HM TREASURY

Forecasts for the UK economy:

a comparison of independent forecasts

compiled by the Macroeconomic Prospects Team
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FORECASTS FOR THE UK ECONOMY

A comparison of independent forecasts, January 2013

This edition of the comparison contains 25 new forecasts, all of which were received between January 7th and January 11th 2013. The tables below summarise the average and range of independent forecasts for 2012 and 2013 and show the average of this month's new forecasts.

Forecasts for 2012

	Independent+				Average of new* forecasts
	Averages		January		
	January	December	Lowest	Highest	
GDP growth (per cent)	0.0	-0.1	-0.3	0.1	0.0
Inflation rate (Q4: per cent)					
- CPI	2.6	2.6	2.1	2.9	2.7
- RPI	3.1	3.1	2.8	3.3	3.1
Claimant unemployment (Q4: mn)	1.57	1.59	1.46	1.60	1.57
Current account (£bn)	-55.6	-53.6	-73.0	-31.6	-54.1
PSNB (2012-13: £bn)	91.9	96.3	74.0	107.6	89.4

Forecasts for 2013

	Independent+				Average of new* forecasts
	Averages		January		
	January	December	Lowest	Highest	
GDP growth (per cent)	1.0	1.1	0.2	2.0	0.9
Inflation rate (Q4: per cent)					
- CPI	2.3	2.2	1.7	3.3	2.5
- RPI	2.7	2.5	1.7	3.6	2.8
Claimant unemployment (Q4: mn)	1.61	1.63	1.26	1.80	1.61
Current account (£bn)	-44.5	-38.5	-70.0	-18.5	-45.7
PSNB (2013-14: £bn)	107.3	110.7	87.0	125.5	104.7

+ Independent averages, and the range of forecasts, are based on forecasts made in the last three months (January: 25, December: 6 institutions, November: 5 institutions).

*Calculated from new forecasts received for the comparison this month.

Note: All the averages given are the mean and exclude non-standard entries except for house-price inflation (see notation) and PSNB for 2012 (only standard entries and those with the footnote 'ac' are included in the average).

Table 1 - 2012: Growth in GDP and its components (% change)

Forecasters and dates of forecasts		GDP	Private consumption	Government consumption	Fixed investment	Change in inventories contribution (% of GDP)	Domestic demand	Total exports	Total imports	Net trade contribution (% of GDP)	Output Gap (as % of potential GDP)
City forecasters											
Bank of America - Merrill Lynch	Oct	-0.3	0.4	2.0	2.1	-0.8	-	-	-	-0.5	-
Barclays Capital	Jan *	0.0	1.0	2.7	-0.5	-0.3	0.8	-0.3	2.0	-0.7	-2.0
Capital Economics	Jan *	-0.1	0.7	2.7	0.0	0.1	0.8	-0.6	2.0	-0.9	-6.0
Citigroup	Jan *	0.1	0.8	2.6	-0.1	-0.2	1.0	-0.4	2.5	-0.9	-
Commerzbank	Jan *	-0.1	0.8	2.7	0.0	-0.3	0.9	-0.5	2.3	-0.9	-3.9
Credit Suisse	Jan *	-0.1	0.5	2.6	1.2	-0.7	0.4	0.2	2.1	-0.6	-
Daiwa Capital Markets	Jan *	0.0	-	-	-	-	-	-	-	-	-
Deutsche Bank	Jan *	-0.1	0.6	2.5	1.1	-0.3	0.9	0.1	1.9	-0.6	-
Fathom Consulting	Jan *	0.0	0.4	2.0	1.4	-0.4	0.9	-0.1	1.6	-0.5	-0.8
Goldman Sachs	Jan *	0.1	1.1	2.8	-0.1	-0.3	1.0	-0.5	2.3	-0.9	-
HSBC	Jan *	0.0	0.9	2.7	0.1	-	0.8	-0.2	2.2	-	-
ING Financial Markets	Dec	0.0	0.5	2.5	1.3	-0.5	0.6	0.4	2.3	-0.6	-
Lombard Street	Dec	-0.2	0.6	1.9	1.2	-0.3	0.6	-0.9	1.9	-0.9	-3.9
Morgan Stanley	Jan *	-0.2	0.5	2.4	1.1	-0.6	1.1	-0.2	1.8	-0.6	-
Nomura	Jan *	0.0	0.9	2.7	0.1	-0.4	0.8	0.0	2.4	-0.8	-1.8
RBS Global Banking & Markets	Dec	-0.1	0.5	2.6	1.2	-	0.4	0.2	2.0	-0.5	-
Santander GBM	Dec	-0.1	0.6	2.6	1.1	-0.6	0.5	0.0	2.1	-0.7	-3.0
Schroders Investment Management	Jan *	0.0	0.9	2.9	-0.1	-0.5	0.8	-0.1	2.2	-0.7	-1.6
Scotiabank	Jan *	0.0	0.6	2.6	1.1	-0.6	0.6	-0.1	2.0	-	-2.0
Societe Generale	Jan *	0.1	0.9	2.5	-0.1	-0.3	0.8	-0.1	2.0	-0.7	-
Standard Chartered Bank	Nov	-0.1	0.5	2.6	1.4	-	0.5	-0.3	1.7	-0.6	-
UBS	Nov	0.0	0.7	2.4	1.5	-0.5	1.2	0.1	2.6	-0.8	-
Non-City forecasters											
British Chambers of Commerce	Dec	-0.1	0.5	2.5	1.3	-0.1	0.5	0.2	2.1	-0.6	-2.5
Beacon Economic Forecasting	Jan *	0.0	1.0	2.8	0.2	-0.2	0.7	-0.8	1.9	-0.9	-
Cambridge Econometrics	Jan *	0.0	1.0	2.7	-0.5	0.3	0.8	-0.2	2.2	-0.8	-
CBI	Nov	0.0	0.8	2.1	2.2	-0.6	0.7	-0.1	2.3	-0.8	-3.1
CEBR	Jan *	-0.1	0.8	2.8	-0.5	-0.4	0.7	-0.2	1.9	-0.7	-
Economic Perspectives	Jan *	0.1	0.8	2.8	0.4	0.4	1.0	-0.6	2.2	-0.9	-
Experian Economics	Jan *	0.0	0.9	2.7	-0.1	-0.4	0.8	-0.3	2.0	-0.8	-
EIU	Jan *	0.0	0.7	2.7	-0.3	-0.4	0.5	-0.1	2.4	-0.7	-1.5
IHS Global Insight	Jan *	0.0	1.0	2.8	-0.2	-	0.8	-0.3	2.2	-0.8	-
ITEM Club	Jan *	0.0	1.0	2.8	-0.5	-0.4	0.7	-0.1	2.2	-0.7	-
Liverpool Macro Research	Jan *	0.1	0.4 c	1.5 m	6.1 d	-	-	-	-	-	-
NIESR	Nov	-0.1	0.9	1.5	1.3	-0.4	0.7	-0.4	2.1	-0.8	-
Oxford Economics	Jan *	0.1	0.9	2.8	0.0	-0.3	1.0	-0.5	2.3	-0.9	-5.1
EC	Nov	-0.3	0.5	-2.0	1.9	-0.5	1.0 f	0.2	2.6	-0.7	-
OECD	Dec	-0.1	1.1	1.3	1.8	-	0.8	-0.2	2.8	-1.0	-
IMF	Oct	-0.4	-	-	14.7 a	-	-	-0.8	1.6	-	-4.2
Average of forecasts made in the last 3 months											
Independent		0.0	0.8	2.4	0.6	-0.3	0.8	-0.2	2.1	-0.8	-2.9
New (marked *)		0.0	0.8	2.7	0.2	-0.3	0.8	-0.3	2.1	-0.8	-2.7
City		0.0	0.7	2.5	0.6	-0.4	0.8	-0.2	2.1	-0.7	-2.8
Range of forecasts made in the last 3 months											
Highest		0.1	1.1	2.9	2.2	0.4	1.2	0.4	2.8	-0.5	-0.8
Lowest		-0.3	0.4	-2.0	-0.5	-0.7	0.4	-0.9	1.6	-1.0	-6.0
Median		0.0	0.8	2.6	0.3	-0.4	0.8	-0.2	2.2	-0.7	-2.5
OBR	**Dec**	**-0.1**	**0.5**	**2.4**	**1.0**	**-0.6**	**0.5**	**0.1**	**2.1**	**-0.6**	**-3.1**

Table 2 - 2012: Growth in prices and monetary indicators (% change)

