

HM Treasury

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FORECASTS FOR THE UK ECONOMY

A comparison of independent forecasts

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Compiled by  
Economic Assessment Team

No. 142  
February 1999

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

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Please direct enquiries on the contents of this issue to David Fairbrother (0171 270 5207).

The next edition will be published on 17 March 1999. It will also be made available at the Treasury's internet site: <http://www.hm-treasury.gov.uk>.

# FORECASTS FOR THE UK ECONOMY

## A comparison of independent forecasts, February 1999

This edition of the comparison contains 28 new forecasts. The tables below summarise the average and range of independent forecasts for 1999 and 2000 and show the average of this month's new forecasts.

### Forecasts for 1999

	Independent <sup>+</sup>				Average of new* forecasts
	Averages		February range		
	February	January	Lowest	Highest	
GDP growth (per cent)	0.6	0.6	-0.5	2.1	0.6
Inflation rate (Q4: per cent)					
- RPI	1.3	1.5	0.4	3.1	1.2
- RPI exc MIPs	2.2	2.2	1.5	3.1	2.2
Claimant unemployment (Q4: mn)	1.55	1.58	1.20	1.80	1.56
Current account (£bn)	-5.8	-5.5	-15.0	0.5	-6.3
PSNB** (1999-00: £bn)	4.7	5.5	-5.0	13.0	6.0

### Forecasts for 2000

	Independent <sup>+</sup>				Average of new* forecasts
	Averages		February range		
	February	January	Lowest	Highest	
GDP growth (per cent)	1.8	1.8	0.2	2.6	1.9
Inflation rate (Q4: per cent)					
- RPI	2.1	2.1	1.1	3.0	2.2
- RPI exc MIPs	2.2	2.2	1.2	2.9	2.2
Claimant unemployment (Q4: mn)	1.70	1.74	1.30	2.30	1.67
PSNB** (2000-01 : £bn)	7.8	9.1	-6.4	20.0	9.1

<sup>+</sup>Independent and City averages, and the range of forecasts, are based on forecasts made in the last three months ( February 28 Institutions, January 31 Institutions, December 32 Institutions ).

\*Based on new forecasts received for the comparison this month

\*\*PSNB: Public Sector Net Borrowing.

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

1999

February 1999

Table 1

## GDP &amp; its components, at constant prices

Percentage changes on a year earlier unless stated otherwise

Forecasters & date of forecasts	GDP	Private	Government	Fixed	Change in	Domestic	Exports	Imports	
		Consumption	expenditure	investment	Inventories(£bn)	demand	(goods & services)		
<b>City forecasters</b>									
Abn Amro	Jan*	0.8	1.4	27	0.3	38	1.3	22	39
Bardays Bank	Feb*	0.0	1.7	24	-0.2	-2.5	0.7	1.1	24
Bardays Capital	Feb*	0.5	1.2	25	2.2	2.9	1.5	-0.4	27
Charterhouse	Jan	2.1	2.4	26	3.2	1.9	2.3	2.5	37
Chase Manhattan	Feb*	0.5	1.5	35	3.9	0.2	1.9	-1.7	24
Credit Lyonnais	Jan	0.5	1.6	22	1.2	1.8	-	1.7	33
Credit Suisse First Boston	Feb*	1.0	1.8	26	-0.8	1.6	1.1	3.6	40
Daiwa Institute of Research	Feb*	0.5	1.9	22	0.8	2.3	1.3	1.4	39
Deutsche Bank	Feb*	0.0	2.5	1.0	-2.5	-0.8	0.1	0.2	0.7
Dresdner Kleinwort Benson	Dec	0.9	1.4	29	2.5	2.2	1.5	1.6	47
Economic Perspectives	Feb*	-0.2	1.2	2.5	1.5	1.0	0.9	0.0	3.5
Goldman Sachs	Feb*	0.4	1.4	20	0.3	-0.3	0.8	0.6	1.9
Greenwich Natwest	Feb*	1.3	1.7	22	2.3	2.0	1.6	3.2	4.1
Hermes	Feb*	1.2	2.0	2.3	2.4	3.9	2.0	3.7	5.9
HSBC Econ & Strategy	Feb*	0.5	1.5	1.5	0.5	2.1	1.2	0.5	2.5
JP Morgan	Jan	-0.5	1.5	1.1	-2.5	-3.2	-0.4	-0.9	-0.6
Lehman Brothers	Feb*	0.0	1.0	2.6	-0.5	2.4	0.5	0.2	1.8
Lombard St	Feb*	1.4	1.9	3.0	1.5	2.5	1.7	3.0	4.0
Merrill Lynch	Feb*	0.8	1.7	2.7	1.2	-	-	2.5	4.5
Morgan Stanley	Feb*	0.5	1.7	2.5	0.3	2.9	1.1	0.7	3.2
Natwest Group	Feb*	0.8	1.2	1.5	2.7	1.6	1.2	3.6	3.7
Norwich Union IM	Feb*	0.9	1.4	2.5	1.0	1.8	1.3	-1.4	0.1
Salomon S Barney /Citibank	Feb*	0.6	2.1	2.1	3.3	-3.0	1.4	1.3	3.7
Schroders	Jan	0.0	1.2	2.2	0.2	2.2	0.6	1.7	3.3
S.G.	Jan	0.5	1.2	1.7	3.4	2.3	1.5	2.4	3.6
Warburg Dillon Read	Feb*	1.0	1.2	1.6	0.9	2.0	1.0	2.8	2.7
WestLB Parimure	Feb*	-0.5	0.6	2.5	-0.4	2.4	0.3	0.0	1.8
Williams de Broe	Feb*	1.4	2.0	2.2	1.7	1.7	1.8	1.8	2.8

**Non-City forecasters**

BSL	Feb*	0.5	0.6	2.8	1.4	0.6	0.8	2.1	2.8
Cambridge Econ	Dec*	0.6	1.1	0.9	-0.5	4.1	0.5	3.1	2.4
CBI	Nov	0.7	1.0	2.0	1.0	0.0	0.6	1.9	1.4
CEBR	Dec	-0.1	0.3	2.5	-0.2	-0.6	0.3	1.8	3.0
DRI	Dec	1.2	1.1	3.0	2.6	3.7	1.5	1.2	1.5
EIU	Jan	0.6	1.2	2.2	1.8	-	1.1	1.6	3.0
Henley	Feb*	-0.1	1.1	2.5	-1.9	2.2	0.6	0.9	3.1
ITEM Club	Jan*	0.2	1.5	2.1	0.4	0.2	1.0	1.3	4.1
Liverpool Univ	Jan	1.5	1.8 c	2.3 d	0.1 e	-	-	-	-
NIESR	Jan*	1.0	1.3	3.1	1.3	0.0	1.1	2.8	3.1
OEF	Feb*	0.4	1.6	2.3	0.4	3.3	1.2	0.9	3.5
WEFA	Jan	1.0	2.3	1.9	-2.1	0.8	1.1	2.6	2.9
EC	Nov	1.3	2.1	2.0	2.6	0.2 g	1.8	3.7	5.0
OECD	Dec	0.8	1.3	1.5	2.0	-	1.2	2.9	4.1
IMF	Dec	0.9	1.3	1.2	1.0	-	1.5	-	-

**Average of Forecasts made in last 3 months**

Independent		0.6	1.4	2.2	0.9	1.4	1.1	1.5	3.0
New (marked *)		0.6	1.5	2.3	0.8	1.5	1.1	1.4	3.0
City		0.6	1.5	2.3	1.1	1.4	1.2	1.4	3.0

**Range of Forecasts made in last 3 months**

Highest		2.1	2.5	3.5	3.9	4.1	2.3	3.7	5.9
Lowest		-0.5	0.3	0.9	-2.5	-3.2	-0.4	-1.7	-0.6

HM Treasury	Nov	1-1½	1¾-2¼	2½	1¾-2¼	3.9	1½-2	2¾-3¾	4¼-4¾
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1999

