Q1 2024 Results Fixed Income Presentation

Lloyds Banking Group

24 April 2024

Business and strategic update

Leading UK digital bank and integrated financial services provider

LLOYDS BANKING GROUP

Lloyds Banking Group Plc

3 core divisions	**Retail**		**Commercial**		**Insurance Pensions & Investments**
Business units	**Consumer Relationships**	**Consumer Lending**	**Small and Medium Businesses**	**Corporate & Institutional Banking**	
Products	• Current accounts • Savings accounts • Mass affluent proposition	• Mortgages • Credit cards • Personal loans • Motor finance	• Business loans • Transactional banking • Working capital	• Lending and debt capital markets • Risk management • Cash Liquidity	• Home, motor and protection insurance • Pensions • Investments

Our trusted brands

LLOYDS BANK, HALIFAX, BANK OF SCOTLAND, mbna, Citra, LDC, AMC, IWeb, blackhorse, LEX AUTOLEASE, SCOTTISH WIDOWS, Schroders personalwealth, cavendish online, BM BIRMINGHAM MIDSHIRES, Tusker., embark group

Our competitive strengths differentiate our proposition

1. Leading UK customer franchise with deep customer insight
2. Dedicated colleagues with strong values
3. Operating at scale with discipline
4. Focused and capital generative business model
5. Unique customer proposition
6. All-channel distribution focus with digital leadership and trusted brands
7. Financial strength and disciplined risk management

Largest UK bank

£890bn Total assets	**27m** Active customers	**50%** % relationship with UK adults

Broad offering[1]

#1 UK provider of mortgages, cards, loans and transport	**#1** Largest branch network	**#1** UK's only provider of banking, insurance and wealth

Unique data asset[1]

21.5m Digitally active users	**>6bn** Digital logons	**34m** Daily customer transactions

1 – As of FY23 results

Delivering in line with expectations

Purpose

Helping Britain Prosper

- Continuing to deliver against strategic outcomes
- Robust financial performance in line with expectations
- Confidence in 2024 and 2026 guidance

Financial update

Robust financial performance in line with expectations

LLOYDS BANKING GROUP

Financial performance (£m)

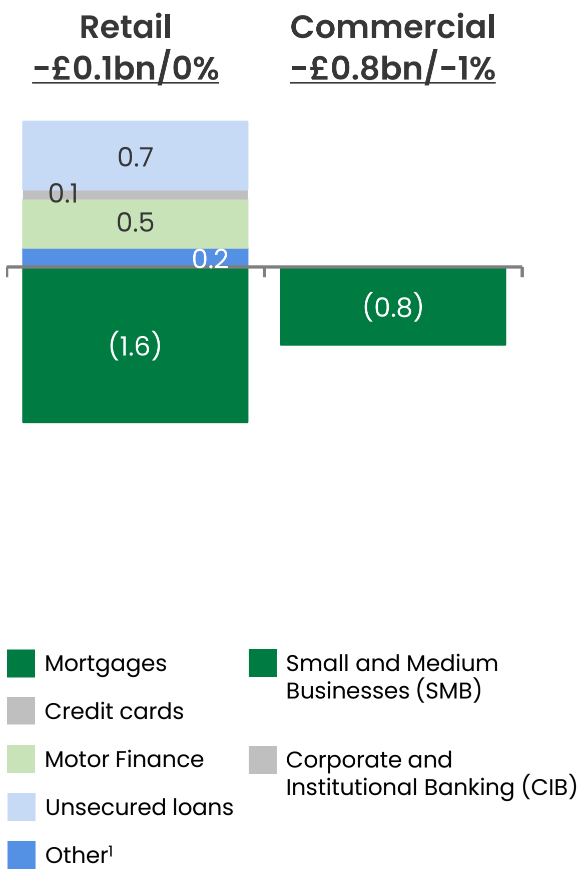
	Q1 2024	Q4 2023	QoQ %	Q1 2023	YoY %
Net interest income	**3,184**	3,317	*(4)*	3,535	*(10)*
Other income	**1,340**	1,286	*4*	1,257	*7*
Operating lease depreciation	**(283)**	(371)	*24*	(140)	
Net income	**4,241**	4,232	-	4,652	*(9)*
Operating costs	**(2,402)**	(2,486)	*3*	(2,170)	*(11)*
Remediation	**(25)**	(541)	*95*	(19)	*(32)*
Total costs inc. Remediation	**(2,427)**	(3,027)	*20*	(2,189)	*(11)*
Underlying profit before impairment	**1,814**	1,205	*51*	2,463	*(26)*
Impairment (charge) credit	**(57)**	541		(243)	*77*
Underlying profit	**1,757**	1,746	*1*	2,220	*(21)*
Statutory profit after tax	**1,215**	1,234	*(2)*	1,641	*(26)*
Net interest margin	**2.95%**	2.98%	*(3)bp*	3.22%	*(27)bp*
Return on tangible equity	**13.3%**	13.9%	*(0.6)pp*	19.1%	*(5.8)pp*
Earnings per share	**1.7p**	1.7p	-	2.3p	*(0.6)p*
Tangible net asset value per share	**51.2p**	50.8p	*0.4p*	49.6p	*1.6p*
Pro forma CET1 ratio[1]	**13.9%**	13.7%	*0.2pp*	14.1%	*(0.2)pp*

- **Stat profit after tax £1.2bn; RoTE 13.3%**
- **Net income, down 9% YoY; NIM 295bps**
- **Operating costs up 11% YoY; up 6% ex. BoE levy**
- **Strong asset quality; £57m impairment charge; pre-MES charge £249m, equivalent to AQR 23bps**
- **TNAV per share 51.2p, up 0.4p in Q1**
- **Strong capital generation of 40bps**

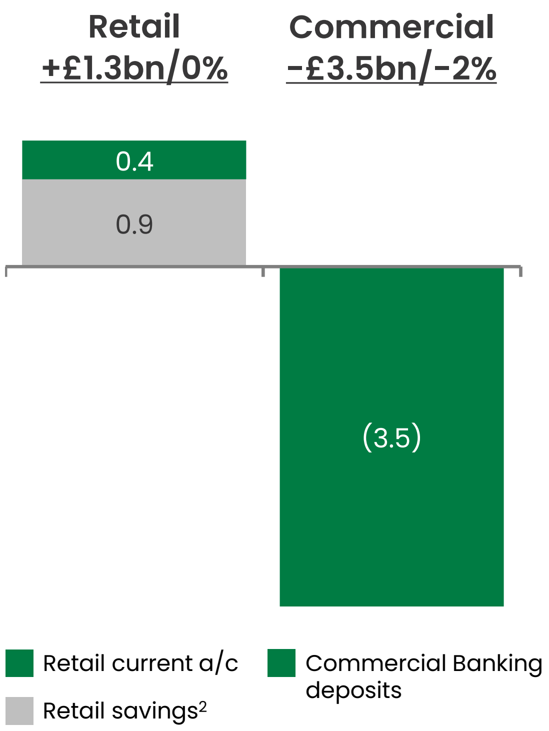
1 – Q4 2023 includes dividend received from Insurance in February 2024 and full impact of announced share buyback.

Resilience in customer franchise

Q1 lending change (£bn)



Q1 deposit change (£bn)



- **Mortgage balances down £1.6bn in Q1 driven by expected roll over of Q4 refinancing**
- **Growth across cards, motor and unsecured loans in Q1**
- **Commercial lending down £0.8bn in Q1; SMB repayments include £0.5bn in CBILS/BBLS**
- **Total deposits £469.2bn; down £2.2bn in Q1**
  - Retail up £1.3bn; savings up £0.9bn, PCAs up £0.4bn, mix change stabilising as expected
  - Commercial down £3.5bn in Q1 largely from reducing SMB balances
- **£1.3bn net new money in IP&I open book AuA**

1 – Includes Overdrafts, Europe and Wealth. 2 – Includes Retail savings and Wealth.

