

# Forecasts for the UK economy: a comparison of independent forecasts

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March 2008

Compiled by the Macroeconomic Prospects Team

[hm-treasury.gov.uk/forecasts](http://hm-treasury.gov.uk/forecasts)



# CONTENTS

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	Page
Summary Page: Short-term forecasts	3
Table 1 - 2008: Growth in GDP and its components (% change)	4
Table 2 - 2008: Growth in prices and monetary indicators (% change)	5
Table 3 - 2008: Growth in other selected variables (% change)	6
Table 4 - 2009: Growth in GDP and its components (% change)	7
Table 5 - 2009: Growth in prices and monetary indicators (% change)	8
Table 6 - 2009: Growth in other selected variables (% change)	9
Average of independent forecasts for 2008; GDP growth, CPI and RPI inflation and claimant unemployment	10
Average of independent forecasts for 2008; Current account and PSNB (2008-09)	11
Dispersion around the independent consensus for 2008; GDP growth, CPI and RPI inflation made in last 3 months	12
Dispersion around the independent consensus for 2008; Claimant unemployment, current account and PSNB (2008-09) made in	13
Dispersion around the independent consensus for 2009; GDP growth, CPI and RPI inflation made in last 3 months	14
Dispersion around the independent consensus for 2009; Claimant unemployment, current account and PSNB (2009-10) made in	15
Annex 1: Forecasting institutions referred to in charts and tables	16
Annex 2: Data definitions	17
Annex 3: Notation used in tables	18
Annex 4: Organisation contact details	19

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**The next edition will be published on 16th April 2008. It will also be available on the Treasury's website: <http://www.hm-treasury.gov.uk/forecasts>.**

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# FORECASTS FOR THE UK ECONOMY

## A comparison of independent forecasts, March 2008

This edition of the comparison contains 22 new forecasts, all of which were received between February 27th and March 5th, 2008. The tables below summarise the average and range of independent forecasts for 2008 and 2009 and show the average of this month's new forecasts.

### Forecasts for 2008

	Independent <sup>+</sup>				Average of new* forecasts
	Averages		March		
	March	February	Lowest	Highest	
GDP growth (per cent)	1.7	1.8	-0.1	2.1	1.6
Inflation rate (Q4: per cent)					
- CPI	2.4	2.2	1.9	3.0	2.4
- RPI	2.7	2.6	1.6	3.8	2.7
Claimant unemployment (Q4: mn)	0.92	0.91	0.79	1.23	0.93
Current account (£bn)	-59.1	-58.5	-88.0	-40.2	-60.4
PSNB (2007-08: £bn)	41.0	41.6	25.0	50.7	40.9

### Forecasts for 2009

	Independent <sup>+</sup>				Average of new* forecasts
	Averages		March		
	March	February	Lowest	Highest	
GDP growth (per cent)	1.9	2.0	-1.3	2.7	1.8
Inflation rate (Q4: per cent)					
- CPI	2.0	2.0	1.3	3.3	2.0
- RPI	2.5	2.6	1.7	3.9	2.4
Claimant unemployment (Q4: mn)	0.99	0.97	0.74	1.31	1.02
Current account (£bn)	-53.5	-52.5	-90.7	-35.0	-55.4
PSNB (2008-09: £bn)	40.6	40.9	25.7	52.1	40.8

+ Independent and City averages, and the range of forecasts, are based on forecasts made in the last three months (March: 22 institutions, February: 8 institutions, January: 5 institutions).

\*Calculated from new forecasts received for the comparison this month.

Note: All the averages exclude non-standard entries (see footnotes a to tt).

**Table I - 2008: Growth in GDP and its components (% change)**

Forecasters and dates of forecasts		GDP	Private consumption	Government consumption	Fixed investment	Change in inventories (£bn)	Domestic demand	Total exports	Total imports	Net trade contribution
<b>City forecasters</b>										
ABN AMRO	Feb	1.8	1.9	1.3	2.6	3.8	1.9	3.9	3.7	-0.1
Bank of America	Jan	1.8	2.0	1.4	2.1	5.9	1.9	2.5	2.9	-0.2
Barclays Capital	Feb	2.0	1.7	2.4	2.4	2.0	1.8	4.3	3.3	0.2
BNP Paribas	Mar *	1.5	1.1	1.9	1.5	-	1.1	1.4	0.0	-
Capital Economics	Mar *	1.7	1.5	2.3	2.2	4.3	1.4	1.1	1.3	0.3
Citigroup	Mar *	1.7	1.3	2.5	2.5	4.9	1.7	2.7	2.3	0.1
Commerzbank	Mar *	1.7	1.7	2.2	2.0	6.5	1.9	3.5	3.9	-0.2
Credit Suisse	Jan	2.0	2.1	1.9	3.2	1.9	2.0	6.3	6.0	-0.2
Daiwa Institute of Research	Mar *	2.1	1.9	2.1	2.0	6.3	2.1	2.3	2.3	-
Daiwa Securities SMBC	Mar *	1.7	1.8	1.3	2.1	-	1.5	2.1	1.1	0.2
Deutsche Bank	Jan	1.8	1.9	1.8	2.5	3.7	2.0	1.6	1.8	-0.1
Dresdner Kleinwort Wasserstein	Jun	1.9	1.8	2.1	1.9	-	2.0	3.6	3.5	0.0
Fortis Bank	Jan	2.1	2.0	2.5	2.1	-	2.4	5.2	5.9	-0.2
Goldman Sachs	Feb	1.6	2.1	1.3	0.3	0.3 h	1.9	3.6	4.2	-0.3
Hermes	Mar *	1.9	1.9	2.1	2.1	7.2	2.0	2.9	3.0	-0.1
HSBC	Mar *	1.5	0.8	2.7	3.0	-	1.5	5.4	5.0	-
ING Financial Markets	Mar *	1.5	1.3	2.3	1.2	-3.4	1.6	5.8	5.8	-0.2
Ingenious Securities	Mar *	1.6	0.8	2.3	1.9	4.0	1.2	5.6	3.7	0.4
J P Morgan	NA	-	-	-	-	-	-	-	-	-
Lehman Brothers	Feb	1.7	1.4	2.6	4.5	1.3	2.0	4.3	5.0	-0.4
Lloyds TSB	Feb	2.1	2.1	2.4	2.3	-	2.2	5.8	5.2	-0.1
Lombard Street	Mar *	1.4	1.0	2.5	0.9	-	-	2.0	1.0	0.2
MacroEcon.com	Nov	3.0	3.2	1.7	4.7	-	3.2	3.3	3.9	-
Morgan Stanley	Mar *	1.8	1.2	2.5	2.2	10.1	1.9	2.1	2.2	-0.1
RBS Global Banking & Markets	Jan	2.1	1.9	2.1	2.6	2.0	1.9	4.2	3.2	0.2
Schroders Investment Management	NA	-	-	-	-	-	-	-	-	-
Standard Chartered Bank	Mar *	1.2	1.0	1.3	1.4	3.1	1.0	1.4	3.0	0.0
UBS	Mar *	1.6	1.2	2.4	0.7	0.5	1.8	1.8	2.3	-0.2
<b>Non-City forecasters</b>										
Beacon Economic Forecasting	Mar *	1.9	2.1	2.4	1.7	1.5	1.7	3.9	3.0	0.1
Cambridge Econometrics	Mar *	1.7	1.8	2.2	2.5	2.7	1.8	4.1	4.1	-0.1
CBI	Feb	2.0	1.9	2.4	1.8	1.0	1.7	4.5	3.3	0.2
CEBR	Mar *	1.8	1.7	2.1	-	-	1.9	-	-	-
Economic Perspectives	Mar *	-0.1	0.8	2.0	-0.2	-2.5	0.1	0.7	1.5	-0.3
Experian Business Strategies	Mar *	1.5	1.6	1.2	1.0	4.5	1.4	2.1	1.5	0.1
EIU	Jun	2.3	1.9	1.9	3.7	4.0	2.2	5.7	5.0	0.0
Global Insight	Mar *	1.8	1.5	2.2	1.5	-	1.8	2.4	2.3	0.0
ITEM Club	Feb	1.8	2.0	1.7	6.1	-0.1	-	4.3	4.0	-
Liverpool Macro Research	Mar *	2.1	2.3	2.4	3.5	-	-	-	-	-
Moody's Economy	Jun	1.7	1.7	1.8	4.2	0.2	2.1	3.7	4.5	-
NIESR	Feb	2.0	1.9	2.5	2.6	4.8	2.1	4.5	5.0	-0.3
Oxford Economics	Mar *	1.9	2.0	2.4	0.4	8.6	1.9	1.5	1.6	-0.1
EC	Nov	2.2	2.1	2.1	2.9	1.7	2.2	5.5 nn	5.2 nn	-0.1
OECD	Dec	2.0	1.7	2.0	1.8	0.1 h	1.8	5.8	5.1	0.0
IMF	Oct	2.3	2.4	2.5	2.1	-0.1	2.4	2.4	2.1	0.0
<b>Average of forecasts made in the last 3 months</b>										
Independent		1.7	1.6	2.1	2.1	3.4	1.7	3.3	3.2	0.0
New (marked *)		1.6	1.5	2.2	1.7	3.9	1.6	2.7	2.5	0.0
City		1.7	1.6	2.1	2.1	3.9	1.8	3.4	3.3	-0.1
<b>Range of forecasts made in the last 3 months</b>										
Highest		2.1	2.3	2.7	6.1	10.1	2.4	6.3	6.0	0.4
Lowest		-0.1	0.8	1.2	-0.2	-3.4	0.1	0.7	0.0	-0.4
Median		1.8	1.8	2.2	2.1	3.7	1.8	3.5	3.0	-0.1
<b>HM Treasury</b>	<b>Mar</b>	<b>1¼ to 2¼</b>	<b>1¼ to 1¾</b>	<b>2¼</b>	<b>1¾ to 2¼</b>	<b>0</b>	<b>1½ to 1¾</b>	<b>3¼ to 3½</b>	<b>2 to 2¼</b>	<b>¼</b>