February 1999

Table 2

## Inflation and monetary indicators

Percentage changes on a year earlier unless stated otherwise

Forecasters & date of forecasts		RPI	RPI exc	Average	Sterling	3 month interest	Oil	M0	M4
		(Q4)	MIPs (Q4)	earnings	index(Q4)	rate(Q4%)	price (\$)	(1999-00)	
<b>City forecasters</b>									
Abn Amro	Jan*	1.8	26	45	94.5	4.90	11.0	4.3	6.7
Barclays Bank	Feb*	0.5	20	38	93.0	4.50	13.0	4.0	4.0
Barclays Capital	Feb*	1.4	2.2	3.4	104.0	5.00	-	-	-
Charterhouse	Jan	3.1	3.1	5.0	94.4	6.65	-	4.6	6.6
Chase Manhattan	Feb*	2.2	2.9	4.0	95.6	5.00	10.0	-	-
Credit Lyonnais	Jan	1.2	2.3	4.2	94.0	4.50	12.5	-	-
Credit Suisse First Boston	Feb*	1.5	2.3	4.3	-	5.25	-	5.0	9.0
Daiwa Institute of Research	Feb*	1.2	2.1	5.0	96.5	5.30	-	-	-
Deutsche Bank	Feb*	0.7	2.0	4.8	97.0	4.50	11.5	5.3	5.5
Dresdner Kleinwort Benson	Dec	1.2	2.1	4.3	100.5	5.40	13.0	-	-
Economic Perspectives	Feb*	1.6	2.0	3.9	95.0	4.75	12.5	4.5	6.5
Goldman Sachs	Feb*	1.5	2.3	4.3	92.0	4.80	15.3	3.0 jk	3.8 jk
Greenwich Natwest	Feb*	1.4	2.4	4.3	95.1	5.25	10.8	-	-
Hermes	Feb*	1.4	2.3	4.6	99.9	5.25	-	-	-
HSBC Econ & Strategy	Feb*	1.3	2.1	3.8	97.3	5.00	15.0	5.0	7.0
JP Morgan	Jan	1.0	2.0	4.5	92.0	4.20	-	-	-
Lehman Brothers	Feb*	0.9	2.3	4.6	94.7	4.75	12.0	4.0	5.6
Lombard St	Feb*	1.7	2.2	4.7	92.4	5.20	14.0	-	5.6
Merrill Lynch	Feb*	1.1	2.2	4.4	-	5.10	-	4.8	6.5
Morgan Stanley	Feb*	1.6	2.4	4.0	94.2	5.10	-	2.5	3.1
Natwest Group	Feb*	1.2	2.4	4.1	95.4	5.35	11.7	5.4	5.8
Norwich Union IM	Feb*	1.3	2.0	3.8	96.0	5.00	12.0	5.0	5.0
Salomon S Barney /Citibank	Feb*	0.4	1.6	-	97.0	4.80	12.0	-	-
Schroders	Jan	1.2	2.1	4.4	96.0	5.00	-	-	-
S.G.	Jan	-	2.1	3.7	97.0	4.75	14.0	3.5	7.0
Warburg Dillon Read	Feb*	0.9	2.1	3.9	-	5.50	-	5.2	7.1
WestLB Panmure	Feb*	0.7	1.8	4.3	95.5	4.80	12.0	4.2	7.8
Williams de Broe	Feb*	0.5	1.5	4.0	98.6	4.50	11.5	4.5	11.1
<b>Non-City forecasters</b>									
BSL	Feb*	1.4	2.3	3.3	95.7	5.00	12.0	-	-
Cambridge Econ	Dec*	1.9 k	2.4 k	4.6	97.1 k	5.9 ks	12.8	-	-
CBI	Nov	1.5	2.3	4.4	95.0	5.50 s	14.0	-	-
CEBR	Jan	2.3	2.8	4.2	-	4.80	9.6	-	-
DRI	Dec	1.5	2.0	4.0	97.8	5.75	12.6	3.6	8.0
EIU	Jan	1.5	2.1	4.1	98.0	4.80	8.6	-	-
Henley	Feb*	1.0	1.7	3.8	-	4.50	-	4.5	5.6
ITEM Club	Jan*	2.0	2.3	4.8	96.4	5.25	11.0	3.9	6.0
Liverpool Univ	Jan	-	2.2	4.4	98.0	5.20	-	-	-
NIESR	Jan*	1.2	2.1	4.2	97.4	5.50	12.0	6.0 k	12.0 k
OEF	Feb*	1.1	2.1	4.8	98.9	5.00	11.1	5.0	5.8
WEFA	Jan	1.0	2.1	4.3	-	5.60	-	-	-
EC	Nov	2.2	-	5.0	-	-	-	-	-
OECD	Dec	-	-	4.3	-	6.1 k	-	-	-
IMF	Dec	-	2.5 k	4.1	-	-	14.5	-	-
<b>Average of Forecasts made in last 3 months</b>									
Independent		1.3	2.2	4.2	96.2	5.04	12.1	4.4	6.4
New (marked *)		1.2	2.2	4.2	96.2	4.99	12.2	4.5	6.3
City		1.3	2.2	4.2	95.9	5.00	12.4	4.5	6.5
<b>Range of Forecasts made in last 3 months</b>									
Highest		3.1	3.1	5.0	104.0	6.65	15.3	5.4	11.1
Lowest		0.4	1.5	3.3	92.0	4.20	8.6	2.5	3.1
HM Treasury	Nov	-	2½	-	-	-	-	-	-

Other variables  
Percentage changes on a year earlier unless stated otherwise

Forecasters & dates of forecasts		RHDI	Employment	Claimant unemp. (Q4-mns)	Industrial production	Manuf'g output	World Trade	Current account (£ bn)	PSNB '(£bn 99-00)
<b>City forecasters</b>									
Abn Amro Hoare Govett	Jan*	23	-0.5	1.50	-1.4	-2.0	52	-3.7	22
Bardays Bank	Feb*	1.4	-0.7	1.65	-	-2.0	-	-8.0	9.0
Bardays Capital	Feb*	1.8	-0.3	1.54	-0.5	-0.8	-	-5.8	3.0 cc
Charterhouse	Jan	2.7	0.5	1.47	0.8	0.3	-	-5.7	-4.2
Chase Manhattan	Feb*	3.2	-0.3	1.60	-1.0	-1.0	-	-5.0	5.0 cc
Credit Lyonnais	Jan	-	-	1.57	-0.5	-1.4	4.0	-6.8	3.4 cc
Credit Suisse First Boston	Feb*	2.0	-1.0	1.60	0.0	-1.0	-	-6.0	0.0
Daiwa Institute of Research	Feb*	2.2	-0.9	1.60	-	-	-	-6.5	11.7
Deutsche Bank	Feb*	2.3	-1.3	1.80	-2.2	-2.9	-	-7.3	10.0 cc
Dresdner Kleinwort Benson	Dec	1.4	-0.6	1.55	-1.4	-2.3	-	-5.6	8.1
Economic Perspectives	Feb*	0.8	-0.4	1.60	-1.1	-1.8	2.0	-15.0	13.0
Goldman Sachs	Feb*	2.3	-0.8	1.57	-1.4	-2.2	-	-6.9	7.3
Greenwich Natwest	Feb*	1.6	0.4	1.93 aa	-0.4	-0.9	4.1	-6.2	3.3 cc
Hermes	Feb*	2.5	0.3	1.37	-0.8	-1.2	-	-5.3	6.3
HSBC Econ & Strategy	Feb*	2.0	-0.8	1.48	-2.0	-2.0	0.8	-7.4	2.0
J P Morgan	Jan	-	-	1.60	-5.0	-5.0	-	0.5	8.0
Lehman Brothers	Feb*	1.8	-0.5	1.70	-1.8	-1.8	4.0	-6.8	6.0 cc
Lombard St	Feb*	2.1	-0.5	1.50	-	-	-	-6.5	4.5
Merrill Lynch	Feb*	-	-	1.50	-	-1.0	-	-5.5	3.0 cc
Morgan Stanley	Feb*	1.3	-0.4	1.70	-1.8	-1.5	-	-8.0	6.0
Natwest Group	Feb*	2.4	0.6	1.49	0.9	0.1	4.0	-6.1	9.5
Norwich Union IM	Feb*	2.8	-0.1	1.55	-0.5	-0.5	-	-9.0	5.0
Salomon S Barney /Citibank	Feb*	1.7	-0.1	1.46	-2.0	-3.0	-	-5.5	0.0
Schroders	Jan	2.0	-0.4	1.51	-	-1.4	4.0	-8.0	4.5
S.G.	Jan	0.9	-0.5	1.65	-1.0	-1.5	4.5	-8.0	2.0
Warburg Dillon Read	Feb*	2.1	0.7	1.44	0.0	-0.6	-	-3.0	6.0
WestLB Panmure	Feb*	1.7	-1.0	1.59	-3.0	-3.3	-	-7.0	9.0
Williams de Broe	Feb*	-	0.0	1.52	0.6	0.4	4.2	-1.6	3.8 cc
<b>Non-City forecasters</b>									
BSL	Feb*	3.1	-1.1	1.60	-1.5	-2.1	1.9	-1.3	7.1
Cambridge Econ	Dec*	1.7	0.3	1.50 k	0.0	-0.9	3.0	-5.9	4.5 cc
CBI	Nov	2.1	-0.5	1.45	-0.2	-1.2	3.6	-8.4	7.8 cc
CEBR	Jan	3.7	-0.8	1.78	-	-2.9	-	-3.3	0.5
DRI	Dec	1.7	-0.6	1.46	-	-	4.6	-0.9	7.3
EIU	Jan	1.8	-0.5	1.58	-0.8	-1.3	4.3	-6.0	5.9
Henley	Feb*	1.9	-2.6	1.60	-	-2.9	-	-9.0	6.5
ITEM Club	Jan*	2.3	-1.0	6.00 x	-1.7	-2.2	3.0	-6.4	2.0 cc
Liverpool Univ	Jan	-	-	1.20	-	-	-	-7.6	-3.2
NIESR	Jan*	2.5	0.0	1.40	-	-1.5	3.7	-6.6	6.1
OEF	Feb*	2.0	-0.7	1.60	-1.1	-1.6	5.2	-5.4	2.2
WEFA	Jan	2.4	-0.1	1.55	1.2	0.9	-	-3.0	-5.0
EC	Nov	-	0.5	-	0.9	-	-	-0.1 g	-
OECD	Dec	-	-0.6	-	-	0.5	-	-1.2 g	-
IMF	Dec	-	-0.2	-	-	-	-	-1.5 g	-
<b>Average of Forecasts made in last 3 months</b>									
Independent		2.1	-0.4	1.55	-1.0	-1.5	3.7	-5.8	4.7
New (marked *)		2.1	-0.5	1.56	-1.0	-1.5	3.4	-6.3	6.0
City		2.0	-0.3	1.56	-1.1	-1.6	3.7	-6.3	5.5
<b>Range of Forecasts made in last 3 months</b>									
Highest		3.7	0.7	1.80	1.2	0.9	5.2	0.5	13.0
Lowest		0.8	-2.6	1.20	-5.0	-5.0	0.8	-15.0	-5.0
HM Treasury	Nov	1¾to 2¼	-	-	-	-¼to ¼	5½	-7½	6.0

