

The Bank of England and BREXIT

On 27 June 2018, the House of Commons Treasury Committee requested that the Bank of England publish analysis of how leaving the European Union would affect its ability to deliver its objectives for monetary and financial stability.

The report* was published on 28 November and analyses the economic effects of the Withdrawal Agreement and the Political Declaration regarding the future relationship between the EU and the UK, as well as the consequences of leaving the EU without a Withdrawal Agreement.

Analysis by the Bank includes scenarios not forecasts. They illustrate what could happen not necessarily what is most likely to happen. Building such scenarios requires making key assumptions about the form of the new relationship between the UK and EU, the degree of preparedness across firms and critical infrastructure, and how other policies respond.

**EU withdrawal scenarios and monetary and financial stability: A response to the House of Commons Treasury Committee, November 2018. For the report see here: <https://www.bankofengland.co.uk/-/media/boe/files/report/2018/eu-withdrawal-scenarios-and-monetary-and-financial-stability.pdf?la=en&hash=B5F6EDCDF90DCC10286FC0BC599D94CAB8735DFB>*