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News release

9 July 2009

Bank of England Maintains Bank Rate at 0.5% and continues with £125 Billion Asset Purchase Programme

The Bank of England's Monetary Policy Committee today voted to maintain the official Bank Rate paid on commercial bank reserves at 0.5%. The Committee also voted to continue with its programme of asset purchases totalling £125 billion financed by the issuance of central bank reserves.

The Committee expects that the announced programme will take another month to complete. The Committee will review the scale of the programme again at its August meeting, alongside its latest inflation projections.

The minutes of the meeting will be published at 9.30am on Wednesday 22 July.

Note to Editors

The previous change in Bank Rate was a reduction of 0.5 percentage points to 0.5% on 5 March 2009. A £75 billion programme of asset purchases financed by the issuance of central bank reserves was initiated on 5 March 2009. The programme was increased to a total of £125 billion on 7 May 2009.

Information on the Asset Purchase Facility can be found on the Bank of England website at

<http://www.bankofengland.co.uk/monetarypolicy/assetpurchases.htm>

Purchases of £112 billion have been made under this facility since its use for monetary policy purposes was first announced after the Committee's March meeting.