Forecasters and dates of forecasts		CPI (Q4)	RPI (Q4)	RPIX (Q4)	Average earnings	Sterling index (Q4) (Jan 2005=100)	Official Bank rate (Q4, %)	Oil price (Brent, $/bbl)	M4 xIOFC Growth
City forecasters									
Bank of America - Merrill Lynch	Oct	2.5	2.9	-	-	-	0.50	-	-
Barclays Capital	Jan *	2.7	3.1	3.1	2.3	-	0.50	-	-
Capital Economics	Jan *	2.9	3.2	3.2	1.5	83.6	0.50	110.0	-3.8
Citigroup	Jan *	2.6	3.1	3.0	1.4	83.1	0.50	111.8	-
Commerzbank	Jan *	2.7	3.0	2.9	1.4	83.1	0.50	111.8	-
Credit Suisse	Jan *	2.8	3.1	3.0	-	-	0.50	-	-
Daiwa Capital Markets	Jan *	2.7	-	-	-	-	0.50	-	-
Deutsche Bank	Jan *	2.6	3.2	-	1.5	83.1	0.50	112.0	3.6
Fathom Consulting	Jan *	2.7	3.0	3.0	1.9	-	-	-	-
Goldman Sachs	Jan *	2.7	3.1	-	1.5	84.0	0.50	110.0	-2.0 g
HSBC	Jan *	2.6	3.1	-	1.6	-	0.50	-	-
ING Financial Markets	Dec	2.7	3.3	3.2	1.4	-	0.50	100.0	-3.8
Lombard Street	Dec	2.6	3.1	-	-	83.2	0.50	112.0	5.2
Morgan Stanley	Jan *	2.7	3.1	3.0	1.5	-	0.50	-	-
Nomura	Jan *	2.7	3.1	3.0	1.7	-	0.50	-	-
RBS Global Banking & Markets	Dec	2.6	3.2	3.1	1.8	84.2	0.50	110.0	-
Santander GBM	Dec	2.6	3.1	3.0	1.4	-	0.50	112.0	-
Schroders Investment Management	Jan *	2.6	3.0	3.0	1.5	-	0.50	-	-
Scotiabank	Jan *	2.7	3.1	3.0	1.4	-	0.50	-	-
Societe Generale	Jan *	2.7	3.1	3.0	1.4	83.1	0.50	112.0	-
Standard Chartered Bank	Nov	2.3	-	-	-	-	0.50	113.0	-
UBS	Nov	2.2	2.8	-	1.8	-	0.50	-	-
Non-City forecasters									
British Chambers of Commerce	Dec	2.6	2.8	2.7	2.4	-	0.50	110.0	-
Beacon Economic Forecasting	Jan *	2.6	2.9	2.9	1.5	83.6	0.50	111.6	4.2
Cambridge Econometrics	Jan *	2.7 h	-	-	-	-	0.50 h	105.0	-
CBI	Nov	2.5	3.0	2.9	1.5	83.9	0.50	111.0	-
CEBR	Jan *	2.7	3.1	3.1	1.6	83.7	0.50	111.7	-
Economic Perspectives	Jan *	2.8	3.1	3.1	1.3	82.5	0.50	111.0	3.7
Experian Economics	Jan *	2.7	3.2	3.4	1.5	86.2	0.50	108.0	-
EIU	Jan *	2.8	3.3	3.0	1.5	83.2	0.50	111.9	-
IHS Global Insight	Jan *	2.7	3.1	3.0	1.5	-	0.50	111.6	-
ITEM Club	Jan *	2.7	3.0	3.0	1.8	83.3	0.50	111.0	-
Liverpool Macro Research	Jan *	2.9	-	3.2	2.1	81.6	0.50	-	-
NIESR	Nov	2.1	2.9	2.6	2.9 j	85.7 k	0.50	110.7 n	-
Oxford Economics	Jan *	2.6	3.0	2.9	1.4	83.7	0.50	111.5	-
EC	Nov	2.2	-	-	0.2 jw	-	-	112.6	-
OECD	Dec	2.6 h	-	-	-	-	-	-	-
IMF	Oct	2.2	-	-	-	-	-	-	-
Average of forecasts made in the last 3 months									
Independent		2.6	3.1	3.0	1.6	83.5	0.50	110.5	1.5
New (marked *)		2.7	3.1	3.0	1.6	83.4	0.50	110.7	1.9
City		2.6	3.1	3.0	1.6	83.4	0.50	110.4	0.3
Range of forecasts made in the last 3 months									
Highest		2.9	3.3	3.4	2.4	86.2	0.50	113.0	5.2
Lowest		2.1	2.8	2.6	1.3	81.6	0.50	100.0	-3.8
Median		2.7	3.1	3.0	1.5	83.3	0.50	111.6	3.7
OBR	Dec	2.6	3.2	3.2	2.7	83.8	0.50	111.9	-

Table 3 - 2012: Growth in other selected variables (% change)

Forecasters and dates of forecasts		House price inflation (Q4)	Real household disposable income	Employment growth	Claimant unemployment (Q4,millions)	Manufacturing output	World trade in goods and services	Current account (£bn)	Size of APF purchases (£bn)	PSNB (£bn 2012-13)
City forecasters										
Bank of America - Merrill Lynch	Oct	-1.0	-	-	8.30 q	-1.1	-	-53.0	425.0	107.0 ac
Barclays Capital	Jan *	-1.0 y	2.1	1.0	1.58	-1.9	-	-54.7	-	77.8 ac
Capital Economics	Jan *	-1.5 y	2.0	1.0	1.50	-1.9	2.0	-52.0	375.0	85.0 ac
Citigroup	Jan *	-1.3 k	1.8	1.7	1.58	-1.8	-	-58.4	375.0	85.7 ac
Commerzbank	Jan *	-1.0 y	1.8	0.9	1.58	-1.9	1.9	-54.6	-	95.0 ac
Credit Suisse	Jan *	-	-	-	-	-	-	-46.5	-	-
Daiwa Capital Markets	Jan *	-	-	-	1.60	-	-	-50.0	-	-
Deutsche Bank	Jan *	-1.6 xy	2.1	-	1.58	-1.6	-	-73.0	375.0	85.0 ac
Fathom Consulting	Jan *	0.0 xy	-0.6	1.1	1.53	-	-	-56.0	-	87.0 ac
Goldman Sachs	Jan *	-	-	1.8	1.57	-1.2	-	-55.0	-	99.0 ac
HSBC	Jan *	-	-	-	-	-1.9	-	-	-	-
ING Financial Markets	Dec	-2.0 x	0.5	1.0	1.59	-1.8	-	-62.0	375.0	102.0 ac
Lombard Street	Dec	-2.0 k	1.0	1.1 k	-	-	-	-58.8	375.0	91.0 ac
Morgan Stanley	Jan *	-	0.6	1.0	-	-1.3	-	-	375.0	82.7 ac
Nomura	Jan *	3.2 z	-	1.5	-	-1.6	-	-53.0	-	94.2 ac
RBS Global Banking & Markets	Dec	-	1.2	1.1	1.59	-1.6	2.8	-60.0	375.0	85.0 ac
Santander GBM	Dec	-	-	1.3	1.58	-1.7	-	-71.0	375.0	95.9 ac
Schroders Investment Management	Jan *	-0.8 x	-	1.9	1.58	-1.8	-	-60.0	375.0	74.0 ac
Scotiabank	Jan *	-1.0 y	-	1.2	1.58	-1.8	-	-55.0	375.0	83.0 ac
Societe Generale	Jan *	-0.2 x	-	1.2	1.59	-1.9	-	-54.0	375.0	86.0 ac
Standard Chartered Bank	Nov	-	-	-	1.60	-	-	-	-	100.0 ac
UBS	Nov	-	-	-	1.57	-0.9	-	-58.1	-	107.0 ac
Non-City forecasters										
British Chambers of Commerce	Dec	0.5 x	-	1.1	1.60	-	2.2	-	375.0	92.0 ac
Beacon Economic Forecasting	Jan *	1.5 z	-	1.4	1.57	-1.6	1.6	-51.9	375.0	85.2 ac
Cambridge Econometrics	Jan *	-	-	2.3	1.60 h	-1.6	2.4 t	-55.6	-	-
CBI	Nov	1.5 z	1.3	1.4	1.58	-1.0	-	-61.5	375.0	100.8 ac
CEBR	Jan *	0.1 z	1.8	1.1	1.60	-1.3	2.0	-60.0	375.0	81.8 ac
Economic Perspectives	Jan *	-2.0 x	1.9	1.7	1.60	-2.0	2.0	-50.0	375.0	102.0 ac
Experian Economics	Jan *	0.1 z	1.9	0.9	1.58	-0.9	-	-53.6	-	103.2 ac
EIU	Jan *	-	0.7	1.1	1.58	-1.8	-	-52.3	375.0	102.0 ac
IHS Global Insight	Jan *	-0.3 x	1.8	1.1	1.58	-1.6	-	-55.0	375.0	95.0 ac
ITEM Club	Jan *	0.0 z	1.7	1.0	1.58	-1.6	2.7	-56.0	-	80.2 ac
Liverpool Macro Research	Jan *	-	-	-	1.46	-	-	-31.6	-	107.6 ac
NIESR	Nov	1.4 hz	1.4	1.0	2.58 hp	-	3.7	-52.7	-	106.9 ac
Oxford Economics	Jan *	1.1 z	1.8	1.6	1.58	-1.8	1.9	-55.0	375.0	85.4 ac
EC	Nov	-	-	0.5	7.90 hq	-	-	-3.8 a	-	-5.8 a ab
OECD	Dec	-	-	1.0 k	7.91 hq	-	-	-3.3 a	-	-6.6 k
IMF	Oct	-	-	-	8.13 hq	-	-	-80.6 k	-	99.6 h ac
Average of forecasts made in the last 3 months										
Independent		-0.3	1.4	1.3	1.57	-1.6	2.3	-55.6	375.0	91.9
New (marked *)		-0.3	1.5	1.3	1.57	-1.7	2.0	-54.1	375.0	89.4
City		-0.8	1.2	1.3	1.57	-1.7	2.2	-57.3	375.0	89.7
Range of forecasts made in the last 3 months										
Highest		3.2	2.1	2.3	1.60	-0.9	3.7	-31.6	375.0	107.6
Lowest		-2.0	-0.6	0.5	1.46	-2.0	1.6	-73.0	375.0	74.0
Median		-0.3	1.8	1.1	1.58	-1.7	2.0	-55.0	375.0	91.5
OBR	**Dec**	**1.4 z**	**2.1**	**-**	**1.58**	**-**	**3.0**	**-62.2**	**-**	**80.5**