2000

February 1999

Table 4

## GDP &amp; its components, at constant prices

Percentage changes on a year earlier unless stated otherwise

Forecasters & date of forecasts		GDP	Private		Government	Fixed	Change in	Domestic	Exports	Imports
			Consumption	expenditure						
<b>City forecasters</b>										
Abn Amro	Jan*	20	1.8	27	33	0.4	1.8	4.2	36	
Barclays Bank	Feb*	1.2	1.7	1.9	-4.0	-2.2	0.8	3.3	20	
Barclays Capital	Feb*	1.9	1.8	2.8	2.8	2.0	2.0	3.3	35	
Charterhouse	Jan	20	1.4	3.4	1.9	1.0	1.7	4.5	37	
Chase Manhattan	Feb*	1.8	2.2	4.1	1.1	1.5	2.4	1.4	33	
Credit Lyonnais	Jan	1.3	1.9	2.2	1.7	-1.6	-	3.3	33	
Credit Suisse First Boston	Feb*	2.1	2.3	2.9	1.5	0.8	2.1	4.8	48	
Daiwa Institute of Research	Feb*	2.2	3.0	1.8	2.4	1.9	2.6	4.3	53	
Deutsche Bank	Feb*	1.7	3.0	2.0	0.1	0.6	2.0	2.0	31	
Dresdner Kleinwort Benson	Dec	-	-	-	-	-	-	-	-	
Economic Perspectives	Feb*	0.6	2.0	2.0	0.1	-1.5	1.4	2.0	40	
Goldman Sachs	Feb*	2.2	2.5	2.4	2.8	-1.1	2.4	3.0	38	
Greenwich Natwest	Feb*	2.4	2.1	2.4	2.5	2.0	2.2	6.5	55	
Hermes	Feb*	2.2	2.2	1.8	4.0	3.3	2.3	5.6	57	
HSBC Econ & Strategy	Feb*	2.0	2.0	2.5	1.0	4.5	2.2	3.5	40	
J P Morgan	Jan	1.7	2.2	2.5	-0.9	-3.5	1.7	-0.1	0.0	
Lehman Brothers	Feb*	1.1	1.1	3.0	0.8	1.3	1.2	2.1	23	
Lombard St	Feb*	2.4	2.2	2.0	2.5	2.0	2.1	3.9	31	
Merrill Lynch	Feb*	2.2	2.2	2.7	2.8	-	-	4.0	47	
Morgan Stanley	Feb*	1.8	2.5	2.1	0.6	-0.5	2.6	3.3	40	
Natwest Group	Feb*	1.8	1.9	1.0	2.0	1.8	1.7	4.4	40	
Norwich Union IM	Feb*	2.6	2.6	2.8	1.8	3.7	2.7	3.1	34	
Salomon S Barney /Citibank	Feb*	2.2	1.8	2.2	3.1	-0.5	2.4	5.1	54	
Schroders	Jan	1.6	1.4	2.3	2.0	4.8	2.0	2.8	38	
S.G.	Jan	0.8	0.7	1.9	0.9	1.2	0.8	3.5	35	
Warburg Dillon Read	Feb*	2.0	2.1	2.0	1.2	1.5	1.8	4.3	34	
WestLB Panmure	Feb*	2.0	1.8	2.3	1.8	1.2	1.7	3.9	24	
Williams de Broe	Feb*	2.1	2.5	2.5	1.8	3.6	2.7	3.3	48	
<b>Non-City forecasters</b>										
BSL	Feb*	20	1.3	30	0.6	2.8	1.8	5.1	42	
Cambridge Econ	Dec*	1.0	1.5	1.1	0.7	2.2	1.1	2.7	28	
CBI	Nov	1.8	1.6	1.8	-0.1	1.1	1.5	2.6	1.5	
CEBR	Jan	0.2	0.7	2.5	-4.1	-0.4	-0.4	3.7	20	
DRI	Dec	-	-	-	-	-	-	-	-	
EIU	Jan	1.7	1.4	2.3	1.8	-	1.6	4.7	41	
Henley	Feb*	1.4	1.3	2.3	1.0	2.4	1.5	2.8	27	
ITEM Club	Jan*	1.5	2.3	2.4	2.0	-0.1	2.0	3.5	47	
Liverpool Univ	Jan	20	2.4 c	2.9 d	2.2 e	-	-	-	-	
NIESR	Jan*	2.5	1.6	4.6	2.5	-0.7	2.3	5.4	44	
OEF	Feb*	1.9	2.3	1.8	1.8	3.5	2.1	3.6	42	
WEFA	Jan	2.5	2.4	2.0	-0.8	2.5	2.0	5.6	38	
EC	Nov	2.1	2.0	3.0	3.8	0.1 g	2.4	5.5	63	
OECD	Dec	1.5	1.5	2.2	1.7	-	1.6	4.8	46	
IMF	Dec	-	-	-	-	-	-	-	-	
<b>Average of Forecasts made in last 3 months</b>										
Independent		1.8	1.9	2.4	1.3	1.2	1.9	3.7	3.7	
New (marked *)		1.9	2.1	2.4	1.6	1.3	2.0	3.7	3.9	
City		1.8	2.0	2.4	1.5	1.1	2.0	3.5	3.7	
<b>Range of Forecasts made in last 3 months</b>										
Highest		26	30	46	40	4.8	2.7	6.5	5.7	
Lowest		0.2	0.7	1.0	-4.1	-3.5	-0.4	-0.1	0.0	
HM Treasury	Nov	2¼-2¾	2¼-2¾	1¾	3-3½	3.0	2¼-2¾	4¾-5¼	4½-5	

2000

February 1999

Table 5

## Inflation and monetary indicators

Percentage changes on a year earlier unless stated otherwise

Forecasters & date of forecasts	RPI (Q4)	RPI exc MIPs (Q4)	Average earnings	Sterling index(Q4)	3 month interest rate(Q4%)	Oil price (\$)	M0 (2000-1)	M4	
<b>City forecasters</b>									
Abn Amro	Jan*	25	24	40	92.1	4.90	125	37	5.1
Barclays Bank	Feb*	1.4	1.8	3.5	90.0	4.00	130	40	3.0
Barclays Capital	Feb*	2.3	2.5	3.9	101.0	4.50	-	-	-
Charterhouse	Jan	2.9	2.7	4.4	94.4	7.15	-	4.2	6.2
Chase Manhattan	Feb*	2.5	2.4	4.1	93.4	4.60	100	-	-
Credit Lyonnais	Jan	2.1	2.2	3.5	95.0	4.25	16.0	-	-
Credit Suisse First Boston	Feb*	2.3	2.5	3.8	-	4.75	-	5.0	8.0
Daiwa Institute of Research	Feb*	2.8	2.6	5.0	97.3	5.5	-	-	-
Deutsche Bank	Feb*	2.7	2.4	3.5	94.0	5.0	14.0	5.1	5.6
Dresdner Kleinwort Benson	Dec	-	-	-	-	-	-	-	-
Economic Perspectives	Feb*	1.5	1.5	3.5	90.0	4.50	14.0	5.2	6.0
Goldman Sachs	Feb*	1.3	1.9	3.8	92.0	4.7	16.0	4.3 jk	2.6 jk
Greenwich Natwest	Feb*	2.8	2.5	4.2	91.3	5.92	11.0	-	-
Hermes	Feb*	2.6	2.3	4.2	99.3	5.75	-	-	-
HSBC Econ & Strategy	Feb*	2.4	2.4	3.5	96.0	5.50	17.0	6.0	6.0
J P Morgan	Jan	1.5	1.7	4.0	89.0	3.50	-	-	-
Lehman Brothers	Feb*	1.5	2.3	4.2	92.3	4.25	13.0	3.0	4.0
Lombard St	Feb*	2.6	2.9	4.8	90.0	5.90	15.0	-	4.5
Merrill Lynch	Feb*	2.2	2.2	4.2	-	5.00	-	4.8	6.0
Morgan Stanley	Feb*	3.0	2.7	4.3	99.5	6.10	-	5.2	5.0
Natwest Group	Feb*	3.0	2.5	4.5	95.2	6.30	14.0	5.6	6.0
Norwich Union IM	Feb*	2.0	2.4	3.8	95.0	5.00	14.0	7.0	7.0
Salomon S Barney /Citibank	Feb*	1.9	1.9	-	93.0	4.60	12.0	-	-
Schroders	Jan	2.1	2.2	3.8	94.0	5.00	-	-	-
S.G.	Jan	-	1.9	3.3	96.0	5.10	14.0	3.5	6.0
Warburg Dillon Read	Feb*	1.9	2.0	3.1	-	5.50	-	5.5	7.5
WestLB Panmure	Feb*	1.7	2.2	4.3	94.0	4.30	14.0	5.6	7.0
Williams de Broe	Feb*	1.1	1.4	3.9	96.0	4.50	12.0	5.8	11.1
<b>Non-City forecasters</b>									
BSL	Feb*	2.2	2.2	3.7	94.3	5.00	14.5	-	-
Cambridge Econ	Dec*	2.7 k	2.6 k	4.2	92.6 k	5.50 ks	13.0	-	-
CBI	Nov	2.7	2.5	4.0	94.0	5.50 s	14.0	-	-
CEBR	Jan	1.2	1.2	3.2	-	3.90	9.7	-	-
DRI	Dec	-	-	-	-	-	-	-	-
EIU	Jan	2.4	2.3	4.0	97.0	4.80	10.0	-	-
Henley	Feb*	1.9	1.9	3.7	-	4.90	-	5.0	6.5
ITEM Club	Jan*	2.0	2.2	5.0	94.8	4.50	13.0	4.7	7.5
Liverpool Univ	Jan	-	2.2	4.5	97.0	4.60	-	-	-
NIESR	Jan*	1.8	2.3	4.7	96.1	4.50	13.8	5.0 k	10.0 k
OEF	Feb*	2.4	2.3	4.6	94.8	5.00	11.9	4.0	6.1
WEFA	Jan	2.5	2.7	4.4	-	5.60	-	-	-
EC	Nov	1.7	-	4.8	-	-	-	-	-
OECD	Dec	-	-	4.4	5.1 k	-	-	-	-
IMF	Dec	-	-	-	-	-	-	-	-
<b>Average of Forecasts made in last 3 months</b>									
Independent		2.1	2.2	4.0	94.5	4.97	13.2	4.9	6.2
New (marked *)		2.2	2.2	4.1	94.4	5.00	13.4	5.0	6.2
City		2.2	2.2	4.0	94.2	5.04	13.6	5.0	6.1
<b>Range of Forecasts made in last 3 months</b>									
Highest		3.0	2.9	5.0	101.0	7.15	17.0	7.0	11.1
Lowest		1.1	1.2	3.1	89.0	3.50	9.7	3.0	3.0
HM Treasury	Nov	-	2½	-	-	-	-	-	-

