

Forecasts for the UK Economy

A comparison of independent forecasts

Compiled by Economic Assessment Team

September 2003

www.hm-treasury.gov.uk/forecasts



CONTENTS

Page 3	: Summary Page
Page 4	: Table 1 - 2003: Growth in GDP and its components (% change)
Page 5	: Table 2 - 2003: Growth in prices and monetary indicators (% change)
Page 6	: Table 3 - 2003: Growth in other selected variables (% change)
Page 7	: Table 4 - 2004: Growth in GDP and its components (% change)
Page 8	: Table 5 - 2004: Growth in prices and monetary indicators (% change)
Page 9	: Table 6 - 2004: Growth in other selected variables (% change)
Page 10	: Average of independent forecasts for 2003; GDP growth, RPI & RPIX Inflation and Claimant Unemployment
Page 11	: Average of independent forecasts for 2003; Current account and PSNB (2003-04, £billion)
Page 12	: Average of independent forecasts for 2004; GDP growth, RPI & RPIX Inflation and Claimant Unemployment
Page 13	: Average of independent forecasts for 2004; Current account and PSNB (2004-05, £billion)
Page 14	: Range of Forecasts for 2003; GDP, RPIX and Claimant Unemployment (millions) made in last 3 months
Page 15	: Range of Forecasts for 2003; Current Account (£bn) and PSNB (2003-04, £bn) made in last 3 months
Page 16	: Range of Forecasts for 2004; GDP, RPIX and Claimant Unemployment (millions) made in last 3 months
Page 17	: Range of Forecasts for 2004; Current Account (£bn) and PSNB (2004-05, £bn) made in last 3 months
Page 18	: ANNEX 1: Forecasting institutions referred to in charts and tables
Page 19	: ANNEX 2: Data Definitions
Page 20	: ANNEX 3: Notation used in tables
Page 21	: ANNEX 4: Organisation Contact Details

Please note that Forecasts for the UK Economy is a summary of published material reflecting the views of the forecasting organisations themselves and does not in any way provide new information on the Treasury's own views. It contains only a selection of forecasters, which is subject to review. No significance should be attached to the inclusion or exclusion of any particular forecasting organisation. HM Treasury accepts no responsibility for the accuracy of material published in this comparison.

The averages and ranges in this document may be reproduced free of charge in any format or medium providing that it is reproduced accurately and not used in a misleading context. The data remain the copyright of those organisations providing it - permission to reproduce it must be sought from both HM Treasury and the providers of the original data.

Users should note that the Treasury crest (which incorporates the Royal Coat of Arms) may not be used or reproduced for any purpose without specific permission. Permission to use or reproduce the Treasury crest should be sought from HM Treasury.

Payment of the subscription fee is £75. Cheques should be made payable to "HM Treasury votes cash Account", and should be sent to Claire Coast-Smith, Public Enquiry Unit, 2/S2, HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ. Could fee paying subscribers direct enquiries to Claire Coast-Smith on 0207 270 4558. Free subscribers should contact Alex Tuckett on 020 7270 5404. "Forecasts for the UK Economy' is compiled and coordinated by Alex Tuckett. Please direct enquiries on the contents of this issue to Alex Tuckett (020 7270 5404).

The next edition will be published on 22nd October 2003. It will also be available on the Treasury's Internet site: <http://www.hm-treasury.gov.uk> under 'Economic Data and Tools'.

FORECASTS FOR THE UK ECONOMY
A comparison of independent forecasts, September 2003

This edition of the comparison contains 23 new forecasts, all of which were received between the 1st and 10th of September. The tables below summarise the average and range of independent forecasts for 2003 and 2004 and show the average of this month's new forecasts.

Forecasts for 2003	Independent ⁺				Average of new* forecasts
	Averages		September range		
	September	August	Lowest	Highest	
GDP growth (per cent)	1.8	1.8	0.8	2.1	1.8
Inflation rate (Q4: per cent)					
- RPI	2.6	2.5	2.1	3.2	2.5
- RPI ex MIPs	2.6	2.5	2.0	3.0	2.6
Claimant unemployment (Q4: mn)	0.98	0.99	0.92	1.09	0.97
Current account (£bn)	-15.3	-16.7	-36.8	-5.1	-16.0
PSNB (2003-04: £bn)	31.5	31.5	24.6	35.0	31.8

Forecasts for 2004	Independent ⁺				Average of new* forecasts
	Averages		September range		
	September	August	Lowest	Highest	
GDP growth (per cent)	2.4	2.4	-0.2	3.1	2.4
Inflation rate (Q4: per cent)					
- RPI	2.6	2.7	1.7	3.6	2.7
- RPI ex MIPs	2.3	2.3	1.5	3.0	2.3
Claimant unemployment (Q4: mn)	1.00	1.02	0.81	1.22	0.99
Current account (£bn)	-20.5	-20.7	-43.4	1.5	-22.1
PSNB (2004-05: £bn)	34.3	33.8	27.0	47.0	34.3

+ Independent and City averages, and the range of forecasts, are based on forecasts made in the last three months (September: 23 Institutions, August: 10 Institutions, July: 2 Institutions)

*Based on new forecasts received for the comparison this month

Note: All the averages exclude non-standard entries (see footnotes a to rr)

Table 1 - 2003: Growth in GDP and its components (% change)

Sep 2003 Comparison

Forecasters & dates of forecasts		GDP	Private Consumption	Government Consumption	Fixed Investment	Change in Inventories (£bn)	Domestic Demand	Total Exports	Total Imports	Net Trade Contribution
City Forecasters										
ABN AMRO	Apr	1.4	2.3	4.1	-0.6	0.2	2.3	0.6	3.1	-1.0
Bank of America	Sep *	1.7	2.9	4.4	-0.4	3.2	2.8 kk	-1.5	2.3	-1.4
Barclays Capital	Sep *	2.0	2.8	3.6	0.8	3.9	3.1	-1.6	1.9	-1.3
Bridgewell	Sep *	1.3	2.5	4.6	-1.2	0.7	2.3	-1.4	1.7	-1.2
Capital Economics	Sep *	1.8	2.5	3.7	0.5	3.3	2.8	-1.5	2.0	-1.0
Citigroup	Sep *	1.9	3.5	4.4	0.6	1.6	3.3	-1.0	3.4	-1.5
Credit Lyonnais	Aug	1.8	2.7	4.4	0.1	0.4	2.5	0.3	2.5	-0.9
Credit Suisse First Boston	Sep *	2.1	3.3	5.1	-0.3	2.4	3.2	-1.3	2.5	-1.4
Daiwa Institute of Research	Sep *	1.6	3.0	4.3	-0.2	0.5	2.7	-1.3	2.3	-1.7
Deutsche Bank	Sep *	1.8	3.2	4.7	-0.2	2.0	3.1	-1.4	2.7	-1.5
Economic Perspectives	Aug	0.8	2.1	4.2	-1.7	-1.5	1.6	-1.6	0.9	-0.9
Fortis Bank	Apr	2.0	2.3	3.6	2.5	3.7	3.0	-0.5	2.7	-1.1
Goldman Sachs	Jul	1.8	2.6	2.9	-0.5	0.0 h	2.1	0.0	1.2	-0.5
Hermes	Aug	1.9	2.8	3.7	0.7	2.5	2.9	-0.2	3.0	-1.2
HSBC Economics and Strategy	Aug	1.7	2.5	4.0	0.9	0.5	2.3	0.4	2.1	-0.9
ING Financial Markets	Sep *	1.7	3.1	4.7	-0.1	2.6	3.2	-1.6	3.0	-1.7
ISIS Asset Management plc	Jun	2.2	2.5	4.5	1.0	4.2	2.6	-0.2	3.1	-1.3
J P Morgan	Sep *	1.9	3.3	4.8	-0.4	-	3.7	-1.0	2.3	-1.3
Lehman Brothers	Sep *	2.0	3.0	4.1	-0.1	2.7	3.0	-1.6	1.7	-1.2
Lombard Street	Sep *	1.9	2.7	3.8	0.5	2.0	2.8	1.0	2.5	-0.8
Morgan Stanley	Sep *	1.7	2.9	4.3	-0.6	-	2.6	-1.4	2.4	-1.4
RBSFM	Aug	1.8	2.8	5.0	-0.7	0.8	2.6	-0.2	2.4	-0.8
Schroders Investment Management	Sep *	1.7	2.9	4.1	0.6	2.6	3.0	-1.5	2.5	-1.5
Standard Chartered Bank	Sep *	1.8	3.1	4.6	0.0	1.7	2.9	-1.8	2.1	-1.4
UBS	Sep *	1.7	2.9	4.8	-0.7	3.1	3.0	-2.1	2.1	-1.6
WestLB AG	Aug	1.7	2.2	4.4	0.5	0.9	2.6	1.2	3.2	-0.9
Williams de Broe	Sep *	1.8	2.7	4.6	1.2	2.3	3.0	0.1	3.7	-1.6
Non-City Forecasters										
Cambridge Econometrics	Sep *	1.8	3.1	4.4	-0.3	1.8	2.9	-1.4	2.2	-1.4
CBI	Sep *	1.8	2.3	3.5	1.1	0.9	2.4	-0.9	0.1	-0.3
CEBR	Sep *	1.9	2.2	2.3	0.3	4.0	2.3	0.2	2.3	-
Economy.com	Jun	1.8	2.7	4.0	-0.3	-0.1	1.8	1.0	2.5	-0.8
Experian Business Strategies	Aug	1.8	2.8	4.1	1.5	1.6	3.0	-1.6	-0.9	-0.2
EIU	Jan	1.9	1.8	3.3	1.0	-	2.0	2.1	2.3	-0.2
Global Insight	Aug	1.8	2.8	2.7	1.1	-	2.9	-0.3	2.8	-
ITEM Club	Aug	1.7	2.2	4.4	0.2	0.0	2.4	0.0	1.8	-1.1
Liverpool Macro Research	Sep *	1.7	3.8 c	4.0 d	-0.9 e	-	-	-	-	-
NIESR	Aug	1.9	2.2	3.4	2.3	0.4	2.4	-0.1	1.6	-0.6
OEF	Sep *	1.7	3.2	4.7	-0.1	2.6	3.1	-2.1	2.2	-1.6
EC	May	2.2	2.3	4.0	3.4	-0.5	2.8	1.9	3.6	-0.8
OECD	May	2.1	2.2	2.1	1.9	0.3 h	2.4	2.1	2.9	-0.5
IMF	Sep *	1.8	2.4	-	1.5	0.3 g	1.3	-0.6	2.5	-
Average of Forecasts made in the last 3 months										
Independent		1.8	2.8	4.1	0.2	1.8	2.7	-0.8	2.2	-1.2
New (marked *)		1.8	2.9	4.3	0.1	2.3	2.8	-1.2	2.3	-1.3
City		1.7	2.8	4.3	0.0	1.8	2.7	-0.9	2.4	-1.2
Range of Forecasts made in the last 3 months										
Highest		2.1	3.5	5.1	2.3	4.0	3.3	1.2	3.7	-0.2
Lowest		0.8	2.1	2.3	-1.7	-1.5	1.3	-2.1	-0.9	-1.7
Median		1.8	2.8	4.4	0.1	1.9	2.8	-1.3	2.3	-1.3
HM Treasury	Apr	2 to 2½	2½ to 3	3%	4¼ to 4¾	-0.3 to 0.2	3 to 3½	1¼ to 1½	4 to 4¼	-1¼