**Table 2 - 2008: Growth in prices and monetary indicators (% change)**

Forecasters and dates of forecasts		CPI (Q4)	RPI (Q4)	RPIX (Q4)	Average earnings	Sterling index (Q4) (Jan 2005=100)	Official Bank rate (Q4, %)	Oil price (Brent, \$/bbl)	M4
<b>City forecasters</b>									
ABN AMRO	Feb	2.6	2.9	3.2	3.8	-	5.00	88.5	-
Bank of America	Jan	1.9	3.8	2.6	3.6	-	4.50	83.0	9.6
Barclays Capital	Feb	2.6	2.5	2.9	4.0	95.1	4.75	-	-
BNP Paribas	Mar *	2.5	2.1	2.6	4.0	-	4.00	-	-
Capital Economics	Mar *	2.6	3.6	3.5	4.0	93.9	4.50	75.0	10.0
Citigroup	Mar *	2.5	2.6	3.5	4.1	93.4	4.25	95.0	-
Commerzbank	Mar *	2.4	2.5	3.0	4.0	97.7	4.75	90.6	10.6
Credit Suisse	Jan	2.4	2.4	2.9	-	-	4.75	-	-
Daiwa Institute of Research	Mar *	3.0	3.6	3.3	4.3	99.0	5.25	94.2	-
Daiwa Securities SMBC	Mar *	2.1	-	-	-	-	4.50	-	-
Deutsche Bank	Jan	2.1	2.1	-	3.9	93.9	5.00	-	11.0
Dresdner Kleinwort Wasserstein	Jun	2.0	2.2	-	-	-	5.00	-	-
Fortis Bank	Jan	1.9	-	-	-	-	5.00	-	-
Goldman Sachs	Feb	2.4	3.5	-	4.4	96.0 j	-	85.0	10.3 j
Hermes	Mar *	2.2	2.2	2.2	4.2	98.0	5.00	-	10.0
HSBC	Mar *	2.1	2.3	2.6	3.9	-	4.25	-	-
ING Financial Markets	Mar *	2.3	1.6	2.5	4.0	-	4.50	-	-
Ingenious Securities	Mar *	2.8	3.5	3.8	4.3	94.6	5.00	-	9.0
J P Morgan	NA	-	-	-	-	-	-	-	-
Lehman Brothers	Feb	2.8	2.7	3.5	4.1	95.0	5.00	84.0	-
Lloyds TSB	Feb	2.4	2.9	3.1	4.2	96.5	5.00	75.0	6.5
Lombard Street	Mar *	2.3	2.9	-	-	-	4.50	-	6.6
MacroEcon.com	Nov	3.2	3.8	3.7	-	-	6.25	81.0	13.2
Morgan Stanley	Mar *	2.5	2.7	2.9	4.1	96.6	5.00	83.5	-
RBS Global Banking & Markets	Jan	2.1	2.7	3.2	3.9	97.0	5.00	85.3	-
Schroders Investment Management	NA	-	-	-	-	-	-	-	-
Standard Chartered Bank	Mar *	2.4	-	-	3.8	-	4.25	-	-
UBS	Mar *	2.3	2.5	3.4	3.9	-	4.25	-	-
<b>Non-City forecasters</b>									
Beacon Economic Forecasting	Mar *	2.7	2.8	3.5	4.2	94.7	5.20	91.5	10.5
Cambridge Econometrics	Mar *	2.4 k	2.8 k	2.5 k	4.2 n	103.3 k	5.20 ks	61.8	-
CBI	Feb	2.4	2.9	3.2	4.0	101.5	5.25	92.5 ii	-
CEBR	Mar *	2.1	2.8	-	3.7	-	4.50	-	-
Economic Perspectives	Mar *	2.3	2.6	2.6	3.7	96.0	4.50	85.0	8.0
Experian Business Strategies	Mar *	2.5	2.7	2.8	3.6	97.9	5.00	84.1	-
EIU	Jun	2.0	3.1	-	4.0	101.9	5.00	60.3	5.9
Global Insight	Mar *	2.6	2.8	3.1	4.2	-	4.50	80.5	9.2
ITEM Club	Feb	2.0	1.7	2.4	4.2	93.0	4.75	80.0	5.0
Liverpool Macro Research	Mar *	-	-	2.3	4.3	107.7 r	5.40	-	-
Moody's Economy	Jun	1.5	2.7	3.1	-	-	5.25	50.7	12.6
NIESR	Feb	2.0	3.0 k	2.9 k	4.2 r	96.4 r	5.10 s	84.6 v	-
Oxford Economics	Mar *	2.1	2.3	2.7	4.0	98.8	5.00	86.8	8.1
EC	Nov	2.0	3.4	-	4.3	-	-	78.8	-
OECD	Dec	2.2	-	-	-	-	-	-	-
IMF	Oct	2.0 k	-	-	-	-	-	-	-
<b>Average of forecasts made in the last 3 months</b>									
Independent		2.4	2.7	3.0	4.0	96.3	4.75	83.8	8.8
New (marked *)		2.4	2.7	3.0	4.0	96.4	4.67	84.4	9.1
City		2.4	2.7	3.0	4.0	95.8	4.68	85.4	9.2
<b>Range of forecasts made in the last 3 months</b>									
Highest		3.0	3.8	3.8	4.4	101.5	5.40	95.0	11.0
Lowest		1.9	1.6	2.2	3.6	93.0	4.00	61.8	5.0
Median		2.4	2.7	3.0	4.0	96.3	4.75	84.6	9.2
<b>HM Treasury</b>	<b>Mar</b>	<b>2½</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Table 3 - 2008: Growth in other selected variables (% change)**

