



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. 176  
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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.

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The next edition will be published on 16 January 2002. 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, December 2001

This edition of the comparison contains 28 new forecasts. The tables below summarise the average and range of independent forecasts for 2001 and 2002 and show the average of this month's new forecasts.

<b>Forecasts for 2001</b>	<b>Independent<sup>+</sup></b>				<b>Average of new* forecasts</b>
	<b>Averages</b>		<b>December range</b>		
	<b>December</b>	<b>November</b>	<b>Lowest</b>	<b>Highest</b>	
GDP growth (per cent)	2.2	2.2	1.9	2.7	2.2
Inflation rate (Q4: per cent)					
- RPI	1.5	1.5	1.0	2.6	1.5
- RPI exc MIPs	2.2	2.3	1.9	2.7	2.2
Claimant unemployment (Q4: mn)	0.97	0.97	0.87	1.10	0.98
Current account (£bn)	-16.3	-16.5	-23.3	-10.9	-16.3
PSNB** (2001-02: £bn)	-3.0	-5.3	-11.1	12.0	-1.0

<b>Forecasts for 2002</b>	<b>Independent<sup>+</sup></b>				<b>Average of new* forecasts</b>
	<b>Averages</b>		<b>December range</b>		
	<b>December</b>	<b>November</b>	<b>Lowest</b>	<b>Highest</b>	
GDP growth (per cent)	1.8	1.9	0.4	2.6	1.9
Inflation rate (Q4: per cent)					
- RPI	2.3	2.5	1.5	4.1	2.3
- RPI exc MIPs	2.2	2.3	1.5	3.3	2.1
Claimant unemployment (Q4: mn)	1.09	1.08	0.91	1.33	1.09
Current account (£bn)	-24.1	-23.6	-35.2	-18.0	-24.3
PSNB** (2002-03: £bn)	6.9	3.5	-3.5	15.0	8.3

<sup>+</sup> Independent and City averages, and the range of forecasts, are based on forecasts made in the last three months (December: 26 institutions, November: 9 institutions, October: 2 institutions).

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

\*\*PSNB: Public Sector Net Borrowing (Treasury forecast excluding windfall taxes institutions, and associated spending).

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

Forecasters & date of forecasts	2001						December		Table 1	
	GDP & its components, at constant prices									
	Percentage changes on a year earlier unless stated otherwise									
		Consumption		Fixed	Change in	Domestic	Exports	Imports	Net trade	
		GDP	Private	Govt.	Invn.	Inventories	demand	(goods & services)	Contribution	
						(£bn)			to GDP	
<b>City forecasters</b>										
Abn Amro	Oct	2.0	3.5	3.0	1.0	0.9	2.8	2.9	5.4	-1.1
Barclays Capital	Dec*	2.3	3.8	2.4	1.8	0.1	2.9	1.0	2.5	-0.6
Capital Economics	Dec*	2.0	3.7	2.5	3.0	0.2	3.2	1.5	4.3	-1.2
Charterhouse	Nov	2.7	3.9	2.8	3.0	-0.4	3.1	3.1	4.4	-0.7
Citigroup	Dec*	2.3	4.1	2.3	1.5	-1.0	2.8	0.4	2.2	-0.5
Credit Lyonnais	Dec*	2.2	4.2	2.4	0.7	-0.5	2.8	0.3	2.0	-0.7
Credit Suisse First Boston	Dec*	2.3	4.1	2.1	0.8	-0.1	2.8	0.8	2.3	-0.7
Daiwa Institute of Research	Dec*	2.3	3.8	2.6	2.1	1.4	3.1	1.6	3.6	-0.8
Deutsche Bank	Dec*	2.2	4.1	2.2	0.9	-0.8	2.7	0.7	2.3	-0.7
Dresdner Kleinwort Wasser	Aug	2.1	3.2	3.3	1.1	1.1	2.7	3.0	4.4	-
Economic Perspectives	Dec*	2.2	4.0	2.2	0.5	-0.3	2.7	1.2	2.6	-0.9
Fortis Bank	Oct	2.1	3.9	2.6	0.6	-	2.7	1.7	3.1	-0.5
Goldman Sachs	Nov	2.2	3.7	2.2	1.4	0.1	2.7	2.5	3.7	-0.6
Hermes	Dec*	2.2	4.1	2.0	1.2	-0.5	2.8	0.0	2.0	-0.7
HSBC Econ & Strategy	Dec*	2.3	3.9	2.8	2.1	-	3.0	2.3	3.9	-0.7
J P Morgan	Dec*	2.2	4.1	2.2	1.7	-0.4	3.0	0.6	2.2	-0.7
Lehman Brothers	Nov	2.3	4.2	1.9	1.3	-1.6	2.7	0.2	1.4	-0.5
Lombard St	Sep	2.3	3.2	3.5	2.1	2.2	2.9	4.9	6.6	-
Merrill Lynch	Dec*	2.3	4.0	2.3	2.0	-	-	-	-	-
Morgan Stanley Dean Witter	Dec*	2.2	4.1	2.4	0.8	0.1	2.9	0.8	2.8	-0.7
RBSFM	Dec*	2.2	4.2	2.2	1.0	-0.8	2.8	0.3	2.0	-0.6
Royal & Sun Alliance Invest	Dec*	2.0	3.1	3.4	0.5	1.1	2.6	2.5	4.1	-0.8
Schroders	Dec*	2.3	4.3	2.4	0.4	0.0	2.9	0.6	2.5	-0.6
S.G.	Jul	1.9	2.9	3.9	1.4	3.3	2.9	4.5	6.3	-
Standard Chartered	Dec*	2.0	3.5	3.0	2.0	1.0	3.0	1.5	4.0	-1.0
USB Warburg	Dec*	2.3	3.7	2.5	2.0	-	3.5	2.9	4.5	-0.8
WestLB	Dec*	2.3	4.0	2.3	0.8	0.0	3.3	0.3	2.0	-0.7
Williams de Broe	Dec*	2.4	4.1	2.5	1.3	-0.2	3.0	1.1	2.7	-0.8
<b>Non-City forecasters</b>										
BSL	Nov	2.2	3.9	2.2	2.4	-0.4	3.0	1.6	4.4	-1.2
Cambridge Econ	Dec*	2.1	4.1	2.1	1.1	0.2	2.9	0.8	2.6	-0.9
CBI	Sep	2.0	3.2	3.9	2.9	0.9	3.1	3.4	6.0	-
CEBR	Nov*	2.2	4.1	2.1	0.9	-0.8	2.6	1.0	2.4	-
DRI-WEFA	Dec*	2.3	4.2	2.3	0.8	-0.7	2.7	0.2	1.7	-0.5
EIU	Jun	2.3	2.9	4.0	3.0	-	3.1	2.8	4.8	-
Henley	Dec*	2.2	2.8	4.1	1.8	1.4	2.7	1.6	2.8	-
ITEM Club	Dec*	2.3	3.8	2.4	2.2	-0.2	3.0	2.5	4.5	-0.7
Liverpool Macro Research	Dec*	1.9	2.0 c	4.3 d	6.2 e	-	-	-	-	-
NIESR	Nov	2.3	3.6	2.3	3.5	0.4	3.0	1.3	3.3	-0.8
OEF	Dec*	2.3	4.2	2.2	1.0	-0.5	2.8	0.9	2.6	-0.7
EC	Nov*	2.3	3.8	2.4	2.0	1.0	3.0	2.1	3.7	-
OECD	Nov	2.3	3.7	-	1.4	-0.2	2.8	-	-	-0.7
IMF	Nov	2.0	3.0	3.8	0.9	-	2.8	4.2	5.8	-
<b>Average of Forecasts made in last 3 months</b>										
Independent		2.2	3.9	2.5	1.4	-0.1	2.9	1.4	3.1	-0.8
New (marked *)		2.2	3.9	2.5	1.3	0.0	2.9	1.1	2.8	-0.7
City		2.2	3.9	2.4	1.2	-0.1	2.9	1.2	2.9	-0.7
<b>Range of Forecasts made in last 3 months</b>										
Highest		2.7	4.3	4.1	3.5	1.4	3.5	4.2	5.8	-0.5
Lowest		1.9	2.8	1.9	0.4	-1.6	2.6	0.0	1.4	-1.2
HM Treasury	Nov	2¼	4	3	1	-1	3	¾	2½	-