Solid income performance

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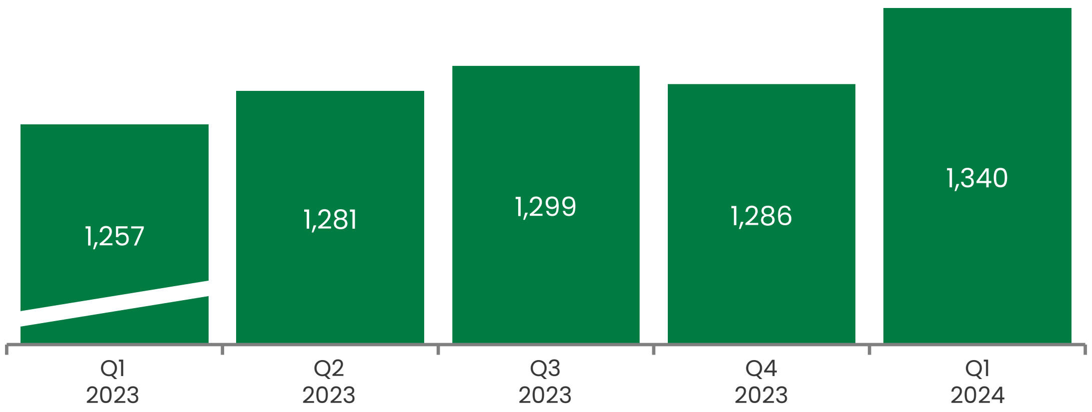
Net interest income and banking net interest margin (£bn, bps)

Other income (£m)

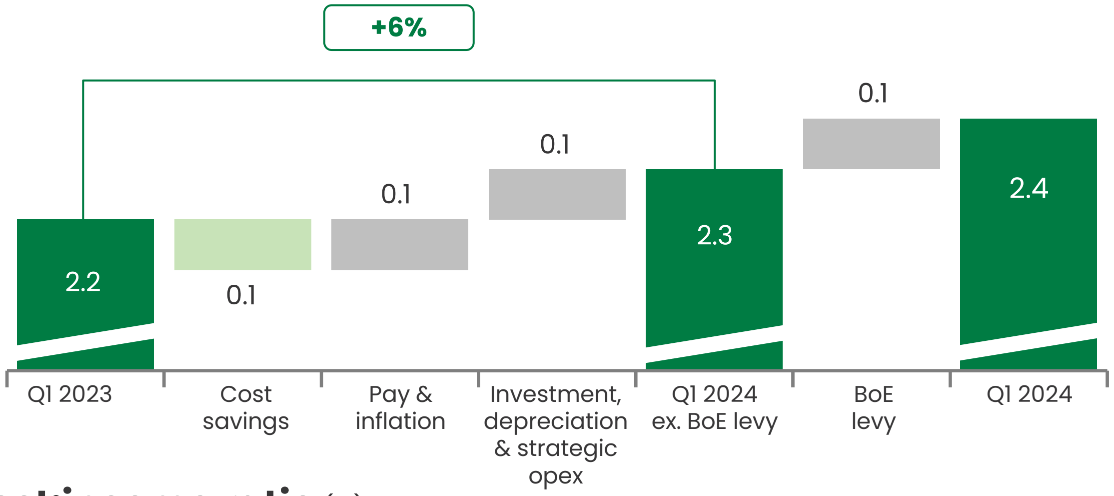


- **NII £3.2bn; NIM 295bps**
  - NIM 3bps lower in Q1, quarterly decline slowing as expected
  - Q1 AIEAs £449bn, down £4bn vs Q4
  - Hedge notional of £244bn, down £3bn vs Q4
  - Non-banking NII charge of £105m
- **Continue to expect 2024 AIEAs to be >£450bn and NIM to be >290bps**
- **Other income £1.3bn, up 7% YoY, progress focused on Retail and Commercial Banking**
- **Operating lease depreciation £283m**

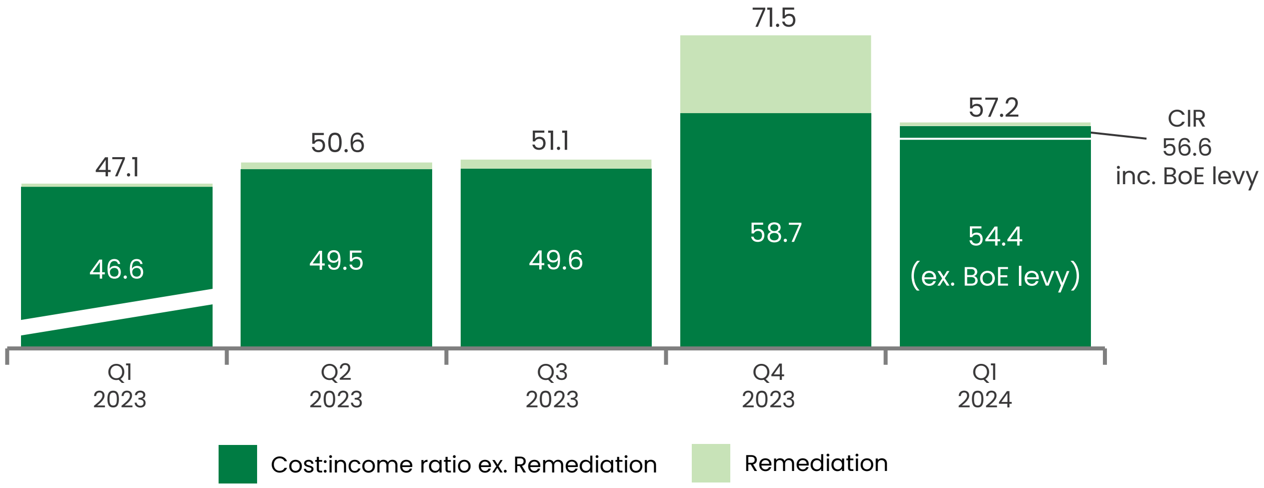
Classification: Public

Continued cost discipline

Operating costs (£bn)



Cost:income ratio (%)



- **Operating costs £2.4bn, +11% YoY; +6% ex. BoE levy**
  - Includes expected higher severance charge
- **Q1 cost:income ratio 57.2%; 54.4% ex. remediation and BoE levy**
- **Ongoing cost management to offset inflationary pressures**
- **Continue to expect 2024 operating costs to be c.£9.3bn, now plus the c.£0.1bn BoE levy**
  - BoE levy will have broadly neutral impact on profit in 2024 with phased NII benefit
- **Low Q1 remediation charge of £25m**

Strong asset quality

Impairment (£m)

	Q1 2024	Q4 2023	QoQ	Q1 2023	YoY
Charge (credit) pre updated MES[1]	**249**	**(353)**	**602**	**322**	**(73)**
Retail	*303*	*277*	*26*	*271*	*32*
Commercial Banking	*(49)*	*(626)*	*577*	*53*	*(102)*
Other	*(5)*	*(4)*	*(1)*	*(2)*	*(3)*
Updated economic outlook	**(192)**	**(188)**	**(4)**	**(79)**	**(113)**
Retail	*(196)*	*(203)*	*7*	*(66)*	*(130)*
Commercial Banking	*4*	*15*	*(11)*	*(13)*	*17*
Total impairment charge/(credit)	**57**	**(541)**	**598**	**243**	**(186)**

Gross lending and coverage level[2] (£bn, %)

