

Flash note  
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**QE (temporary but no limit) again in UK**

In a swift U-turn the BoE has announced that it **will postpone planned Gilt sales** that were due to start next week **and instead conduct purchases of long-dated Gilts**. These purchases will be from Sept 28 until Oct 14 and are intended to deal with dysfunction in the Gilt market.

The BoE has not put a limit on the purchases and **will be buying whatever scale is necessary to restore orderly market conditions**.

The long-end of the Gilt market had become the focal point of selling pressure but this has since reversed following the announcement with 30yr Gilt yields down almost 50bp today.

A U-turn from the BoE on Gilts.

