

**Bank of England**

OFFICIAL - GREEN

# IIMR Annual Monetary Conference

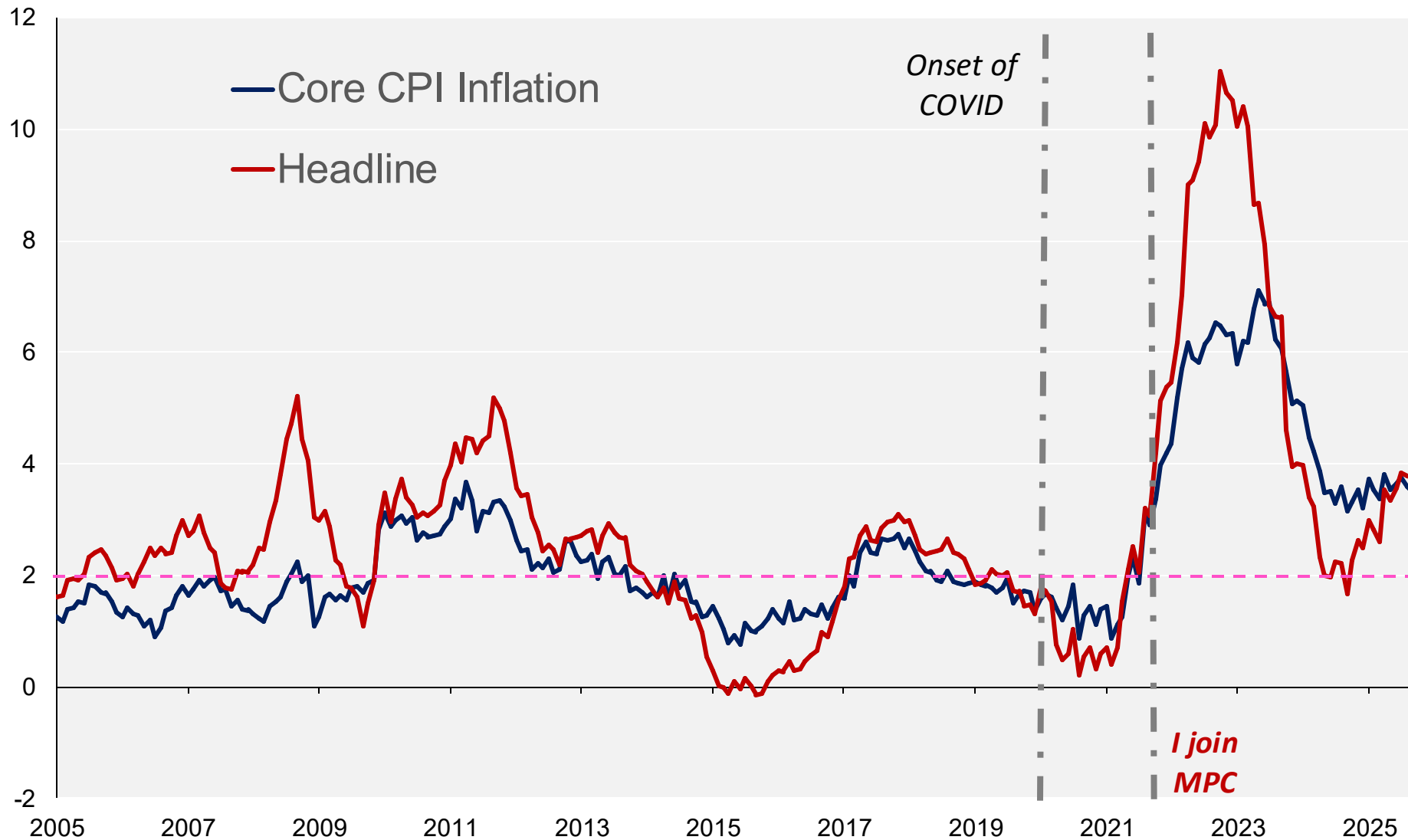
12 November 2025

**Huw Pill**

Chief Economist  
Executive Director for Monetary Analysis and Research  
Bank of England

