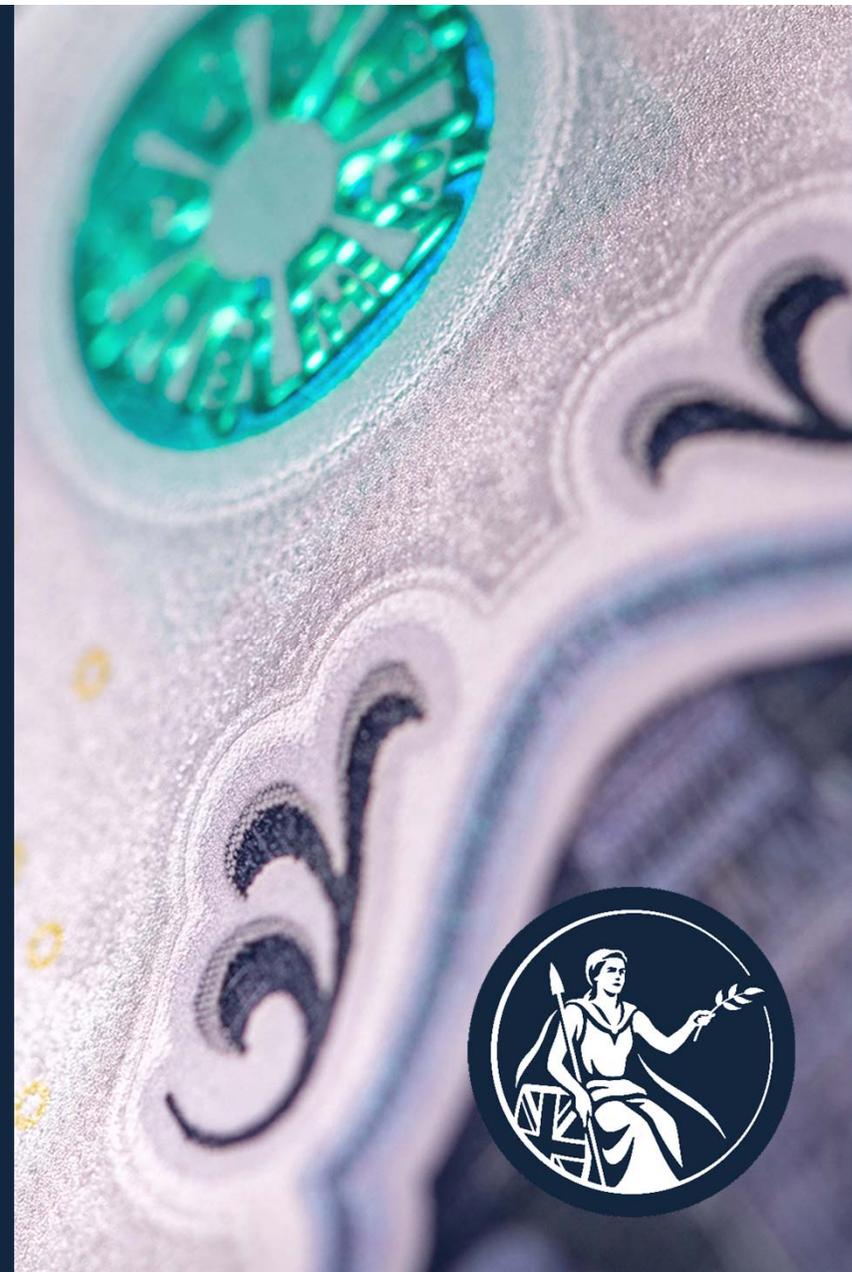
Bank of England

Returning inflation to target

Kings College / Qatar Centre for Global Banking & Finance conference

6 July 2022

Huw Pill

