

## 19/06/2018 - Household Income On The Rise GBP

British households enjoyed the fastest growth in employment income in at least nine years in June, according to a survey that may give the Bank of England concern that underlying inflation pressures are rising. The Household Finance Index showed household incomes increased this month at the sharpest rate since its survey began in 2009, during the depths of the financial crisis.

Despite the increase in employment income the rising living costs prompted a sharper squeeze on household budgets overall this month. IHS Markit said households remained “relatively downbeat” about their financial outlook as a result. The BoE expects consumers to feel the benefit of a fall in inflation and rising wages after suffering a squeeze on their spending power last year when the impact of the 2016 Brexit vote pushed up prices sharply.

Britain’s economy looks on track to grow at its weakest rate since 2009 this year due to Brexit uncertainties, higher oil prices and fears of a trade war, the British Chambers of Commerce said on Monday. The BCC cut its 2018 growth forecast to 1.3 percent from 1.4 percent, and also cut its outlook for 2019 to 1.4 percent. The Bank of England expects the economy to pick up after its weak start and achieve growth of 1.4 percent this year, rising to 1.7 percent in 2019 when Britain leaves the European Union.

### KEY ANNOUNCEMENTS

09:00 - EUR - ECB President Mario Draghi Speaks

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