Claire Higgins, head of research at BNP Paribas Real Estate, the leading property adviser, shares her thoughts on today’s interest rate decision:

“November has long been vaunted as the month in which the MPC would elect to launch an additional round of QE. Yet today it was another month of no change, with both QE and the base rate held in place.

To date, £375 billion has been invested in the asset purchase programme, with the most recent increase of £50 billion taking place in July. The minutes of the October meeting showed that, although the committee was unanimous for the third consecutive month that no further QE was needed yet, there was some debate among members as to whether it should be extended once they had considered their forecasts for November’s Inflation Report.

It’s been a mixed picture since then. The survey data has been weak, indicating a gloomier outlook for GDP growth in Q4, while the employment figures have continued their merry trend of going in the opposite direction to everything else and being positive.

Recent comments from the members themselves were perhaps the greatest indicator of what was coming today. Sir Mervyn King and his deputy, Paul Tucker, both said they believe the impact of QE may have reached its limit, while committee members Martin Weale and Spencer Dale expressed concerns about the potential impact on inflation. Instead it is thought that some members of the MPC now believe the Funding for Lending Scheme (FLS) may be more effective in helping to boost the economy.

There’s a saying that change will come when the pain of staying the same is worse than the pain of change. For the moment, staying put continues to be the less painful option.”