

Bank of England

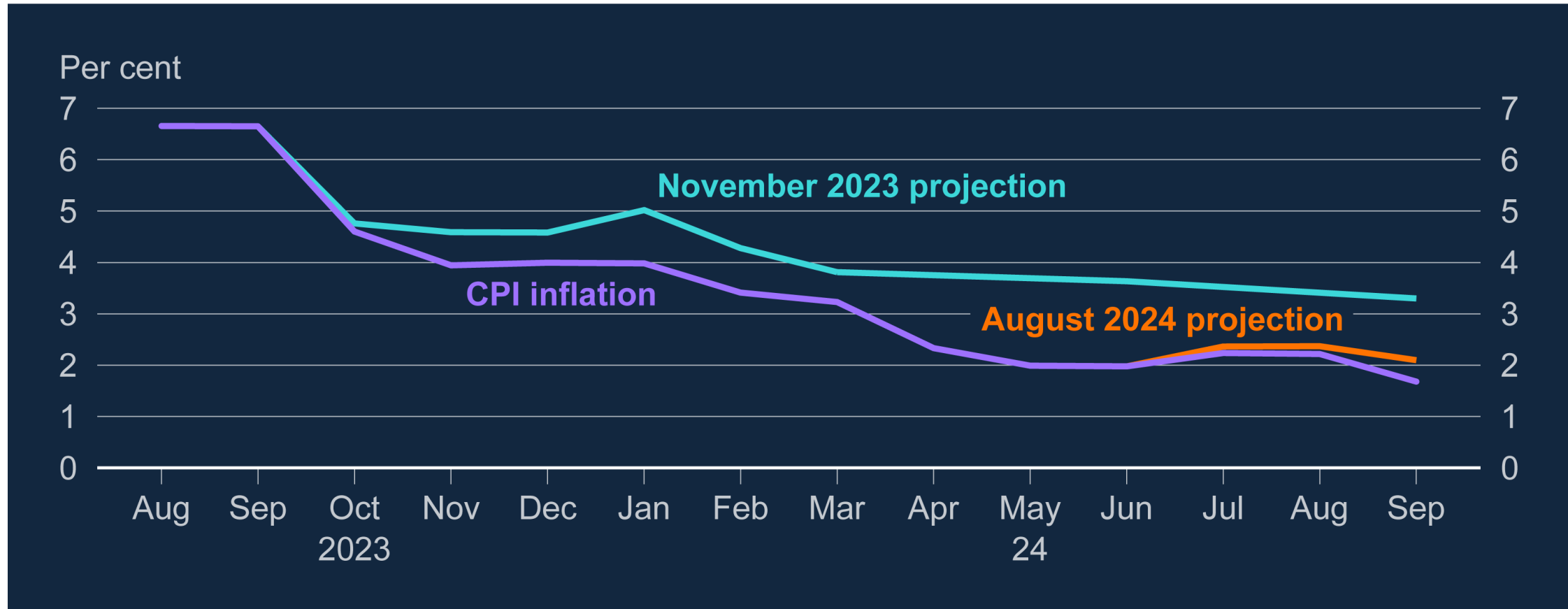
Monetary Policy Report November 2024

Press Conference



Chart 1: Inflation has fallen more than expected over the past year

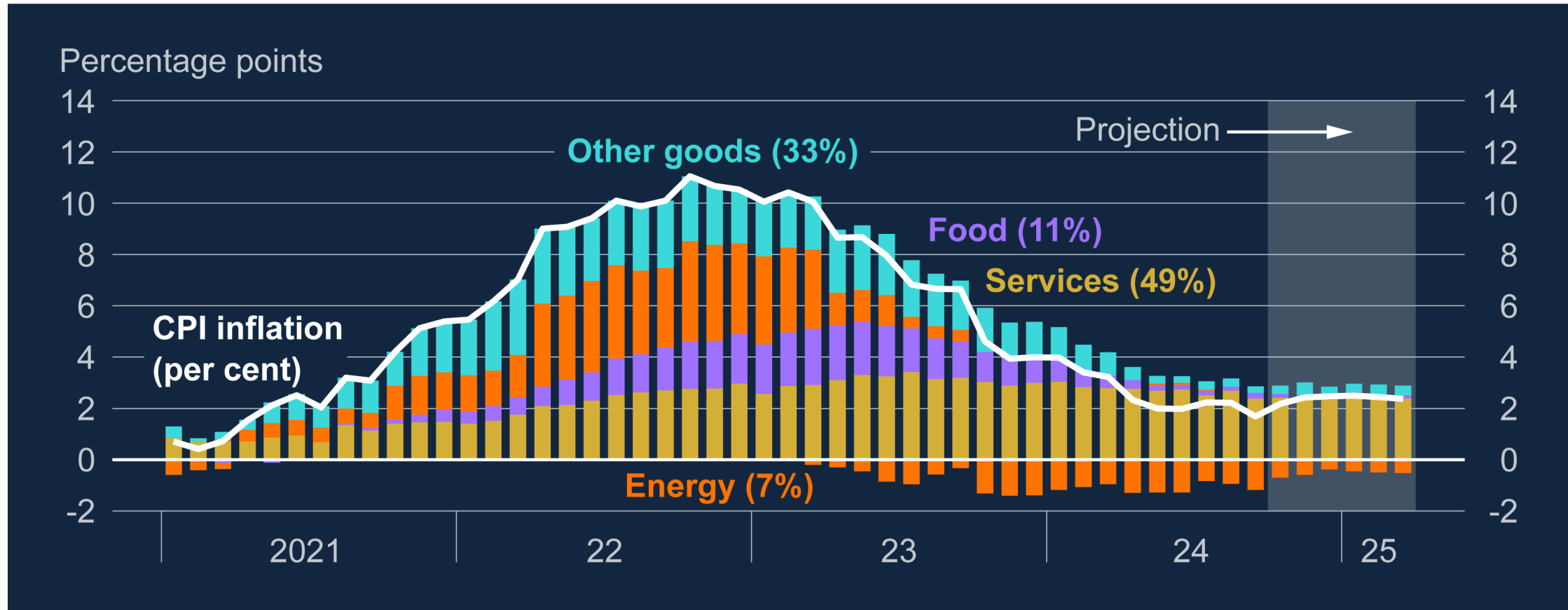