Forecasters & date of forecasts	2001 Inflation and monetary indicators						December	Table 2
	Percentage changes on a year earlier unless stated otherwise							
	RPI (Q4)	RPIX (Q4)	Average earnings	Sterling index(Q4)	BoE Repo Rate(Q4,%)	Oil price(\$)	M4	
<b>City forecasters</b>								
Abn Amro	Oct	1.3	2.3	4.7	106.8	4.00	26.0	8.6
Barclays Capital	Dec*	1.4	2.4	4.4	106.6	4.17	-	-
Capital Economics	Dec*	1.0	2.0	4.5	105.5	4.00	20.0	8.0
Charterhouse	Nov	2.0	2.7	5.0	104.5	4.38	-	9.1
Citigroup	Dec*	1.1	2.0	4.8	105.0	4.17	24.8	-
Credit Lyonnais	Dec*	1.1	2.1	4.6	105.5	4.00	24.5	-
Credit Suisse First Boston	Dec*	1.3	2.3	4.6	-	4.00	-	8.0
Daiwa Institute of Research	Dec*	1.1	2.1	4.6	105.4	4.00	-	-
Deutsche Bank	Dec*	1.4	2.2	3.9	105.6	4.00	20.0	8.0
Dresdner Kleinwort Wasser	Aug	1.2	1.9	4.8	106.5	5.30	-	-
Economic Perspectives	Dec*	1.5	1.9	4.6	103.0	4.00	23.0	8.2
Fortis Bank	Oct	1.2	2.0	4.9	105.7	4.25	25.6	-
Goldman Sachs	Nov	1.9	2.2	4.7	107.0	-	25.0	6.5 jk
Hermes	Dec*	1.5	2.2	-	-	4.00	-	-
HSBC Econ & Strategy	Dec*	1.5	2.3	4.7	107.0	4.00	21.0	-
J P Morgan	Dec*	1.5	2.3	5.0	-	4.00 j	26.1 ii	-
Lehman Brothers	Nov	1.3	2.2	4.5	104.2	4.25	24.6	-
Lombard St	Sep	1.8	2.5	4.9	101.0	5.00	26.0	8.0
Merrill Lynch	Dec*	1.5	2.3	4.7	-	4.00	-	-
Morgan Stanley Dean Witter	Dec*	1.4	2.4	4.6	102.5	4.00	-	-
RBSFM	Dec*	1.3	2.2	4.7	105.0	4.17	24.8	-
Royal & Sun Alliance Invest	Dec*	1.7	2.3	5.2	-	4.00	-	8.0
Schroders	Dec*	1.3	2.2	4.7	105.0	4.00	24.0	-
S.G.	Jul	-	2.2	4.8	109.0	5.25	26.0	7.0
Standard Chartered	Dec*	1.2	2.0	4.2	105.0	4.00	23.5	8.0
USB Warburg	Dec*	1.2	2.3	4.6	-	4.00	-	8.0
WestLB	Dec*	1.5	2.2	4.6	106.5	4.00	22.0	-
Williams de Broe	Dec*	1.3	2.1	4.6	106.2	4.20	25.8	8.1
<b>Non-City forecasters</b>								
BSL	Nov	1.6	2.5	4.9	104.5	4.20	25.5	-
Cambridge Econ	Dec*	1.9 k	2.0 k	4.5 n	105.4 k	5.10 ks	24.6	-
CBI	Sep	1.3	2.0	4.6	105.1	4.75	27.3	-
CEBR	Nov*	1.9	2.1	4.5	105.9	5.10	23.6	-
DRI-WEFA	Dec*	1.4	2.2	4.5	-	4.16	22.7	5.1
EIU	Jun	2.0	2.1	4.3	103.1	5.30	24.2	-
Henley	Dec*	1.8	2.5	4.6	-	5.00 s	-	-
ITEM Club	Dec*	1.2	2.2	4.2	105.6	4.00	20.0	7.2
Liverpool Macro Research	Dec*	2.6	-	6.3	105.2	4.70	-	-
NIESR	Nov	1.5	2.3	4.9	104.5	4.50	24.3	-
OEF	Dec*	1.2	2.1	4.7	104.8	4.10	24.6	7.8
EC	Nov*	1.8 k	1.5 ak	4.3 n	-	-	24.9	-
OECD	Nov	-	-	-	-	-	-	-
IMF	Nov	-	2.2	-	-	-	-	-
<b>Average of Forecasts made in last 3 months</b>								
Independent		1.5	2.2	4.7	105.1	4.17	23.6	7.9
New (marked *)		1.5	2.2	4.7	105.3	4.16	23.3	7.7
City		1.4	2.2	4.6	105.2	4.05	23.6	8.1
<b>Range of Forecasts made in last 3 months</b>								
Highest		2.6	2.7	6.3	107.0	5.10	26.0	9.1
Lowest		1.0	1.9	3.9	102.5	4.00	20.0	5.1
HM Treasury	Nov	-	2¼	-	-	-	-	-

2001

December

Table 3

## Other variables

## Percentage changes on a year earlier unless stated otherwise

Forecasters & dates of forecasts		RHDI	Employment	Claimant unemp. (Q4-mns)	Manuf'g output	World Trade	Current account (£ bn)	PSNB (£bn 01-02)
<b>City forecasters</b>								
Abn Amro	Oct	3.2	0.4	1.00	-2.1	2.8	-21.9	-7.5
Barclays Capital	Dec*	3.3	0.5	0.98	-1.6	-	-17.2	-3.0 cc
Capital Economics	Dec*	3.5	0.3	1.00	-2.0	3.0	-18.0	-11.0
Charterhouse	Nov	3.3	0.7	0.96	-1.3	-	-13.8	-9.5
Citigroup	Dec*	3.8	0.6	0.95	-0.5	-	-15.8	0.0
Credit Lyonnais	Dec*	-	-	0.96	-1.9	2.0	-14.7	4.0
Credit Suisse First Boston	Dec*	3.0	0.0	0.96	-1.9	-	-15.0	-6.0
Daiwa Institute of Research	Dec*	3.6	0.4	3.20 x	-	-	-13.5	2.5
Deutsche Bank	Dec*	3.3	-	0.96	-1.7	-	-13.0	-6.4
Dresdner Kleinwort Wasser	Aug	2.6	0.5	1.01	-0.8	-	-12.6	-8.2
Economic Perspectives	Dec*	2.7	0.2	0.95	-2.1	2.0	-17.5	-3.0
Fortis Bank	Oct	-	0.9	1.00	-1.7	-	-16.0	-
Goldman Sachs	Nov	3.3	0.4	0.97	-1.9	-	-16.8	0.5
Hermes	Dec*	-	-	0.98	-	-	-15.5	-
HSBC Econ & Strategy	Dec*	3.7	0.2	1.00	-1.5	2.0	-21.0	-2.0
J P Morgan	Dec*	-	-	0.95	-	-	-12.4	-3.0 cc
Lehman Brothers	Nov	3.5	0.6	0.87	-1.5	1.0	-11.4	-11.0
Lombard St	Sep	2.6	0.6	0.95	-	-	-18.3	-7.0 cc
Merrill Lynch	Dec*	-	-	-	-	-	-18.0	-
Morgan Stanley Dean Witter	Dec*	3.3	0.6	0.95	-1.7	-	-15.0	-1.0 cc
RBSFM	Dec*	4.3	0.8	0.99	-1.7	-	-14.3	-2.2
Royal & Sun Alliance Invest	Dec*	2.6	0.3	0.96	-2.0	-	-20.0	-1.0
Schroders	Dec*	2.7	0.4	0.96	-2.0	-	-18.9	-
S.G.	Jul	3.4	0.5	0.96	-1.2	4.0	-20.0	-5.0
Standard Chartered	Dec*	3.5	0.3	0.96	-2.5	2.5	-17.0	4.0
USB Warburg	Dec*	-	-	1.00	-1.9	-	-13.0	12.0
WestLB	Dec*	3.5	0.3	0.96	-2.0	1.5	-15.0	-
Williams de Broe	Dec*	-	0.7	0.94	-1.5	1.6	-12.9	-4.3
<b>Non-City forecasters</b>								
BSL	Nov	3.1	0.5	0.94 k	-1.4	2.2 hh	-10.9	-11.1
Cambridge Econ	Dec*	3.3	0.5	1.00 k	-1.7	1.4 hh	-18.2	2.9 kcc
CBI	Sep	2.3	0.3	0.97	-1.1	3.2	-19.2	-3.6
CEBR	Nov*	2.8	0.2	1.00	-0.2	-	-18.3	-3.1 cc
DRI-WEFA	Dec*	2.9	0.6	-	-2.0	-	-18.4	-4.7
EIU	Jun	3.2	0.3	1.00	0.8	4.4	-23.5	-
Henley	Dec*	2.0	0.4	1.10	1.0	-	-17.0	-
ITEM Club	Dec*	3.4	0.0	1.00	-1.6	2.0	-18.5	-4.0
Liverpool Macro Research	Dec*	-	-	0.97	-	-	-14.4	-22.5 cc
NIESR	Nov	3.5	0.6	0.96	-1.5	1.1	-16.4	-8.7
OEF	Dec*	3.6	0.4	0.96	-1.7	1.3	-13.9	-2.5
EC	Nov*	3.9	0.7	-	-1.6	-	-19.2	-12.3 ee
OECD	Nov	-	-	5.10 x	-	-	-15.6	-
IMF	Nov	-	0.6	5.20 x	-	-	-23.3	-
<b>Average of Forecasts made in last 3 months</b>								
Independent		3.2	0.4	0.97	-1.6	1.9	-16.3	-3.0
New (marked *)		3.2	0.4	0.98	-1.6	2.1	-16.3	-1.0
City		3.3	0.4	0.96	-1.8	2.0	-16.1	-2.1
<b>Range of Forecasts made in last 3 months</b>								
Highest		4.3	0.9	1.10	1.0	3.0	-10.9	12.0
Lowest		2.0	0.0	0.87	-2.5	1.0	-23.3	-11.1
HM Treasury	Nov	4	-	-	-1¼	1¼	-14	1.4

