

**Bank of England**

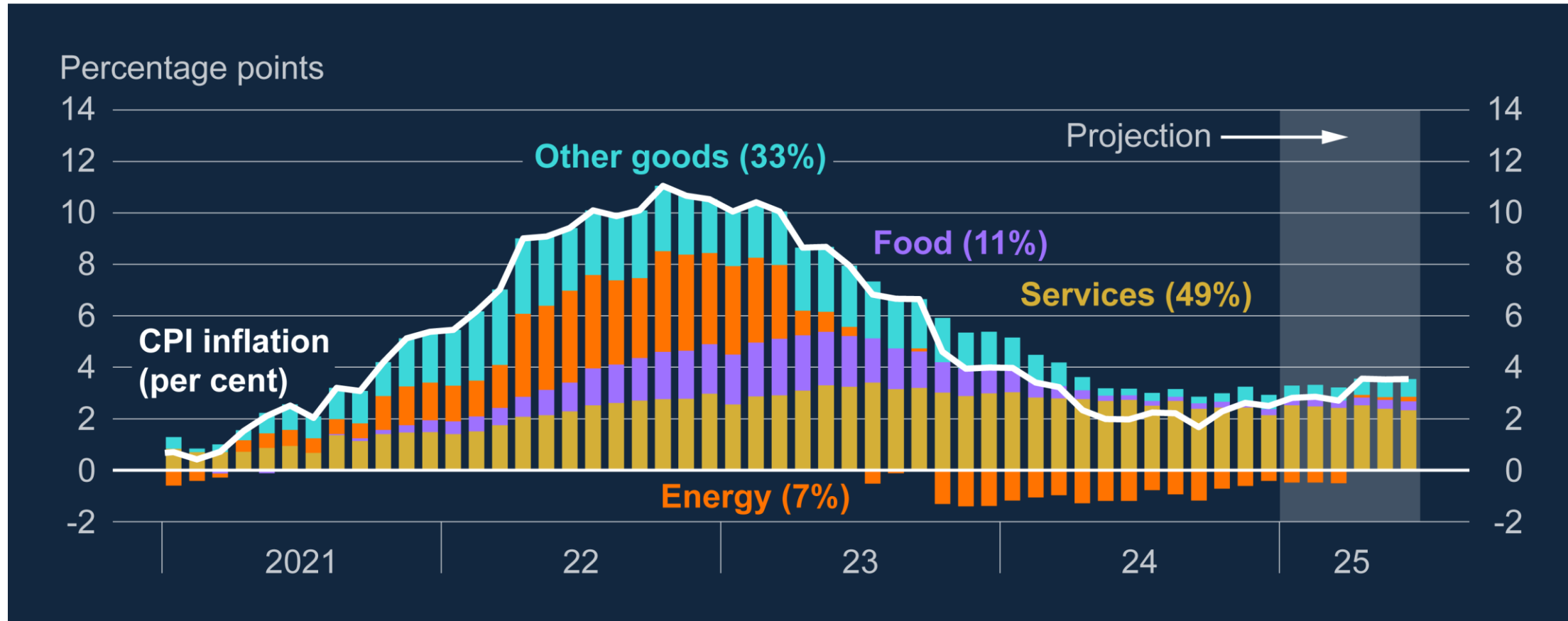
# Monetary Policy Report February 2025

Press Conference



# Chart 1: Inflation has fallen but is expected to rise over the first half of 2025

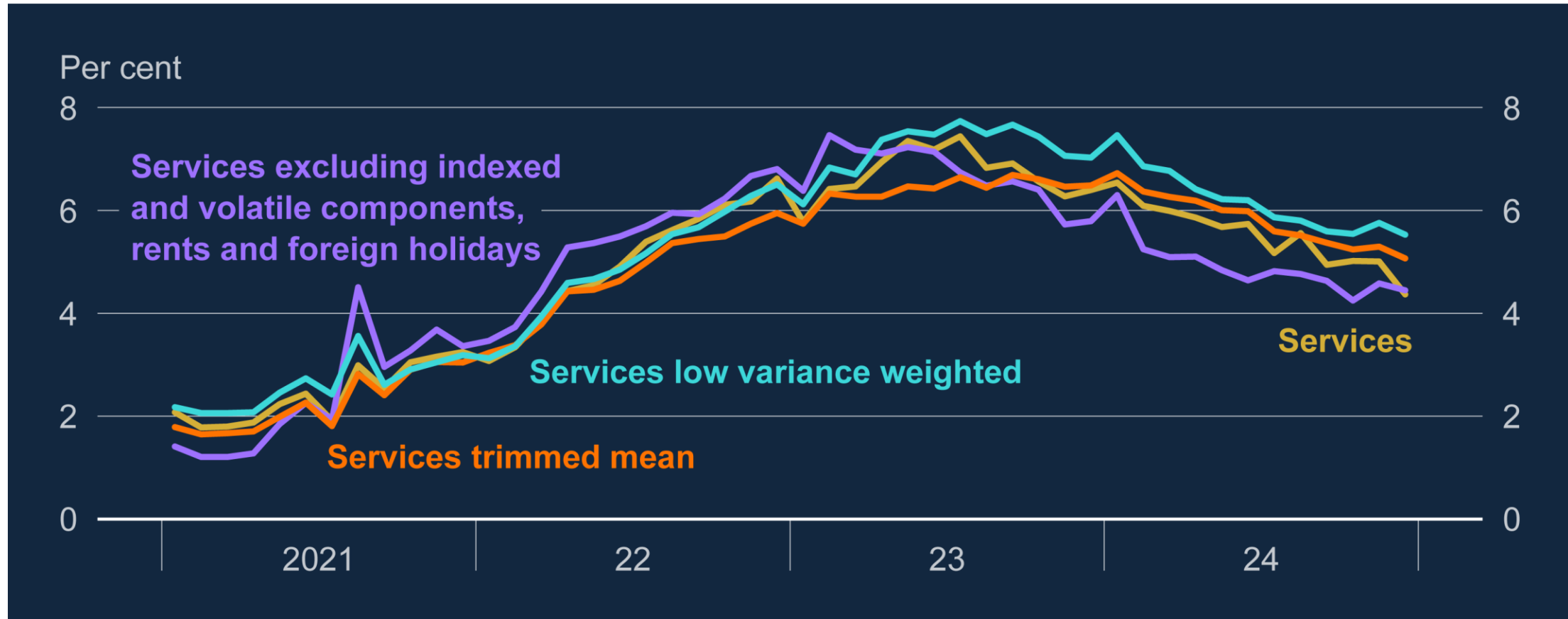
