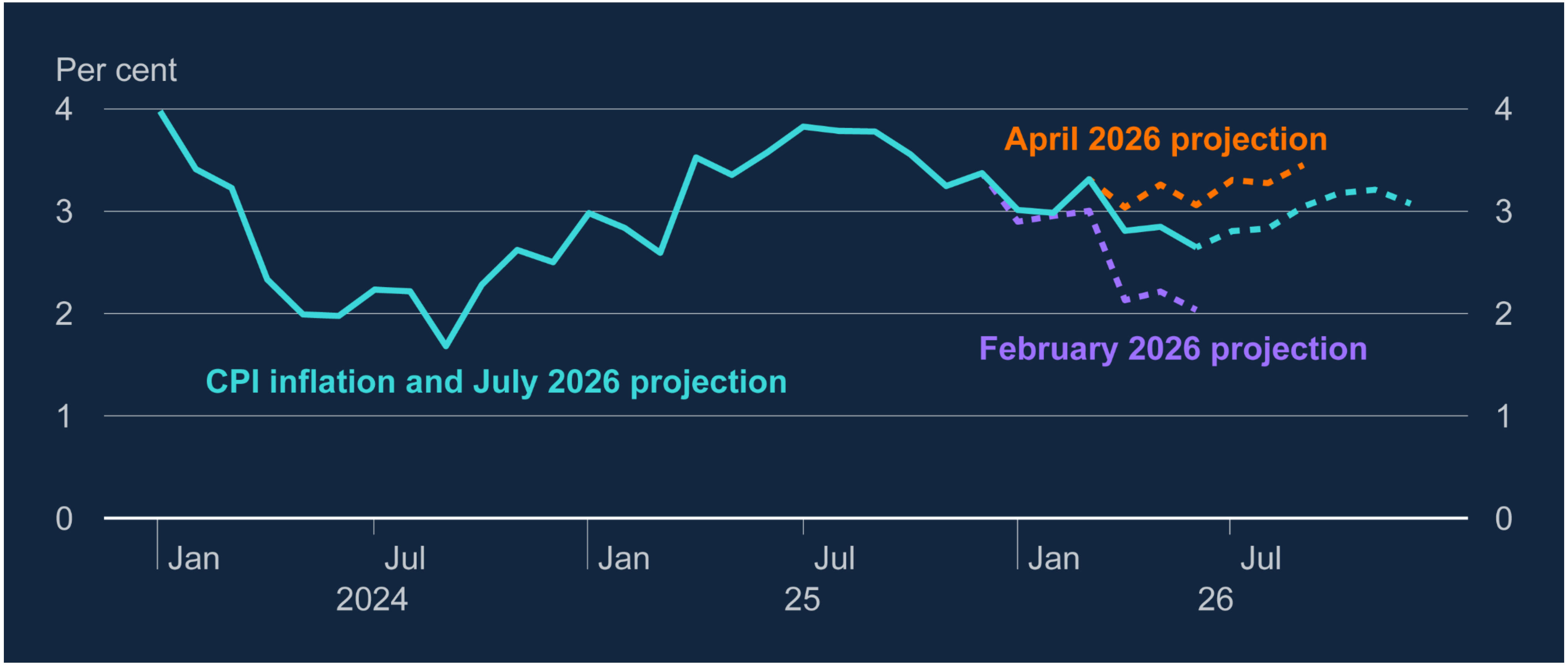
Bank of England

Monetary Policy Report July 2026

Press Conference

Chart 1: The near-term outlook for inflation has shifted in recent months

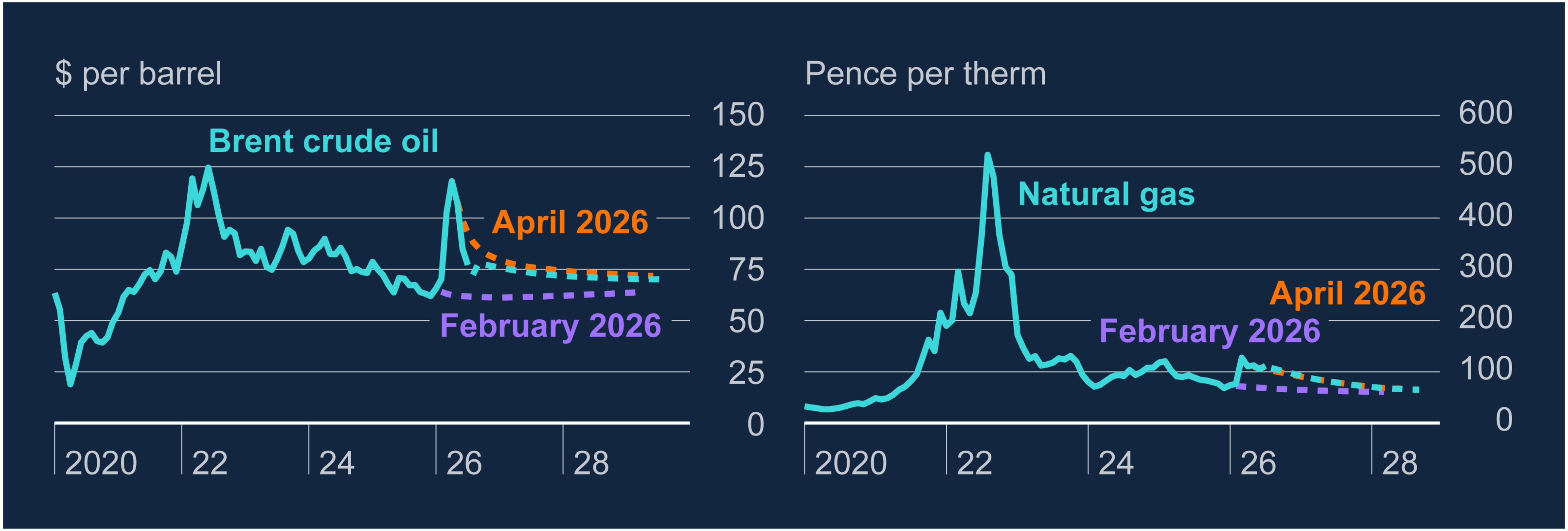