Forecasters & date of forecasts	2002						December		Table 4		
	GDP & its components, at constant prices						Domestic demand	Exports (goods & services)	Imports	Net trade Contribution to GDP	
	Percentage changes on a year earlier unless stated otherwise										
	GDP	Consumption Private	Govt.	Fixed Invn.	Change in Inventories (£bn)						
<b>City forecasters</b>											
Abn Amro	Oct	2.1	2.7	4.2	3.9	0.2	3.1	1.0	3.8	-1.2	
Barclays Capital	Dec*	2.1	2.5	4.6	0.7	1.3	2.6	-1.4	0.6	-0.7	
Capital Economics	Dec*	1.7	2.0	4.5	2.5	0.2	2.6	-1.0	1.5	-0.9	
Charterhouse	Nov	2.4	2.6	4.3	2.2	-2.4	2.6	3.7	4.1	-0.4	
Citigroup	Dec*	1.9	2.4	5.5	2.1	-0.6	3.0	-3.0	0.7	-1.1	
Credit Lyonnais	Dec*	1.7	3.1	3.9	-0.8	-1.4	2.4	-1.0	1.3	-0.8	
Credit Suisse First Boston	Dec*	2.3	3.0	2.8	1.0	0.1	2.6	1.8	2.8	-0.5	
Daiwa Institute of Research	Dec*	1.9	2.9	4.9	0.5	2.6	2.9	1.5	4.2	-1.0	
Deutsche Bank	Dec*	1.7	2.6	3.5	0.3	1.2	2.6	-1.3	1.5	-1.1	
Dresdner Kleinwort Wasser	Aug	2.7	2.9	3.9	2.4	-0.1	2.8	4.4	4.5	-	
Economic Perspectives	Dec*	0.4	2.3	3.1	-5.5	0.8	1.2	-1.5	1.0	-1.0	
Fortis Bank	Oct	2.1	3.0	3.7	1.2	-	2.6	2.0	3.4	-0.5	
Goldman Sachs	Nov	1.4	2.3	3.4	-0.2	1.6	2.2	2.1	4.1	-0.9	
Hermes	Dec*	1.8	3.1	2.4	0.3	0.0	2.8	-2.2	1.1	-1.1	
HSBC Econ & Strategy	Dec*	2.0	2.6	4.3	1.5	-	2.3	0.8	1.9	-0.3	
J P Morgan	Dec*	1.8	3.6	3.5	2.3	-3.8	2.9	-0.5	0.3	-0.3	
Lehman Brothers	Nov	1.6	3.1	3.4	-0.7	-5.2	2.0	-0.9	0.6	-0.5	
Lombard St	Sep	2.6	2.5	3.7	2.0	1.5	2.5	4.0	3.5	-	
Merrill Lynch	Dec*	2.0	3.0	4.3	3.0	-	-	-	-	-	
Morgan Stanley Dean Witter	Dec*	1.5	2.8	6.5	-0.7	0.7	2.9	0.2	4.2	-1.6	
RBSFM	Dec*	2.0	3.1	3.8	0.6	2.0	3.0	-2.9	0.8	-1.1	
Royal & Sun Alliance Invest	Dec*	2.3	2.4	4.7	1.2	0.3	2.6	2.7	4.3	-0.4	
Schroders	Dec*	1.7	2.9	4.6	-4.7	0.1	1.9	-0.4	0.3	-0.8	
S.G.	Jul	2.5	2.5	3.2	2.6	2.0	2.5	5.1	4.1	-	
Standard Chartered	Dec*	1.4	1.5	5.5	0.5	-0.5	1.5	0.2	1.8	-0.3	
USB Warburg	Dec*	2.2	3.0	4.6	-0.7	-	3.2	1.1	3.2	-0.9	
WestLB	Dec*	2.0	2.5	3.8	-1.0	1.8	2.0	-2.5	-1.3	-0.4	
Williams de Broe	Dec*	2.4	2.3	4.2	6.1	1.8	3.5	3.5	6.4	-1.5	
<b>Non-City forecasters</b>											
BSL	Nov	1.5	1.8	3.1	1.8	0.6	2.1	1.3	2.9	-0.7	
Cambridge Econ	Dec*	1.5	2.7	3.7	-0.8	-0.4	2.2	-0.5	1.5	-0.8	
CBI	Sep	2.5	2.9	4.3	3.9	1.7	3.4	4.4	6.7	-	
CEBR	Nov*	1.8	2.5	2.2	0.8	1.2	2.2	3.0	3.8	-	
DRI-WEFA	Dec*	2.0	2.4	3.5	0.5	0.0	2.3	1.8	2.5	-0.4	
EIU	Jun	2.5	2.6	3.5	2.9	-	2.9	3.6	4.4	-	
Henley	Dec*	2.0	1.6	4.4	2.7	2.3	2.5	0.7	2.0	-	
ITEM Club	Dec*	1.7	2.6	4.8	1.2	0.1	2.8	1.5	4.0	-0.9	
Liverpool Macro Research	Dec*	2.6	2.4 c	4.9 d	2.4 e	-	-	-	-	-	
NIESR	Nov	2.1	2.1	3.4	5.0	0.9	2.9	-0.4	2.1	-0.9	
OEF	Dec*	1.8	3.2	4.4	0.1	0.1	2.9	1.5	4.5	-1.3	
EC	Nov*	1.7	2.2	3.4	1.1	2.3	2.3	1.0	2.7	-	
OECD	Nov	1.7	2.0	-	-0.7	0.0	1.8	-	-	-0.2	
IMF	Nov	2.4	2.9	3.8	1.4	-	2.8	5.3	6.1	-	
<b>Average of Forecasts made in last 3 months</b>											
Independent		1.8	2.6	4.0	0.5	0.3	2.4	0.4	2.4	-0.8	
New (marked *)		1.9	2.6	4.1	0.5	0.5	2.5	0.0	2.0	-0.8	
City		1.7	2.7	4.1	0.1	0.2	2.4	-0.2	2.0	-0.8	
<b>Range of Forecasts made in last 3 months</b>											
Highest		2.6	3.6	6.5	6.1	2.6	3.5	5.3	6.4	-0.2	
Lowest		0.4	1.5	2.2	-5.5	-5.2	1.2	-3.0	-1.3	-1.6	
HM Treasury	Nov	2-2½	2¾-3	4¾	2-2¼	-1.2to-0.7	2¾-3¾	¼-½	2¾-3	-	

Forecasters & date of forecasts	2002 Inflation and monetary indicators						December	Table 5
	Percentage changes on a year earlier unless stated otherwise							
	RPI (Q4)	RPIX (Q4)	Average earnings	Sterling index(Q4)	BoE Repo Rate(Q4,%)	Oil price(\$)	M4	
<b>City forecasters</b>								
Abn Amro	Oct	3.5	2.3	4.6	107.4	5.30	24.0	9.9
Barclays Capital	Dec*	2.4	2.4	3.7	103.1	4.67	-	-
Capital Economics	Dec*	1.5	1.8	4.0	102.5	3.50	20.0	6.0
Charterhouse	Nov	4.1	3.3	5.6	101.4	5.90	-	8.0
Citigroup	Dec*	2.2	1.9	4.9	101.9	4.80	19.0	-
Credit Lyonnais	Dec*	1.9	2.2	4.2	99.0	4.50	22.0	-
Credit Suisse First Boston	Dec*	2.5	2.5	4.5	-	4.50	-	7.5
Daiwa Institute of Research	Dec*	1.9	1.8	4.2	102.9	4.70	-	-
Deutsche Bank	Dec*	2.5	2.2	4.4	103.0	4.25	19.0	6.3
Dresdner Kleinwort Wasser	Aug	2.6	2.3	4.6	104.2	6.00	-	-
Economic Perspectives	Dec*	1.5	1.7	3.8	100.0	4.00	19.0	6.2
Fortis Bank	Oct	1.8	2.1	4.4	103.2	5.50	24.7	-
Goldman Sachs	Nov	1.7	2.2	4.5	97.0	-	23.8	6.4 jk
Hermes	Dec*	2.0	2.0	-	-	5.00	-	-
HSBC Econ & Strategy	Dec*	2.6	2.4	4.4	105.8	5.00	25.0	-
J P Morgan	Dec*	2.4	1.8	4.5	-	4.75 j	25.8	-
Lehman Brothers	Nov	3.2	2.8	3.6	100.4	4.75	20.2	-
Lombard St	Sep	3.3	3.5	5.4	96.0	6.25	26.0	6.0
Merrill Lynch	Dec*	2.6	2.6	4.8	-	4.50	-	-
Morgan Stanley Dean Witter	Dec*	2.1	2.0	4.4	99.0	4.00	-	-
RBSFM	Dec*	2.7	2.1	4.7	100.9	4.92	22.0	-
Royal & Sun Alliance Invest	Dec*	2.6	2.4	4.9	-	4.75	-	7.0
Schroders	Dec*	2.8	2.1	4.0	103.0	4.75	18.0	-
S.G.	Jul	-	2.5	4.5	107.0	5.50	23.5	7.5
Standard Chartered	Dec*	1.8	1.5	3.7	100.0	3.50	17.0	5.0
USB Warburg	Dec*	2.6	2.4	4.1	-	5.00	-	7.0
WestLB	Dec*	2.1	2.4	4.5	103.0	4.50	21.0	-
Williams de Broe	Dec*	2.2	2.4	4.7	99.5	4.50	24.0	9.4
<b>Non-City forecasters</b>								
BSL	Nov	2.1	2.3	4.6	101.6	4.00	24.5	-
Cambridge Econ	Dec*	1.4 k	2.2 k	4.2 n	102.8 k	4.10 ks	22.3	-
CBI	Sep	2.4	2.3	4.5	104.8	4.75	25.8	-
CEBR	Nov*	1.5	1.8	3.5	105.8	3.90	20.3	-
DRI-WEFA	Dec*	2.9	2.3	4.3	-	4.30	20.7	3.4
EIU	Jun	2.5	2.4	4.5	102.2	6.00	24.0	-
Henley	Dec*	1.9	2.5	4.1	-	5.30 s	-	-
ITEM Club	Dec*	2.6	2.0	4.8	101.2	5.00	22.0	4.0
Liverpool Macro Research	Dec*	2.8	-	3.4	108.2	5.60	-	-
NIESR	Nov	2.2	1.8	4.9	103.2	5.00	22.2	-
OEF	Dec*	2.1	1.9	4.2	100.8	4.80	20.6	5.5
EC	Nov*	1.5 k	1.8 ak	3.9 n	-	-	22.3	-
OECD	Nov	-	-	-	-	-	-	-
IMF	Nov	-	2.4	-	-	-	-	-
<b>Average of Forecasts made in last 3 months</b>								
Independent		2.3	2.2	4.3	102.0	4.61	21.4	6.5
New (marked *)		2.3	2.1	4.2	102.4	4.51	21.1	6.4
City		2.2	2.1	4.3	101.6	4.54	21.3	7.0
<b>Range of Forecasts made in last 3 months</b>								
Highest		4.1	3.3	5.6	108.2	5.90	25.8	9.9
Lowest		1.5	1.5	3.4	97.0	3.50	17.0	3.4
HM Treasury	Nov	-	2¼	-	-	-	-	-