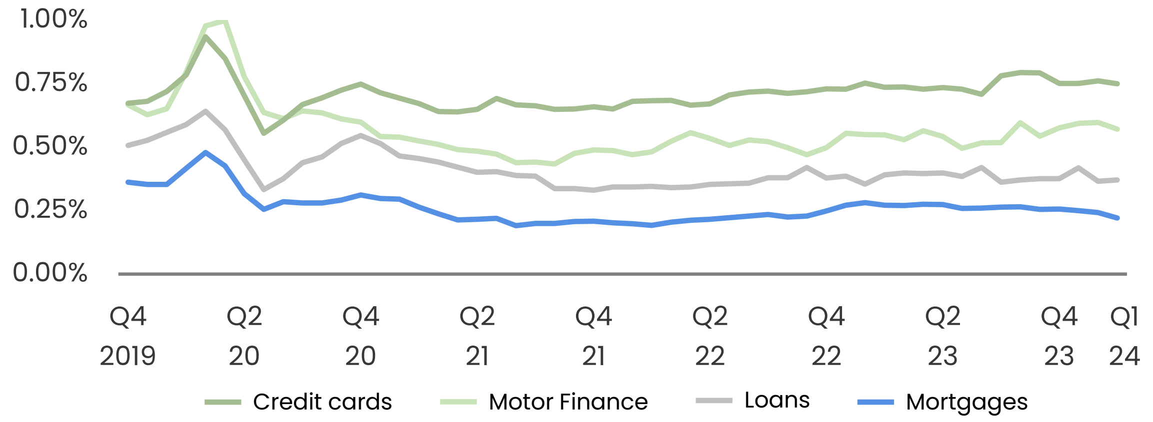
		Stage 1	Stage 2	Stage 3	Total
Q1 2024	Loans and advances	£391bn	£50bn	£11bn	£452bn
	Coverage	0.3%	3.0%	15.1%	0.9%
Q4 2023	Loans and advances	£387bn	£57bn	£10bn	£454bn
	Coverage	0.3%	3.0%	15.8%	0.9%

- **Strong asset quality**
  - Mortgage new to arrears and default rates improving; all other portfolios stable
- **Q1 impairment charge £57m, AQR 6bps**
  - Pre-MES charge £249m, AQR 23bps, with continued resilient performance
  - Charge includes c.£50m Commercial Banking one-off model release
- **£192m net MES release, reflecting improved economic outlook**
  - HPI expected to rise 1.5% in 2024 (prev. -2.2%)
  - Peak unemployment now 4.9% (prev. 5.2%)
- **Stock of ECL of £4.1bn, >£600m over base case**
- **Continue to expect 2024 AQR <30bps**

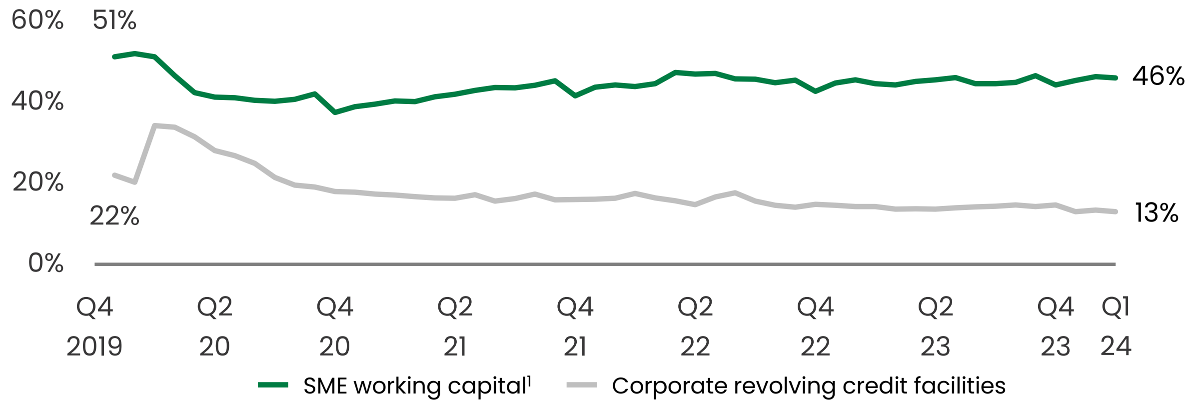
1 – Impairment charges absent the impact from updated economic outlook, thus reflecting only observed movements in credit quality. 2 – Underlying basis; table uses rounded inputs.

Stable credit performance across portfolios

New to arrears (3 month rolling average, %)



SME working capital[1] and corporate RCF[2] utilisation (%)



- **Mortgage book resilient with new to arrears improving in quarter; average LTV 43%**
- **Consumer finance trends stable; new to arrears broadly at, or lower than, pre-pandemic**
- **Stable SME working capital utilisation[1]; corporate RCF[2] utilisation 9pp below pre-pandemic**
- **c.90% of SME lending[3] secured; >80% of CIB exposure at investment grade**
- **Net CB CRE exposure c.£9.9bn[4] remains low**
  - Average interest cover ratio[5] 3.2x, with 75% >2x
  - Average LTV[5] 46%; 88% with LTV <70%
  - c.13% office, c.12% industrial and c.9% retail; c.49% residential

1 – Encompasses overdrafts and corporate cards. 2 – Revolving credit facility. 3 – SME excluding Business Banking; lending fully or partially secured. 4 – As at February 24, includes Business Banking; post Significant Risk Transfer securitisations. 5 – Excludes Business Banking, development, CBILS and BBLS.

Delivering in line with expectations

LLOYDS BANKING GROUP

Purpose

Helping Britain Prosper

- **Continuing to deliver against strategic outcomes**
- **Robust financial performance in line with expectations**
- **2024 guidance reaffirmed**
  - NIM >290bps
  - Operating costs c.£9.3bn plus c.£0.1bn BoE levy
  - AQR <30bps
  - RoTE c.13%
  - RWAs £220-£225bn
  - Capital generation c.175bps
  - Expect to pay down to a CET1 ratio of c.13.5%

Capital, funding & liquidity

Key Credit Metrics

13.9%
CET1 ratio

19%
Total Capital ratio

32%
MREL ratio

40bps
Capital generation post regulatory headwinds

23 bps
Asset Quality Ratio[1]

