

**Record of the meeting between the Governor of the Bank of England and the Chancellor of the Exchequer to discuss the Financial Stability Report published on 11 December 2020**

- 1) *On 11 December 2020, the Governor and Chancellor discussed the issues set out in the December 2020 Financial Stability Report. In particular they noted the resilience of the banking sector and its capacity to continue to support the real economy even in the face of more severe economic outcomes.*
- 2) *The Chancellor thanked the Governor for the continued work of the Bank of England to monitor and mitigate risks to financial stability and welcomed the continued judgement of the Financial Policy Committee (FPC) that the unprecedented policy interventions announced by the government had supported household incomes and corporate cash flows, thereby reducing the pick-up in unemployment and insolvencies, and supporting financial stability.*
- 3) *The Chancellor further noted the FPC's intention to undertake a review of its mortgage market Recommendations in 2021.*