

UNITED KINGDOM - ECONOMIC SURVEY - JULY 2016

RETURN TO: **CONSENSUS ECONOMICS INC.**
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Please enter your details below:

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ECONOMIC FORECASTS (CALENDAR YEAR BASIS)

DEADLINE

July 11

**(average % change on previous CALENDAR year)*

Gross Domestic Product, Chained 2012 Prices*
Household Final Consumption Expenditure, Chained 2012 prices*
Gross Fixed Capital Formation, Chained 2012 prices*
Private Non-Financial Corps Trading Profits (excluding North Sea)*
Manufacturing Production, 2011=100*
Retail Price Index, "underlying (ex-MIPs)" or RPI-X, January 13, 1987=100*
Consumer Prices Index (Previously HICP), 2005 = 100*
Manufacturing Output Prices, 2010=100*
Average Weekly Earnings, Whole Economy, Total Pay*
Unemployment Rate (Labour Force Survey measure)
Current Account, £bn
Please Note "Change" to Variable, previously PSNCR:
Public Sector Net Borrowing - excl. Financial Interventions (PSNB ex)
 (fiscal years (April-March), £bn)

2015	2016	2017	2018	2019	2020	2021	2022-26 (average)
2.2	1.9	1.0	1.0	1.3	2.2	1.7	1.5
2.6	2.2	0.9	1.0	1.4	1.5	1.5	1.2
3.3	3.0	3.3	1.5	0.0	2.0	3.0	2.0
2.6	4.0	2.0					
-0.3	1.0	1.2	0.5	1.2	1.5	1.5	1.5
1.0	1.8	2.8	3.6	4.0	4.0	4.0	3.0
0.0	0.8	2.2	3.0	3.5	3.5	3.5	2.5
-1.7	1.3	2.5					
2.5	2.8	3.5					
5.4	5.2	5.0					
-100.3	-70	-55	-30.0	-25.0	-35.0	-40.0	-40.0

SPECIAL QUESTION - LONG-TERM FORECASTS

INTEREST RATE FORECASTS

3 month Interbank Interest Rate, %
Yield on Benchmark 10 Year Gilts (1.50%, July 2026), %

Latest	End Oct '16	End Jul '17	2018	2019	2020	2021	2022-26 (average)
0.5	0.3	0.6					
1.0	1.2	1.8	3.0	3.0	3.3	3.5	3.5

EXCHANGE RATES AND OIL PRICES

Japanese Yen/US Dollar
US Dollars/Euro
US Dollars/UK Pound
Canadian Dollars/US Dollar
Oil Price, BRENT - US \$/bbl

Latest	End Aug '16	End Oct '16	End Jul '17	End Jul '18
102.7	105.0	107.0	110.0	110.0
1.113	1.120	1.140	1.150	1.150
1.327	1.330	1.350	1.400	1.400
1.290	1.280	1.320	1.350	1.350
49.5	na	45.0	55.0	na

MONETARY POLICY EVALUATION

What probability do you attach to a Bank of England repo rate change at or before the August 4, 2016 meeting?
 INCREASE + NO CHANGE 60.0 + DECREASE 40.0 = Total 100%
 And what, if any, CHANGES in rates do you expect?
 INCREASE % OR DECREASE 0.25 %

Where do you estimate the Official Bank rate (currently 0.5%) will be at the end of the next 4 quarters?
 Sep 30, 2016: 0.25 %
 Dec 31, 2016: 0.25 %
 Mar 30, 2017: 0.50 %
 Jun 30, 2017: 0.75 %

SPECIAL QUESTION 2 - UK Economic Policy Evaluation

In your opinion:

IS monetary policy currently:	With reference to the coming twelve months:
too restrictive? <input type="text"/> (tick)	WILL monetary policy be(come):
about right? <input checked="" type="checkbox"/> one	more restrictive? <input type="text"/> (tick)
too stimulative? <input type="text"/> box)	left unchanged? <input type="text"/> one
	more stimulative? <input checked="" type="checkbox"/> box)
IS fiscal policy currently:	SHOULD monetary policy be(come):
too restrictive? <input checked="" type="checkbox"/> (tick)	more restrictive? <input type="text"/> (tick)
about right? <input type="text"/> one	left unchanged? <input type="text"/> one
too stimulative? <input type="text"/> box)	more stimulative? <input checked="" type="checkbox"/> box)
	SHOULD fiscal policy be(come):
	more restrictive? <input type="text"/> (tick)
	left unchanged? <input type="text"/> one
	more stimulative? <input checked="" type="checkbox"/> box)

List the economic/political factors that are influential in shaping your macroeconomic forecasts for 2016 and 2017.

(i) MOST FAVOURABLE FACTORS: Likelihood of policy easing
 Sterling depreciation
 (ii) MOST UNFAVOURABLE FACTORS: Deferral of spending/ transfer of business overseas
 Political uncertainty

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