Table 4 - 2013: Growth in GDP and its components (% change)

Forecasters and dates of forecasts		GDP	Private consumption	Government consumption	Fixed investment	Change in inventories contribution (% of GDP)	Domestic demand	Total exports	Total imports	Net trade contribution (% of GDP)	Output Gap (as % of potential GDP)
City forecasters											
Bank of America - Merrill Lynch	Oct	1.0	0.4	-1.6	3.3	0.1	-	-	-	0.5	-
Barclays Capital	Jan *	1.2	0.6	-0.4	0.3	0.3	0.6	2.4	0.5	0.6	-2.2
Capital Economics	Jan *	0.2	0.0	-1.5	2.5	0.6	0.5	-2.5	-1.5	-0.3	-7.3
Citigroup	Jan *	0.4	0.6	-0.6	-3.4	0.1	-0.1	3.3	1.6	0.5	-
Commerzbank	Jan *	1.0	1.0	-0.4	2.8	0.2	1.2	1.1	1.7	-0.2	-4.0
Credit Suisse	Jan *	1.2	0.8	-0.7	2.7	0.0	0.8	3.6	2.3	0.4	-
Daiwa Capital Markets	Jan *	0.7	-	-	-	-	-	-	-	-	-
Deutsche Bank	Jan *	0.9	0.7	-1.1	1.1	0.4	0.8	2.3	0.8	0.5	-
Fathom Consulting	Jan *	0.9	0.5	-1.0	3.0	0.2	0.6	1.5	1.0	0.1	-1.4
Goldman Sachs	Jan *	1.4	1.8	0.6	1.5	0.3	1.8	0.8	2.0	-0.4	-
HSBC	Jan *	1.1	0.6	-0.4	3.5	-	0.9	1.4	0.5	-	-
ING Financial Markets	Dec	1.3	1.1	-0.7	3.0	0.5	1.4	6.1	5.7	0.0	-
Lombard Street	Dec	1.1	1.4	-2.1	2.7	0.1	0.9	0.6	0.1	0.2	-4.3
Morgan Stanley	Jan *	0.8	0.7	-1.2	0.8	0.1	0.3	2.1	0.7	0.4	-
Nomura	Jan *	0.4	0.9	-1.0	1.1	0.0	0.5	3.0	3.2	-0.1	-1.3
RBS Global Banking & Markets	Dec	0.9	0.8	-0.9	2.0	-	0.4	3.5	2.1	0.5	-
Santander GBM	Dec	1.2	1.3	0.2	0.9	0.3	1.2	2.8	2.6	0.0	-2.4
Schroders Investment Management	Jan *	1.0	0.8	-0.2	1.8	0.2	0.9	1.0	1.1	-0.1	-2.1
Scotiabank	Jan *	1.0	1.0	0.0	1.4	0.3	1.0	1.2	1.4	-	-2.0
Societe Generale	Jan *	0.8	0.6	-1.0	1.9	0.2	0.5	2.9	1.9	0.3	-
Standard Chartered Bank	Nov	1.1	0.9	-1.3	2.7	-	1.0	3.1	2.7	0.1	-
UBS	Nov	1.1	1.2	-0.3	2.2	0.3	1.0	1.9	2.7	-0.3	-
Non-City forecasters											
British Chambers of Commerce	Dec	1.0	1.1	-0.7	1.5	0.3	1.0	3.5	3.0	0.1	-2.7
Beacon Economic Forecasting	Jan *	1.4	2.1	0.1	4.4	0.1	2.1	0.3	2.2	-0.7	-
Cambridge Econometrics	Jan *	0.7	1.0	-1.2	0.5	0.6	0.7	2.2	1.3	0.0	-
CBI	Nov	1.4	1.6	-1.1	2.7	0.4	1.4	2.9	3.0	-0.1	-3.1
CEBR	Jan *	0.5	0.4	-0.1	-0.5	0.1	0.2	1.2	-0.5	0.6	-
Economic Perspectives	Jan *	1.9	0.5	-1.3	7.3 k	0.2	1.2	2.2	-0.4	0.8	-
Experian Economics	Jan *	0.7	0.5	-1.6	3.3	0.2	0.6	2.0	1.6	0.1	-
EIU	Jan *	0.5	0.4	0.5	1.4	0.2	0.8	2.2	2.9	-0.2	-1.7
IHS Global Insight	Jan *	0.9	1.2	-0.4	1.7	-	0.9	2.0	2.1	0.0	-
ITEM Club	Jan *	0.7	0.9	-0.5	1.2	0.1	0.8	3.0	2.7	0.1	-
Liverpool Macro Research	Jan *	2.0	1.5 c	2.5 m	2.1 d	-	-	-	-	-	-
NIESR	Nov	1.1	1.5	-2.4	3.2	0.3	1.1	2.0	2.0	0.0	-
Oxford Economics	Jan *	1.0	1.2	-0.3	2.8	0.2	1.4	2.1	3.0	-0.3	-5.4
EC	Nov	0.9	0.9	-1.3	2.9	0.1	0.6 f	3.9	2.8	0.3	-
OECD	Dec	0.9	1.6	-3.0	2.5	-	1.0	2.4	2.6	-0.1	-
IMF	Oct	1.1	-	-	14.9 a	-	-	2.4	1.0	-	-4.4
Average of forecasts made in the last 3 months											
Independent		1.0	1.0	-0.8	1.9	0.2	0.9	2.2	1.8	0.1	-3.1
New (marked *)		0.9	0.8	-0.6	1.6	0.2	0.8	1.8	1.4	0.1	-3.0
City		0.9	0.9	-0.7	1.7	0.2	0.8	2.1	1.7	0.1	-3.0
Range of forecasts made in the last 3 months											
Highest		2.0	2.1	0.6	4.4	0.6	2.1	6.1	5.7	0.8	-1.3
Lowest		0.2	0.0	-3.0	-3.4	0.0	-0.1	-2.5	-1.5	-0.7	-7.3
Median		1.0	0.9	-0.7	2.0	0.2	0.9	2.2	2.0	0.1	-2.4
OBR	**Dec**	**1.2**	**0.9**	**-0.7**	**2.1**	**0.2**	**0.9**	**3.1**	**2.1**	**0.3**	**-3.5**

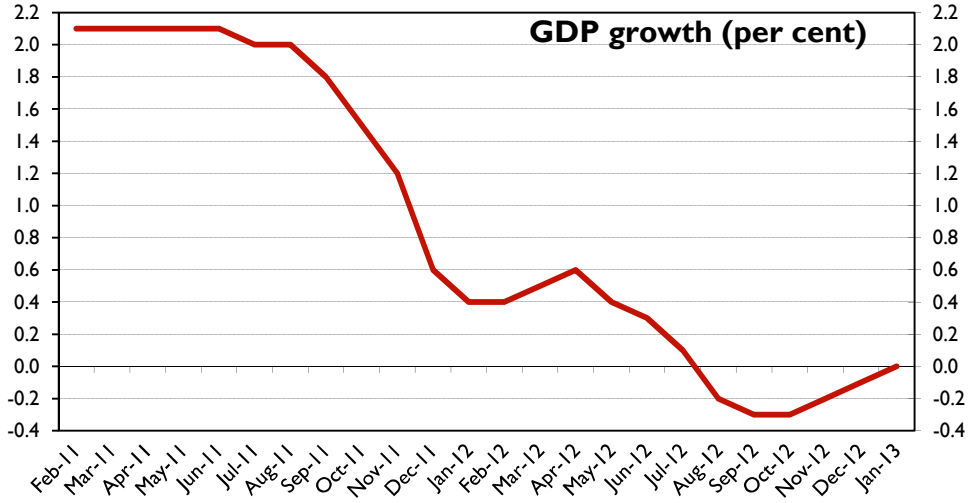
Table 5 - 2013: Growth in prices and monetary indicators (% change)

