

HM Treasury

FORECASTS FOR THE UK ECONOMY

A comparison of independent forecasts

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 17 December 1997. 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, November 1997

This edition of the comparison contains 27 new forecasts. The tables below summarise the average and range of independent forecasts for 1997 and 1998 and show the average of this month's new forecasts.

Forecasts for 1997

	Independent ⁺				Average of new* forecasts
	Averages		November range		
	November	October	Lowest	Highest	
GDP growth (per cent)	3.5	3.4	3.1	3.9	3.5
Inflation rate (Q4: per cent)					
- RPI	3.4	3.3	2.6	4.1	3.5
- RPI exc MIPs	2.6	2.5	2.0	3.0	2.6
Claimant unemployment (Q4: mn)	1.44	1.47	1.30	1.60	1.42
Current account (£bn)	-0.7	-2.0	-7.0	3.8	0.4
PSBR (1997-98: £bn)	9.3	10.7	-2.0	14.2	8.6

Forecasts for 1998

	Independent ⁺				Average of new* forecasts
	Averages		November range		
	November	October	Lowest	Highest	
GDP growth (per cent)	2.4	2.5	1.5	3.6	2.5
Inflation rate (Q4: per cent)					
- RPI	3.2	3.1	1.8	4.3	3.2
- RPI exc MIPs	2.8	2.9	2.3	3.8	2.9
Claimant unemployment (Q4: mn)	1.32	1.33	0.78	1.59	1.27
Current account (£bn)	-7.7	-9.6	-12.4	-0.5	-7.1
PSBR (1998-99: £bn)	3.9	4.9	-2.4	10.5	3.0

⁺ Independent and City averages, and the range of forecasts, are based on forecasts made in the last three months (November 27 institutions, October 27 institutions, September institutions 35).

* Based on new forecasts received for the comparison this month
Note: All the averages exclude non-standard entries (see footnotes a to z)

		1997				November 1997		Table 1	
GDP & its components, at constant prices									
Percentage changes on a year earlier unless stated otherwise									
Forecasters & date of forecasts		GDP	Consumers' expenditure	Government expenditure	Fixed investment	Stockbuilding (£bn)	Domestic demand	Exports (goods & services)	Imports
City forecasters									
Abn Amro Hoare Govett	Sept	3.5	4.5	0.5	5.0	3.0	3.8	6.5	7.6
Barclays Bank	Nov*	3.5	4.6	0.6	4.7	2.7	3.8	6.8	7.6
BZW	Oct	3.2	3.7	1.5	3.6	2.6	3.2	5.6	5.4
Charterhouse	Nov*	3.9	4.5	0.5	5.0	3.4	3.9	5.5	8.4
Chase Manhattan	Nov*	3.5	4.3	0.9	5.1	4.0	4.0	7.4	8.3
Credit Lyonnais	Nov*	3.5	4.6	0.5	4.5	3.5	-	5.5	6.5
Daiwa Europe Ltd/DIR	Nov*	3.5	4.8	0.6	4.5	3.5	4.0	7.3	8.3
D M Grenfell	Nov*	3.7	4.5	0.9	4.7	3.7	4.0	7.3	8.3
Dresdner Kleinwort B	Sept	3.4	4.3	0.4	4.8	3.3	3.9	6.3	7.4
Economic Perspectives	Oct	3.1	4.3	0.8	4.3	2.7	3.7	5.7	7.2
Goldman Sachs	Nov*	3.5	4.5	0.6	4.4	0.1	3.7	7.3	7.5
Hermes	Nov*	3.6	4.4	0.6	4.7	3.3	3.8	7.4	7.8
HSBC Econ & Strategy	Sept	3.5	4.5	1.5	4.5	3.2	4.0	5.5	6.5
James Capel	Oct	3.5	4.5	1.5	4.5	3.2	4.0	5.5	6.5
J P Morgan	Nov*	3.7	4.7	0.5	4.0	3.5	3.9	7.4	8.3
Lehman Brothers	Nov*	3.6	4.5	0.7	4.8	3.0	3.8	6.8	7.4
Lombard St	Nov*	3.7	4.5	1.0	6.1	5.0	4.4	5.5	8.0
Merrill Lynch	Oct	3.7	4.6	1.4	5.5	-	-	6.5	7.0
Morgan Stanley	Nov*	3.7	4.8	0.9	5.8	4.0	4.3	6.3	7.2
Natwest Group	Nov*	3.6	4.5	0.7	5.4	3.8	4.1	6.8	8.1
Natwest Markets	Nov*	3.5	4.4	0.4	4.8	2.7	3.7	6.7	7.0
Nikko Europe	Nov*	3.5	4.5	0.7	4.1	3.0	3.7	6.3	6.6
Norwich Union IM	Oct	3.7	4.4	0.6	6.5	2.1	3.9	5.4	5.8
Panmure Gordon	Oct	3.8	4.8	0.8	4.5	3.1	4.0	5.5	6.0
Salomon Brothers	Nov*	3.4	4.3	1.0	4.9	2.6	3.7	7.3	8.0
Schroders	Nov*	3.5	4.5	0.6	5.8	3.5	4.1	7.3	8.8
Societe Generale	Oct	3.3	4.5	0.3	3.2	2.7	3.4	5.8	6.2
S B C Warburg	Oct	3.7	4.6	1.1	5.2	-	3.9	5.9	6.6
UBS	Oct	3.1	4.2	0.9	4.2	1.7	3.4	5.4	6.0
Williams de Broe	Nov*	3.5	4.4	0.8	4.7	4.3	4.0	5.8	7.3
Non-City forecasters									
BSL	Nov*	3.5	4.5	0.2	5.3	3.3	3.8	7.1	7.7
Cambridge Econ	Nov*	3.1	4.1	1.4	4.8	1.3	3.6	5.4	7.0
CBI	Oct	3.1	4.7	0.3	6.0	3.0	4.1	4.8	6.8
CEBR	Oct	3.8	4.8	0.7	4.3	3.2	4.0	4.8	6.0
DRI	July	3.4	4.3	1.4	5.7	2.6	4.0	5.7	7.3
EIU	Sept	3.2	4.9	1.0	6.0	5.0	4.7	6.0	10.4
Henley	Oct	3.6	4.3	0.6	5.2	3.0	4.1	5.1	5.5
ITEM Club	Nov*	3.5	4.7	0.6	4.4	0.1	3.9	7.6	8.0
LBS	Nov*	3.5	4.5	0.7	5.9	3.2	4.1	6.8	8.6
Liverpool Univ	Nov*	3.5	3.4 c	-1.9 d	10.6 e	-	4.1	-	-
NIESR	Nov*	3.4	4.6	0.5	4.3	3.2	3.8	7.3	8.0
OEF	Sept	3.4	4.4	0.4	5.4	1.7	3.6	5.9	5.9
WEFA	Aug	3.1	4.2	0.6	4.6	2.4	3.4	6.1	6.9
EC	Nov*	3.3	-	-	6.6	-	-	-	-
OECD	Nov*	3.3	4.4	1.0	4.6	3.8	-	5.1	7.2
IMF	Nov*	3.3	4.5	0.3	5.0	-	3.8	6.6	7.8
Average of Forecasts made in last 3 months									
Independent		3.5	4.5	0.7	5.0	3.0	3.9	6.3	7.3
New (marked *)		3.5	4.5	0.6	5.2	3.1	3.9	6.7	7.7
City		3.5	4.5	0.8	4.8	3.1	3.9	6.3	7.3
Range of Forecasts made in last 3 months									
Highest		3.9	4.9	1.5	10.6	5.0	4.7	7.6	10.4
Lowest		3.1	3.4	-1.9	3.2	0.1	3.2	4.8	5.4
HM Treasury	July	3¼	4½	-¼	5	0 g	3¾	6¼	7¼

