



BANK OF ENGLAND

Current issues in monetary policy

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Executive Director, Markets

MPC and interim FPC member

Delivered at the Euromoney conference – The Global Borrowers and Investors Forum

21 June 2011

Chart 1 - CPI inflation projection based on market interest rate expectations and £200 billion asset purchases

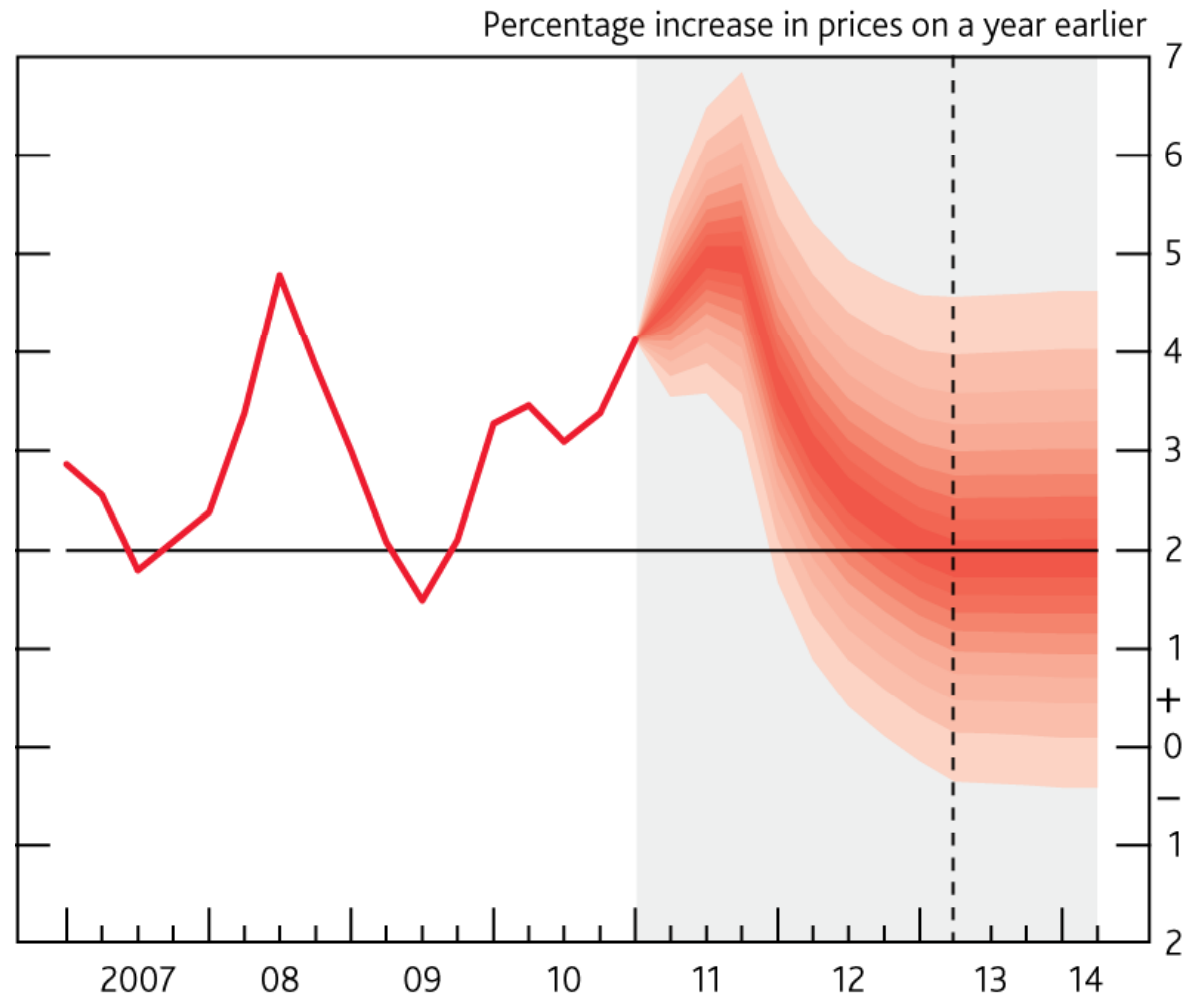
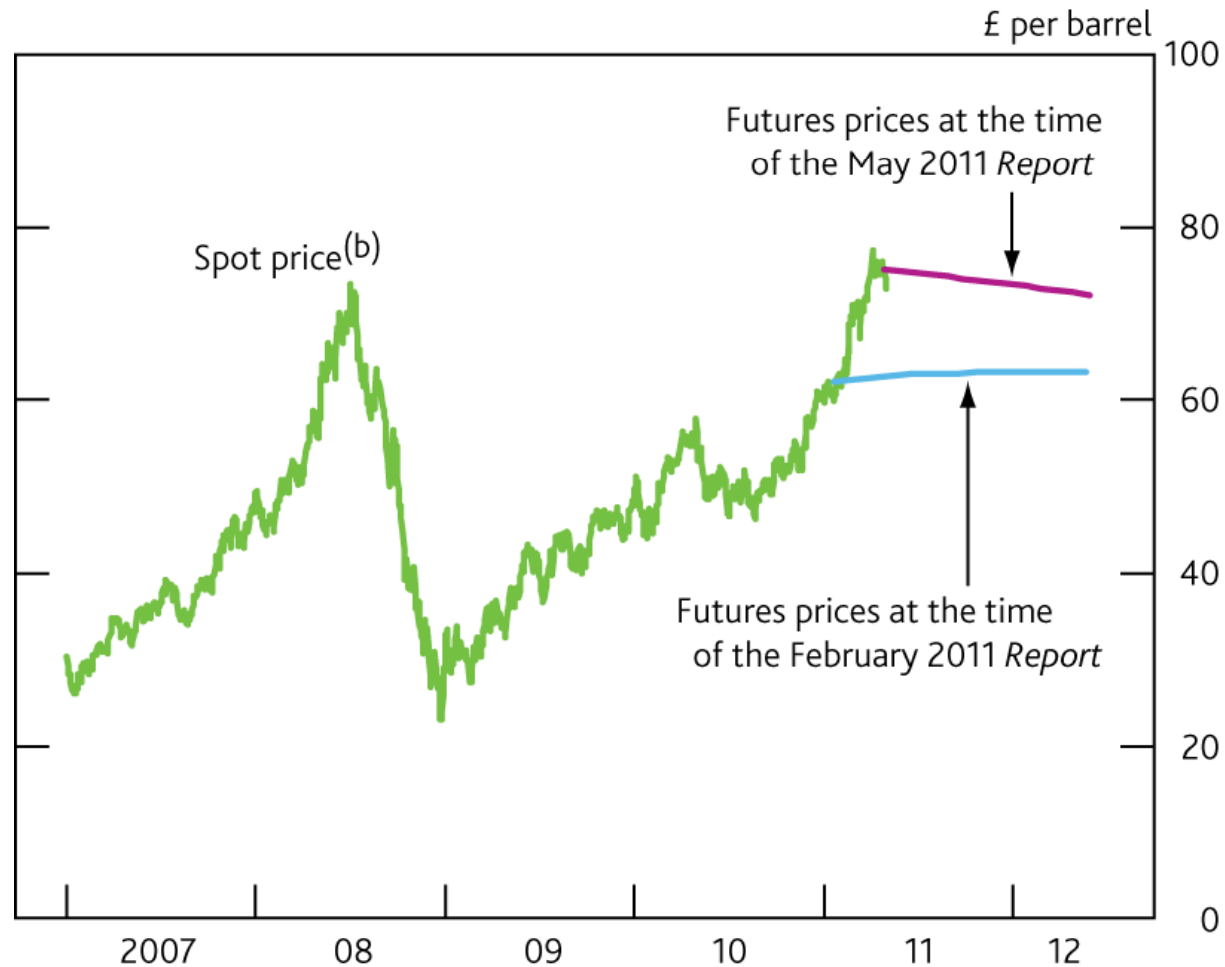