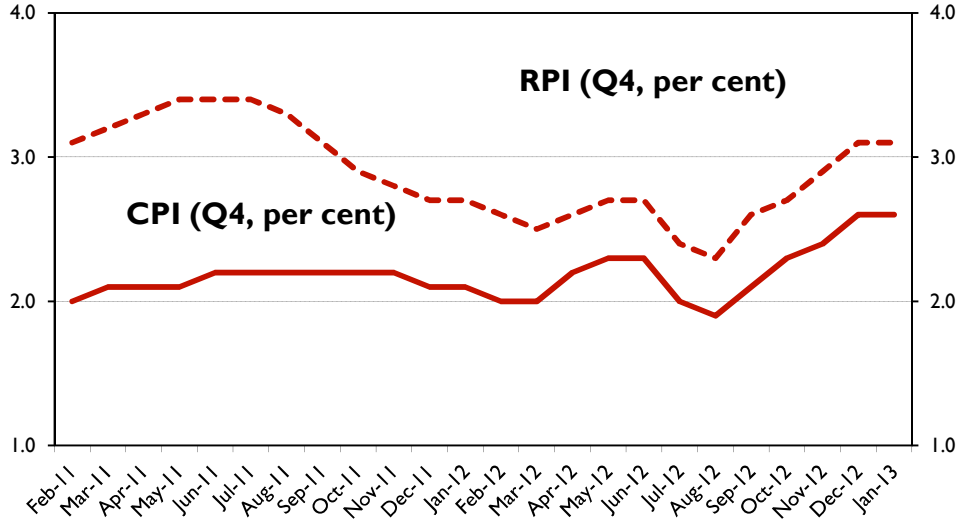
Forecasters and dates of forecasts		CPI (Q4)	RPI (Q4)	RPIX (Q4)	Average earnings	Sterling index (Q4) (Jan 2005=100)	Official Bank rate (Q4, %)	Oil price (Brent, $/bbl)	M4 xIOFC Growth
City forecasters									
Bank of America - Merrill Lynch	Oct	1.8	1.7	-	-	-	0.50	-	-
Barclays Capital	Jan *	2.6	3.2	3.2	3.0	-	0.50	-	-
Capital Economics	Jan *	2.6	2.9	2.8	1.5	85.6	0.50	85.0	1.5
Citigroup	Jan *	2.4	2.3	2.3	0.7	83.1	0.50	111.7	-
Commerzbank	Jan *	2.1	2.6	2.5	1.7	86.8	0.50	121.7	-
Credit Suisse	Jan *	2.1	3.0	3.0	-	-	0.50	-	-
Daiwa Capital Markets	Jan *	2.5	-	-	-	-	0.50	-	-
Deutsche Bank	Jan *	2.4	2.3	-	2.3	82.3	0.50	113.5	4.5
Fathom Consulting	Jan *	1.9	1.9	1.8	2.0	74.4	0.50	90.7	-
Goldman Sachs	Jan *	2.2	2.2	-	2.0	84.0	0.50	119.0	0.0 g
HSBC	Jan *	2.5	3.2	-	2.4	-	0.50	-	-
ING Financial Markets	Dec	2.0	2.8	2.8	2.2	-	0.50	120.0	1.5
Lombard Street	Dec	1.7	1.9	-	-	80.0	0.50	90.0	3.3
Morgan Stanley	Jan *	2.3	2.6	2.6	2.2	-	0.50	-	-
Nomura	Jan *	2.4	3.2	3.1	1.6	-	0.50	-	-
RBS Global Banking & Markets	Dec	2.0	2.1	2.0	2.8	83.7	0.50	115.0	-
Santander GBM	Dec	2.4	2.3	2.3	1.9	-	0.50	110.0	-
Schroders Investment Management	Jan *	3.1	3.0	3.2	1.6	-	0.50	-	-
Scotiabank	Jan *	2.9	3.4	3.2	1.6	-	0.50	-	-
Societe Generale	Jan *	1.9	1.7	2.0	1.8	83.0	0.50	109.9	-
Standard Chartered Bank	Nov	1.8	-	-	-	-	0.50	111.0	-
UBS	Nov	2.1	3.1	-	2.5	-	0.50	-	-
Non-City forecasters									
British Chambers of Commerce	Dec	2.3	2.6	2.4	2.9	-	0.50	110.0	-
Beacon Economic Forecasting	Jan *	2.6	2.6	2.9	2.4	78.0	0.70	111.0	6.3
Cambridge Econometrics	Jan *	2.1 h	-	-	-	-	0.50 h	110.0	-
CBI	Nov	2.2	2.6	2.5	2.0	84.5	0.50	110.0	-
CEBR	Jan *	2.4	3.1	3.1	1.9	82.7	0.50	105.0	-
Economic Perspectives	Jan *	3.3	3.6	3.8	2.2	77.0	1.50	120.0	7.0
Experian Economics	Jan *	2.6	3.1	2.8	2.4	86.6	0.50	100.1	-
EIU	Jan *	2.8	2.9	2.9	1.9	83.5	0.50	103.8	-
IHS Global Insight	Jan *	2.4	2.7	2.7	2.2	-	0.50	101.0	-
ITEM Club	Jan *	2.4	2.7	2.7	2.2	84.2	0.50	105.0	-
Liverpool Macro Research	Jan *	2.7	-	2.8	3.5	81.4	1.00	-	-
NIESR	Nov	1.9	2.3	2.2	2.5 j	85.9 k	0.50	105.7 n	-
Oxford Economics	Jan *	1.9	2.6	2.5	2.3	84.1	0.50	104.5	-
EC	Nov	1.9	-	-	0.5 jw	-	-	109.1	-
OECD	Dec	1.9 h	-	-	-	-	-	-	-
IMF	Oct	1.7	-	-	-	-	-	-	-
Average of forecasts made in the last 3 months									
Independent		2.3	2.7	2.7	2.1	82.5	0.55	107.8	4.0
New (marked *)		2.5	2.8	2.8	2.1	82.4	0.57	107.0	4.8
City		2.3	2.6	2.6	2.0	82.5	0.50	108.1	2.7
Range of forecasts made in the last 3 months									
Highest		3.3	3.6	3.8	3.5	86.8	1.50	121.7	7.0
Lowest		1.7	1.7	1.8	0.7	74.4	0.50	85.0	1.5
Median		2.4	2.7	2.8	2.2	83.3	0.50	110.0	3.9
OBR	**Dec**	**2.3**	**2.5**	**2.8**	**2.2**	**83.6**	**0.50**	**106.4**	**-**

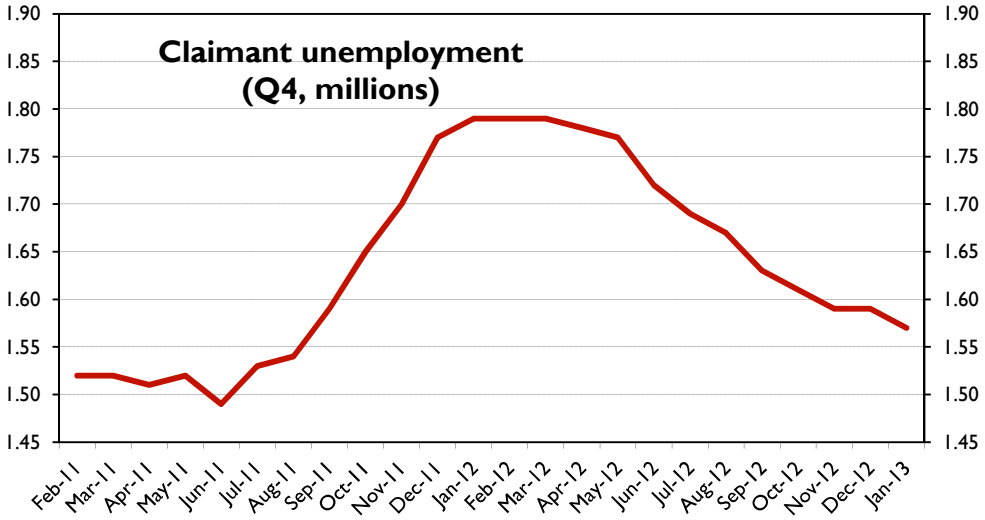
Table 6 - 2013: Growth in other selected variables (% change)