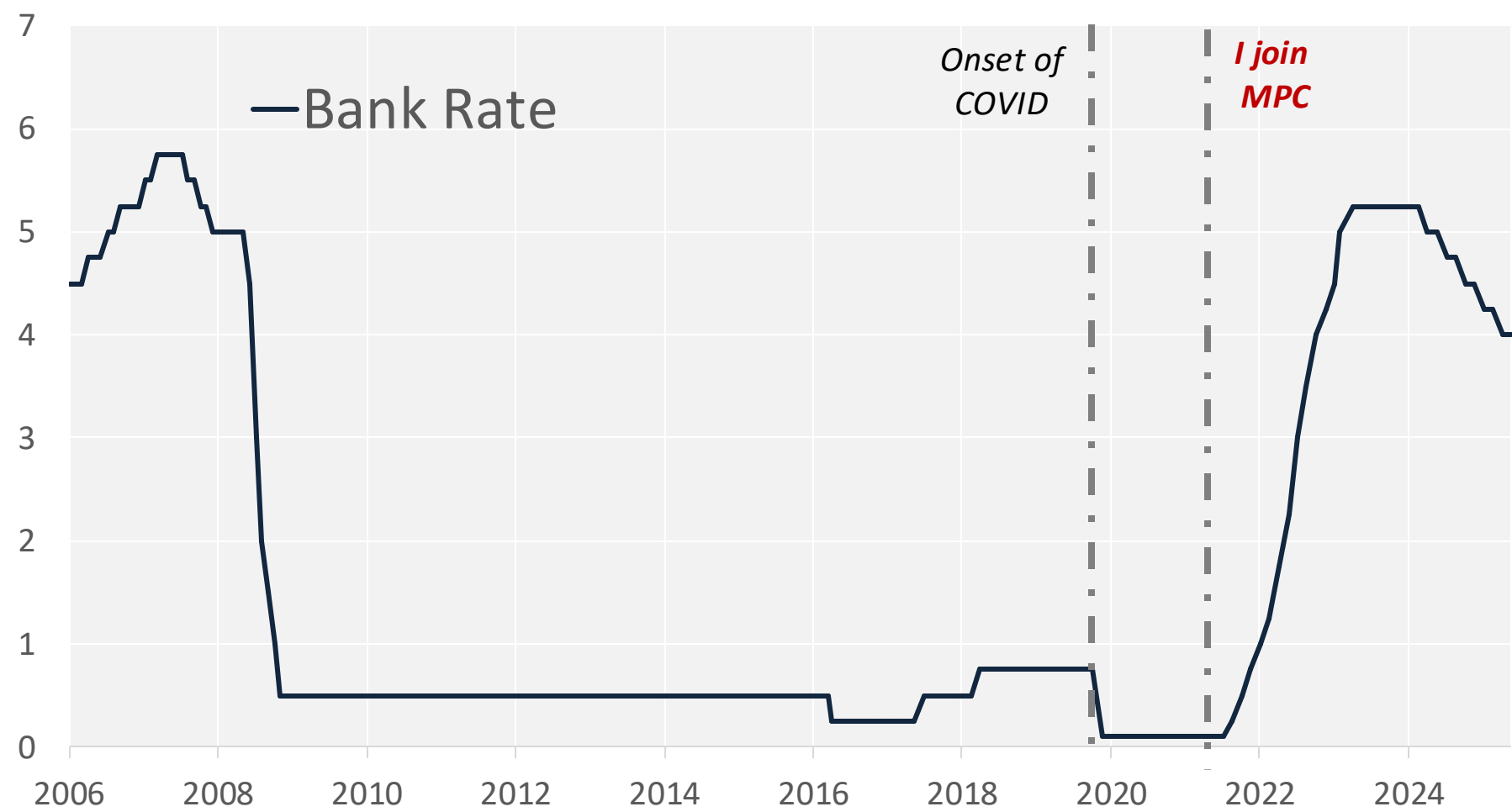


# UK Headline and Core CPI Inflation



Source: ONS, Bank of England

# Bank of England nominal 'policy' short-term interest rate



Source: Bank of England

## We continued QE till Nov 2021



Source: Bank of England

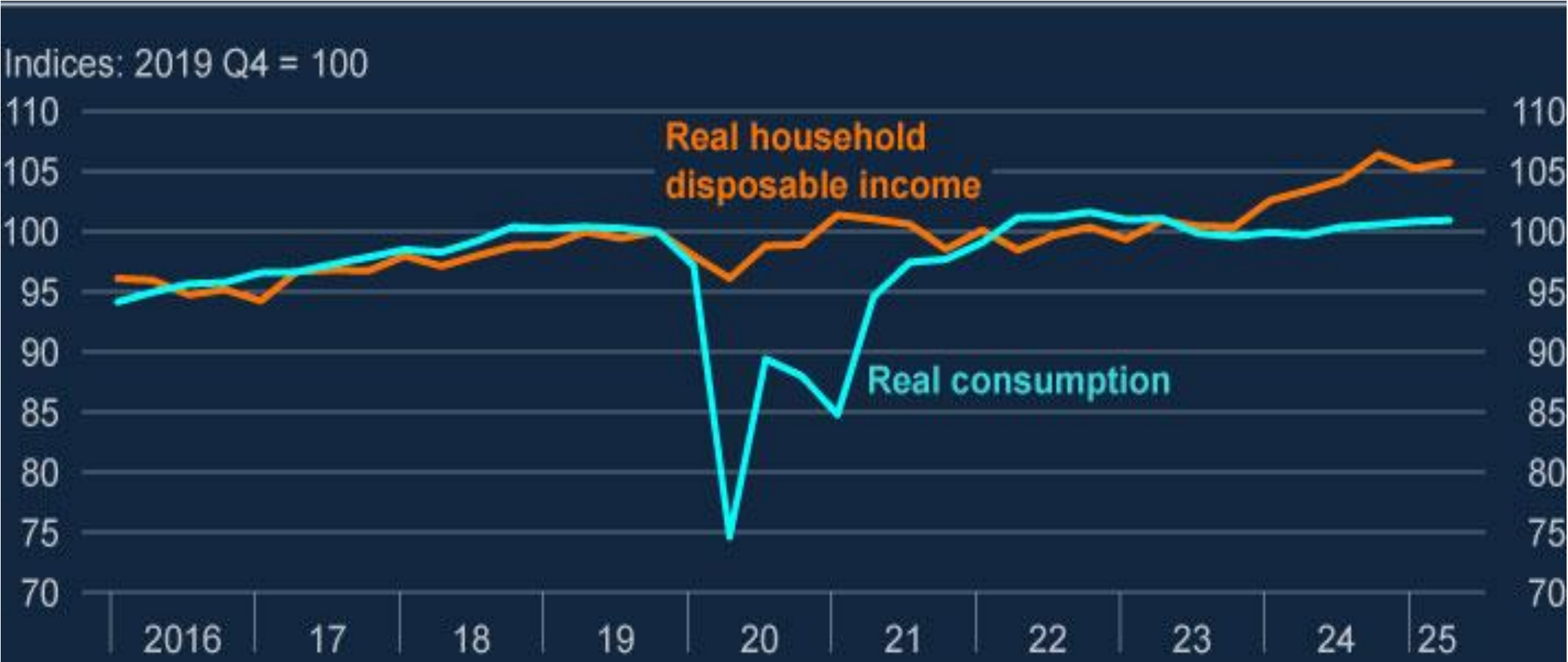
## Broad money to GDP has returned to its pre-pandemic trend



Source: Bank of England



# Real consumption has risen by just under 1% since 2019Q4



Source: Bank of England

# Bank of England

Rt Hon Mel Stride MP  
Chair of the Treasury Committee  
House of Commons  
London  
SW1A 0AA

**Sir Jon Cunliffe**  
Deputy Governor, Financial Stability  
Bank of England

5 October 2022

## Implications for monetary policy

The Bank's announcement on Wednesday 28 September was made in pursuit of its statutory financial stability objective.<sup>8</sup> The resulting operations in the gilt market are designed to be temporary and targeted. As a result, these operations are not intended to create central bank money on a lasting basis, nor are they designed to cap or control long-term interest rates. Their intention is instead to ensure that those yields are not distorted by severe liquidity strains in financial markets. As such, they should not shift the underlying monetary trends in the economy, which ultimately pin down developments in inflation, and so they are not monetary policy operations.

