

Bank of England

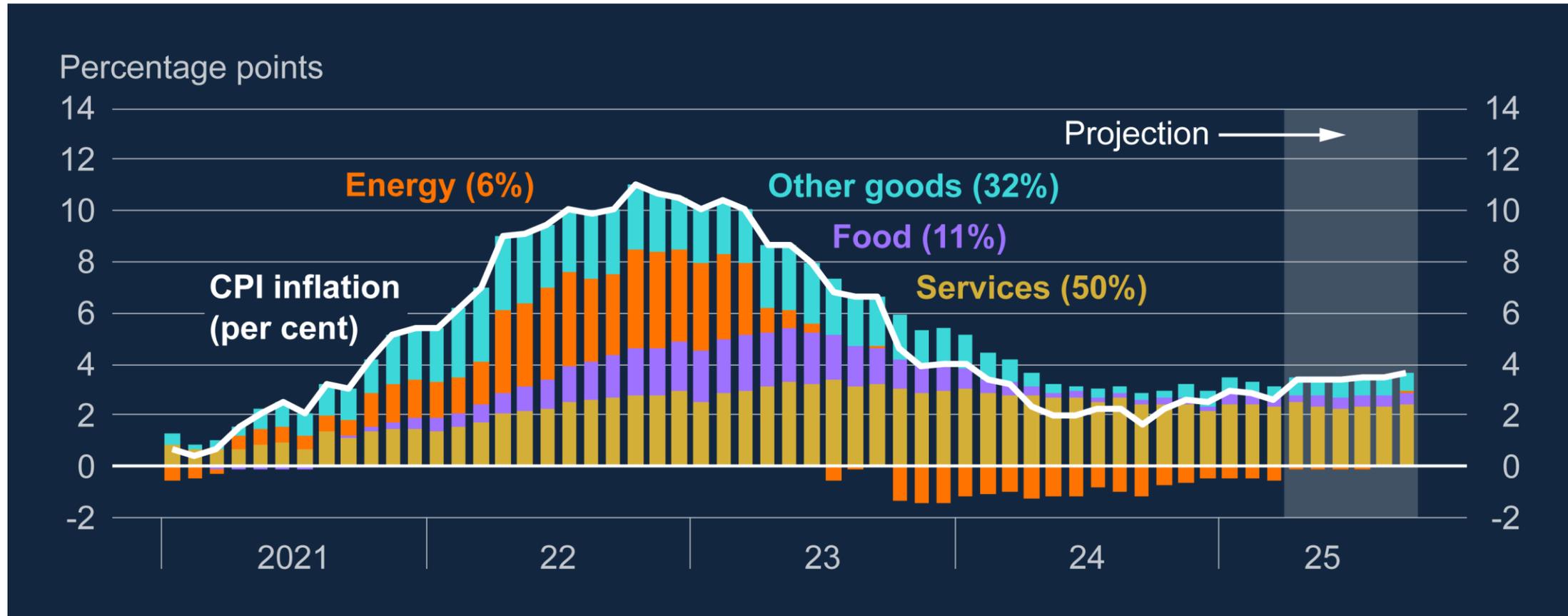
Monetary Policy Report May 2025

Press Conference



Chart 1: Inflation has been close to target but is expected to rise in April

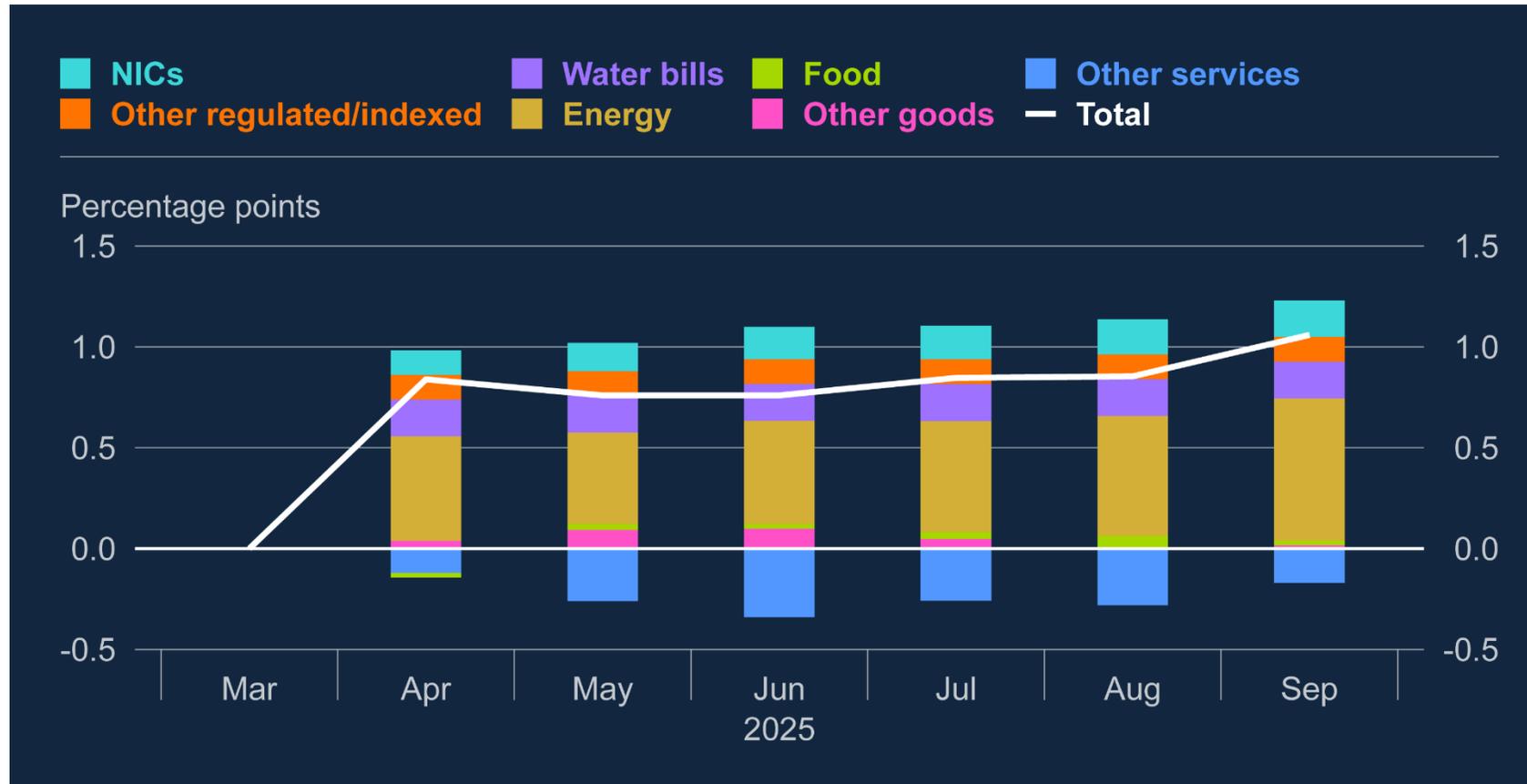