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Table 2

Inflation and monetary indicators

Percentage changes on a year earlier unless stated otherwise

Forecasters & date of forecasts		RPI	RPI exc	Average	Sterling	Interest	Oil	M0	M4
		(Q4)	MIPs (Q4)	earnings	index(Q4)	rate(Q4,%)	price (\$)	(1997-98)	
City forecasters									
Abn Amro Hoare Govett	Sept	3.9	2.6	4.7	104.7	7.70	19.5	6.5	10.1
Barclays Bank	Nov*	3.4	2.5	4.5	102.0	7.50	19.3	6.0	11.0
BZW	Oct	3.2	2.4	4.6	101.5	7.25	-	6.0	11.0
Charterhouse	Nov*	4.1	3.0	4.5	98.7	7.50	-	5.1	9.8
Chase Manhattan	Nov*	3.7	2.8	4.4	100.0	7.80	19.4	6.0	10.9
Credit Lyonnais	Nov*	3.6	2.7	4.4	102.0	7.50	19.5	5.4	10.4
Daiwa Europe Ltd/DIR	Nov*	3.6	2.5	4.4	99.9	7.25	-	-	-
D M Grenfell	Nov*	3.5	2.6	4.4	102.3	7.50	19.2	6.1	11.4
Dresdner Kleinwort B	Sept	3.3	2.4	4.2	101.0	7.20	18.0	-	-
Economic Perspectives	Oct	2.9	2.0	4.3	98.0	7.00	19.5	6.2	10.6
Goldman Sachs	Nov*	3.1	2.7	4.5	98.0	7.60	19.7	6.3 jk	11.2 jk
Hermes	Nov*	3.4	2.7	4.7	-	7.25	-	-	-
HSBC Econ & Strategy	Sept	3.4	2.4	4.7	101.2	7.30	19.0	6.0	9.5
James Capel	Oct	3.3	2.4	4.5	99.0	7.50	19.0	7.0	9.5
J P Morgan	Nov*	3.1	2.2	4.5	-	7.40	-	-	-
Lehman Brothers	Nov*	3.3	2.5	4.6	100.0	7.40	20.0	6.0	11.0
Lombard St	Nov*	3.5	2.8	4.8	100.0	7.50	19.0	-	10.5
Merrill Lynch	Oct	3.2	2.7	4.6	-	7.40	-	-	11.0
Morgan Stanley	Nov*	3.6	2.8	4.6	101.6	7.50	-	6.5	11.7
Natwest Group	Nov*	3.7	2.7	4.5	101.0	7.30	19.5	6.0	7.0
Natwest Markets	Nov*	3.5	2.6	4.4	102.0	7.00	20.0	5.9	11.1
Nikko Europe	Nov*	3.2	2.5	4.5	100.0	7.40	-	6.0	11.0
Norwich Union IM	Oct	3.5	2.6	4.5	103.0	7.50	19.0	6.5	10.0
Panmure Gordon	Oct	3.0	2.5	4.7	102.5	7.30	-	5.8	11.0
Salomon Brothers	Nov*	3.6	2.7	4.3	101.0	7.40	18.0	-	-
Schroders	Nov*	3.6	2.7	4.5	102.0	7.40	1.9	-	-
Societe Generale	Oct	-	2.8	4.7	100.0	7.50	19.0	6.5	11.0
S B C Warburg	Oct	3.5	2.6	4.3	-	7.20	-	6.0	11.4
UBS	Oct	3.6	2.6	4.5	107.1	7.00	17.5	7.8	10.0
Williams de Broe	Nov*	3.5	2.7	4.6	101.0	7.40	19.3	5.5	11.6
Non-City forecasters									
BSL	Nov*	3.6	2.6	4.5	100.0	7.25	17.4	-	-
Cambridge Econ	Nov*	3.0 k	2.6 k	4.7	97.3 k	6.30 ks	18.4	-	-
CBI	Oct*	2.6	2.3	4.3	104.2	7.00 s	19.0	-	-
CEBR	Oct*	3.5	2.5	4.5	99.2	7.00	-	-	-
DRI	July	4.0	3.3	4.7	99.4	7.17	18.6	6.8	10.5
EIU	Sept	3.0	2.7	4.3	99.5	7.50	18.5	-	-
Henley	Oct*	3.2	2.8	4.6	-	7.40	-	-	-
ITEM Club	Nov*	3.4	2.5	4.3	99.8	7.30	19.3	4.8	11.3
LBS	Nov*	3.4	2.6	4.4	99.4	6.60	-	4.9	12.2
Liverpool Univ	Nov*	3.5	2.6	4.4	100.7	7.20	-	-	-
NIESR	Nov*	3.7	2.8	4.7	100.4	7.40	20.1	6.2	12.1
OEF	Sept	3.2	2.1	4.2	103.9	7.20	19.1	6.3	9.5
WEFA	Aug	3.2	2.3	4.6	100.1	6.80	19.5	-	-
EC	Nov*	-	-	-	-	-	-	-	-
OECD	Nov*	-	-	4.4	-	-	-	-	-
IMF	Nov*	-	2.6	2.9i	-	7.20	19.4	-	-
Average of Forecasts made in last 3 months									
Independent		3.4	2.6	4.5	101.0	7.33	18.4	6.1	10.7
New (marked *)		3.5	2.6	4.5	100.6	7.36	18.2	5.8	10.9
City		3.4	2.6	4.5	101.1	7.38	18.3	6.1	10.6
Range of Forecasts made in last 3 months									
Highest		4.1	3.0	4.8	107.1	7.80	20.1	7.8	12.2
Lowest		2.6	2.0	4.2	98.0	6.60	1.9	4.8	7.0
HM Treasury	July	-	2½	-	-	-	-	-	-