Table 2 - 2003: Growth in prices and monetary indicators (% change)

Sep 2003 Comparison

Forecasters & dates of forecasts		RPI (Q4)	RPIX (Q4)	Average Earnings	Sterling Index (Q4)	Bank of England Repo Rate (Q4,%)	Oil price (\$)	M4
City Forecasters								
ABN AMRO	Apr	2.0	2.6	3.8	99.5	2.75	24.8	-
Bank of America	Sep *	2.7	2.7	3.2	-	3.25	28.5	-
Barclays Capital	Sep *	2.4	2.5	3.8	99.8	3.50	-	-
Bridgewell	Sep *	3.2	3.0	3.8	97.5	3.75	-	7.0
Capital Economics	Sep *	2.3	2.4	3.0	99.2	3.00	25.1	8.0
Citigroup	Sep *	2.5	2.6	3.4	97.5	3.50	25.0	-
Credit Lyonnais	Aug	2.6	2.7	3.7	100.0	3.25	27.0	-
Credit Suisse First Boston	Sep *	-	2.8	-	-	3.50	-	-
Daiwa Institute of Research	Sep *	2.5	2.7	3.8	99.6	3.50	28.4	-
Deutsche Bank	Sep *	2.7	2.7	3.3	98.5	3.50	-	6.5
Economic Perspectives	Aug	2.2	2.1	3.5	97.0	3.25	26.0	7.0
Fortis Bank	Apr	2.3	2.4	4.0	101.3	3.75	26.0	-
Goldman Sachs	Jul	3.0	2.8	3.9	97.0	3.50	27.9	7.8
Hermes	Aug	2.5	2.5	3.8	95.0	3.50	-	-
HSBC Economics and Strategy	Aug	2.7	2.7	3.4	96.7	3.25	28.0	-
ING Financial Markets	Sep *	2.6	2.7	-	-	3.50	-	-
ISIS Asset Management plc	Jun	2.6	2.5	3.5	-	3.50	-	-
J P Morgan	Sep *	2.2	2.4	-	-	3.50	-	-
Lehman Brothers	Sep *	2.7	2.8	3.3	99.0	3.50	-	-
Lombard Street	Sep *	2.7	2.6	3.8	97.0	3.50	25.0	8.5
Morgan Stanley	Sep *	2.7	2.9	3.4	-	3.25 j	-	-
RBSFM	Aug	2.2	2.4	3.8	97.3	3.50	27.7	-
Schroders Investment Management	Sep *	2.6	2.6	3.2	-	3.50	-	-
Standard Chartered Bank	Sep *	2.3	2.4	3.4	97.0	3.50	26.5	7.0
UBS	Sep *	2.6	2.5	3.9	99.0	3.50	26.5	5.5
WestLB AG	Aug	3.1	2.5	3.2	101.0	3.50	25.0	6.0
Williams de Broe	Sep *	2.6	2.9	3.6	99.3	3.50	28.2	6.9
Non-City Forecasters								
Cambridge Econometrics	Sep *	2.6 k	2.8 k	3.4 n	103.6 k	3.70 ks	25.9	-
CBI	Sep *	2.4	2.5	3.8	99.5	3.50	26.3	-
CEBR	Sep *	2.1	2.0	4.3	102.5	3.42	28.4	4.0
Economy.com	Jun	3.2	3.2	3.5	99.0	3.90	26.5	6.6
Experian Business Strategies	Aug	2.5	2.6	4.0	99.0	3.50	27.1	-
EIU	Jan	2.6	2.3	3.8	103.9	4.25	24.5	-
Global Insight	Aug	-	2.8	3.3	-	3.50	-	6.2
ITEM Club	Aug	2.5	2.5	3.8	99.7	3.60	30.0	7.5
Liverpool Macro Research	Sep *	-	2.5	2.8	108.9	3.50	-	-
NIESR	Aug	2.5	2.5	-	99.5	3.54 s	25.4 ii	-
OEF	Sep *	2.6	2.7	3.6	99.7	3.50	28.6	6.9
EC	May	2.5 a	1.1 ak	4.5 n	-	-	27.6	-
OECD	May	1.8 kl	3.1 k	4.5 n	-	3.80 ks	-	-
IMF	Sep *	-	2.9	-	-	-	-	-
Average of Forecasts made in the last 3 months								
Independent		2.6	2.6	3.6	99.0	3.46	27.1	6.8
New (marked *)		2.5	2.6	3.5	99.6	3.47	26.9	6.7
City		2.6	2.6	3.5	98.2	3.45	26.8	7.0
Range of Forecasts made in the last 3 months								
Highest		3.2	3.0	4.3	108.9	3.75	30.0	8.5
Lowest		2.1	2.0	2.8	95.0	3.00	25.0	4.0
Median		2.6	2.6	3.6	99.0	3.50	27.1	7.0
HM Treasury	Apr	-	2%	-	-	-	-	-

Table 3 - 2003: Growth in other selected variables (% change)

Sep 2003 Comparison

Forecasters & dates of forecasts		Real Household Disposable Income	Employment	Claimant Unemployment (Q4, millions)	Manufacturing Output	World Trade in Manufactures	Current account (£bn)	PSNB (£bn 2003-04)
City Forecasters								
ABN AMRO	Apr	1.6	-0.4	1.00	0.0	2.0	-23.0	31.1
Bank of America	Sep *	-	-	-	0.0	-	-5.1	35.0
Barclays Capital	Sep *	1.9	0.0	0.99	0.0	-	-17.6	32.4 cc
Bridgewell	Sep *	1.3	-0.2	0.98	0.0	-	-29.3	33.7
Capital Economics	Sep *	1.2	0.0	1.00	0.0	3.0	-22.0	34.0
Citigroup	Sep *	1.5	0.5	0.92	-0.3	-	-14.0	34.2
Credit Lyonnais	Aug	-	-	0.97	-0.1	4.0	-11.4	35.0
Credit Suisse First Boston	Sep *	-	-	-	-	-	-12.0	33.0
Daiwa Institute of Research	Sep *	2.3	0.4	0.96	-	-	-11.7	31.1
Deutsche Bank	Sep *	2.0	-	0.99	-0.3	-	-8.2	33.0
Economic Perspectives	Aug	1.3	-0.3	1.00	-1.2	2.0	-27.0	32.0
Fortis Bank	Apr	2.0	0.5	3.10 x	-0.1	-	-16.0	27.0
Goldman Sachs	Jul	3.1	0.5	0.97	0.1	-	-9.8	34.7
Hermes	Aug	-	0.0	1.04	-	-	-18.0	-
HSBC Economics and Strategy	Aug	2.3	-0.3	1.04	-0.1	-	-18.0	33.0
ING Financial Markets	Sep *	-	-	-	-	-	-	-
ISIS Asset Management plc	Jun	-	-	0.97	0.9	-	-18.0	-
J P Morgan	Sep *	-	-	-	-0.4	-	-10.1	30.4
Lehman Brothers	Sep *	0.4	-0.5 rr	0.93	0.1	-	-13.2	34.0
Lombard Street	Sep *	2.3	0.1	0.95	-	-	-22.0	34.0
Morgan Stanley	Sep *	1.5	0.6	-	0.1	-	-	31.0
RBSFM	Aug	2.5	0.4	0.99	0.1	3.2	-17.2	32.2
Schroders Investment Management	Sep *	-	-	3.20 x	-0.3	-	-	30.6
Standard Chartered Bank	Sep *	2.5	-0.3	0.97	1.0	-	-18.0	30.0
UBS	Sep *	1.9	0.4	0.94	0.5	-	-5.1	30.0
WestLB AG	Aug	2.4	0.2	0.96	0.0	4.0	-8.0	32.0
Williams de Broe	Sep *	-	0.1	0.93	0.3	6.0	-19.4	32.0
Non-City Forecasters								
Cambridge Econometrics	Sep *	2.3	0.2	1.00 k	-0.2	1.7 hh	-21.0	30.5 kcc
CBI	Sep *	2.3	0.0	1.00	-0.1	5.4	-10.1	28.2
CEBR	Sep *	1.8	-0.5	1.02	-1.0	-	-18.9	24.6
Economy.com	Jun	2.7	0.5	0.93	-0.3	-	-39.3	35.1
Experian Business Strategies	Aug	2.3	0.3	0.99	-0.3	5.0	-8.3	25.8
EIU	Jan	2.1	-0.1	1.00	1.3	5.1	-16.1	-
Global Insight	Aug	-	0.6	-	-0.2	-	-10.9	28.4
ITEM Club	Aug	2.2	0.5	1.00	-0.1	3.7	-10.0	31.3
Liverpool Macro Research	Sep *	-	-	1.09	-	-	-36.8	25.4 cc
NIESR	Aug	1.5	0.2	0.99	-0.1	3.6 w	-	26.1
OEF	Sep *	2.2	0.4	0.96	-0.2	3.0	-10.0	33.5
EC	May	2.5	0.5	-	0.7	-	-14.3	26.9 ee
OECD	May	-	0.2	5.40 aa	-	-	-1.4 g	-
IMF	Sep *	-	0.6	5.30 aa	-	-	-2.0 g	-2.4 eeg
Average of Forecasts made in the last 3 months								
Independent		2.0	0.2	0.98	-0.1	3.9	-15.3	31.5
New (marked *)		1.8	0.2	0.97	0.0	4.4	-16.0	31.8
City		1.9	0.1	0.97	0.0	3.7	-15.1	32.6
Range of Forecasts made in the last 3 months								
Highest		3.1	0.6	1.09	1.0	6.0	-5.1	35.0
Lowest		0.4	-0.5	0.92	-1.2	2.0	-36.8	24.6
Median		2.2	0.2	0.99	-0.1	3.9	-13.2	32.0
HM Treasury	Apr	2 to 2½	-	-	¼ to ¾	4¼ w	-23¼	27

