

**Bank of England**

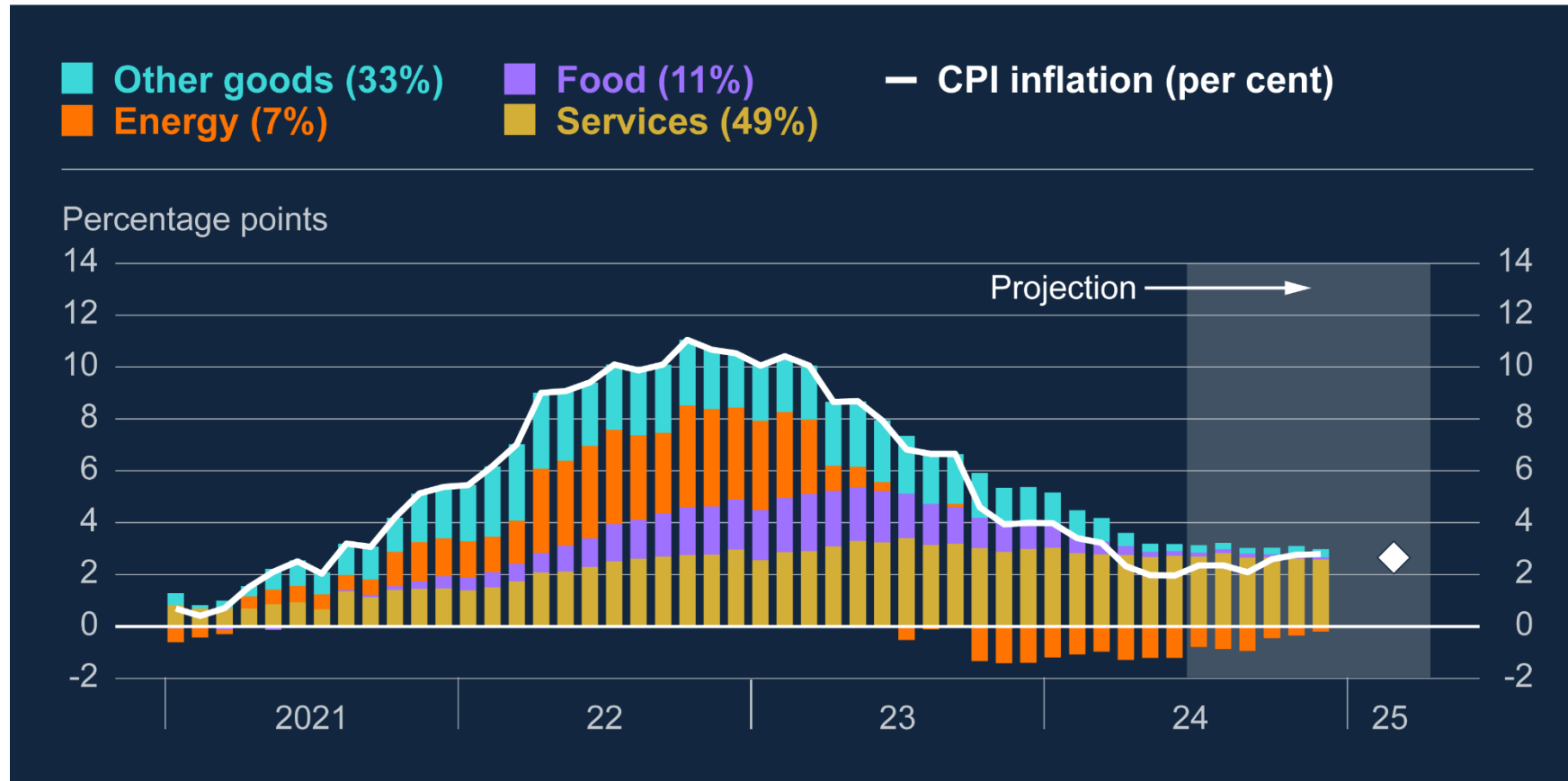
# Monetary Policy Report August 2024

Press Conference



# Chart 1: Inflation fell