Consumer Price Index (CPI) inflation and near-term projection



Sources: ONS and Bank calculations

Chart 2: Wholesale energy futures prices remain elevated

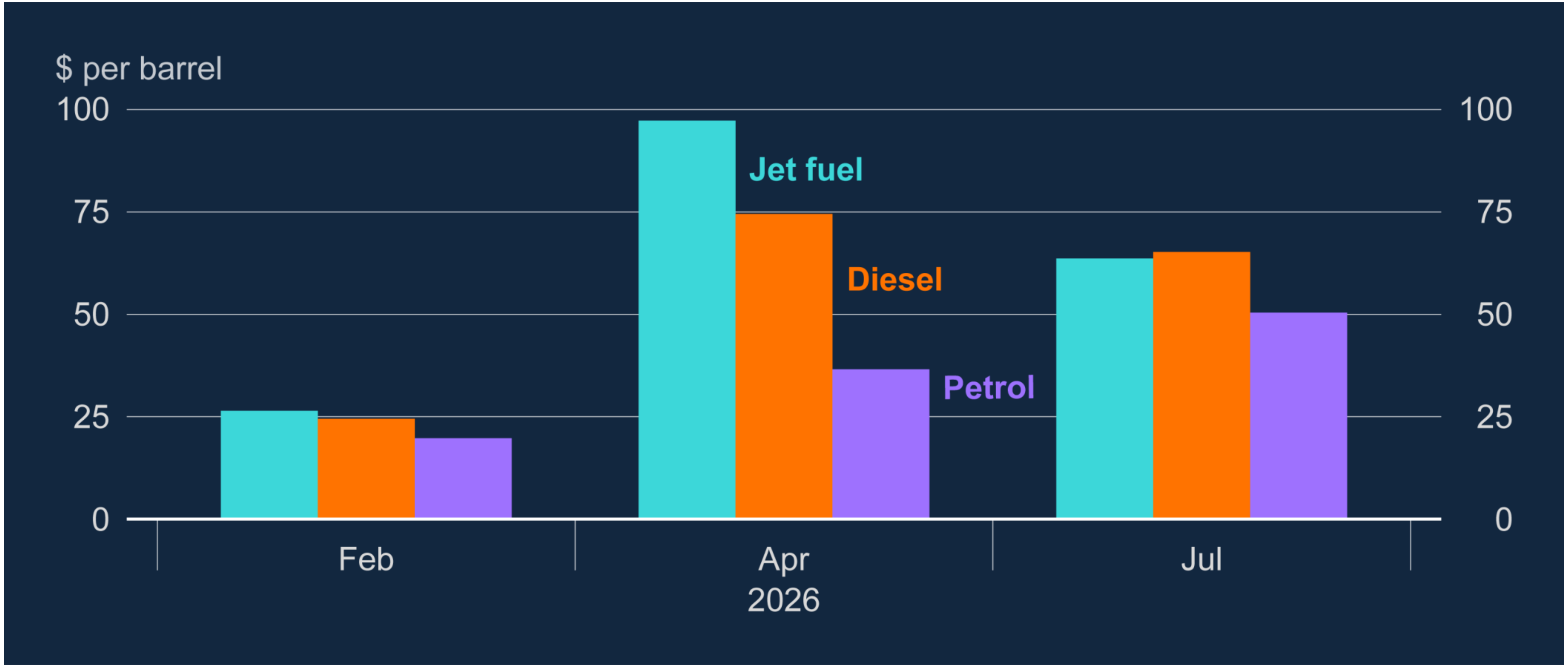
Wholesale Brent crude oil and UK natural gas prices