Forecasters and dates of forecasts		Real household disposable income	Employment growth	Claimant unemployment (Q4,millions)	Manufacturing output	World trade in manufactures	Current account (£bn)	PSNB (£bn 2008-09)
<b>City forecasters</b>								
ABN AMRO	Feb	2.0	0.5	1.80 a	1.1	7.4	-63.7	41.9
Bank of America	Jan	-	-	-	0.8	6.7	-73.9	46.9
Barclays Capital	Feb	2.4	0.8	0.81	1.7	-	-45.7	42.0
BNP Paribas	Mar *	-	0.6	-	-	-	-77.0	42.0
Capital Economics	Mar *	1.2	0.3	0.87	-1.5	6.8	-75.0	45.0
Citigroup	Mar *	1.9	0.9	1.03	0.5	-	-61.3	45.3
Commerzbank	Mar *	2.3	0.9	0.82	-0.4	6.2 w	-60.8	38.1
Credit Suisse	Jan	-	-	-	-	-	-60.0	40.0
Daiwa Institute of Research	Mar *	2.3	0.4	0.89	0.2	6.5	-61.7	44.0
Daiwa Securities SMBC	Mar *	-	-	-	-	-	-	-
Deutsche Bank	Jan	-	-	0.90	-0.3	-	-43.7	38.0
Dresdner Kleinwort Wasserstein	Jun	-	-	-	-	-	-39.0	43.0
Fortis Bank	Jan	-	-	0.89	-	5.0	-58.0	39.0
Goldman Sachs	Feb	-	0.4	1.64 a	-0.7	-	-49.7	38.3
Hermes	Mar *	1.5	0.5	0.90	-1.0	6.0	-44.0	38.0
HSBC	Mar *	-	-	-	1.2	-	-50.0	40.0
ING Financial Markets	Mar *	-	-	0.98	0.0	-	-49.0	42.0
Ingenious Securities	Mar *	2.0	0.5	0.94	-0.4	-	-72.2	50.7
J P Morgan	NA	-	-	-	-	-	-	-
Lehman Brothers	Feb	1.8	0.7	0.87	-0.1	-	-77.9	45.0
Lloyds TSB	Feb	-	0.7	0.90	1.1	6.2	-52.0	47.0
Lombard Street	Mar *	2.1	0.7	-	-	-	-52.3	43.0
MacroEcon.com	Nov	3.2	0.8	0.81	-	-	-41.7	39.8
Morgan Stanley	Mar *	1.4	0.3	-	-0.1	-	-	41.8
RBS Global Banking & Markets	Jan	2.4	0.5	0.89	-0.1	5.2	-58.9	36.0
Schroders Investment Management	NA	-	-	-	-	-	-	-
Standard Chartered Bank	Mar *	-	-	-	-	-	-69.0	40.0
UBS	Mar *	-	-	0.83	-0.6	-	-51.0	37.7
<b>Non-City forecasters</b>								
Beacon Economic Forecasting	Mar *	-	1.0	0.79	-0.7	6.7	-70.7	43.0
Cambridge Econometrics	Mar *	2.5	0.6	0.90 k	0.3	2.7 hh	-55.1	36.6 kcc
CBI	Feb	2.6	0.5	0.81	0.3	5.1	-40.2	36.2
CEBR	Mar *	-	0.5	0.96	-1.2	-	-	37.7
Economic Perspectives	Mar *	-0.3	-0.5	1.05	-0.2	5.0	-50.0	44.0 cc
Experian Business Strategies	Mar *	1.3	0.8	0.85	0.7	2.0	-88.0	25.0
EIU	Jun	2.3	0.6	0.89	0.9	7.9	-45.1	35.3
Global Insight	Mar *	2.2	0.5	0.91	0.6	-	-56.8	45.9
ITEM Club	Feb	2.4	0.5	1.00	1.4	6.0	-59.0	45.0
Liverpool Macro Research	Mar *	-	-	1.23	-	-	-50.9	33.4
Moody's Economy	Jun	3.8	0.2	0.97	1.2	-	-27.7	-
NIESR	Feb	3.0	0.4	0.97 k	1.7	6.8 w	-61.6	39.5
Oxford Economics	Mar *	2.3	0.5	0.92	0.2	5.9	-53.2	44.5
EC	Nov	2.5	0.4	1.74 a	0.8	-	-49.9	3.0 eeg
OECD	Dec	-	-	-	-	-	-	3.4 eeg
IMF	Oct	-	-	-	-	6.9	-3.6 g	38.5
<b>Average of forecasts made in the last 3 months</b>								
Independent		2.0	0.5	0.92	0.2	5.8	-59.1	41.0
New (marked *)		1.7	0.5	0.93	-0.1	5.6	-60.4	40.9
City		1.9	0.6	0.89	0.1	6.4	-59.4	42.1
<b>Range of forecasts made in the last 3 months</b>								
Highest		3.0	1.0	1.23	1.7	7.4	-40.2	50.7
Lowest		-0.3	-0.5	0.79	-1.5	2.0	-88.0	25.0
Median		2.2	0.5	0.90	0.1	6.0	-58.5	41.9
HM Treasury	Mar	1½ to 2	-	-	¼ to 1¼	7 w	-72½	43

**Table 4 - 2009: Growth in GDP and its components (% change)**

Forecasters and dates of forecasts		GDP	Private consumption	Government consumption	Fixed investment	Change in inventories (£bn)	Domestic demand	Total exports	Total imports	Net trade contribution
<b>City forecasters</b>										
ABN AMRO	Feb	2.2	1.5	1.2	1.8	4.8	1.6	5.2	3.0	0.5
Bank of America	Jan	-	-	-	-	-	-	-	-	-
Barclays Capital	Feb	2.1	1.6	2.0	2.9	2.0	1.9	4.4	3.6	0.1
BNP Paribas	Mar *	1.9	1.6	2.0	2.9	-	1.9	1.5	2.1	-
Capital Economics	Mar *	1.5	1.0	2.0	3.5	2.2	1.5	2.0	2.0	0.0
Citigroup	Mar *	1.8	1.4	1.9	1.9	8.2	1.8	7.2	6.6	0.0
Commerzbank	Mar *	1.7	1.6	2.3	2.0	3.6	1.5	5.9	4.8	0.1
Credit Suisse	Jan	-	-	-	-	-	-	-	-	-
Daiwa Institute of Research	Mar *	2.2	2.1	2.2	2.3	6.6	2.1	4.2	3.6	-
Daiwa Securities SMBC	Mar *	2.2	2.0	0.8	3.0	-	1.9	3.7	2.4	0.3
Deutsche Bank	Jan	-	-	-	-	-	-	-	-	-
Dresdner Kleinwort Wasserstein	Jun	-	-	-	-	-	-	-	-	-
Fortis Bank	Jan	-	-	-	-	-	-	-	-	-
Goldman Sachs	Feb	2.1	1.8	1.2	-0.2	0.0 h	1.4	5.4	2.6	0.7
Hermes	Mar *	1.7	1.5	1.5	3.0	0.0	1.5	3.4	2.7	0.1
HSBC	Mar *	2.1	1.1	3.0	2.4	-	1.7	7.6	5.7	-
ING Financial Markets	Mar *	1.5	1.5	2.2	3.0	-4.5	1.7	8.0	7.7	-0.2
Ingenious Securities	Mar *	1.8	1.6	1.9	3.6	2.3	1.9	4.3 nn	4.6 nn	-0.2
J P Morgan	NA	-	-	-	-	-	-	-	-	-
Lehman Brothers	Feb	2.0	1.2	2.0	1.0	0.7	1.3	5.2	2.5	0.6
Lloyds TSB	Feb	2.7	2.6	2.2	2.9	-	2.6	4.4	4.2	0.1
Lombard Street	Mar *	1.8	1.3	2.0	1.0	-	-	3.5	2.0	0.4
MacroEcon.com	Nov	-	-	-	-	-	-	-	-	-
Morgan Stanley	Mar *	2.2	1.9	1.9	3.7	10.1	1.9	4.0	3.7	0.0
RBS Global Banking & Markets	Jan	-	-	-	-	-	-	-	-	-
Schroders Investment Management	NA	-	-	-	-	-	-	-	-	-
Standard Chartered Bank	Mar *	1.9	2.0	2.0	2.0	2.8	2.0	2.8	3.0	-0.1
UBS	Mar *	1.7	1.6	2.0	1.8	0.0	1.7	2.4	2.4	-0.1
<b>Non-City forecasters</b>										
Beacon Economic Forecasting	Mar *	2.1	2.2	2.5	1.6	-1.3	2.0	5.8	4.9	0.1
Cambridge Econometrics	Mar *	2.3	2.3	2.0	3.3	1.2	2.3	4.6	4.3	-0.1
CBI	Feb	2.1	1.9	2.1	2.3	3.1	2.2	4.7	4.7	-0.1
CEBR	Mar *	2.0	2.0	2.0	-	-	2.0	-	-	-
Economic Perspectives	Mar *	-1.3	-1.4	0.6	-4.6	-3.0	-1.5	0.9	0.1	0.2
Experian Business Strategies	Mar *	1.6	1.3	1.1	1.3	5.5	1.4	3.2	2.3	0.2
EIU	Jun	-	-	-	-	-	-	-	-	-
Global Insight	Mar *	1.8	1.6	2.0	2.3	-	1.7	3.8	3.4	0.1
ITEM Club	Feb	2.4	2.2	2.0	1.1	0.0	-	5.6	5.0	-
Liverpool Macro Research	Mar *	2.0	2.3	2.4	1.6	-	-	-	-	-
Moody's Economy	Jun	-	-	-	-	-	-	-	-	-
NIESR	Feb	2.4	1.6	2.0	2.1	4.8	1.8	6.1	3.6	0.6
Oxford Economics	Mar *	2.7	2.8	2.2	2.7	9.2	2.6	4.5	4.3	-0.1
EC	Nov	-	-	-	-	-	-	-	-	-
OECD	Dec	-	-	-	-	-	-	-	-	-
IMF	Oct	-	-	-	-	-	-	-	-	-
<b>Average of forecasts made in the last 3 months</b>										
Independent		1.9	1.7	1.9	2.0	2.8	1.7	4.4	3.6	0.1
New (marked *)		1.8	1.6	1.9	2.1	2.9	1.7	4.2	3.6	0.0
City		1.9	1.6	1.9	2.3	3.0	1.8	4.5	3.6	0.1
<b>Range of forecasts made in the last 3 months</b>										
Highest		2.7	2.8	3.0	3.7	10.1	2.6	8.0	7.7	0.7
Lowest		-1.3	-1.4	0.6	-4.6	-4.5	-1.5	0.9	0.1	-0.2
Median		2.0	1.6	2.0	2.3	2.3	1.8	4.4	3.6	0.1
HM Treasury	Mar	2¼ to 2½	2 to 2½	2	2¼ to 3¼	0	2 to 2½	5 to 5½	3¾ to 4¼	¼