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Table 3

Other variables

Percentage changes on a year earlier unless stated otherwise

Forecasters & dates of forecasts		RPDI	Employment	Claimant unemp. (Q4-mns)	Industrial production	Manuf'g output	World Trade	Current account (£ bn)	PSBR (£bn 97-98)
City forecasters									
Abn Amro Hoare Govett	Sept	2.8	1.4	1.53	1.3	1.5	8.7	-6.1	12.1
Barclays Bank	Nov*	3.6	1.7	1.40	-	1.8	-	1.0	8.0
BZW	Oct	2.5	1.3	1.50	1.0	1.5	-	-2.0	11.2
Charterhouse	Nov*	3.8	2.0	1.30	1.6	2.1	-	-2.6	8.1
Chase Manhattan	Nov*	3.0	2.2	1.40	1.5	1.5	-	-2.0	12.0
Credit Lyonnais	Nov*	3.4	-	1.42	2.0	1.8	7.7	3.2	11.5
Daiwa Europe Ltd/DIR	Nov*	3.4	1.6	1.40	-	-	-	1.7	10.5
D M Grenfell	Nov*	3.6	1.5	1.41	1.8	1.9	7.0	1.7	8.5
Dresdner Kleinwort B	Sept	2.2	1.9	1.42	0.9	1.0	-	0.9	9.9
Economic Perspectives	Oct	2.8	1.2	1.45	1.6	1.8	5.5	-4.0	14.0
Goldman Sachs	Nov*	3.1	1.4	1.58	1.8	1.7	-	1.7	9.1
Hermes	Nov*	3.0	1.7	1.40	-	1.6	-	0.0	8.0
HSBC Econ & Strategy	Sept	3.7	1.0	1.50	1.0	1.0	6.5	-4.0	10.0
James Capel	Oct	3.6	1.0	1.50	2.0	1.0	6.5	-4.0	10.0
J P Morgan	Nov*	3.0	1.5	1.40	1.4	2.0	-	0.4	3.0
Lehman Brothers	Nov*	3.2	1.8	1.40	1.9	1.0	6.5	1.2	9.0
Lombard St	Nov*	3.4	1.4	1.40	-	-	-	-5.1	8.6
Merrill Lynch	Oct	-	-	1.40	2.2	1.9	-	-1.0	8.0
Morgan Stanley	Nov*	3.5	2.3	1.40	1.8	1.9	-	2.0	9.0
Natwest Group	Nov*	3.7	1.8	1.43	2.1	1.9	7.0	-1.2	10.3
Natwest Markets	Nov*	3.0	1.9	1.41	1.8	1.9	6.3	2.7	8.2
Nikko Europe	Nov*	3.0	1.1	1.40	2.0	2.0	-	-2.0	10.0
Norwich Union IM	Oct	3.4	1.0	1.45	1.8	1.5	-	-5.0	10.0
Panmure Gordon	Oct	3.8	1.6	1.48	1.8	1.6	-	2.0	10.0
Salomon Brothers	Nov*	3.2	1.4	1.35	1.9	1.9	-	3.5	7.0
Schroders	Nov*	3.6	1.8	1.40	-	1.9	6.6	-2.2	8.0
Societe Generale	Oct	3.1	1.5	1.40	2.0	1.5	7.5	2.3	6.0
S B C Warburg	Oct	3.8	-	1.40	-	1.7	-	-7.0	11.0
UBS	Oct	2.2	1.2	1.58	1.0	1.2	5.8	-5.1	9.4
Williams de Broe	Nov*	-	1.6	1.43	1.8	1.8	7.8	2.1	12.0
Non-City forecasters									
BSL	Nov*	3.5	1.7	1.35	1.8	1.9	6.8	1.2	9.8
Cambridge Econ	Nov*	3.3	1.6	1.70 k	2.2	2.3	3.4	-4.6	13.3 k
CBI	Oct	2.5	1.7	1.52	1.1	1.3	5.9	-0.1	12.9
CEBR	Oct	2.7	-	1.37	-	2.0	-	-4.8	4.4
DRI	July	2.3	1.7	1.46	2.0	2.7	7.0	2.3	11.8
EIU	Sept	3.1	1.5	1.60	2.0	1.8	7.5	-3.5	14.2
Henley	Oct	2.6	1.6	1.48	-	-	-	-	-
ITEM Club	Nov*	3.1	1.6	1.46	-	1.9	9.4	3.8	10.2
LBS	Nov*	2.3	1.5	1.45	-	1.1	13.8	2.2	10.9
Liverpool Univ	Nov*	-	-	1.41	-	-	-	0.1	6.4
NIESR	Nov*	2.8	1.5	1.43	-	1.9	7.1	1.6	11.4
OEF	Sept	2.9	1.2	1.50	1.1	1.4	10.0	-1.0	12.2
WEFA	Aug	3.2	1.6	1.54	1.2	1.4	7.9 w	-3.1	13.7
EC	Nov*	-	1.5	-	-	-	-	0.0 g	-
OECD	Nov*	2.5	1.5	1.56	1.4	1.7	9.0	0.1	-
IMF	Nov*	-	1.6	-	-	-	-	-0.3 g	-2.0 g
Average of Forecasts made in last 3 months									
Independent		3.1	1.5	1.44	1.7	1.7	7.4	-0.7	9.3
New (marked *)		3.2	1.6	1.42	1.8	1.8	7.6	0.4	8.6
City		3.2	1.5	1.43	1.7	1.6	6.9	-0.9	9.4
Range of Forecasts made in last 3 months									
Highest		3.8	2.3	1.60	2.2	2.3	13.8	3.8	14.2
Lowest		2.2	1.0	1.30	0.9	1.0	3.4	-7.0	-2.0
HM Treasury	July	3	-	-	-	1½	8	-6	10.9