to the 2% target in May but is expected to rise somewhat

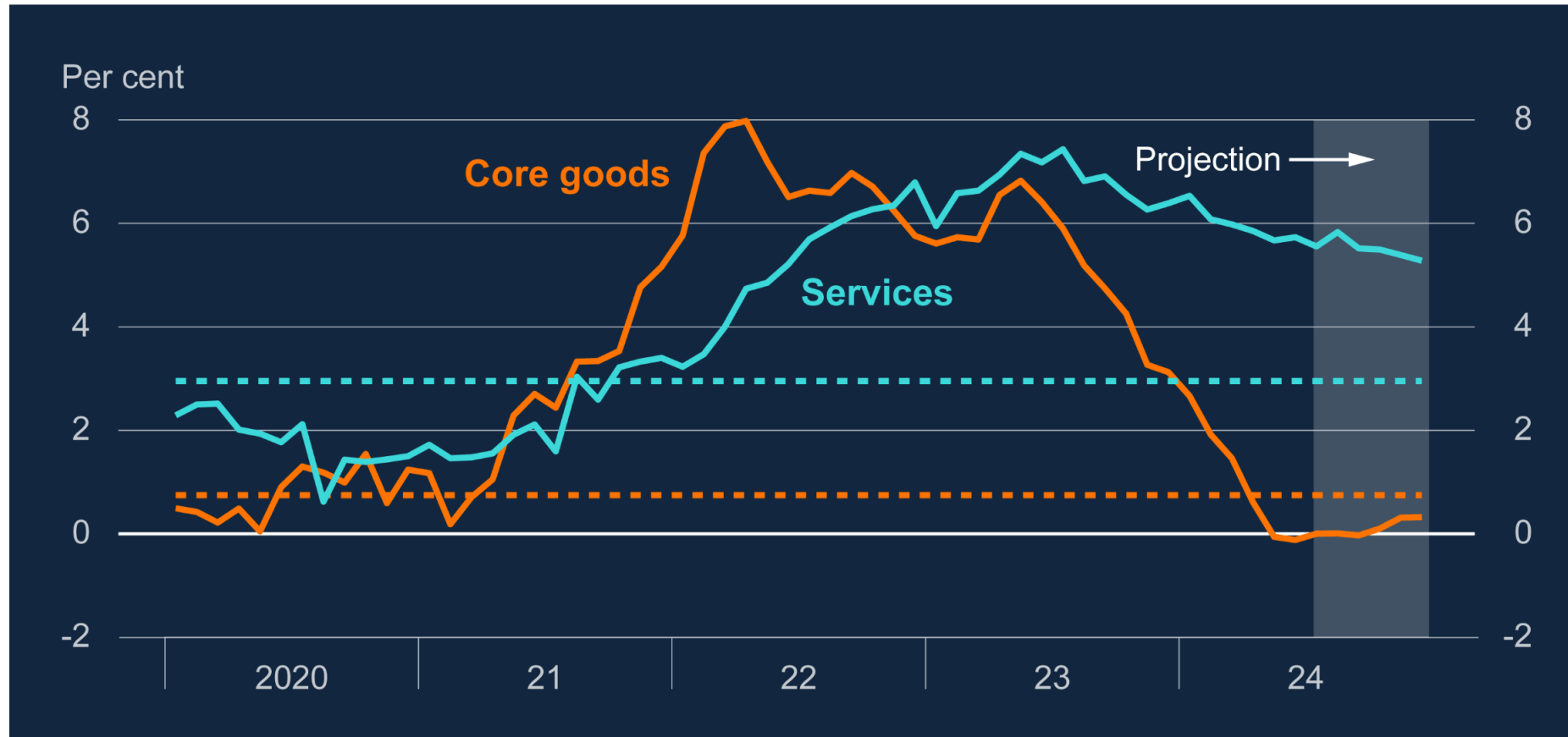
## Contributions to consumer price inflation