5.6%
Leverage ratio

43%
Average Mortgage LTV

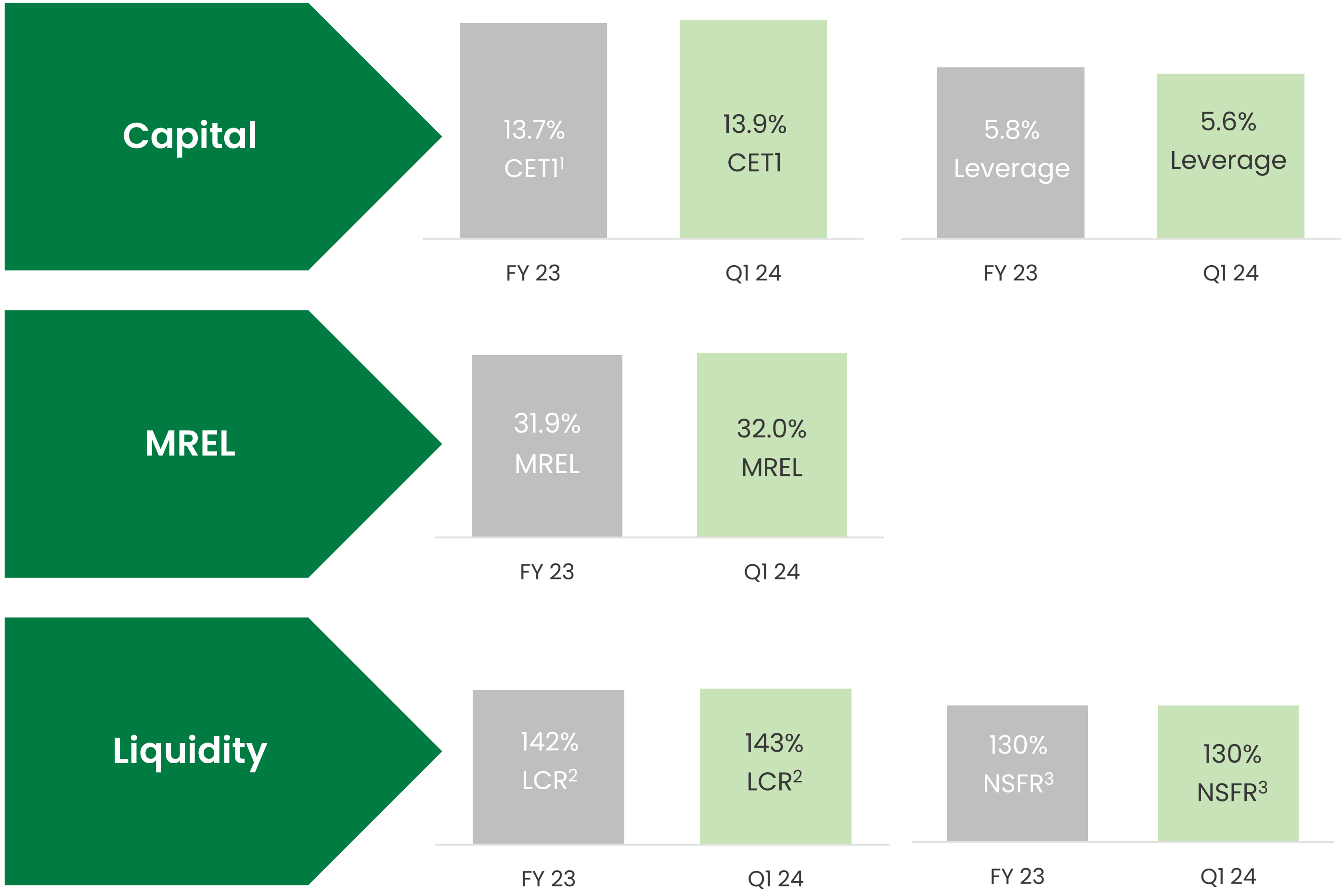
130%
Net Stable Funding Ratio

143%
Liquidity Coverage Ratio

1 – AQR of 23bps excludes MES release.

Classification: Public

Strong Capital, MREL and Liquidity Ratios



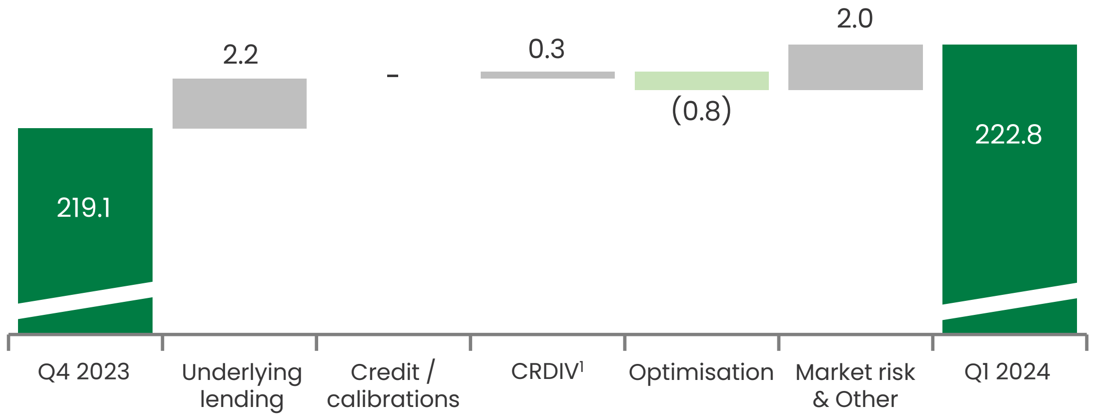
- **CET1 remains ahead of 10.3% MDA[4] and the Group target of 13.5% by 2024, 13% by 2026**
- **MREL remains strong and in excess of regulatory requirements of 27.3%**
- **Stable and robust liquidity metrics**

1 – Proforma CET1 ratio. 2 – Calculated as an average of month-end observations over the previous 12 months. 3 - Calculated as an average of the four previous quarters. 4 – The Group's MDA threshold is based on the combined buffer requirement, which excludes the equivalent of the Ring-Fenced Bank's O-SII.

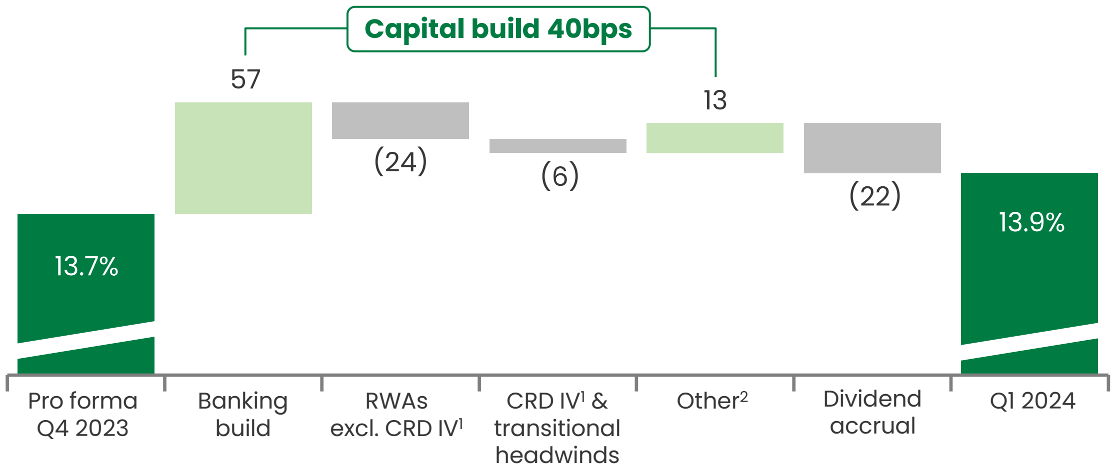
Classification: Public

Strong capital generation

Risk weighted assets (£bn)



Common equity tier 1 ratio (%, bps)



- **RWAs £222.8bn, up £3.7bn in Q1**
  - Includes a c.£1.5bn temporary RWA increase expected to reverse in Q2
- **Strong 40bps capital generation, after regulatory headwinds; in line with expectations**
- **CET1 ratio 13.9%**
  - Continue to expect to pay down to c.13.5% by end 2024 and c.13% by end 2026
- **Continue to expect 2024 RWAs £220-225bn and capital generation of c.175bps**

1 – Retail secured CRD IV models. 2 – Other includes share-based payments and market volatility.

