

Includes  
Forecasts  
to 2007

# Forecasts for the UK Economy

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## A comparison of independent forecasts

Compiled by Economic Assessment Team

November 2003

[www.hm-treasury.gov.uk/forecasts](http://www.hm-treasury.gov.uk/forecasts)



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**"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 17th December 2003. It will also be available on the Treasury's Internet site: <http://www.hm-treasury.gov.uk>.**

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

This edition of the comparison contains 24 new forecasts, all of which were received between the 4th and 12th of November. 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 <sup>+</sup>				Average of new* forecasts
	Averages		November		
	November	October	Lowest	Highest	
GDP growth (per cent)	1.9	1.9	1.6	2.2	2.0
Inflation rate (Q4: per cent)					
- RPI	2.7	2.7	2.2	2.9	2.7
- RPI ex MIPs	2.7	2.7	2.2	2.9	2.7
Claimant unemployment (Q4: mn)	0.94	0.96	0.91	1.00	0.94
Current account (£bn)	-22.2	-21.4	-39.3	-8.0	-23.5
PSNB (2003-04: £bn)	33.4	32.5	24.3	40.0	34.3

Forecasts for 2004	Independent <sup>+</sup>				Average of new* forecasts
	Averages		November		
	November	October	Lowest	Highest	
GDP growth (per cent)	2.6	2.5	0.3	3.5	2.6
Inflation rate (Q4: per cent)					
- RPI	2.9	2.7	1.8	3.8	3.0
- RPI ex MIPs	2.4	2.4	1.7	3.3	2.4
Claimant unemployment (Q4: mn)	0.95	0.98	0.76	1.20	0.97
Current account (£bn)	-23.5	-23.4	-43.9	-5.0	-23.6
PSNB (2004-05: £bn)	35.2	34.8	28.0	49.0	35.6

+ Independent and City averages, and the range of forecasts, are based on forecasts made in the last three months (November: 24 Institutions, October: 12 Institutions, September: 2 Institutions)

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

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

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

**Nov 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
<b>City Forecasters</b>										
ABN AMRO	Oct	2.1	2.4	3.8	2.6	-0.8	2.5	-1.2	0.9	-0.6
Bank of America	Nov *	1.9	2.3	3.6	2.4	0.5	2.6 kk	-1.0	0.6	-0.5
Barclays Capital	Nov *	2.1	2.3	3.9	1.5	0.8	2.4	-1.5	0.1	-0.4
Bridgewell	Nov *	1.6	2.4	3.5	1.7	-1.7	2.2	-1.0	0.8	-0.5
Capital Economics	Nov *	1.8	2.2	3.7	2.0	-4.9	2.3	-1.4	0.4	-0.5
Citigroup	Nov *	2.0	2.4	3.9	2.9	-3.0	2.3	-1.4	0.0	-0.3
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	Nov *	2.1	2.5	3.5	2.6	-1.2	2.5	-1.3	0.5	-0.5
Daiwa Institute of Research	Oct	2.0	2.3	3.9	2.1	-0.4	2.4	-1.2	0.5	-0.5
Deutsche Bank	Nov *	2.0	2.5	3.7	2.5	-0.9	2.5	-1.4	0.8	-0.6
Dresdner Kleinwort Wasserstein	Nov *	2.0	2.4	3.9	2.3	-0.1	2.7	-1.7	0.3	-0.7
Economic Perspectives	Oct	1.6	2.4	3.7	0.9	-1.3	2.1	-1.9	0.1	-0.6
Fortis Bank	Oct	2.0	2.1	3.6	3.2	-	2.4	-0.6	0.6	-0.3
Goldman Sachs	Nov *	2.0	2.4	3.6	1.9	-0.2 h	2.3	-0.6	1.1	-0.5
Hermes	Nov *	2.1	2.5	3.6	2.5	-0.4	2.6	-0.7	1.0	-0.5
HSBC	Nov *	1.9	2.4	3.7	2.5	-1.3	2.4	-1.6	0.1	-0.5
ING Financial Markets	Nov *	2.0	2.3	3.7	2.8	-0.6	2.6	-1.1	1.5	-0.8
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	Nov *	2.1	2.4	4.0	3.2	-2.0	2.5	-0.4	0.9	-0.4
Lehman Brothers	Oct	2.0	2.6	3.2	1.6	0.8	2.4	-1.9	0.0	-0.5
Lombard Street	Oct	1.9	2.7	3.8	0.5	2.0	2.8	1.0	2.5	-0.8
Morgan Stanley	Nov *	1.9	2.1	3.8	2.6	-	2.5	-0.9	0.4	-0.4
RBSFM	Oct	2.0	2.3	3.9	2.5	0.0	2.6	-0.9	1.2	-0.6
Schroders Investment Management	Nov *	1.9	2.4	3.7	2.8	-1.2	2.4	-1.3	0.4	-0.5
Standard Chartered Bank	Oct	2.0	2.4	3.8	2.3	0.0	2.5	-1.3	0.0	-0.4
UBS	Nov *	2.0	2.4	3.7	2.6	-3.2	2.3	-1.6	0.1	-0.5
WestLB AG	Oct	1.9	2.2	4.2	2.6	-0.3	2.8	-1.1	1.1	-0.9
Williams de Broe	Oct	1.9	2.3	3.8	2.6	0.5	2.6	-0.9	1.9	-1.0
<b>Non-City Forecasters</b>										
Cambridge Econometrics	Nov *	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	Nov *	2.0	2.3	2.4	1.4	2.6	2.3	0.8	1.6	-
Economy.com	Nov *	1.9	2.6	4.0	-0.1	-0.1	2.3	1.3	4.6	-
Experian Business Strategies	Oct	2.0	2.4	3.4	2.2	0.0	2.5	-1.5	0.3	-0.5
EIU	Oct	1.8	2.3	3.5	1.5	-	2.2	-0.9	0.7	-0.5
Global Insight	Aug	1.8	2.8	2.7	1.1	-	2.9	-0.3	2.8	-
ITEM Club	Nov *	2.0	2.3	3.9	1.3	-0.1	2.3	-1.3	0.2	-0.4
Liverpool Macro Research	Nov *	2.2	3.9 c	4.0 d	-2.7 e	-	-	-	-	-
NIESR	Nov *	2.0	2.4	2.9	3.0	-0.3	2.4	-1.9	0.0	-0.5
OEF	Nov *	2.0	2.3	3.9	2.1	-1.7	2.3	-1.2	0.5	-0.5
EC	Nov *	2.0	2.3	3.6	3.1	-1.1	2.4	-0.6	0.9	-0.4
OECD	May	2.1	2.2	2.1	1.9	0.3 h	2.4	2.1	2.9	-0.5
IMF	Sep	1.7	2.2	3.8	1.3	0.4 h	2.4	-0.2	2.0	-0.9
<b>Average of Forecasts made in the last 3 months</b>										
Independent		1.9	2.4	3.7	2.1	-0.5	2.4	-1.0	0.8	-0.6
New (marked *)		2.0	2.4	3.7	2.1	-0.9	2.4	-1.0	0.8	-0.5
City		2.0	2.4	3.7	2.3	-0.8	2.5	-1.1	0.7	-0.5
<b>Range of Forecasts made in the last 3 months</b>										
Highest		2.2	3.1	4.4	3.2	2.6	2.9	1.3	4.6	-0.3
Lowest		1.6	2.1	2.4	-0.3	-4.9	2.1	-1.9	0.0	-1.4
Median		2.0	2.4	3.7	2.3	-0.4	2.4	-1.2	0.6	-0.5
HM Treasury	Apr	2 to 2½	2¼ to 3	3¼	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)**

Nov 2003 Comparison

Forecasters & dates of forecasts		RPI (Q4)	RPIX (Q4)	Average Earnings	Sterling Index (Q4)	Bank of England Repo Rate (Q4,%)	Oil price (\$)	M4
<b>City Forecasters</b>								
ABN AMRO	Oct	-	2.9	3.4	99.5	3.50	-	-
Bank of America	Nov *	2.6	2.7	3.4	-	3.75	27.5	-
Barclays Capital	Nov *	2.8	2.7	3.4	99.9	3.67	-	-
Bridgewell	Nov *	2.9	2.9	3.5	97.5	3.75	-	6.6
Capital Economics	Nov *	2.9	2.6	3.4	99.4	3.75	28.3	7.5
Citigroup	Nov *	2.8	2.7	3.4	98.7	3.70	25.0	-
Credit Lyonnais	Aug	2.6	2.7	3.7	100.0	3.25	27.0	-
Credit Suisse First Boston	Nov *	2.9	2.8	-	-	3.75	-	-
Daiwa Institute of Research	Oct	2.8	2.8	3.5	99.5	3.50	28.6	-
Deutsche Bank	Nov *	2.7	2.7	3.4	100.0	3.75	-	7.5
Dresdner Kleinwort Wasserstein	Nov *	2.7	2.7	-	-	3.75	-	-
Economic Perspectives	Oct	2.4	2.4	3.5	98.0	3.75	28.0	7.0
Fortis Bank	Oct	2.6	2.5	3.4	99.0	3.50	-	-
Goldman Sachs	Nov *	2.8	2.7	3.6	97.0	3.80 j	28.8	7.1
Hermes	Nov *	2.5	2.5	3.5	101.0	3.75	-	-
HSBC	Nov *	2.8	2.8	3.3	99.3	3.75	30.0	-
ING Financial Markets	Nov *	2.7	2.7	4.2	-	3.75	-	-
ISIS Asset Management plc	Jun	2.6	2.5	3.5	-	3.50	-	-
J P Morgan	Nov *	2.4	2.5	-	-	3.75	-	-
Lehman Brothers	Oct	2.7	2.8	3.4	99.0	3.75	-	-
Lombard Street	Oct	2.7	2.6	3.8	97.0	3.50	25.0	8.5
Morgan Stanley	Nov *	2.8	2.8	3.5	101.0 j	3.75 j	-	-
RBSFM	Oct	2.7	2.8	3.7	99.3	3.50	28.0	-
Schroders Investment Management	Nov *	2.7	2.6	3.4	-	3.75	-	-
Standard Chartered Bank	Oct	2.5	2.5	3.4	99.0	3.50	28.0	7.0
UBS	Nov *	2.8	2.8	3.8	99.0	3.75	26.5	5.5
WestLB AG	Oct	2.7	2.7	3.3	99.5	3.50	28.0	7.0
Williams de Broe	Oct	2.8	2.9	3.5	100.1	3.70	28.3	6.9
<b>Non-City Forecasters</b>								
Cambridge Econometrics	Nov *	2.8 k	2.6 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	Nov *	2.2	2.2	4.1	99.5	3.48	28.6	4.1
Economy.com	Nov *	2.9	2.9	3.5	98.0	3.75	29.0	6.5
Experian Business Strategies	Oct	2.6	2.6	3.3	98.2	3.75	28.5	-
EIU	Oct	2.9	2.7	3.5	99.1	3.50	27.6	-
Global Insight	Aug	-	2.8	3.3	-	3.50	-	6.2
ITEM Club	Nov *	2.7	2.7	3.8	100.3	3.75	29.0	7.5
Liverpool Macro Research	Nov *	-	2.5	3.2	101.8	3.90	-	-
NIESR	Nov *	-	2.8	4.6 n	100.0	3.67 s	27.2 v	-
OEF	Nov *	2.9	2.7	3.5	100.4	3.90	28.5	7.0
EC	Nov *	2.8 a	2.8 ak	4.3 n	-	-	28.3	-
OECD	May	1.8 kl	3.1 k	4.5 n	-	3.80 ks	-	-
IMF	Sep	-	2.8	-	-	-	28.5 v	-
<b>Average of Forecasts made in the last 3 months</b>								
Independent		2.7	2.7	3.5	99.2	3.67	27.8	6.8
New (marked *)		2.7	2.7	3.5	99.4	3.74	28.0	6.6
City		2.7	2.7	3.5	99.0	3.67	27.7	7.1
<b>Range of Forecasts made in the last 3 months</b>								
Highest		2.9	2.9	4.2	101.8	3.90	30.0	8.5
Lowest		2.2	2.2	3.2	97.0	3.48	25.0	4.1
Median		2.7	2.7	3.5	99.4	3.75	28.2	7.0
HM Treasury	Apr	-	2%	-	-	-	-	-