## Contributions to consumer price inflation



Sources: Bloomberg Finance L.P., Department for Energy Security and Net Zero, ONS and Bank calculations

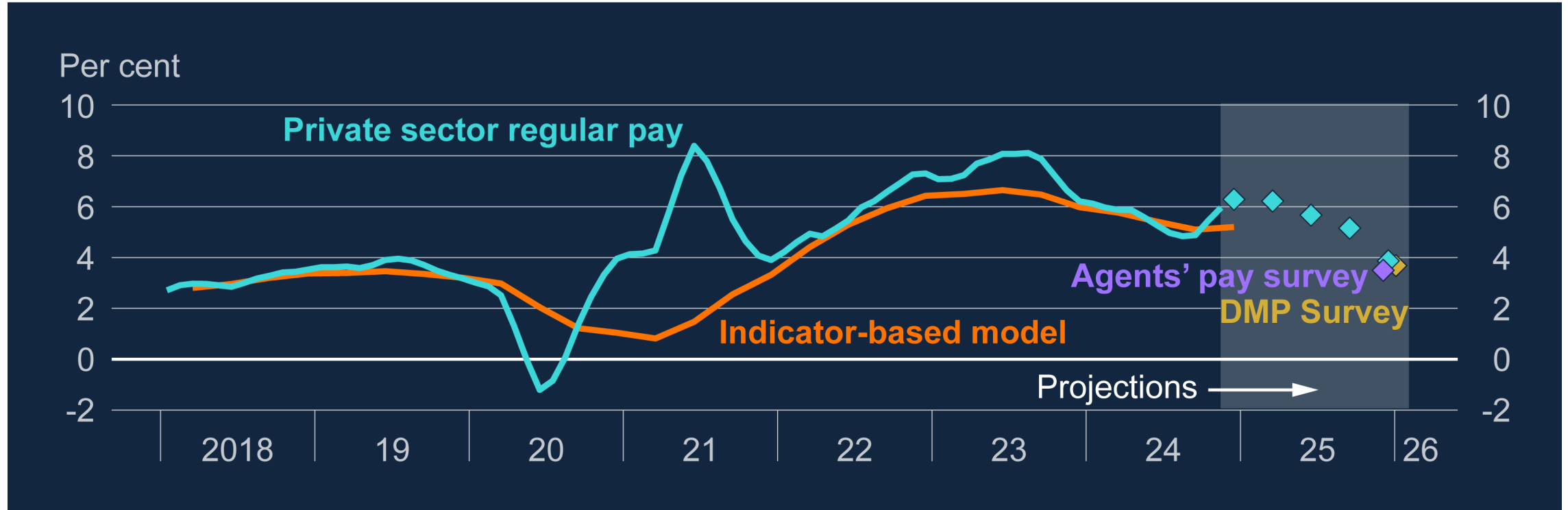
## Chart 2: Underlying services inflation measures have continued to moderate