Sources: Bloomberg Finance L.P., LSEG Workspace and Bank calculations

Chart 3: Crack spreads have eased for some products but remain elevated

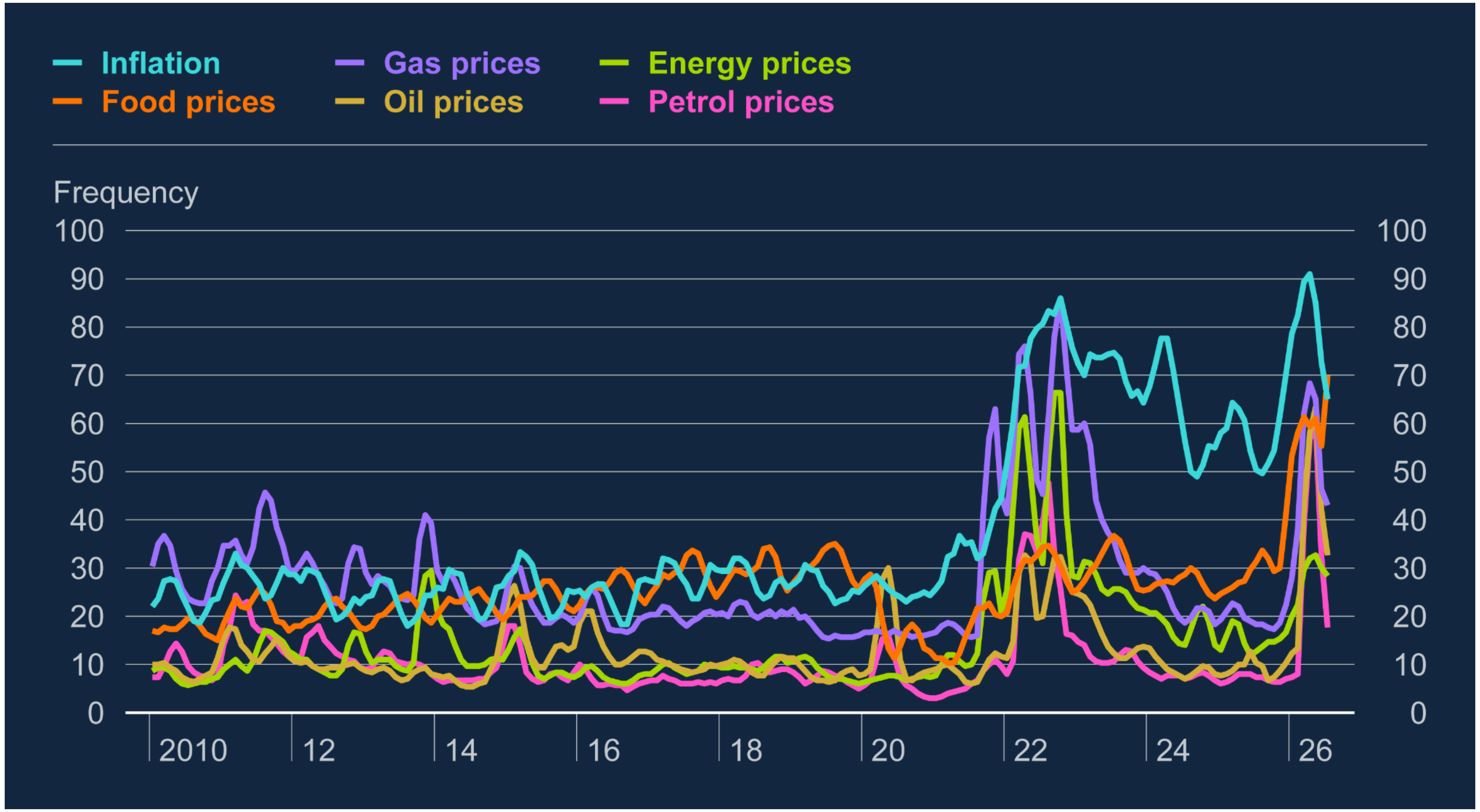
Jet fuel, diesel and petrol crack spreads