Table 4 - 2004: Growth in GDP and its components (% change)

Sep 2003 Comparison

Forecasters & dates of forecasts		GDP	Private Consumption	Government Consumption	Fixed Investment	Change in Inventories (£bn)	Domestic Demand	Total Exports	Total Imports	Net Trade Contribution
City Forecasters										
ABN AMRO	Apr	2.4	1.6	3.8	4.4	0.0	2.4	4.2	4.0	-0.2
Bank of America	Sep *	1.5	1.0	2.8	1.4	2.1	1.5 kk	3.8	2.7	0.2
Barclays Capital	Sep *	3.1	2.8	4.1	3.5	3.0	3.1	4.4	4.2	-0.3
Bridgewell	Sep *	1.6	1.5	2.8	0.4	-1.0	1.4	4.2	3.1	0.1
Capital Economics	Sep *	2.3	-0.5	4.5	3.5	1.7	0.8	4.5	0.0	1.5
Citigroup	Sep *	3.1	4.8	2.4	5.4	0.4	4.3	6.8	9.4	-1.3
Credit Lyonnais	Aug	2.6	2.3	3.0	4.5	1.8	3.0	5.0	5.7	-0.7
Credit Suisse First Boston	Sep *	2.8	3.8	4.7	4.1	2.0	3.3	4.5	5.3	-0.7
Daiwa Institute of Research	Sep *	2.9	2.0	3.8	2.5	0.5	2.4	7.0	4.7	0.3
Deutsche Bank	Sep *	2.5	2.9	3.7	3.5	2.4	3.2	4.3	5.8	-1.0
Economic Perspectives	Aug	-0.2	0.1	3.3	-2.4	-1.5	0.2	-0.6	0.6	-0.5
Fortis Bank	Apr	3.0	1.8	2.9	5.4	4.0	2.6	8.1	6.0	0.4
Goldman Sachs	Jul	2.9	2.3	2.9	2.5	0.1 h	2.6	6.9	5.4	0.1
Hermes	Aug	1.9	1.5	2.9	2.3	2.2	1.9	2.9	2.5	-0.1
HSBC Economics and Strategy	Aug	1.6	1.2	2.3	1.9	2.0	1.1	2.3	0.7	0.4
ING Financial Markets	Sep *	2.5	2.8	3.8	5.3	1.3	3.5	6.0	8.1	-1.4
ISIS Asset Management plc	Jun	2.2	1.5	4.4	2.8	4.0	2.2	7.7	4.0	0.1
J P Morgan	Sep *	2.9	3.0	4.5	3.5	-	3.7	5.7	2.9	0.6
Lehman Brothers	Sep *	2.3	2.5	2.9	0.3	4.4	2.4	5.1	4.8	-0.3
Lombard Street	Sep *	2.9	1.8	3.8	3.0	3.0	2.5	4.0	2.5	0.3
Morgan Stanley	Sep *	2.4	2.0	3.4	3.4	-	2.5	4.5	4.4	-0.3
RBSFM	Aug	3.1	2.7	4.2	4.8	1.0	3.3	6.5	6.5	-0.3
Schroders Investment Management	Sep *	2.2	1.4	4.0	3.9	2.0	2.2	3.6	3.2	-0.1
Standard Chartered Bank	Sep *	2.3	2.4	3.8	2.6	-0.1	2.5	1.9	2.5	-0.4
UBS	Sep *	2.0	2.2	4.0	1.0	0.2	2.3	2.2	2.9	-0.5
WestLB AG	Aug	2.5	2.3	4.2	3.7	0.8	3.1	6.3	6.2	-0.5
Williams de Broe	Sep *	2.5	1.5	3.6	8.3	1.8	3.0	10.5	10.1	-0.8
Non-City Forecasters										
Cambridge Econometrics	Sep *	2.5	2.6	2.5	3.2	0.6	2.5	5.9	5.3	-0.2
CBI	Sep *	2.4	1.7	3.5	2.5	1.7	2.2	4.4	3.4	0.0
CEBR	Sep *	1.7	1.7	2.6	1.3	5.1	1.3	4.5	2.5	-
Economy.com	Jun	2.8	2.9	2.5	2.0	2.6	2.5	4.8	4.2	-0.8
Experian Business Strategies	Aug	2.3	1.8	3.0	4.3	2.3	2.5	2.1	2.1	-0.2
EIU	Jan	2.3	1.3	2.8	2.4	-	2.4	4.9	4.8	-0.3
Global Insight	Aug	2.6	2.5	2.7	3.7	-	2.6	5.0	4.6	-
ITEM Club	Aug	2.5	2.2	4.0	2.9	0.0	2.7	5.9	3.4	-0.8
Liverpool Macro Research	Sep *	1.9	3.0 c	3.8 d	0.0 e	-	-	-	-	-
NIESR	Aug	2.7	1.5	3.7	4.9	1.5	2.5	5.2	4.2	0.0
OEF	Sep *	2.9	2.6	4.1	3.3	3.0	3.0	5.3	5.1	-0.4
EC	May	2.6	2.2	1.0	4.2	1.4	2.5	5.6	4.9	-0.1
OECD	May	2.6	2.3	2.8	6.7	0.4 h	3.4	8.4	9.6	-1.1
IMF	Sep *	2.3	2.1	-	2.4	-0.3 h	3.1	4.0	3.4	-
Average of Forecasts made in the last 3 months										
Independent		2.4	2.1	3.5	3.1	1.6	2.5	4.7	4.2	-0.2
New (marked *)		2.4	2.2	3.6	3.1	1.8	2.6	4.9	4.4	-0.2
City		2.3	2.1	3.6	3.0	1.4	2.5	4.7	4.3	-0.2
Range of Forecasts made in the last 3 months										
Highest		3.1	4.8	4.7	8.3	5.1	4.3	10.5	10.1	1.5
Lowest		-0.2	-0.5	2.3	-2.4	-1.5	0.2	-0.6	0.0	-1.4
Median		2.5	2.2	3.7	3.3	1.8	2.5	4.5	4.2	-0.3
HM Treasury	Apr	3 - 3½	2½ to 2¾	4	4¾ to 5¼	-0.5 to 0.9	3 to 3½	8¾ to 8¾	7¼ to 7¾	-¼

Table 5 - 2004: Growth in prices and monetary indicators (% change)

