

[Forex Daily News](#) - Today could well see the most predictable move from the Bank of England, but also the most ineffective. A 25bp easing of policy seems assured after the strong hints given by Carney at the end of June and also in the minutes to the July MPC meeting. But that alone would probably disappoint. There is already talk of banks possibly charging depositors because banks are having such a tough time making money. So it seems likely that the Bank will add some additional measures, such as an expansion of the Funding for Lending scheme started in 2012 and take-up of which has been flagging of late. We could also see more conditional forward guidance, pinning the rate path more tightly to underlying economic conditions. To push sterling lower, the Bank will have to push hard on the policy measures, but also provide a bleak picture of the economy in their latest Inflation Report, which is published at the same time as the interest rate decision. In sum, it's going to be the busiest day for years for those obsessed with the Bank of England and UK policy. Given the extent to which the wider market is short of sterling, there is a decent risk of a squeeze higher should the Bank of England disappoint on policy. Elsewhere, the yen continues to push ahead, USDJPY briefly pushing below the 101.00 level during Asia trade, as the markets gives a pretty unanimous thumbs-down to the latest monetary and fiscal policy measures. Japan continues to illustrate what happens when a country reaches the limits of policy effectiveness, something the Bank of England should note today.

Today's important market news

Time: GMT

- 11:00 BoE Asset Purchase Facility
- 11:00 BoE Interest Rate Decision
- 11:00 Monetary Policy Summary
- 11:00 Bank of England Quarterly Inflation Report
- 11:00 BOE MPC Vote Unchanged
- 11:00 BOE MPC Vote Cut
- 11:00 BOE MPC Vote Hike
- 11:00 Bank of England Minutes
- 11:30 BOE's Governor Carney speech
- 12:30 Initial Jobless Claims
- 14:00 Factory Orders (MoM)

Source: [Fxpro Forex Broker \(Review andd Forex Rebates Up to 85%\)](#)