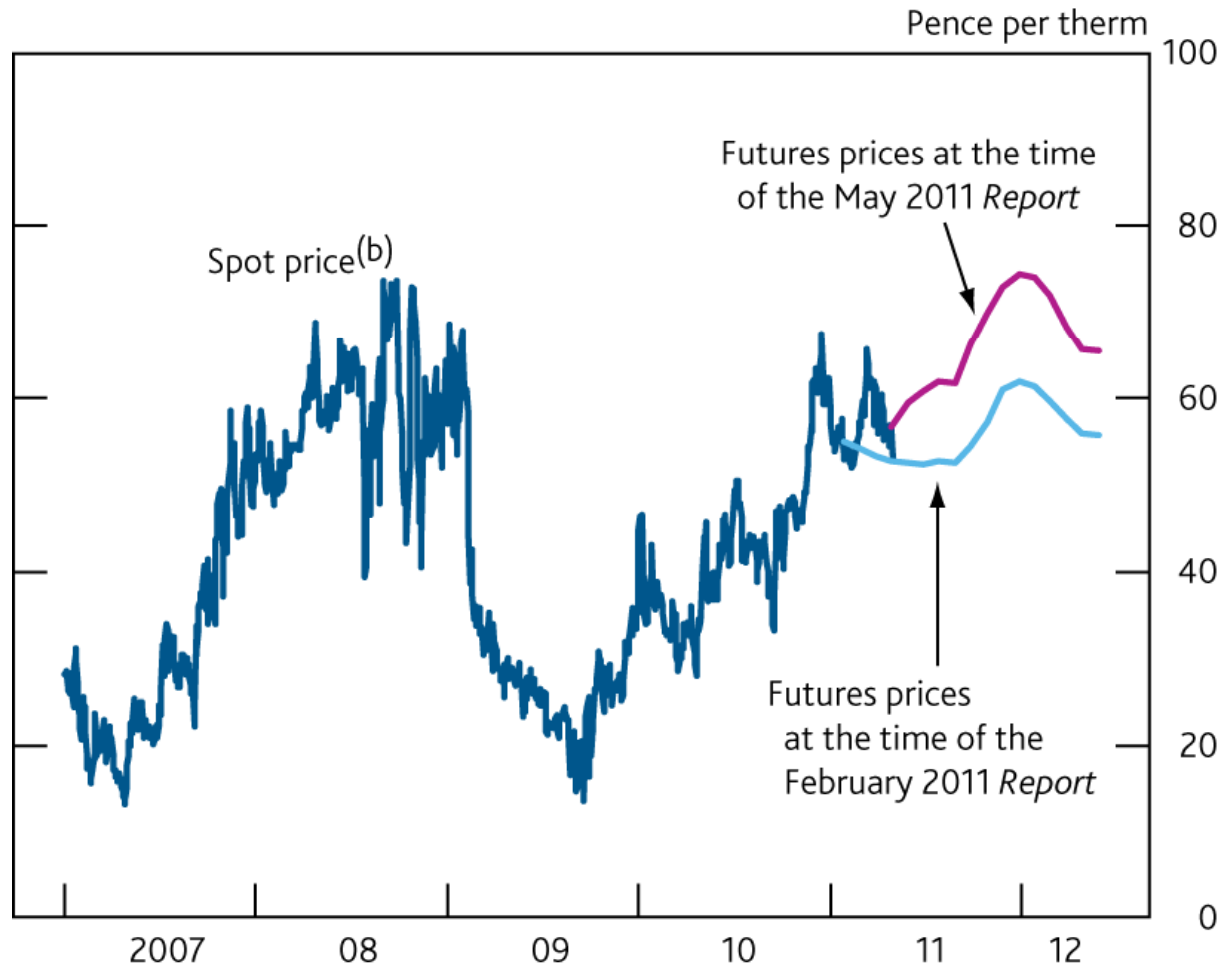
Chart 2 - Sterling oil prices^(a)



Sources: Bloomberg, Thomson Reuters Datastream and Bank calculations.

- (a) Futures prices for February and May are averages during the fifteen working days to 9 February and 4 May respectively. Each futures curve assumes that the sterling-dollar exchange rate remains constant at its average during those periods.
- (b) Brent forward prices for delivery in 10–21 days' time converted into sterling.