Forecasters and dates of forecasts		House price inflation (Q4)	Real household disposable income	Employment growth	Claimant unemployment (Q4,millions)	Manufacturing output	World trade in goods and services	Current account (£bn)	Size of APF purchases (£bn)	PSNB (£bn 2013-14)
City forecasters										
Bank of America - Merrill Lynch	Oct	-4.0	-	-	8.60 q	1.2	-	-32.0	425.0	115.0
Barclays Capital	Jan *	1.6 y	0.3	0.3	1.61	-0.1	-	-49.5	-	97.3
Capital Economics	Jan *	-5.0 y	-0.5	-1.0	1.80	-1.0	3.0	-35.0	500.0	110.0
Citigroup	Jan *	-1.1 k	-0.5	0.7	1.48	-0.6	-	-52.3	450.0	108.3
Commerzbank	Jan *	-0.1 y	2.1	0.7	1.58	-1.5	3.4	-40.8	-	107.0
Credit Suisse	Jan *	-	-	-	-	-	-	-40.2	-	-
Daiwa Capital Markets	Jan *	-	-	-	1.50	-	-	-35.0	-	-
Deutsche Bank	Jan *	-1.8 xy	1.7	-	1.61	0.1	-	-70.0	375.0	110.0
Fathom Consulting	Jan *	-3.3	-0.4	0.5	1.72	-	-	-45.0	475.0	97.0
Goldman Sachs	Jan *	-	-	0.7	1.57	3.4	-	-54.0	-	87.0
HSBC	Jan *	-	-	-	-	-0.1	-	-	-	-
ING Financial Markets	Dec	2.0 x	1.3	0.5	1.58	1.5	-	-48.0	425.0	110.0
Lombard Street	Dec	2.0 k	0.0	-1.0 k	-	-	-	-46.1	475.0	120.0
Morgan Stanley	Jan *	-	0.1	0.5	-	-0.1	-	-	425.0	107.3
Nomura	Jan *	1.5 z	-	1.0	-	-1.0	-	-40.0	-	109.0
RBS Global Banking & Markets	Dec	-	0.8	0.3	1.70	-0.4	3.2	-36.0	375.0	105.0
Santander GBM	Dec	-	-	0.4	1.59	1.6	-	-58.7	375.0	114.2
Schroders Investment Management	Jan *	1.1 x	-	0.3	1.70	0.5	-	-50.0	450.0	95.0
Scotiabank	Jan *	0.5 y	-	0.4	1.55	0.4	-	-50.0	375.0	102.0
Societe Generale	Jan *	0.0 x	-	1.1	1.66	-0.6	-	-45.0	425.0	114.0
Standard Chartered Bank	Nov	-	-	-	1.62	-	-	-	-	110.0
UBS	Nov	-	-	-	1.63	1.1	-	-29.0	-	110.0
Non-City forecasters										
British Chambers of Commerce	Dec	1.4 x	-	1.2	1.70	-	3.3	-	375.0	110.0
Beacon Economic Forecasting	Jan *	3.2 z	-	0.7	1.52	1.1	5.8	-50.6	375.0	114.7
Cambridge Econometrics	Jan *	-	-	0.6	1.50 h	0.2	2.8 t	-49.7	-	-
CBI	Nov	0.0 z	0.8	0.2	1.56	1.2	-	-48.3	375.0	114.0
CEBR	Jan *	1.5 z	0.7	0.7	1.60	1.2	2.6	-40.0	450.0	105.7
Economic Perspectives	Jan *	2.0 x	-0.5	0.5	1.80	2.2	5.0	-35.0	375.0	120.0
Experian Economics	Jan *	0.4 z	0.6	-0.1	1.62	2.2	-	-40.1	-	106.9
EIU	Jan *	-	0.4	0.2	1.70	0.3	-	-54.9	425.0	114.3
IHS Global Insight	Jan *	0.0 x	0.8	0.6	1.65	0.8	-	-45.0	425.0	96.0
ITEM Club	Jan *	0.6 z	0.6	0.4	1.65	1.0	3.5	-44.0	-	100.5
Liverpool Macro Research	Jan *	-	-	-	1.26	-	-	-32.5	-	97.1
NIESR	Nov	-2.5 hz	1.3	0.3	2.63 hp	-	4.9	-18.5	-	125.5
Oxford Economics	Jan *	-0.6 z	0.8	0.0	1.62	-0.3	3.8	-52.3	375.0	100.1
EC	Nov	-	-	0.5	8.00 hq	-	-	2.2 a	-	-6.9 a ab
OECD	Dec	-	-	0.4 k	8.01 hq	-	-	-3.5 a	-	-6.9 k
IMF	Oct	-	-	-	8.11 hq	-	-	-68.6 k	-	117.0 h
Average of forecasts made in the last 3 months										
Independent		0.3	0.5	0.4	1.61	0.5	3.9	-44.5	415.0	107.3
New (marked *)		0.0	0.4	0.4	1.61	0.4	3.9	-45.7	421.4	104.7
City		-0.2	0.5	0.5	1.62	0.2	3.2	-45.8	427.1	106.3
Range of forecasts made in the last 3 months										
Highest		3.2	2.1	1.2	1.80	3.4	5.8	-18.5	500.0	125.5
Lowest		-5.0	-0.5	-1.0	1.26	-1.5	2.6	-70.0	375.0	87.0
Median		0.5	0.6	0.5	1.62	0.4	3.5	-45.0	425.0	108.7
OBR	Dec	1.1 z	0.4	-	1.69	-	4.4	-41.5	-	99.0

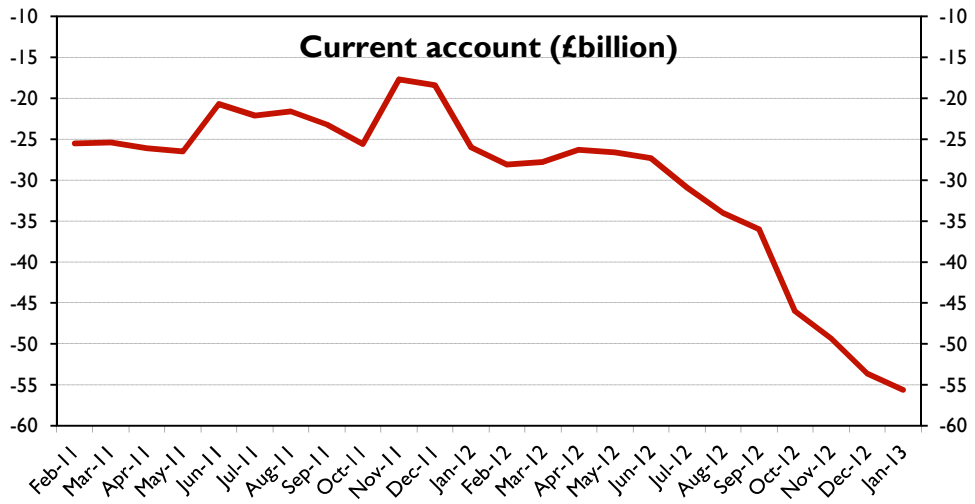
Average of independent forecasts for 2012; GDP growth, CPI and RPI inflation and claimant unemployment

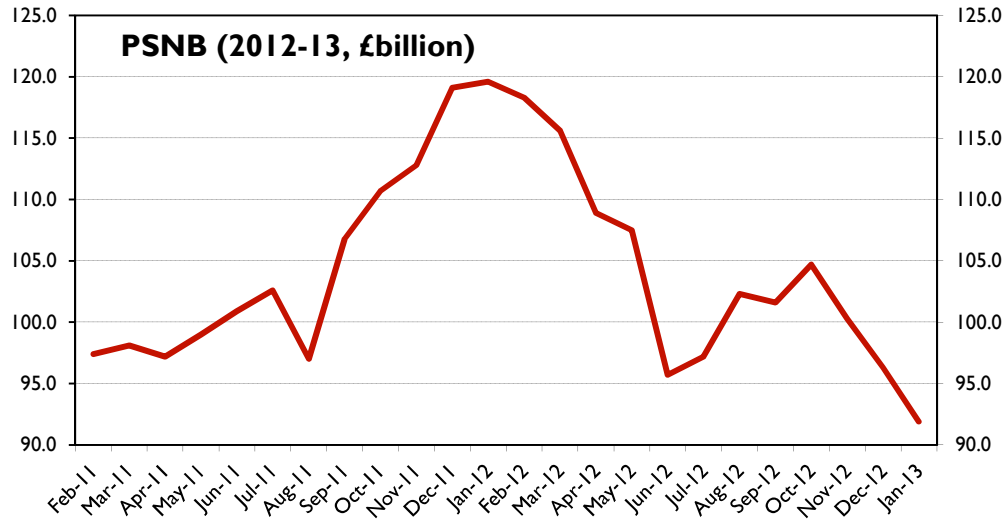




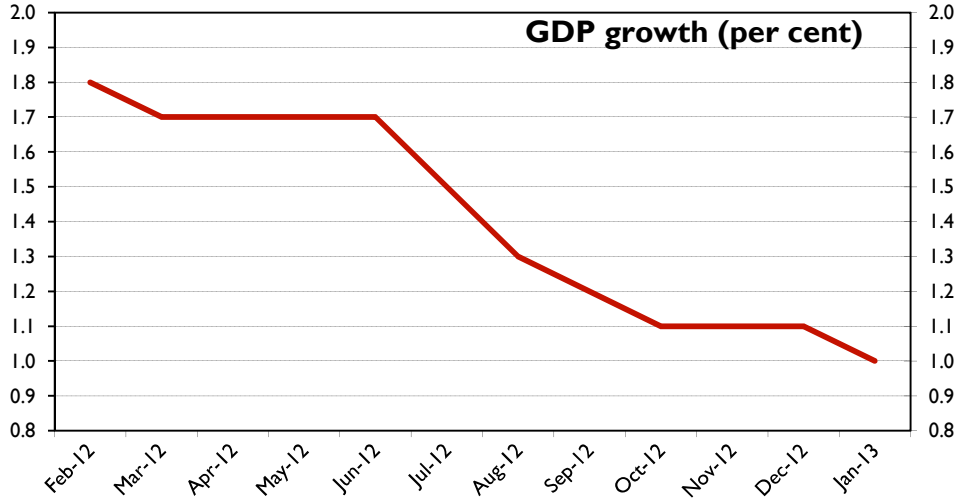


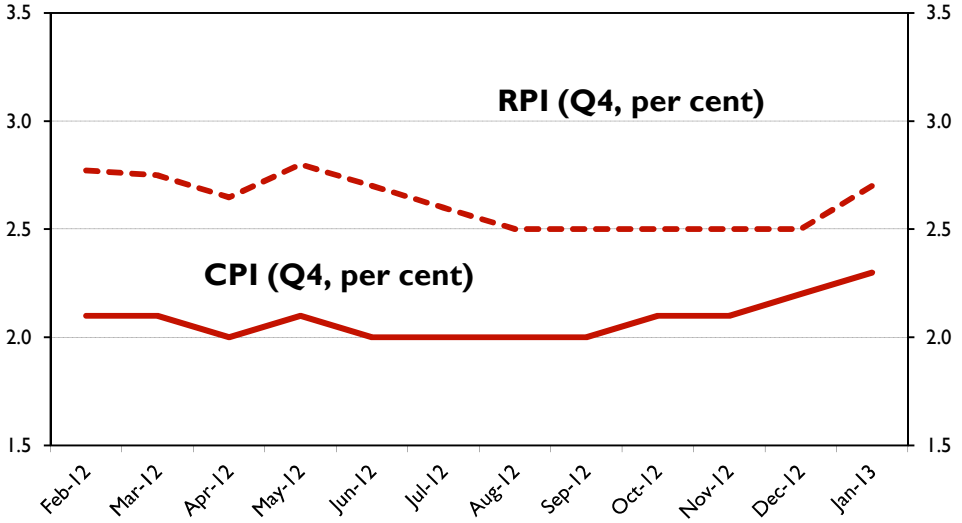
Average of independent forecasts for 2012; Current account and PSNB (2012-13)