2002

December

Table 6

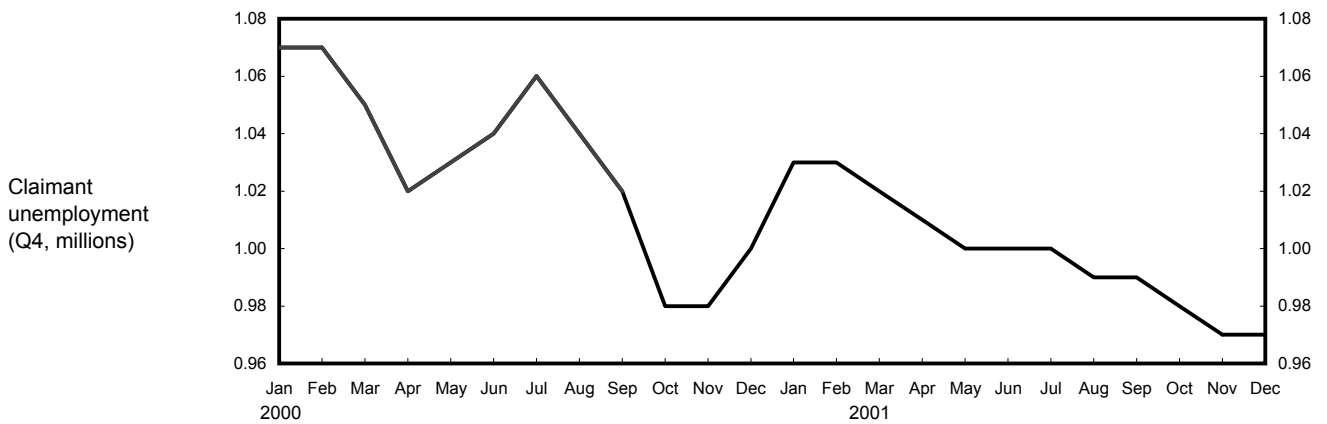
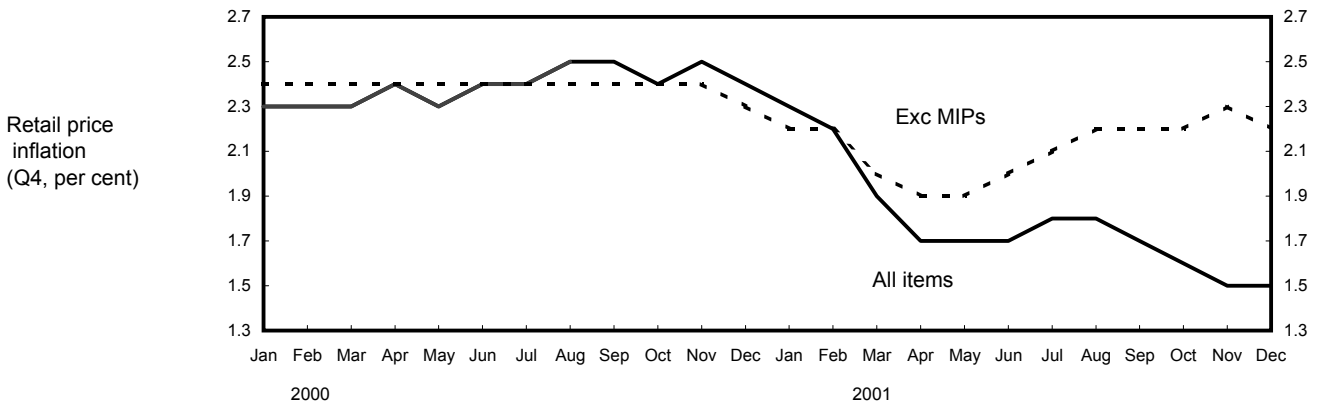
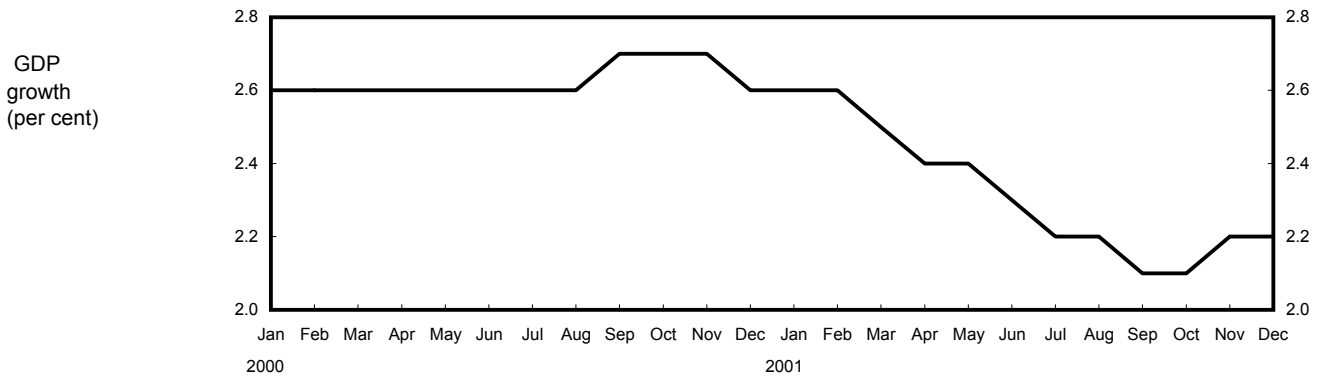
Other variables