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

Nov 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)
<b>City Forecasters</b>								
ABN AMRO	Oct	-	0.9	3.00 x	-	-	-	-
Bank of America	Nov *	-	-	-	0.0	2.8	-17.4	40.0
Barclays Capital	Nov *	2.2	0.5	0.94	0.6	-	-26.0	37.0 cc
Bridgewell	Nov *	2.2	0.0	0.98	0.0	-	-29.8	37.9
Capital Economics	Nov *	1.5	0.5	1.00	0.2	3.0	-27.5	37.0
Citigroup	Nov *	2.0	0.6	0.92	0.0	-	-20.3	38.0
Credit Lyonnais	Aug	-	-	0.97	-0.1	4.0	-11.4	35.0
Credit Suisse First Boston	Nov *	-	-	-	-	-	-15.0	33.0
Daiwa Institute of Research	Oct	2.5	0.6	0.94	-	-	-19.5	35.0
Deutsche Bank	Nov *	2.1	0.9	0.92	0.0	-	-22.2	33.0
Dresdner Kleinwort Wasserstein	Nov *	-	-	0.93	-	-	-20.1	31.0
Economic Perspectives	Oct	1.3	0.0	0.95	-0.5	3.0	-27.0	34.0
Fortis Bank	Oct	1.7	0.7	0.91	-	-	-17.0	31.0
Goldman Sachs	Nov *	2.5	0.7	0.93	0.2	-	-20.9	34.7
Hermes	Nov *	-	0.2	0.94	-	-	-20.0	-
HSBC	Nov *	3.0	0.2	0.94	0.0	-	-25.0	36.0
ING Financial Markets	Nov *	-	-	-	-	-	-22.5	-
ISIS Asset Management plc	Jun	-	-	0.97	0.9	-	-18.0	-
J P Morgan	Nov *	-	-	-	-0.2	-	-18.2	33.0
Lehman Brothers	Oct	2.4	-0.5 rr	0.93	0.1	-	-27.3	38.0
Lombard Street	Oct	2.3	0.1	0.95	-	-	-22.0	34.0
Morgan Stanley	Nov *	1.4	-	-	-	-	-	31.0
RBSFM	Oct	2.3	0.5	0.92	0.3	3.2	-25.9	33.3
Schroders Investment Management	Nov *	-	-	3.05 x	-0.2	-	-25.3	30.6
Standard Chartered Bank	Oct	2.5	0.0	0.95	0.0	-	-16.0	31.0
UBS	Nov *	2.0	0.5	0.94	0.5	-	-20.6	36.0
WestLB AG	Oct	2.4	0.2	0.92	0.0	4.0	-18.0	32.0
Williams de Broe	Oct	-	0.2	0.92	0.0	4.5	-27.6	30.6
<b>Non-City Forecasters</b>								
Cambridge Econometrics	Nov *	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	Nov *	2.0	-0.5	0.96	2.1	-	-28.5	32.5
Economy.com	Nov *	2.2	0.6	0.92	-	-	-39.3	29.0
Experian Business Strategies	Oct	2.2	0.6	0.92	0.2	1.5	-8.0	24.3
EIU	Oct	1.9	0.3	0.92	-0.7	3.5	-24.4	31.5
Global Insight	Aug	-	0.6	-	-0.2	-	-10.9	28.4
ITEM Club	Nov *	1.9	0.9	0.91	0.1	3.8	-24.7	35.6
Liverpool Macro Research	Nov *	-	-	0.95	-	-	-27.7	22.3 cc
NIESR	Nov *	2.0	0.5	0.93 k	0.2	5.6 w	-24.7	32.1
OEF	Nov *	2.5	0.6	0.94	0.0	3.5	-19.8	37.3
EC	Nov *	-	0.7	-	0.2	-	-24.2	30.3 ee
OECD	May	-	0.2	5.40 aa	-	-	-1.4 g	-
IMF	Sep	-	0.6	5.20 aa	-	-	-17.1	2.5 eeg
<b>Average of Forecasts made in the last 3 months</b>								
Independent		2.1	0.4	0.94	0.1	3.5	-22.2	33.4
New (marked *)		2.1	0.4	0.94	0.2	3.3	-23.5	34.3
City		2.1	0.4	0.94	0.1	3.4	-22.1	34.1
<b>Range of Forecasts made in the last 3 months</b>								
Highest		3.0	0.9	1.00	2.1	5.4	-8.0	40.0
Lowest		1.3	-0.5	0.91	-0.7	1.5	-39.3	24.3
Median		2.2	0.5	0.94	0.0	3.5	-22.1	33.0
HM Treasury	Apr	2 to 2½	-	-	¼ to ¾	4¾ w	-23¼	27

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

Nov 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
<b>City Forecasters</b>										
ABN AMRO	Oct	2.5	2.5	3.3	2.3	2.4	2.9	2.2	3.5	-0.5
Bank of America	Nov *	2.1	1.7	2.7	2.1	1.8	2.1 kk	3.8	3.4	-0.1
Barclays Capital	Nov *	2.7	2.3	3.9	1.6	2.6	2.7	3.5	3.2	-0.1
Bridgewell	Nov *	2.0	2.0	1.9	0.6	-1.0	1.8	4.0	3.0	0.1
Capital Economics	Nov *	2.3	0.5	3.8	2.5	7.0	1.6	3.5	1.0	0.7
Citigroup	Nov *	3.5	4.2	2.7	6.2	-0.2	4.5	3.3	6.9	-1.1
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	Nov *	2.8	2.8	2.6	4.5	0.2	3.2	3.3	4.5	-0.5
Daiwa Institute of Research	Oct	3.0	2.3	3.9	2.7	0.2	3.0	5.7	5.5	-0.2
Deutsche Bank	Nov *	2.7	2.7	3.3	3.7	1.1	3.2	3.6	5.0	-0.6
Dresdner Kleinwort Wasserstein	Nov *	2.5	2.3	3.7	3.2	-0.1	2.5	3.5	3.7	-0.2
Economic Perspectives	Oct	0.3	1.6	2.9	-5.2	-1.5	0.7	-0.3	1.0	-0.4
Fortis Bank	Oct	3.2	1.9	2.9	5.4	-	2.8	7.0	4.9	0.4
Goldman Sachs	Nov *	2.9	2.2	3.3	3.2	0.1	2.7	6.6	5.4	0.1
Hermes	Nov *	2.6	2.5	2.9	3.5	0.5	2.8	4.5	4.9	-0.3
HSBC	Nov *	2.1	2.1	3.0	2.1	-5.1	1.9	1.8	0.7	0.2
ING Financial Markets	Nov *	2.9	2.6	3.2	5.7	3.4	3.6	6.1	7.9	-0.9
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	Nov *	3.5	3.0	4.4	7.8	-11.5	3.2	7.2	5.2	0.3
Lehman Brothers	Oct	2.3	2.4	2.8	0.4	4.4	2.4	4.4	4.4	-0.2
Lombard Street	Oct	2.3	2.2	2.7	0.2	4.4	2.2	4.5	4.1	0.0
Morgan Stanley	Nov *	2.6	1.8	3.3	4.0	-	2.5	4.1	3.7	-0.1
RBSFM	Oct	3.1	2.6	3.9	4.8	1.0	3.4	6.2	6.4	-0.2
Schroders Investment Management	Nov *	2.4	1.6	4.0	2.9	-0.1	2.4	2.8	2.4	0.0
Standard Chartered Bank	Oct	2.3	2.2	3.6	2.4	0.3	2.5	2.0	2.4	-0.2
UBS	Nov *	2.5	2.2	3.0	2.9	-0.8	2.3	2.0	1.5	0.1
WestLB AG	Oct	2.7	2.3	4.3	3.4	0.8	3.0	5.2	5.6	-0.3
Williams de Broe	Oct	2.6	2.6	3.5	3.6	4.4	3.3	7.0	8.7	-1.0
<b>Non-City Forecasters</b>										
Cambridge Econometrics	Nov *	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	Nov *	2.0	1.9	2.2	3.3	4.3	1.9	2.7	2.1	-
Economy.com	Nov *	2.8	2.8	2.5	2.1	0.3	2.7	2.5	4.0	-
Experian Business Strategies	Oct	2.6	2.3	2.5	3.9	3.3	2.9	1.9	3.1	-0.5
EIU	Oct	2.3	1.6	2.8	2.2	-	2.4	4.4	4.4	-0.2
Global Insight	Aug	2.6	2.5	2.7	3.7	-	2.6	5.0	4.6	-
ITEM Club	Nov *	2.8	2.4	3.9	1.9	0.2	2.8	5.1	3.3	-0.1
Liverpool Macro Research	Nov *	2.4	3.5 c	3.6 d	4.5 e	-	-	-	-	-
NIESR	Nov *	2.6	2.0	2.7	5.2	0.9	2.7	3.6	3.9	-0.2
OEF	Nov *	2.9	2.4	3.9	2.6	0.6	3.0	5.3	5.6	-0.3
EC	Nov *	2.8	2.2	2.1	4.8	0.4	2.8	5.1	4.7	-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	2.4	2.1	4.0	2.2	-0.1 h	2.4	3.7	3.3	-0.1
<b>Average of Forecasts made in the last 3 months</b>										
Independent		2.6	2.2	3.2	3.0	0.8	2.6	4.1	4.1	-0.2
New (marked *)		2.6	2.3	3.1	3.5	0.2	2.7	4.1	4.0	-0.2
City		2.6	2.3	3.3	2.9	0.6	2.7	4.1	4.2	-0.2
<b>Range of Forecasts made in the last 3 months</b>										
Highest		3.5	4.2	4.4	7.8	7.0	4.5	7.2	8.7	0.7
Lowest		0.3	0.5	1.9	-5.2	-11.5	0.7	-0.3	0.7	-1.1
Median		2.6	2.3	3.2	2.9	0.6	2.7	4.0	4.0	-0.2
HM Treasury	Apr	3 - 3½	2½ to 2¾	4	4¼ to 5¼	-0.5 to 0.9	3 to 3½	8¼ to 8¾	7¼ to 7¾	-¼