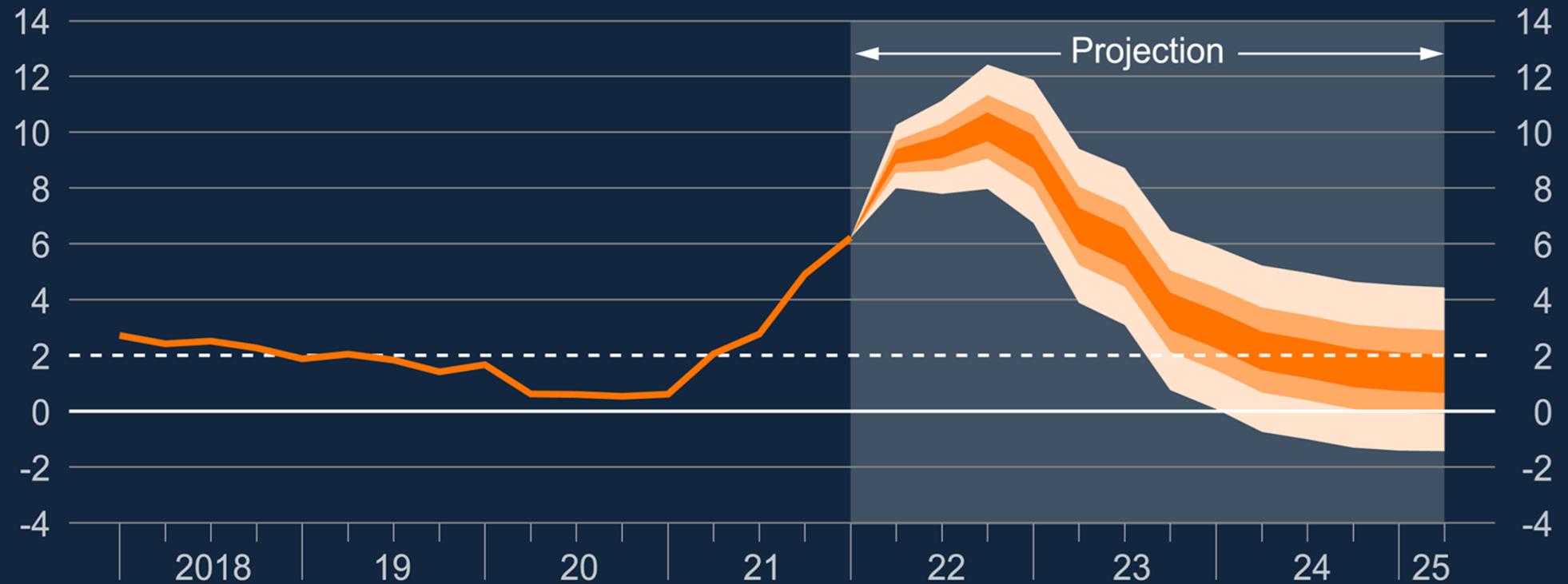


CPI inflation

May MPR projections

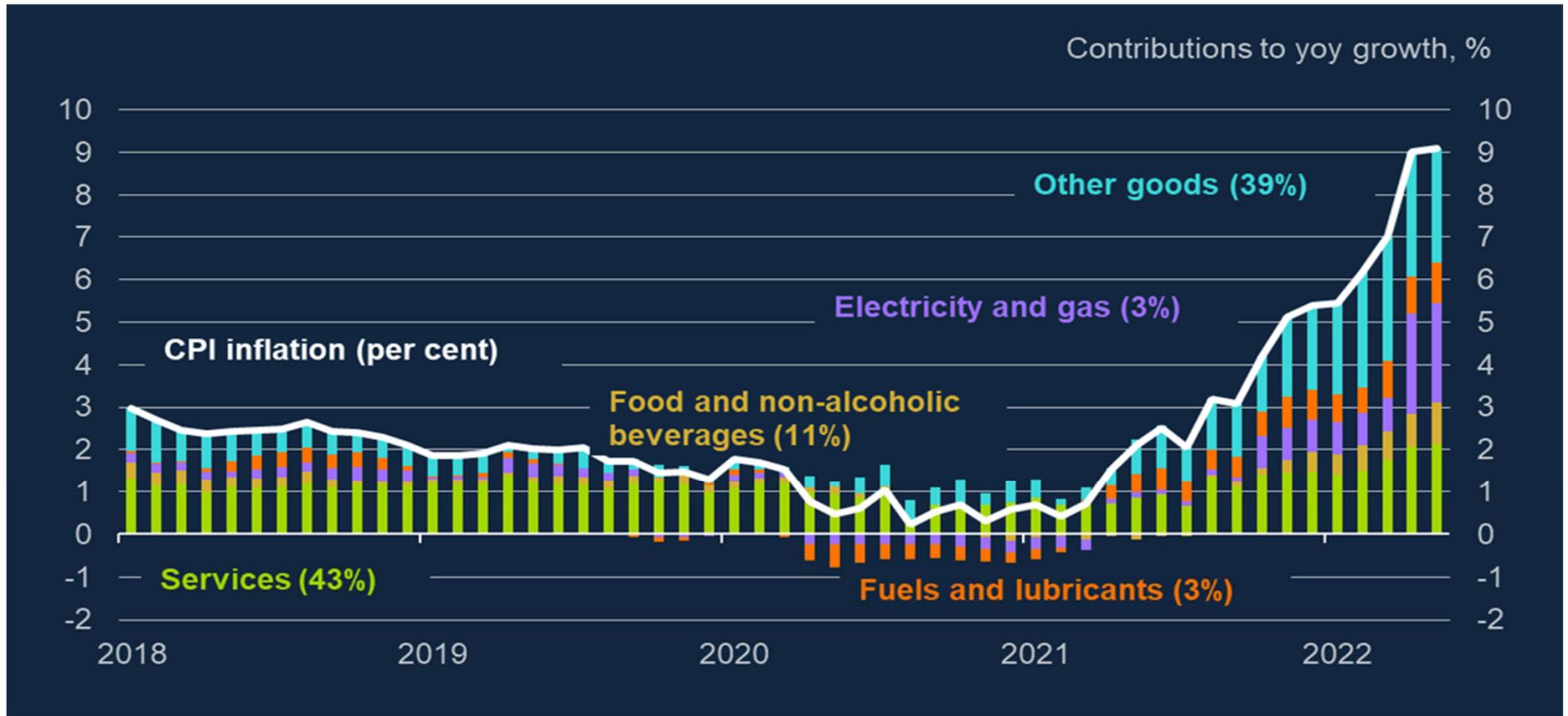
CPI inflation projection based on market interest rate expectations, other policy measures as announced