Chart 3 - Sterling gas prices^(a)



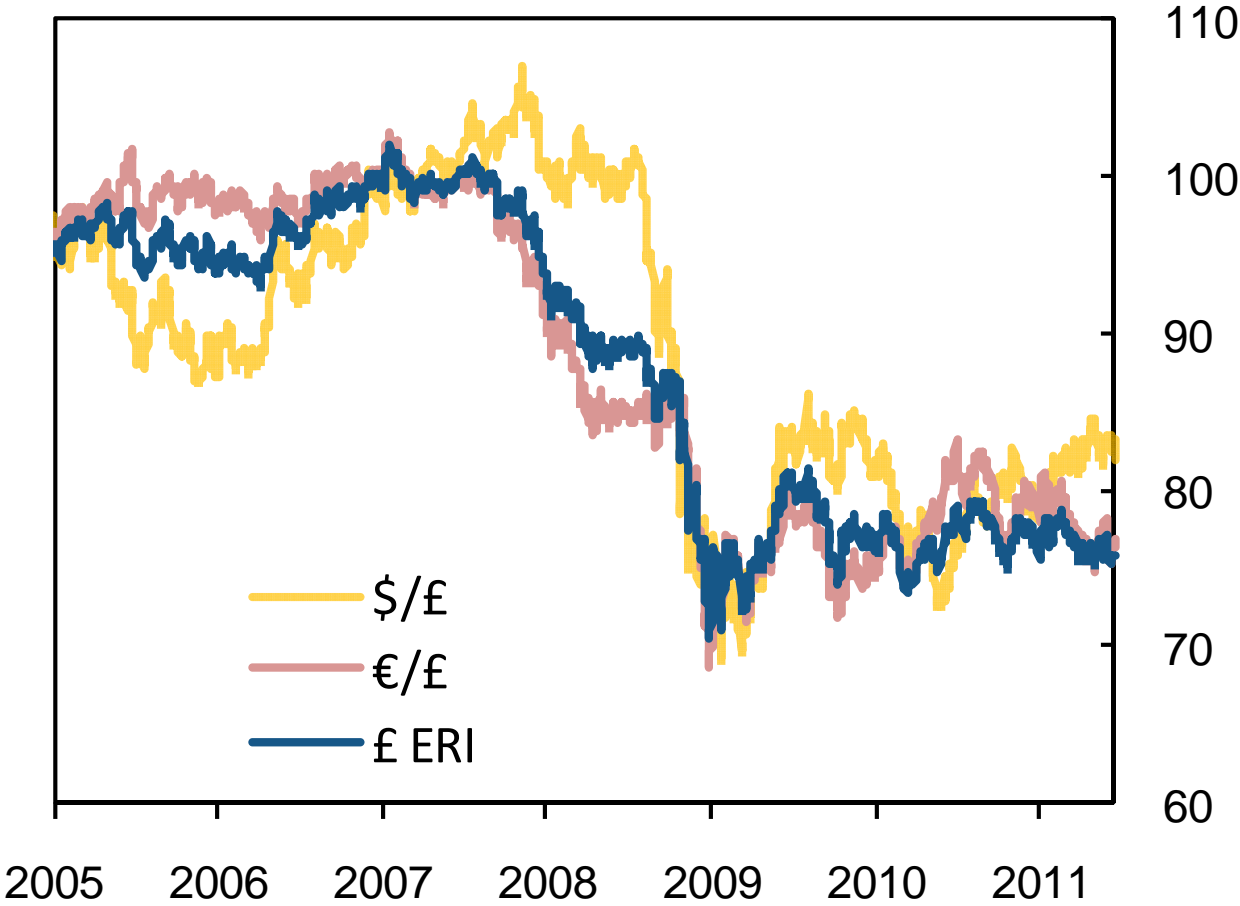
Sources: Bloomberg, Thomson Reuters Datastream and Bank calculations.

(a) Futures prices for February and May are averages during the fifteen working days to 9 February and 4 May respectively.

(b) One-day forward price of UK natural gas.

Chart 4 - Sterling exchange rates

Indices: 2 January 2007 = 100





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