Sep 2003 Comparison

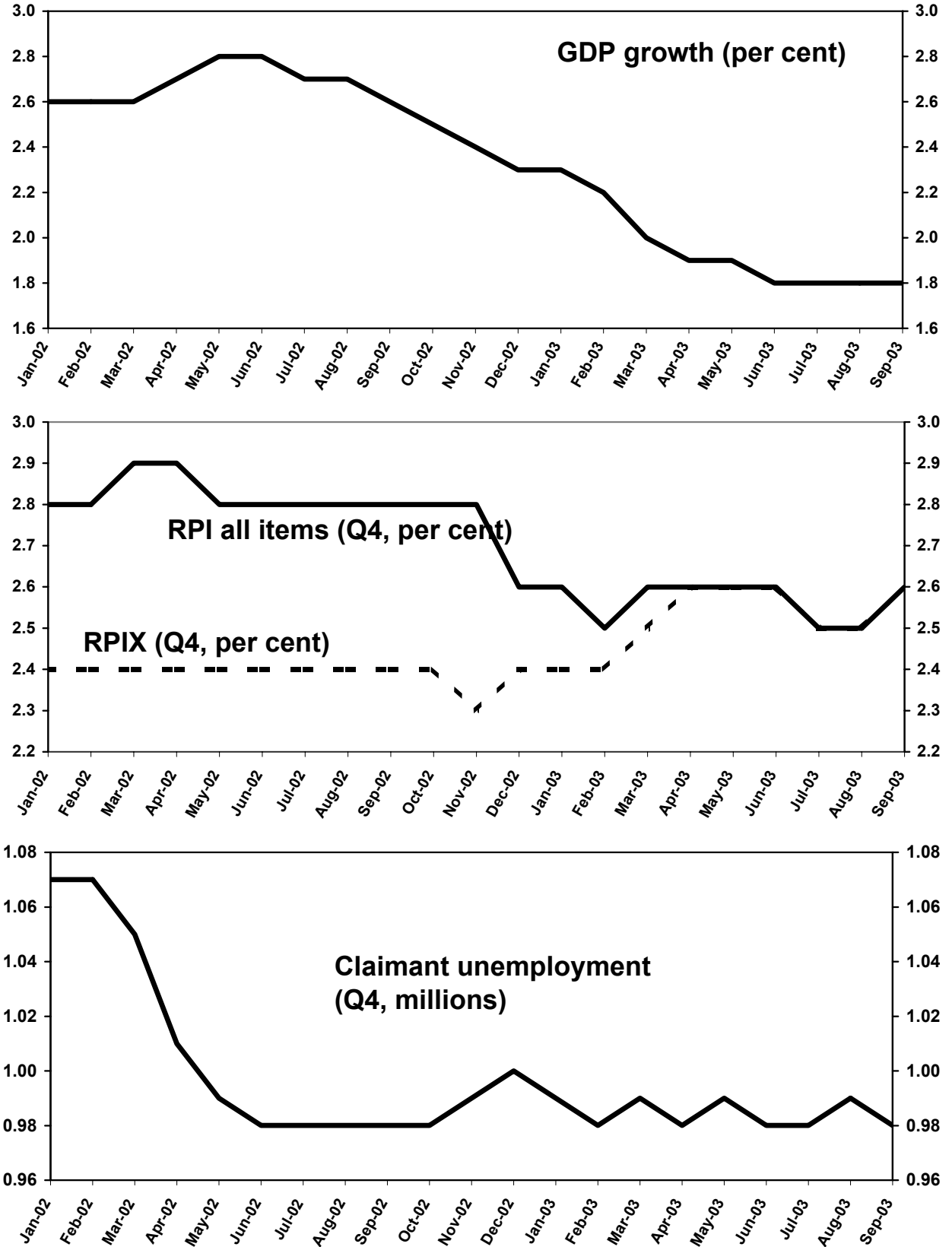
Forecasters & dates of forecasts		RPI (Q4)	RPIX (Q4)	Average Earnings	Sterling Index (Q4)	Bank of England Repo Rate (Q4,%)	Oil price (\$)	M4
City Forecasters								
ABN AMRO	Apr	2.6	2.6	4.3	99.5	2.75	19.0	-
Bank of America	Sep *	1.9	1.9	3.0	-	3.00	27.0	-
Barclays Capital	Sep *	2.1	2.3	4.4	101.2	4.42	-	-
Bridgewater	Sep *	3.4	3.0	3.9	93.1	4.75	-	7.9
Capital Economics	Sep *	2.4	1.9	3.5	95.0	3.50	20.0	8.0
Citigroup	Sep *	3.6	2.9	4.4	95.6	4.25	25.0	-
Credit Lyonnais	Aug	2.8	2.5	4.2	98.0	3.75	24.0	-
Credit Suisse First Boston	Sep *	-	2.5	-	-	4.00	-	-
Daiwa Institute of Research	Sep *	3.4	2.1	4.2	99.5	4.50	24.9	-
Deutsche Bank	Sep *	2.7	2.5	4.2	98.0	3.50	-	6.2
Economic Perspectives	Aug	1.7	1.5	3.3	95.0	3.75	23.0	6.0
Fortis Bank	Apr	3.3	2.6	4.5	100.5	5.25	24.0	-
Goldman Sachs	Jul	3.0	2.3	4.5	95.0	4.80	25.0	8.2
Hermes	Aug	1.7	1.7	3.5	102.0	3.00	-	-
HSBC Economics and Strategy	Aug	2.2	2.4	3.0	90.1	2.75	25.0	-
ING Financial Markets	Sep *	3.0	2.2	-	-	4.25	-	-
ISIS Asset Management plc	Jun	3.0	2.6	4.5	-	4.00	-	-
J P Morgan	Sep *	2.1	2.3	-	-	4.30	-	-
Lehman Brothers	Sep *	3.0	2.5	4.0	92.0	4.00	-	-
Lombard Street	Sep *	2.7	2.5	4.4	95.0	4.50	23.0	8.2
Morgan Stanley	Sep *	2.3	1.8	3.5	-	4.00 j	-	-
RBSFM	Aug	2.9	2.6	4.5	93.5	4.67	25.0	-
Schroders Investment Management	Sep *	2.4	2.4	3.5	-	3.50	-	-
Standard Chartered Bank	Sep *	2.5	2.4	3.6	100.0	3.75	22.0	6.0
UBS	Sep *	2.4	2.2	4.0	99.0	3.50	23.0	5.0
WestLB AG	Aug	2.4	2.3	3.5	97.0	4.50	23.0	6.0
Williams de Broe	Sep *	2.5	2.4	4.2	96.4	4.10	28.5	7.6
Non-City Forecasters								
Cambridge Econometrics	Sep *	2.4 k	2.6 k	4.4 n	98.7 k	3.90 ks	27.2	-
CBI	Sep *	2.9	2.4	4.4	98.8	4.00	24.5	-
CEBR	Sep *	2.1	2.2	4.4	98.5	2.94	25.4	4.4
Economy.com	Jun	2.9	2.7	3.7	110.0	5.00	24.0	6.5
Experian Business Strategies	Aug	2.7	2.3	5.3	98.8	4.00	25.8	-
EIU	Jan	2.5	2.4	3.6	103.5	4.75	19.1	-
Global Insight	Aug	-	2.6	4.1	-	4.25	-	4.7
ITEM Club	Aug	3.0	2.3	4.6	97.2	3.90	27.0	6.5
Liverpool Macro Research	Sep *	-	2.2	3.5	107.4	4.20	-	-
NIESR	Aug	2.9	2.5	-	97.8	3.96 s	22.6 ii	-
OEF	Sep *	3.3	2.2	4.1	102.4	4.50	25.5	5.9
EC	May	2.4 a	1.2 ak	4.6 n	-	-	23.5	-
OECD	May	2.3 kll	2.8 k	4.5 n	-	4.30 ks	-	-
IMF	Sep *	-	2.5	-	-	-	-	-
Average of Forecasts made in the last 3 months								
Independent		2.6	2.3	4.0	97.5	3.96	24.7	6.5
New (marked *)		2.7	2.3	4.0	98.1	3.97	24.7	6.6
City		2.6	2.3	3.9	96.4	3.96	24.2	6.9
Range of Forecasts made in the last 3 months								
Highest		3.6	3.0	5.3	107.4	4.80	28.5	8.2
Lowest		1.7	1.5	3.0	90.1	2.75	20.0	4.4
Median		2.7	2.3	4.1	97.8	4.00	25.0	6.1
HM Treasury	Apr	-	2½	-	-	-	-	-

Table 6 - 2004: Growth in other selected variables (% change)

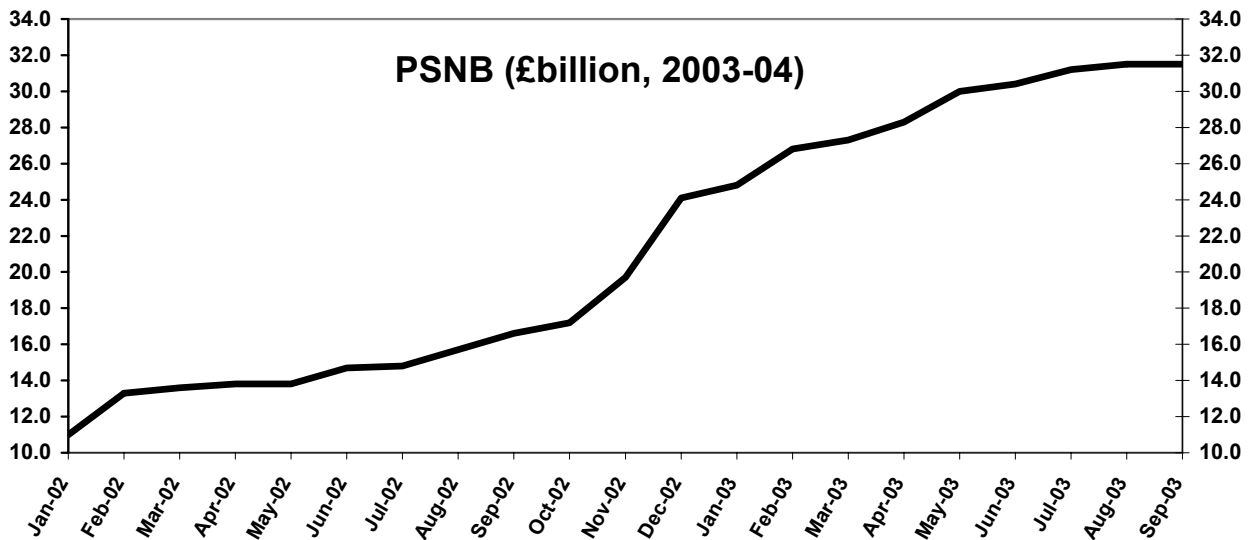
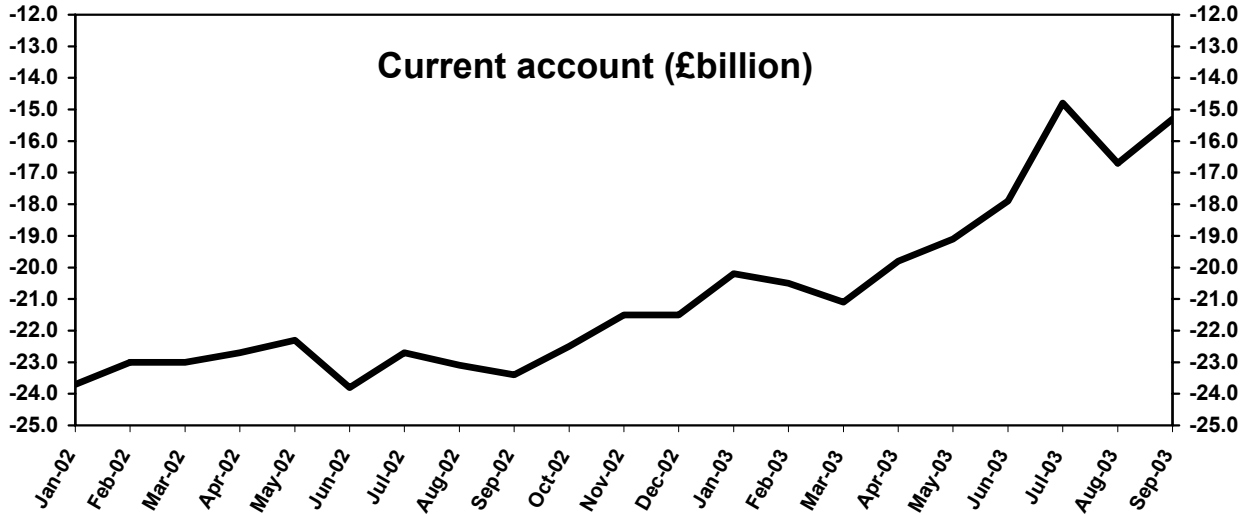
Sep 2003 Comparison

