

Press Release
Friday 7 May 2004

Interest rates rise by 0.25% points

Commenting on the Bank of England's decision to raise interest rates by 0.25% points, Graeme Leach, Chief Economist at the Institute of Directors said:

"The Bank of England had to raise interest rates in order to stem the double digit growth in household debt and house prices. If the Bank of England hadn't raised interest rates they would have been guilty of negligence.

We're about to enter a tense period which will decide whether the housing market slows with a hiss or bursts with a pop".

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