Classification: Public

Low risk balance sheet post targeted risk reduction

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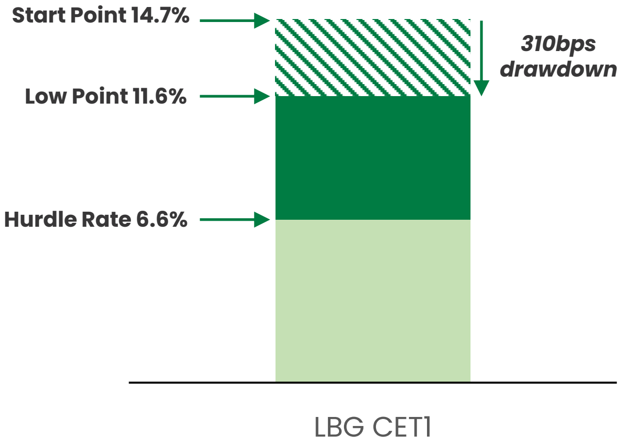
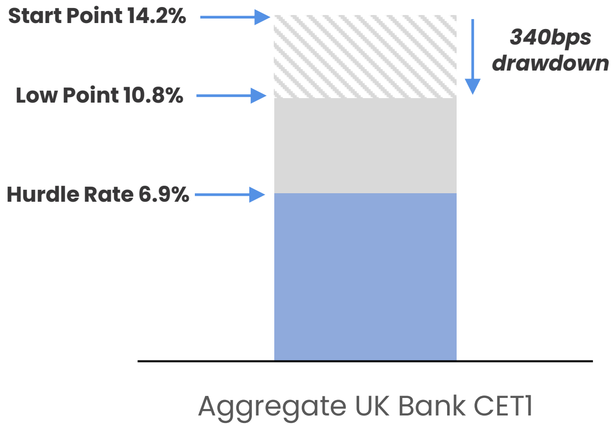
Lower mortgage LTV and CRE exposure

	2012	Q1 24	Movement
Mortgages			
Average LTVs	56.4%	43.0%	*(13.4)pp*
New business LTVs	62.6%	62.4%	*(0.2)pp*
≤80% LTV	59.6%	89.9%	*30.3pp*
>80-90% LTV	16.8%	8.3%	*(8.5)pp*
>90-100% LTV	11.9%	1.7%	*(10.2)pp*
>100% LTV	11.7%	0.1%	*(11.6)pp*
Commercial Real Estate (CRE)			
Net Lending	£31.5bn	£9.9bn	*(69)%*
% of L&A	6.1%	2.2%	*(62)%*

Latest ACS stress test results[2]



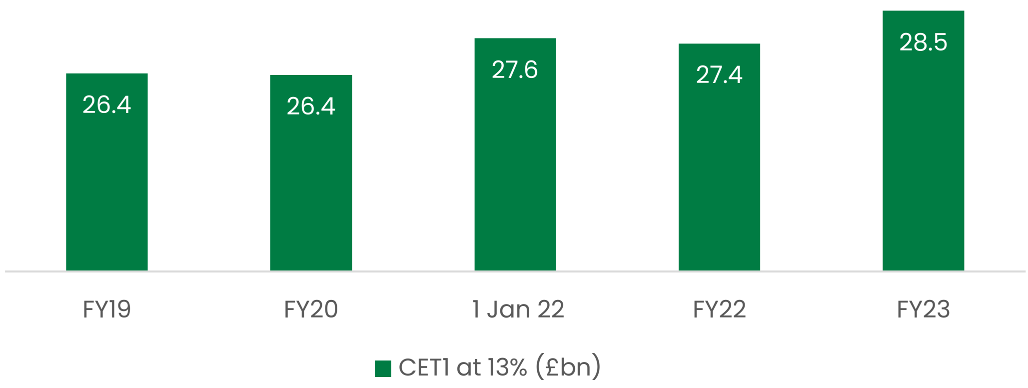


- **De-risking across retail and commercial portfolios**
  - 2006-08 mortgage portfolio halved since 2018 (£31bn vs £65bn), including Bridgegate securitised sale
  - Use of SRTs to optimise balance sheet
  - c.90% of SME lending[1] secured; >80% of CIB exposure at investment grade
  - CRE c.2% of lending, net position (£9.9bn) continues to decrease post SRT
- **Prudent approach to underwriting and provisioning; high quality lending portfolio**
  - >80% of lending secured
  - Low LTV mortgage portfolio with prudent underwriting
  - £4.1bn ECL held
- **Positive impacts of low risk and de-risked balance sheet as evidenced in ACS stress test**
  - LBG CET1 low point of 11.6% vs hurdle rate of 6.6%
  - Not required to take any capital actions

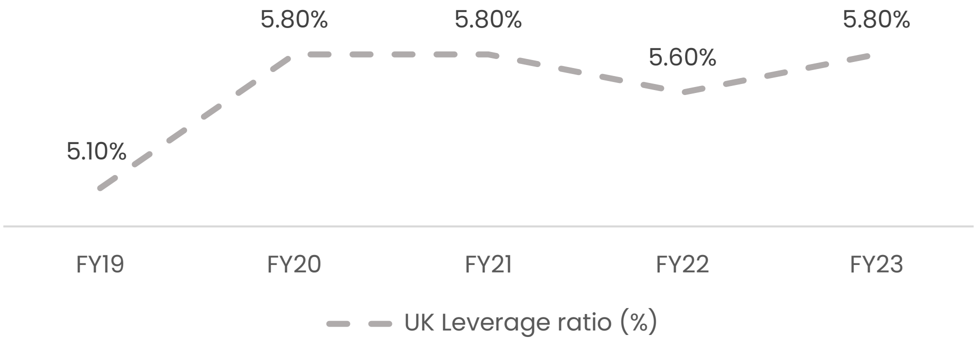
1 – SME excluding Business Banking; lending fully or partially secured. 2 – Stress test as at 2022/23

CET1 resources and target

The CET1 equivalent of 13.0% has increased



UK Leverage Ratio has increased



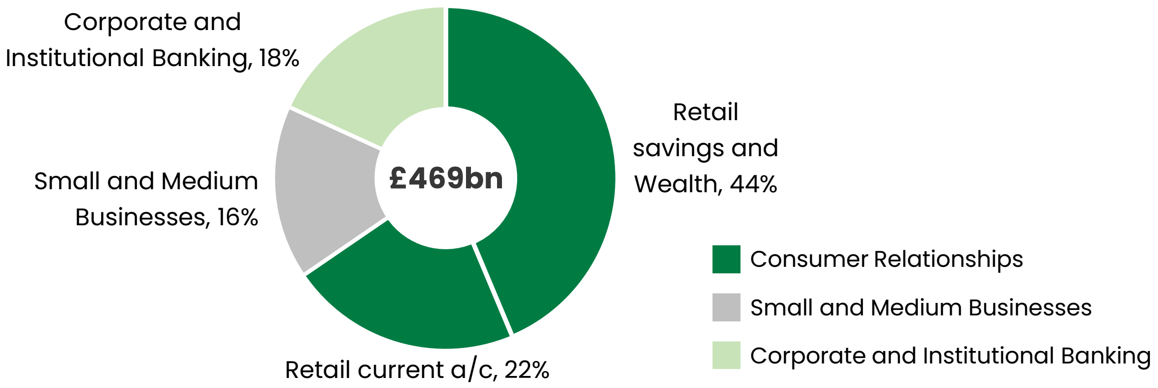
- **Medium-term CET1 target revised by Board at year-end, taking into account**
  - Low risk balance sheet post targeted risk reduction
  - Improved certainty with respect to regulatory impacts
  - Latest view on capital requirements
  - Business and economic outlook
- **CET1 remains comfortably ahead of regulatory requirement and MDA[1]**
  - c.13% includes a c.1% management buffer over requirements
  - FY23 headroom to MDA (10.3%) of c.340bps[2] (c.£7.4bn)
- **CET1 resources have increased despite risk reduction**
  - RWAs up c.£24bn from regulatory changes since Jan 2022
  - At 13%, CET1 notional increased >£2bn since 2019

1 – The Group's MDA threshold is based on the combined buffer requirement, which excludes the equivalent of the Ring-Fenced Bank's O-SII. 2 – Based on proforma FY23 CET1 ratio.