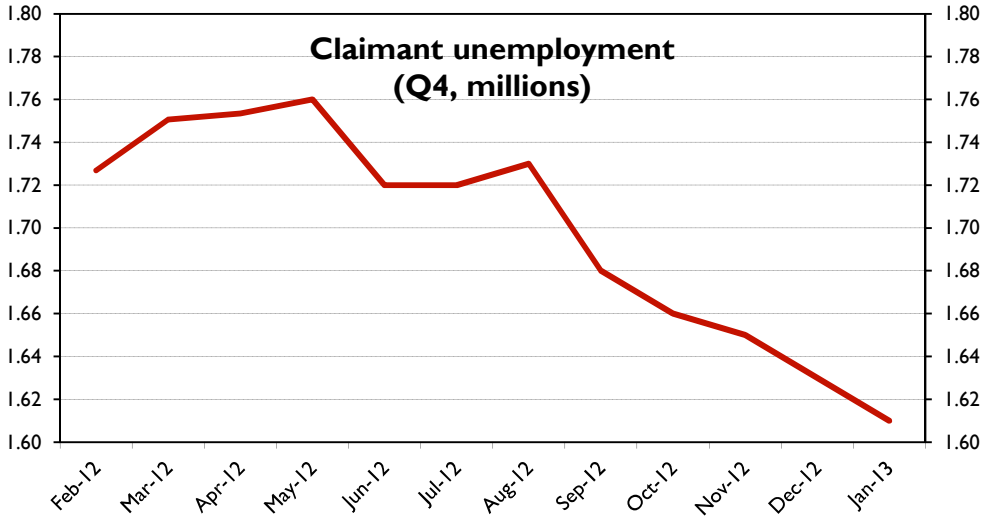




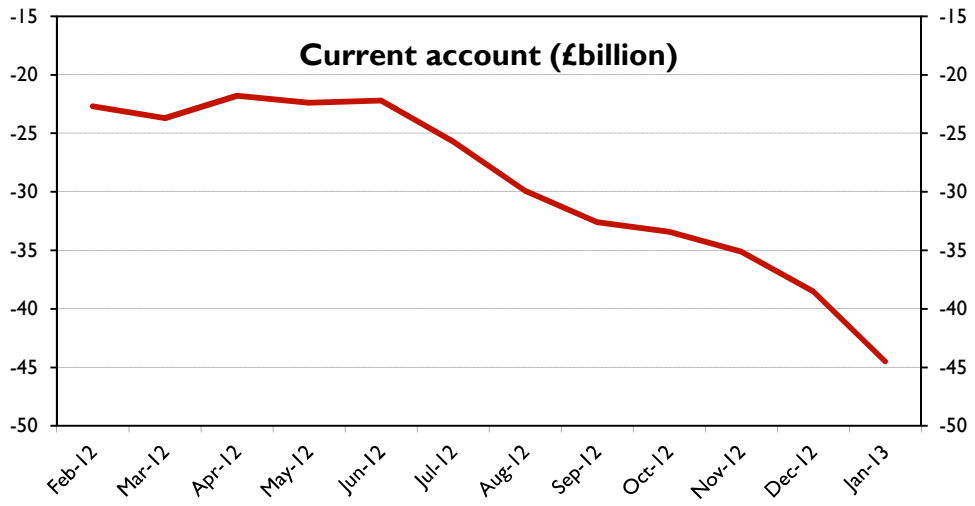
Average of independent forecasts for 2013; GDP growth, CPI and RPI inflation and claimant unemployment

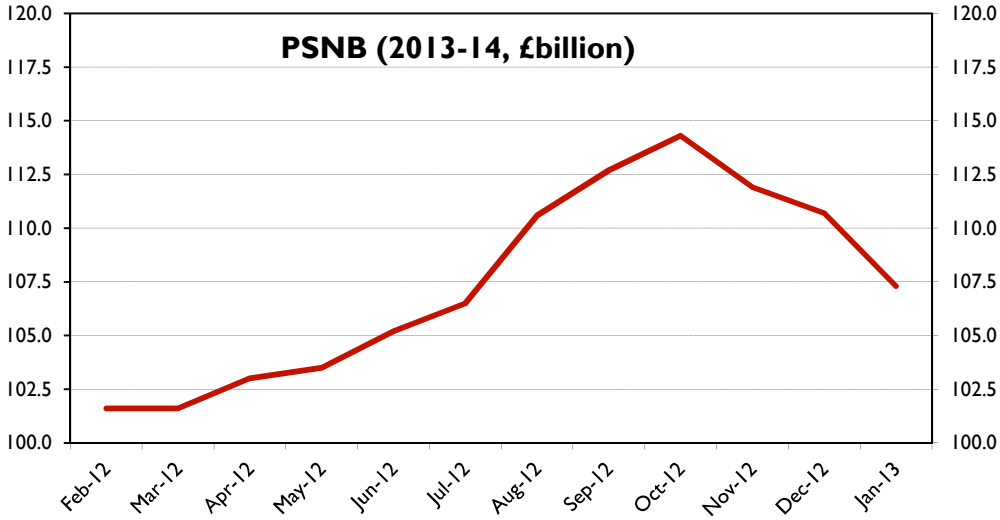




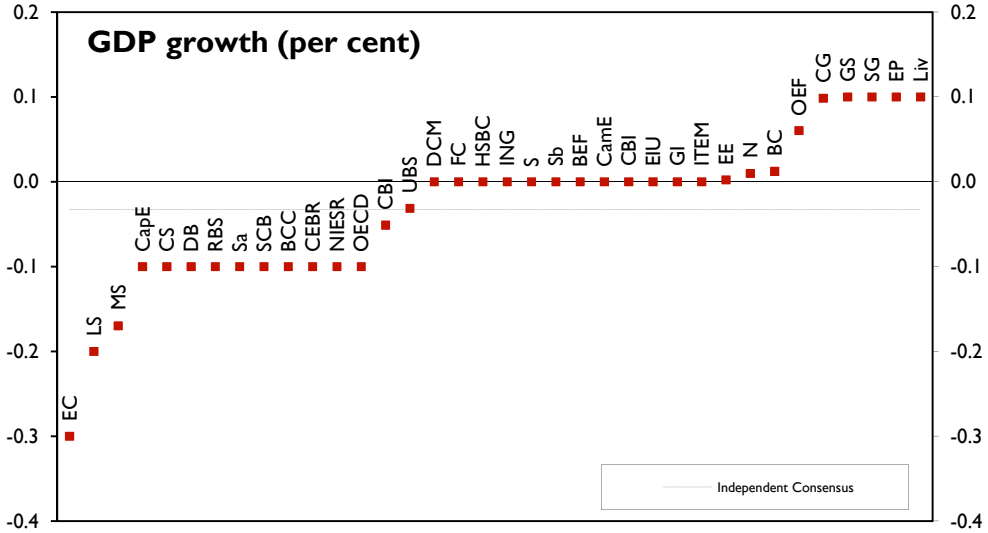


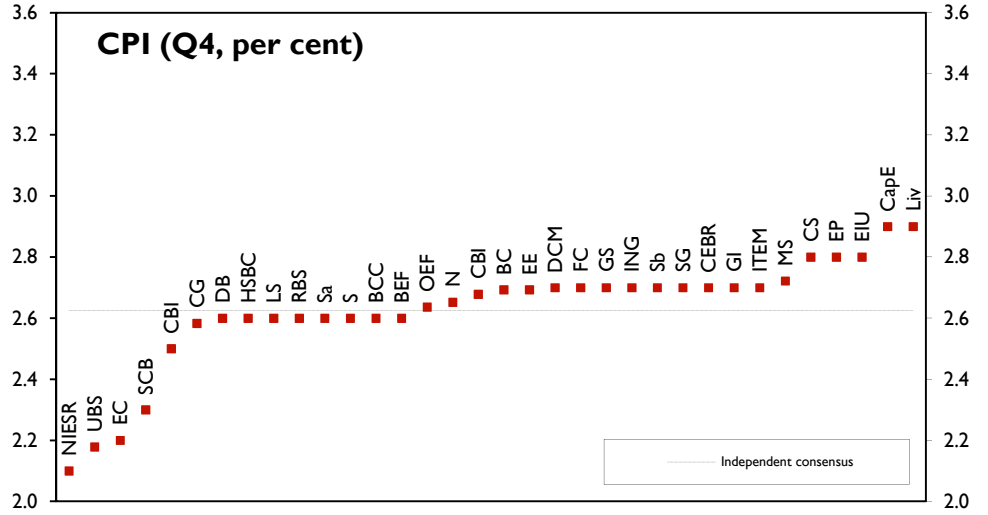
Average of independent forecasts for 2013; Current account and PSNB (2013-14)

