

**UNITED KINGDOM - ECONOMIC SURVEY - AUGUST 2017**



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**ECONOMIC FORECASTS (CALENDAR YEAR BASIS)**

**DEADLINE**

August 7

(\* average % change on previous CALENDAR year)

	2016	2017	2018
Gross Domestic Product, Chained 2012 Prices*	1.8	1.3	0.6
Household Final Consumption Expenditure, Chained 2012 prices*	2.8	1.6	0.4
Gross Fixed Capital Formation, Chained 2012 prices*	0.5	3.6	2.9
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
<i>Please Note *Change* to Variable, previously PSNCR:</i>			
Public Sector Net Borrowing - excl. Financial Interventions (PSNB ex) (fiscal years (April-March), £bn)	46.6	60	50

**INTEREST RATE FORECASTS**

	Latest	End Nov '17	End Aug '18
3 month Interbank Interest Rate, %	0.3	0.5	0.6
Yield on Benchmark 10 Year Gilts (1.25%, July 2027), %	1.3	1.5	1.8

**EXCHANGE RATES AND OIL PRICES**

	Latest	End Sep '17	End Nov '17	End Aug '18	End Aug '19
Japanese Yen/US Dollar	110.5	113.0	116.0	118.0	120.0
US Dollars/Euro	1.179	1.180	1.200	1.220	1.250
US Dollars/UK Pound	1.318	1.320	1.320	1.340	1.370
Canadian Dollars/US Dollar	1.251	1.230	1.220	1.210	1.200
Oil Price, BRENT - US \$/bbl	50.3	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 September 14, 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?

Sep 30, 2017:  % Dec 31, 2017:  % Mar 31, 2018:  % June 30, 2018:  %

**SPECIAL QUESTION (Answers Confidential) - WAGES AND PRODUCTIVITY**

In addition to the forecasts above, please give your forecasts for the variables listed below. These figures will be used to contrast broad estimates of real and nominal productivity growth (GDP per employee) with expected wage inflation.

	2015	2016	2017	2018	Average 2019	Average 2020-24	Average 2025-29
Real GDP* (definition as above)					1.2	1.5	1.5
Nominal GDP*	2.8	3.6	4.5	5.0	5.0	5.0	5.0
Total Workforce in Employment*	1.7	1.4	0.5	0.2	0.2	0.2	0.2
Average Weekly Earnings* (definition as above)					4.0	4.0	4.0

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