Forecasters & dates of forecasts		Real Household Disposable Income	Employment	Claimant Unemployment (Q4, millions)	Manufacturing Output	World Trade in Manufactures	Current account (£bn)	PSNB (£bn 2004-05)
City Forecasters								
ABN AMRO	Apr	2.7	-0.1	1.00	2.2	6.9	-17.7	43.5
Bank of America	Sep *	-	-	-	2.2	-	1.5	47.0
Barclays Capital	Sep *	2.7	-0.1	0.97	2.1	-	-21.6	29.5 cc
Bridgewell	Sep *	1.8	0.5	1.01	2.2	-	-37.6	44.9
Capital Economics	Sep *	1.3	0.1	1.10	4.0	5.0	-16.0	32.0
Citigroup	Sep *	2.8	0.5	0.81	0.1	-	-30.0	39.2
Credit Lyonnais	Aug	-	-	0.95	2.0	6.0	-17.5	33.0
Credit Suisse First Boston	Sep *	-	-	-	-	-	-18.0	33.0
Daiwa Institute of Research	Sep *	2.5	0.4	0.96	-	-	-23.1	30.0
Deutsche Bank	Sep *	2.6	-	1.02	2.0	-	-19.8	34.0
Economic Perspectives	Aug	0.7	-1.0	1.20	-0.5	2.0	-30.0	38.0
Fortis Bank	Apr	3.1	1.0	2.80 x	2.2	-	-18.0	26.0
Goldman Sachs	Jul	3.0	0.7	1.01	3.9	-	-16.5	33.6
Hermes	Aug	-	0.0	1.07	-	-	-10.0	-
HSBC Economics and Strategy	Aug	1.3	-0.5	1.22	1.5	-	-13.0	35.0
ING Financial Markets	Sep *	-	-	-	-	-	-	-
ISIS Asset Management plc	Jun	-	-	1.30	2.4	-	-16.0	-
J P Morgan	Sep *	-	-	-	2.7	-	-16.4	27.0
Lehman Brothers	Sep *	2.3	0.1	0.97	0.9	-	-28.2	38.0
Lombard Street	Sep *	1.7	0.3	0.95	-	-	-26.0	34.0
Morgan Stanley	Sep *	2.1	0.8	-	2.3	-	-	28.0
RBSFM	Aug	2.6	0.7	0.90	2.8	5.7	-24.2	33.7
Schroders Investment Management	Sep *	-	-	3.7 x	3.3	-	-	34.1
Standard Chartered Bank	Sep *	2.0	-0.5	1.00	2.5	-	-16.0	32.0
UBS	Sep *	2.1	0.2	0.94	2.5	-	-8.0	36.0
WestLB AG	Aug	2.6	0.6	0.93	2.0	6.5	-12.0	36.0
Williams de Broe	Sep *	-	0.8	0.84	3.3	12.8	-30.8	34.1
Non-City Forecasters								
Cambridge Econometrics	Sep *	3.1	0.1	1.00 k	1.3	2.9 hh	-23.0	28.7 kcc
CBI	Sep *	2.6	0.5	0.98	1.9	5.5	-22.9	32.5
CEBR	Sep *	2.2	-0.6	1.15	0.7	-	-20.2	31.2
Economy.com	Jun	3.9	1.3	0.90	1.9	-	-39.4	32.7
Experian Business Strategies	Aug	3.0	0.1	1.03	0.9	4.5	-16.1	36.3
EIU	Jan	2.2	0.1	1.15	2.2	6.4	-11.7	-
Global Insight	Aug	-	0.7	-	2.7	-	-10.7	32.9
ITEM Club	Aug	2.2	0.7	0.96	2.9	6.7	-25.0	30.0
Liverpool Macro Research	Sep *	-	-	1.12	-	-	-43.4	26.2 cc
NIESR	Aug	1.7	0.1	1.04	2.3	7.1 w	-	34.2
OEF	Sep *	2.9	0.5	0.96	2.2	6.6	-20.7	30.6
EC	May	2.9	0.5	-	2.0	-	-13.7	28.4 ee
OECD	May	-	0.5	5.20 aa	-	-	-2.0 g	-
IMF	Sep *	-	0.5	5.30 aa	-	-	-2.3 g	-2.5 eeg
Average of Forecasts made in the last 3 months								
Independent		2.3	0.2	1.00	2.1	6.1	-20.5	34.3
New (marked *)		2.3	0.3	0.99	2.1	7.5	-22.1	34.3
City		2.1	0.2	0.99	2.2	6.3	-19.7	34.9
Range of Forecasts made in the last 3 months								
Highest		3.1	0.8	1.22	4.0	12.8	1.5	47.0
Lowest		0.7	-1.0	0.81	-0.5	2.0	-43.4	27.0
Median		2.3	0.4	0.98	2.2	5.9	-20.2	33.9
HM Treasury	Apr	2½ to 3	-	-	2¼ to 2½	8½ w	-23¼	24

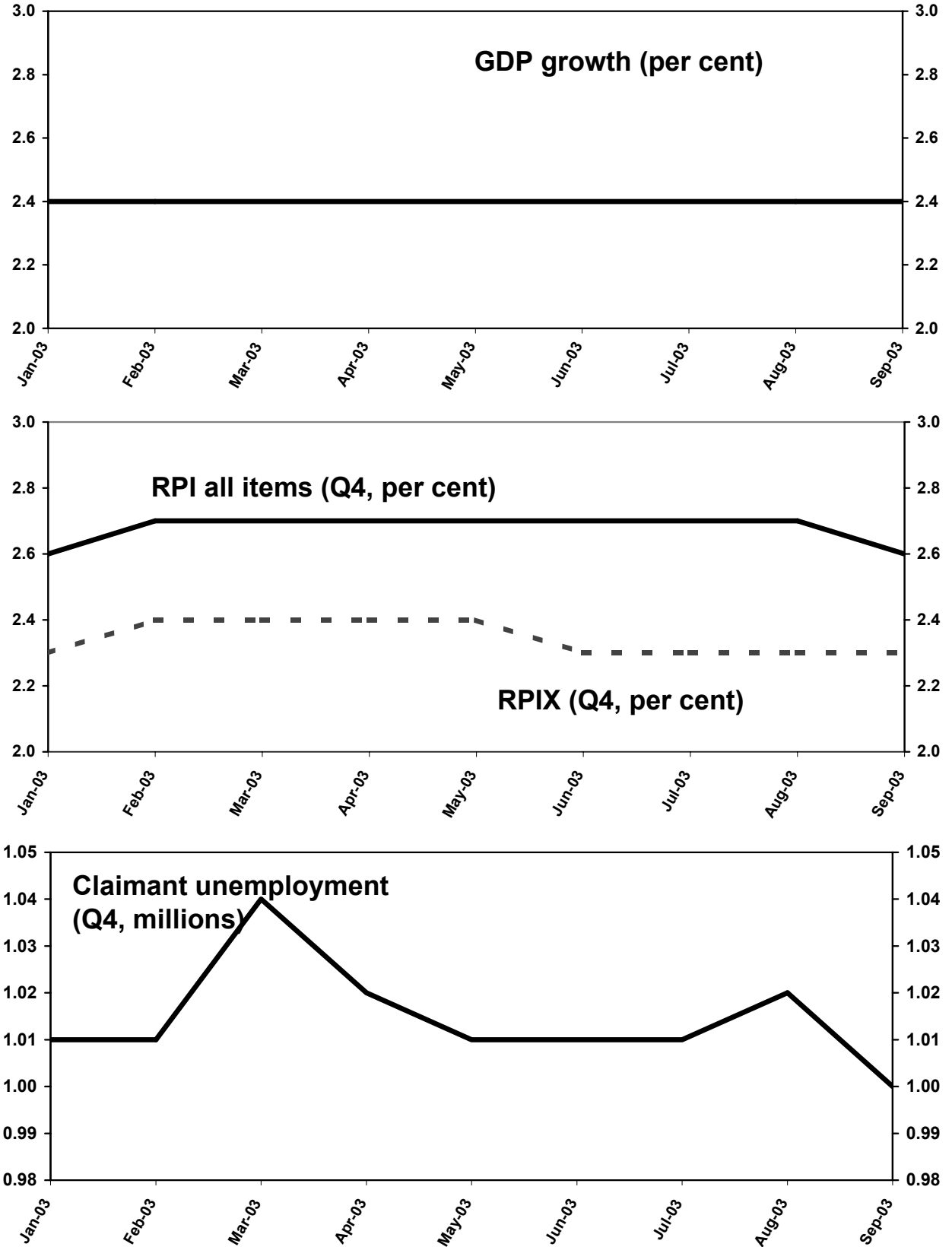
Average of independent forecasts for 2003; GDP growth, RPI & RPIX Inflation and Claimant Unemployment



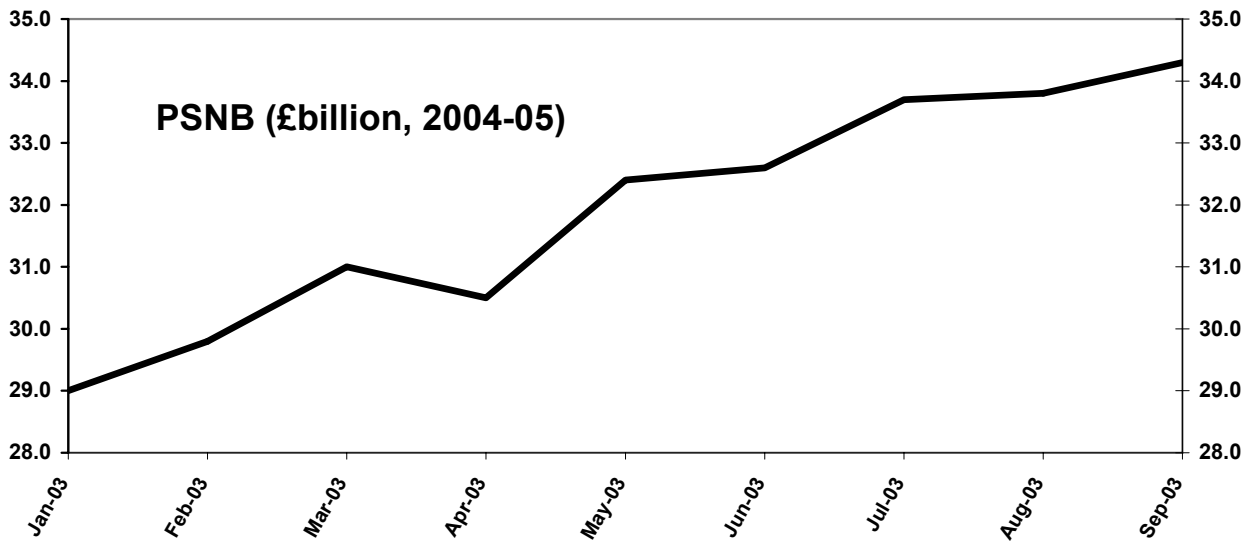
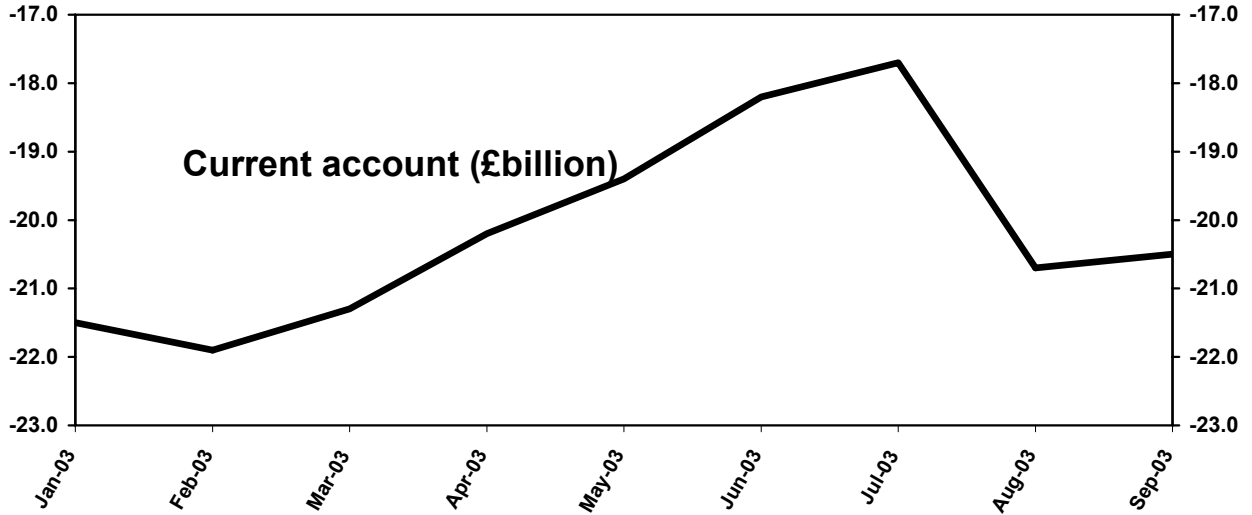
Average of independent forecasts for 2003; Current account and PSNB (2003-04, £billion)