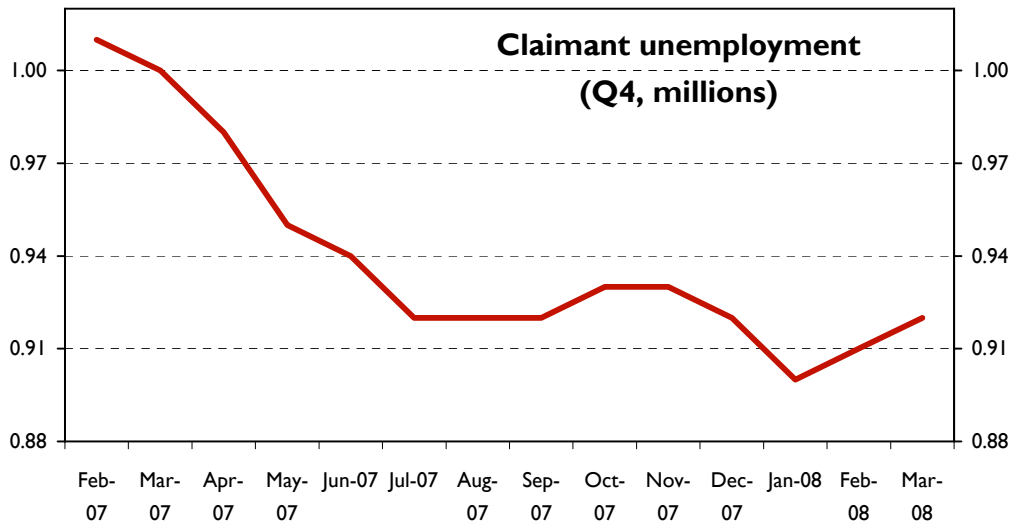
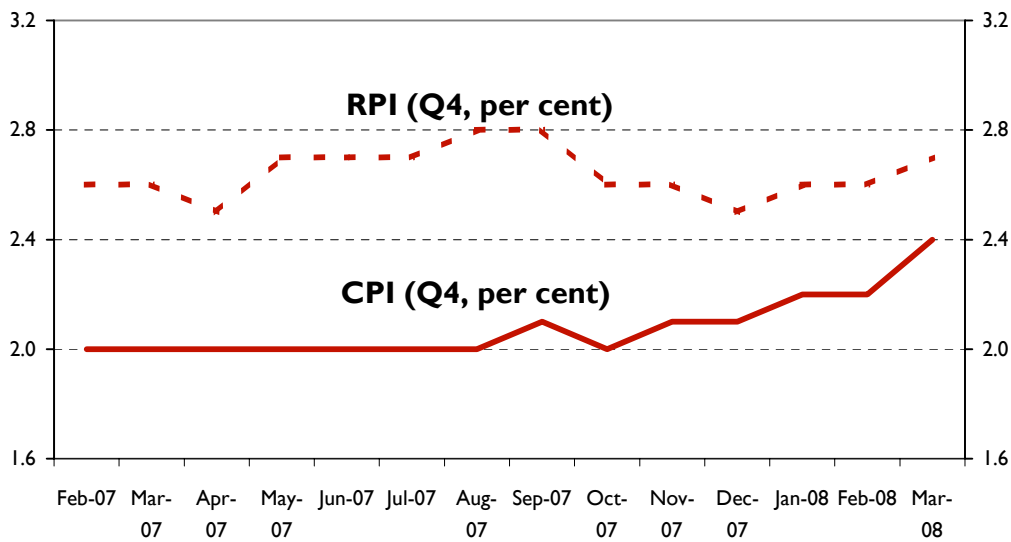
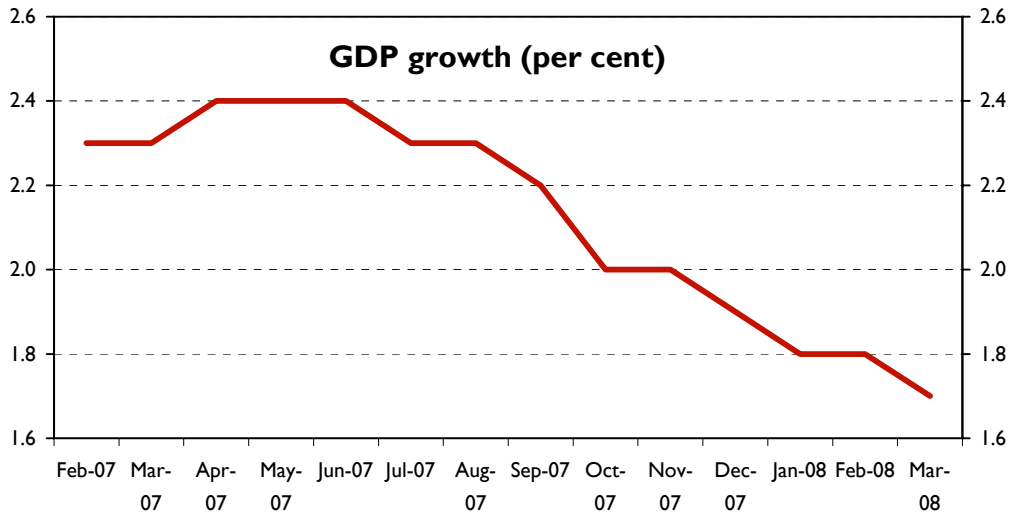
**Table 5 - 2009: Growth in prices and monetary indicators (% change)**

Forecasters and dates of forecasts		CPI (Q4)	RPI (Q4)	RPIX (Q4)	Average earnings	Sterling index (Q4) (Jan 2005=100)	Official Bank rate (Q4, %)	Oil price (Brent, \$/bbl)	M4
<b>City forecasters</b>									
ABN AMRO	Feb	1.9	2.8	2.5	3.6	-	5.00	86.3	-
Bank of America	Jan	-	-	-	-	-	-	-	-
Barclays Capital	Feb	2.3	2.9	2.9	3.3	98.4	4.75	-	-
BNP Paribas	Mar *	1.9	2.2	2.0	3.9	-	4.00	-	-
Capital Economics	Mar *	1.6	2.1	2.4	4.2	88.6	4.00	70.0	8.0
Citigroup	Mar *	2.2	2.8	2.4	4.2	92.3	4.42	95.0	-
Commerzbank	Mar *	2.4	2.7	2.7	3.9	98.8	4.75	86.5	5.5
Credit Suisse	Jan	-	-	-	-	-	-	-	-
Daiwa Institute of Research	Mar *	2.4	2.3	2.8	4.7	101.3	5.25	90.0	-
Daiwa Securities SMBC	Mar *	2.0	-	-	-	-	4.50	-	-
Deutsche Bank	Jan	-	-	-	-	-	-	-	-
Dresdner Kleinwort Wasserstein	Jun	-	-	-	-	-	-	-	-
Fortis Bank	Jan	-	-	-	-	-	-	-	-
Goldman Sachs	Feb	1.9	2.6	-	4.5	95.0 j	-	90.0	9.3 j
Hermes	Mar *	2.0	1.8	1.8	4.3	99.0	4.00	-	8.0
HSBC	Mar *	1.6	2.2	1.9	3.2	-	3.50	-	-
ING Financial Markets	Mar *	1.8	2.8	2.3	4.2	-	5.00	-	-
Ingenious Securities	Mar *	2.3	2.8	3.0	4.4	94.6	4.75	-	8.8
J P Morgan	NA	-	-	-	-	-	-	-	-
Lehman Brothers	Feb	1.8	2.7	2.5	3.7	95.0	5.00	78.0	-
Lloyds TSB	Feb	2.0	2.6	2.6	4.3	93.5	5.25	80.0	8.6
Lombard Street	Mar *	1.3	1.9	-	-	-	4.50	-	7.8
MacroEcon.com	Nov	-	-	-	-	-	-	-	-
Morgan Stanley	Mar *	2.2	2.6	2.4	4.1	97.4	5.25	83.0	-
RBS Global Banking & Markets	Jan	-	-	-	-	-	-	-	-
Schroders Investment Management	NA	-	-	-	-	-	-	-	-
Standard Chartered Bank	Mar *	1.8	-	-	4.0	-	4.50	-	-
UBS	Mar *	1.6	2.3	2.5	3.8	-	4.25	-	-
<b>Non-City forecasters</b>									
Beacon Economic Forecasting	Mar *	3.3	3.9	3.9	4.4	90.6	5.50	92.0	6.2
Cambridge Econometrics	Mar *	2.0 k	2.4 k	2.0 k	4.5 n	99.1 k	5.00 ks	58.2	-
CBI	Feb	1.8	2.2	2.5	3.8	100.0	5.25	85.0 ii	-
CEBR	Mar *	2.0	2.7	-	3.7	-	4.00	-	-
Economic Perspectives	Mar *	2.5	2.3	2.3	3.3	92.0	4.00	90.0	4.0
Experian Business Strategies	Mar *	1.6	1.7	1.8	3.1	98.2	4.50	71.1	-
EIU	Jun	-	-	-	-	-	-	-	-
Global Insight	Mar *	1.8	2.3	2.3	4.1	-	4.00	74.8	7.7
ITEM Club	Feb	1.9	2.7	2.4	4.7	92.0	5.00	80.0	5.8
Liverpool Macro Research	Mar *	-	-	2.3	2.9	108.9 r	5.00	-	-
Moody's Economy	Jun	-	-	-	-	-	-	-	-
NIESR	Feb	1.9	2.6 k	2.3 k	4.0 r	95.5 r	5.00	75.4 v	-
Oxford Economics	Mar *	1.9	2.4	2.5	4.5	101.8	5.00	76.5	3.0
EC	Nov	-	-	-	-	-	-	-	-
OECD	Dec	-	-	-	-	-	-	-	-
IMF	Oct	-	-	-	-	-	-	-	-
<b>Average of forecasts made in the last 3 months</b>									
Independent		2.0	2.5	2.5	3.9	95.8	4.64	81.3	6.7
New (marked *)		2.0	2.4	2.4	3.9	95.9	4.51	80.7	6.6
City		1.9	2.5	2.4	4.0	95.9	4.59	84.3	7.8
<b>Range of forecasts made in the last 3 months</b>									
Highest		3.3	3.9	3.9	4.7	101.8	5.50	95.0	8.8
Lowest		1.3	1.7	1.8	2.9	88.6	3.50	58.2	3.0
Median		1.9	2.6	2.4	4.0	96.2	4.75	81.5	7.7
HM Treasury	Mar	2	-	-	-	-	-	-	-