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

Nov 2003 Comparison

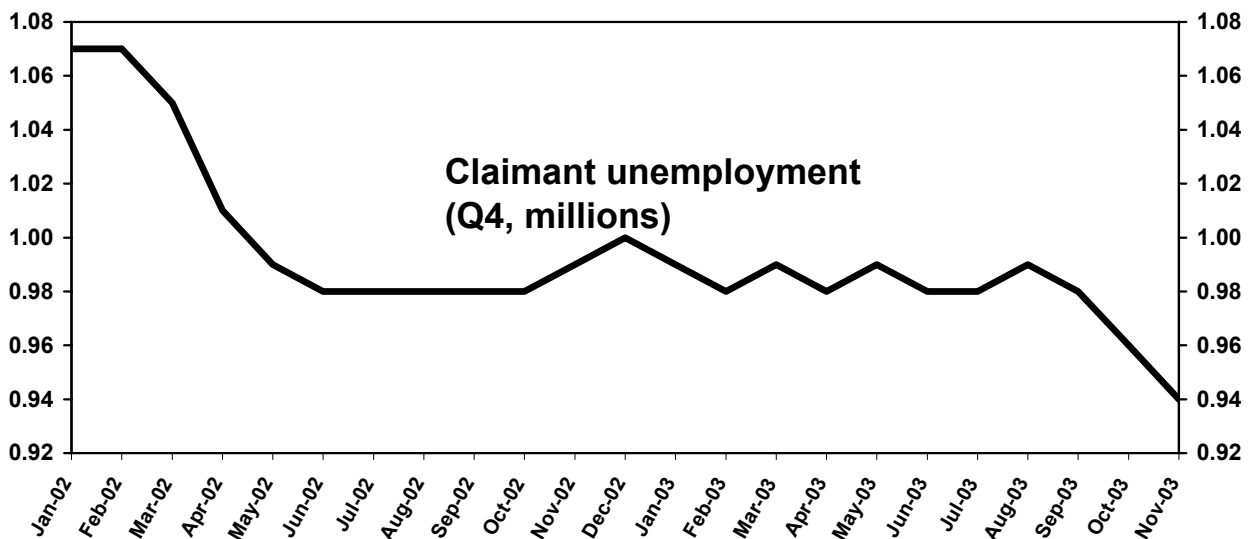
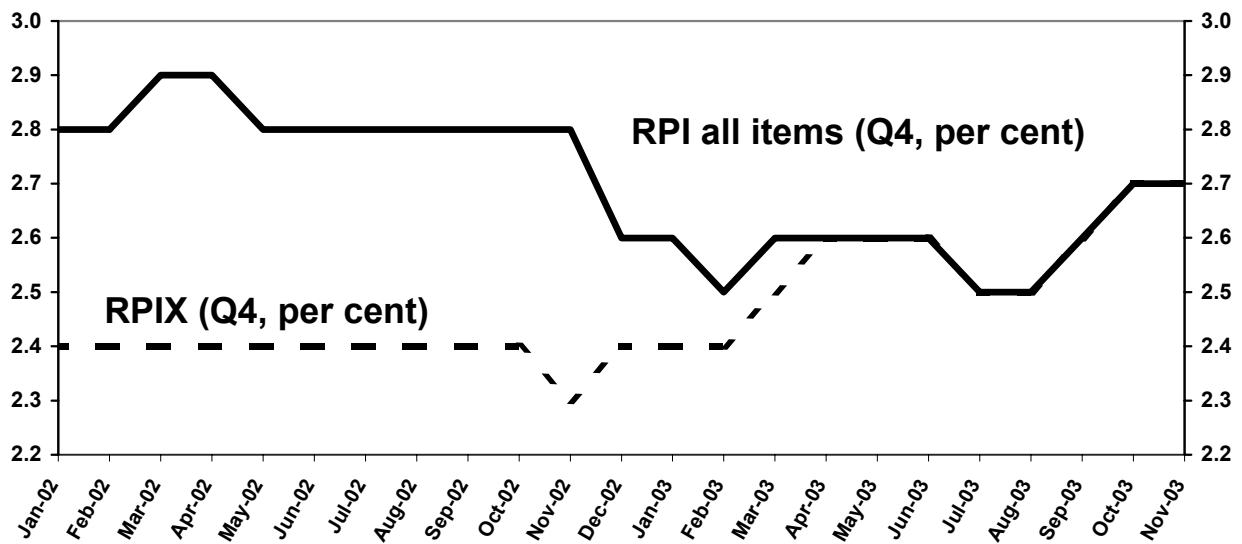
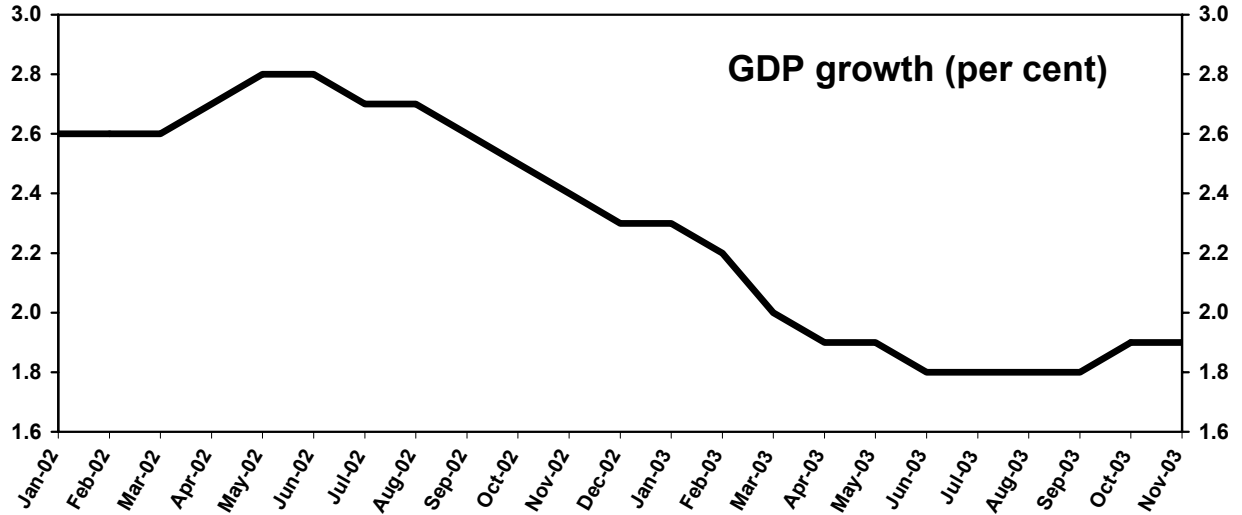
Forecasters & dates of forecasts		RPI (Q4)	RPIX (Q4)	Average Earnings	Sterling Index (Q4)	Bank of England Repo Rate (Q4,%)	Oil price (\$)	M4
<b>City Forecasters</b>								
ABN AMRO	Oct	-	2.5	4.2	99.5	4.00	24.0	-
Bank of America	Nov *	2.0	2.0	3.5	-	3.75	27.0	-
Barclays Capital	Nov *	3.3	2.6	4.2	98.3	4.67	-	-
Bridgewell	Nov *	3.4	3.0	3.9	93.1	4.75	-	7.1
Capital Economics	Nov *	2.8	1.9	4.0	95.3	4.25	21.2	7.0
Citigroup	Nov *	3.8	2.9	4.4	96.8	4.70	25.0	-
Credit Lyonnais	Aug	2.8	2.5	4.2	98.0	3.75	24.0	-
Credit Suisse First Boston	Nov *	2.7	2.5	-	-	4.25	-	-
Daiwa Institute of Research	Oct	3.4	2.2	4.3	101.2	4.50	24.6	-
Deutsche Bank	Nov *	3.0	2.3	4.2	98.5	4.25	-	6.5
Dresdner Kleinwort Wasserstein	Nov *	2.4	2.2	-	-	4.00	-	-
Economic Perspectives	Oct	1.8	1.7	3.3	95.0	4.25	24.0	6.0
Fortis Bank	Oct	2.6	2.3	4.3	96.0	5.00	-	-
Goldman Sachs	Nov *	3.5	2.7	4.6	95.0	5.00 j	23.5	7.6
Hermes	Nov *	3.0	2.5	4.5	100.0	4.00	-	-
HSBC	Nov *	2.5	2.4	3.0	89.1	4.00	26.0	-
ING Financial Markets	Nov *	3.0	2.3	4.4	-	4.25	-	-
ISIS Asset Management plc	Jun	3.0	2.6	4.5	-	4.00	-	-
J P Morgan	Nov *	2.9	2.3	-	-	4.75	-	-
Lehman Brothers	Oct	3.0	2.5	4.0	92.0	4.00	-	-
Lombard Street	Oct	3.0	2.5	4.0	92.0	4.00	-	-
Morgan Stanley	Nov *	3.0	2.4	3.5	104.4 j	4.50 j	-	-
RBSFM	Oct	3.1	2.8	4.5	95.4	4.17	25.0	-
Schroders Investment Management	Nov *	3.0	2.4	3.7	-	4.50	-	-
Standard Chartered Bank	Oct	2.6	2.6	3.7	100.0	3.75	25.0	6.0
UBS	Nov *	2.6	2.5	4.0	99.0	4.50	23.0	5.0
WestLB AG	Oct	2.3	2.3	3.3	97.0	4.50	26.0	7.0
Williams de Broe	Oct	2.8	2.5	4.1	98.8	4.60	28.5	7.3
<b>Non-City Forecasters</b>								
Cambridge Econometrics	Nov *	2.6 k	2.4 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	Nov *	2.5	2.7	4.5	96.5	3.14	26.9	5.0
Economy.com	Nov *	3.1	3.3	4.1	101.0	4.30	25.0	6.2
Experian Business Strategies	Oct	3.0	2.7	4.4	98.0	4.00	26.3	-
EIU	Oct	2.6	2.5	3.7	97.5	4.00	19.6	-
Global Insight	Aug	-	2.6	4.1	-	4.25	-	4.7
ITEM Club	Nov *	3.3	2.3	4.4	97.7	5.00	25.0	7.2
Liverpool Macro Research	Nov *	-	1.9	3.8	101.8	4.10	-	-
NIESR	Nov *	-	2.4	4.5 n	98.4	4.18 s	25.3 v	-
OEF	Nov *	3.3	2.2	4.1	103.7	4.80	24.6	7.0
EC	Nov *	2.6 a	2.5 ak	4.4 n	-	-	25.6	-
OECD	May	2.3 kil	2.8 k	4.5 n	-	4.30 ks	-	-
IMF	Sep	-	2.5	-	-	-	25.5 v	-
<b>Average of Forecasts made in the last 3 months</b>								
Independent		2.9	2.4	4.0	97.3	4.27	24.9	6.5
New (marked *)		3.0	2.4	4.0	97.6	4.31	25.0	6.5
City		2.9	2.4	4.0	96.4	4.31	24.8	6.6
<b>Range of Forecasts made in the last 3 months</b>								
Highest		3.8	3.3	4.6	103.7	5.00	28.5	7.6
Lowest		1.8	1.7	3.0	89.1	3.14	19.6	5.0
Median		3.0	2.5	4.1	97.9	4.25	25.0	7.0
HM Treasury	Apr	-	2½	-	-	-	-	-

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

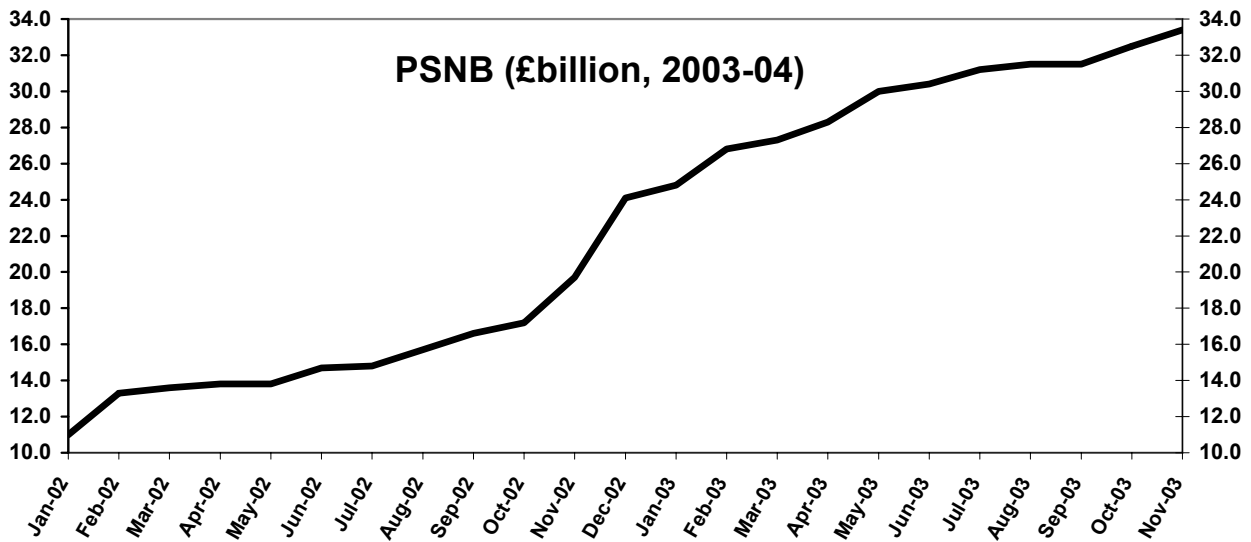
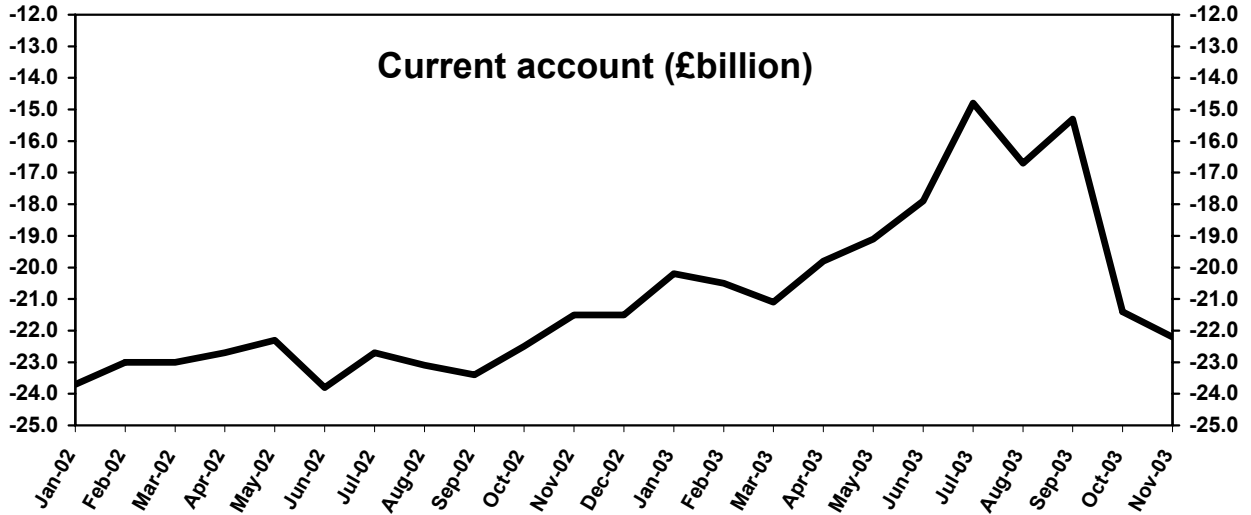
Nov 2003 Comparison

