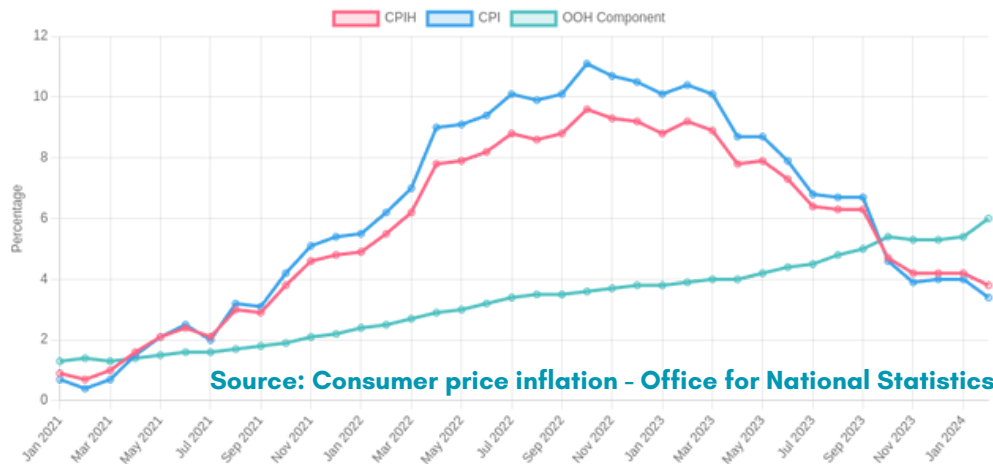


## Bank of England holds rates

The Bank of England maintained interest rates at 5.25% in June, despite inflation hitting the 2% target. The decision was described as "finely balanced," with seven MPC members voting to hold and two favoring a 25 basis point cut. Markets now see a nearly 50% chance of an August rate cut. The MPC noted easing wage growth and short-term inflation expectations but highlighted persistent inflation risks. Economists suggest the likelihood of a summer rate cut has increased. Despite speculation of cautious action due to the upcoming general election, Governor Andrew Bailey emphasized the BOE's focus on data. Following the announcement, the British pound fell 0.3% against the U.S. dollar.



## EU Capital Market

### Investors role financial integration



The EU is enhancing its Capital Markets Union to attract investments and diversify funding for companies, aiming to strengthen financial stability and competitiveness. Despite progress, European capital markets remain fragmented, hindering cross-border investment and resilience. Improving financial literacy is pivotal to empower citizens in making informed financial decisions and fostering greater market participation within the EU.

## Eurostat & EU trade openness

Eurostat launched the European Statistical Monitor, a monthly dashboard tracking EU and EFTA countries with short-term indicators on economy, environment, business, health, and work. June's highlights include increased EU industrial production and economic sentiment, stable unemployment, and slight inflation rise, providing timely insights into regional developments and trends.

Source: eurostat

