



**BANK OF ENGLAND**

# News release

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8 March 2013

## **Bank of England/GfK NOP Inflation Attitudes Survey - February 2013**

This news release describes the results of the Bank of England's latest quarterly survey of public attitudes to inflation, undertaken in February 2013.

### **Highlights from the survey**

**Question 1:** Asked to give the current rate of inflation, respondents gave a median answer of 4.4%, the same as in November.

**Question 2a:** Median expectations of the rate of inflation over the coming year were 3.6%, compared with 3.5% in November.

**Question 2b:** Asked about expected inflation in the twelve months after that, respondents gave a median answer of 3.4%, compared with 3.2% in November.

**Question 2c:** Asked about expectations of inflation in the longer term, say in five years time, respondents gave a median answer of 3.6%, the same as in November.

**Question 3:** By a margin of 71% to 5%, survey respondents believed that the economy would end up weaker rather than stronger if prices started to rise faster, compared with 64% to 6% in November.

**Question 4:** 43% of respondents thought the inflation target was 'about right', compared with 47% in November, while the proportions saying the target was 'too high' or 'too low' were 26% and 17% respectively.

**Question 5:** 14% of respondents thought that interest rates had fallen over the past 12 months, compared with 18% in November, while 29% of respondents said that interest rates had risen over the past 12 months, compared with 26% in November.

**Question 6:** When asked about the future path of interest rates, 36% of respondents expected rates to rise over the next 12 months, the same as in November. 6% of respondents expected interest rates to fall over the next 12 months, compared with 5% in November.

**Question 7:** Asked what would be 'best for the economy' – higher interest rates, lower rates or no change – 15% thought rates should 'go up', compared with 16% in November. 22% of respondents thought that interest rates should 'go down', compared with 19% in November. 37% thought interest rates should 'stay where they are', compared to 35% in November.

**Question 8:** When asked what would be 'best for you personally', 20% of respondents said interest rates should 'go up', compared with 24% in November. 29% of respondents said it would be better for them if interest rates were to 'go down', the same as in November.

**Questions 11-13\*:** The responses to these questions – which ask respondents about which organisation is responsible for setting interest rates – are broadly similar to the responses given in previous surveys.

**Question 14:** Respondents were asked to assess the way the Bank of England is 'doing its job to set interest rates to control inflation'. The net satisfaction balance – the proportion satisfied minus the proportion dissatisfied – was +17%, compared with +12% in November.

**Question 15\*:** Asked which actions they were likely to take in light of their expectations of inflation over the next twelve months: 65% of respondents said they would shop around for better value goods and services, compared with 69% in February 2012. 52% said they would cut back on spending and save more; 21% said they would look for a different or second job, or work more hours; 11% said they would move savings out of banks and building societies and into other assets; 10% said they would push for increased pay in their current jobs; and 7% said they would bring forward major purchases.

#### **Note to Editors**

GfK NOP interviewed a quota sample of 3896 people aged 16 and over in 175 randomly selected output areas throughout the United Kingdom between 7 and 19 February 2012. The raw data were weighted to match the demographic profile of the UK as a whole.

\* Although the main survey is conducted quarterly, the February survey each year includes five extra questions, the answers to which have been shown to change slowly over time, and is double the sample size of the other surveys.

## **Key Resources**

 [Summary Results](#) (74k)

February 2013

 [Detailed Survey Tables](#) (776k)

February 2013

 [Long-Run Summary Results Data](#) (156k)

February 2013