## Other variables

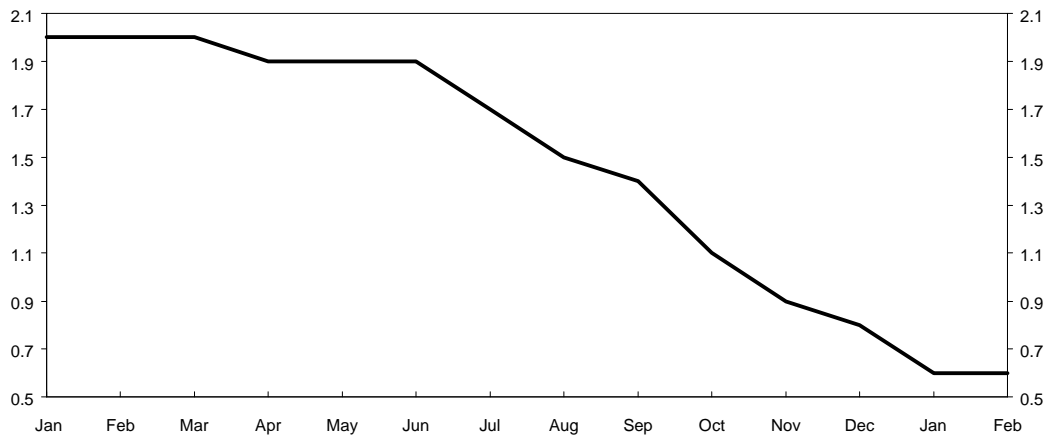
Percentage changes on a year earlier unless stated otherwise

Forecasters & dates of forecasts		RHDI	Employment	Claimant unemp. (Q4-mns)	Industrial production	Manuf'g output	World Trade	Current account (£bn)	PSNB (£bn 00-01)
<b>City forecasters</b>									
Abn Amro Hoare Govett	Jan*	2.0	-0.4	1.60	0.7	0.3	6.1	-4.8	8.9
Barclays Bank	Feb*	1.6	-1.0	1.85	-	0.0	-	-3.0	15.0
Barclays Capital	Feb*	2.3	-0.1	1.45	2.0	2.0	-	-5.4	7.0 cc
Charterhouse	Jan	2.0	-0.6	1.87	1.7	1.7	-	-3.9	3.7
Chase Manhattan	Feb*	2.6	0.0	1.60	1.0	1.0	-	-8.0	8.0 cc
Credit Lyonnais	Jan	-	-	1.70	1.3	1.1	5.5	-8.0	11.8 cc
Credit Suisse First Boston	Feb*	2.3	-0.5	1.75	1.0	1.0	-	-6.0	7.5
Daiwa Institute of Research	Feb*	2.1	-1.0	1.8	-	-	-	-8.2	9.9
Deutsche Bank	Feb*	2.0	0.0	2.0	0.8	0.8	-	-9.0	20.0 cc
Dresdner Kleinwort Benson	Dec	-	-	-	-	-	-	-	-
Economic Perspectives	Jan	1.8	-0.3	1.75	0.5	0.2	3.5	-17.0	20.0
Goldman Sachs	Feb*	1.7	0.1	1.86	1.7	1.6	-	-9.8	11.8
Greenwich Natwest	Feb*	1.6	0.5	1.80 aa	2.5	2.3	4.7	-8.8	5.0 cc
Hermes	Feb*	2.4	0.9	1.38	1.6	2.4	-	-4.5	7.0
HSBC Econ & Strategy	Feb*	2.5	-0.7	1.68	1.0	1.0	3.2	-10.3	5.0
J P Morgan	Jan	-	-	1.80	1.0	1.0	-	-2.0	10.0
Lehman Brothers	Feb*	1.5	-0.2	1.90	1.3	1.4	5.0	-6.0	17.0 cc
Lombard St	Feb*	2.9	0.0	1.70	-	-	-	-6.1	10.0
Merrill Lynch	Feb*	-	-	1.55	-	1.3	-	-6.5	6.0 cc
Morgan Stanley	Feb*	2.0	0.4	1.40	0.5	0.6	-	-12.0	8.0
Natwest Group	Feb*	2.9	0.8	1.53	2.0	1.7	5.5	-5.6	8.0
Norwich Union IM	Feb*	3.1	1.6	1.40	1.5	1.5	-	-12.0	2.0
Salomon S Barney /Citibank	Feb*	1.7	-0.7	1.73	0.0	0.3	-	-11.0	7.0
Schroders	Jan	1.6	-0.6	1.82	-	0.6	4.5	-14.0	10.0
S.G.	Jan	0.7	-0.5	1.90	1.0	1.0	5.5	-1.3	12.0
Warburg Dillon Read	Feb*	2.5	0.4	1.41	2.0	1.9	-	-5.0	6.0
WestLB Panmure	Feb*	1.9	0.1	1.66	1.9	1.7	-	-4.5	7.0
Williams de Broe	Feb*	-	-0.3	1.68	2.0	1.9	5.9	-3.2	6.0 cc
<b>Non-City forecasters</b>									
BSL	Feb*	1.4	-0.8	1.80	1.9	2.1	5.1	3.9	10.0
Cambridge Econ	Feb*	1.8	-0.4	1.60 k	0.6	0.7	3.1	-6.7	6.1 cc
CBI	Nov	1.2	-0.5	1.60	1.1	0.2	4.3	-9.9	7.5 cc
CEBR	Jan	-0.5	-0.9	2.30	-	-0.7	-	-3.4	6.5
DRI	Dec	-	-	-	-	-	-	-	-
EIU	Jan	2.2	-0.1	1.72	1.0	1.0	5.9	-6.7	7.7
Henley	Feb*	2.1	-1.7	2.00	-	-0.3	-	-11.7	12.0
ITEM Club	Jan*	2.1	-1.5	6.90 x	0.1	0.7	6.0	-9.2	6.0 cc
Liverpool Univ	Jan	-	-	1.30	-	-	-	-5.2	-6.2
NIESR	Jan*	2.5	0.8	1.42	-	1.7	4.5	-8.2	9.1
OEF	Feb*	2.1	-1.0	1.80	0.8	1.4	7.2	-7.2	9.0
WEFA	Jan	2.0	-0.3	1.68	3.2	3.8	-	-2.0	-6.4
EC	Nov	-	0.4	-	1.6	-	-	-0.4 g	-
OECD	Dec	-	-0.2	-	-	1.4	-	-1.5 g	-
IMF	Dec	-	-	-	-	-	-	-	-
<b>Average of Forecasts made in last 3 months</b>									
Independent		2.0	-0.2	1.70	1.3	1.2	5.1	-6.8	7.8
New (marked *)		2.1	-0.2	1.67	1.2	1.2	5.0	-7.4	9.1
City		2.1	-0.1	1.68	1.3	1.2	4.9	-7.3	8.9
<b>Range of Forecasts made in last 3 months</b>									
Highest		3.1	1.6	2.30	3.2	3.8	7.2	3.9	20.0
Lowest		-0.5	-1.7	1.30	0.0	-0.7	3.1	-17.0	-6.4
HM Treasury	Nov	1¾-2¼	-	-	-	¾1¼	5¾	-8¾	6.0

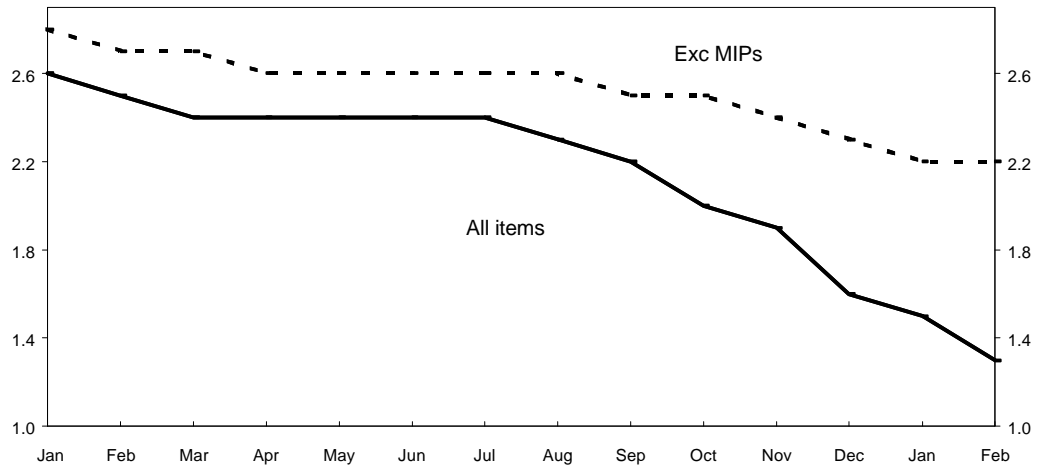
# Forecasts for 1999

Independent average, January 1998 - February 1999

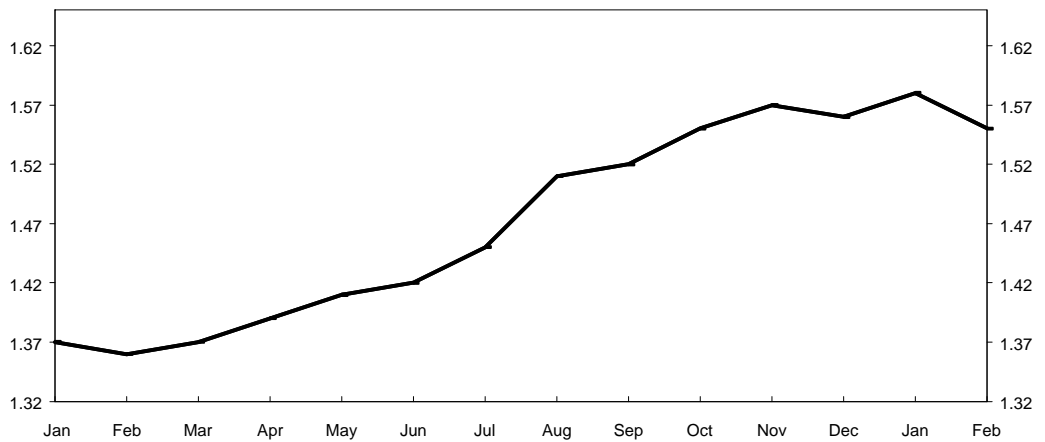
GDP growth  
(per cent)



Retail price  
inflation  
(Q4, per cent)



