

UNITED KINGDOM - ECONOMIC SURVEY - MAY 2017



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ECONOMIC FORECASTS (CALENDAR YEAR BASIS)

DEADLINE

May 8

	2016	2017	2018
* (average % change on previous CALENDAR year)			
Gross Domestic Product, Chained 2012 Prices*	1.8	1.4	0.6
Household Final Consumption Expenditure, Chained 2012 prices*	2.8	1.6	0.4
Gross Fixed Capital Formation, Chained 2012 prices*	0.5	3.7	2.8
Private Non-Financial Corps Trading Profits (excluding North Sea)*	8.1	4.0	0.0
Manufacturing Production, 2013=100*	0.7	1.2	0.5
Retail Price Index, "underlying (ex-MIPs)" or RPI-X, January 13, 1987=100*	1.9	3.2	3.6
Consumer Prices Index (Previously HICP), 2015 = 100*	0.7	2.5	3.0
Manufacturing Output Prices, 2010=100*	0.4	3.2	3.5
Average Weekly Earnings, Whole Economy, Total Pay*	2.4	3.5	4.0
Unemployment Rate (Labour Force Survey measure)	4.9	4.8	5.3
Current Account, £bn	-84.5	-70	-50
Please Note *Change* to Variable, previously PSNCR:			
Public Sector Net Borrowing - excl. Financial Interventions (PSNB ex) (fiscal years (April-March), £bn)	52.0	60	50

INTEREST RATE FORECASTS

	Latest	End Aug '17	End May '18
3 month Interbank Interest Rate, %	0.3	0.5	0.6
Yield on Benchmark 10 Year Gilts (1.25%, July 2027), %	1.1	1.5	1.8

EXCHANGE RATES AND OIL PRICES

	Latest	End Jun '17	End Aug '17	End May '18	End May '19
Japanese Yen/US Dollar	111.6	113.0	116.0	118.0	120.0
US Dollars/Euro	1.092	1.085	1.100	1.120	1.150
US Dollars/UK Pound	1.293	1.270	1.290	1.330	1.370
Canadian Dollars/US Dollar	1.366	1.320	1.300	1.280	1.250
Oil Price, BRENT - US \$/bbl	54.9	na	48.0	55.0	na

MONETARY POLICY EVALUATION

What probability do you attach to a Bank of England repo rate change at or before the **June 15, 2017** meeting?
 INCREASE + NO CHANGE + DECREASE = Total
 And what, if any, CHANGES in rates do you expect? INCREASE % OR DECREASE %

Where do you estimate the Official Bank rate (currently 0.25%) will be at the end of the next 4 quarters?
 Jun 30, 2017: % Sep 30, 2017: % Dec 31, 2017: % Mar 31, 2018: %

SPECIAL QUESTION (Answers Confidential) - Corporate Profits

Please provide your additional estimates for corporate profitability (using the definition given below and measured as the percentage change on the previous year) for the calendar year period until 2022. Please indicate the major factors which are likely to affect profits over this period.

	2019	2020	2021	2022
Private Non-Financial Corporate Trading Profits (excl. North Sea), average % change on previous year (definition as above)	-1.0	2.0	3.0	3.0

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