

Bank 1, City 0: the 'experts' get it wrong on interest rates

Economics is called the dismal science for good reason – there aren't too many laughs.

There was one yesterday when the [Bank of England](#) surprised half of the market by keeping [interest rates on hold](#) rather than putting them up, as some economists and a whole load of other City commentators, had expected.

How dare the [Bank](#) make them look so foolish?

Moans today that the Bank somehow misled the market are hilarious. They complainers look like men standing outside a Ladbrokes after a failed bet on a football match ranting about the referee.

You just got it wrong chaps – go home.

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Governor [Andrew Bailey](#) and colleagues had certainly given the

nod that rates are likely to rise soon, but they didn't say exactly when. As he put it: "Markets have to turn conditional statement into unconditional views and that's a matter for them."

Bailey's predecessor Mark Carney faced the charge that he was an "unreliable boyfriend" for daring to change his mind as events unfolded.

Bailey faces the same accusation because the industry that makes a living from speculating what the Bank of England will do next looks like it doesn't know what it is talking about. Again.

There is always a tension between the City and the Bank.

Events like yesterday make it very easy to pick a side. One is an adult organisation run by thoughtful people trying to do the right thing. The other a bunch of over-opinionated schemers who are much less smart than they like to think.

Bank 1, City 0.