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Table 4

GDP & its components, at constant prices

Percentage changes on a year earlier unless stated otherwise

Forecasters & date of forecasts		GDP	Consumers' expenditure	Government expenditure	Fixed investment	Stockbuilding (£bn)	Domestic demand	Exports (goods & services)	Imports
City forecasters									
Abn Amro Hoare Govett	Sept	2.4	3.7	0.6	5.5	3.1	3.4	5.0	7.9
Barclays Bank	Nov*	2.9	4.2	0.7	6.9	2.2	3.9	5.1	8.1
BZW	Oct	2.1	2.7	2.1	3.0	2.4	2.6	3.7	5.0
Charterhouse	Nov*	3.0	3.3	0.7	7.6	1.9	3.3	3.8	6.7
Chase Manhattan	Nov*	1.5	2.5	1.0	5.5	4.6	2.8	3.5	7.6
Credit Lyonnais	Nov*	2.3	3.3	0.0	5.9	4.2	-	3.9	6.9
Daiwa Europe Ltd/DIR	Nov*	2.1	3.9	0.1	5.4	3.4	3.4	4.6	7.7
D M Grenfell	Nov*	3.2	4.2	2.3	7.1	3.8	4.3	5.1	8.6
Dresdner Kleinwort B	Sept	1.7	2.4	0.2	5.9	2.6	2.6	1.5	4.3
Economic Perspectives	Oct	1.9	2.4	1.5	6.0	3.0	2.6	3.2	6.0
Goldman Sachs	Nov*	2.4	4.2	0.6	6.1	-0.2	3.7	4.6	8.1
Hermes	Nov*	2.6	3.4	0.5	6.2	2.8	3.2	5.1	6.8
HSBC Econ & Strategy	Sept	2.5	3.5	1.5	4.5	3.2	3.3	4.5	6.3
James Capel	Oct	2.5	3.5	1.5	4.5	3.2	3.3	4.5	6.3
J P Morgan	Nov*	3.1	4.1	0.0	6.0	4.0	3.8	5.4	7.9
Lehman Brothers	Nov*	3.0	4.3	1.0	5.9	1.9	3.7	4.2	6.1
Lombard St	Nov*	3.6	3.7	1.4	6.4	4.8	3.7	6.4	6.5
Merrill Lynch	Oct	3.3	4.2	1.4	6.0	-	-	6.0	7.0
Morgan Stanley	Nov*	3.3	4.5	1.2	7.6	3.6	4.4	3.5	8.0
Natwest Group	Nov*	2.5	3.4	0.8	4.3	2.4	2.8	4.7	5.7
Natwest Markets	Nov*	2.3	3.3	0.2	5.6	1.2	2.8	3.1	4.9
Nikko Europe	Nov*	2.4	3.3	0.6	5.2	1.6	2.9	3.0	4.4
Norwich Union IM	Oct	2.8	3.5	0.9	7.1	1.9	3.6	4.2	6.7
Panmure Gordon	Oct	2.7	3.4	1.0	6.0	4.0	3.3	5.0	6.9
Salomon Brothers	Nov*	1.7	3.4	0.5	5.1	2.1	3.0	4.3	8.4
Schroders	Nov*	2.1	3.3	0.2	6.2	2.0	3.0	4.5	6.8
Societe Generale	Oct	2.5	3.7	-0.2	5.3	2.7	3.2	6.4	7.9
S B C Warburg	Oct	3.0	3.8	1.2	7.3	-	3.8	5.6	8.5
UBS	Oct	1.8	2.7	0.6	3.4	-1.7	1.9	4.1	4.3
Williams de Broe	Nov*	2.7	4.0	1.5	5.3	3.9	3.6	2.5	5.4
Non-City forecasters									
BSL	Nov*	2.0	3.2	0.3	2.5	2.3	2.3	4.3	4.9
Cambridge Econ	Nov*	2.6	3.2	1.5	4.5	1.6	3.1	4.6	6.3
CBI	Oct	2.5	3.9	1.1	4.7	2.1	3.3	3.6	5.4
CEBR	Oct	2.2	3.2	1.7	4.2	2.8	3.0	3.5	5.7
DRI	July	2.4	2.3	0.9	8.4	2.5	3.1	5.9	7.7
EIU	Sept	2.1	2.3	1.0	5.8	5.0	2.6	5.3	6.7
Henley	Oct	2.2	3.6	0.5	5.7	3.0	3.4	3.7	7.0
ITEM Club	Nov*	2.6	3.8	0.4	6.6	-0.3	3.3	6.1	7.7
LBS	Nov*	2.0	3.3	1.1	6.3	2.2	3.2	4.4	8.3
Liverpool Univ	Nov*	2.5	3.5 c	1.9 d	6.0 e	-	4.0	-	-
NIESR	Nov*	2.0	3.6	0.6	4.1	2.2	2.9	3.5	6.0
OEF	Sept	2.0	3.4	0.0	4.4	2.0	3.0	3.9	6.5
WEFA	Aug	2.3	3.6	0.1	4.2	1.9	2.9	4.6	6.2
EC	Nov*	2.1	-	-	6.0	-	-	-	-
OECD	Nov*	2.1	3.4	1.2	5.7	2.0	-	3.1	6.2
IMF	Nov*	2.6	3.6	-0.4	5.1	-	3.0	5.2	6.6
Average of Forecasts made in last 3 months									
Independent		2.4	3.5	0.8	5.6	2.6	3.2	4.3	6.6
New (marked *)		2.5	3.6	0.8	5.7	2.5	3.3	4.3	6.8
City		2.5	3.5	0.9	5.8	2.7	3.3	4.4	6.7
Range of Forecasts made in last 3 months									
Highest		3.6	4.5	2.3	7.6	5.0	4.4	6.4	8.6
Lowest		1.5	2.3	-0.4	2.5	-1.7	1.9	1.5	4.3
HM Treasury	July	2½	4	-1	6	0 g	3¼	5	7¾