Percentage changes on a year earlier unless stated otherwise

Forecasters & dates of forecasts		RHDI	Employment	Claimant unemp. (Q4-mns)	Manufg output	World Trade	Current account (£ bn)	PSNB (£bn 02-03)
<b>City forecasters</b>								
Abn Amro	Oct	2.9	-0.1	1.10	-0.8	3.1	-35.2	5.6
Barclays Capital	Dec*	2.3	-0.2	1.02	1.0	-	-28.5	11.0 cc
Capital Economics	Dec*	2.5	-0.2	1.00	-2.0	2.0	-30.0	1.0
Charterhouse	Nov	2.2	0.4	1.03	-0.2	-	-26.3	-3.5
Citigroup	Dec*	3.8	0.2	0.94	0.4	-	-31.6	12.2
Credit Lyonnais	Dec*	-	-	1.10	-1.4	2.0	-25.5	11.0
Credit Suisse First Boston	Dec*	3.0	0.0	1.05	-0.6	-	-18.0	4.0
Daiwa Institute of Research	Dec*	2.7	-0.4	-	-	-	-21.3	12.0
Deutsche Bank	Dec*	2.3	-	1.10	-0.8	-	-22.0	5.0
Dresdner Kleinwort Wasser	Aug	3.7	0.6	0.94	1.7	-	-18.4	-3.1
Economic Perspectives	Dec*	1.7	-0.6	1.15	0.0	3.0	-21.0	10.0
Fortis Bank	Oct	-	0.8	1.04	-	-	-19.0	-
Goldman Sachs	Nov	3.1	-0.2	1.08	-1.0	-	-26.7	11.0
Hermes	Dec*	-	-	1.09	-	-	-23.0	-
HSBC Econ & Strategy	Dec*	2.2	-0.6	1.30	0.9	2.5	-25.9	8.0
J P Morgan	Dec*	-	-	1.05	-	-	-18.9	8.0 cc
Lehman Brothers	Nov	2.7	-0.3	1.12	-2.3	1.4	-18.7	6.5
Lombard St	Sep	2.7	0.0	1.00	-	-	-17.9	7.0 cc
Merrill Lynch	Dec*	-	-	-	-	-	-20.0	-
Morgan Stanley Dean Witter	Dec*	2.8	0.4	1.20	-2.7	-	-31.0	8.0 cc
RBSFM	Dec*	3.1	-0.1	1.10	-0.6	-	-23.4	9.3
Royal & Sun Alliance Invest	Dec*	2.5	0.2	1.20	2.6	-	-18.0	10.0
Schroders	Dec*	1.9	-0.3	1.10	-1.2	-	-26.1	-
S.G.	Jul	3.5	0.7	1.00	1.0	5.5	-19.0	2.0
Standard Chartered	Dec*	2.0	-0.7	1.33	-2.0	1.5	-35.0	15.0
USB Warburg	Dec*	-	-	1.00	-1.0	-	-20.0	15.0
WestLB	Dec*	3.0	-0.3	1.03	0.0	5.0	-20.0	-
Williams de Broe	Dec*	-	0.6	0.91	1.9	7.5	-26.0	-0.6
<b>Non-City forecasters</b>								
BSL	Nov	0.7	-0.3	1.02	-0.1	1.2	-20.9	-0.6
Cambridge Econ	Dec*	2.8	-0.2	1.20 k	-2.8	0.7 hh	-20.0	13.4 kcc
CBI	Sep	2.3	0.4	0.99	0.6	4.8	-21.8	-2.5
CEBR	Nov*	1.7	-0.2	1.00	-0.2	-	-30.9	7.5 cc
DRI-WEFA	Dec*	2.3	0.0	-	1.8	-	-20.9	4.4
EIU	Jun	3.0	0.2	1.04	1.7	6.3	-15.3	-
Henley	Dec*	1.5	-0.1	1.10	2.3	-	-19.4	-
ITEM Club	Dec*	2.0	-3.0	1.10	-1.5	3.0	-25.4	3.0
Liverpool Macro Research	Dec*	-	-	1.04	-	-	-25.3	-15.6 cc
NIESR	Nov	3.0	-0.1	1.09	-0.6	3.5	-22.6	4.7
OEF	Dec*	2.5	-0.4	1.20	-0.9	3.0	-22.8	2.9
EC	Nov*	3.0	0.0	-	-0.1	-	-29.6	-4.6 ee
OECD	Nov	-	-	5.30 x	-	-	-21.0	-
IMF	Nov	-	0.5	5.30 x	-	-	-29.5	-
<b>Average of Forecasts made in last 3 months</b>								
Independent		2.4	-0.2	1.09	-0.4	3.0	-24.1	6.9
New (marked *)		2.5	-0.1	1.09	-0.2	3.4	-24.3	8.3
City		2.5	-0.1	1.10	-0.5	3.1	-24.1	8.6
<b>Range of Forecasts made in last 3 months</b>								
Highest		3.8	0.8	1.33	2.6	7.5	-18.0	15.0
Lowest		0.7	-3.0	0.91	-2.8	1.2	-35.2	-3.5
HM Treasury	Nov	3¼ -3½	-	-	-¾ to -½	1¼	-26¾	11

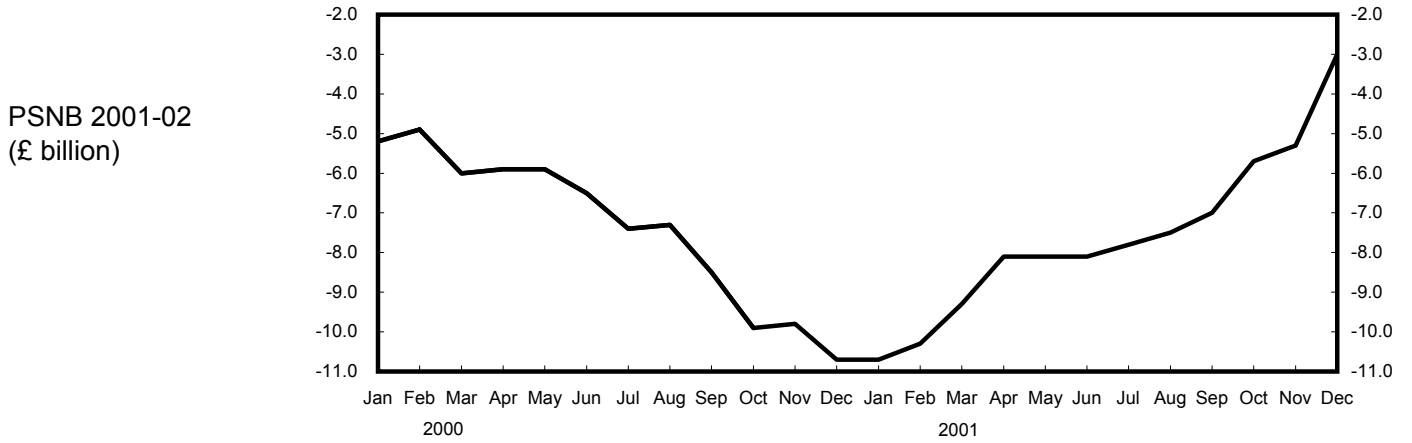
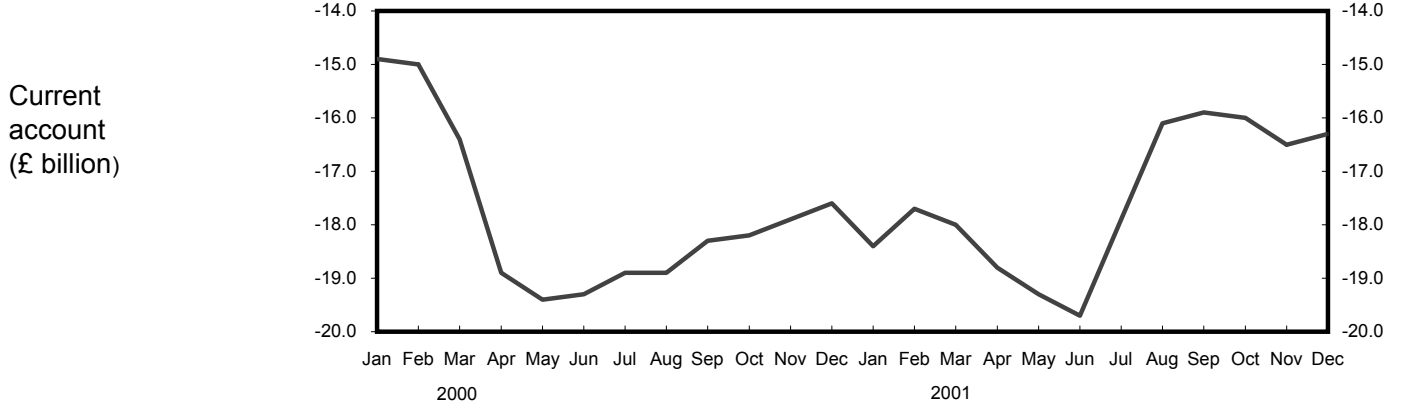
# Forecasts for 2001