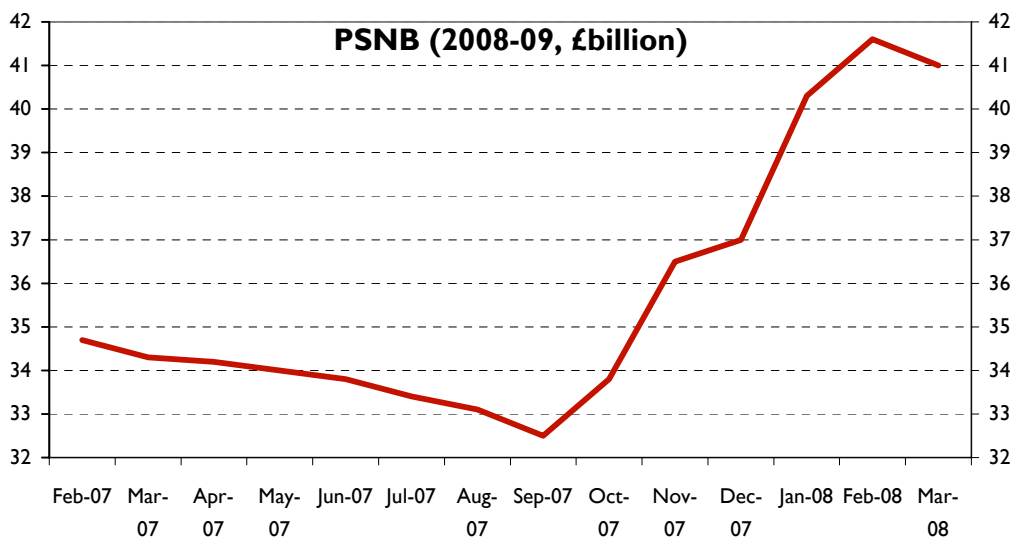
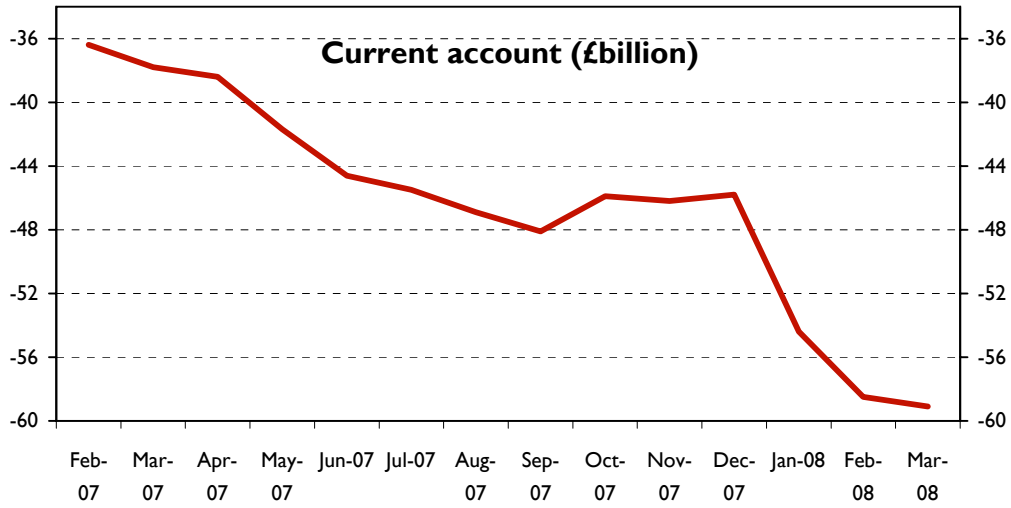
**Table 6 - 2009: Growth in other selected variables (% change)**

Forecasters and dates of forecasts		Real household disposable income	Employment growth	Claimant unemployment (Q4,millions)	Manufacturing output	World trade in manufactures	Current account (£bn)	PSNB (£bn 2009-10)
<b>City forecasters</b>								
ABN AMRO	Feb	2.1	0.2	1.89 a	1.6	7.4	-59.5	42.2
Bank of America	Jan	-	-	-	-	-	-	-
Barclays Capital	Feb	2.2	0.8	0.83	2.1	-	-43.9	37.0
BNP Paribas	Mar *	-	-0.3	-	-	-	-79.0	43.0
Capital Economics	Mar *	2.5	-0.5	0.99	1.0	6.8	-60.0	42.0
Citigroup	Mar *	2.3	0.7	1.07	0.8	-	-52.6	51.1
Commerzbank	Mar *	2.4	-0.1	0.92	-0.2	6.5 w	-54.6	32.0
Credit Suisse	Jan	-	-	-	-	-	-	-
Daiwa Institute of Research	Mar *	2.7	0.5	1.07	0.8	6.2	-50.1	41.3
Daiwa Securities SMBC	Mar *	-	-	-	-	-	-	-
Deutsche Bank	Jan	-	-	-	-	-	-	-
Dresdner Kleinwort Wasserstein	Jun	-	-	-	-	-	-	-
Fortis Bank	Jan	-	-	-	-	-	-	-
Goldman Sachs	Feb	-	-0.4	1.72 a	1.4	-	-37.1	39.7
Hermes	Mar *	2.0	0.0	1.00	0.0	8.0	-38.0	38.0
HSBC	Mar *	-	-	-	2.6	-	-	-
ING Financial Markets	Mar *	-	-	1.10	0.9	-	-55.0	41.0
Ingenious Securities	Mar *	2.2	0.1	0.96	0.8	-	-78.6	52.1
J P Morgan	NA	-	-	-	-	-	-	-
Lehman Brothers	Feb	1.7	0.1	0.90	-0.2	-	-70.3	47.4
Lloyds TSB	Feb	2.5	0.7	0.90	1.5	7.0	-48.9	39.0
Lombard Street	Mar *	1.7	0.7	-	-	-	-42.7	-
MacroEcon.com	Nov	-	-	-	-	-	-	-
Morgan Stanley	Mar *	1.7	0.6	-	0.4	-	-	43.5
RBS Global Banking & Markets	Jan	-	-	-	-	-	-	-
Schroders Investment Management	NA	-	-	-	-	-	-	-
Standard Chartered Bank	Mar *	-	-	-	-	-	-58.0	40.0
UBS	Mar *	-	-	1.00	0.1	-	-45.0	43.8
<b>Non-City forecasters</b>								
Beacon Economic Forecasting	Mar *	-	0.7	0.74	-1.4	8.1	-82.6	48.5
Cambridge Econometrics	Mar *	2.9	0.4	1.00 k	0.7	3.0 hh	-43.3	33.7 kcc
CBI	Feb	2.3	0.1	0.87	0.7	5.7	-38.0	34.4
CEBR	Mar *	-	0.5	0.95	-0.2	-	-	35.1
Economic Perspectives	Mar *	-1.0	-0.8	1.25	-0.8	4.0	-35.0	48.0 cc
Experian Business Strategies	Mar *	1.4	0.2	0.99	0.3	3.1	-90.7	25.7
EIU	Jun	-	-	-	-	-	-	-
Global Insight	Mar *	2.7	-0.2	1.01	0.8	-	-45.7	42.2
ITEM Club	Feb	2.6	0.8	1.01	2.5	6.0	-41.0	46.0
Liverpool Macro Research	Mar *	-	-	1.31	-	-	-44.5	36.4
Moody's Economy	Jun	-	-	-	-	-	-	-
NIESR	Feb	3.5	0.5	1.01 k	2.5	7.2 w	-55.9	34.3
Oxford Economics	Mar *	2.9	0.6	1.00	1.2	6.8	-41.9	38.2
EC	Nov	-	-	-	-	-	-	-
OECD	Dec	-	-	-	-	-	-	-
IMF	Oct	-	-	-	-	-	-	-
<b>Average of forecasts made in the last 3 months</b>								
Independent		2.2	0.2	0.99	0.8	6.3	-53.5	40.6
New (marked *)		2.0	0.2	1.02	0.5	6.1	-55.4	40.8
City		2.2	0.2	0.98	0.9	7.1	-54.6	42.1
<b>Range of forecasts made in the last 3 months</b>								
Highest		3.5	0.8	1.31	2.6	8.1	-35.0	52.1
Lowest		-1.0	-0.8	0.74	-1.4	3.1	-90.7	25.7
Median		2.3	0.3	1.00	0.8	6.8	-49.5	41.0
<b>HM Treasury</b>	<b>Mar</b>	<b>2 to 2½</b>	<b>-</b>	<b>-</b>	<b>1¼ to 2¼</b>	<b>7¼ w</b>	<b>-71</b>	<b>38</b>