Contributions to CPI inflation



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

Chart 2: Energy and regulated prices will drive up CPI inflation temporarily

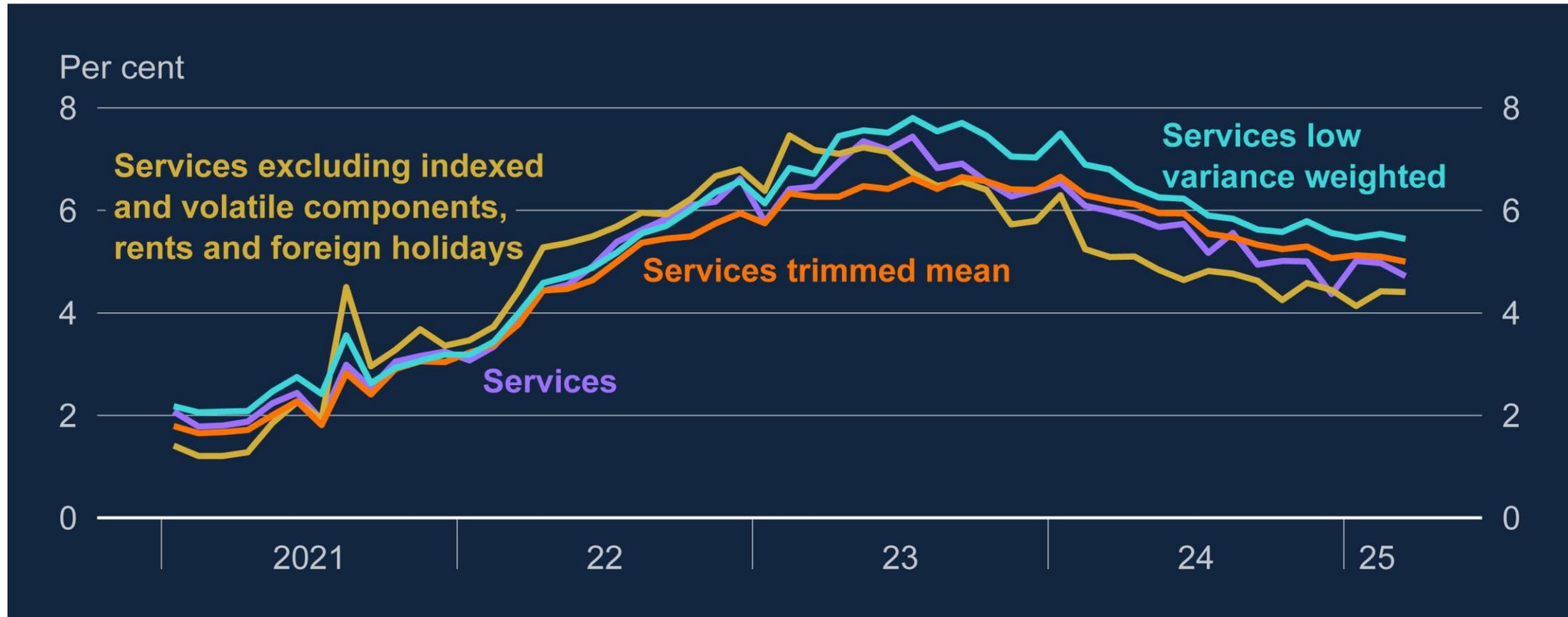
Projected contributions to the change in CPI inflation from March 2025