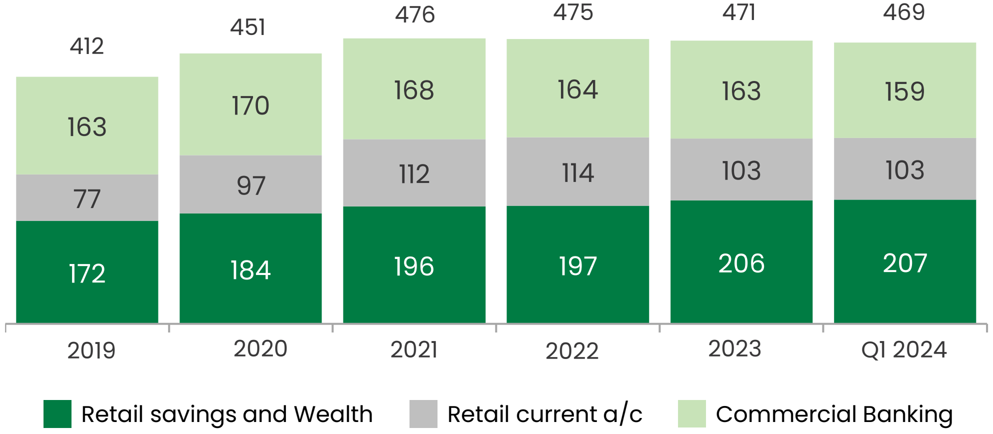
Diversified deposit base; strong liquidity position

Loan to deposit ratio 96%, Net stable funding ratio 130%, Liquidity coverage ratio 143%

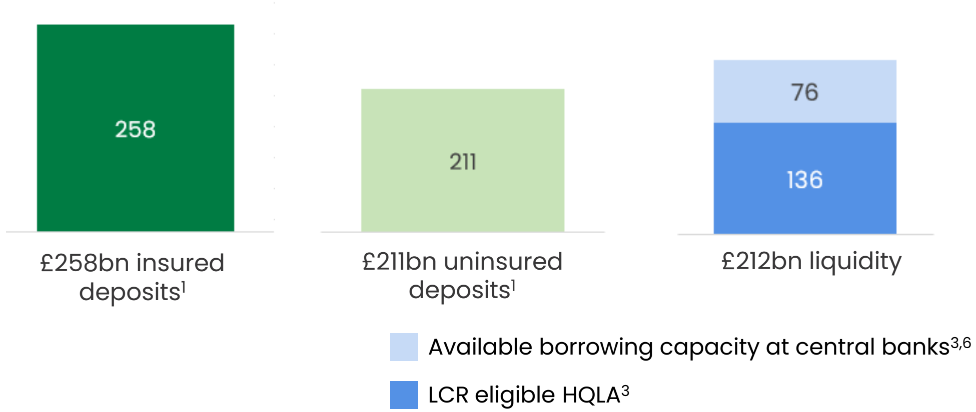
c.65% of deposits in Retail; diversified Commercial balances (£bn)



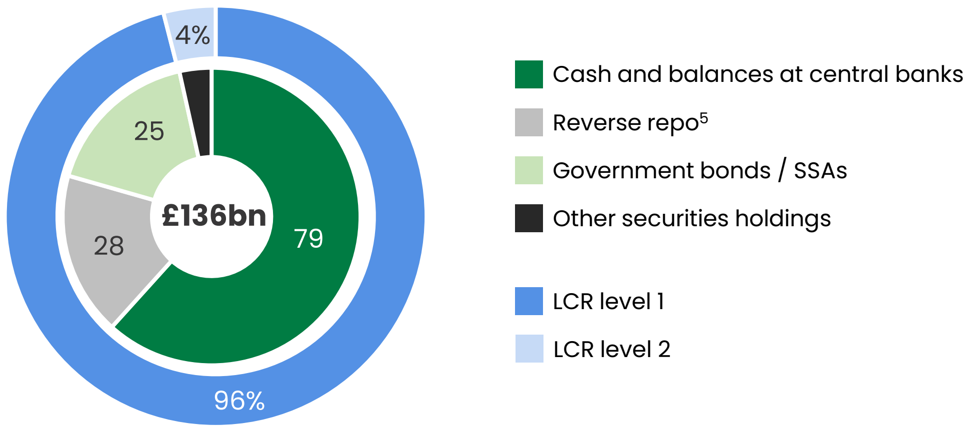
Deposit growth since 2019 led by Retail[2] (£bn)



55% of total deposits insured[1] (£bn)



Liquidity portfolio[3] fully hedged for interest rate risk[4] (£bn)



1 – Insured being those deposits immediately eligible for deposit protection schemes (principally the FSCS in the UK). Numbers are on a spot basis. 2 – Chart uses rounded inputs. 3 – Calculated on a 12-month average basis. 4 – Including c.4% of securities held at amortised cost. 5 – Primarily UK Government bonds; netted balance includes reverse repo and other balancing items. 6 – There is a significant amount of additional assets on the balance sheet that can be used to create liquidity for the Group.

Wholesale issuance outlook

LLOYDS BANKING GROUP

	2024	Issuance principles
HoldCo Senior	£7-8bn	Refinancing of maturities
Tier 2	£1-2bn across AT1 and T2	Ongoing refinancing to c.2.5% target
AT1	£1-2bn across AT1 and T2	Ongoing refinancing to c.2.0% target
OpCo	c.£5bn; largely secured funding at the RFB; senior unsecured at the NRFB	Refinancing of maturities and government borrowing

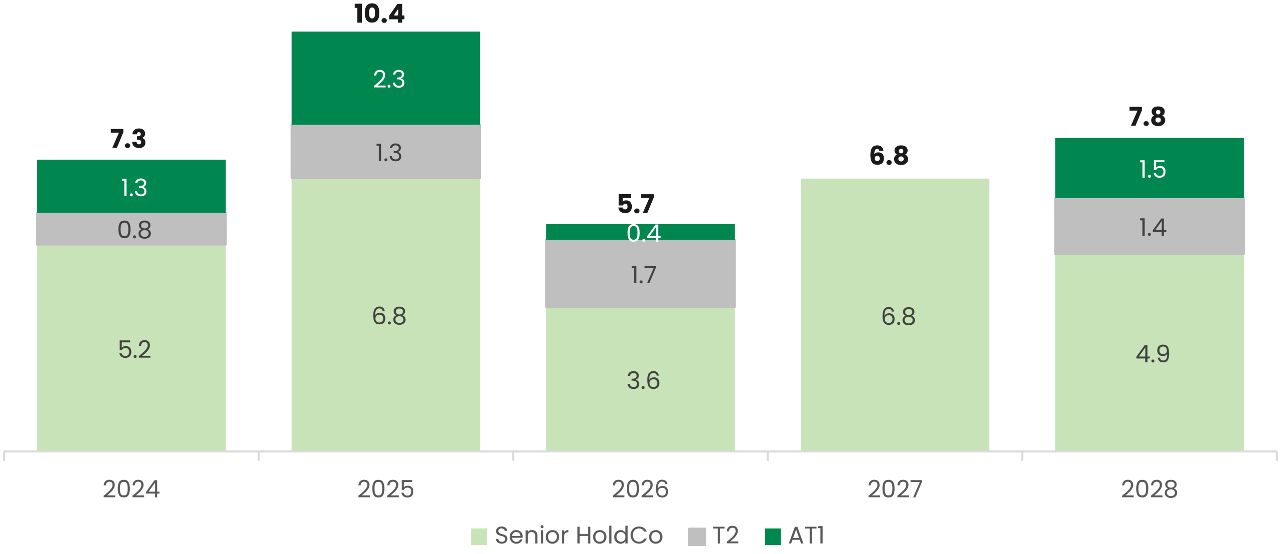
- **Expect c.£15bn of issuance in 2024 across all entities and products**
  - Stable supply vs 2023
  - Good progress made in Q1 with c.40% issuance completed
- **Q1 Issuance:**
  - £4.2bn Senior HoldCo, £450m Tier 2 and £700m RMBS
- **£30bn TFSME outstanding**
  - Contractual maturities of TFSME; £21bn in 2025 and £9bn in 2027
  - Modest refinancing in 2024 included in issuance guidance