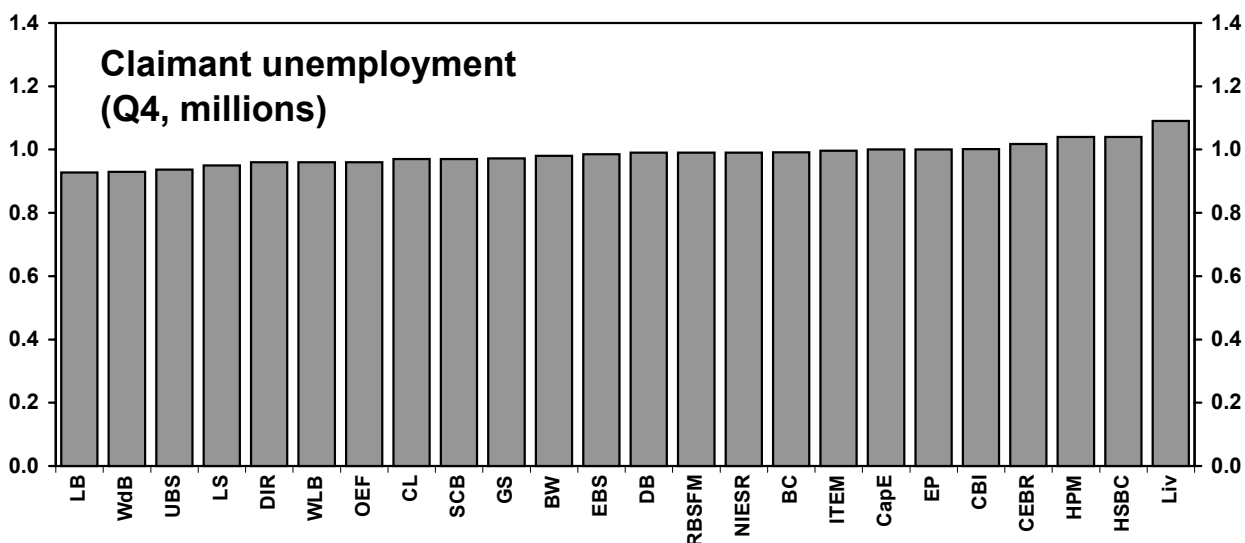
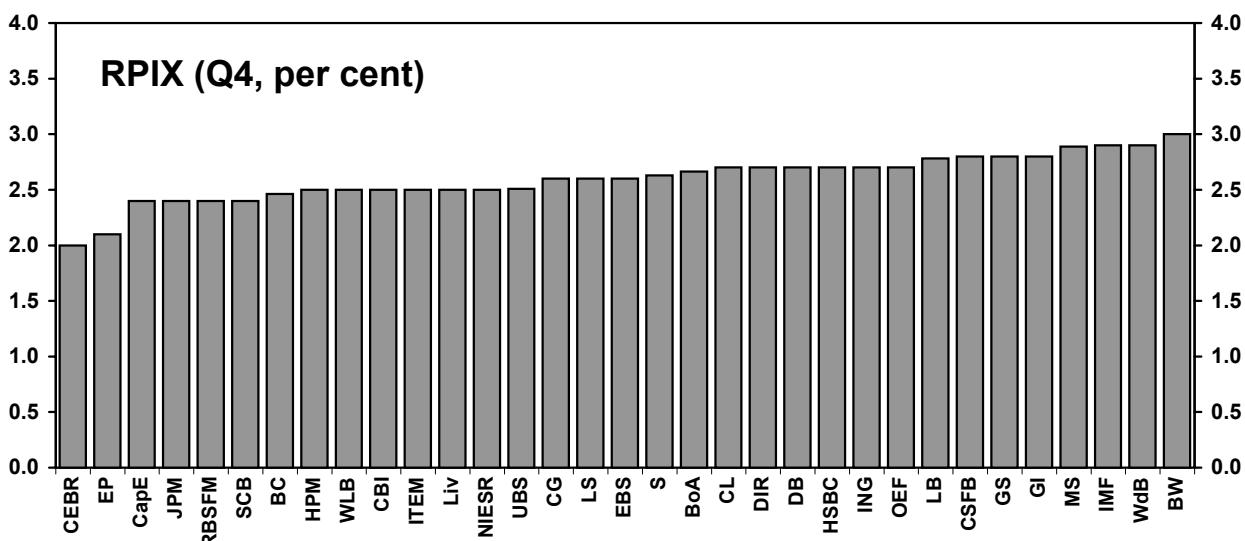
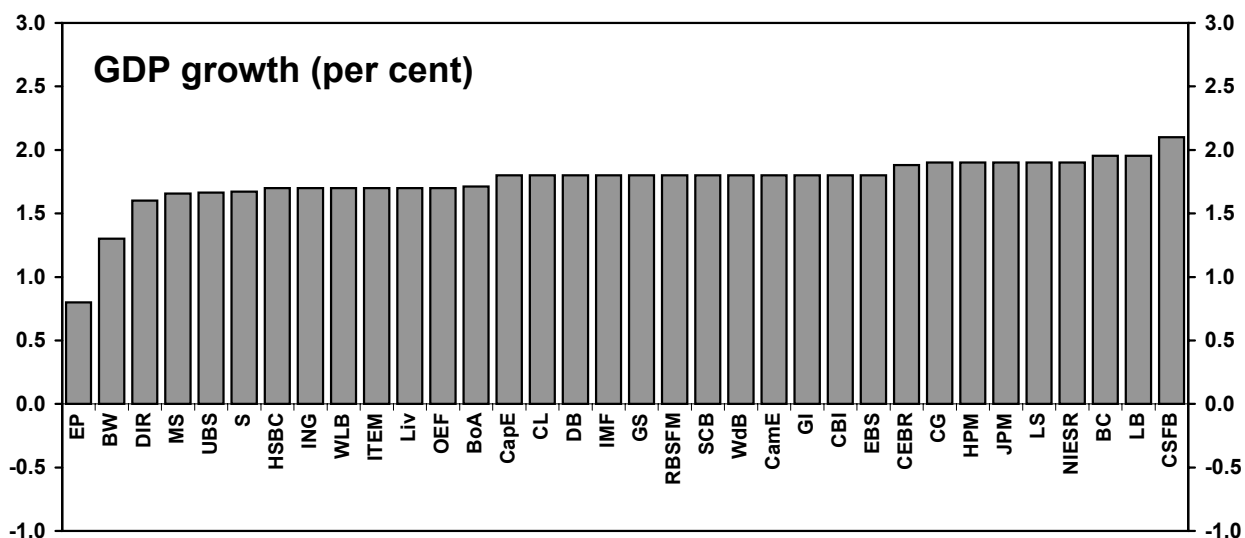
Average of independent forecasts for 2004; GDP growth, RPI & RPIX Inflation and Claimant Unemployment