Percentage increase in prices on a year earlier



Source: Bank of England

Energy and core goods prices drive rise in CPI inflation



Spot and future wholesale gas prices

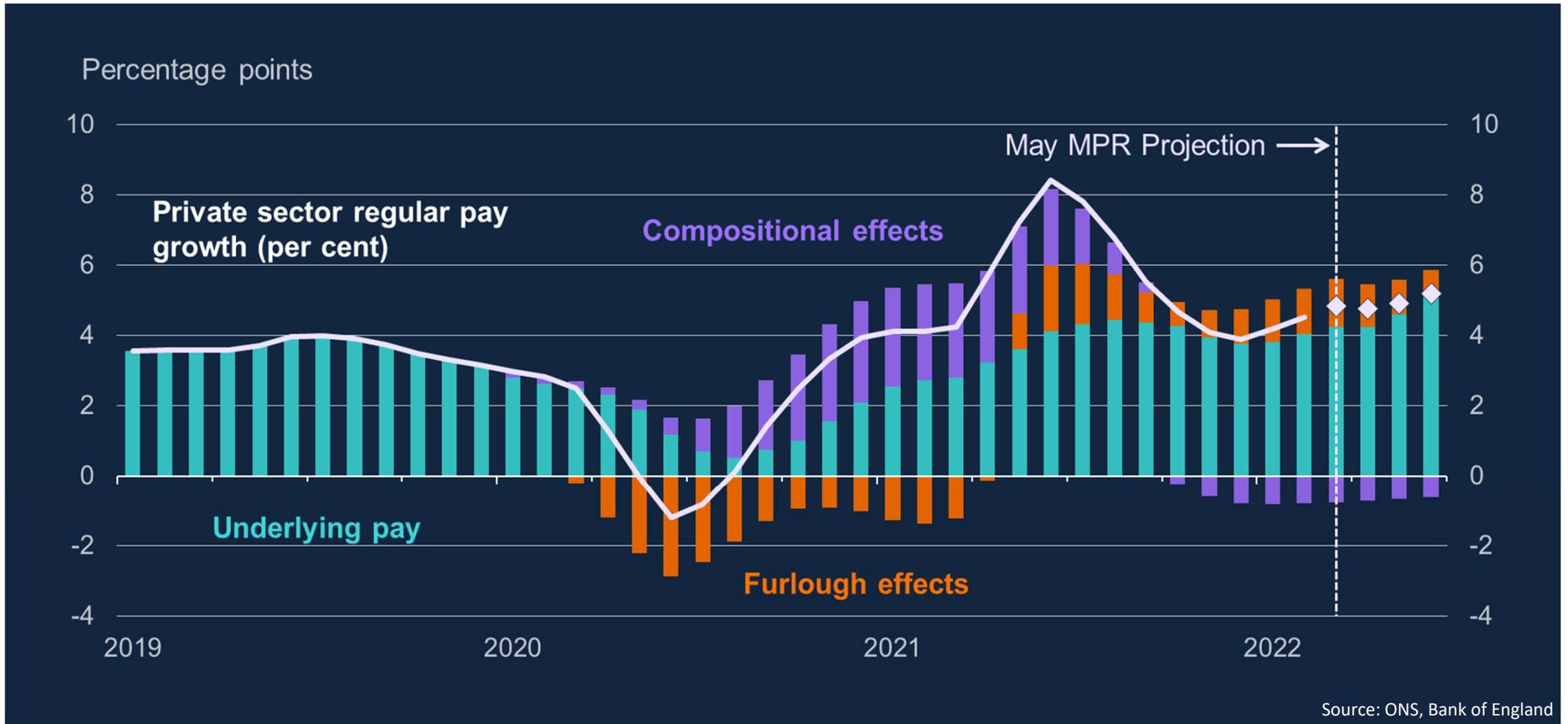


Employment, unemployment and inactivity

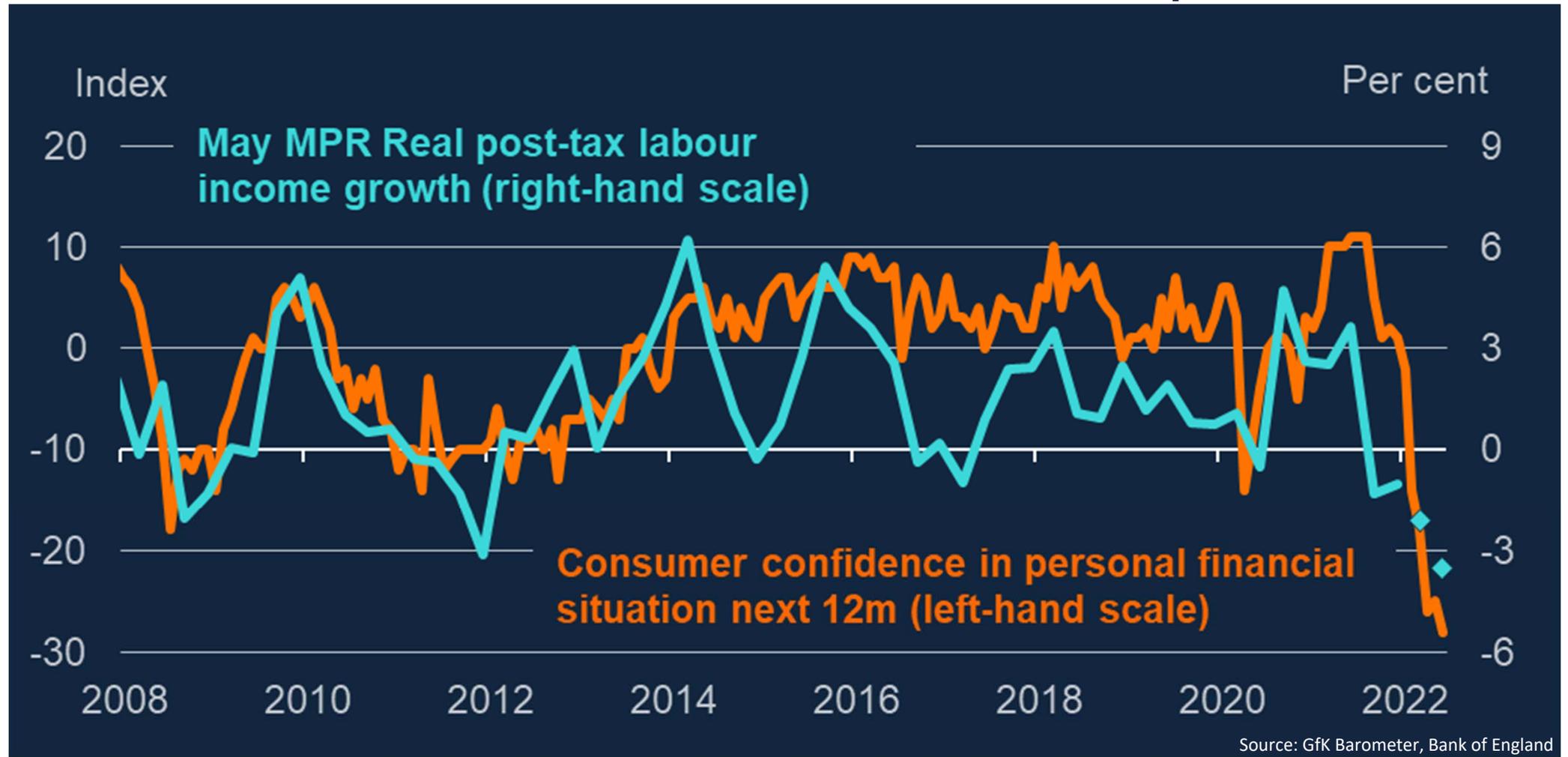


Pay growth above pre-Covid rates

May MPR projections



Consumer confidence falls amidst real income squeeze