Independent average, January 2000 - December 2001



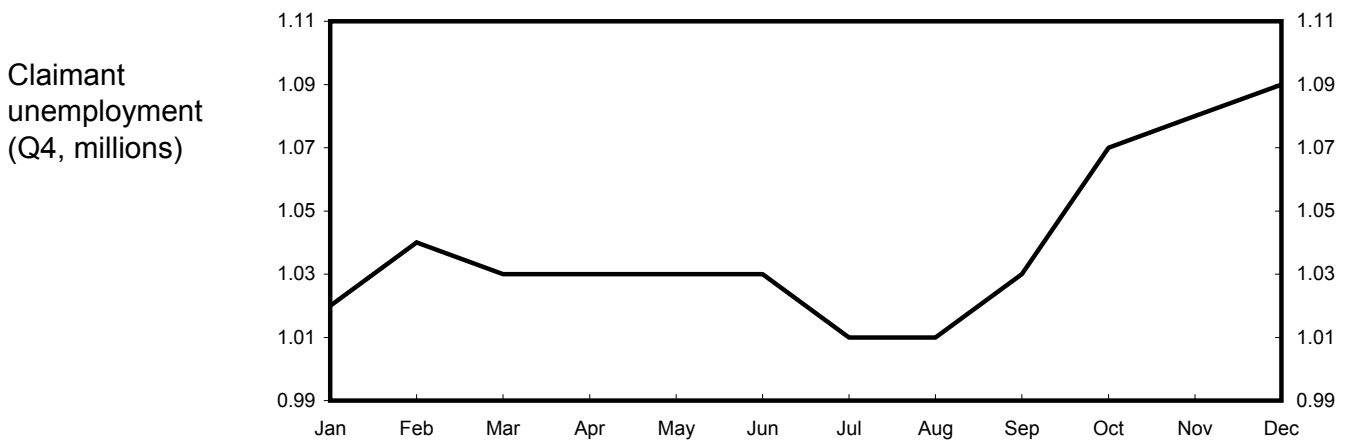
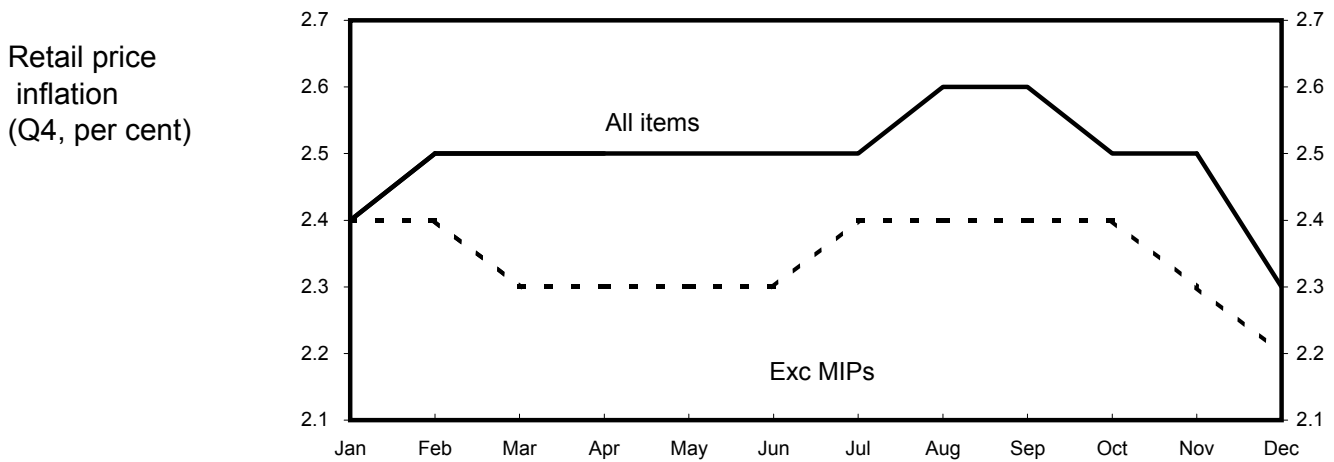
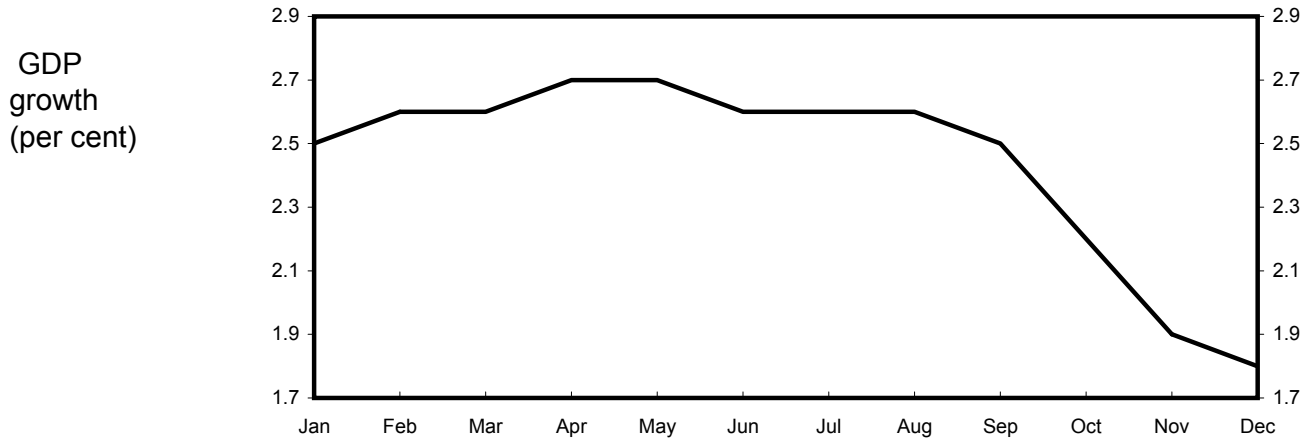
# Forecasts for 2001

Independent average, January 2000 - December 2001



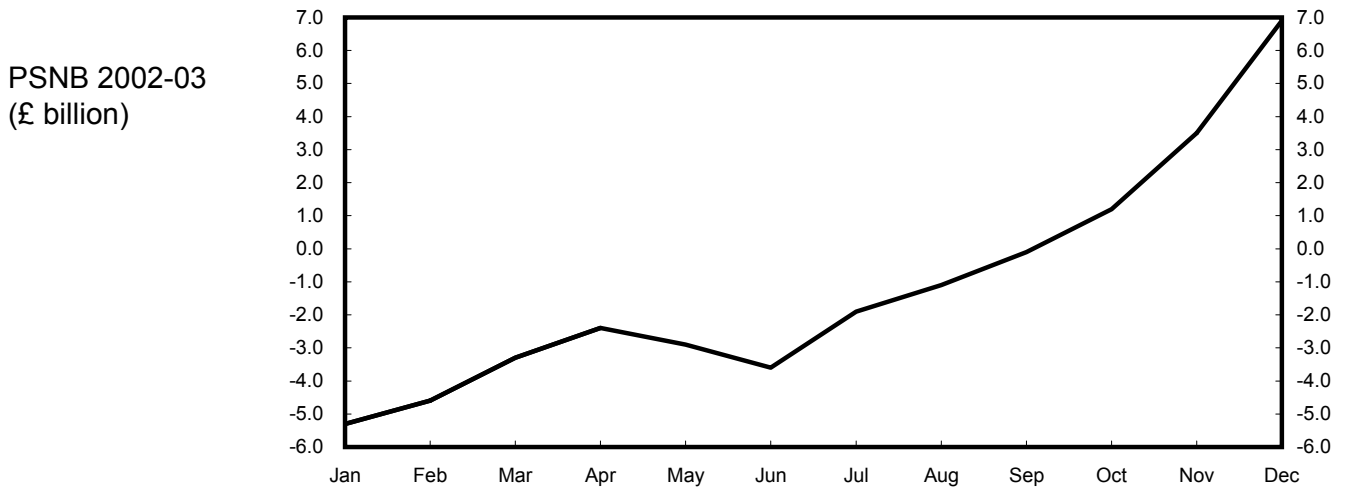
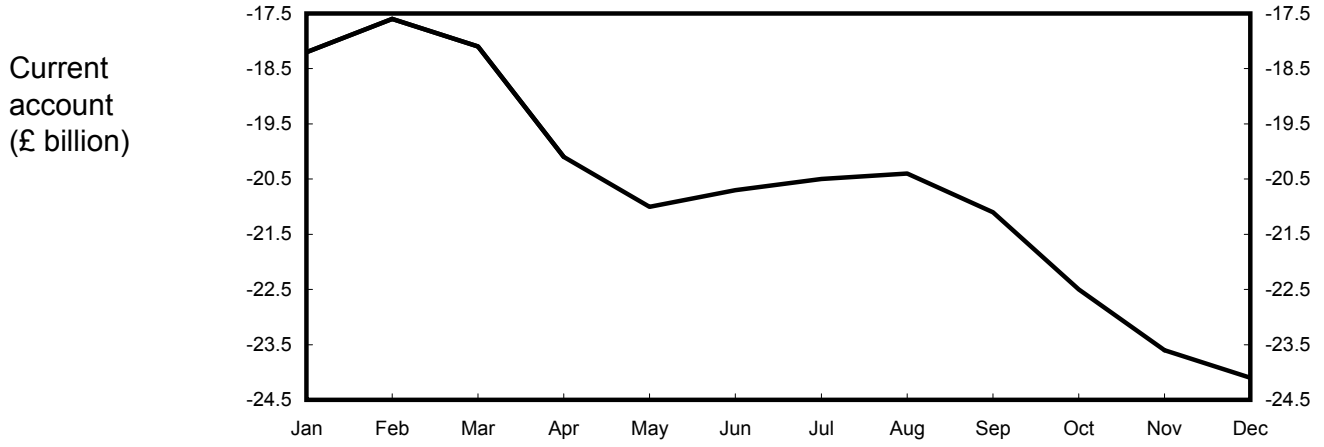
# Forecasts for 2002

