Bank of England

Monetary Policy Report
August 2023
Press Conference
Chart 1: Consumer price inflation has fallen and is projected to fall further

Contributions to consumer price inflation

Source: Bloomberg Finance L.P., Department for Energy Security and Net Zero, ONS and Bank calculation
Chart 2: Food inflation remains high but has started to slow slightly

Annualised monthly food and non-alcoholic beverages inflation
Chart 3: Producer price inflation suggests cost pressures for goods are easing

Annual output producer price and consumer goods excluding energy inflation

Source: ONS and Bank calculations. The PPI series has been mean and variance adjusted.
Chart 4: Services price inflation is projected to remain high

Twelve-month services price inflation

Source: ONS and Bank calculations
Chart 5: CPI inflation projection

Based on market interest rate expectations

Source: ONS and Bank calculations
Chart 6: The labour market remains tight although it has loosened

Vacancy to unemployment ratio

Source: ONS and Bank calculations
Chart 7: Wage growth is expected to ease more slowly than in empirical models

Projection for private-sector regular pay growth

Source: ONS and Bank calculations