Appendix

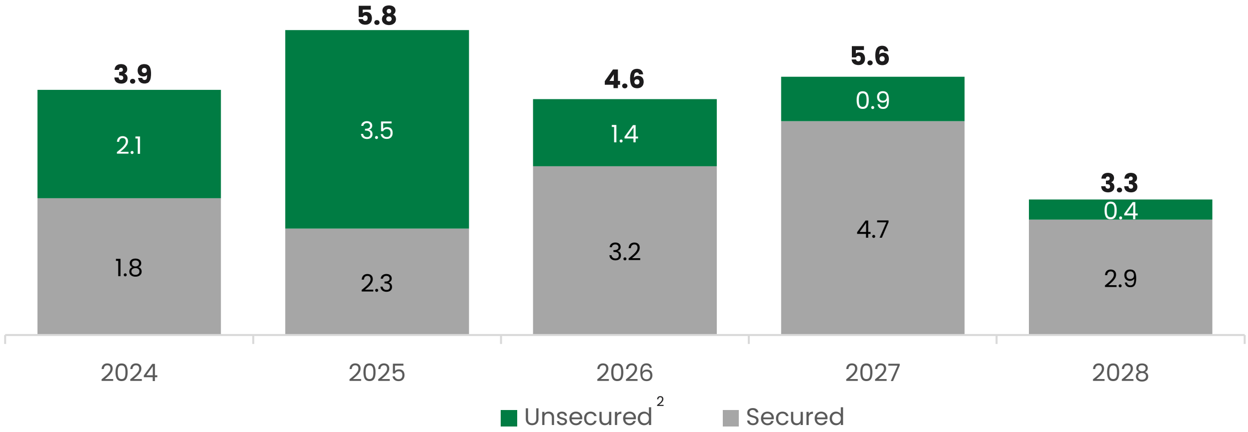
Modest net issuance volumes in 2024

The Group has access to a diverse range of funding programmes, products, and markets

HoldCo redemption profile (£bn)



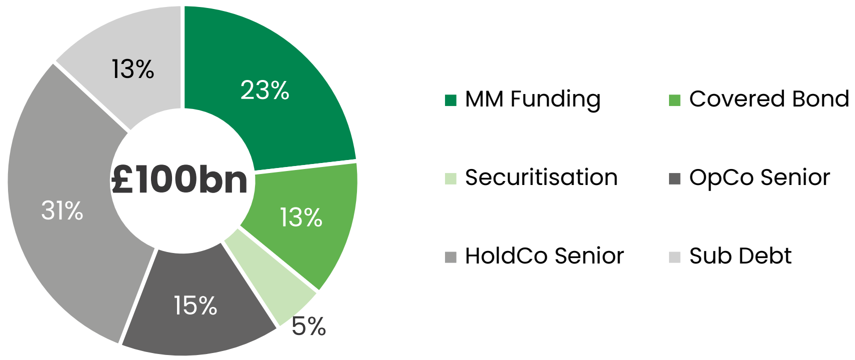
OpCo redemption profile (£bn)[1]



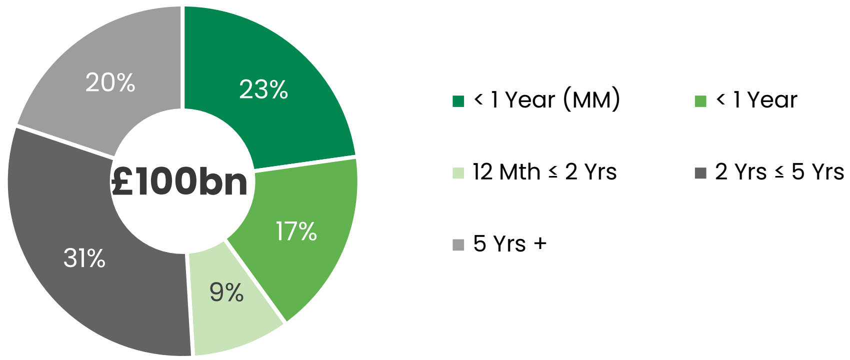
1 – Based on notional value outstanding and FX rate as at close 29.03.2024, redemption profiles reflect first call dates which remain subject to issuer call decision. 2 - Includes subordinated debt issued by LBG subsidiaries.

Diverse funding portfolio as at Q1 2024

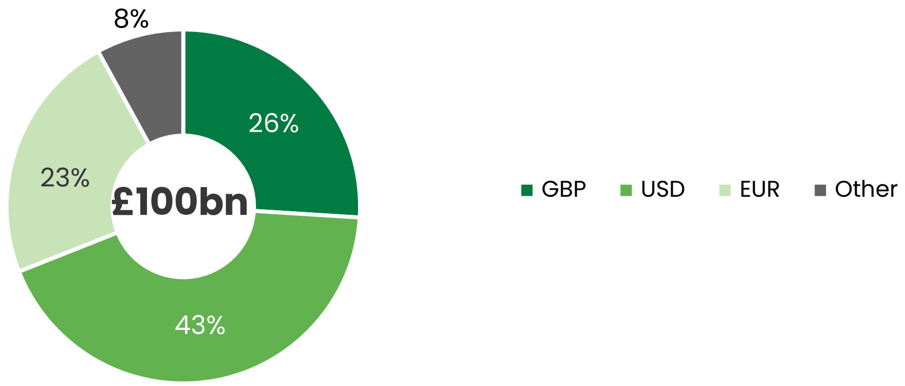
Wholesale funding portfolio by type



Wholesale funding portfolio by maturity



Wholesale funding portfolio by currency



Simple group structure with multiple issuance points

HoldCo

Lloyds Banking Group

BBB+ / A3 / A[1] Sta / Sta / Sta	A-2 / P-2 / F1
Senior Unsecured Capital	-

Ring-Fenced Sub-Group

Lloyds Bank, Bank of Scotland

A+ / A1 / A+ Sta / Sta / Sta	A-1 / P-1 / F1
Senior Unsecured Covered Bonds ABS	CD, CP
L&A: £432bn[3]	Assets: £607bn

EU Sub: Berlin

Non-Ring-Fenced Sub-Group

Lloyds Bank Corporate Markets

A / A1 / A+ Sta / Sta / Sta	A-1 / P-1 / F1
Senior Unsecured	CD, Yankee CD, CP
L&A: £16bn[3]	Assets: £91bn

EU Sub: Frankfurt

Insurance Sub-Group

Scottish Widows [2]

- / A2 / A+ - / Sta / Sta	- / - / F1
Capital	-
L&A: N/A	AuA: £222bn[4]

EU Sub: Luxembourg

Equity Investments Sub-Group

Lloyds Equity Investments

-	-
-	-
L&A: N/A	Assets: £5bn

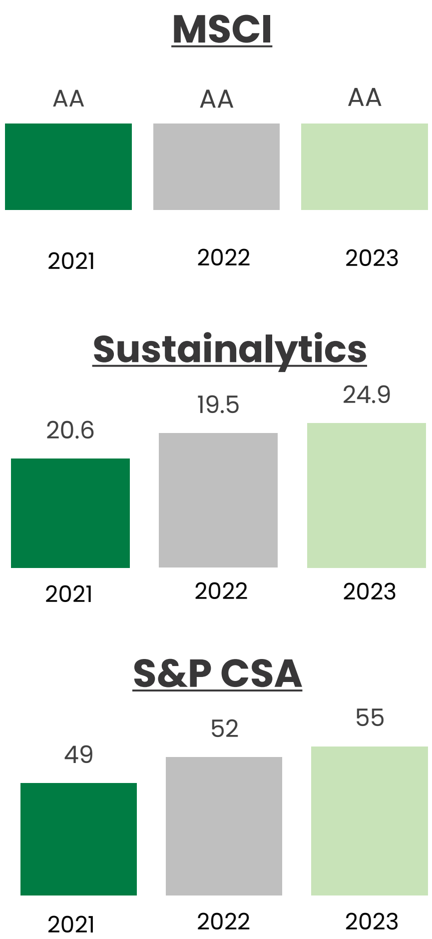
1 - Ratings shown are senior unsecured in the order of S&P / Moody's / Fitch as at 24.04.24. 2 – Ratings shown for Scottish Widows are Insurance Financial Strength Ratings. 3 – "L&A" refers to Loans & Advances to customers. 4 – Includes stockbroking.