Sources: LSEG Workspace and Bank calculations

Chart 4: Attentiveness to inflation is high

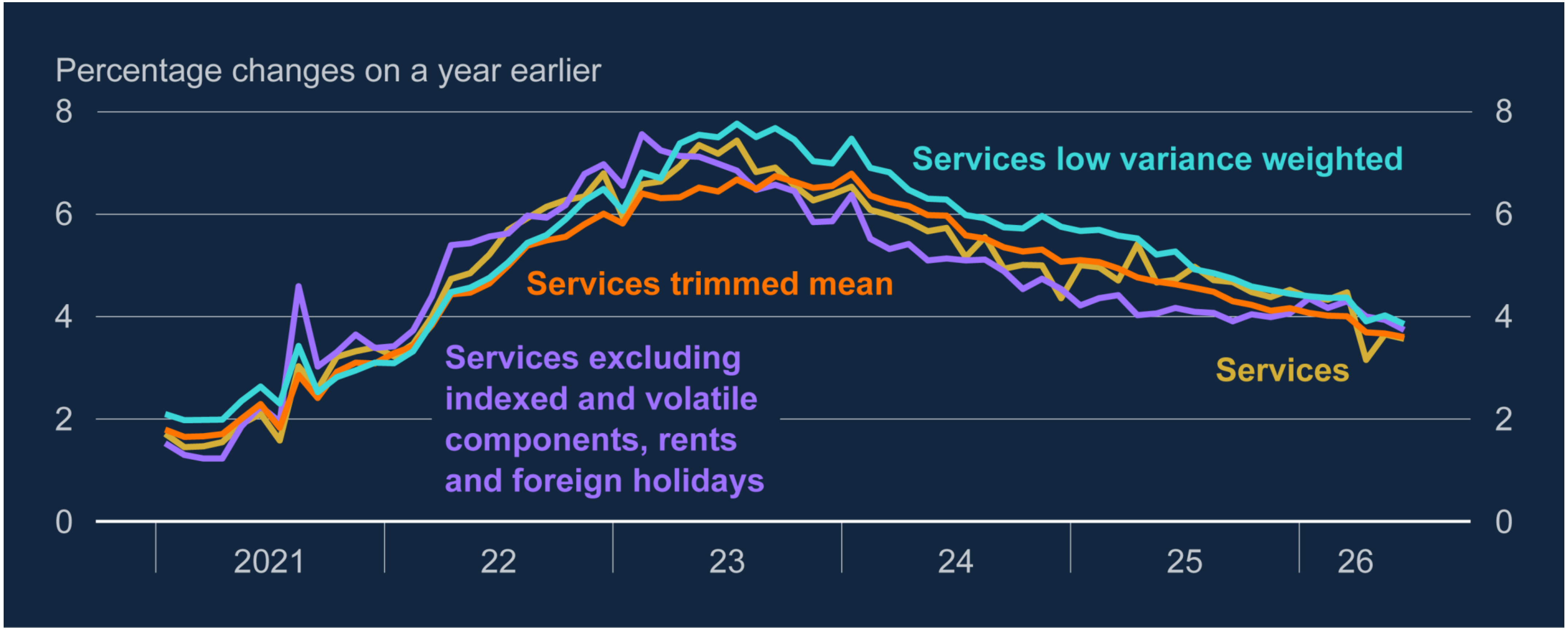
Frequency of UK Google searches for inflation-related terms