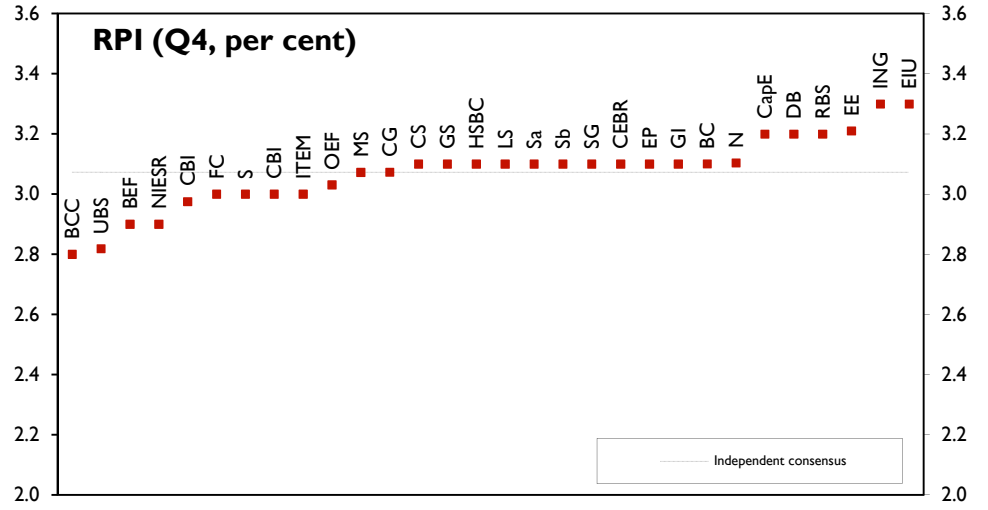




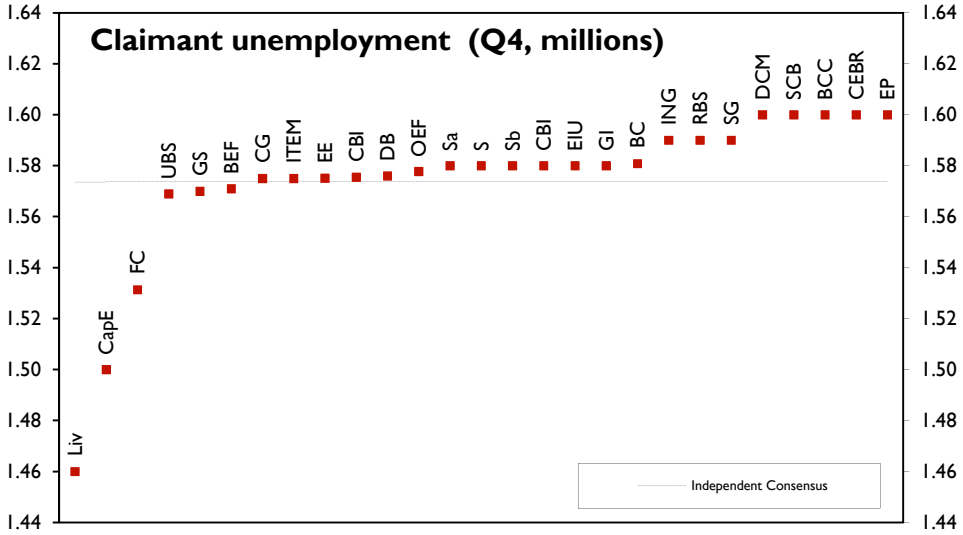
Dispersion around the independent consensus for 2012; GDP growth, CPI and RPI inflation made in the last 3 months

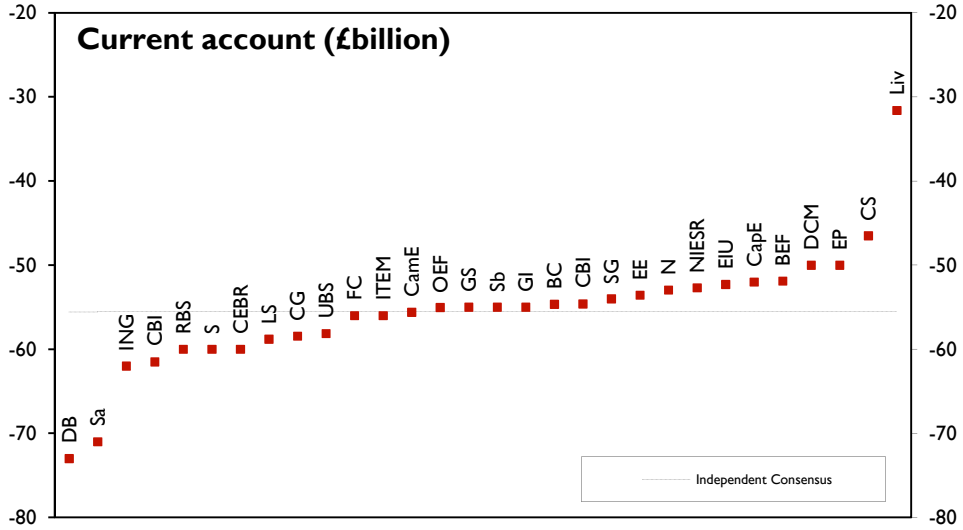


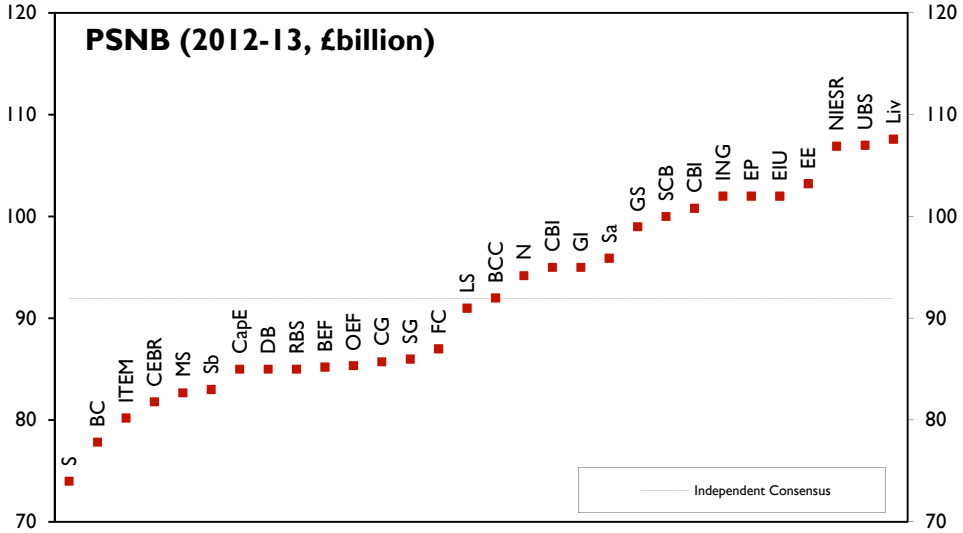




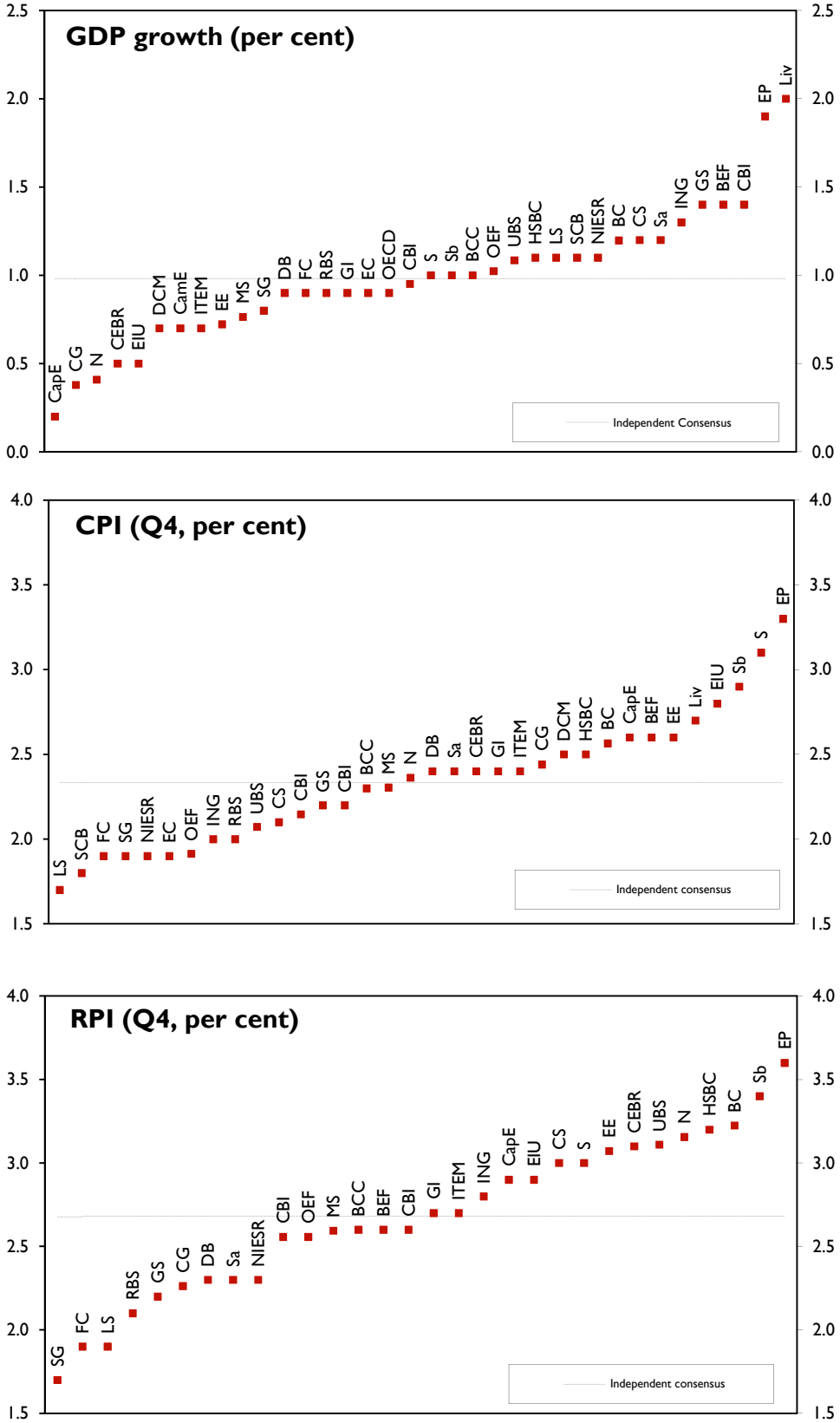
Dispersion around the independent consensus for 2012; Claimant unemployment, current account and PSNB (2012-13) made in last 3 months