CPI inflation and projections from November 2023 and August 2024



Sources: ONS and Bank calculations

Chart 2: Inflation fell to 1.7% in September but is expected to rise somewhat

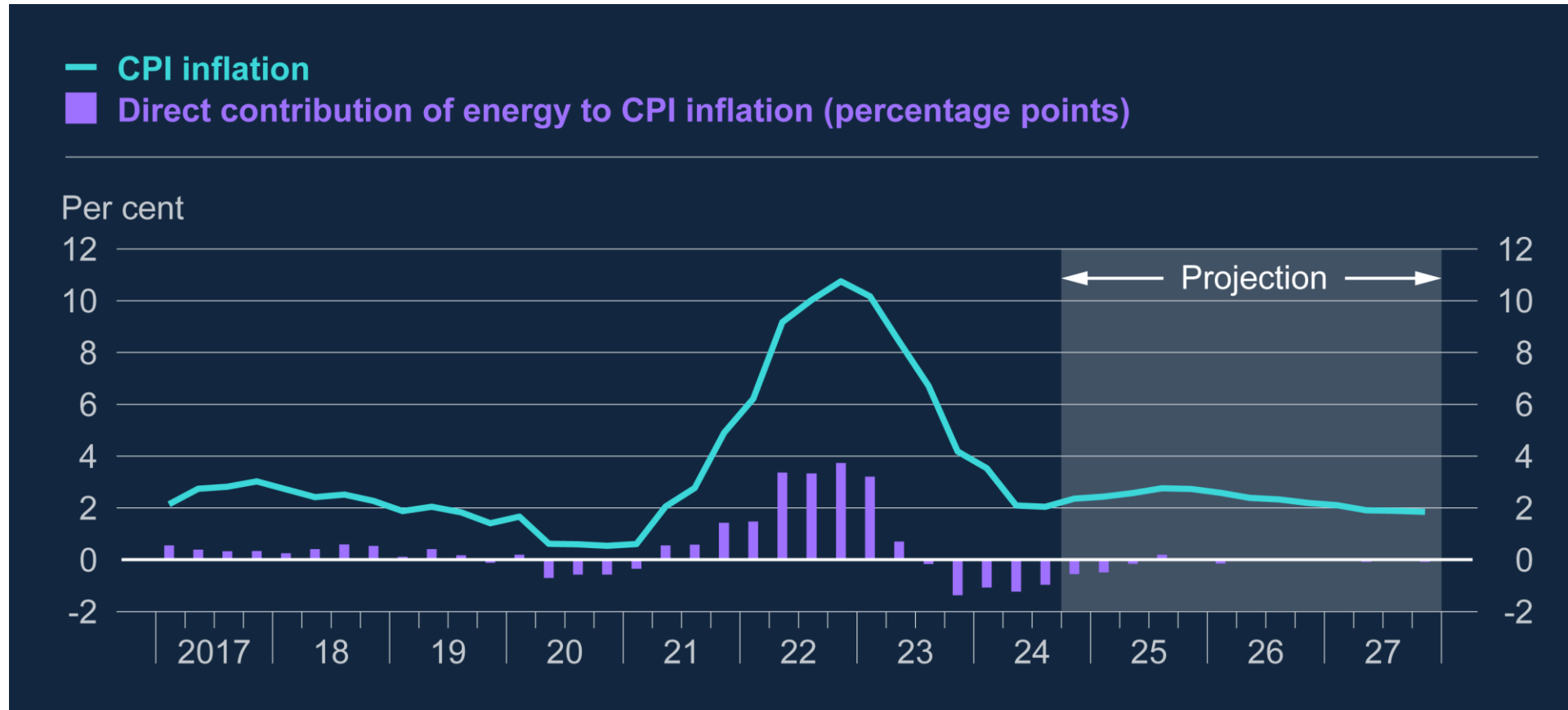
Contributions to consumer price inflation