Sources: Google and Bank calculations

Chart 5: Measures of underlying services inflation have eased further

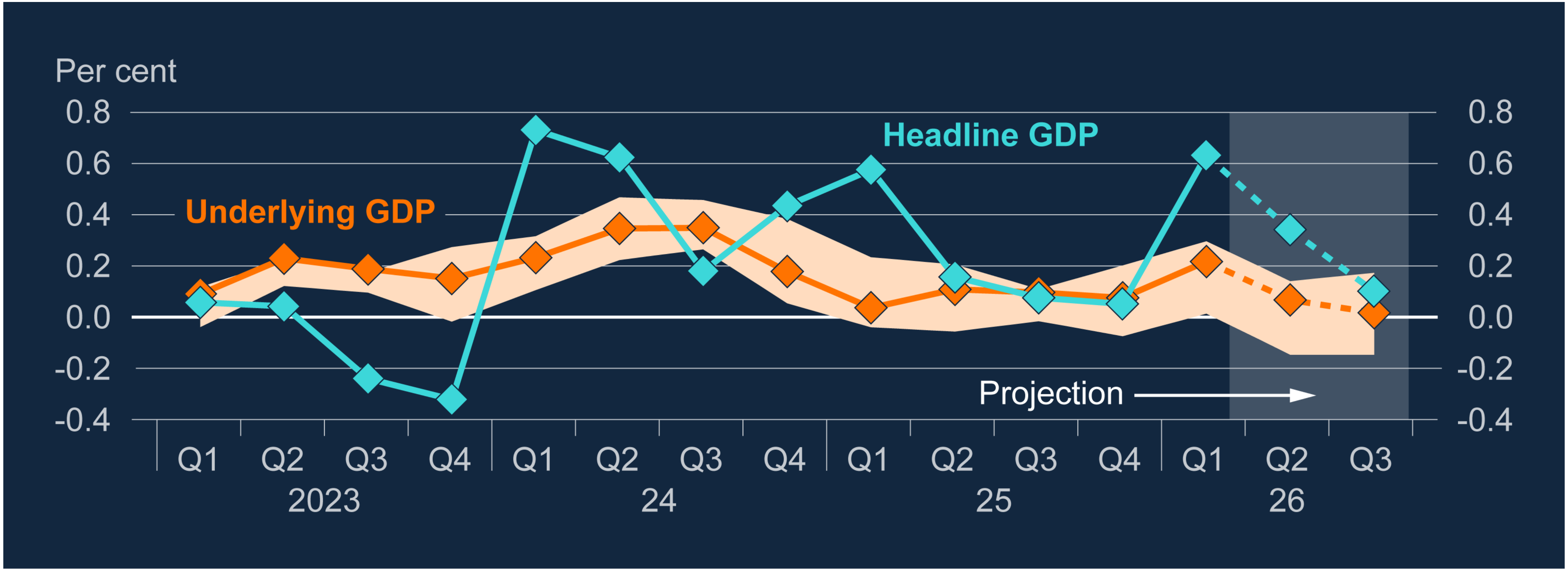
Measures of annual services price inflation