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)
<b>City Forecasters</b>								
ABN AMRO	Oct	-	0.7	3.00 x	-	-	-	-
Bank of America	Nov *	-	-	-	1.8	6.0	-5.0	49.0
Barclays Capital	Nov *	2.6	0.1	0.91	4.1	-	-30.7	32.0 cc
Bridgewell	Nov *	2.6	0.5	1.03	2.1	-	-43.9	47.3
Capital Economics	Nov *	1.8	0.3	1.00	3.5	5.0	-15.0	38.0
Citigroup	Nov *	3.4	0.7	0.76	0.2	-	-30.5	45.0
Credit Lyonnais	Aug	-	-	0.95	2.0	6.0	-17.5	33.0
Credit Suisse First Boston	Nov *	-	-	-	-	-	-15.0	33.0
Daiwa Institute of Research	Oct	3.3	0.6	0.95	-	-	-15.6	31.0
Deutsche Bank	Nov *	2.7	0.8	0.88	2.2	-	-23.5	34.0
Dresdner Kleinwort Wasserstein	Nov *	-	-	0.93	-	-	-22.1	35.0
Economic Perspectives	Oct	0.7	-0.5	1.15	-1.2	4.0	-30.0	40.0
Fortis Bank	Oct	3.3	1.0	0.81	-	-	-16.0	29.0
Goldman Sachs	Nov *	3.2	1.0	0.92	3.5	-	-21.2	30.5
Hermes	Nov *	-	0.2	0.95	-	-	-10.0	-
HSBC	Nov *	2.4	-0.4	1.20	1.5	-	-20.0	30.0
ING Financial Markets	Nov *	-	-	-	-	-	-23.1	-
ISIS Asset Management plc	Jun	-	-	1.30	2.4	-	-16.0	-
J P Morgan	Nov *	-	-	-	4.6	-	-14.6	28.0
Lehman Brothers	Oct	3.2	0.1	0.97	0.6	-	-34.2	38.0
Lombard Street	Oct	3.2	0.1	0.97	0.6	-	-34.2	38.0
Morgan Stanley	Nov *	1.6	-	-	-	-	-	28.0
RBSFM	Oct	2.3	0.8	0.90	2.1	5.7	-28.8	31.3
Schroders Investment Management	Nov *	-	-	3.35 x	2.6	-	-25.5	34.1
Standard Chartered Bank	Oct	2.5	-0.2	0.97	2.5	-	-10.0	35.0
UBS	Nov *	1.8	0.2	0.93	2.4	-	-8.0	36.0
WestLB AG	Oct	2.6	0.5	0.90	1.5	6.5	-20.0	36.0
Williams de Broe	Oct	-	1.4	0.77	2.0	12.5	-40.9	33.3
<b>Non-City Forecasters</b>								
Cambridge Econometrics	Nov *	3.1	0.1	1.00 k	1.3	2.7 hh	-23.0	29.1 kcc
CBI	Sep	2.6	0.5	0.98	1.9	5.5	-22.9	32.5
CEBR	Nov *	2.9	-0.1	1.15	1.2	-	-30.2	41.6
Economy.com	Nov *	2.5	1.3	0.91	-	-	-41.1	28.0
Experian Business Strategies	Oct	3.1	0.7	0.89	1.3	4.6	-15.8	35.4
EIU	Oct	1.7	0.2	0.95	1.6	5.4	-18.1	35.2
Global Insight	Aug	-	0.7	-	2.7	-	-10.7	32.9
ITEM Club	Nov *	2.3	0.8	0.86	3.0	6.3	-26.9	32.9
Liverpool Macro Research	Nov *	-	-	1.13	-	-	-43.7	21.0 cc
NIESR	Nov *	2.3	0.2	0.94 k	2.2	9.0 w	-28.0	38.0
OEF	Nov *	3.3	0.6	0.96	2.5	6.8	-17.0	32.6
EC	Nov *	-	0.5	-	2.0	-	-24.0	31.0 ee
OECD	May	-	0.5	5.20 aa	-	-	-2.0 g	-
IMF	Sep	-	0.5	5.20 aa	-	-	-16.1	2.7 eeg
<b>Average of Forecasts made in the last 3 months</b>								
Independent		2.6	0.5	0.95	2.0	6.2	-23.5	35.2
New (marked *)		2.6	0.4	0.97	2.4	6.0	-23.6	35.6
City		2.5	0.4	0.94	2.0	6.6	-22.4	35.4
<b>Range of Forecasts made in the last 3 months</b>								
Highest		3.4	1.4	1.20	4.6	12.5	-5.0	49.0
Lowest		0.7	-0.5	0.76	-1.2	4.0	-43.9	28.0
Median		2.6	0.5	0.95	2.0	5.7	-23.0	34.6
HM Treasury	Apr	2½ to 3	-	-	2¼ to 2¾	8½ w	-23¼	24

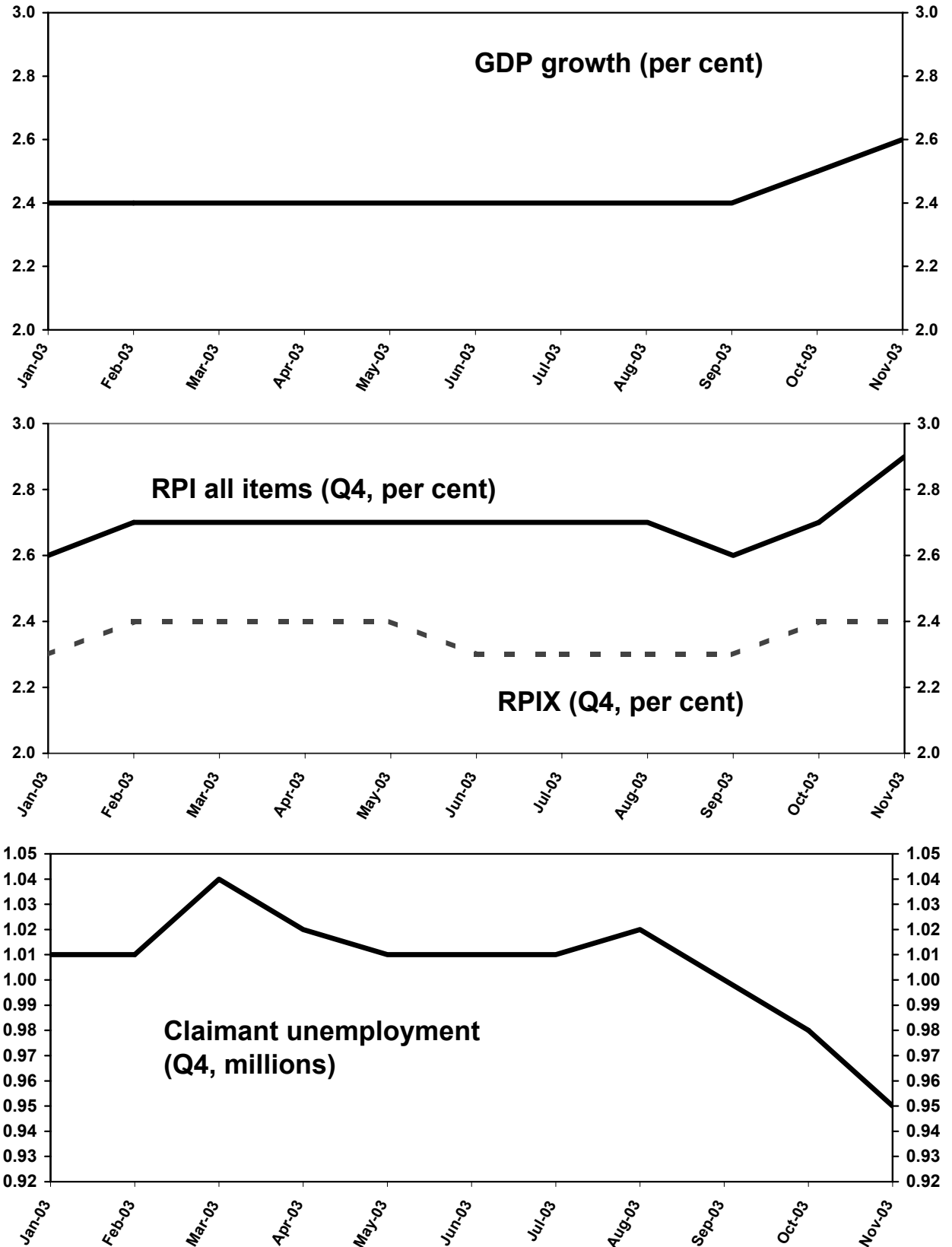
## Average of independent forecasts for 2003; GDP growth, RPI & RPIX Inflation and Claimant Unemployment



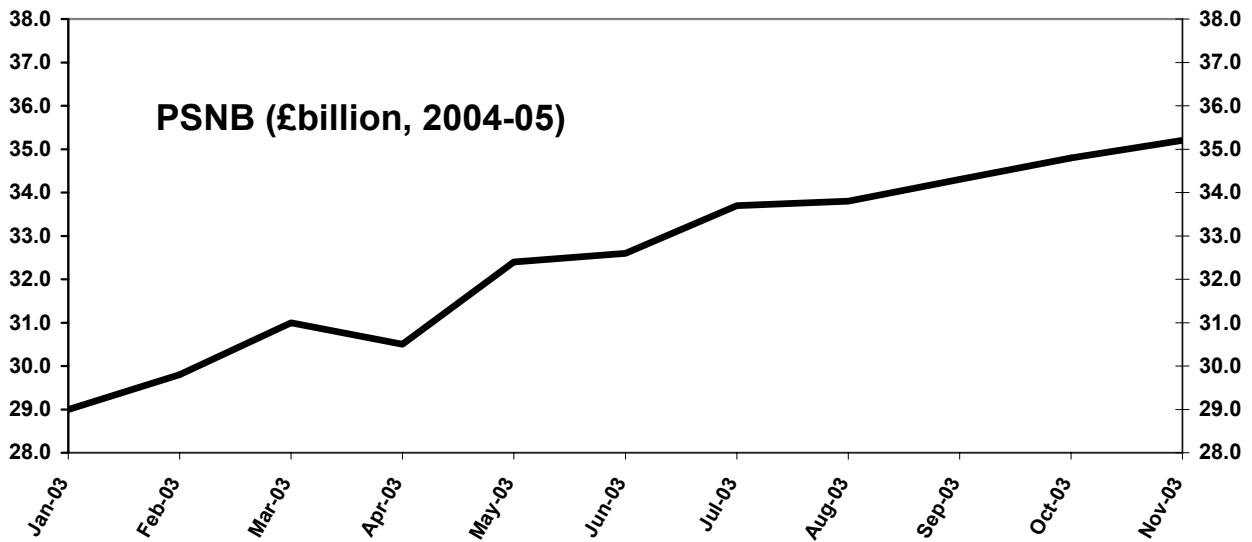
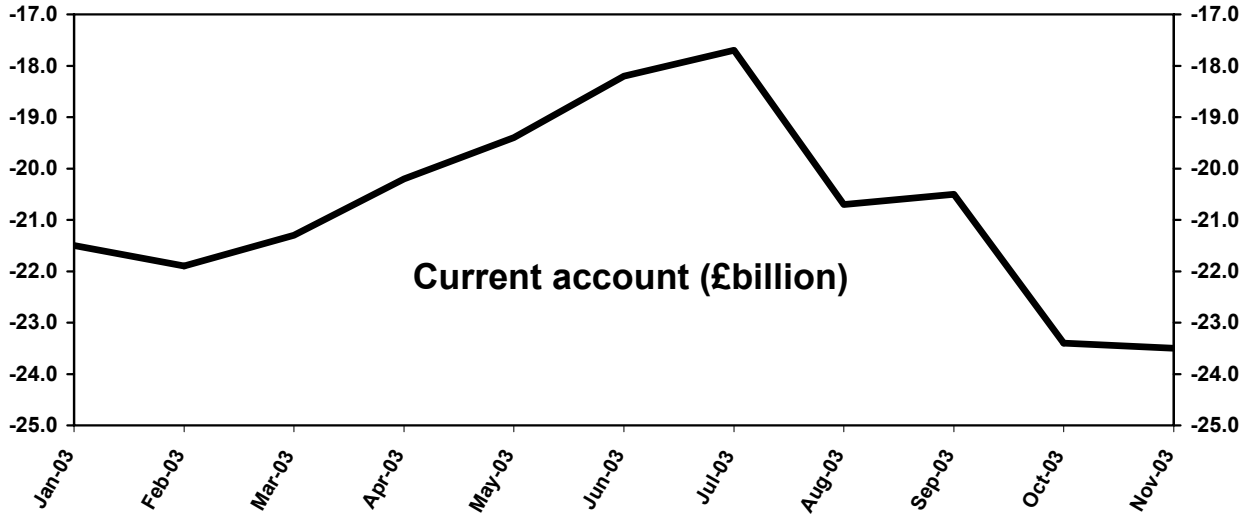
## Average of independent forecasts for 2003; Current account and PSNB (2003-04, £billion)