Sources: Bloomberg Finance L.P., Department for Energy Security and Net Zero, ONS and Bank calculations

Chart 3: Inflation is projected to revert to the 2% target over the medium term

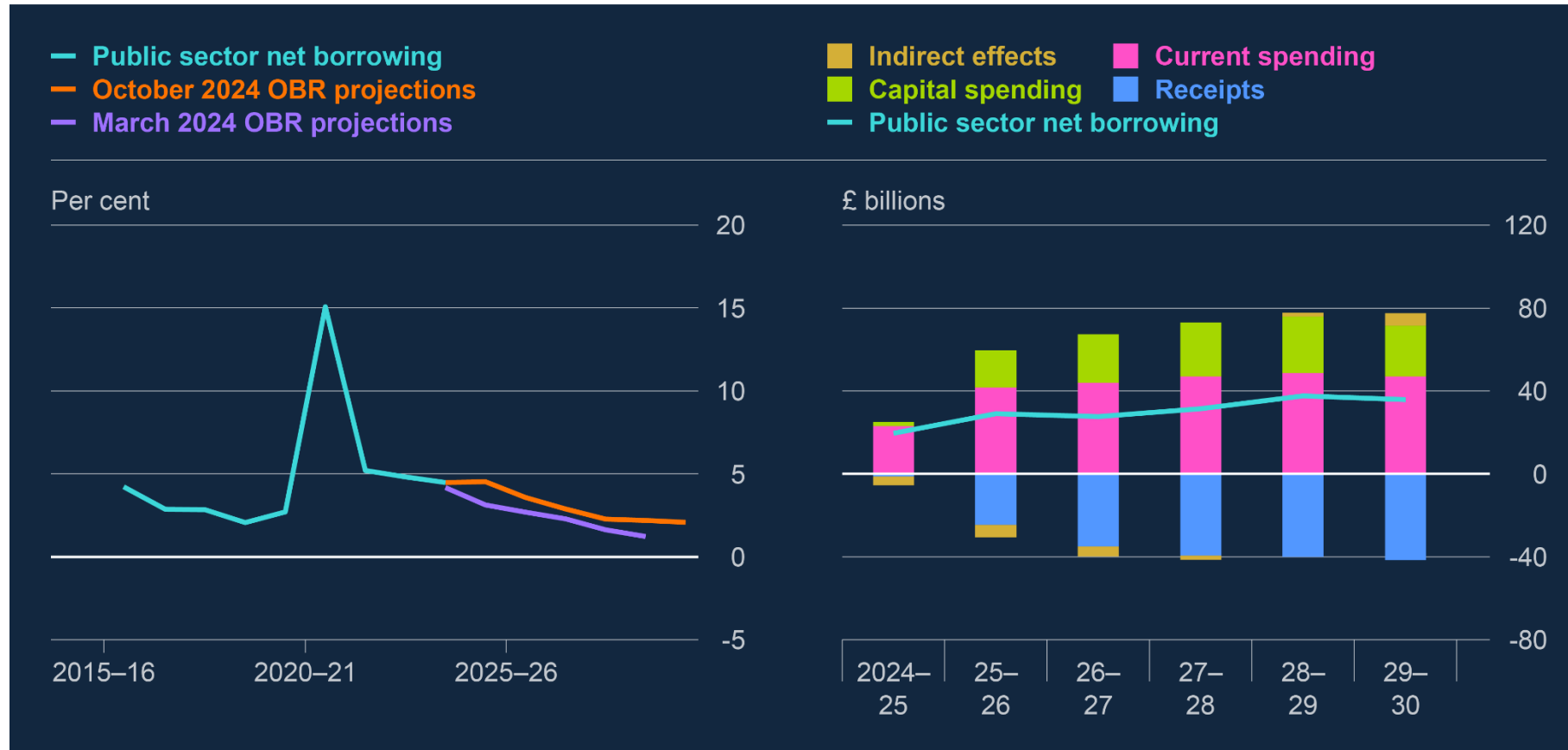
Projections conditional on market-implied path for interest rates



