

Going up: the price of nearly everything

H
as the [Bank of England](#) got this [inflation](#) thing entirely skew-whiff?


I think there's anecdotal and indeed practical evidence that it might have.

[The Bank's view is that inflation will peak at 4% later this year](#) and drift back down after that. The greater [risk](#) than inflation, governor [Andrew Bailey](#) and crew believe, is that the recovery from [Covid](#) falters; that the summer spending splurge turns into caution all around.

Its worry, in other words, is that there will be too little inflation rather than too much, hence the need to keep inventing money via quantitative easing and chucking it about, no questions asked.

Until recently I was inclined to think the Bank must be right, if only because it has more information than anyone else commenting on economics, and a better track record than the scribblers in the City.

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But back out and about, it is impossible not to notice how

many things are just much more expensive. Certainly, nothing is cheaper.

The nipper's dance classes are an extra £30 a term. My 99p Pret coffee is suddenly £1.25 (that's inflation of, erm, more than 25%).

Yesterday I bought two pints of lager and was slightly astonished to find the barman requesting as near to £12 as makes no difference. Twelve quid? Two pints?

Round my way, the only thing not rising in cost is one-bed flats with no garden.

Down at the supermarket, avocados are beginning to look like luxury items again.

According to the Office for National Statistics, inflation is presently 2%, bang on the target set by the government for the Bank of England to hit.

This figure just looks wrong. Are the Bank and the ONS measuring the right things? That's job one for Huw Pill, just unveiled as the Bank's new chief economist.