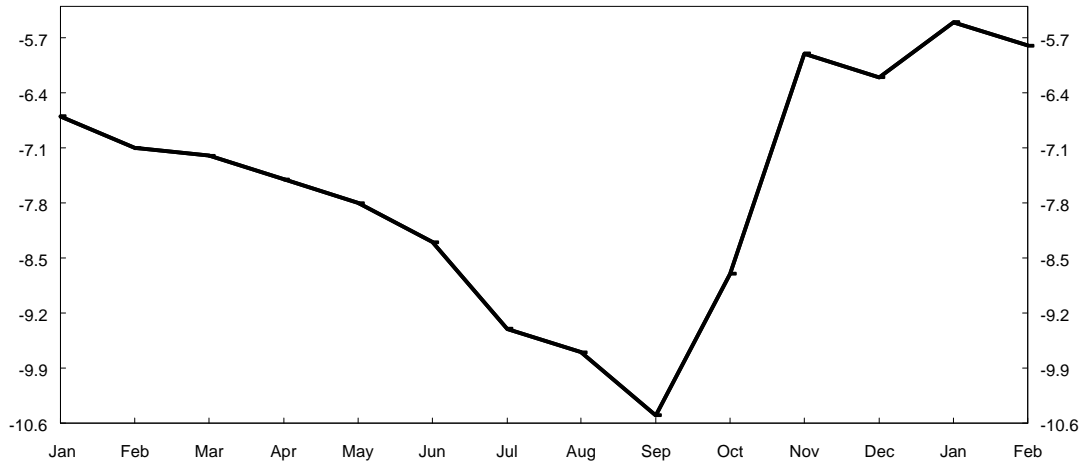
Claimant  
unemployment  
(Q4, millions)



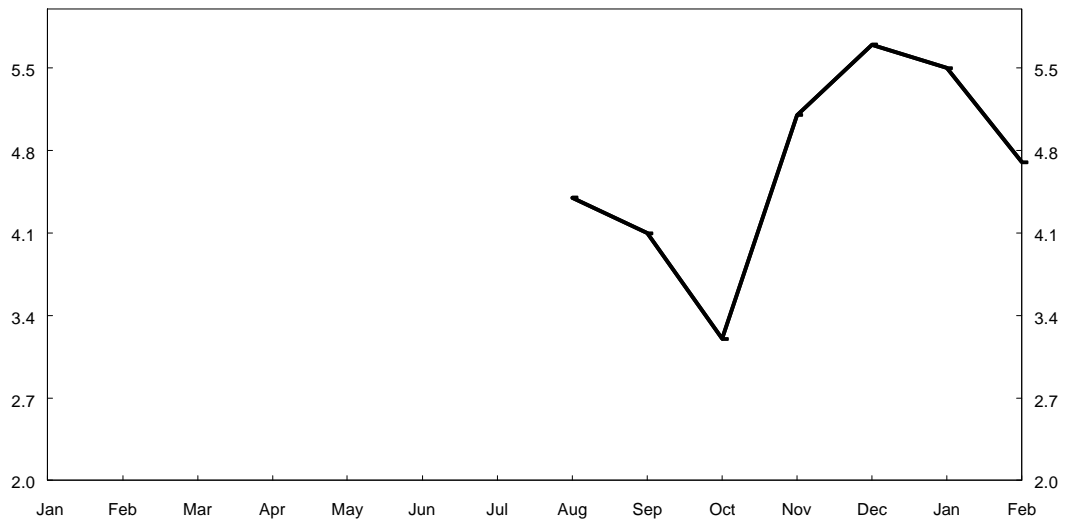
# Forecasts for 1999

Independent average, January 1998 - February 1999

Current account  
(£ billion)

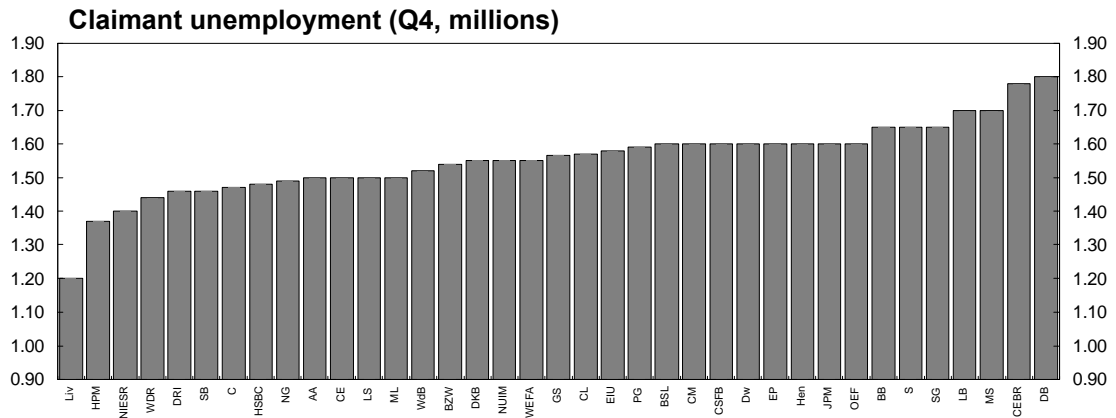
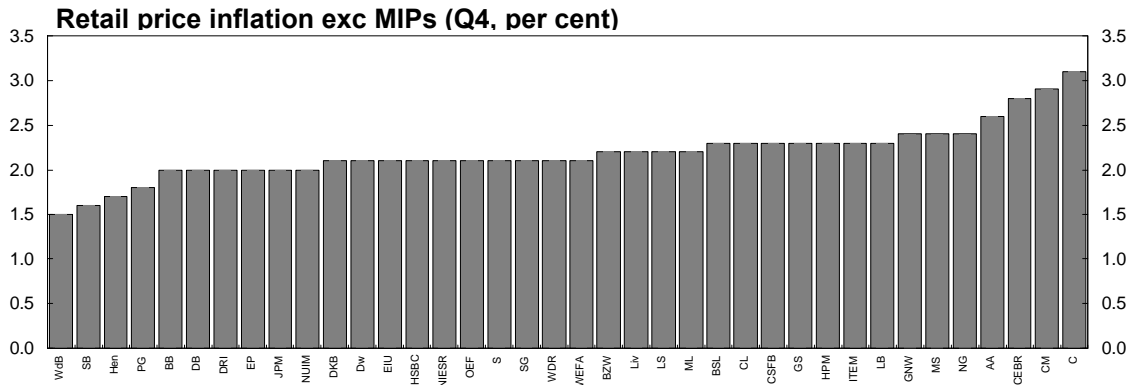
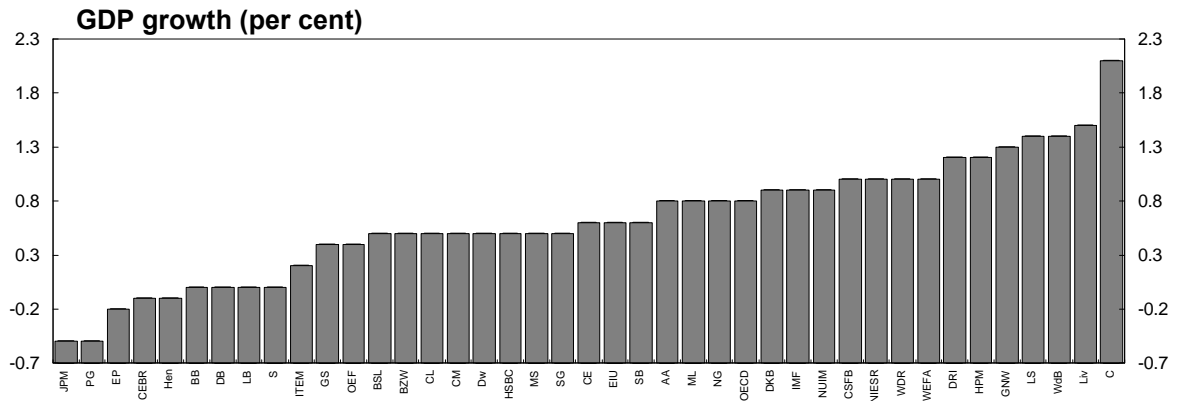


PSNB 1999-00  
(£ billion)



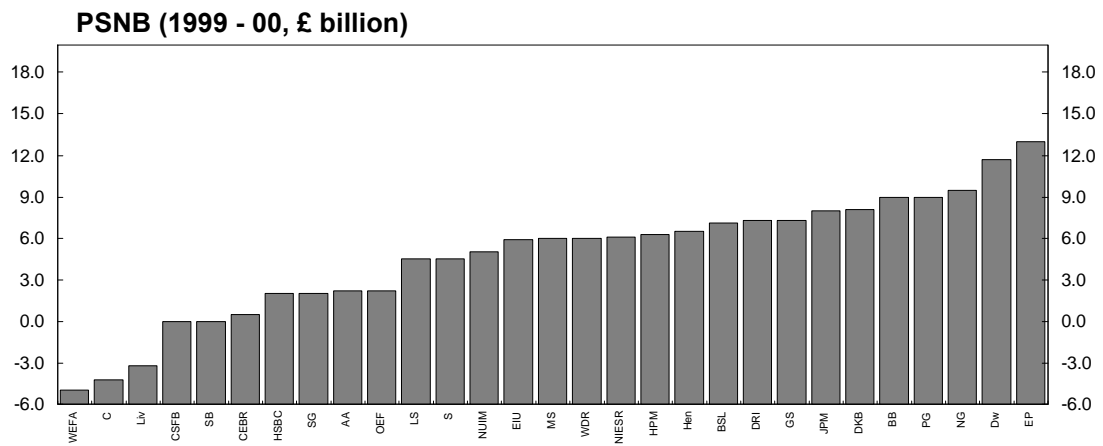
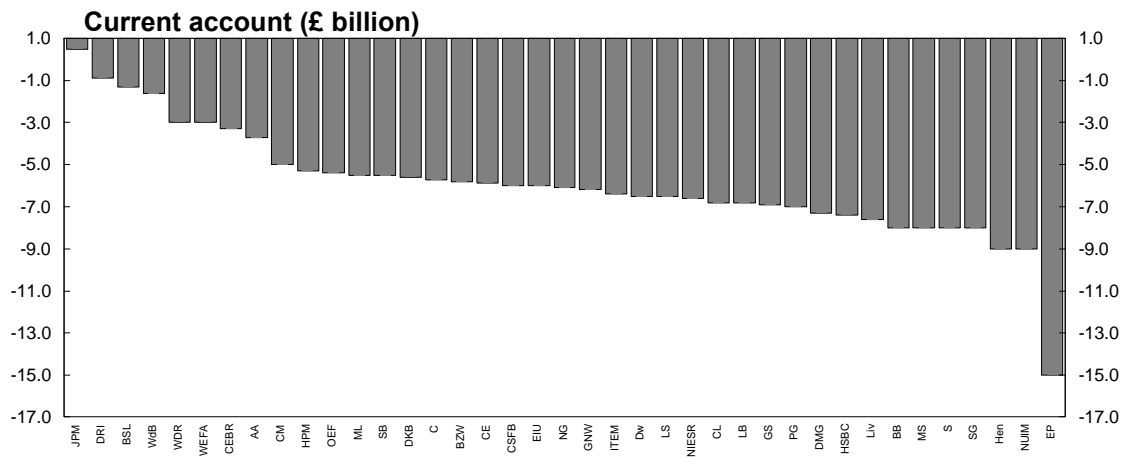
# Forecasts for 1999