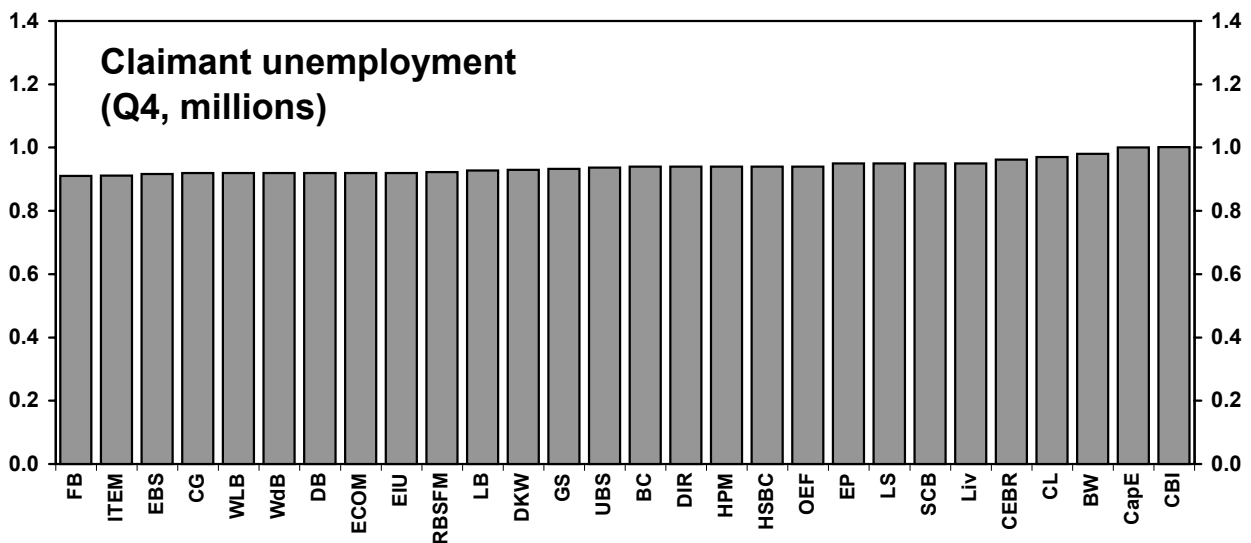
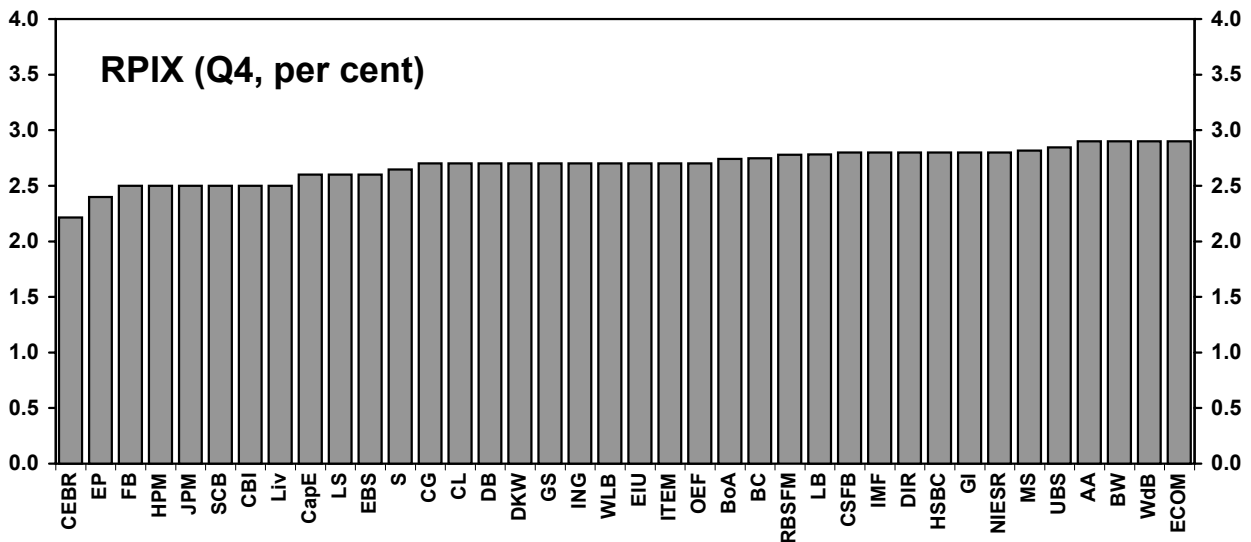
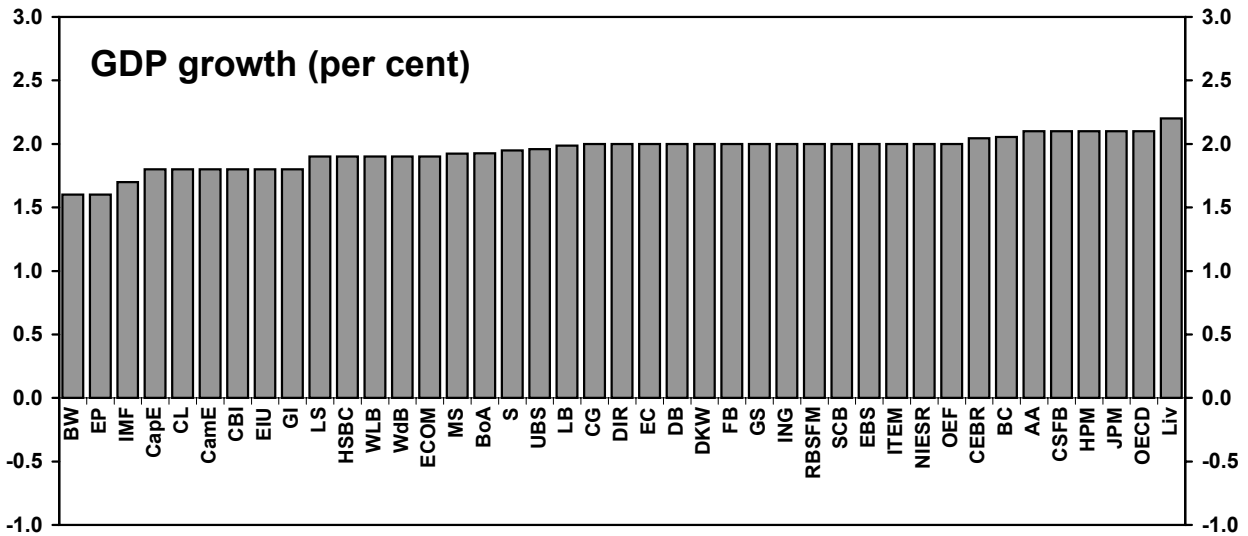
## Average of independent forecasts for 2004; GDP growth, RPI & RPIX Inflation and Claimant Unemployment



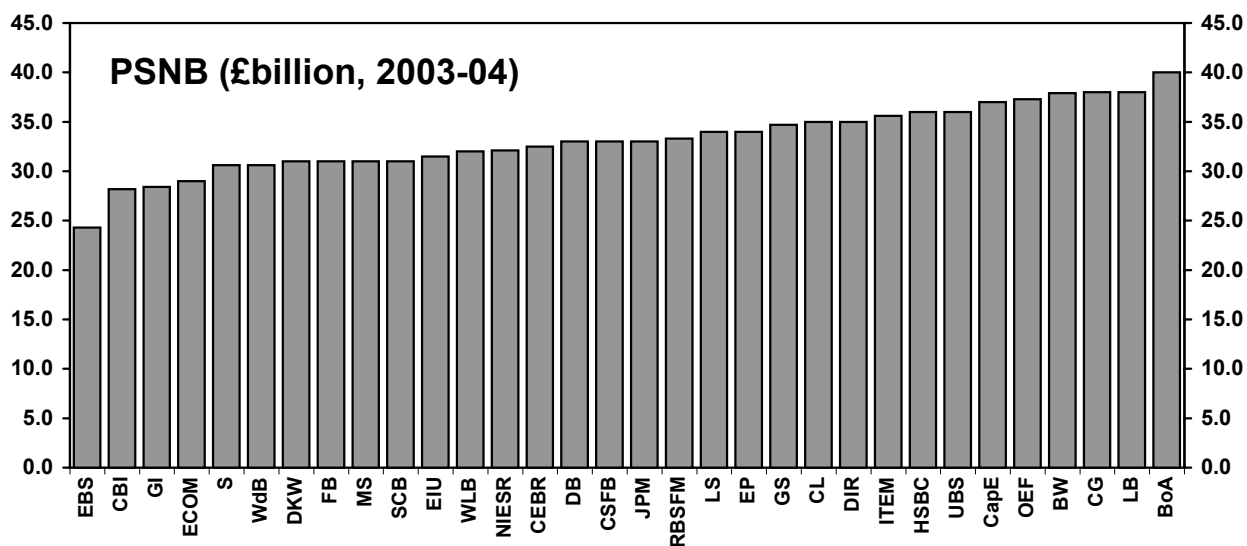
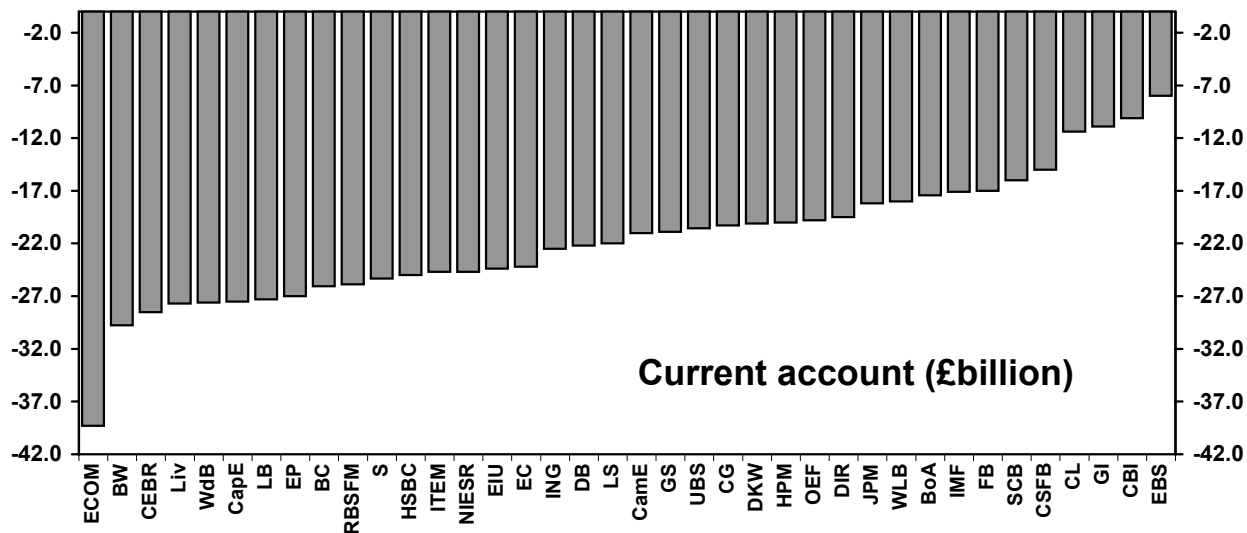
## Average of independent forecasts for 2004; Current account and PSNB (2004-05, £billion)