Independent average, January 2001 - December 2001



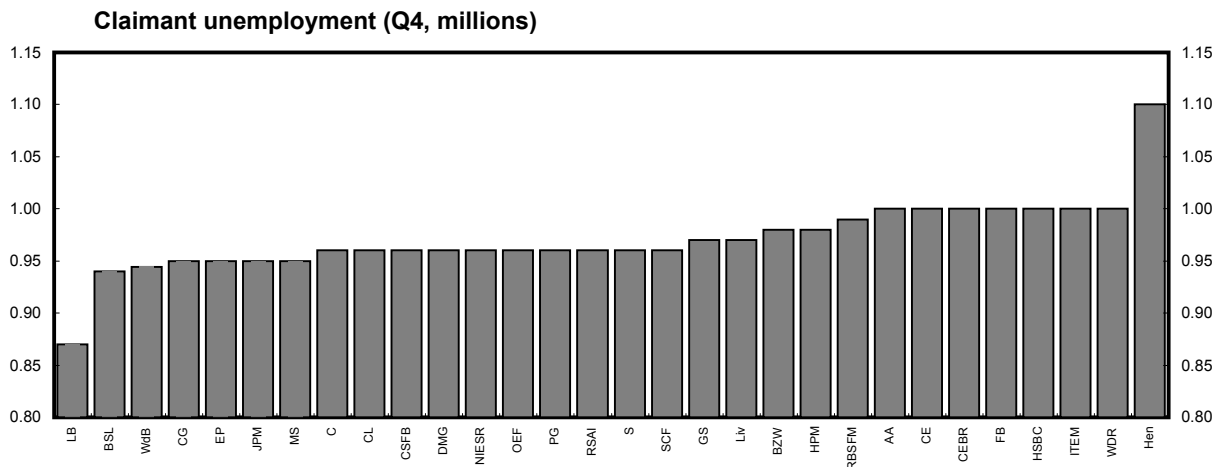
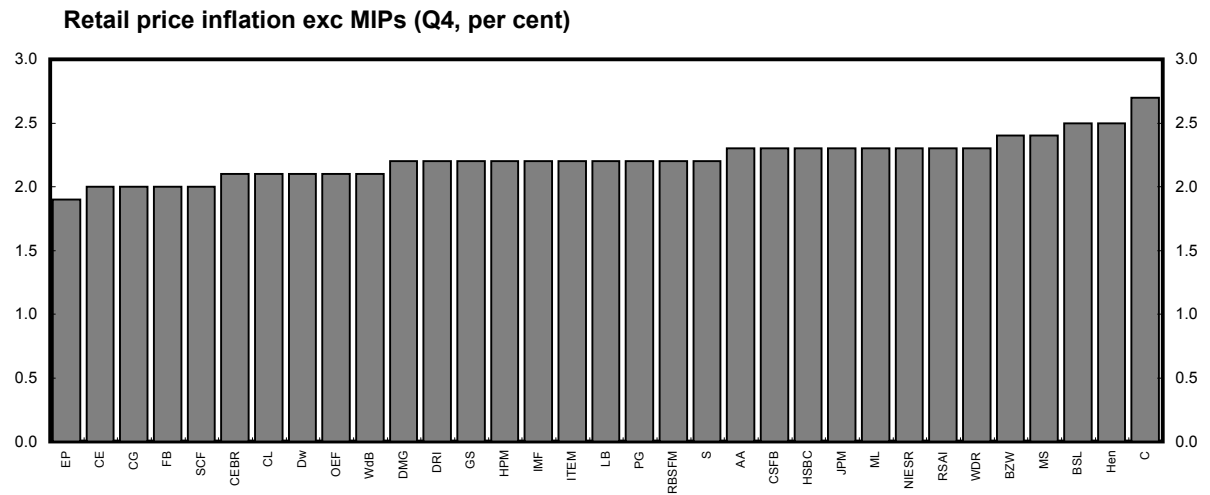
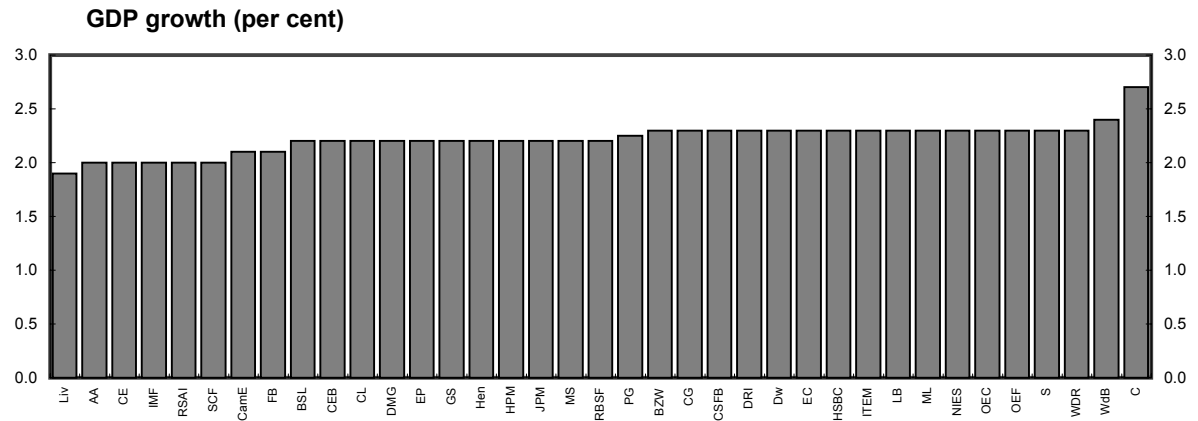
# Forecasts for 2002

Independent average, January 2001 - December 2001



## Forecasts for 2001

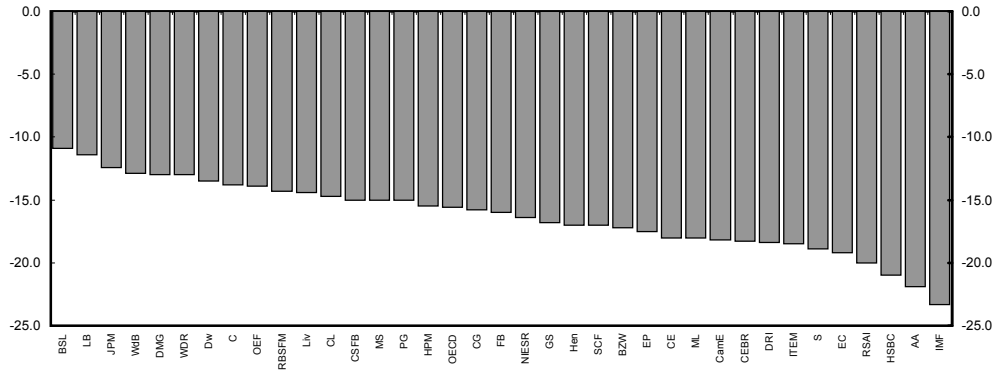
### December 2001 range of forecasts (made in last 3 months)