February 1999 range of forecasts ( made in last 3 months )



# Forecasts for 1999

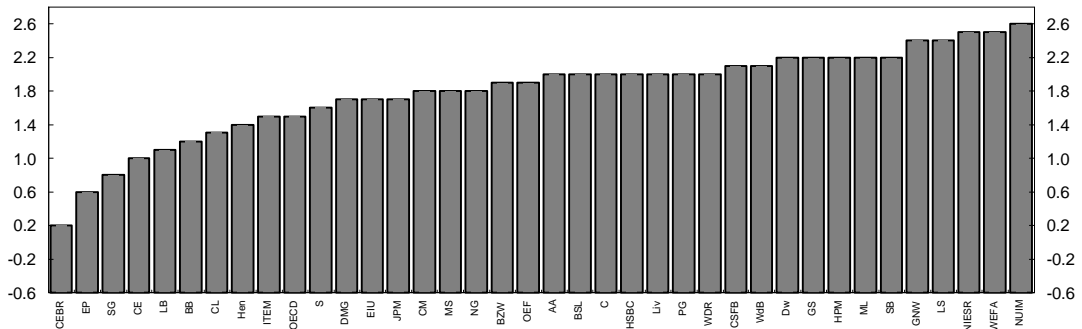
February 1999, range of forecasts ( made in last 3 months )



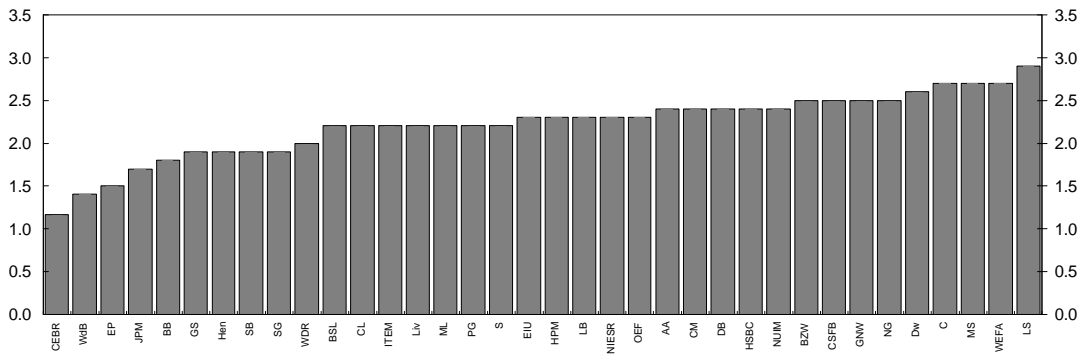
# Forecasts for 2000

February 1999, range of forecasts ( made in last 3months )

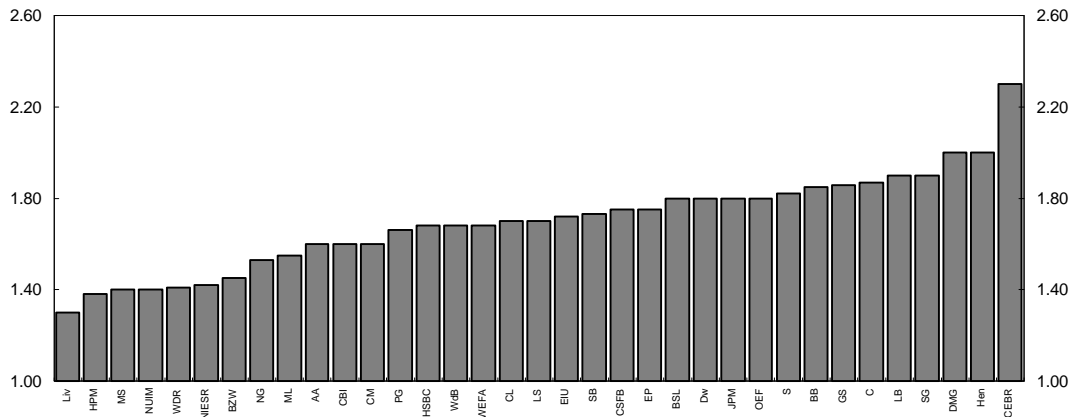
## GDP growth (per cent)



## Retail price inflation exc MIPs (Q4, per cent)

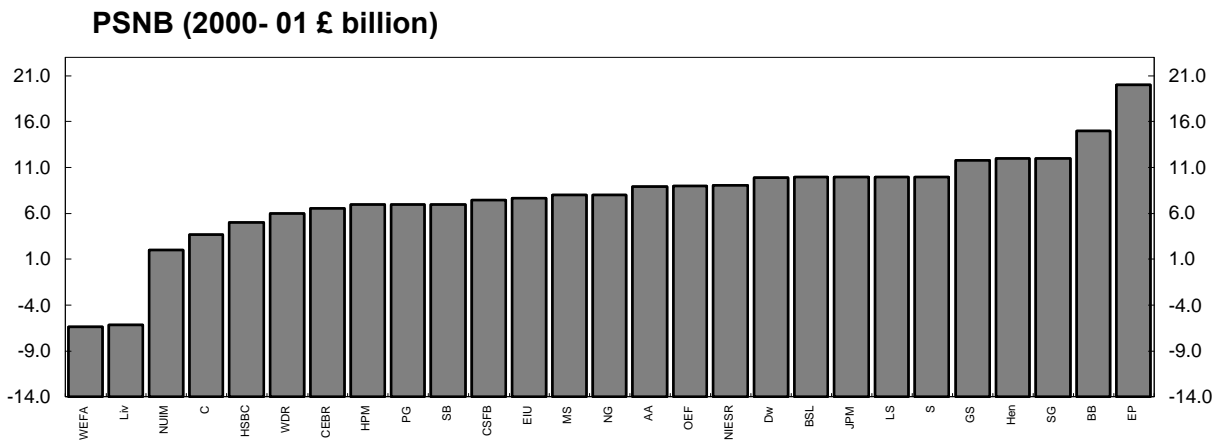
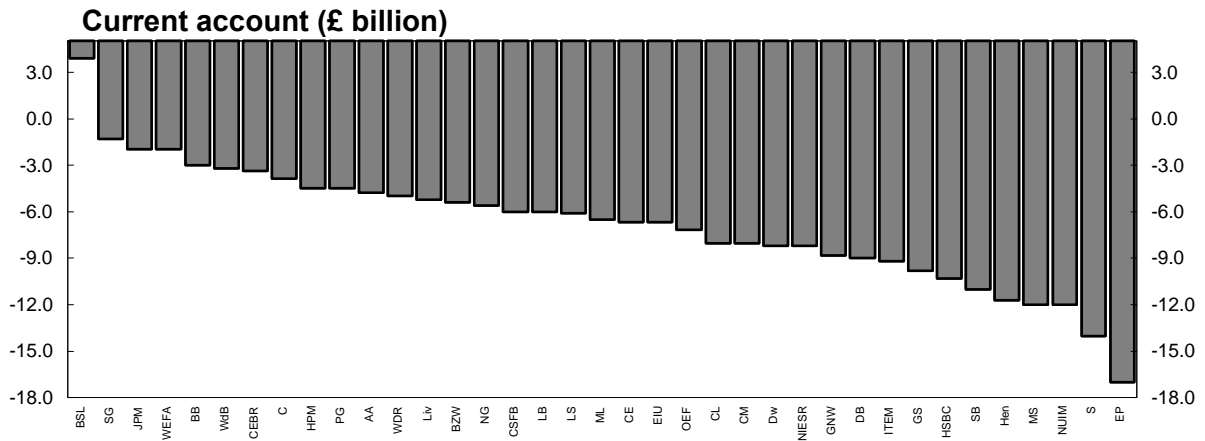


## Claimant unemployment (Q4, millions)



# Forecasts for 2000

February 1999, range of forecasts (made in last 3 months )



## Medium-term projections, February 1999

This edition of the comparison contains medium-term projections from 14 forecasters, for the calendar years 1999 to 2003, and the fiscal years 1999-00 to 2002-03. The table below summarises the independent average, which is the average of medium-term projections made in the last three months.

	Independent average				
	1999	2000	2001	2002	2003
<b>GDP growth (per cent)</b>	<b>0.5</b>	<b>1.6</b>	<b>2.7</b>	<b>2.8</b>	<b>2.5</b>
<b>Inflation rate (per cent)</b>					
<b>-RPI</b>	<b>1.5</b>	<b>1.9</b>	<b>2.2</b>	<b>2.4</b>	<b>2.5</b>
<b>-RPI excMIPS</b>	<b>2.3</b>	<b>2.1</b>	<b>2.1</b>	<b>2.3</b>	<b>2.5</b>
<b>Claimant unemployment (mn)</b>	<b>1.50</b>	<b>1.71</b>	<b>1.74</b>	<b>1.69</b>	<b>1.53</b>
<b>Current account (£bn)</b>	<b>-5.7</b>	<b>-5.6</b>	<b>-6.8</b>	<b>-7.9</b>	<b>-8.3</b>
	<b>1999-00</b>	<b>2000-01</b>	<b>2001-02</b>	<b>2002-2003</b>	
<b>PSNB (FY; £bn)</b>	<b>7.6</b>	<b>11.4</b>	<b>9.1</b>	<b>4.5</b>	
<b>(Public Sector Net Borrowing)</b>					

GDP  
(Percentage change)

