

UNITED KINGDOM - ECONOMIC SURVEY - JULY 2018

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



Please enter your details below:

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

ECONOMIC FORECASTS (CALENDAR YEAR BASIS)

DEADLINE

SPECIAL QUESTION - LONG-TERM FORECASTS

*(average % change on previous CALENDAR year)

	July 9			(average)				
	2017	2018	2019	2020	2021	2022	2023	2024-28
Gross Domestic Product, Chained 2012 Prices*	1.7	1.1	0.7	1.5	2.2	2.4	2.2	2.2
Household Final Consumption Expenditure, Chained 2012 prices*	1.9	0.3	0.3	0.5	1.5	1.7	1.5	1.5
Gross Fixed Capital Formation, Chained 2012 prices*	3.4	2.5	0.7	1.5	2.0	2.0	2.0	2.0
Private Non-Financial Corps Trading Profits (excluding North Sea)*	4.1	5.0	2.0					
Manufacturing Production, 2013=100*	2.5	2.0	1.0	0.7	1.2	1.4	1.4	1.4
Retail Price Index, "underlying (ex-MIPs)" or RPI-X, January 13, 1987=100*	3.8	3.6	4.0	4.5	4.5	4.0	3.5	3.5
Consumer Prices Index (Previously HICP), 2015 = 100*	2.7	2.7	3.3	4.0	4.0	3.5	3.0	3.0
Manufacturing Output Prices, 2010=100*	3.4	2.7	3.2					
Average Weekly Earnings, Whole Economy, Total Pay*	2.4	3.2	3.5					
Unemployment Rate (Labour Force Survey measure)	4.4	4.1	4.3					
Current Account, £bn	-79.0	-50	-35.0	-30.0	-25.0	-25.0	-25.0	-25.0
	FY17/18	FY18/19	FY19/20					
Public Sector Net Borrowing - excl. Financial Interventions (PSNB ex) (fiscal years (April-March), £bn)	42.6	60	60					

INTEREST RATE FORECASTS

	Latest	End Oct '18	End Jul '19	2020	End Period, % 2021	2022	2023	(average) 2024-28
3 month Interbank Interest Rate, %	0.7	0.75	1.0	1.4	2.3	2.5	2.5	2.5
Yield on Benchmark 10 Year Gilts (4.250%, Dec. 2027), %	1.3	1.7	2.1	2.7	3.6	3.4	3.0	3.0

EXCHANGE RATES AND OIL PRICES

	Latest	End Aug '18	End Oct '18	End Jul '19	End Jul '20
Japanese Yen/US Dollar	110.8	113.0	115.0	115.0	115.0
US Dollars/Euro	1.161	1.200	1.220	1.240	1.250
US Dollars/UK Pound	1.313	1.350	1.320	1.300	1.300
Canadian Dollars/US Dollar	1.320	1.250	1.230	1.210	1.200
Oil Price, BRENT - US \$/bbl	72.8	na	75.0	65.0	na

MONETARY POLICY EVALUATION

What probability do you attach to a Bank of England repo rate change at or before the August 2, 2018 meeting?

INCREASE	60.0	+	NO CHANGE	40.0	+	DECREASE		=	Total	100%
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And what, if any, CHANGES in rates do you expect?

INCREASE	0.25	%	OR		%	DECREASE		%
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Where do you estimate the Official Bank rate (currently 0.50%) will be at the end of the next 4 quarters?

Official Bank rate:	Sep 30, 2018	Dec 31, 2018	Mar 31, 2019	Jun 30, 2019
	0.50 %	0.75 %	0.75 %	1.0 %

SPECIAL QUESTION 2 - Economic Policy Evaluation

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

List the economic/political factors that are influential in shaping your macroeconomic forecasts for 2018 and 2019.

(i) MOST FAVOURABLE FACTORS:	(ii) MOST UNFAVOURABLE FACTORS:

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