

Quantitative easing in the United Kingdom: evidence from financial markets on QE1 and QE2

[Get access >](#)

,,

Oxford Review of Economic Policy, Volume 28, Issue 4, WINTER 2012, Pages 671–701, <https://doi.org/10.1093/oxrep/grs035>

Published: 10 December 2012

Abstract

During the recent financial crisis the Bank of England, like many other central banks, loosened monetary policy using both conventional and unconventional measures. The main unconventional measure used by the Bank was the policy of asset purchases—mainly of government bonds—financed by the creation of central bank money, so-called quantitative easing (QE). During March 2009 to January 2010 and October 2011 to May 2012, the Bank completed asset purchases of £200 billion (QE1) and £125 billion (QE2), respectively. The decision to resume purchases in July 2012 will mean that by November 2012 the Bank will have bought a total of £375 billion of assets, equivalent to around 25 per cent of annual GDP. This article reviews the transmission channels through which asset purchases operate and assesses the impact of QE1 and QE2 on financial markets.

© The Authors 2013. Published by Oxford University Press. For permissions please e-mail: journals.permissions@oup.com

JEL: [E43 - Interest Rates: Determination, Term Structure, and Effects](#), [E44 - Financial Markets and the Macroeconomy](#), [E52 - Monetary Policy](#), [E58 - Central Banks and Their Policies](#)

Issue Section: [Article](#)

You do not currently have access to this article.

Sign in

 [Get help with access](#)

Personal account

- Sign in with email/username & password
- Get email alerts
- Save searches
- Purchase content
- Activate your purchase/trial code
- Add your ORCID iD

Sign in >

[Register](#)

Institutional access



Sign in through your institution

[Sign in through your institution](#)

[Sign in with a library card](#)

[Sign in with username/password](#)

[Recommend to your librarian](#)

Institutional account management

[Sign in as administrator](#)

Purchase

[Subscription prices and ordering for this journal](#)

[Purchasing options for books and journals across Oxford Academic](#)

Short-term Access

To purchase short-term access, please sign in to your personal account above.

Don't already have a personal account? [Register](#)

Quantitative easing in the United Kingdom: evidence from financial markets on QE1 and QE2 - 24 Hours access

EUR €51.00

GBP £44.00

USD \$55.00

Rental



This article is also available for rental through DeepDyve.