Measures of annual underlying services price inflation



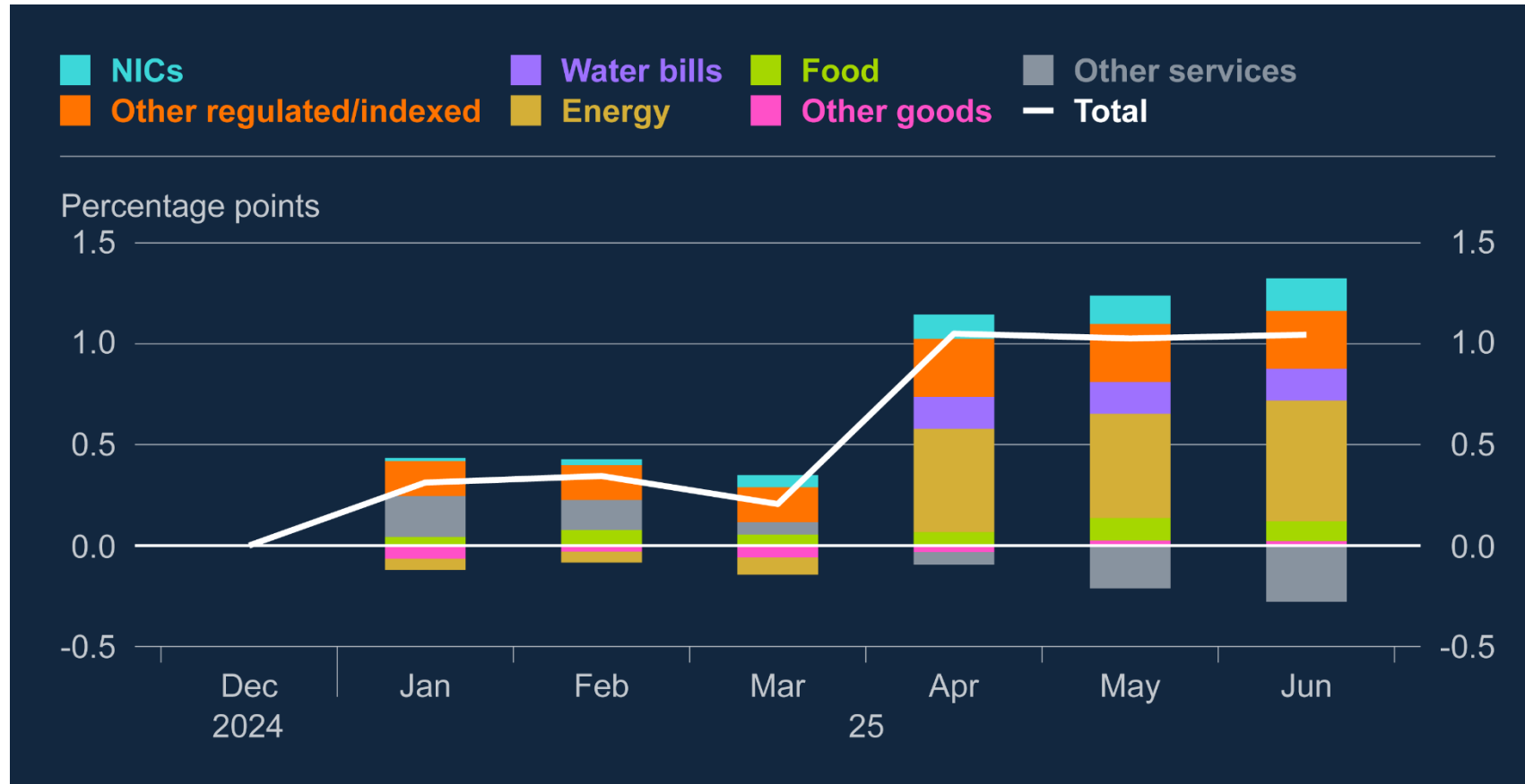
# Chart 3: AWE growth has picked up but is expected to moderate