Sources: ONS and Bank calculations

Chart 6: Underlying GDP growth is projected to weaken slightly

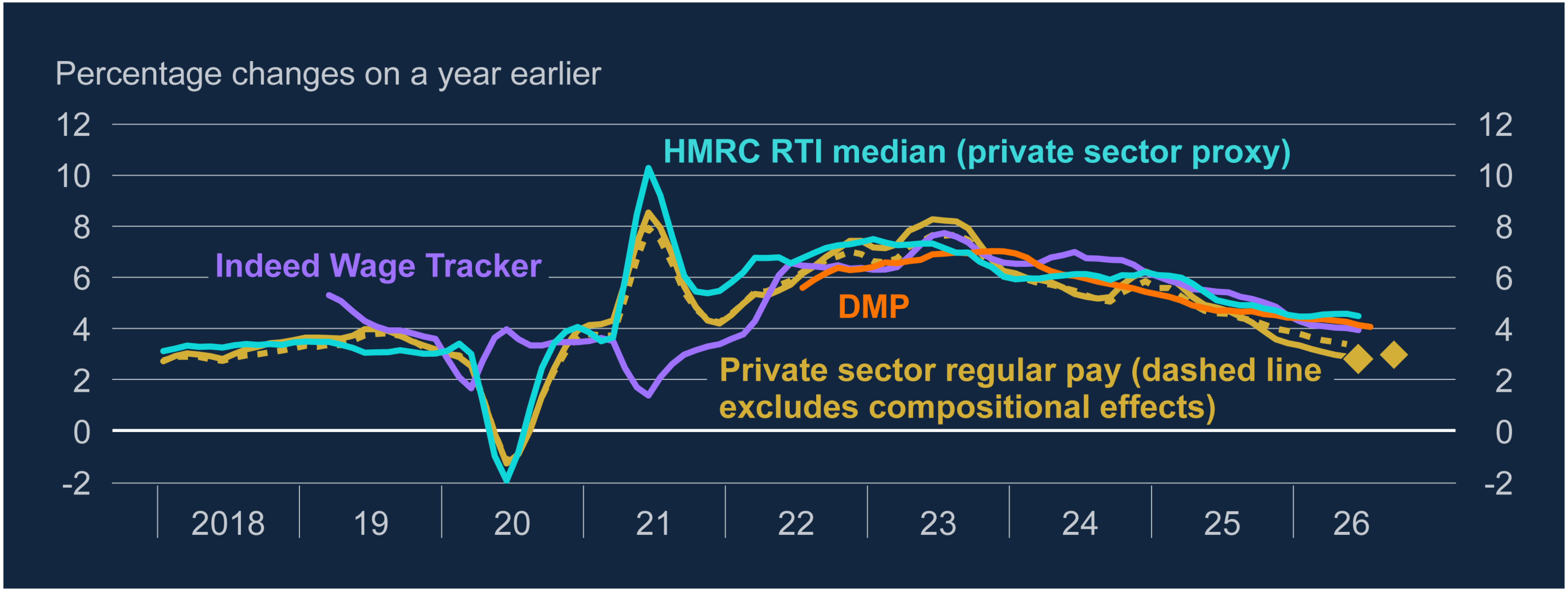
Quarterly growth in headline GDP and underlying growth implied by business surveys



Sources: ONS, BCC, CBI, LLoyds Business Barometer, S&P Global and Bank calculations

