

BCC: Inflation continues on its downward path

Commenting on the inflation statistics for April 2018, published today by the Office for National Statistics, Suren Thiru, Head of Economics at the British Chambers of Commerce (BCC), said:

“Inflation surprisingly slowed in April with the main downward pressure to the rate coming from air fares, as a result of the timing of Easter, compared to last year. This more than offset upward pressures from rising fuel prices. The latest data is further confirmation that inflation remains on a downward path.

“The increase in producer prices may lead to a short-term uptick in inflation over the coming months, but it is likely to be a temporary rise with the rate continuing its overall trend back towards the Bank of England’s 2% target.

“While we think that interest rates will rise again before the end of the year, we would caution against the sort of sustained tightening in monetary policy recently implied by some MPC members, as it could dampen business and consumer confidence and further subdue UK economic growth. Instead more needs to be done to lift the UK out of its current low growth trajectory, including incentivising long-term business investment.”

Ends

Notes to editors:

The British Chambers of Commerce (BCC) sits at the heart of a powerful network of 53 Accredited Chambers of Commerce across the UK, representing thousands of businesses of all sizes and within all sectors. Our Global Business Network connects exporters with nearly 40 markets around the world. For more information, visit: www.britishchambers.org.uk

The BCC has launched a campaign aimed at eradicating not-spots for mobile voice coverage. Add your not-spot [here](#).

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