Table 5

		1998			November 1997				
Inflation and monetary indicators									
Percentage changes on a year earlier unless stated otherwise									
Forecasters & date of forecasts		RPI	RPI exc	Average	Sterling	Interest	Oil	M0	M4
		(Q4)	MIPs (Q4)	earnings	index(Q4)	rate(Q4,%)	price (\$)	(1998-99)	
City forecasters									
Abn Amro Hoare Govett	Sept	3.2	3.0	4.9	99.4	7.05	18.5	6.3	7.0
Barclays Bank	Nov*	3.5	3.0	5.2	94.0	7.50	18.0	5.0	8.0
BZW	Oct	3.2	3.0	4.8	92.5	7.25	-	5.0	6.5
Charterhouse	Nov*	4.2	3.7	5.1	87.6	8.23	-	4.2	7.8
Chase Manhattan	Nov*	2.4	2.6	4.3	95.0	7.20	18.0	3.0	7.0
Credit Lyonnais	Nov*	3.4	2.8	4.9	96.0	7.50	20.0	-	-
Daiwa Europe Ltd/DIR	Nov*	2.5	2.7	4.9	97.7	6.75	-	-	-
D M Grenfell	Nov*	3.6	3.1	5.5	91.8	8.00	18.8	6.3	9.6
Dresdner Kleinwort B	Sept	3.0	2.9	4.2	95.5	6.60	18.5	-	-
Economic Perspectives	Oct	2.4	2.3	3.7	94.0	6.25	19.5	5.0	7.5
Goldman Sachs	Nov*	4.1	2.9	5.2	93.0	7.80	21.3	3.5 j	7.7 jk
Hermes	Nov*	2.6	2.5	4.7	-	7.00	-	-	-
HSBC Econ & Strategy	Sept	2.9	2.3	4.5	92.0	7.50	18.0	5.0	8.0
James Capel	Oct	2.9	2.4	4.5	91.0	7.40	18.0	5.0	8.0
J P Morgan	Nov*	3.3	2.7	5.3	-	8.10	-	-	-
Lehman Brothers	Nov*	3.8	3.3	5.4	93.0	8.00	20.0	6.0	8.0
Lombard St	Nov*	4.3	3.8	5.5	92.0	8.75	20.0	-	8.9
Merrill Lynch	Oct	3.9	3.5	5.4	-	7.75	-	-	10.0
Morgan Stanley	Nov*	3.6	3.3	5.8	94.7	7.40	-	5.4	8.8
Natwest Group	Nov*	2.9	2.7	4.6	94.3	6.68	18.5	5.3	5.9
Natwest Markets	Nov*	2.7	2.6	4.5	95.0	6.75	21.0	6.0	9.8
Nikko Europe	Nov*	3.0	2.8	4.8	95.0	7.10	-	6.0	8.0
Norwich Union IM	Oct	4.1	3.7	5.5	102.0	6.50	20.0	6.7	9.0
Panmure Gordon	Oct	2.8	2.5	5.0	99.1	7.00	-	5.2	9.2
Salomon Brothers	Nov*	3.6	2.6	4.6	95.0	7.10	18.0	-	-
Schroders	Nov*	3.3	3.2	5.2	95.0	7.30	20.0	-	-
Societe Generale	Oct	-	3.2	5.5	92.0	7.10	18.0	7.0	10.0
S B C Warburg	Oct	3.0	2.9	4.6	-	6.70	-	5.2	9.8
UBS	Oct	2.8	2.5	4.3	101.3	6.80	17.5	6.2	7.9
Williams de Broe	Nov*	3.4	3.1	5.1	95.0	7.80	19.3	4.7	10.2
Non-City forecasters									
BSL	Nov*	2.9	2.6	4.6	94.4	7.50	16.1	-	-
Cambridge Econ	Nov*	2.9 k	2.5 k	4.5	92.8 k	6.80 ks	19.1	-	-
CBI	Oct	3.0	2.7	4.6	99.0	7.00 s	18.0	-	-
CEBR	Oct	2.7	2.5	5.1	98.7	7.75	-	-	-
DRI	July	3.2	3.1	5.1	85.0	7.25	17.7	6.2	7.2
EIU	Sept	3.2	2.9	3.7	97.2	7.25	18.3	-	-
Henley	Oct	3.1	2.9	4.5	-	7.50	-	-	-
ITEM Club	Nov*	3.7	3.0	4.9	98.8	7.50	19.4	3.7	10.1
LBS	Nov*	2.3	2.5	4.9	94.3	6.90	-	1.8	12.3
Liverpool Univ	Nov*	1.8	2.3	4.4	96.3	6.50	-	-	-
NIESR	Nov*	3.2	2.4	4.6	100.1	7.50	18.7	3.4	10.7
OEF	Sept	2.7	2.5	4.5	96.0	6.20	19.5	6.5	4.1
WEFA	Aug	3.1	3.0	4.8	98.0	7.80	19.2	-	-
EC	Nov*	-	-	-	-	-	-	-	-
OECD	Nov*	-	-	4.4	-	-	-	-	-
IMF	Nov*	-	2.7	4.9 i	-	-	19.0	-	-
Average of Forecasts made in last 3 months									
Independent		3.2	2.8	4.8	95.4	7.27	18.9	5.2	8.5
New (marked *)		3.2	2.9	4.9	94.7	7.43	19.1	4.7	8.9
City		3.3	2.9	4.9	94.7	7.30	19.0	5.4	8.4
Range of Forecasts made in last 3 months									
Highest		4.3	3.8	5.8	102.0	8.75	21.3	7.0	12.3
Lowest		1.8	2.3	3.7	87.6	6.20	16.1	1.8	4.1
HM Treasury	July	-	2¾	-	-	-	-	-	-

