



BANK OF ENGLAND

News release

Press Office

Threadneedle Street

London EC2R 8AH

T 020 7601 4411

F 020 7601 5460

press@bankofengland.co.uk

www.bankofengland.co.uk

19 June 2006

Bank of England Quarterly Bulletin - Summer 2006

The Summer issue of the Bank of England Quarterly Bulletin is published today. It contains the following articles and reports:

- Foreword, by Charles Bean, Chief Economist and Executive Director for Monetary Policy, Bank of England (see Key Resources below).
- Markets and operations. This regular quarterly commentary discusses recent developments in sterling financial markets.
- House prices and consumer spending. House prices and consumer spending have often moved together in the past. But that relationship is more subtle than is often supposed. It depends on causal links, such as the impact of house prices on the amount that people can borrow. And it depends on common factors that affect both house prices and spending, such as people's expectations about future income. As the article describes, those influences can vary over time and both causal links and common factors are likely to have played a part in the recent weakening of the association between house prices and consumer spending.
- Investing in inventories. Investment in inventories is volatile, and fluctuations in inventories often have a noticeable impact on GDP growth. This article examines companies' motives for holding inventories and assesses the impact of inventory investment on the volatility of output. It also considers the contribution of changing stock management behaviour to the stability of the UK economy in recent years.
- Cost-benefit analysis of monetary and financial statistics. Data collected by the Bank of England from UK banks are used in compiling a range of economic statistics. But data collection inevitably imposes some costs on those supplying the information. This article describes a cost-benefit analysis framework that has been developed to help balance the demands on data suppliers with the needs of users.

- Public attitudes to inflation. Over the past six and a half years, GfK NOP has carried out surveys of public attitudes to inflation on behalf of the Bank of England. This article analyses the results of the surveys from May 2005 to February 2006.
- The Centre for Central Banking Studies. The Centre for Central Banking Studies at the Bank of England organises seminars, workshops and conferences in London and abroad. These are attended by central bankers from all over the world. This article describes the Centre's origins and current activities.
- A review of the work of the London Foreign Exchange Joint Standing Committee in 2005. The Foreign Exchange Joint Standing Committee was established in 1973, under the auspices of the Bank of England, as a forum for bankers and brokers to discuss broad market issues. This note reviews the work undertaken by the Committee during 2005.
- Summaries of recent Bank of England working papers and speeches.

Note to Editors

Copies of the Quarterly Bulletin are available from the Publications Group, Bank of England, Threadneedle Street, EC2R 8AH (Tel: 020 7601 4030; fax 020 7601 3298) or on

<http://www.bankofengland.co.uk/publications/Pages/quarterlybulletin/default.aspx>

Key Resources

Foreword

<http://webarchive.nationalarchives.gov.uk/20100114080129/http://www.bankofengland.co.uk/publications/quarterlybulletin/foreword0602.pdf>