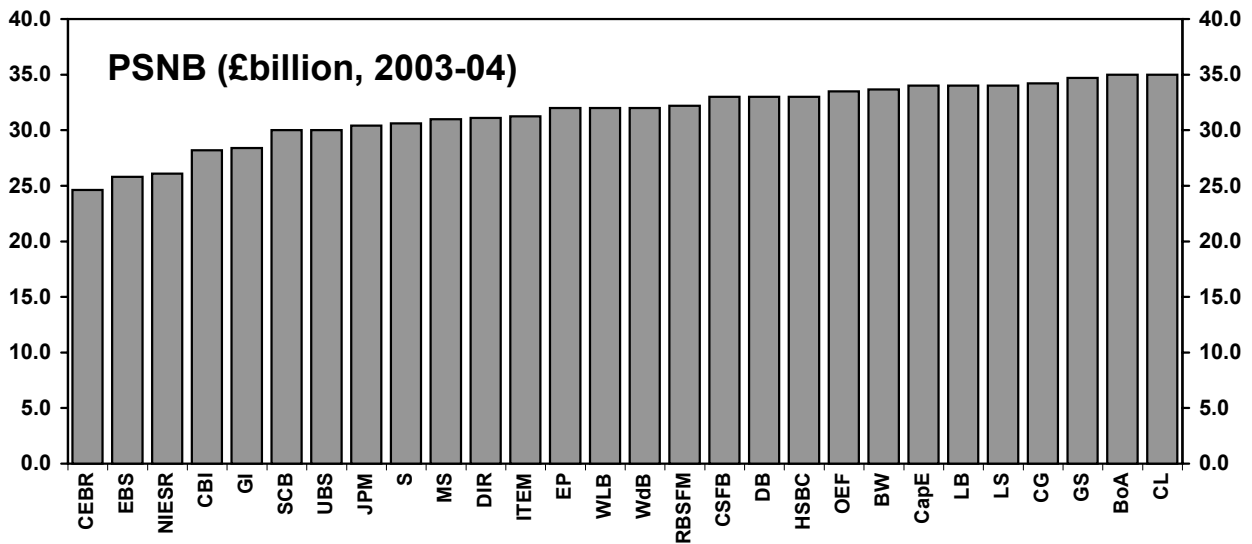
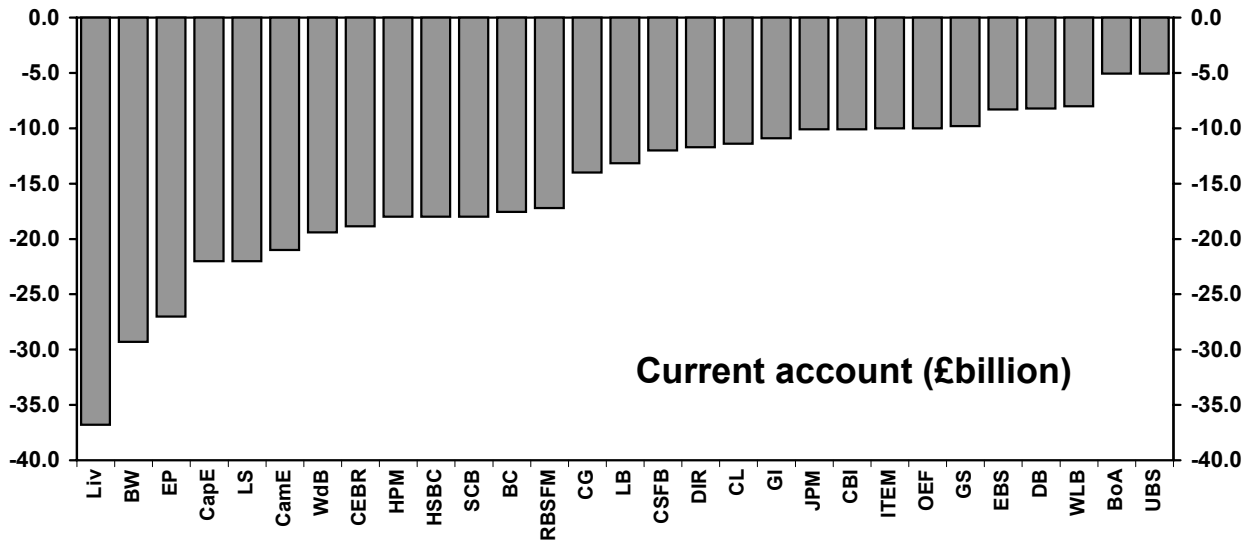
Average of independent forecasts for 2004; Current account and PSNB (2004-05, £billion)



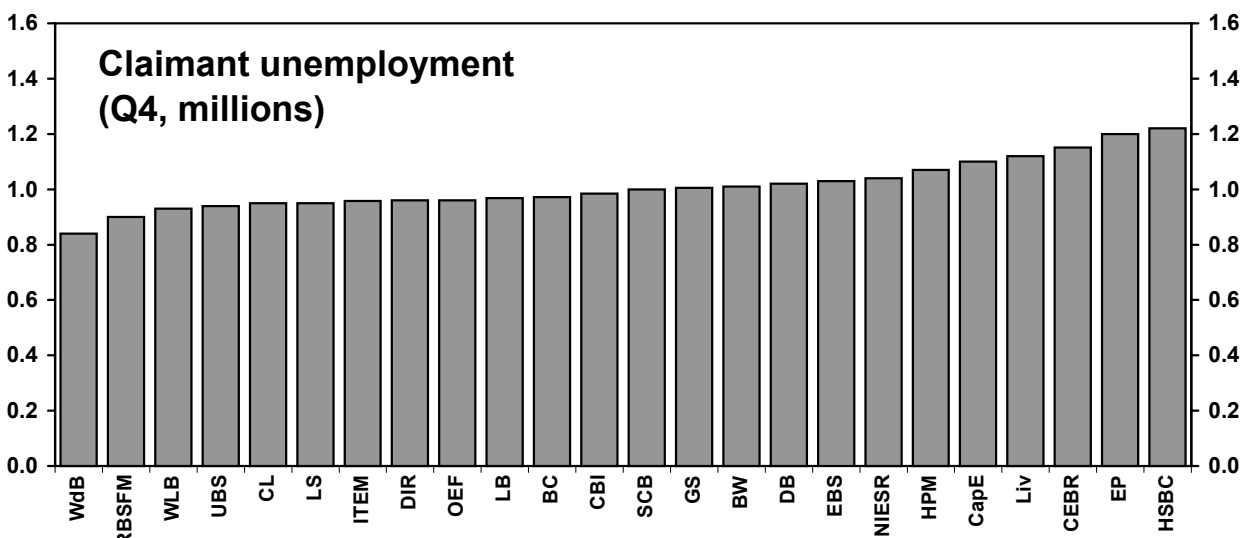
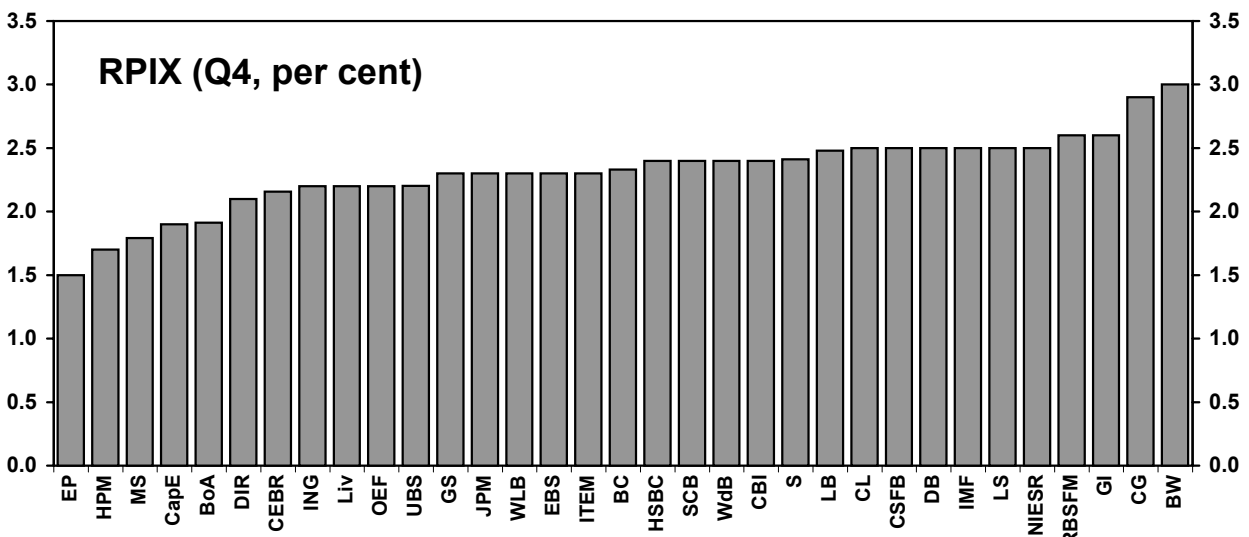
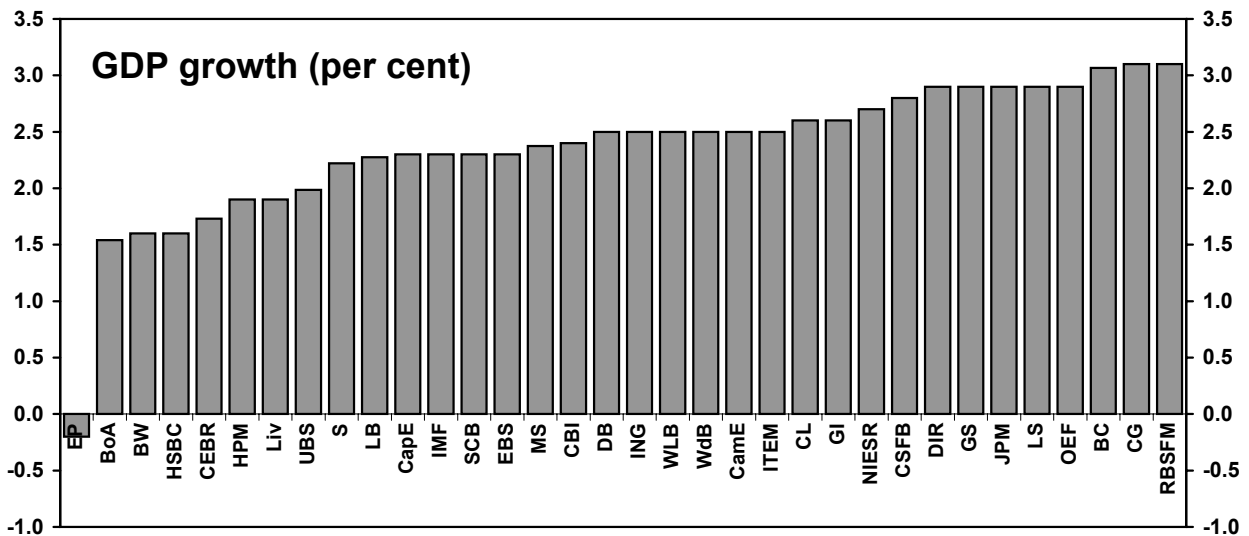
Range of Forecasts for 2003; GDP, RPIX and Claimant Unemployment (millions) made in last 3 months