1998 November 1997 Table 6
Other variables

Percentage changes on a year earlier unless stated otherwise

Forecasters & dates of forecasts		RPDI	Employment	Claimant unemp: (Q4-mns)	Industrial production	Manuf'g output	World Trade	Current account (£ bn)	PSBR £ bn 98-99
City forecasters									
Abn Amro Hoare Govett	Sept	1.8	0.8	1.42	1.4	1.1	8.1	-12.4	8.0
Barclays Bank	Nov*	2.7	1.4	1.30	-	2.0	-	-6.0	0.0
BZW	Oct	2.8	0.6	1.40	1.5	1.5	-	-10.0	7.0
Charterhouse	Nov*	3.2	1.8	0.78	3.7	4.4	-	-9.3	3.9
Chase Manhattan	Nov*	3.0	1.2	1.45	0.5	0.5	-	-8.0	10.0
Credit Lyonnais	Nov*	2.1	-	1.35	2.5	1.1	7.0	-4.3	8.2
Daiwa Europe Ltd/DIR	Nov*	2.6	0.7	1.30	-	-	-	-7.3	6.6
D M Grenfell	Nov*	3.6	1.0	1.28	2.5	2.2	7.5	-10.0	5.5
Dresdner Kleinwort B	Sept	2.2	1.5	1.34	1.8	1.6	-	-10.5	10.5
Economic Perspectives	Oct	1.5	0.6	1.35	1.7	0.7	4.0	-9.0	10.0
Goldman Sachs	Nov*	2.3	0.6	1.34	1.4	1.1	-	-10.8	2.5
Hermes	Nov*	2.8	1.2	1.30	-	2.0	-	-7.0	3.5
HSBC Econ & Strategy	Sept	2.7	0.2	1.40	1.0	1.0	7.0	-10.0	4.0
James Capel	Oct	2.5	0.2	1.40	2.0	1.0	7.0	-10.0	4.0
J P Morgan	Nov*	2.5	1.0	1.20	1.9	2.0	-	-6.4	-2.0
Lehman Brothers	Nov*	2.8	1.3	1.10	2.2	-	7.0	-7.0	0.0
Lombard St	Nov*	3.2	0.8	1.30	-	-	-	-10.5	0.0
Merrill Lynch	Oct	-	-	1.20	2.2	2.2	-	-8.0	5.0
Morgan Stanley	Nov*	2.7	1.9	1.20	1.7	2.7	-	-12.0	-1.0
Natwest Group	Nov*	3.3	0.8	1.40	2.8	2.1	7.0	-4.4	6.6
Natwest Markets	Nov*	2.3	0.6	1.44	1.6	1.4	6.1	-3.9	3.9
Nikko Europe	Nov*	2.5	0.9	1.20	2.0	2.0	-	-8.0	4.0
Norwich Union IM	Oct	3.0	1.2	1.35	2.2	1.9	-	-10.0	4.0
Panmure Gordon	Oct	3.2	1.4	1.29	1.6	1.2	-	-6.0	4.0
Salomon Brothers	Nov*	2.3	0.7	1.00	1.5	1.5	-	-10.6	0.0
Schroders	Nov*	2.8	0.9	1.20	-	1.6	5.8	-10.3	3.0
Societe Generale	Oct	2.7	1.0	1.20	1.8	1.5	8.0	-4.0	0.0
S B C Warburg	Oct	2.7	-	1.20	-	2.0	-	-10.0	5.0
UBS	Oct	1.9	0.7	1.59	1.7	1.6	6.7	-8.8	3.0
Williams de Broe	Nov*	-	0.6	1.47	1.2	1.3	4.2	-10.9	6.1

Non-City forecasters

BSL	Nov*	3.1	1.3	1.31	1.1	0.8	4.4	-3.8	5.2
Cambridge Econ	Nov*	2.7	0.9	1.60 k	1.8	1.7	3.6	-10.8	11.3 k
CBI	Oct	3.1	1.1	1.52	2.3	2.0	6.6	-6.8	6.8
CEBR	Oct	4.0	-	1.42	-	1.4	-	-6.4	-0.9
DRI	July	0.8	1.2	1.29	1.8	2.1	6.5	-3.0	2.0
EIU	Sept	2.5	0.8	1.50	2.0	2.0	7.6	-8.5	6.1
Henley	Oct	1.8	0.4	1.49	-	-	-	-	-
ITEM Club	Nov*	2.7	0.8	1.30	-	1.9	8.4	-2.1	4.8
LBS	Nov*	1.3	1.0	1.36	-	1.9	8.5	-9.3	1.3
Liverpool Univ	Nov*	-	-	1.18	-	-	-	-11.5	-2.4
NIESR	Nov*	3.1	1.0	1.37	-	2.0	6.6	-0.6	3.2
OEF	Sept	2.1	0.6	1.50	0.8	1.3	8.4	-10.1	7.2
WEFA	Aug	2.7	1.0	1.47	2.1	1.7	6.4 w	-10.9	5.2
EC	Nov*	-	0.5	-	-	-	-	-0.5 g	-
OECD	Nov*	2.1	0.5	1.38	1.4	1.2	7.4	-4.2	-
IMF	Nov*	-	0.9	-	-	-	-	-1.0 g	-0.6 g

Average of Forecasts made in last 3 months

Independent	2.6	0.9	1.32	1.8	1.7	6.7	-7.7	3.9
New (marked *)	2.7	1.0	1.27	1.9	1.8	6.4	-7.1	3.0
City	2.6	0.9	1.29	1.8	1.7	6.6	-8.5	4.2