Sources: Bloomberg Finance L.P., ONS and Bank calculations

Chart 4: Public sector net borrowing is expected to fall albeit by less

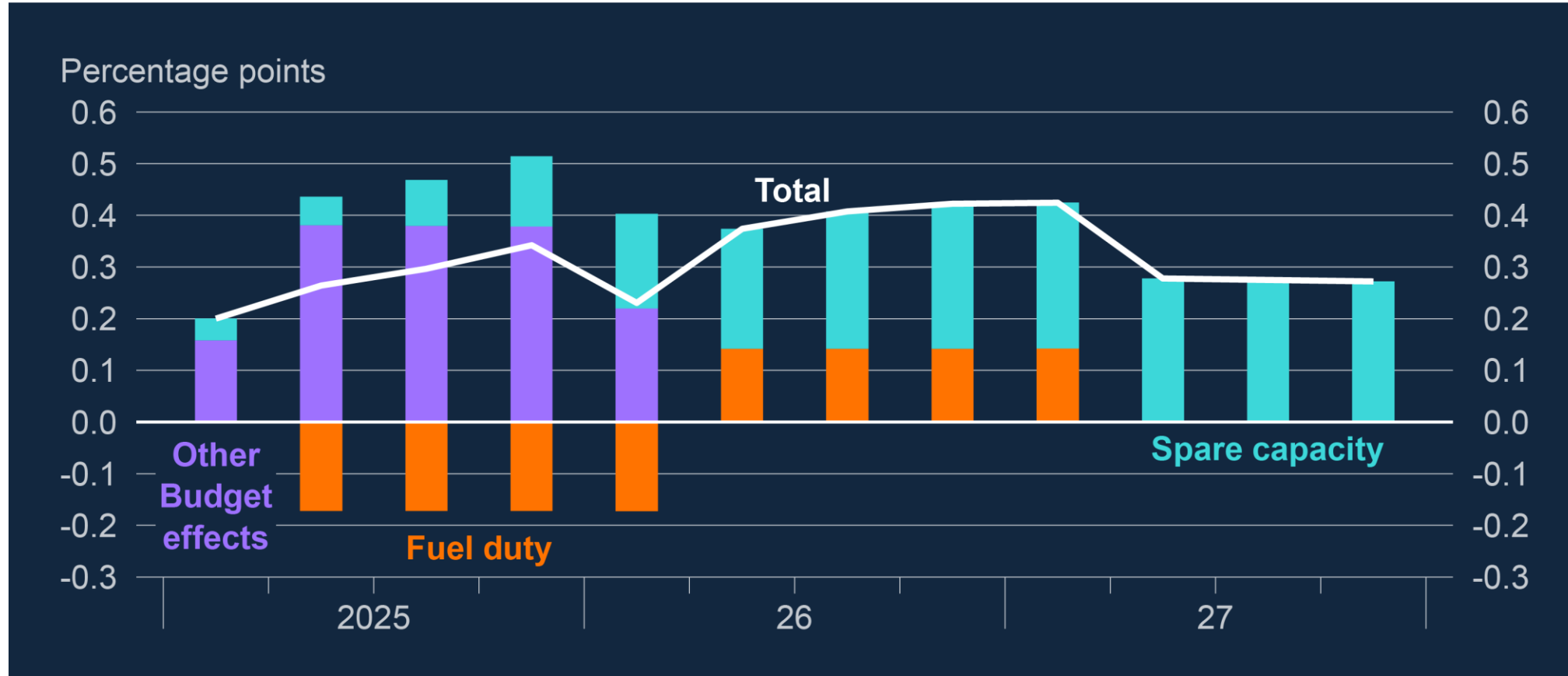
PSNB, % of nominal GDP and changes since OBR March projection (£ billion)