Chart 7: Private sector wage growth has continued to slow

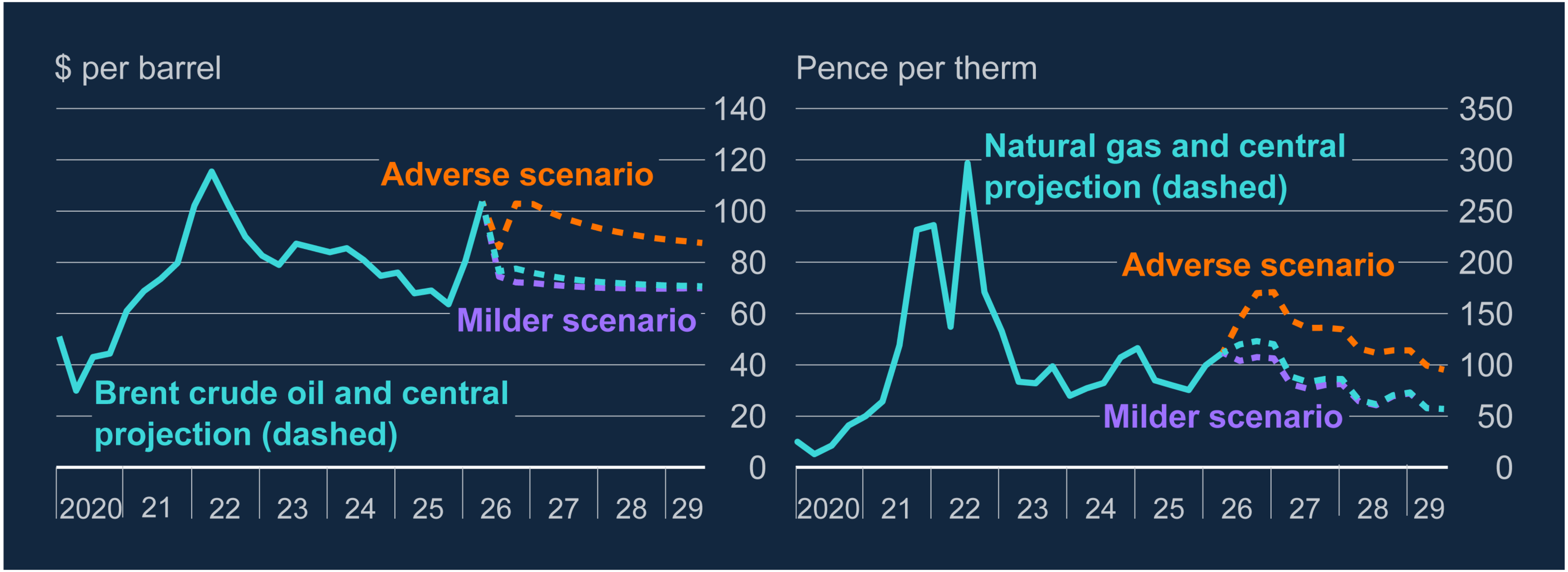
Measures of private sector wage growth



Sources: DMP Survey, HMRC, Indeed, ONS and Bank calculations

Chart 8: Energy prices in the central projection follows market prices

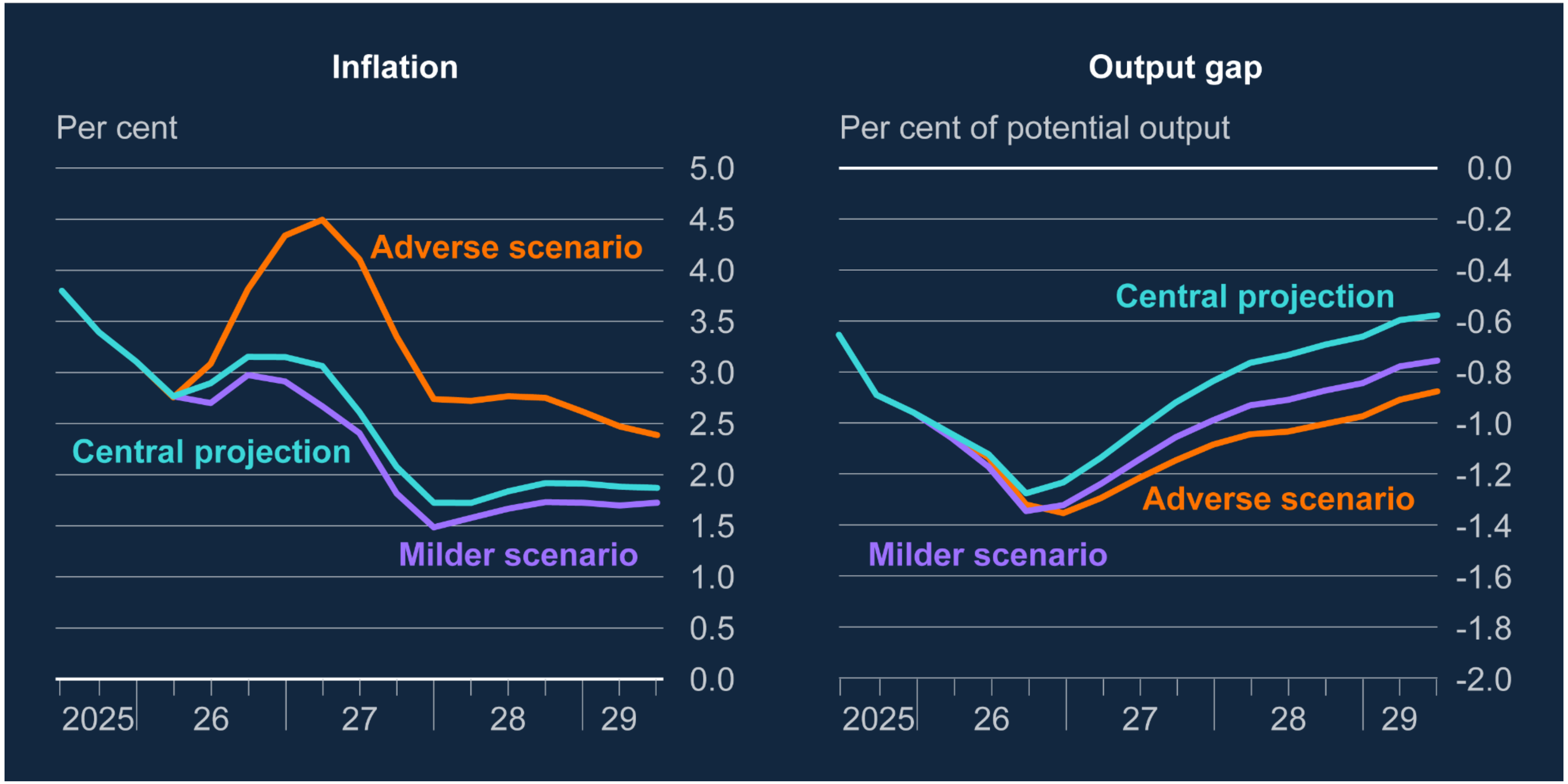
Brent crude oil and natural gas price paths



