# Bank of England's Deputy Governor Suggests Interest Rate Cut Possible in Response to Anticipated Drop in Inflation



Ben Broadbent, the Bank of England’s deputy governor, announced that an interest rate cut could be possible this summer. His comments came ahead of anticipated inflation figures, expected to show a drop to around 2.1% in April. This projection aligns with market expectations that a rate cut could occur as soon as June. Broadbent, whose tenure ends next month, defended the Bank's response to the recent inflation crisis, reaching a peak of 11.1%, the highest in four decades.

During his speech, Broadbent highlighted the benefits of the Bank’s current independent rate-setting system compared to past political control, referencing the 1970s energy price shock. He suggested that if current forecasts hold, the Monetary Policy Committee might opt for a less restrictive policy soon. Broadbent emphasized that without the Bank’s independent control during the pandemic and war, the situation could have been significantly worse.

Simultaneously, the FTSE 100 saw minor gains on Monday, closing 3.94 points higher at 8,424.2. Mining firms like Fresnillo and Antofagasta benefited from positive metal prices. In other news, easyJet’s shares fell following Ryanair’s announcement on ticket price trends, whereas Keywords Studios saw a substantial rise after disclosing a potential takeover by EQT Group. Victorian Plumbing's shares also increased following its acquisition of Victoria Plum for £22.5 million.