Measures of annual private sector wage growth



# Chart 4: Energy and regulated prices will drive up CPI inflation temporarily

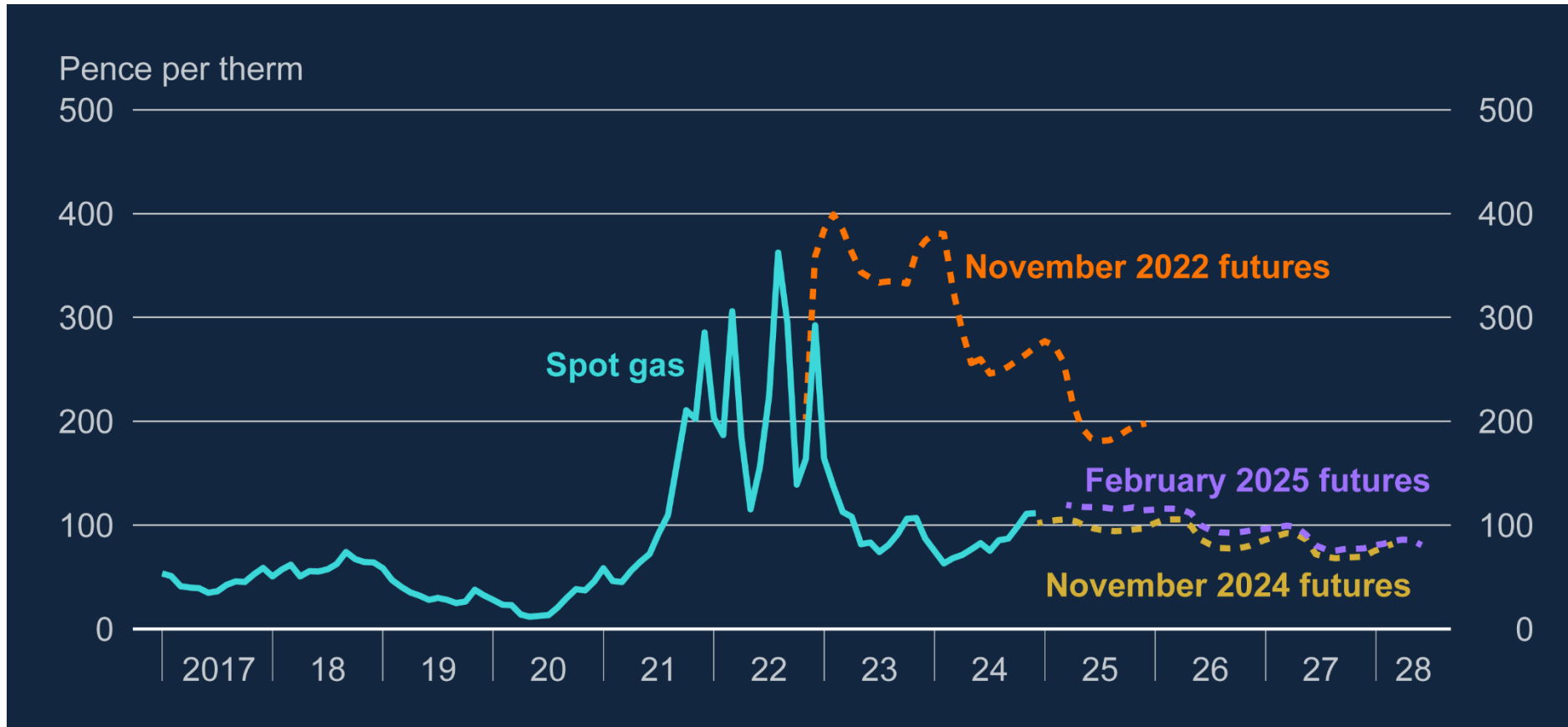
Projected contributions to cumulative changes in CPI inflation from December 2024