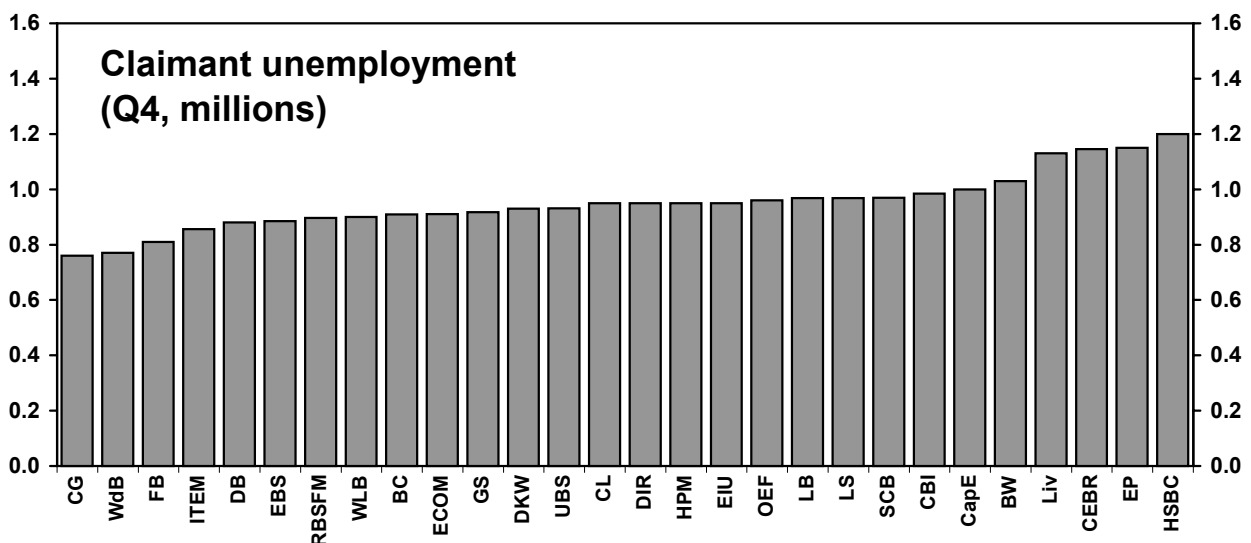
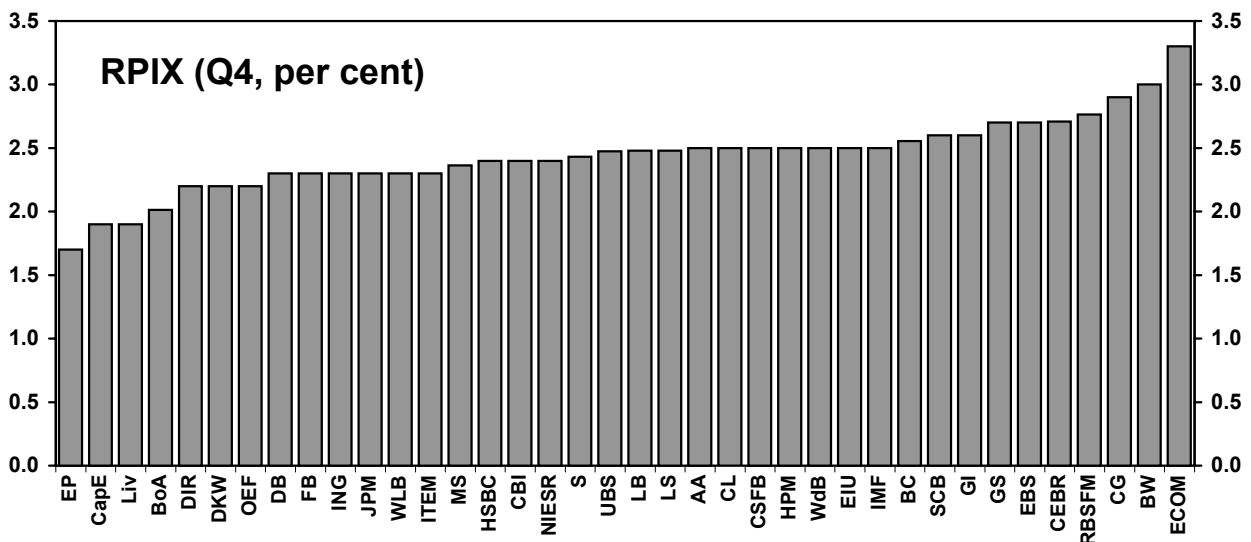
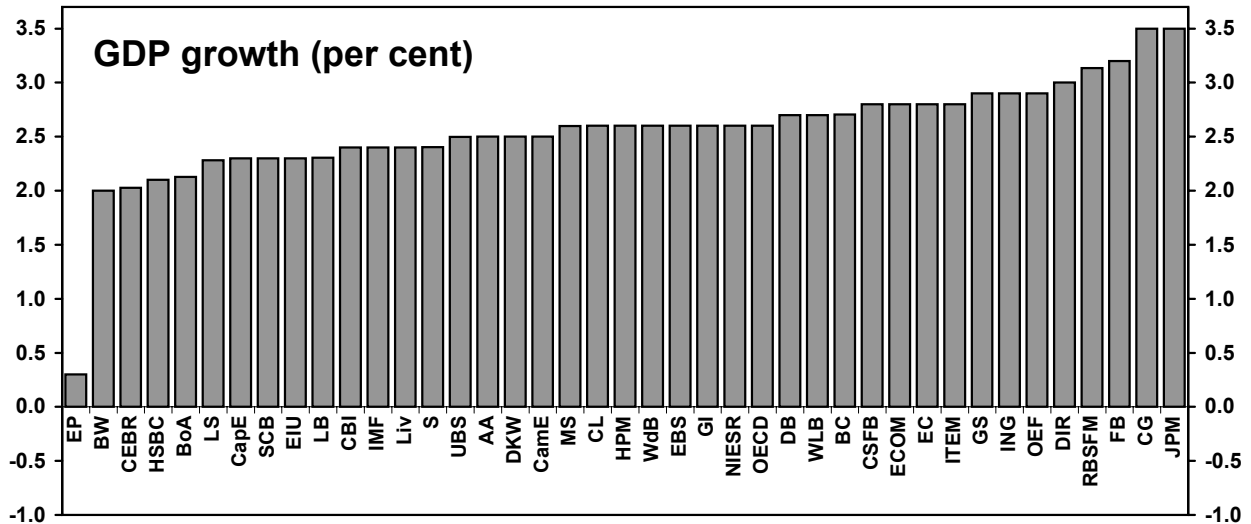
## Range of Forecasts for 2003; GDP, RPIX and Claimant Unemployment (millions) made in last 3 months



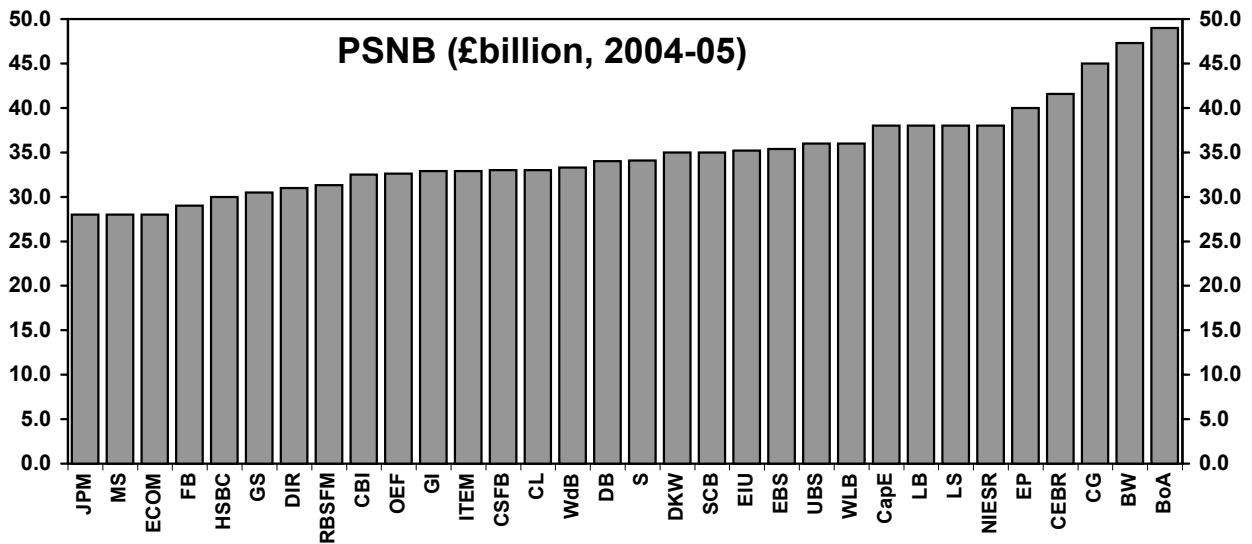
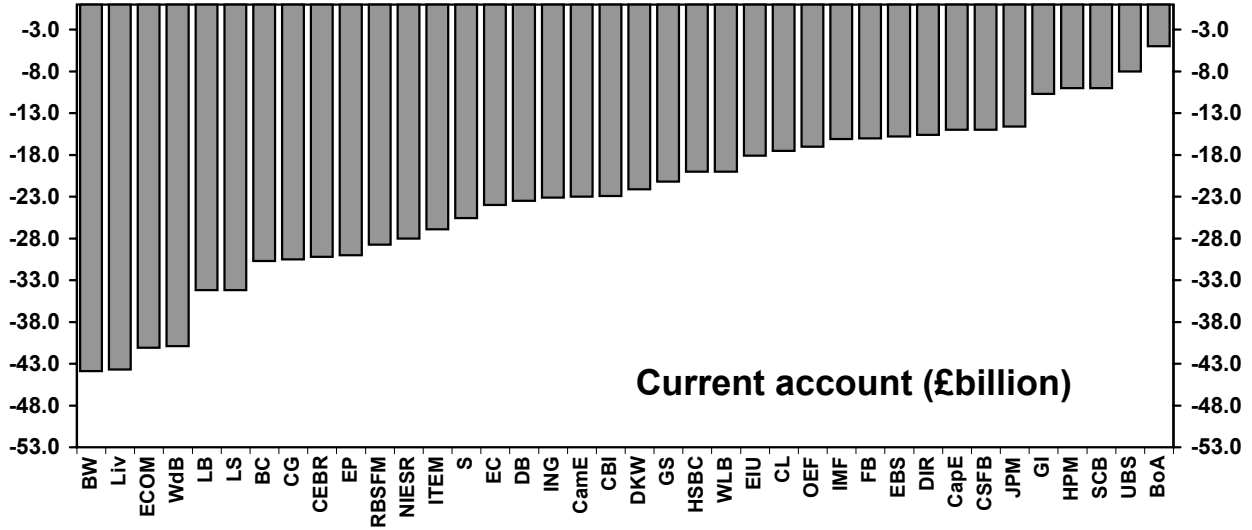
## Range of Forecasts for 2003; Current Account (£bn) and PSNB (2003-04, £bn) made in last 3 months



## 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



## Medium-term forecasts, November 2003

This edition of the comparison contains medium-term projections from 13 forecasters for the calendar years 2003 to 2007, and the fiscal years 2003-04 to 2006-07. The table below summarises the independent average, which is the average of medium-term projections made in the last three months.

