

Rt. Hon. Sir Mel Stride MP



HOUSE OF COMMONS
LONDON SW1A 0AA

FAO Nikhil Rathi,
Chief Executive,
Financial Conduct Authority.

29th November 2025

Dear Nikhil,

I write following a recent exchange of letters between Richard Hughes, Chair of the OBR and Meg Hillier MP, Chair of the House of Commons Treasury Select Committee, which contains fresh revelations about the timing of announcements made by HM Treasury and the potential placing of market sensitive information into the public domain.

Yesterday the Office for Budget Responsibility (OBR) set out that the Chancellor was informed as early as 17 September that the deficit in public finances was £2.5 billion. On 31 October, the figure rose to +£4.2 billion, before policy measures were taken into account. At this time, however, HM Treasury briefings suggested there was a £20 billion deficit in the public finances which would require increases in the main rates of tax, particularly Income Tax.

This culminated in an extraordinary intervention from the Chancellor herself on 4 November where she said the UK's productivity performance 'is weaker than we previously thought', and in which she warned of an Income Tax rise. On 10 November, she stated that 'the new challenge of the Office for Budget Responsibility downgrading the growth forecast' put Labour's manifesto commitments on tax at risk. This is despite the fact the OBR themselves state that their interim forecasts are provided to the Treasury 'in confidence'.

In the days following the Chancellor's Downing Street statement, 'Government figures' told the Financial Times that 'given improvements in the OBR forecasts there was less need for the extreme decision to breach Labour's election manifesto'.

It seems increasingly clear that the Chancellor has been giving an inaccurate picture of the economic and fiscal context and this appears to have been driven by political considerations.

In the past three months, because of this and a variety of similar briefings, leaks and spin from HM Treasury, market speculation has been rife and the gilt markets volatile. All of this coincided with a period of interest rate decision making. In addition, investors, businesses and ordinary families will have taken decisions based on briefings from HM Treasury and public statements by ministers which we now know to have been misleading. This has included the repeated disclosure of market sensitive details of budget decisions and the official forecasts.

I am therefore requesting a full investigation by the FCA into possible market abuse by all those who would have had access to confidential information including at HM Treasury, and 10 Downing Street.

With best wishes,

The Rt Hon Sir Mel Stride MP
Shadow Chancellor of the Exchequer