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

## Chart 2: Services price inflation remains above pre-Covid average

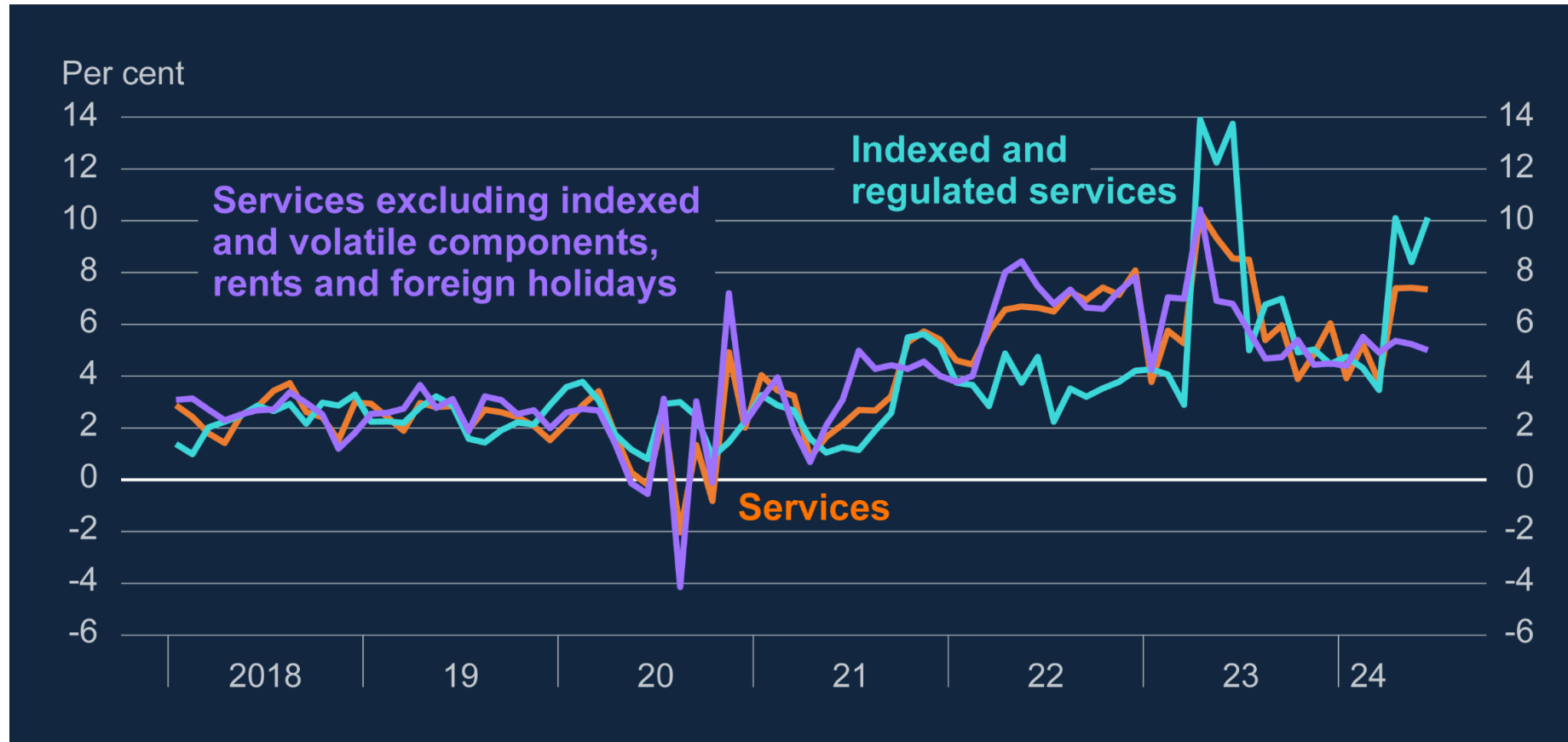
Annual inflation rates for components of CPI



Sources: ONS and Bank calculations

# Chart 3: Volatile high-frequency measures of services price inflation have risen

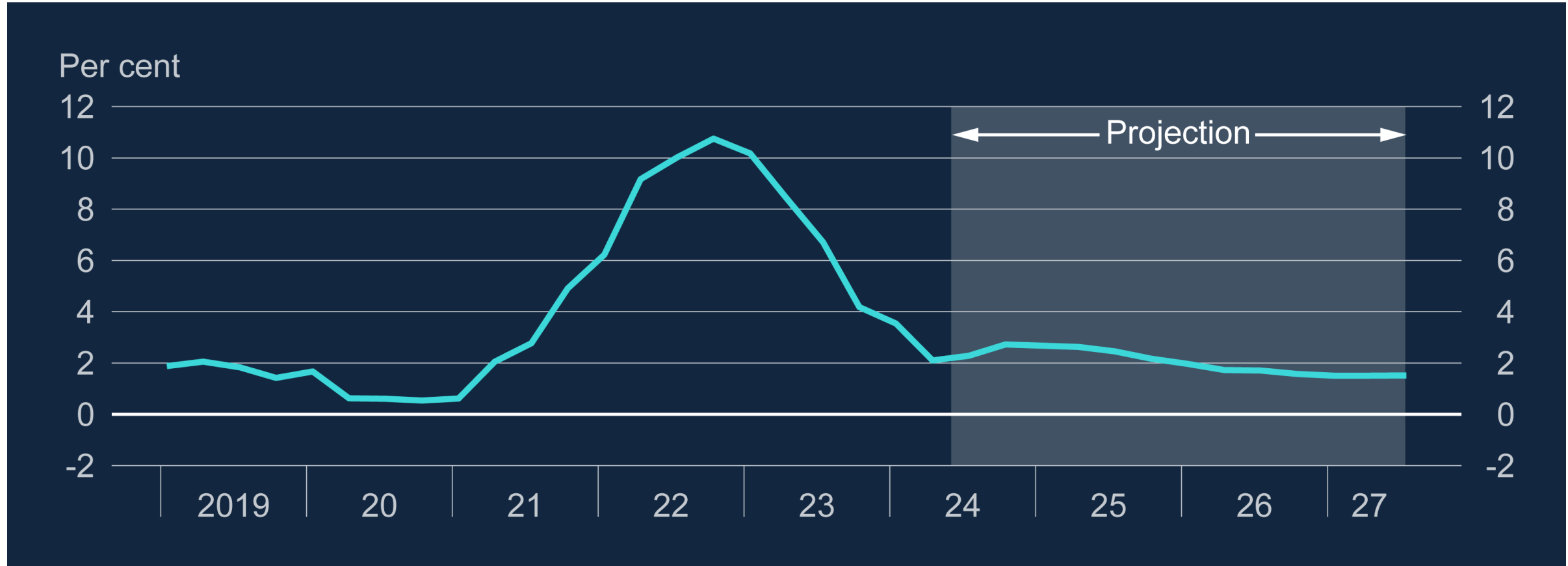
Three-month averages of seasonally adjusted monthly annualised inflation rates