	Independent average				
	2003	2004	2005	2006	2007
GDP growth (per cent)	2.0	2.7	2.7	2.4	2.4
Inflation rate (per cent)					
- RPI	2.9	3.0	3.0	2.6	2.6
- RPI exc MIPs	2.8	2.6	2.5	2.5	2.6
Claimant unemployment (millions)	0.94	0.93	0.92	0.89	0.87
Current account (£bn)	-23.4	-27.7	-30.1	-31.6	-32.0

	Independent average			
	2003-2004	2004-2005	2005-2006	2006-2007
PSNB (£bn)	32.2	32.9	33.7	35.0

**Table M1: Medium-term forecasts for GDP and the GDP deflator**

November 2003 comparison

<u>GDP (percentage change)</u>					<u>GDP Deflator (percentage change)</u>				
2003	2004	2005	2006	2007		2003-2004	2004-2005	2005-2006	2006-2007
<u>City forecasters</u>									
1.9	2.7	2.5	2.5	-	WestLB AG	-	-	-	-
2.0	3.5	2.1	1.6	1.7	Citigroup	2.5	1.7	2.3	2.9
1.9	2.6	3.0	2.3	1.9	Williams de Broe	3.4	2.1	1.5	2.3
2.0	2.3	2.7	-	-	Lehman Brothers	3.0	2.6	2.5	-
2.1	2.6	2.2	2.4	2.4	Hermes	-	-	-	-
2.0	2.9	2.9	2.6	-	Goldman Sachs	2.9	2.4	2.5	2.5
<u>Non-City forecasters</u>									
2.2	2.4	2.2	1.8	-	Liverpool Macro Research	-	-	-	-
2.0	2.6	2.7	2.6	-	NIESR	2.9	1.4	2.1	2.6
2.0	2.8	3.1	2.8	2.7	ITEM Club	3.0	3.1	3.2	2.9
1.8	2.5	3.0	2.3	2.0	Cambridge Econometrics	3.3	3.0	2.9	2.4
1.9	2.8	3.6	2.6	2.9	Economy.com Plc	2.6	2.7	2.5	2.4
2.0	2.6	2.2	2.6	2.8	Experian	2.7	2.1	2.0	1.6
2.0	2.9	2.6	2.6	3.0	Oxford Economic Forecasting	3.4	2.2	2.1	2.1
2.0	2.7	2.7	2.4	2.4	Independent Average	3.0	2.3	2.4	2.4
2.2	3.5	3.6	2.8	3.0	Highest	3.4	3.1	3.2	2.9
1.8	2.3	2.1	1.6	1.7	Lowest	2.5	1.4	1.5	1.6

**Table M2: Medium-term forecasts for Domestic Demand and Net Trade**

November 2003 comparison

<u>Domestic Demand (percentage change)</u>					<u>Contribution of net trade to GDP growth (per cent)</u>					
2003	2004	2005	2006	2007		2003	2004	2005	2006	2007
<u>City forecasters</u>										
2.8	3.0	2.5	2.6	-	WestLB AG	-0.9	-0.3	0.0	-0.1	-
2.3	4.5	3.2	2.3	2.4	Citigroup	-0.3	-1.1	-1.1	-0.7	-0.7
2.6	3.3	2.6	1.6	1.3	Williams de Broe	-1.0	-1.0	0.3	0.7	0.6
2.4	2.4	2.1	-	-	Lehman Brothers	-0.5	-0.2	0.5	-	-
2.6	2.8	2.1	2.4	2.4	Hermes	-0.5	-0.3	0.0	0.0	0.0
-	-	-	-	-	Goldman Sachs	-	-	-	-	-
<u>Non-City forecasters</u>										
-	-	-	-	-	Liverpool Macro Research	-	-	-	-	-
2.4	2.7	2.5	-	-	NIESR	-0.5	-0.2	0.2	-	-
2.3	2.8	3.4	3.0	2.7	ITEM Club	-0.4	-0.1	-0.4	-0.3	-0.2
2.9	2.5	3.2	2.4	2.0	Cambridge Econometrics	-1.4	-0.2	-0.4	-0.3	-0.2
2.3	2.7	3.5	2.7	2.9	Economy.com Plc	-	-	-	-	-
2.5	2.9	2.4	2.4	2.7	Experian	-0.5	-0.5	-0.2	0.1	0.0
2.3	3.0	2.8	2.6	2.9	Oxford Economic Forecasting	-0.5	-0.3	-0.4	-0.2	-0.1
2.5	3.0	2.8	2.4	2.4	Independent average	-0.7	-0.4	-0.2	-0.1	-0.1
2.9	4.5	3.5	3.0	2.9	Highest	-0.3	-0.1	0.5	0.7	0.6
2.3	2.4	2.1	1.6	1.3	Lowest	-1.4	-1.1	-1.1	-0.7	-0.7

**Table M3: Medium-term forecasts for RPI and RPIX inflation (per cent)**

November 2003 comparison

<u>RPI inflation (per cent), annual average</u>					<u>RPIX (per cent), annual average</u>					
2003	2004	2005	2006	2007		2003	2004	2005	2006	2007
<u>City forecasters</u>										
-	-	-	-	-	WestLB AG	-	-	-	-	-
2.9	3.4	4.2	4.0	3.5	Citigroup	2.8	2.8	3.1	3.5	3.5
3.0	3.1	2.7	2.9	3.2	Williams de Broe	2.9	2.9	2.5	2.7	3.2
2.9	3.0	3.1	-	-	Lehman Brothers	2.9	2.6	2.5	-	-
2.8	3.0	2.5	2.3	2.3	Hermes	2.8	2.5	2.5	2.3	2.3
-	-	-	-	-	Goldman Sachs	2.9	2.6	2.5	2.5	-
<u>Non-City forecasters</u>										
-	-	-	-	-	Liverpool Macro Research	2.6	2.2	1.9	1.9	-
3.0	3.0	3.0	-	-	NIESR	2.9	2.5	2.5	2.7	-
2.9	3.0	3.3	2.7	2.7	ITEM Club	2.8	2.3	2.4	2.5	2.5
2.8	2.6	3.2	2.5	2.3	Cambridge Econometrics	2.6	2.4	2.4	2.2	2.4
-	-	-	-	-	Economy.com Plc	2.9	3.1	3.4	2.9	2.8
2.9	3.1	2.2	1.9	2.1	Experian	2.8	2.8	2.0	1.9	2.0
3.0	3.2	2.9	2.2	2.3	Oxford Economic Forecasting	2.8	2.3	2.2	2.2	2.2
2.9	3.0	3.0	2.6	2.6	Independent Average	2.8	2.6	2.5	2.5	2.6
3.0	3.4	4.2	4.0	3.5	Highest	2.9	3.1	3.4	3.5	3.5
2.8	2.6	2.2	1.9	2.1	Lowest	2.6	2.2	1.9	1.9	2.0

**Table M4: Medium-term forecasts for Sterling Index and BoE repo rate**

November 2003 comparison

<u>Sterling Index (annual average, 1990=100)</u>					<u>Bank of England repo rate (annual average, per cent)</u>					
2003	2004	2005	2006	2007		2003	2004	2005	2006	2007
<u>City forecasters</u>										
-	-	-	-	-	WestLB AG	-	-	-	-	-
99.7	97.5	95.6	93.7	91.8	Citigroup	3.70	4.30	5.25	5.50	5.20
100.2	99.5	96.9	94.6	93.0	Williams de Broe	3.70	4.40	5.20	5.60	5.60
101.1	96.2	91.7	-	-	Lehman Brothers	3.69	3.92	4.33	-	-
101.0	101.0	97.0	100.0	100.0	Hermes	3.70	4.00	4.00	5.00	5.00
97.0	95.0	95.0	95.0	-	Goldman Sachs	4.00 ss	4.00 ss	5.30 ss	5.30 ss	-
<u>Non-City forecasters</u>										
100.9	101.5	102.2	103.0	-	Liverpool Macro Research	4.00	4.10	4.50	5.40	-
100.0	98.4	96.8	95.6	-	NIESR	3.60 s	3.90 s	4.40 s	4.70 s	-
100.3	97.7	95.7	94.5	93.5	ITEM Club	3.70	4.30	5.00	5.00	5.00
103.6	98.7	96.8	96.5	97.3	Cambridge Econometrics	3.70 s	3.90 s	4.90 s	5.30 s	5.00 s
-	-	-	-	-	Economy.com Plc	3.62	4.10	5.72	5.48	5.35
99.7	97.8	97.9	96.4	98.6	Experian	3.71	4.00	4.00	3.81	3.84
100.3	102.6	103.9	103.1	102.9	Oxford Economic Forecasting	3.70	4.40	5.00	4.60	4.50
100.3	98.7	97.2	97.2	96.7	Independent average	3.72	4.17	4.78	5.05	4.93
103.6	102.6	103.9	103.1	102.9	Highest	4.00	4.40	5.72	5.60	5.60
97.0	95.0	91.7	93.7	91.8	Lowest	3.62	3.92	4.00	3.81	3.84

**Table M5: Medium-term forecasts for Claimant unemployment**

November 2003 comparison

Claimant unemployment (annual average, millions)					
	2003	2004	2005	2006	2007
<b>City forecasters</b>					
WestLB AG	-	-	-	-	-
Citigroup	0.95	0.84	0.64	0.56	0.53
Williams de Broe	0.93	0.83	0.68	0.59	0.55
Lehman Brothers	0.94	0.95	1.00	-	-
Hermes	0.95	0.96	1.03	1.00	1.00
Goldman Sachs	0.94	0.92	0.86	0.79	-
<b>Non-City forecasters</b>					
Liverpool Macro Research	0.94	1.04	1.15	1.20	-
NIESR	0.93	0.94	0.99	-	-
ITEM Club	0.93	0.88	0.83	0.82	0.82
Cambridge Econometrics	1.00	1.00	1.10	1.20	1.30
Economy.com Plc	-	-	-	-	-
Experian	0.93	0.89	0.92	0.97	0.93
Oxford Economic Forecasting	0.94	0.96	0.95	0.93	0.93
<b>Independent average</b>	<b>0.94</b>	<b>0.93</b>	<b>0.92</b>	<b>0.89</b>	<b>0.87</b>
Highest	1.00	1.04	1.15	1.20	1.30
Lowest	0.93	0.83	0.64	0.56	0.53