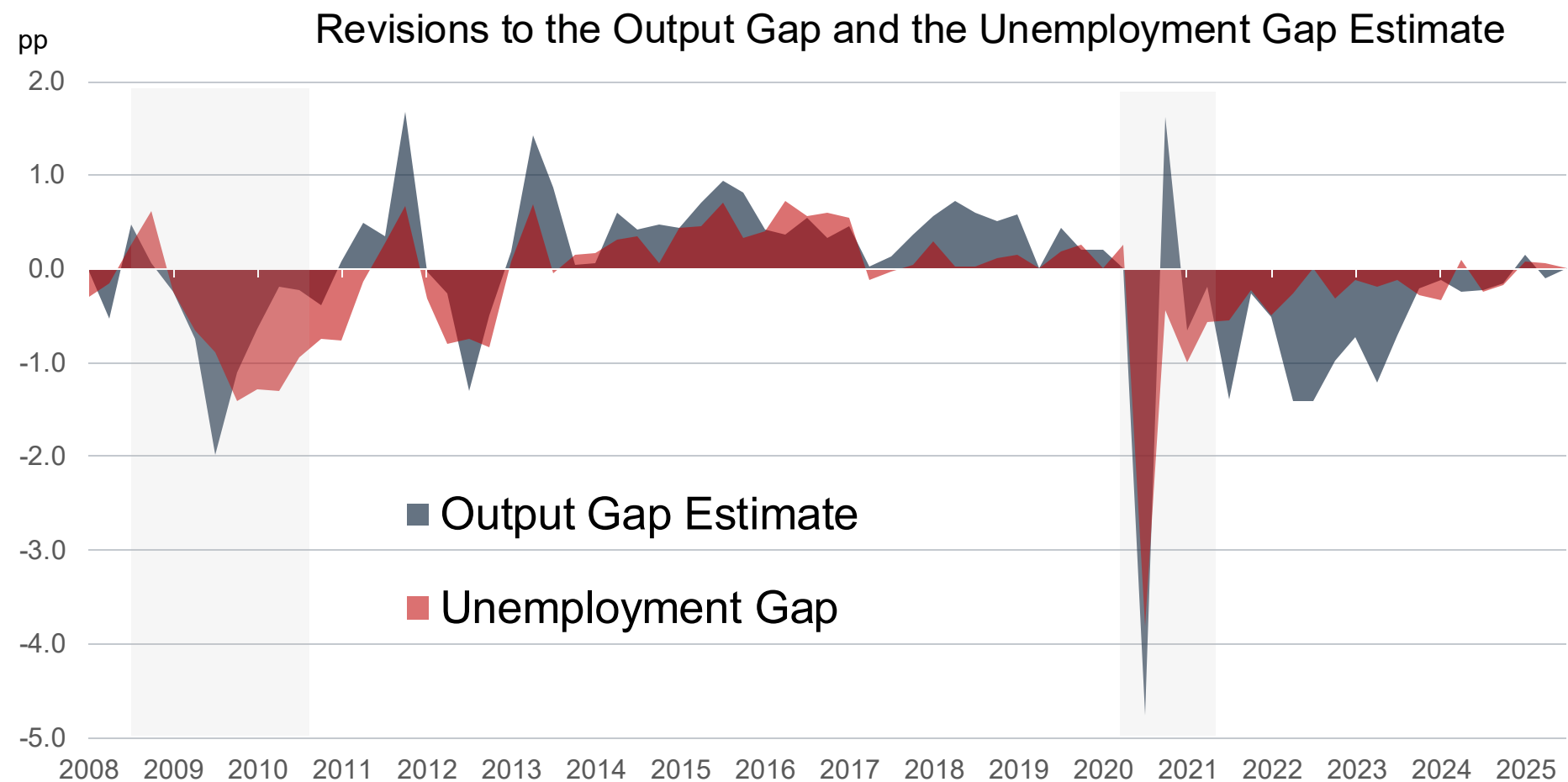
# Reliability varies according to frequency / horizon