Strong ratings across the Group

Credit ratings[1]

		HoldCo	Ring-Fenced Bank	Non-Ring-Fenced Bank	Insurance Sub-Group
	UK Sovereign	**Lloyds Banking Group**	**Lloyds Bank, Bank of Scotland**	**Lloyds Bank Corporate Markets**	**Scottish Widows[2]**
S&P	**AA** Stable	**BBB+** Stable **A-2**	**A+** Stable **A-1**	**A** Stable **A-1**	-
Moody's	**Aa3** Stable	**A3** Stable **P-2**	**A1** Stable[2] **P-1**	**A1** Stable **P-1**	**A2** Stable –
Fitch	**AA-** Stable	**A** Stable **F1**	**A+** Stable **F1**	**A+** Stable **F1**	**A+** Stable **F1**

ESG ratings[1]



1 – Ratings shown are at close 24/04/2024 and credit ratings reflect senior unsecured issuer ratings – LT, outlook, ST. 2 –Insurance Financial Strength ratings.

2024 and 2026 guidance

	2024	2026
Income	NIM >**290bps**	
Costs	**c.£9.3bn** operating costs **plus c.£0.1bn** BoE levy	**<50%** cost:income ratio
Asset quality ratio	**<30bps**	
Return on tangible equity	**c.13%**	**>15%**
Risk weighted assets	**£220bn-£225bn**	
Capital generation	**c.175bps**	**>200bps**
Capital target	Expect to **pay down to c.13.5%**	Expect to **pay down to c.13.0%**
Capital distribution	**Progressive and sustainable** ordinary dividend	

Quarterly P&L and key ratios

(£m)	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
Net interest income	**3,184**	3,317	3,444	3,469	3,535	3,643	3,394	3,190	2,945
Other income	**1,340**	1,286	1,299	1,281	1,257	1,128	1,171	1,185	1,182
Operating lease depreciation	**(283)**	(371)	(229)	(216)	(140)	(78)	(82)	(119)	(94)
Net income	**4,241**	4,232	4,514	4,534	4,652	4,693	4,483	4,256	4,033
Operating costs	**(2,402)**	(2,486)	(2,241)	(2,243)	(2,170)	(2,356)	(2,145)	(2,112)	(2,059)
Remediation	**(25)**	(541)	(64)	(51)	(19)	(166)	(10)	(27)	(52)
Total costs inc. Remediation	**(2,427)**	(3,027)	(2,305)	(2,294)	(2,189)	(2,522)	(2,155)	(2,139)	(2,111)
Underlying profit before impairment	**1,814**	1,205	2,209	2,240	2,463	2,171	2,328	2,117	1,922
Impairment (charge)/credit	**(57)**	541	(187)	(419)	(243)	(465)	(668)	(200)	(177)
Underlying profit	**1,757**	1,746	2,022	1,821	2,220	1,706	1,660	1,917	1,745
Restructuring	**(12)**	(85)	(44)	(13)	(12)	(11)	(22)	(23)	(24)
Volatility and other items	**(117)**	114	(120)	(198)	52	(638)	(1,062)	(289)	(177)
Statutory profit before tax	**1,628**	1,775	1,858	1,610	2,260	1,057	576	1,605	1,544
Statutory profit after tax	**1,215**	1,234	1,420	1,223	1,641	982	494	1,302	1,145
Net interest margin	**2.95%**	2.98%	3.08%	3.14%	3.22%	3.22%	2.98%	2.87%	2.68%
Average interest earning assets	**£449bn**	£453bn	£453bn	£453bn	£454bn	£454bn	£455bn	£451bn	£448bn
Cost:income ratio	**57.2%**	71.5%	51.1%	50.6%	47.1%	53.7%	48.1%	50.3%	52.3%
Asset quality ratio	**0.06%**	(0.47)%	0.17%	0.36%	0.22%	0.38%	0.57%	0.17%	0.16%
Return on tangible equity	**13.3%**	13.9%	16.9%	13.6%	19.1%	11.0%	4.2%	13.0%	10.7%
Tangible net asset value per share	**51.2p**	50.8p	47.2p	45.7p	49.6p	46.5p	44.5p	51.4p	53.7p

Updated economic scenarios

Scenario	ECL (£m)	Measure (%)	2024	*vs Q4 2023*	2025	2026	2027	2028	*Ave. 24-28*
Upside (30%)	2,837	GDP	1.1	*(0.4)*	2.0	1.7	1.6	1.6	1.6
		Unemployment rate	3.2	*(0.1)*	3.0	3.0	2.9	2.9	3.0
		HPI growth	3.7	*2.9*	6.7	6.5	5.3	4.9	5.4
		CRE price growth	6.5	*(2.5)*	4.8	1.4	2.0	2.2	3.4
		UK Bank Rate	5.40	*(0.32)*	5.44	5.25	5.00	5.07	5.23
		CPI inflation	2.3	*(0.4)*	2.9	2.9	2.8	3.0	2.8
Base case (30%)	3,512	GDP	0.4	*(0.1)*	1.2	1.6	1.7	1.7	1.3
		Unemployment rate	4.3	*(0.6)*	4.8	4.8	4.6	4.6	4.6
		HPI growth	1.5	*3.7*	0.8	0.9	1.6	2.8	1.5
		CRE price growth	(0.5)	*(0.3)*	0.7	(0.1)	1.6	2.1	0.7
		UK Bank Rate	4.88	*0.00*	4.00	3.50	3.06	3.00	3.69
		CPI inflation	2.4	*(0.3)*	2.8	2.4	2.1	2.2	2.4
Downside (30%)	4,504	GDP	(0.8)	*0.2*	(0.4)	1.2	1.7	1.7	0.7
		Unemployment rate	5.5	*(1.0)*	7.4	7.7	7.4	7.2	7.1
		HPI growth	0.0	*4.5*	(5.2)	(7.0)	(4.8)	(1.5)	(3.7)
		CRE price growth	(8.1)	*0.6*	(5.2)	(2.9)	(1.0)	(0.2)	(3.5)
		UK Bank Rate	4.29	*0.34*	2.00	1.03	0.48	0.29	1.62
		CPI inflation	2.4	*(0.4)*	2.7	1.8	1.0	1.0	1.8
Severe downside (10%)	8,702	GDP	(1.8)	*0.5*	(1.1)	1.1	1.4	1.5	0.2
		Unemployment rate	7.2	*(1.5)*	10.1	10.3	9.9	9.7	9.4
		HPI growth	(2.2)	*5.4*	(12.3)	(14.3)	(10.9)	(6.0)	(9.2)
		CRE price growth	(18.0)	*1.5*	(11.7)	(8.5)	(5.0)	(2.4)	(9.3)
		UK Bank Rate – adj.	6.19	*(0.37)*	4.56	3.63	3.13	3.00	4.10
		CPI inflation – adj.	7.5	*0.0*	3.5	1.3	1.0	1.8	3.0
Probability weighted	**4,126**								

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