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

Chart 3: Underlying services inflation measures have continued to moderate

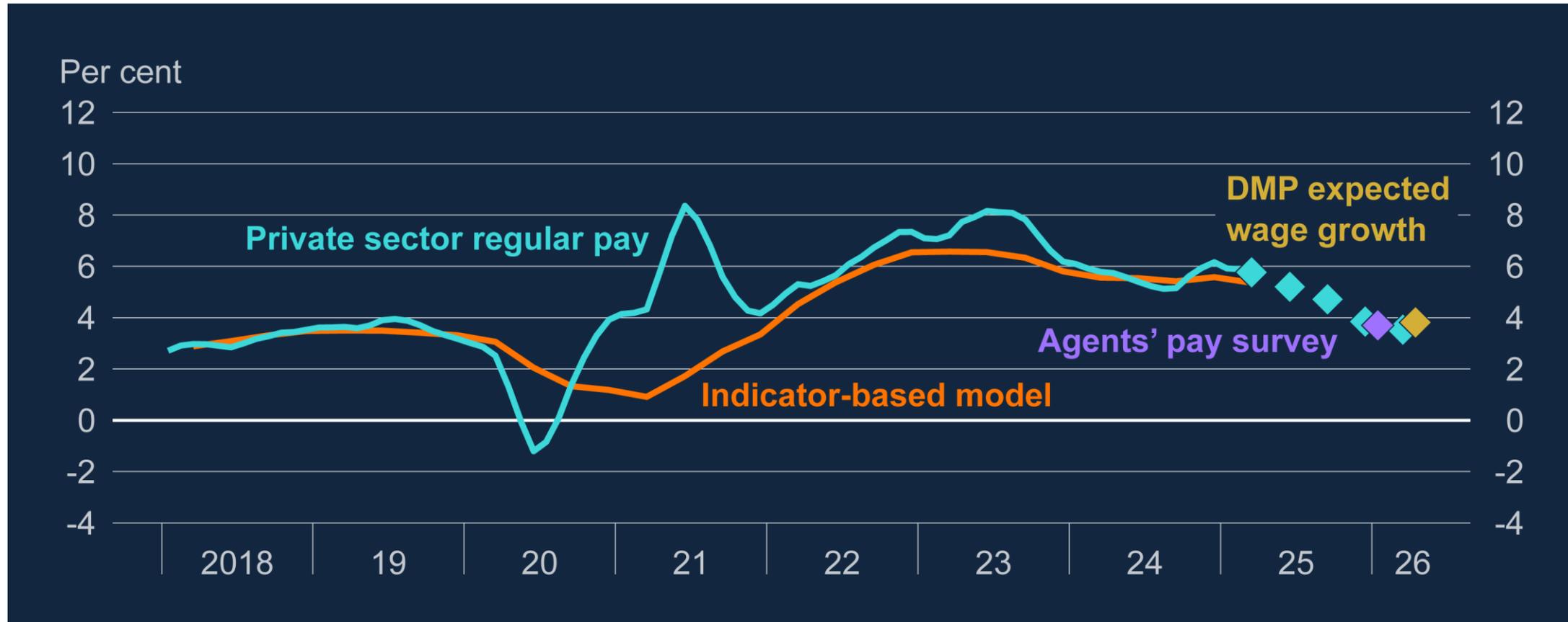
Measures of annual underlying services price inflation



