

UNITED KINGDOM - ECONOMIC SURVEY - DECEMBER 2016

RETURN TO: CONSENSUS ECONOMICS INC.
 by e-mail: cf@consensuseconomics.com
 by fax: (44 20) 7409 2331



Please enter your details below:

Name: Peter Warburton Company: Economic Perspectives Date: #####

ECONOMIC FORECASTS (CALENDAR YEAR BASIS)

DEADLINE

December 5

* (average % change on previous CALENDAR year)

	2015	2016	2017	2018
Gross Domestic Product, Chained 2012 Prices*	2.2	2.1	1.2	1.0
Household Final Consumption Expenditure, Chained 2012 prices*	2.6	2.6	1.2	
Gross Fixed Capital Formation, Chained 2012 prices*	3.4	2.2	4.1	
Private Non-Financial Corps Trading Profits (excluding North Sea)*	2.8	4.0	2.0	
Manufacturing Production, 2013=100*	-0.1	0.5	1.2	
Retail Price Index, "underlying (ex-MIPs)" or RPI-X, January 13, 1987=100*	1.0	1.8	3.3	
Consumer Prices Index (Previously HICP), 2005 = 100*	0.0	0.7	2.8	3.0
Manufacturing Output Prices, 2010=100*	-1.7	1.3	2.5	
Average Weekly Earnings, Whole Economy, Total Pay*	2.4	2.8	3.5	
Unemployment Rate (Labour Force Survey measure)	5.4	5.2	5.0	
Current Account, £bn	-100.2	-70	-55	
<i>Please Note *Change* to Variable, previously PSNCR:</i>				
Public Sector Net Borrowing - excl. Financial Interventions (PSNB ex) (fiscal years (April-March), £bn)	76.0	70	60	

INTEREST RATE FORECASTS

	Latest	End Mar '17	End Dec '17
3 month Interbank Interest Rate, %	0.4	0.3	0.6
Yield on Benchmark 10 Year Gilts (1.50%, July 2026), %	1.4	1.5	1.8

EXCHANGE RATES AND OIL PRICES

	Latest	End Jan '17	End Mar '17	End Dec '17	End Dec '18
Japanese Yen/US Dollar	113.0	105.0	107.0	108.0	110.0
US Dollars/Euro	1.060	1.100	1.120	1.120	1.150
US Dollars/UK Pound	1.245	1.260	1.330	1.370	1.370
Canadian Dollars/US Dollar	1.351	1.280	1.250	1.250	1.220
Oil Price, BRENT - US \$/bbl	48.4	na	50.0	55.0	na

MONETARY POLICY EVALUATION

What probability do you attach to a Bank of England repo rate change at or before the December 15, 2016 meeting?

INCREASE + NO CHANGE 95.0 + DECREASE 5.0 = Total 100%

And what, if any, CHANGES in rates do you expect? INCREASE % OR DECREASE 0.15 %

Where do you estimate the Official Bank rate (currently 0.25%) will be at the end of the next 4 quarters?

Official Bank rate:	Dec 31, 2016	Mar 30, 2017	Jun 30, 2017	Sep 30, 2017
	<input type="text"/> 0.25 %	<input type="text"/> 0.25 %	<input type="text"/> 0.25 %	<input type="text"/> 0.25 %

SPECIAL QUESTION - Quarterly Forecasts

In addition to the forecasts above, please give quarterly forecasts for the variables listed below for the period given (showing the % change over the SAME QUARTER of the PREVIOUS YEAR).

(all definitions as above)

	1Q,'16	2Q,'16	3Q,'16	4Q,'16	1Q,'17	2Q,'17	3Q,'17	4Q,'17	1Q,'18	2Q,'18
Real GDP*	1.9	2.1	2.3	1.9	1.7	1.2	0.9	0.8	0.7	0.6
Household Consumption*	2.7	3.0	2.6	1.9	1.4	1.3	1.0	0.9	0.6	0.6
Manufacturing Production*	-1.2	1.0	0.5	1.5	1.5	1.5	0.9	0.9	0.9	0.9
Underlying Retail Prices* (1)	1.4	1.6	2.0	2.3	2.8	3.3	3.5	3.4	3.1	3.1
Consumer Prices (CPI)*	0.3	0.3	0.8	1.2	2.0	2.7	3.0	3.3	3.0	3.0
3 mth Interbank, %, end qtr	0.6	0.6	0.4	0.3	0.2	0.4	0.5	0.5	0.7	1.0

(1) excludes MIPs i.e. RPI-X

Please comment on your forecasts by adding a message into the body of your e-mail

Annual vs. Quarterly Forecasts Reconciliation

Annual Forecast (Average of 4 Quarters)

	2016	2017
Real GDP*	2.1 (2.1)	1.2 (1.2)
Household Consumption*	2.6 (2.6)	1.2 (1.2)
Manufacturing Production*	0.5 (0.5)	1.2 (1.2)
Underlying Retail Prices* (1)	1.8 (1.8)	3.3 (3.3)
Consumer Prices (CPI)*	0.7 (0.7)	2.8 (2.8)