Sources: OBR, ONS and Bank calculations

Chart 5: Policies included in the Budget are expected to raise inflation

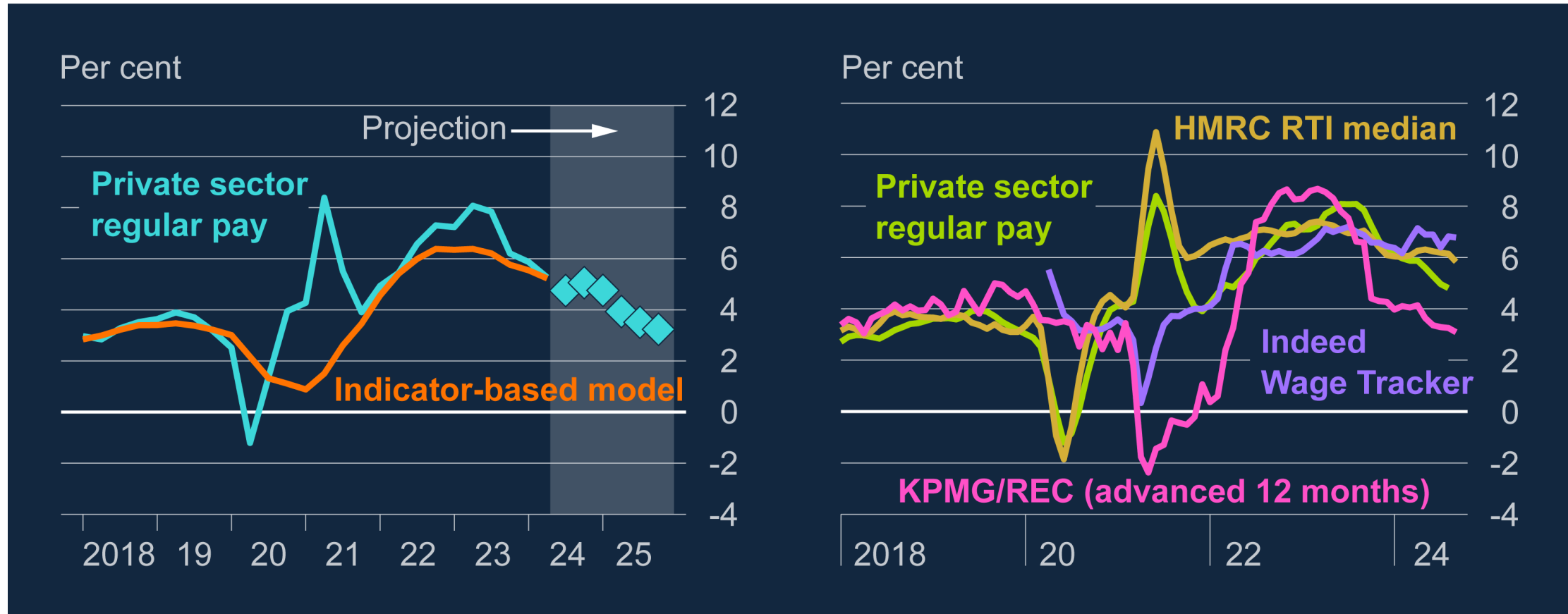
Marginal impact of measures in the Autumn Budget on CPI inflation



Sources: OBR and Bank calculations

Chart 6: Most indicators of wage growth have moderated in recent quarters

Measures of annual private sector wage growth



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