Sources: ONS and Bank calculations

Chart 4: AWE growth has picked up but is expected to moderate

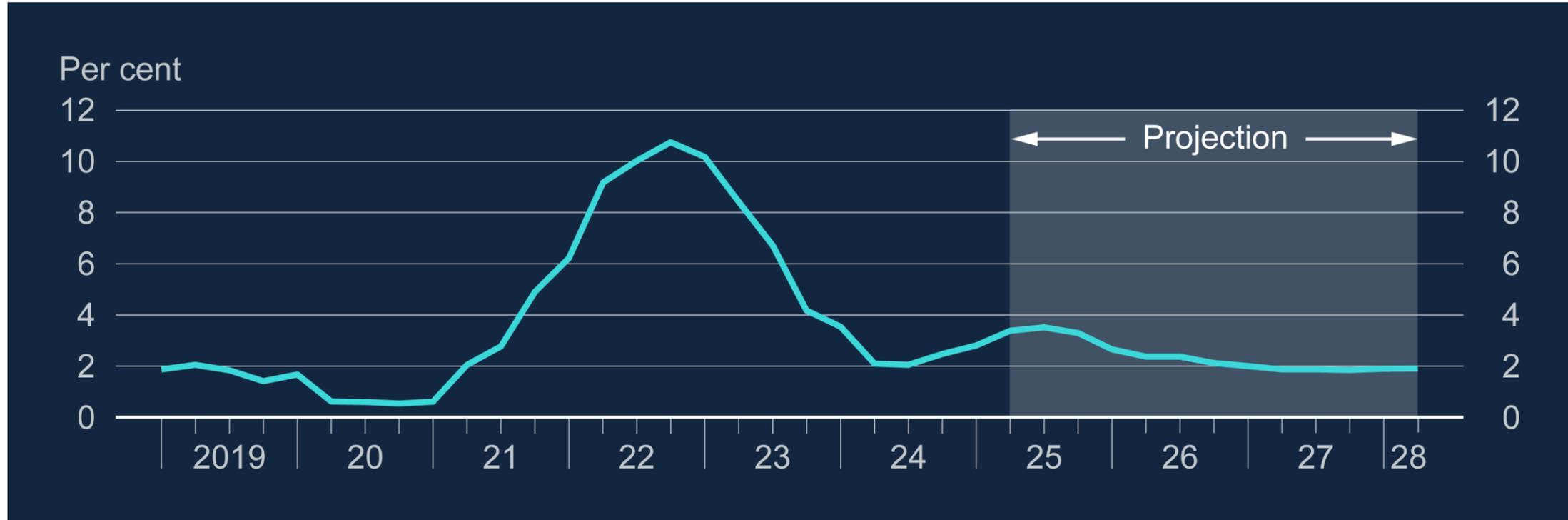
Measures of annual private sector wage growth



Sources: Agents, DMP Survey, ONS and Bank calculations

Chart 5: CPI inflation is projected to return to target over the medium term

UK CPI inflation and projection



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