

Bank of England cuts interest rates by another 0.25%

The UK's Bank of England has cut its interest rate by another 0.25% to 4.5%. The BoE cites mounting concern around the UK's growth trajectory with this now being cut to 0.75% down from 1.5% which was only made in November 2024. Interestingly the BoE also said it predicted short term inflation to rise once again before it fell, stoking concerns around stagflation taking hold in the UK. As rates fell the pound weakened which inversely boosted the value of he FTSE 100 with its international focused businesses to a record high. All eyes will now be on the UK's first quarter growth for the next update on the state of UK growth and for a hint as to where interest rates will go next.

Want to discuss how this impacts your clients?

This document is not intended in isolation as an offer or solicitation or recommendation to use or invest in any of the services or products mentioned herein. Investors should be aware that the value of the portfolio and the income from it can go down as well as up so you may get back less than you invested. Past performance is not necessarily a guide to future returns. The value of investments denominated in foreign currency may fall as a result of exchange rate movements. The investments and services referred to in this document may not be suitable for all investors and, if in doubt, you should seek qualified independent financial advice. Any opinions, expectations and projections within this note are those of TAM Asset Management International Limited, represent only one possible outcome and do not constitute investment advice.

TAM Asset Management International Limited is regulated by the Financial Services Commission of Mauritius and is an authorised Financial Services Provider regulated by the South African Financial Service Conduct Authority.