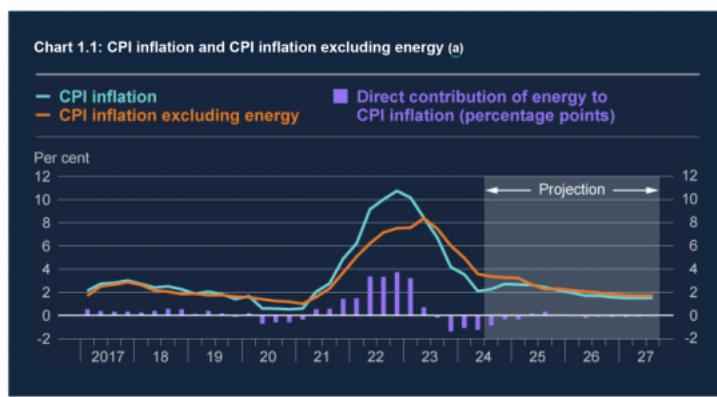


Funding the Future

The Bank of England knew inflation was going to rise no...

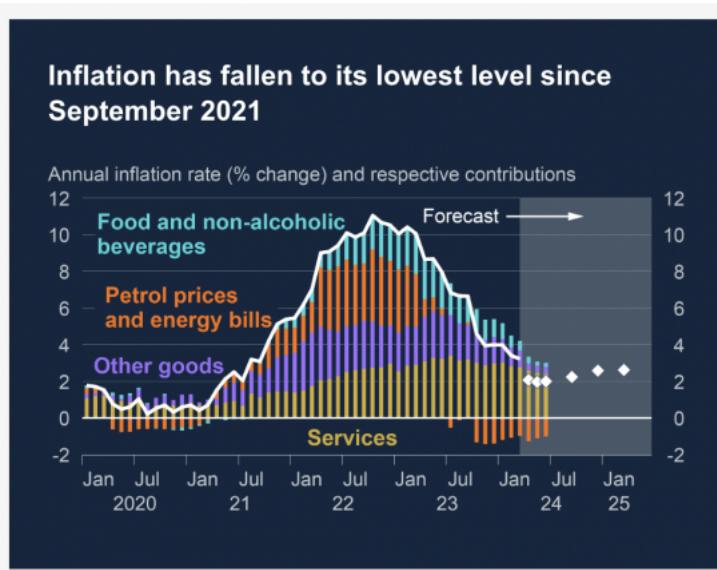
Published: January 13, 2026, 2:26 am

This chart comes from the Monetary Policy Committee quarterly report to the Bank of England [published in early August 2024](#):



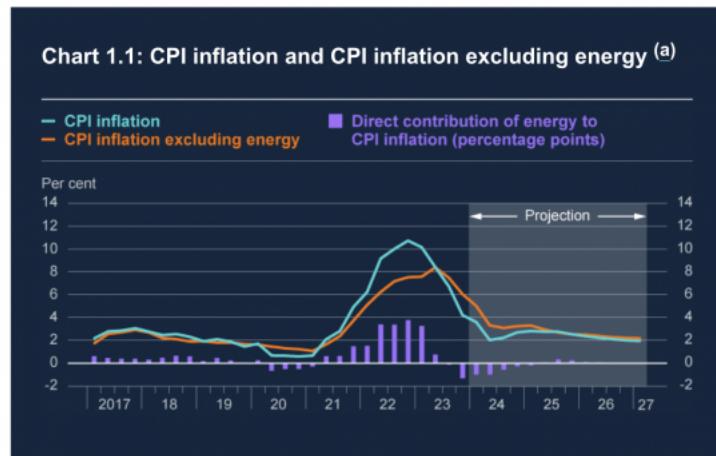
It shows that the Bank knew that inflation was going to rise at the end of this year, and then descend steadily thereafter.

For the record, this version of that chart was [published by them in May](#):



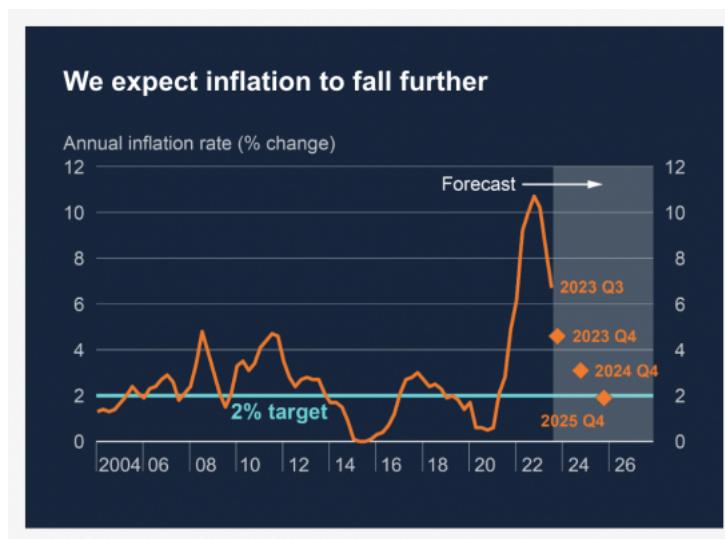
It shows the same pattern. The Bank knew inflation would be increasing now, six months ago.

In fact, they knew this in February, [because this is the chart from then](#):



Sources: Bloomberg Finance L.P., ONS and Bank calculations.

So, [let's go back a year](#):



They thought then that the rate would be higher now than it is.

So, there are three conclusions.

First, today's inflation increase is not news.

Second, inflation is well under control, and lower than expected.

Third, there is no reason for rates to remain high as a result.

But will Andrew Bailey listen? I doubt it.