

# Bank of England Quarterly Bulletin

November 1993

## *Inflation Report*

<b>Summary</b>	409
<b>Recent price developments</b>	411
<b>Monetary and fiscal policy</b>	416
<b>Demand and output</b>	423
<b>The labour market</b>	431
<b>Price dynamics</b>	435
<b>Prospects for inflation</b>	440
<b>Conclusions</b>	445

## *Recent economic and financial developments*

<b>The international environment</b>	447
<b>Operation of monetary policy</b>	462
<b>Financial market developments</b>	469

## *Articles*

<b>Bank behaviour and the monetary transmission mechanism</b>	478
<b>Monetary policy implications of increased capital flows</b>	492
<b>The external balance sheet of the United Kingdom: recent developments</b>	505
<b>The net debt of the public sector: end-March 1993</b>	513

## *Speeches*

<b>European monetary stability</b>	521
<b>Europe 1993: hope and disillusion</b>	525
<b>Inflation</b>	528
<b>The UK approach to controlling large-value payment systems</b>	530
<b>Derivatives—where next for supervisors?</b>	535

<i>Statistical annex</i>	539
--------------------------	-----

Volume 33

Number 4