Source: Bank of England



# Revisions to output and unemployment gap estimates

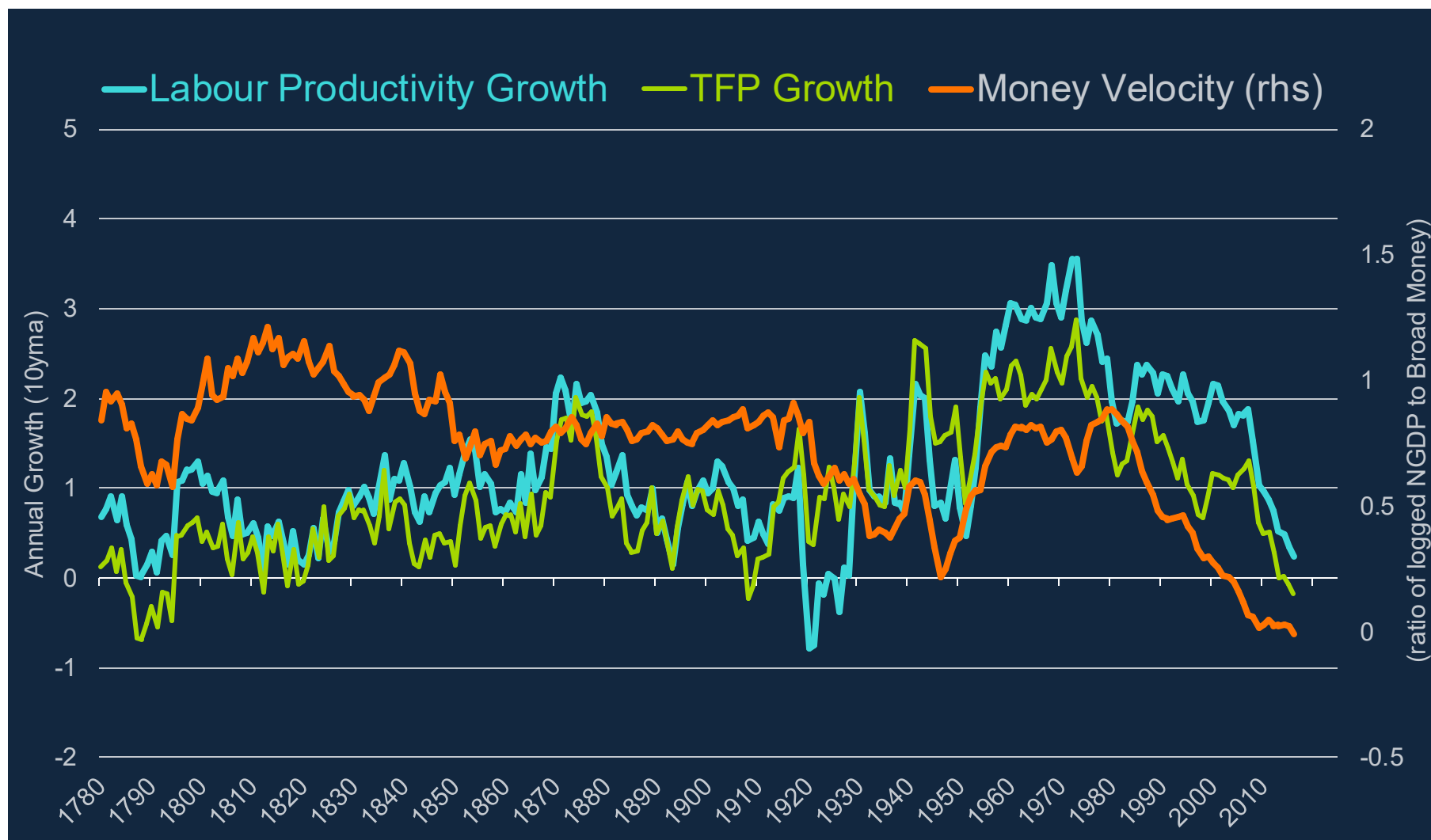


↓

Less slack  
materialised  
than  
originally  
envisioned

Source: Bank of England

# Stability of statistical relationships



Source: Bank of England A Millenium of Macroeconomic Data

# Gas prices increased sharply in late 2022



Source: Bloomberg