	1999	2000	2001	2002	2003
<b>City forecasters</b>					
Barclays	0.0	1.2	3.0	3.5	3.0
Daiwa Institute of Research	0.5	2.2	3.1	2.8	2.5
Goldman Sachs	0.4	2.2	3.1	2.8	-
Lehman Brothers	0.0	1.1	2.4	2.3	2.3
Natwest Group	0.8	1.8	3.3	3.0	2.5
Williams de Broe	1.4	2.1	2.1	2.1	1.9
<b>Non-City forecasters</b>					
BSL	0.5	2.0	3.2	3.4	3.0
Cambridge Econometrics	0.6	1.0	2.1	2.7	2.2
CEBR	-0.1	0.2	2.3	2.4	-
DRI	1.0	1.6	2.0	2.7	2.9
Henley	-0.1	1.4	2.0	3.4	3.0
ITEM Club	0.2	1.5	3.3	3.5	2.5
NIESR	1.0	2.5	2.6	2.3	2.0
OEF	0.4	1.9	3.2	2.9	2.5
Independent average	0.5	1.6	2.7	2.8	2.5
Highest	1.4	2.5	3.3	3.5	3.0
Lowest	-0.1	0.2	2.0	2.1	1.9

RPI inflation (Per cent)					RPI excluding MIPs inflation (Per cent)					
1999	2000	2001	2002	2003		1999	2000	2001	2002	2003
City forecasters										
1.0	1.0	1.8	3.0	3.8	Barclays	23	1.8	1.8	2.3	2.8
1.6	2.4	2.8	2.8	1.9	Daiwa Institute of Research	22	2.5	2.4	2.5	2.2
-	-	-	-	-	Goldman Sachs	23	1.9	2.5	2.5	-
0.9	1.5	2.5	2.5	2.5	Lehman Brothers	23	2.3	2.4	2.5	2.5
1.5	2.6	3.0	2.2	1.9	Natwest Group	25	2.5	2.5	2.5	2.5
1.1	0.9	2.1	3.4	4.1	Williams de Broe	20	1.3	2.0	3.2	3.9
Non-City forecasters										
1.4	1.9	1.9	2.1	1.9	BSL	23	2.3	2.4	2.3	1.9
1.9	2.7	2.9	2.5	2.4	Cambridge Econometrics	24	2.6	2.2	2.3	2.3
2.0	1.8	0.2	0.0	-	CEBR	22	1.9	0.0	-0.2	-
1.5	2.0	2.6	2.8	2.6	DRI	23	2.3	2.4	2.4	2.6
1.6	1.5	2.2	2.7	2.5	Henley	21	1.7	2.3	2.5	2.3
2.3	2.0	2.1	2.5	2.7	ITEM Club	24	2.2	2.3	2.5	2.7
1.7	1.9	1.5	1.7	1.7	NIESR	23	2.4	2.1	1.7	1.4
1.5	2.1	2.5	2.9	2.5	OEF	23	2.3	2.4	2.5	2.4
1.5	1.9	2.2	2.4	2.5	Independent average	23	2.1	2.1	2.3	2.5
2.3	2.7	3.0	3.4	4.1	Highest	25	2.6	2.5	3.2	3.9
0.9	0.9	0.2	0.0	1.7	Lowest	20	1.3	0.0	-0.2	1.4

PSNB (£billion)				PSNB (Per cent of money GDP)				
1999-00	2000-01	2001-02	2002-03		1999-00	2000-01	2001-02	2002-03
City forecasters								
90	150	130	80	Barclays	1.0	1.6	1.3	0.8
11.7	99	1.6	-6.2	Daiwa Institute of Research	1.3	1.1	0.2	0.6
7.3	11.8	12.9	10.6	Goldman Sachs	0.8	1.3	1.4	1.1
9.5	80	20	20	Natwest Group	1.1	0.9	0.2	0.2
80	160	180	130	Lehman Brother	-0.8	1.5	1.5	1.2
38 cc	60 cc	99 cc	143 cc	Williams de Broe	0.4 cc	0.6 cc	1.0 cc	1.4 cc
Non-City forecasters								
7.1	100	1.6	-8.4	BSL	0.8	1.1	0.2	-0.8
61 k cc	46 k cc	33 k cc	22 k cc	Cambridge Econometrics	0.7 k cc	0.5 k cc	0.3 k cc	0.2 k cc
50	6.5	14.3	17.0	CEBR	-	-	-	-
8.5	18.4	15.8	9.3	DRI	1.0	2.1	1.6	0.9
6.5	12.0	9.4	8.0	Henly	0.8	1.4	1.0	0.8
20 cc	60 cc	5.7 cc	1.3 cc	ITEM Club	0.2 cc	0.7 cc	0.6 cc	0.1 cc
61	9.1	5.3	1.7	NIESR	0.7	1.0	0.6	0.2
5.3	8.7	6.3	-5.7	OEF	0.6	1.0	0.7	-5.6
7.6	11.4	9.1	4.5	Independent average	0.7	1.3	0.9	-0.1
11.7	18.4	18.0	17.0	Highest	1.3	2.1	1.6	1.2
5.0	6.5	1.6	-8.4	Lowest	-0.8	0.9	0.2	-5.6

Sterling Index (1990= 100)					Interest rate (Per cent)					
1999	2000	2001	2002	2003		1999	2000	2001	2002	2003
City forecasters										
-	-	-	-	-	Barclays	5.00	4.00	4.00	4.50	5.50
97.2	96.9	95.2	93.0	92.8	Daiwa Institute of Research	5.30	5.40	5.60	4.90	3.60
92.0	92.0	92.0	92.0	92.0	Goldman Sachs	4.50 r	5.00 r	5.00 r	5.00 r	-
96.0	94.0	93.0	92.5	92.0	Lehman Brothers	5.07	4.31	4.25	4.15	4.35
95.4	95.2	95.1	95.0	94.9	Natwest Group	5.40	5.90	6.50	6.00	5.10
99.0	97.5	92.3	86.4	81.9	Williams de Broe	5.00	4.40	4.90	5.40	5.80
Non-City forecasters										
97.1	94.7	95.5	96.1	96.5	BSL	5.23	5.00	4.04	3.85	3.95
97.1	92.6	90.7	90.8	90.8	Cambridge Econometrics	5.90	5.50	6.00	6.00	6.00
-	-	-	-	-	CEBR	5.30	4.20	2.80	2.40	-
98.3	95.1	91.7	91.7	91.2	DRI	5.80	5.50	5.60	6.10	5.40
-	-	-	-	-	Henley	5.00	4.60	8.50	6.10	6.30
97.8	95.6	93.6	93.0	92.7	ITEM Club	5.40	5.20	4.90	4.10	4.00
99.8	96.4	93.0	91.2	90.9	OEF	5.20	5.00	5.00	4.60	4.00
98.2	96.5	96.0	96.4	96.8	NIESR	5.80	4.80	4.00	3.60	3.80
97.1	95.1	93.5	92.6	92.0	Independent average	5.30	4.85	5.10	4.71	4.79
99.8	97.5	96.0	96.4	96.8	Highest	5.90	5.90	8.50	6.10	6.30
92.0	92.0	90.7	86.4	81.9	Lowest	5.00	4.00	2.80	2.40	3.60

Domestic Demand (Percentage change)					Contribution of net trade to GDP growth (Per cent)					
1999	2000	2001	2002	2003		1999	2000	2001	2002	2003
City forecasters										
0.7	0.8	3.0	3.3	2.6	Barclays	-0.7	-0.4	0.0	0.2	0.4
1.3	2.6	3.2	2.6	2.2	Daiwa Institute of Research	-0.8	-0.4	-0.1	0.2	0.3
-	-	-	-	-	Goldman Sachs	-	-	-	-	-
0.5	1.2	2.4	2.0	1.8	Lehman Brothers	-0.5	-0.1	0.0	0.3	0.5
1.2	1.7	3.2	2.8	2.3	Natwest Group	-0.4	0.1	0.1	0.2	0.2
1.8	2.7	2.5	2.2	1.9	Williams de Broe	-0.4	-0.7	-0.5	-0.2	-0.1
Non-City forecasters										
0.8	1.8	3.0	3.1	2.9	BSL	-0.3	0.2	0.2	0.2	0.1
0.5	1.1	2.1	2.7	2.3	Cambridge Econometrics	0.2	-0.1	0.0	0.0	-0.1
0.3	-0.4	2.1	3.0	-	CEBR	-	-	-	-	-
1.5	1.8	2.1	2.9	2.6	DRI	-0.5	-0.2	0.1	0.2	0.3
0.6	1.8	2.6	3.6	3.0	Henley	-	-	-	-	-
1.0	2.0	3.2	3.3	2.0	ITEM Club	-0.8	0.5	0.1	0.2	0.5
1.1	2.3	2.4	2.1	2.0	NIESR	-0.1	0.2	0.2	0.2	0.0
1.2	2.1	2.9	2.5	2.2	OEF	-0.4	-0.3	0.2	0.4	0.2
1.0	1.7	2.7	2.8	2.3	Independent average	-0.4	-0.1	0.0	0.2	0.2
1.8	2.7	3.2	3.6	3.0	Highest	0.2	0.5	0.2	0.4	0.5
0.3	-0.4	2.1	2.0	1.8	Lowest	-0.8	-0.7	-0.5	-0.2	-0.1