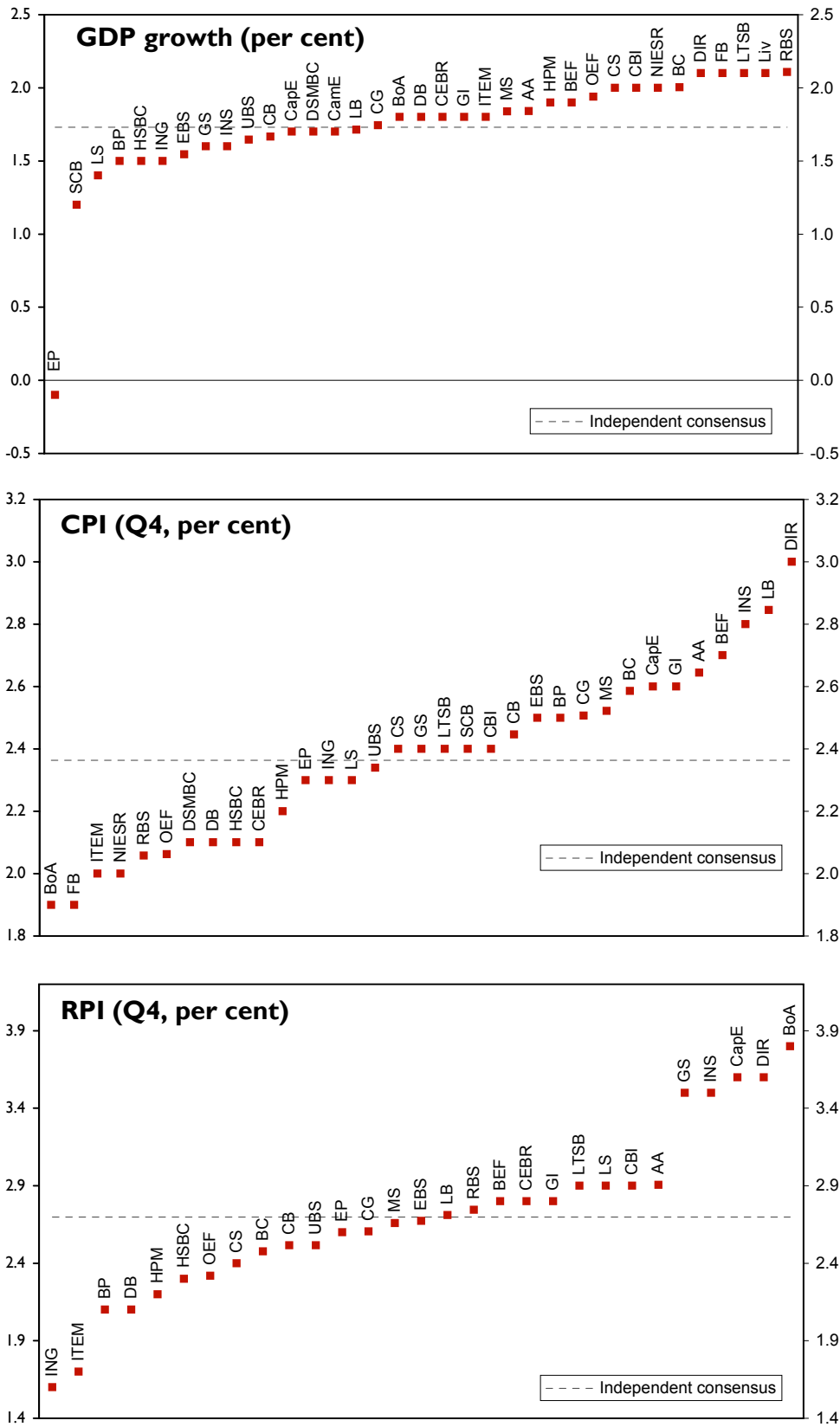
## Average of independent forecasts for 2008; GDP growth, CPI and RPI inflation and claimant unemployment



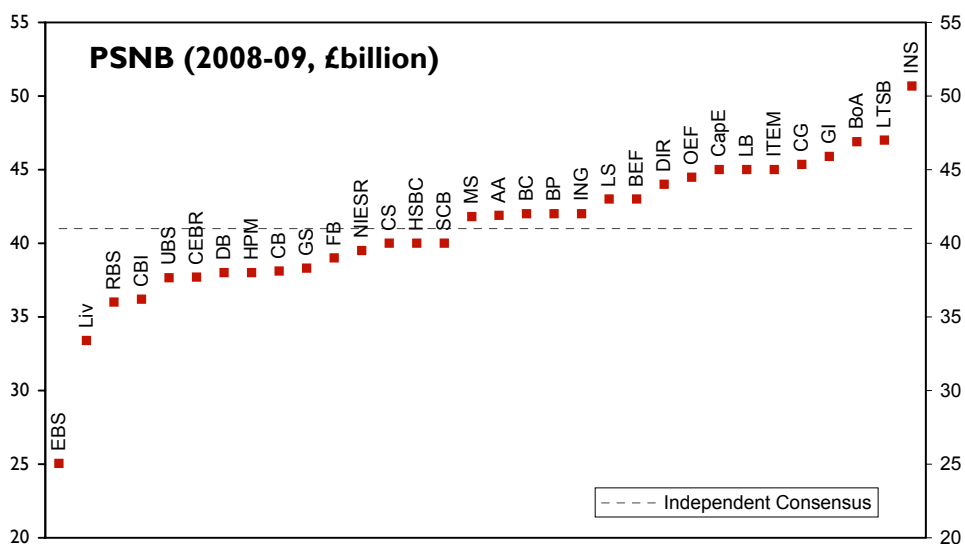
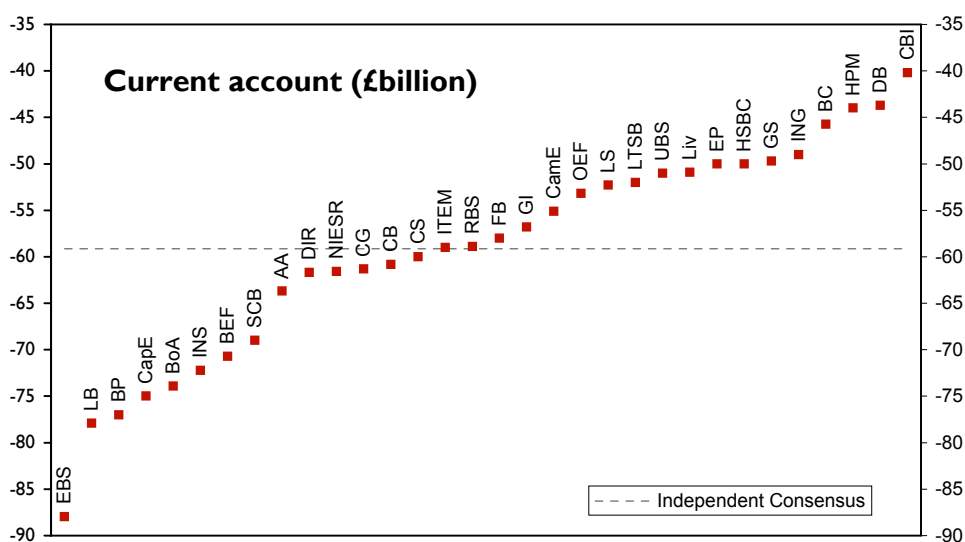
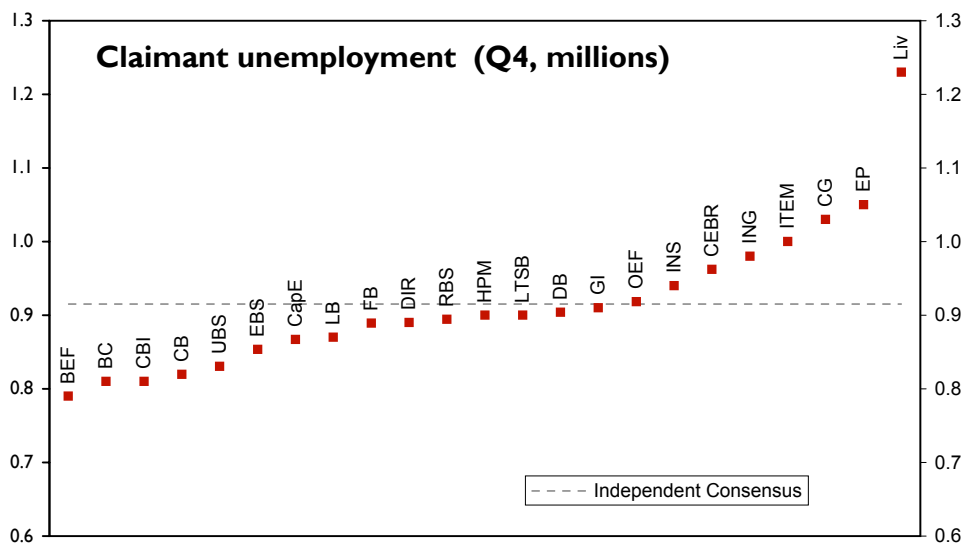
## Average of independent forecasts for 2008; Current account and PSNB (2008-09)