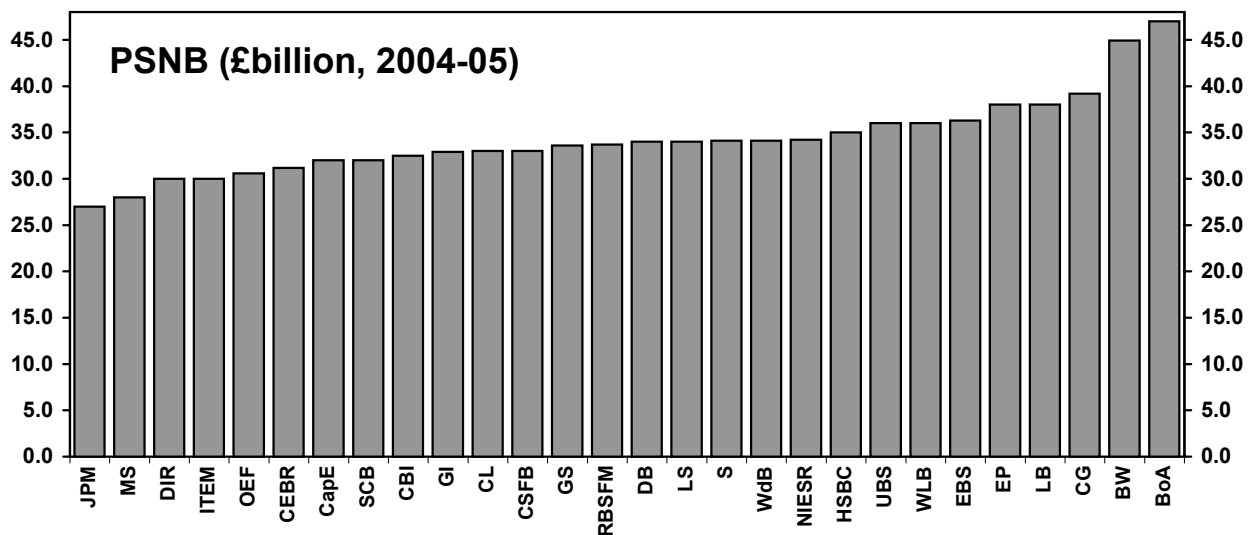
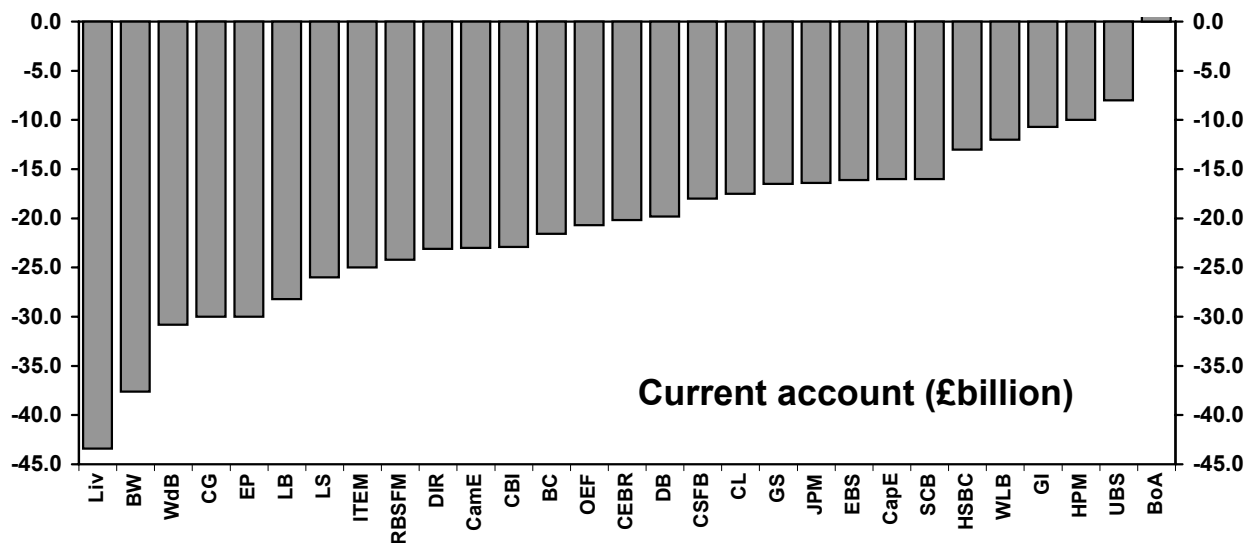
Range of Forecasts for 2003; Current Account (£bn) and PSNB (2003-04, £bn) made in last 3 months



Range of Forecasts for 2004; GDP, RPIX and Claimant Unemployment (millions) made in last 3 months



Range of Forecasts for 2004; Current Account (£bn) and PSNB (2004-05, £bn) made in last 3 months



ANNEX 1: Forecasting institutions referred to in charts and tables

AA:	ABN AMRO
BoA:	Bank of America
BW:	Bridgewell
BZW:	Barclays Capital
CamE:	Cambridge Econometrics
CapE:	Capital Economics Ltd
CG:	Citigroup
CBI:	Confederation of British Industry
CEBR:	Centre for Economics and Business Research Ltd
CL:	Credit Lyonnais
CSFB:	Credit Suisse First Boston
DIR:	Daiwa Institute of Research
DB:	Deutsche Bank
DKW:	Dresdner Kleinwort Wasserstein
EBS:	Experian Business Strategies (previously BSL)
EC:	European Commission
ECOM:	Economy.com Inc
EIU:	Economist Intelligence Unit
EP:	Economic Perspectives
FB:	Fortis Bank
GI:	Global Insight (previously DRI-WEFA)
GS:	Goldman Sachs
HSBC:	HSBC Economics and Strategy
HPM:	Hermes Pension Management Ltd
ING:	ING Financial Markets
IMF:	International Monetary Fund
ISIS:	ISIS Asset Management plc (previously FIS)
ITEM:	ITEM Club
JPM:	JP Morgan Chase
LB:	Lehman Brothers
Liv:	Liverpool Macro Research
LS:	Lombard Street Research Ltd
MS:	Morgan Stanley
NIESR:	National Institute for Economic and Social Research
OECD:	Organisation for Economic Cooperation and Development
OEF:	Oxford Economic Forecasting
RBSFM:	Royal Bank Of Scotland Financial Markets
S:	Schroders Investment Management
SCB:	Standard Chartered Bank
UBS:	UBS
WLB:	WestLB AG
WdB:	Williams de Broë

ANNEX 2: Data Definitions

GDP	National accounts table C2: Code ABMI
Private Consumption	Households + NPISH, National accounts table C2, Code ABRJ+HAYO
General Govt consumption	National accounts table C2, Code NMRY
Gross fixed investment	National accounts table C2, Code NPQT
Change in inventories (1995, £bn)	National accounts table C2, Code CAFU
Domestic Demand	National accounts table C2, Code YBIM
Exports (Goods & Services)	National accounts table C2, Code IKBK
Imports (Goods & Services)	National accounts table C2, Code IKBL
RPI (Q4)	Consumer Price Indices release, Table 1, Code CZBH
RPIX (Q4)	Consumer Price Indices release, Table 1, Code CDKQ
Headline average Earnings	Labour Market Statistics table 15, Code LNNC
Sterling Index (Q4, 1990=100)	ONS code AJHX
Bank of England repo rate (Q4)	(Previously 3 month interbank rate (Q4))
Oil price (\$ per barrel)	Brent crude, annual average
M4 growth	Bank of England Monetary and Financial statistics division Code VQJW, Calendar year (previously financial year)
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 Manufactures	
Current account (£bn)	Balance of payments release table A, Code HBOP
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:	consumers expenditure deflator
b:	underlying consumers expenditure deflator
c:	non-durable consumption
d:	current and capital expenditure, including stockbuilding
e:	private sector investment, stockbuilding and durable consumption
f:	investment and stockbuilding combined
g:	as a percentage of GDP
h:	contribution to GDP growth - per cent
i:	hourly rate
j:	end period
k:	calendar year
m:	non-oil trade
n:	wages and salaries divided by employees in employment
o:	consumer price deflator to Q4
p:	calculated from general government financial deficit figures adjusted for privatisation proceeds
q:	forecast growth rates for Q4
r:	various definitions; refer to forecasters for details
s:	3 month interbank rate
t:	billions of dollars
u:	general government current and capital expenditure plus stockbuilding
v:	average of spot price of Brent crude and Dubai light crude
w:	UK export market weights
x:	claimant unemployment rate
y:	derived from the consumer price index
z:	OECD real imports of goods and services
aa:	ILO unemployment rate
bb:	households only
cc:	PSNCR (Formerly PSBR)
dd:	harmonized index of consumer prices (HICP)
ee:	general government financial balance
ff:	gross disposable income deflated by implicit price of private consumption
gg:	1990 Prices
hh:	World GDP
ii:	OPEC average
jj:	Industrial output
kk:	Final domestic demand
ll:	GDP deflator
nn:	VAT fraud adjusted
pp:	% change on previous year
qq:	budget deficit as % of GDP

ANNEX 4: Organisation Contact Details

<u>Organisation</u>	<u>Contact</u>	<u>Telephone number</u>
ABN AMRO	Richard Iley	020 7678 7575
Bank of America	Holger Schmeiding	020 7634 4515
Barclays Capital	Nick Verdi	020 7773 2173
Bridgewell	Richard Jeffrey	020 7003 3500
Cambridge Econometrics	Rachel Beaven	01223 460 760
Capital Economics Ltd	Jonathan Loynes	020 7823 5000
Citigroup	Michael Saunders	020 7986 9297
CBI	Trevor Cullinan	020 7395 8102
CEBR	Andrij Halushka	020 7324 2860
Credit Lyonnais	Glenn Davies	020 7214 5388
Credit Suisse First Boston	Neville Hill	020 7888 1334
Daiwa Institute of Research	Don Egginton	020 7597 8470
Deutsche Bank	George Buckley	020 7545 1372
Dresdner Kleinwort Wasserstein	Leo Doyle	020 7475 2423
Experian Business Strategies (previously BSL)	Mark Hewitt	0870 196 8227
EC	Keith Vernon	(00 322) 299 3446
Economy.com Inc	David Ingram	020 8487 1378
EIU	Phillip Whyte	020 7830 1287
Economic Perspectives	Peter Warburton	01582 539 861
Fortis Bank	Nick Kounis	0031 20 535 7106
Global Insight (previously DRI-WEFA)	Hayley Crumpler	020 8544 7838
Goldman Sachs	Ann Terry	020 7774 1166
Hermes Pensions Management Ltd	James Walsh	020 7680 2144
HSBC	John Butler	020 7336 4147
ING Financial Markets	James Knightley	020 7767 6614
ISIS Asset Management plc (previously FIS)	Steve Andrew	020 7506 1537
ITEM club	John Gaster	01865 268913
J P Morgan	Malcolm Barr	020 7777 1080
Lehman Brothers	Alan Castle	020 7011 7745
Liverpool Macro Research	David Meenagh	029 2087 5198
Lombard St Research Ltd	Martin McMahon	020 7382 5913
Morgan Stanley	Melanie Baker	020 7425 8607
NIESR	Rebecca Riley	020 7222 7665
Oxford Economic Forecasting	Adrian Cooper	01865 202 828
RSBFM	Geoffrey Dicks	020 7375 4277
Schroders Investment Management	Stuart Block	020 7658 2011
Standard Chartered Bank	Julian Jessop	020 7280 6690
UBS	Robyn Barnet	020 7568 8020
WestLB AG	Dr. Holger Sandte	0049 211 826 7398
Williams de Broë	David Smith	020 7898 2402