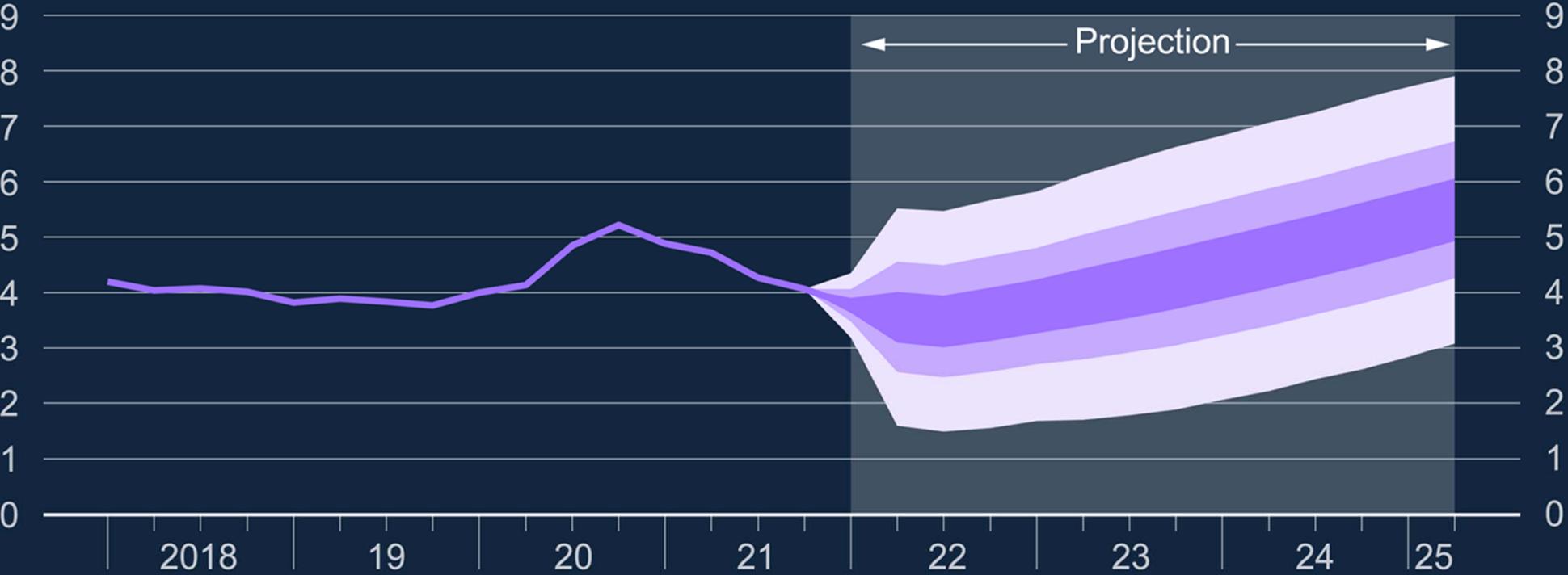


Unemployment rises from 2023

May MPR projections

Unemployment projection based on market interest rate expectations, other policy measures as announced

Unemployment rate (per cent)



Source: Bank of England



MPC monetary policy summary – June 2022

- The MPC will take the actions necessary to **return inflation to the 2% target** sustainably in the medium term, in line with its remit.
- The **scale, pace and timing** of **any further increases** in Bank Rate will reflect the Committee's assessment of the economic outlook and inflationary pressures.
- The Committee will be particularly alert to indications of **more persistent inflationary pressures**, and will **if necessary act forcefully** in response.