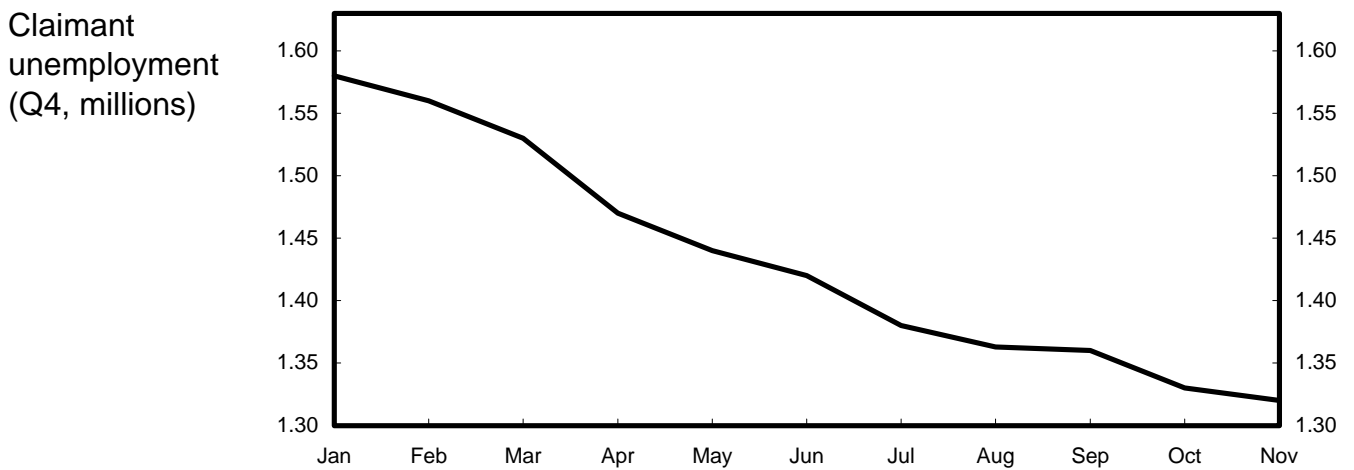
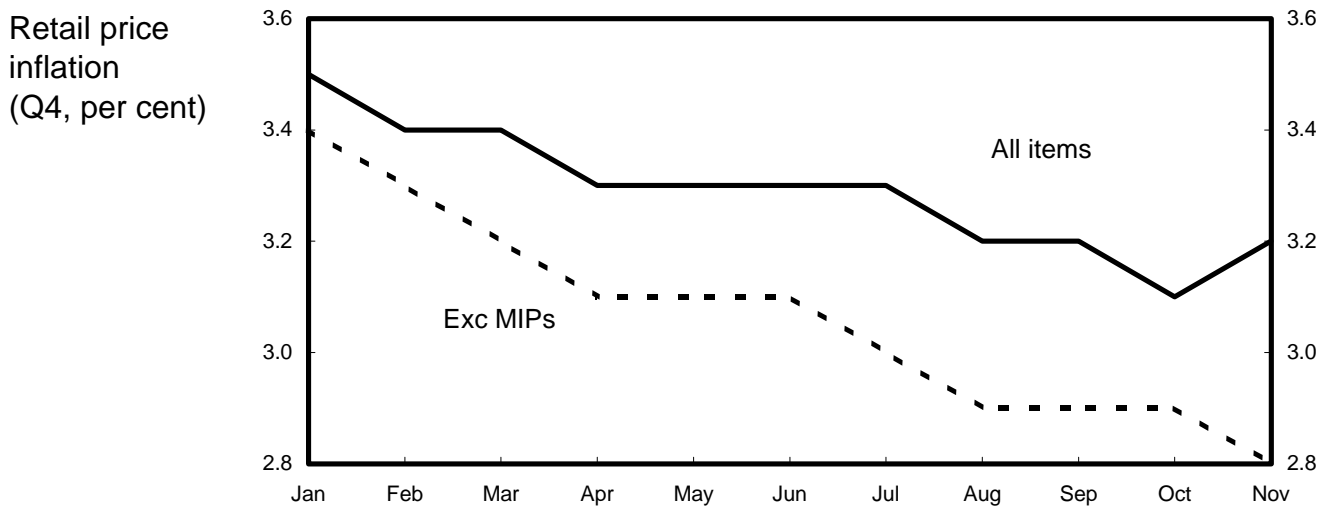
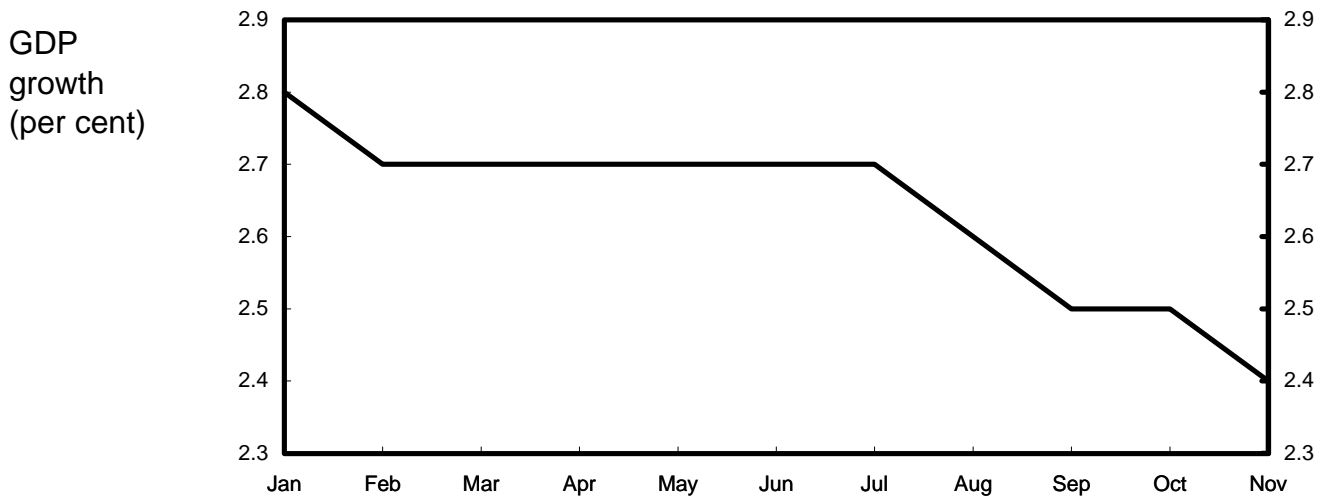
Range of Forecasts made in last 3 months