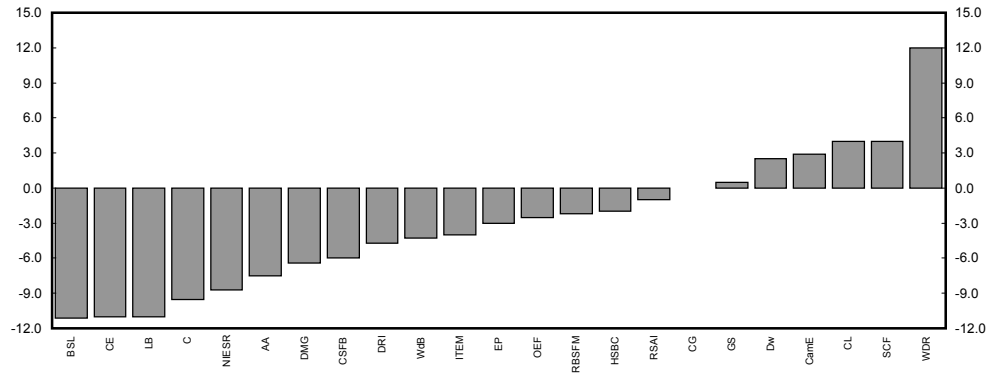
## Forecasts for 2001

### December 2001 range of forecasts (made in last 3 months)

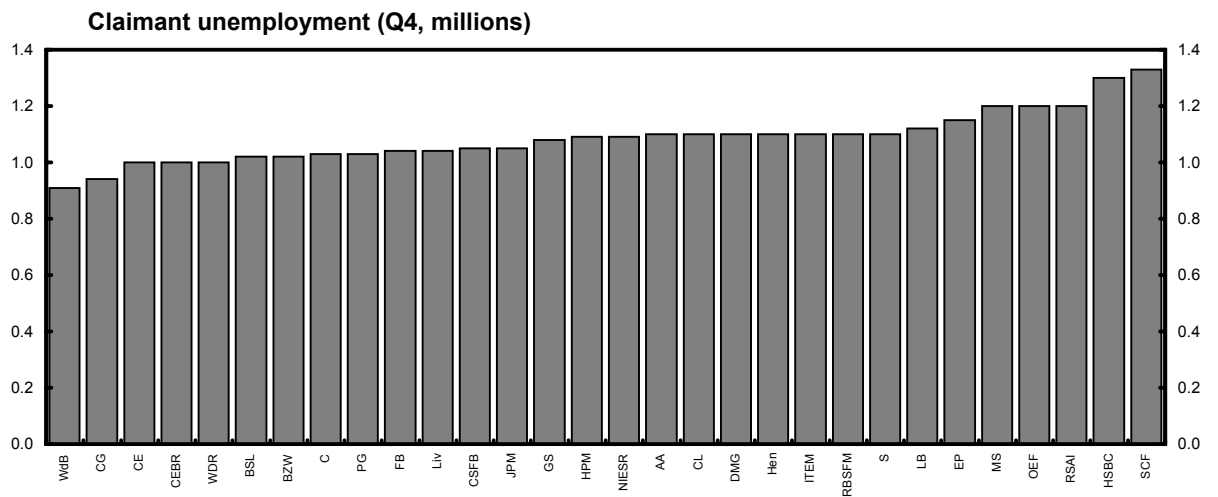
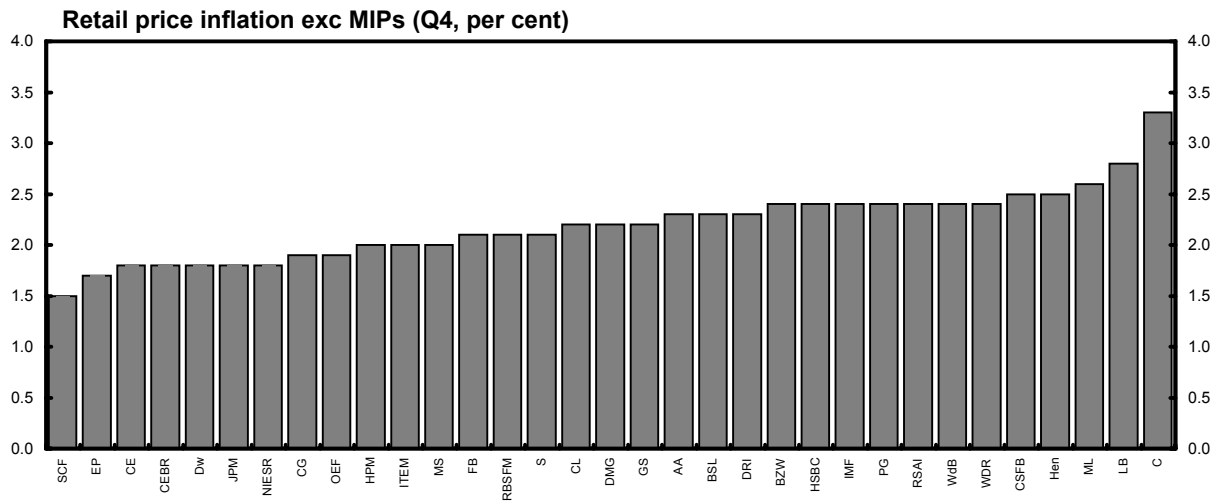
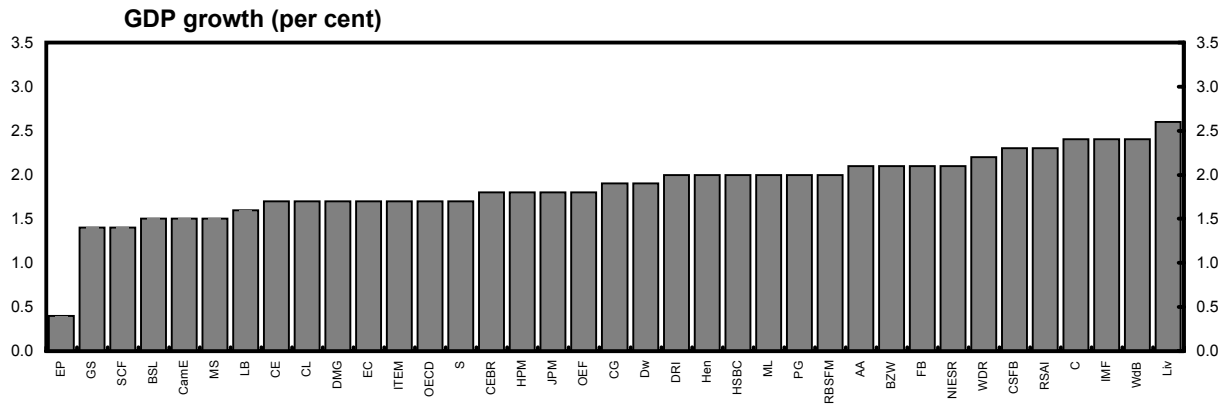
#### Current account (£ billion)



#### PSNB (2001 - 02, £ billion)

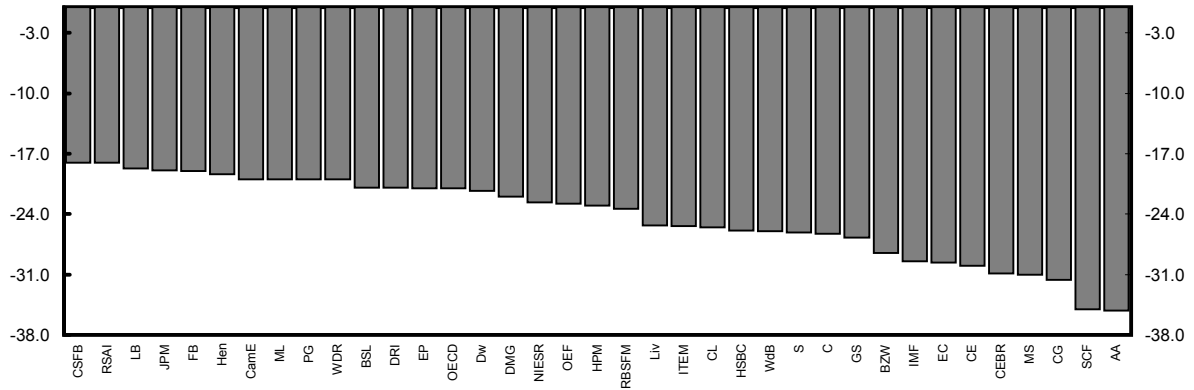


**Forecasts for 2002**  
**December 2001 range of forecasts ( made in last 3 months )**

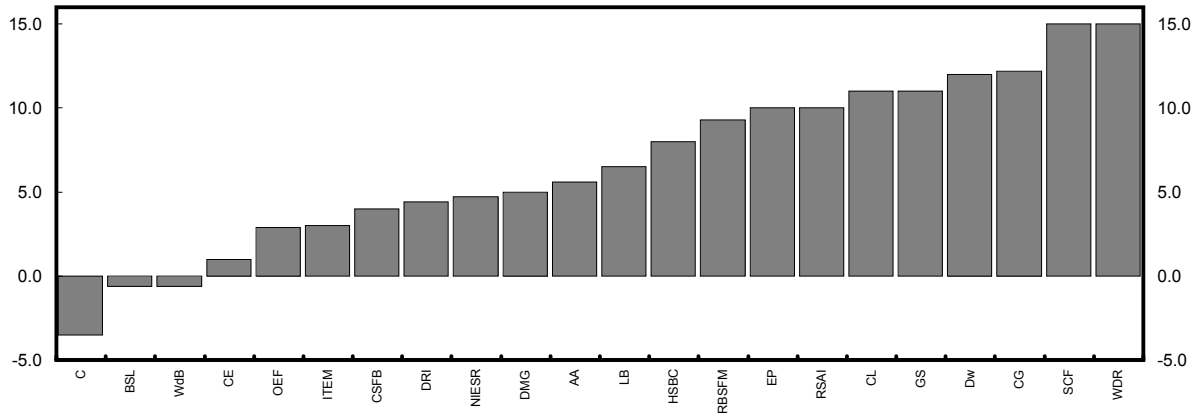


## Forecasts for 2002 December 2001 range of forecasts ( made in last 3)

**Current account (£ billion)**



**PSNB (2002- 03 £ billion)**



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

AA:	Abn Amro
BZW :	Barclays Capital
BSL:	Business Strategies Ltd
CamE:	Cambridge Econometrics
CapE:	Capital Economics
C:	Charterhouse
CG:	Citigroup
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
DKW:	Dresdner Kleinwort Wasserstein
DRI:	Data Resources Inc. Europe
EC:	European Commission
EIU:	Economist Intelligence Unit
EP:	Economic Perspectives
FB:	Fortis Bank
GNW:	Greenwich Natwest
GS:	Goldman Sachs
Hen:	Henley Forecasting Centre
HSBC:	Economics and Strategy
HPM:	Pensions Management Ltd
IMF:	International Monetary Fund
ITEM:	ITEM Club
JPM:	JP Morgan
LB:	Lehman Brothers
Liv:	Liverpool Macro Research
LS:	Lombard Street Research Ltd
ML:	Merrill Lynch
MSDW:	Morgan Stanley Dean Witter
NIESR:	National Institute for Economic and Social Research
NG:	Natwest Group
NE:	Nikko Europe
NUIM:	Norwich Union Investment Management
OECD	Organisation for Economic Cooperation and Development
OEF:	Oxford Economic Forecasting
RBSFM:	Royal Bank Of Scotland Financial Markets
RSAL:	Royal & Sun Alliance Investments
SB:	Saloman Smith Barney
S:	Schroders
SG:	Societe Generale
SCB:	Standard Chartered
WDR:	Warburg Dillon Read
WLBP:	WestLB Panmure
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: 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 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)
- 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: Wti Oil price

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CEBR	Kavin Mc Cauley	020 7600 6661
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Henley Centre	David Martin	020 7955 1868
Hermes Pensions Man. Ltd	James Walsh	020 7680 2144
HSBC	John Butler	020 7336 4147
ITEM club	John Gaster	01865 268913
J P Morgan	Danny Gabay	020 7325 5335
Lehman Brothers	Mike Dicks	020 7260 2783
Liverpool Macro Research	David Meenagh	029 2087 5198
Lombard St Research Ltd	Tim Congdon	020 7382 5912
Merrill Lynch	Ian Stewart	0020 7772 1512
Morgan Stanley D Witter	Mark Miller	0020 7425 6643
NIESR	Nigel Young	0020 7222 7665
Natwest Group	Elisabeth Hall	0020 7726 1912
Norwich Union IM	Mike Collins	01603 683680
Oxford Econ Forecasting	Adrian Cooper	01865 202 828
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