Sources: Bloomberg Finance L.P., Department for Energy Security and Net Zero, ONS and Bank calculations

## Chart 5: Gas futures prices have risen but remain well below 2022 levels

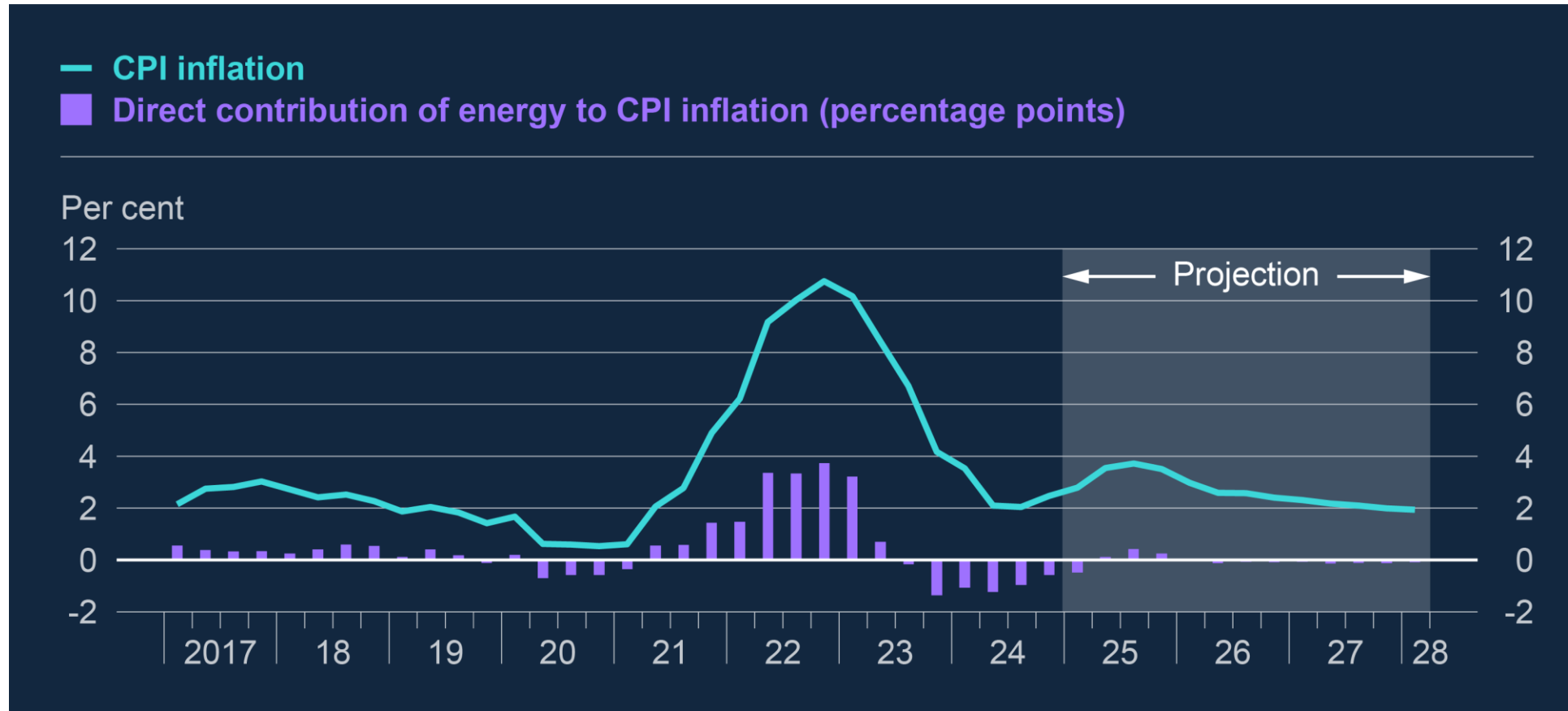
Wholesale UK natural gas spot price and selected futures curves