Sources: Bloomberg Finance L.P. and Bank calculations

Chart 9: Inflation is close to the 2% target in the central projection

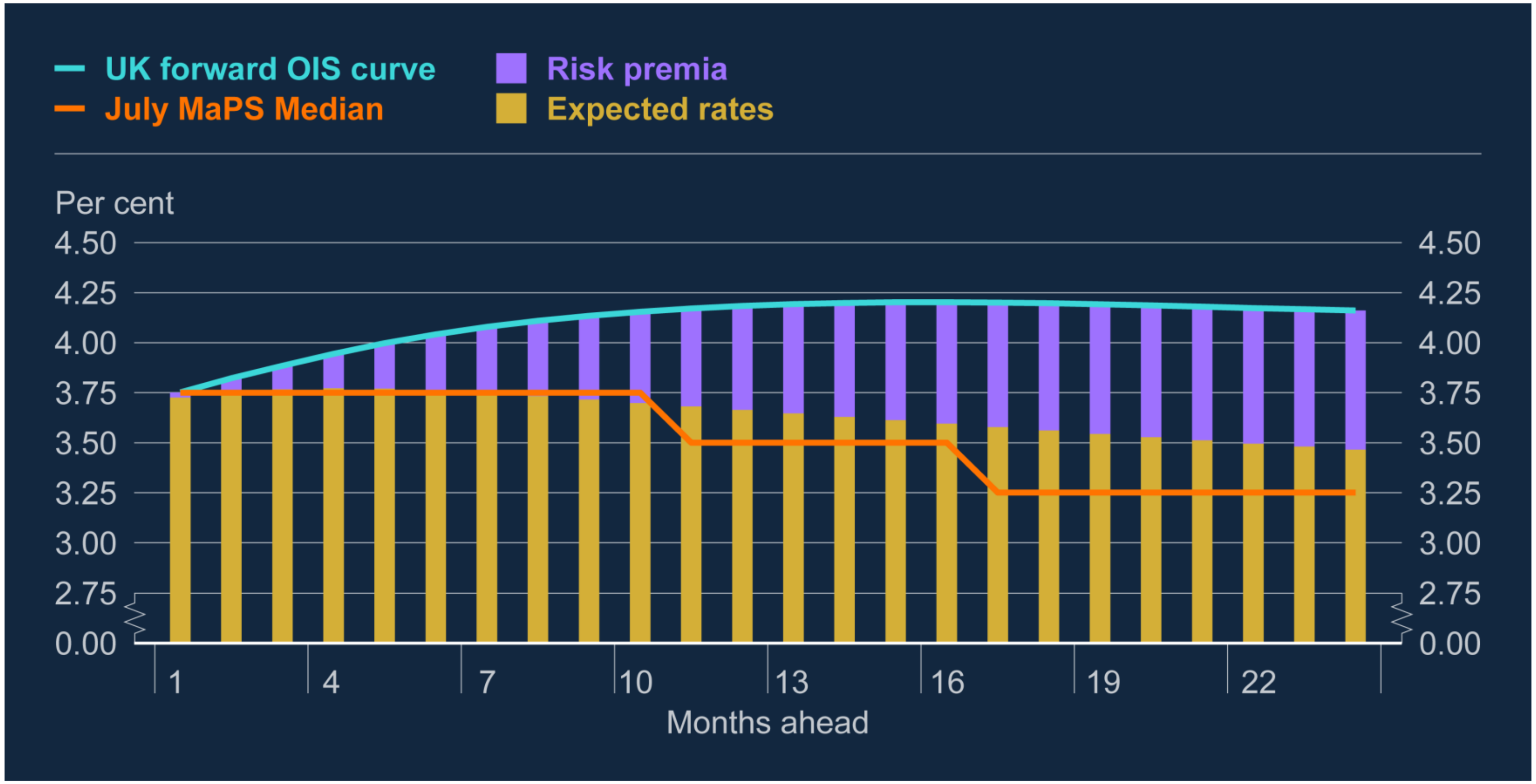
Inflation projections conditional on a market-implied path for Bank Rate



Sources: ONS and Bank calculations

Chart 10: The upward slope in the market curve reflects risk premia

Model decomposition of the UK OIS curve and most likely expectations from MaPS



Sources: Bloomberg Finance L.P., Consensus Economics and Bank calculations

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