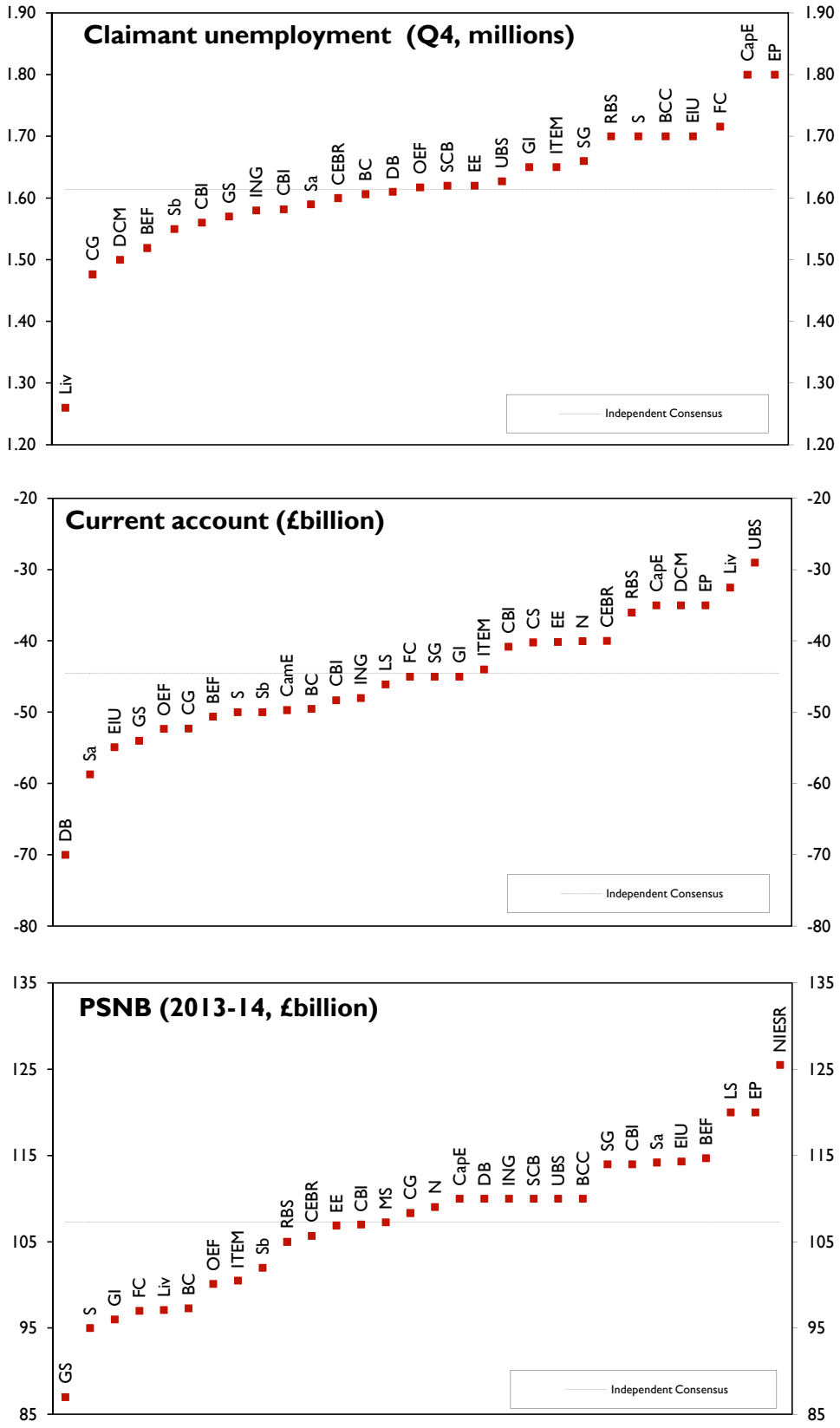




Dispersion around the independent consensus for 2013; GDP growth, CPI and RPI inflation made in the last 3 months



Dispersion around the independent consensus for 2013; Claimant unemployment, current account and PSNB (2013-14) made in last 3 months



Annex 1: Forecasting institutions referred to in charts and tables

BoA	Bank of America - Merrill Lynch
BC	Barclays Capital
BCC	British Chambers of Commerce
BEF	Beacon Economic Forecasting
BP	BNP Paribas
CamE	Cambridge Econometrics
CapE	Capital Economics
CG	Citigroup
CBI	Confederation of British Industry
CEBR	Centre for Economics and Business Research
CB	Commerzbank
DCM	Daiwa Capital Markets
DB	Deutsche Bank
EBS	Experian Business Strategies (previously BSL)
EC*	European Commission
EIU	Economist Intelligence Unit
EP	Economic Perspectives
GI	IHS Global Insight
GS	Goldman Sachs
HSBC	HSBC Global Research
ING	ING Financial Markets
IMF*	International Monetary Fund
ITEM	ITEM Club
JPM	JP Morgan Chase
Liv	Liverpool Macro Research
LS	Lombard Street Research
MS	Morgan Stanley
NIESR	National Institute of Economic and Social Research
OECD*	Organisation for Economic Cooperation and Development
OEF	Oxford Economic Forecasting
RBS	Royal Bank Of Scotland Global Banking & Markets
Sa	Santander
S	Schroders Investment Management
SC	Scotia Capital
SG	Societe Generale
SCB	Standard Chartered Bank
UBS	UBS

* Forecasts from the EC, IMF and OECD are updated when a full forecast is produced.

Annex 2: Data definitions

GDP	National accounts, Table C2, Code ABMI
Private consumption	Households + NPISH, National accounts, Table C2, Code ABJR+HAYO
General government consumption	National accounts, Table C2, Code NMRY
Gross fixed investment	National accounts, Table C2, Code NPQT
Change in inventories	National accounts, Table C2, Code CAFU
Domestic demand	National accounts, Table C2, Code YBIM
Exports (goods and services)	National accounts, Table C2, Code IKBK
Imports (goods and services)	National accounts, Table C2, Code IKBL
Output Gap	The gap between actual output and trend (or potential) output, expressed as a percentage of trend (or potential)
CPI (Q4)	Consumer Price Indices release, Table 1, Code D7G7
RPI (Q4)	Consumer Price Indices release, Table 1, Code CZBH
RPIX (Q4)	Consumer Price Indices release, Table 1, Code CDKQ
Whole Economy Average Weekly Earnings (Total Pay)	Labour market statistics, Table 15
Sterling index (Q4, Jan 2005=100)	Bank of England Monetary and Financial statistics division Code BK67
Official Bank Rate (Q4)	(Previously Bank of England repo rate (Q4)), Code BEDR
Oil price ($ per barrel)	Brent crude, annual average
M4 growth excluding intermediate OFCs	Bank of England Monetary and Financial statistics division Code VWVP, calendar year (previously financial year)
House price inflation	Q4 on Q4 annual percentage change in house prices
RHDI	National accounts, Table J2, Code NRJR
Employment growth	Workforce jobs, Labour market statistics, Table 4, Code DYDC
Claimant unemployment (Q4, mn)	Labour market statistics, Table 10, Code BCJD
Manufacturing Output	National accounts, Table B1, Code CKYY
World trade in goods and services	
Current account (£bn)	Balance of payments release, Table A, Code HBOP
Size of APF purchases (£bn)	http://www.bankofengland.co.uk/markets/apf/index.htm
Public Sector Net Borrowing	Public sector finances release, Table PSF 1 / Public sector accounts, Table PSAT 1, Code ANNX

Annex 3: Notation used in tables

a: as a percentage of GDP
b: non-durable consumption
c: consumer expenditure less expenditure on durables and housing
d: private sector investment, stockbuilding and durable consumption
e: investment and stockbuilding combined
f: contribution to GDP growth - percentage points
g: end period
h: calendar year
i: financial year
j: compensation of employees/head
k: different definitions; refer to forecasters for details
l: 3 month interbank rate
m: general government current and capital expenditure plus stockbuilding
n: average of spot price of Brent crude and Dubai light crude
o: world trade in manufacturing
p: ILO unemployment - millions
q: ILO unemployment rate
r: PSNCR (Formerly PSBR)
s: PSNB including the effect of financial interventions
t: world GDP
u: OPEC average
v: final domestic demand
w: percentage change
x: based on Halifax house price index
y: based on Nationwide house price index
z: based on CLG house price series
aa: claimant unemployment rate
ab: treaty deficit
ac: PSNB adjusted to include the transfer of Royal Mail's pension fund
ad: M4 growth

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