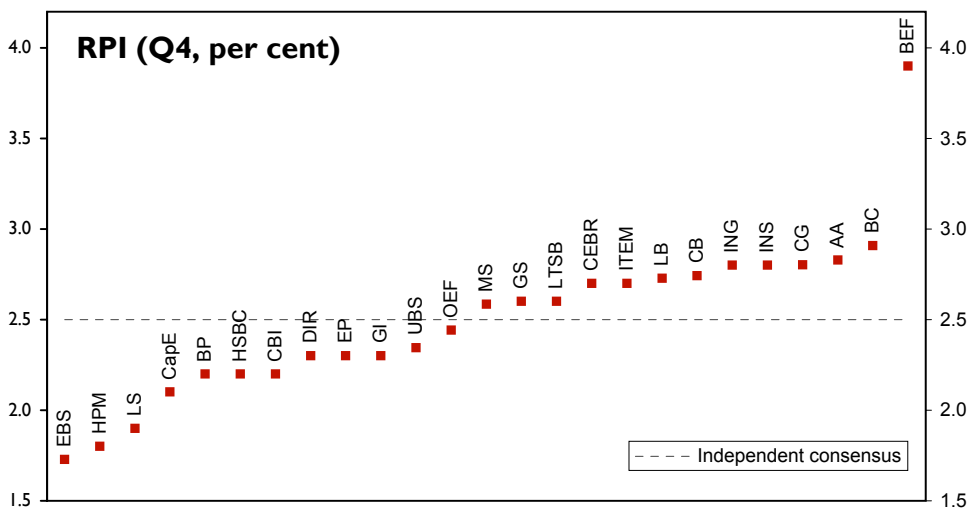
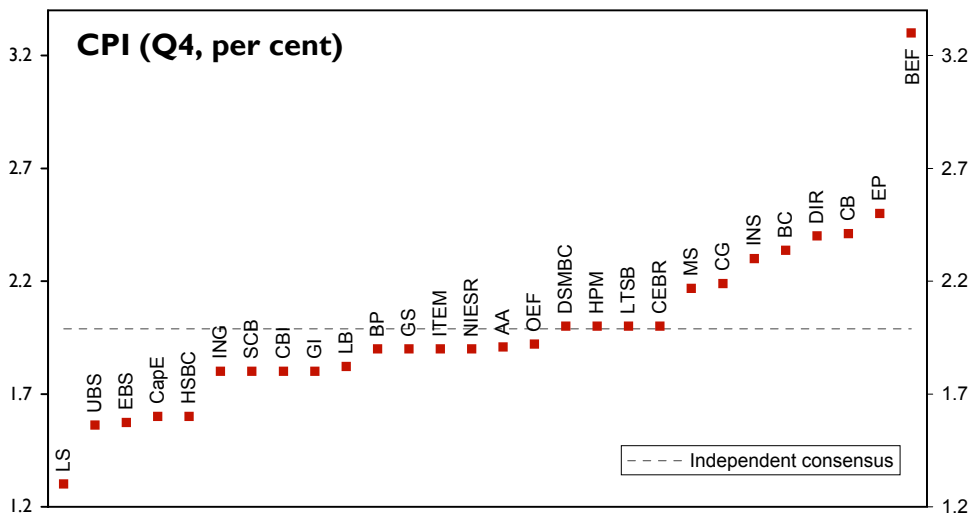
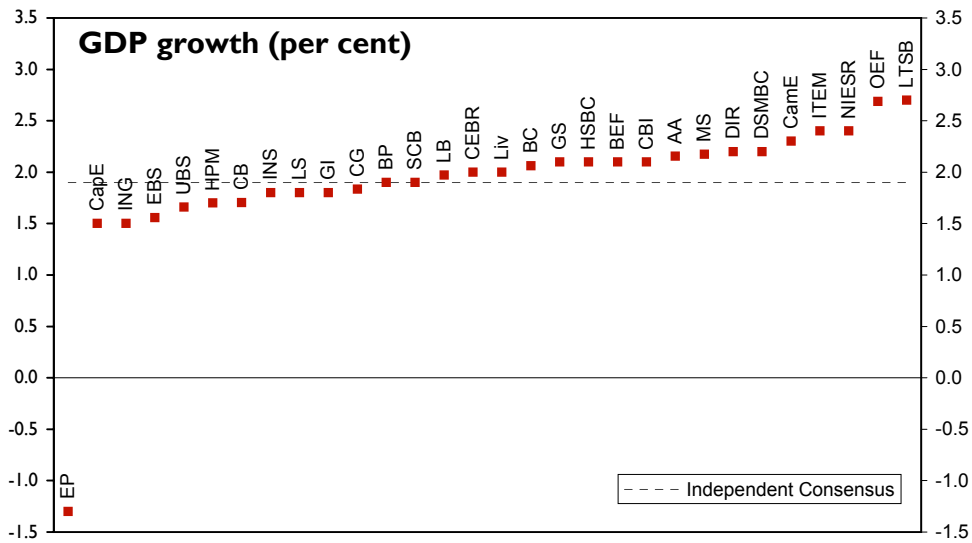
**Dispersion around the independent consensus for 2008; GDP growth, CPI and RPI inflation made in last 3 months**



