

Bank of England Quarterly Bulletin

Volume 42 2002

Contents

Summary	3
”	123
”	247
”	355

Recent economic and financial developments

Markets and operations	5
”	125
”	249
”	357

Reports

The London Foreign Exchange Joint Standing Committee: a review of 2001	23
Public attitudes to inflation	147
The Bank of England’s operations in the sterling money markets	153
International Financial Architecture: the Central Bank Governors’ Symposium 2002	318
The Centre for Central Banking Studies	432
The external balance sheet of the United Kingdom: recent developments	440
Public sector debt: end-March 2002	451

Research and analysis

Provision of finance to smaller quoted companies: some evidence from survey responses and liaison meetings	26
Explaining trends in UK business investment	33
Building a real-time database for GDP(E)	42
Electronic trading in wholesale financial markets: its wider impact and policy issues	50
Analysts’ earnings forecasts and equity valuations	59
On market-based measures of inflation expectations	67
Equity wealth and consumption—the experience of Germany, France and Italy in an international context	78
Summaries of recent Bank of England working papers	86

Research and analysis (continued)

No money, no inflation—the role of money in the economy	162
Asset prices and inflation	178
Durables and the recent strength of household spending	186
Working time in the United Kingdom: evidence from the Labour Force Survey	192
Why are UK imports so cyclical?	203
Summaries of recent Bank of England working papers	209
Committees versus individuals: an experimental analysis of monetary policy decision-making	262
Parliamentary scrutiny of central banks in the United Kingdom and overseas	274
Ageing and the UK economy	285
The balance-sheet information content of UK company profit warnings	292
Money and credit in an inflation-targeting regime	299
Summaries of recent Bank of England working papers	308
What do measures of core inflation really tell us?	373
Estimating the impact of changes in employers' National Insurance Contributions on wages, prices and employment	384
Equity valuation measures: what can they tell us?	391
Profit expectations and investment	404
Financial pressures in the UK household sector: evidence from the British Household Panel Survey	410
Money market operations and volatility in UK money market rates	420
Summaries of recent Bank of England working papers	430

Speeches⁽¹⁾

Monetary policy, the global economy and prospects for the United Kingdom	94
Three questions and a forecast	97
Twenty-first century markets	100
The stock market, capacity uncertainties and the outlook for UK inflation	103
Monetary challenges	213
The Monetary Policy Committee: five years on	219
Household indebtedness, the exchange rate and risks to the UK economy	228
The monetary policy dilemma in the context of the international environment	326
Monetary policy issues: past, present, future	329
Speech at the Northwest Development Agency/Bank of England Dinner	456
The inflation target ten years on	459

(1) Speeches by the Governors, Directors and senior officials.

Speeches (continued)

The MPC and the UK economy: should we fear the D-words?	475
Macroeconomic policy rules in theory and in practice	485

Boxes

Interest rate term premia	9
Background on ONS data and revisions	44
Electronic trading	51
Transparency	53
Network economics effects	55
Comparison of the steepness of sterling money market yield curves in cash and derivative markets	130
Exchange rate volatility	142
The Bank of England's wire services announcements on 27 March 2002	158
Briefing the Monetary Policy Committee	181
MPC analysis	184
Bond yields and repo rates	360
The difference-in-difference method	387
International efforts to improve portfolio investment data	442
Estimating market values for foreign direct investment (FDI)	447

<i>Index</i>	513
--------------	-----

Issue 1	pages 1–120
Issue 2	pages 121–244
Issue 3	pages 245–352
Issue 4	pages 353–512
Index	pages 513–516