

UNITED KINGDOM - ECONOMIC SURVEY - JANUARY 2017



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Please enter your details below:

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ECONOMIC FORECASTS (CALENDAR YEAR BASIS)

DEADLINE

January 9

SPECIAL QUESTION 1 - LONG-TERM FORECAST

(average)

	2016	2017	2018	2019	2020	2021	2022	2023-27
<i>*(average % change on previous CALENDAR year)</i>								
Gross Domestic Product, Chained 2012 Prices*	2.0	1.3	1.0	1.3	2.2	1.7	1.5	1.5
Household Final Consumption Expenditure, Chained 2012 prices*	2.8	1.6	0.4	1.4	1.5	1.5	1.2	1.2
Gross Fixed Capital Formation, Chained 2012 prices*	1.1	3.4	2.6	0.0	2.0	3.0	2.0	2.0
Private Non-Financial Corps Trading Profits (excluding North Sea)*	4.0	2.0	-2.0					
Manufacturing Production, 2013=100*	0.5	1.2	0.5	1.2	1.5	1.5	1.5	1.5
Retail Price Index, "underlying (ex-MIPs)" or RPI-X, January 13, 1987=100*	1.8	3.3	3.6	4.0	4.0	4.0	3.0	3.0
Consumer Prices Index (Previously HICP), 2015 = 100*	0.7	2.8	3.0	3.5	3.5	3.5	2.5	2.5
Manufacturing Output Prices, 2010=100*	1.3	2.5	2.8					
Average Weekly Earnings, Whole Economy, Total Pay*	2.8	3.5	4.0					
Unemployment Rate (Labour Force Survey measure)	5.2	5.0	5.0					
Current Account, £bn	-95.0	-75	-50	-50.0	-45.0	-40.0	-40.0	-40.0
<i>Please Note *Change* to Variable, previously PSNCR:</i>								
Public Sector Net Borrowing - excl. Financial Interventions (PSNB ex) (fiscal years (April-March), £bn)	70.0	60	65					

INTEREST RATE FORECASTS

	Latest	End Apr '17	End Jan '18	2019	2020	2021	2022	2023-27
3 month Interbank Interest Rate, %	0.4	0.3	0.6	1.5	2.0	2.5	2.5	3.0
Yield on Benchmark 10 Year Gilts (1.50%, July 2026), %	1.2	1.5	1.8	2.8	3.5	3.5	3.5	3.5

EXCHANGE RATES AND OIL PRICES

	Latest	End Feb '17	End Apr '17	End Jan '18	End Jan '19
Japanese Yen/US Dollar	116.6	120.0	120.0	120.0	120.0
US Dollars/Euro	1.055	1.070	1.100	1.120	1.150
US Dollars/UK Pound	1.236	1.260	1.290	1.330	1.370
Canadian Dollars/US Dollar	1.341	1.320	1.280	1.250	1.220
Oil Price, BRENT - US \$/bbl	56.7	na	60.0	65.0	na

MONETARY POLICY EVALUATION

What probability do you attach to a Bank of England repo rate change at or before the February 2, 2017 meeting?

INCREASE	10.0	+	NO CHANGE	90.0	+	DECREASE	0.0	=	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 0.25%) will be at the end of the next 4 quarters?

Official Bank rate:	0.25	%	0.25	%	0.25	%	0.25	%
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SPECIAL QUESTION 2 (Answers Confidential) - Forecast Probabilities

In addition to your forecasts above (presumably your most likely scenario), please indicate the likelihood of each of the listed variables falling within the following ranges by attaching a probability (e.g. 10%, 20% etc).

(definitions as above)

	-0.3	+0.4	+1.1	+1.8	+2.5	Total	SUM
Real GDP in 2017 average % change from previous year	4.0	8.0	25.0	35.0	20.0	6.0	100%
Consumer Prices in 2017 average % change from previous year	1.0	5.0	18.0	30.0	24.0	15.0	7.0
Oil Price, BRENT At end-Jan. 2018 US\$ per barrel	1.0	2.0	7.0	15.0	40.0	25.0	10.0
Euro rate } At end-Jan. 2018	2.0	6.0	10.0	21.0	34.0	20.0	7.0
Yen rate } vs. At end-Jan. 2018	3.0	8.0	20.0	22.0	28.0	12.0	7.0
UK£ rate } US\$ At end-Jan. 2018	2.0	4.0	8.0	20.0	35.0	24.0	7.0
C\$ rate } At end-Jan. 2018	2.0	6.0	10.0	18.0	35.0	22.0	7.0

% change from spot on survey date

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