Sources: ONS and Bank calculations

## Chart 4: Inflation is projected to fall below target at the end of the forecast

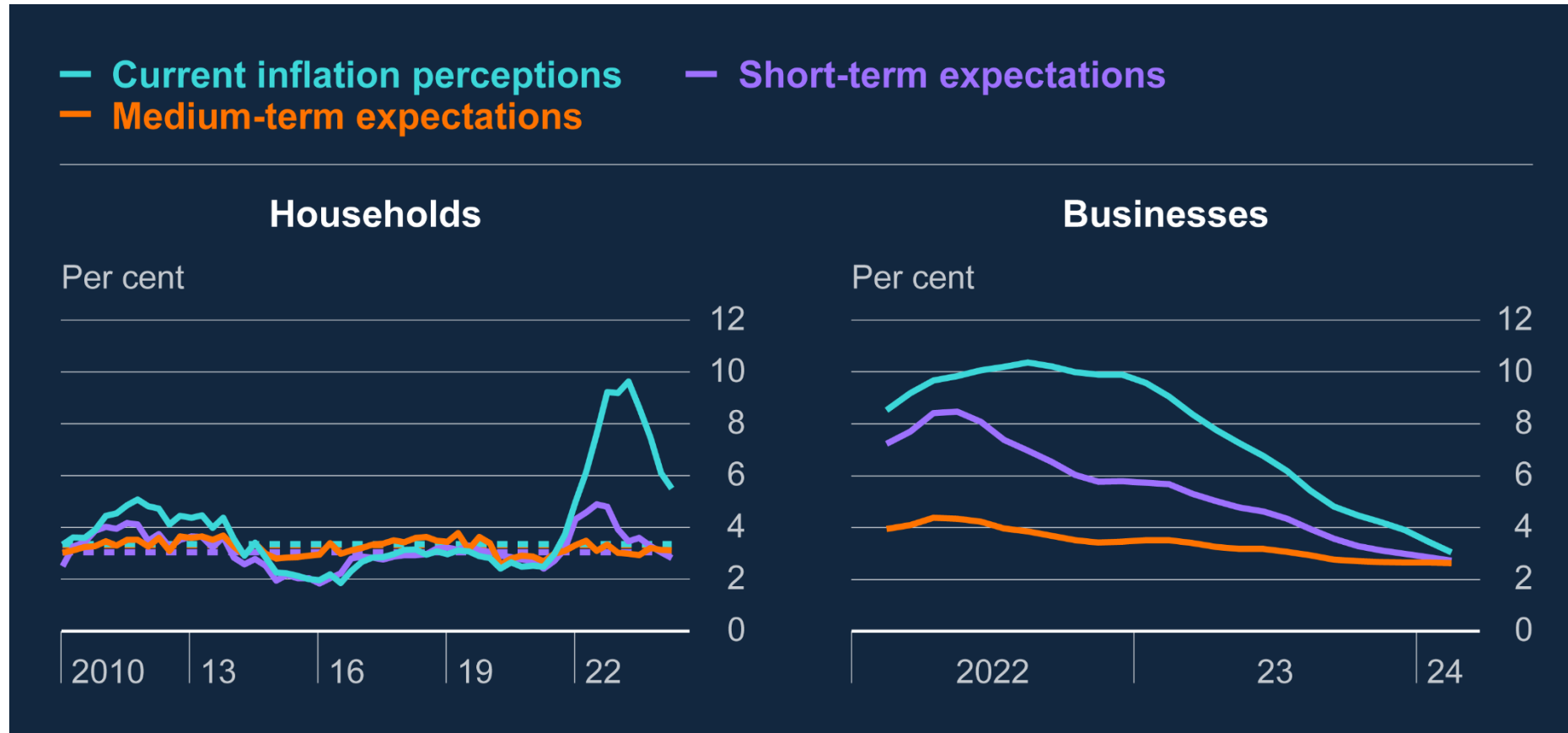
CPI inflation projection conditional on market-implied path for Bank Rate



Sources: ONS and Bank calculations

## Chart 5: Inflation expectations have continued to fall back

Households' and businesses' inflation expectations and perceptions



Sources: Bank/Ipsos Inflation Attitudes Survey, Decision Maker Panel and Bank calculations

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