

20<sup>th</sup> July 2022

## UK inflation at 9.4%yy for June-22, a 40 year high

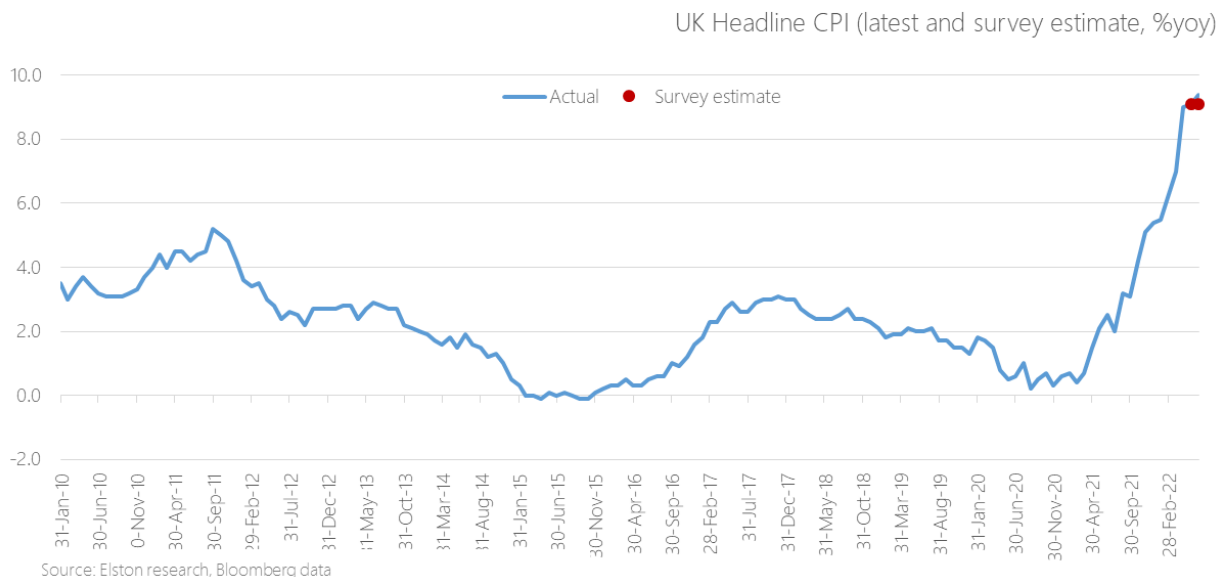
- This is higher than 9.3%yy survey estimate...
- ... and an increase from 9.1%yy last month
- Represents a new 40-year high

### Latest UK inflation figure

The latest UK inflation came in at 9.4%yy for June 2022, compared to 9.3%yy survey estimate. This is up from 9.1%yy last month and is above expectations.

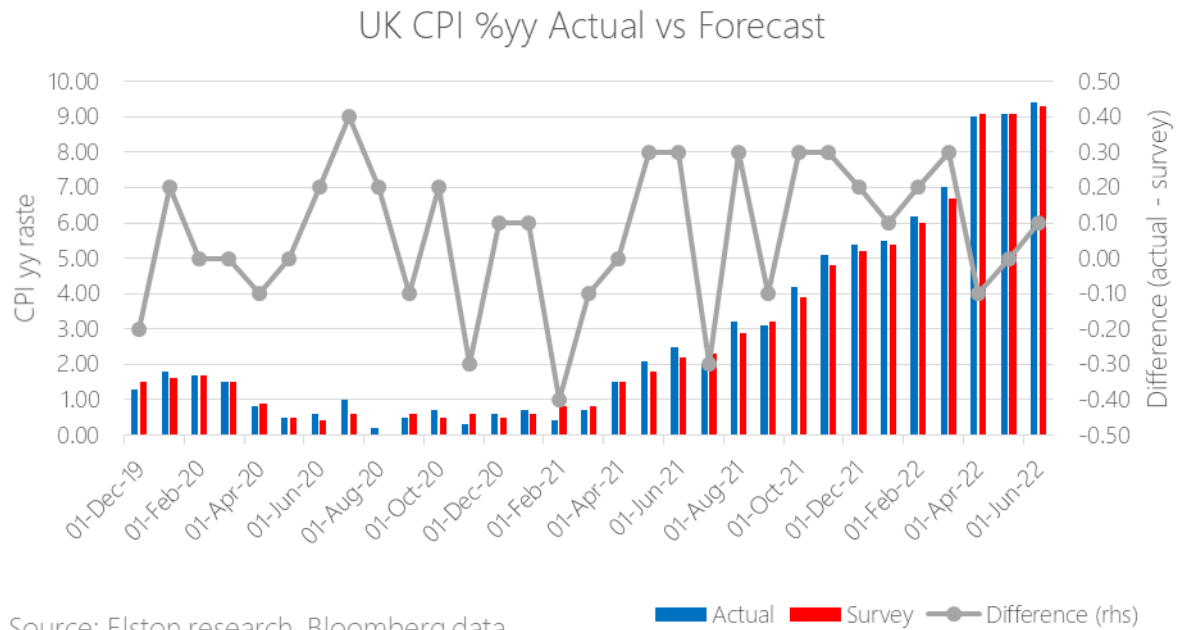
This is the highest UK inflation rate in 40 years. Higher prices for motor fuel and food explained the increase in prices. Inflation pressure is not yet peaked with Bank of England expecting 11% in 4q22 and a further step-up in the retail energy price cap.

Fig.1. UK CPI inflation rate (%yy)



In the chart below we show how UK inflation had consistently surprised on the upside, but is more in line with forecast estimate at this stage.

Fig.2. UK CPI figures vs survey estimates



Source: Elston research, Bloomberg data

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