Sources: Bloomberg Finance L.P. and Bank calculations

# Chart 6: Inflation is projected to return to the 2% target in the medium term

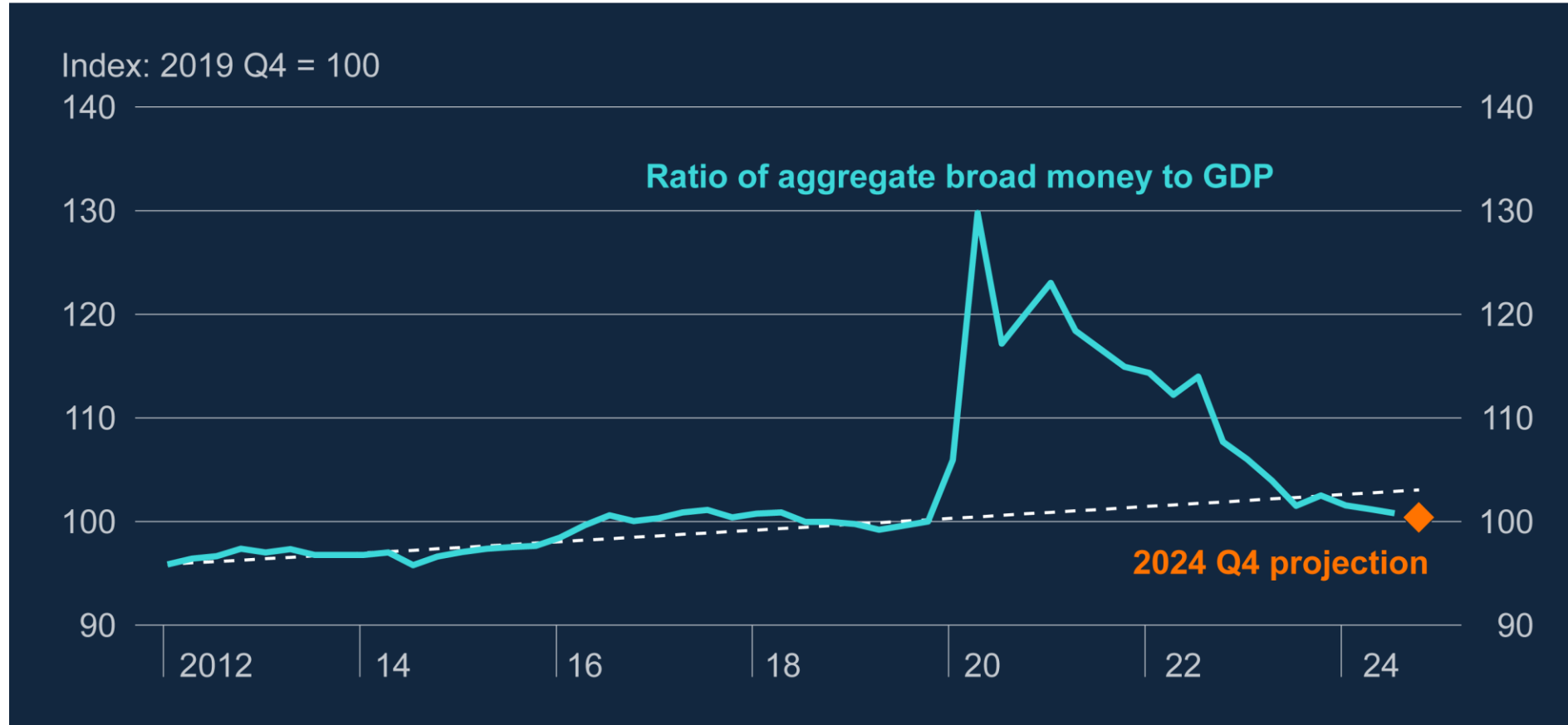
CPI inflation projection conditional on market-path for interest rates



Sources: ONS and Bank calculations

# Chart 7: Money growth has been normalising

Ratio of aggregate broad money to nominal GDP



Sources: Bank of England, ONS and Bank calculations



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