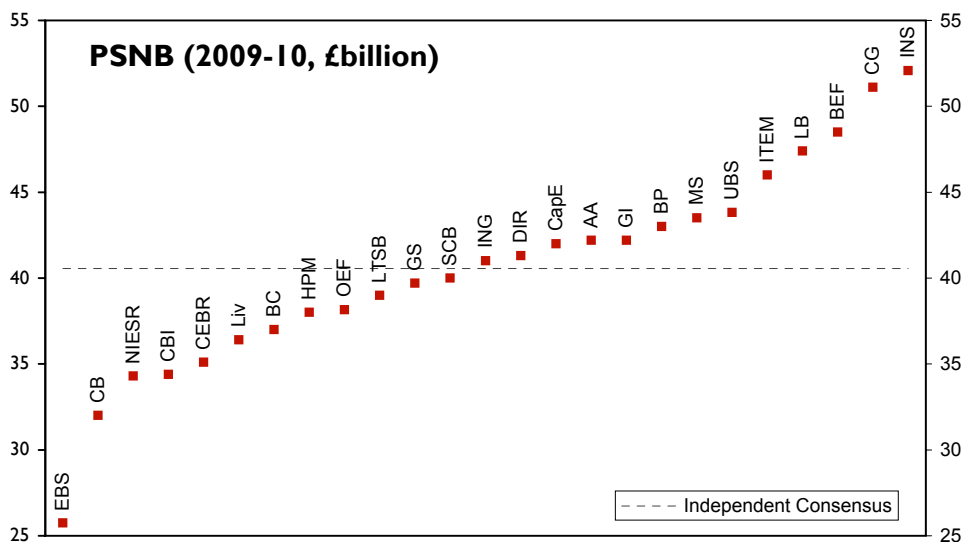
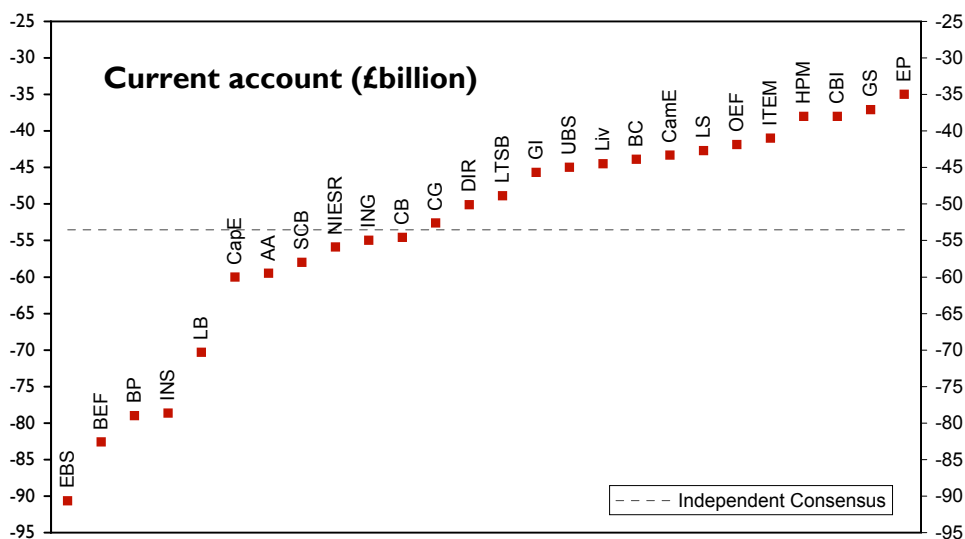
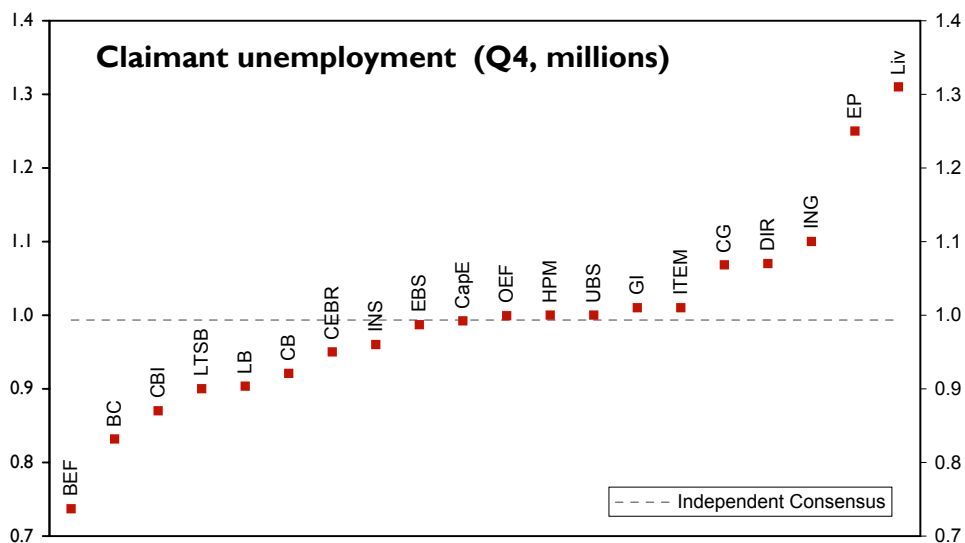
**Dispersion around the independent consensus for 2008;  
Claimant unemployment, current account and PSNB (2008-09)  
made in last 3 months**



## Dispersion around the independent consensus for 2009; GDP growth, CPI and RPI inflation made in last 3 months



**Dispersion around the independent consensus for 2009;  
Claimant unemployment, current account and PSNB (2009-10)  
made in last 3 months**



## Annex I: Forecasting institutions referred to in charts and tables

AA	ABN AMRO
BoA	Bank of America
BC	Barclays Capital
BEF	Beacon Economic Forecasting
BP	BNP Paribas
CamE	Cambridge Econometrics
CapE	Capital Economics
CG	Citigroup
CBI	Confederation of British Industry
CEBR	Centre for Economics and Business Research
CB	Commerzbank
CS	Credit Suisse First Boston
DIR	Daiwa Institute of Research
DSMBC	Daiwa Securities SMBC
DB	Deutsche Bank
DKW	Dresdner Kleinwort Wasserstein
EBS	Experian Business Strategies (previously BSL)
EC	European Commission
EIU	Economist Intelligence Unit
EP	Economic Perspectives
FB	Fortis Bank
GI	Global Insight (previously DRI-WEFA)
GS	Goldman Sachs
HSBC	HSBC Global Research
HPM	Hermes Pension Management
ING	ING Financial Markets
INS	Ingenious Securities
IMF	International Monetary Fund
ITEM	ITEM Club
JPM	JP Morgan Chase
LB	Lehman Brothers
Liv	Liverpool Macro Research
LTSB	Lloyds TSB
LS	Lombard Street Research
MacE	MacroEcon.com
MoE	Moody's Economy (previously Economy.com)
MS	Morgan Stanley
NIESR	National Institute of Economic and Social Research
OECD	Organisation for Economic Cooperation and Development
OEF	Oxford Economic Forecasting
RBS	Royal Bank Of Scotland Global Banking & Markets
S	Schroders Investment Management
SCB	Standard Chartered Bank
UBS	UBS
WLB	WestLB

## Annex 2: Data definitions

GDP	National accounts, Table C2, Code ABMI
Private consumption	Households + NPISH, National accounts, Table C2, Code ABR+HAYO
General government consumption	National accounts, Table C2, Code NMRY
Gross fixed investment	National accounts, Table C2, Code NPQT
Change in inventories (2003, £bn)	National accounts, Table C2, Code CAFU
Domestic demand	National accounts, Table C2, Code YBIM
Exports (goods and services)	National accounts, Table C2, Code IKBK
Imports (goods and services)	National accounts, Table C2, Code IKBL
CPI (Q4)	Consumer Price Indices release, Table I, Code D7G7
RPI (Q4)	Consumer Price Indices release, Table I, Code CZBH
RPIX (Q4)	Consumer Price Indices release, Table I, Code CDKQ
Headline average earnings	Labour market statistics, Table I5, Code LNNC
Sterling index (Q4, Jan 2005=100)	Bank of England Monetary and Financial statistics division Code BK67
Official Bank Rate (Q4)	(Previously Bank of England repo rate (Q4)), Code BEDR
Oil price (\$ per barrel)	Brent crude, annual average
M4 growth	Bank of England Monetary and Financial statistics division Code VQJW, calendar year (previously financial year)
RHDI	National accounts, Table J2, Code NRJR
Employment growth	Workforce jobs, Labour market statistics, Table 4, Code DYDC
Claimant unemployment (Q4, mn)	Labour market statistics, Table I0, Code BCJD
Manufacturing Output	National accounts, Table B1, Code CKYY
World trade in manufactures	
Current account (£bn)	Balance of payments release, Table A, Code HBOP
Public Sector Net Borrowing	Public sector finances release, Table PSF I / Public sector accounts, Table PSAT I, Code ANNX

### Annex 3: Notation used in tables

a	ILO unemployment - millions
b	underlying consumers expenditure deflator
c	non-durable consumption
d	current and capital expenditure, including stockbuilding
e	private sector investment, stockbuilding and durable consumption
f	investment and stockbuilding combined
g	as a percentage of GDP
h	contribution to GDP growth - percentage points
l	growth in hourly earnings
j	end period
k	calendar year
m	average of UK Brent, Dubai, and West Texas Intermediate crude spot oil prices
n	compensation of employees per head
o	consumer price deflator to Q4
p	calculated from general government financial deficit figures adjusted for privatisation proceeds
q	forecast growth rates for Q4
r	different definitions - refer to forecasters for details
s	3 month interbank rate
u	general government current and capital expenditure plus stockbuilding
v	average of spot price of Brent crude and Dubai light crude
w	world trade in goods and services
x	claimant unemployment rate
z	OECD real imports of goods and services
aa	ILO unemployment rate
bb	households only
cc	PSNCR (formerly PSBR)
dd	harmonized index of consumer prices - HICP
ee	general government financial balance
ff	gross disposable income deflated by implicit price of private consumption
gg	compensation of employees (code DTWM)
hh	world GDP
ii	OPEC average
jj	industrial output
kk	final domestic demand
ll	GDP deflator
nn	excluding MTIC-related activity
pp	percentage change on a year earlier
qq	budget deficit as percentage of GDP
rr	employee jobs (code BCAJ)
ss	financial year end
tt	external trade balance

## Annex 4: Organisation contact details

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