

CLAIM YOUR WORTH £45 **strikes** **PayProp** **CMP-recognised client accounts and bank-grade security**

< PREVIOUS ARTICLE

Rate Rise Fears return after "bad news" inflation figure

NEXT ARTICLE >

BREAKING NEWS

19 October 2023

2019 Reads 1 Comments



By Graham Norwood

LETTING AGENT TODAY AND LANDLORD TODAY'S MULTI-AWARD WINNING PROFESSIONALS

- Property Commentator of the Year
- Overall Property Journalist of the Year
- Property Trade Magazine Journalist of the Year
- Property Columnist of the Year



There had been a prediction of a small fall.

A significant drop in the inflation rate is tipped for next month when shifts in the energy price cap will be reflected in the data - however, this will be confirmed some days after the Bank of England's next monetary policy committee decides on base rate.

Ronald Mitchell of Charwin Private Clients, a financial consultancy, says: "This is bad news for everyone ... Fuel prices are on the march, wage growth is strong and consumers are still spending. There looks like little choice now than further base rate rises to combat the ongoing, and lengthy battle against stubborn inflation."

Gary Bush, a financial adviser at MortgageShop, comments: "The sticky inflation problem highlights yet again that, post-pandemic, the Bank of England was asleep at the wheel. Threadneedle Street should have expected an uptick of this nature once the lockdowns ended. Sadly the Ukrainian war added further fuel to the fire that we are now all battling with for such an elongated period."

And John Choong, a senior equity analyst at Investing Reviews, adds: "Markets were always being too optimistic hoping for inflation to fall to 6.5 per cent in September, especially when oil prices rose to as high as \$91 last month. This hasn't been helped by current geopolitical tensions, the risk of oil hitting \$100 per barrel, and the recent spike in gas prices. Given that markets were only pricing in a final [interest rate] hike, the renewed possibility of another couple could now have unfavourable repercussions for sectors such as housebuilders and banks."

There are growing fears of yet another Bank of England base rate rise next month following the surprise inflation figure released by the government.

The annual rate of inflation stayed stubbornly at 6.7 per cent according to official figures yesterday - the same rate as a month ago.

SEARCH ARTICLES BY KEYWORD GO

A team of experienced landlord solicitors and legal professionals
Specialists in disputes between landlords and their tenants
Expert landlord legal advice and services

Find out more **LFL** Legal For Landlords

Call us today on **0333 321 9415**

Student homes with bills included
We've done our homework.
unihomes.

Why join Agent & Homes?
agent & homes FIND OUT MORE

Enjoy a 30 day free trial with the award-winning Inventory Hive
Inventory Hive Start your trial

NEED MORE STOCK?

alto

You wouldn't buy the whole flight when you only need one seat.

So why pay for a minimum number of software users?

Give Alto a try

RESERVED

TODAY'S OTHER NEWS

NEED MORE STOCK?

Get On With It! - agents say Bank should cut rates now
Propertymark is telling the Bank of England that now is the perfect time to cut...

Low level of landlord awareness about Reform Bill contents
The removal of Section 21 notices and the end of fixed-term tenancies are the two...

Second acquisition of the year for regional agency
Regional estate agency group Sheldon Bosley Knight has snapped up its second business in recent...

Government figures show another sharp rent rise
Average UK private rents increased by 9.0% in the 12 months to February 2024 according...

London lettings becoming more stable, says LonRes
February saw significant improvements in activity across the prime London lettings market, and annual rental...

See what's new in Alto and win great actions like never before.
Find out more

MICRO
FOCUS SYSTEMS
EST. 1981

THE LETTING PARTNERSHIP
Plans for all your client accounting needs

TENANCY DEPOSIT SCHEME
Specialist advice

Sarah Coles - the influential head of personal finance at business consultancy Hargreaves Lansdown - says: After such a tight [5:4] vote at the last Monetary Policy Committee meeting, we were hoping for another fall in inflation, which would weight the scales in favour of another rate pause at the next meeting on November 2.

"Stubborn inflation isn't necessarily a sign we're set for a rate hike, but it may well mean rates stay higher for longer, and if we get more signs that pressure on prices isn't easing, it will strengthen the argument around the table that one more hike might be needed."

TAGS: Base Rate Interest Rates Inflation

PREVIOUS NEXT

NEED MORE STOCK?

JOIN THE CONVERSATION **SIGN IN**
JUMP TO LATEST COMMENT AND ADD YOUR REPLY

Matthew Payne 19 October 2023 12:03 PM

It doesn't mean that at all, more likely that rates remain where they are until the Spring, everyone acknowledges that the current base rate hasn't really had time to filter down to households yet. Underlying inflation also did drop by 0.1% if you strip out all the volatile stuff, and fuel has only increased because of OPEC greed to cut supply, not because there are global influences driving fiscal or monetary decisions.

[Login to Reply](#) [Login to like comment](#) 2 people like this [Login to Report](#)

LATEST FEATURES

How technology can create more certainty amidst the chaos of chain breaks
The ripple effect of a property sale that falls through is...

Better news for economy gives confidence boost to property market
The best news for the property sector to come from Chancellor...

Property Matter - Inspiring and uplifting - but the challenge goes on
As most of the regular readers of this column will know...

SPONSORED CONTENT

Client Accounting - what are your options? ...
The benefits for letting agents to outsource their client accounting is...

PayProp
Faster payments make happier landlords ...
Let's be honest - landlords are the lifeblood of any letting...

How investing in a CRM is the best way...
I think we can all agree that the National Trading Standards...

Data Predicts Bumper Christmas Lead Bonus For Agents Who...
Attention estate agents: if you're looking for a bumper Christmas bonus,...

Please login to comment

COMMENT

RELATED ARTICLES



Another Interest Rate Rise On The Way - leading expert warns ...

The relatively good news over inflation delivered by the government yesterday...



Sharp increase in cost of buy to let mortgages since base rate rise ...

There has been a sharp rise in the cost of buy...



Interest Rate Decision - all eyes on Bank of England ...


The Bank of England has kept its base rate at 5.25 per...



Interest Rate optimism fuelled by surprise improvement in inflation ...


There's growing optimism that tomorrow's Bank of England monetary policy committee...

TRENDING **MOST COMMENTED**




Tax Raid planned on rental sector in Budget - report

The Budget on Wednesday will contain a £300m tax raid on...



Tory MP reported to bring Renters Reform Bill "to brink of collapse"


A national newspaper says the Renters Reform Bill is "on the..."



No scrapping fixed term tenancies - new appeal over Renters Reform Bill

Propertymark has emphasised the importance of retaining fixed term tenancies under...

60 SECOND INTERVIEW







Neil Cobbold, Managing Director at PayProp UK

Who are you and what does it say on...

Categories

- Home
- Breaking News
- Features
- Trade Directory
- Archive
- Our Editors
- 60 Second Interview
- Video Article
- Sponsored Content
- View all Personal Profiles
- View all Company Profiles
- Testimonials
- News Archive: February 2014 - May 2015
- News Archive: Nov 2008 - January 2014

Connect With Us

-  Facebook
-  Twitter
-  LinkedIn
-  RSS

Contact Us

Your Name


Email

Telephone

Please enter your message here...

G+24=

By submitting your enquiry you agree to the contact details entered in this form being used to contact you regarding your enquiry and that you have read and accepted our [Terms and Conditions](#). Please see our [Privacy Policy](#) for information regarding the processing of your data.

I'm not a robot
 

[Send](#)

Take Action!

- Advertise with us
- Have a story? Contact our press team
- Sign Up
- Feedback
- Sitemap

Corporate member