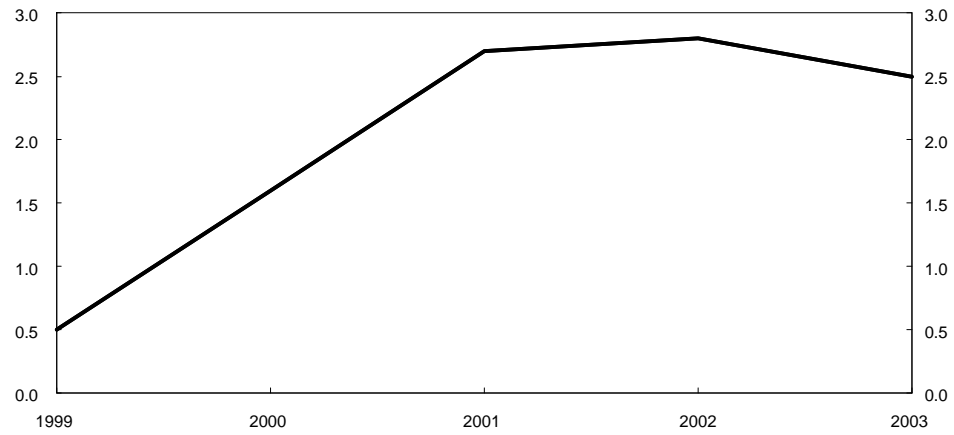
Current Account (£billion)						Current Account (Per cent of money GDP)				
1999	2000	2001	2002	2003		1999	2000	2001	2002	2003
City forecasters										
-8.0	-3.0	-2.0	0.0	3.0	Barclays	-1.0	-0.3	-0.2	0.0	0.3
-6.5	-8.2	-11.0	-12.5	-12.6	Daiwa Institute of Research	-0.7	-0.9	-1.2	-1.2	-1.2
-10.6	-10.2	-9.8	-6.9	-	Goldman Sachs	-0.8	-1.1	-1.1	-1.1	-
-6.8	-6.0	-	-	-	Lehman Brothers	-0.8	-0.7	-	-	-
-6.1	-5.6	-5.6	-5.1	-4.4	Natwest Group	0.7	0.6	0.6	0.5	0.4
-1.6	-3.2	-10.9	-18.2	-21.8	Williams de Broe	-0.2	-0.3	-1.1	-1.7	-2.0
-1.3	3.9	2.0	-0.1	-2.2	BSL	-0.2	0.4	0.2	0.0	-0.2
-5.9	-6.7	-7.6	-8.7	-9.8	Cambridge Econometrics	-0.7	-0.7	-0.8	-0.9	-1.0
-3.3	-3.4	-3.3	-9.1	-	CEBR	-	-	-	-	-
-1.7	0.9	1.6	2.2	1.2	DRI	-0.2	0.1	0.2	0.2	0.1
-9.0	-11.7	-14.0	-14.0	-13.6	Henley	-1.0	-1.3	-1.5	-1.4	-1.3
-6.4	-9.2	-10.3	-11.4	-9.5	ITEM Club	-0.7	-1.0	-1.1	-1.2	-0.9
-6.6	-8.2	-9.8	-11.0	-13.0	NIESR	0.8	0.9	1.0	1.2	1.3
-5.4	-7.2	-7.4	-7.9	-8.4	OEF	-0.6	-0.8	-0.8	-0.8	-0.8
-5.7	-5.6	-6.8	-7.9	-8.3	Independent average	-0.4	-0.4	-0.5	-0.5	-0.5
-1.3	3.9	2.0	2.2	3.0	Highest	0.8	0.9	1.0	1.2	1.3
-10.6	-11.7	-14.0	-18.2	-21.8	Lowest	-1.0	-1.3	-1.5	-1.7	-2.0

Claimant unemployment (million)					GDP deflator (Percentage change)				
1999	2000	2001	2002	2003		1999-0	2000-01	2001-02	2002-03
City forecasters									
1.55	1.75	1.85	1.70	1.50	Barclays	20	1.8	20	25
1.50	1.70	1.80	1.70	1.60	Daiwa Institute of Research	20	2.3	2.1	1.9
1.57	1.86	1.91	1.89	-	Goldman Sachs	21 k	2.1 k	2.5 k	2.5 k
1.50	1.80	1.90	1.80	1.70	Lehman Brothers	1.8	2.7	2.5	2.5
1.39	1.55	1.47	1.31	1.29	Natwest Group	2.6	2.5	2.5	2.5
1.44	1.63	1.73	1.76	1.75	Williams de Broe	1.7	2.0	2.7	3.8
Non-City forecasters									
1.50	1.80	1.80	1.50	1.30	BSL	1.4	1.5	2.2	2.1
1.50	1.60	1.60	1.60	1.60	Cambridge Econometrics	2.9 k	2.4 k	2.5 k	2.5 k
1.56	1.74	1.82	1.88	-	CEBR	1.3 k	1.5 k	0.1 k	-0.1 k
2.10 aa	2.35 aa	2.31 aa	2.06 aa	1.91 aa	DRI	1.6	0.9	1.9	2.4
1.61	1.97	1.77	1.54	1.46	Henley	1.7	1.7	2.6	3.0
5.40 x	6.60 x	7.10 x	7.10 x	6.70 x	ITEM Club	2.2	2.2	2.5	2.6
1.38	1.41	1.43	1.47	1.51	NIESR	1.8	2.1	1.7	1.5
1.50	1.70	1.80	1.70	1.60	OEF	2.2	2.3	2.4	2.5
1.50	1.71	1.74	1.69	1.53	Independent average	1.9	2.0	2.3	2.5
1.61	1.97	1.91	2.06	1.75	Highest	2.6	2.7	2.7	3.8
1.38	1.41	1.43	1.31	1.29	Lowest	1.4	0.9	1.7	1.5

# Medium-term projections

Independent average February 1999

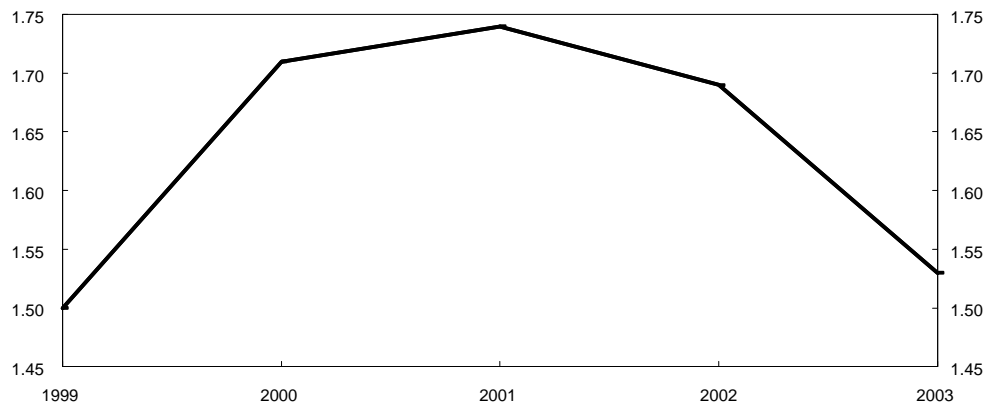
GDP growth  
(per cent)



Retail price  
inflation  
exc MIPs  
(per cent)



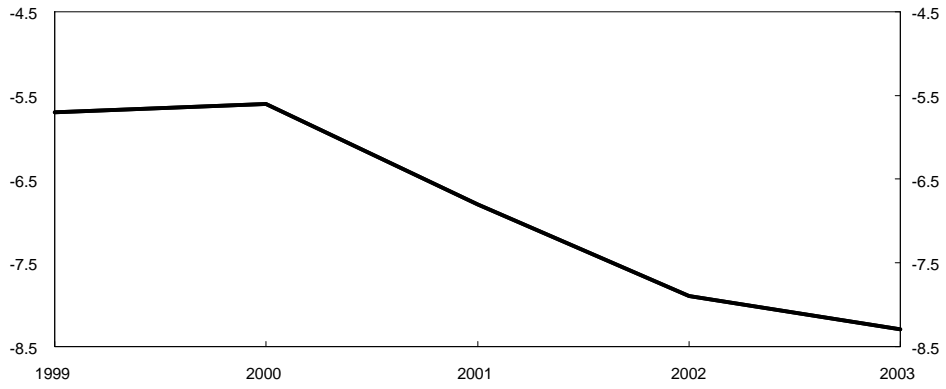
Claimant  
unemployment  
(millions)



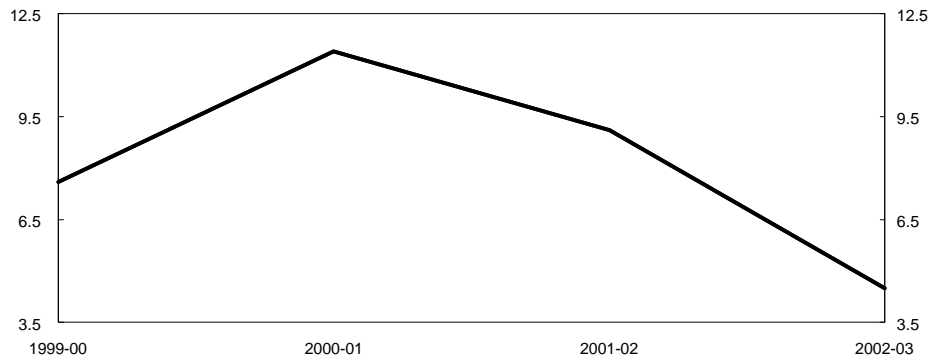
# Medium-term projections

Independent average February 1999

Current account  
(£ billion)



PSNB  
(£ billion)



**ANNEX 1: Forecasting institutions** referred to in charts and tables:

AA:	Abn Amro
B	Barclays Bank
BZW:	Barclays Capital
BSL	Business Strategies Ltd
CE:	Cambridge Econometrics
C:	Charterhouse
CM:	Chase Manhattan
CBI:	Confederation of British Industry
CEBR	Centre for Economics and Business Research Ltd
CL:	Credit Lyonnais
CSFB:	Credit Suisse First Boston
Dw:	Daiwa Europe Ltd/DIR
DB :	Deutsche Bank
DKB:	Dresdner Kleinwort Benson
DRI:	Data Resources Inc. Europe
EC:	European Commission
EIU:	Economist Intelligence Unit
EP:	Economic Perspectives
GNW:	Greenwich Natwest
GS:	Goldman Sachs
Hen:	Henley Forecasting Centre
HSBC	HSBC Economics and Strategy
HPM:	Hermes Pensions Management Ltd
IMF:	International Monetary Fund
ITEM:	ITEM Club
JPM:	J P Morgan
LB:	Lehman Brothers
Liv:	Liverpool University Research Group in Macroeconomics
LS:	Lombard Street Research Ltd
ML:	Merrill Lynch
MS:	Morgan Stanley
NIESR:	National Institute for Economic and Social Research
NG:	Natwest Group
NUIM:	Norwich Union Investment Management
OEC	Organisation for Economic Cooperation and Development
OEF:	Oxford Economic Forecasting
SB:	Saloman Smith Barney
S:	Schroders
SG:	Societe Generale
WDR:	Warburg Dillon Read
WLBP:	WestLB Panmure
WEFA:	Wharton Economic Forecasting
WdB:	Williams de Broë

**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: base 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 markets
- x: claimant unemployment rate
- y: derived from the consumer price index
- z: OECD real imports of goods and services
- aa: ILO Unemployment
- bb: Households only
- cc: PSNCR (Formerly PSBR)

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