**Table M6: Medium-term forecasts for Current Account**

November 2003 comparison

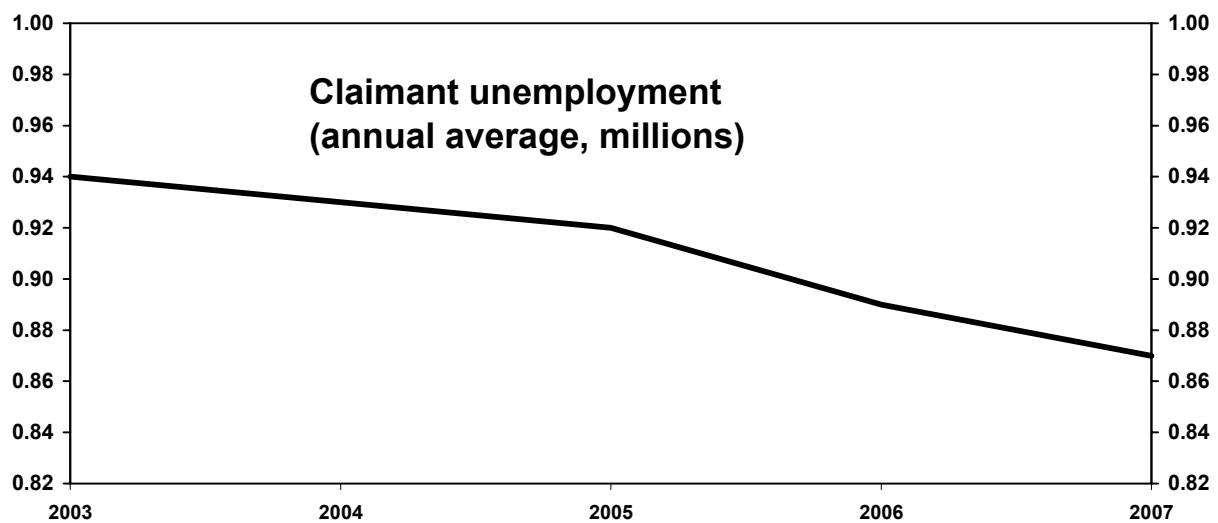
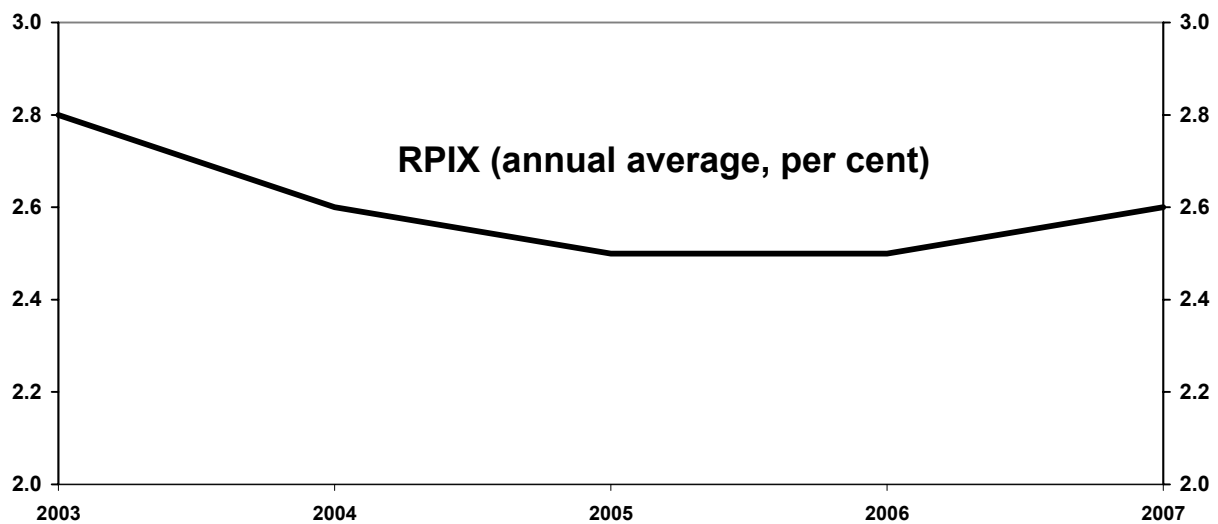
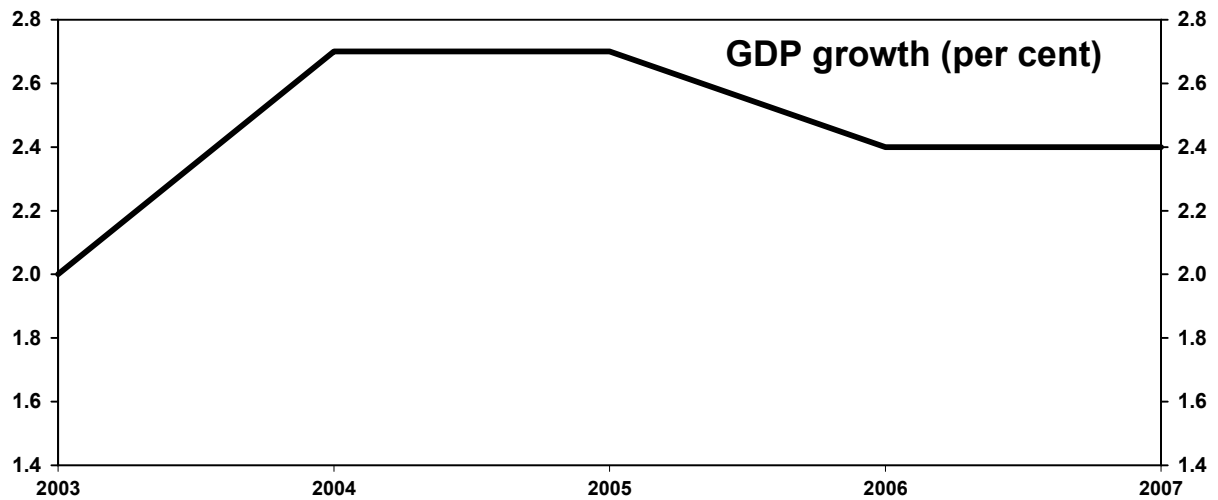
Current Account (£ billion)					Current Account (per cent of money GDP)				
2003	2004	2005	2006	2007	2003	2004	2005	2006	2007
<b>City forecasters</b>									
-	-	-	-	-	WestLB AG	-	-	-	-
-20.3	-30.5	-40.5	-48.0	-55.0	Citigroup	-3.0	-3.0	-4.0	-4.9
-27.6	-40.9	-50.2	-53.9	-52.9	Williams de Broe	-2.5	-3.6	-4.2	-4.4
-27.3	-34.2	-32.5	-	-	Lehman Brothers	-2.5	-3.0	-2.7	-
-20.0	-10.0	-10.0	-10.0	-10.0	Hermes	-1.8	-0.9	-0.8	-0.8
-20.9	-21.2	-22.1	-20.6	-	Goldman Sachs	-1.9	-1.8	-1.8	-1.6
<b>Non-City forecasters</b>									
-27.7	-43.7	-54.3	-61.5	-	Liverpool Macro Research	-	-	-	-
-24.7	-28.0	-24.1	-19.8	-	NIESR	-2.3	-2.5	-2.0	-1.6
-24.7	-26.9	-31.3	-34.9	-37.8	ITEM Club	-2.2	-2.3	-2.5	-2.7
-21.0	-23.0	-21.0	-22.0	-21.4	Cambridge Econometrics	-2.1	-2.2	-1.9	-1.9
-39.3	-41.1	-42.1	-43.4	-44.5	Economy.com Plc	-3.6	-3.6	-3.4	-3.3
-8.0	-15.8	-14.1	-13.2	-14.4	Experian	-0.7	-1.4	-1.2	-1.1
-19.8	-17.0	-19.6	-20.7	-20.2	Oxford Economic Forecasting	-1.8	-1.5	-1.6	-1.6
<b>-23.4</b>	<b>-27.7</b>	<b>-30.1</b>	<b>-31.6</b>	<b>-32.0</b>	<b>Independent average</b>	<b>-2.2</b>	<b>-2.3</b>	<b>-2.4</b>	<b>-2.4</b>
-8.0	-10.0	-10.0	-10.0	-10.0	Highest	-0.7	-0.9	-0.8	-0.8
-39.3	-43.7	-54.3	-61.5	-55.0	Lowest	-3.6	-3.6	-4.2	-4.9

**Table M7: Medium-term forecasts for PSNB**

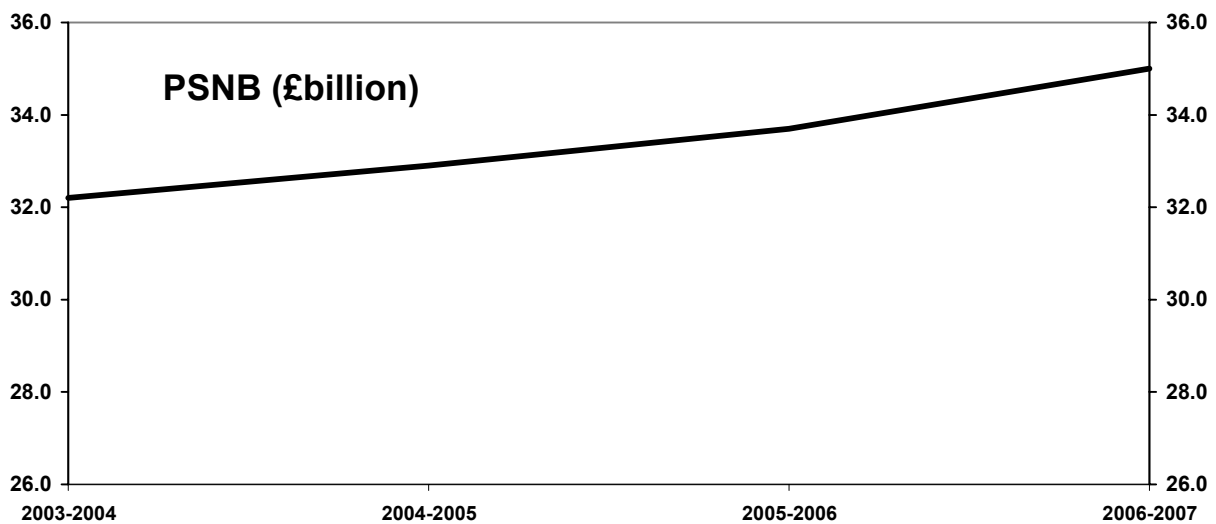
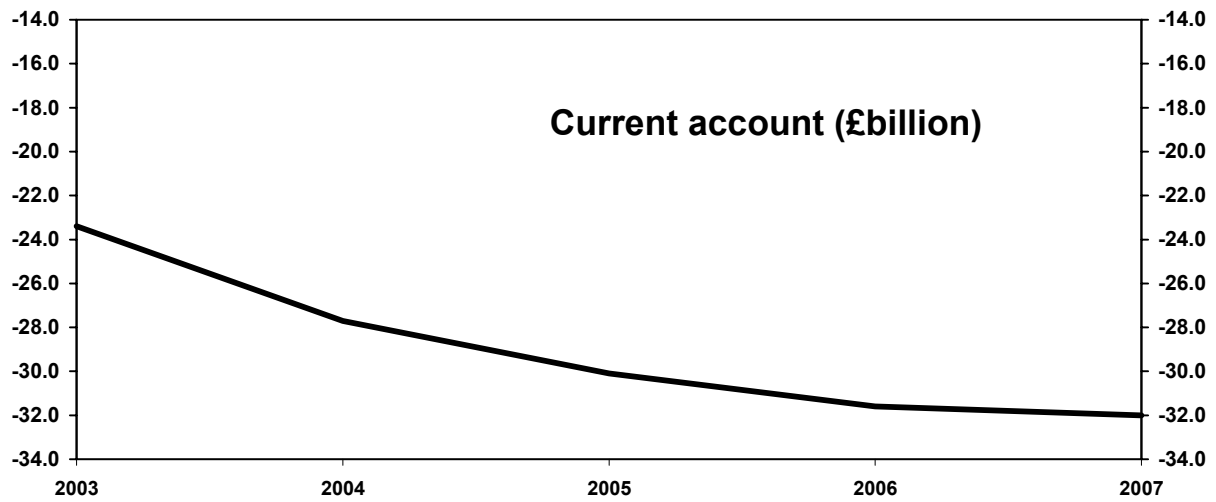
**November 2003 comparison**

<u>PSNB (£ billion)</u>					<u>PSNB (per cent of money GDP)</u>			
2003-2004	2004-2005	2005-2006	2006-2007		2003-2004	2004-2005	2005-2006	2006-2007
<u>City forecasters</u>								
-	-	-	-	WestLB AG	-	-	-	-
38.0	45.0	38.0	41.0	Citigroup	3.4	3.8	3.1	3.2
30.6	33.3	39.7	49.2	Williams de Broe	2.8	2.8	3.3	3.9
38.0	38.0	36.0	-	Lehman Brothers	3.4	3.3	2.9	-
-	-	-	-	Hermes	-	-	-	-
34.7	30.5	31.3	29.5	Goldman Sachs	3.1	2.6	2.5	2.3
<u>Non-City forecasters</u>								
22.3	21.0	19.3	17.9	Liverpool Macro Research	2.1	1.9	1.7	1.5
32.1 cc	38.0 cc	45.2 cc	46.1 cc	NIESR	2.9 cc	3.3 cc	3.7 cc	3.6 cc
35.6	32.9	35.2	34.3	ITEM Club	3.2	2.8	2.8	2.6
30.5 kcc	29.1 kcc	24.5 kcc	20.7 kcc	Cambridge Econometrics	3.1 kcc	2.8 kcc	2.2 kcc	1.8 kcc
29.0	28.0	-	-	Economy.com Plc	-	-	-	-
24.3	35.4	41.3	46.7	Experian	2.2	3.1	3.5	3.7
37.4	32.0	28.4	26.5	Oxford Economic Forecasting	3.4	2.7	2.3	2.1
32.2	32.9	33.7	35.0	Independent average	3.0	2.9	2.8	2.8
38.0	45.0	41.3	49.2	Highest	3.4	3.8	3.5	3.9
22.3	21.0	19.3	17.9	Lowest	2.1	1.9	1.7	1.5

## Average of medium-term forecasts for GDP growth, RPIX inflation and Claimant Unemployment



## Average of medium-term forecasts for Current account and PSNB (£billion)



## 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 ABR+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

<b><u>Organisation</u></b>	<b><u>Contact</u></b>	<b><u>Telephone number</u></b>
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	John O'Sullivan	020 7475 2423
Experian Business Strategies (previously BSL)	Rajveer Berar	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	0207 991 6718
ING Financial Markets	James Knightley	020 7767 6614
ISIS Asset Management plc (previously FIS)	Steve Andrew	020 7506 1537
ITEM club	Peter Spencer	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