Highest	4.0	1.9	1.59	3.7	4.4	8.5	-0.5	10.5
Lowest	1.3	0.2	0.78	0.5	0.5	3.6	-12.4	-2.4

HM Treasury	July	1¼	-	-	-	¾	8	-9	4.0
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Forecasts for 1998

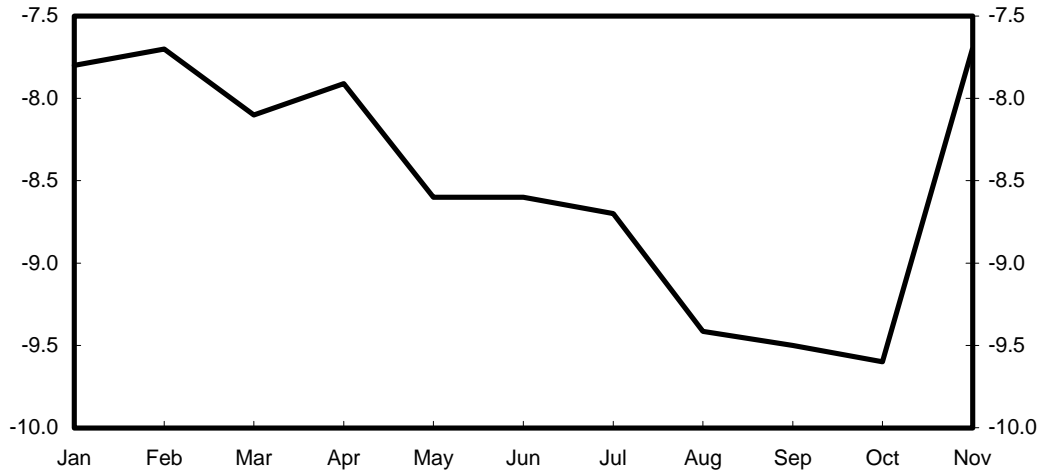
Independent average, January 1997 - November 1997



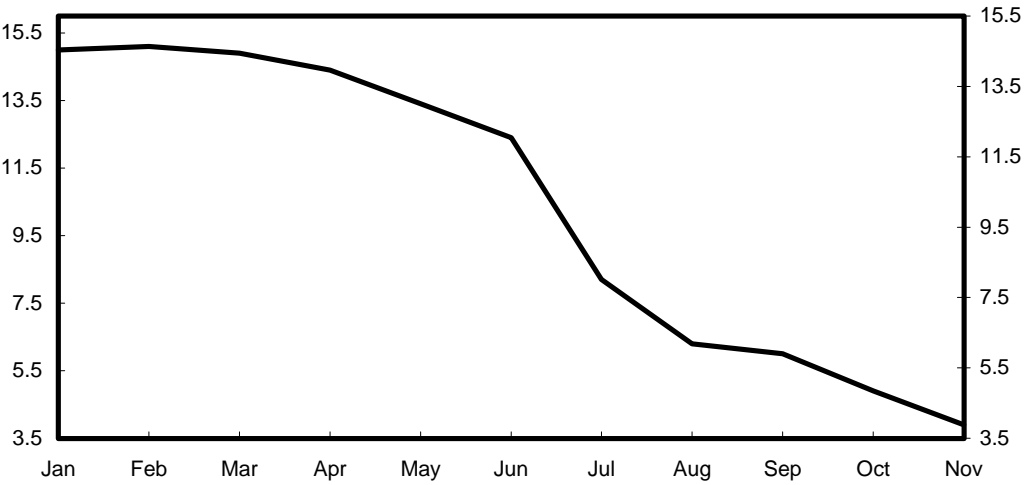
Forecasts for 1998

Independent average, January 1997 - November 1997

Current account
(£ billion)

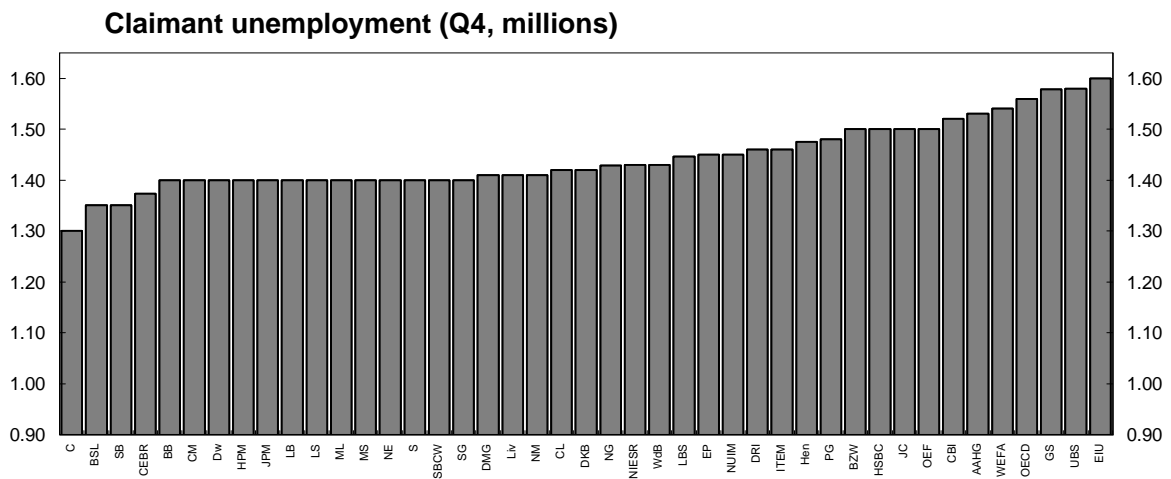
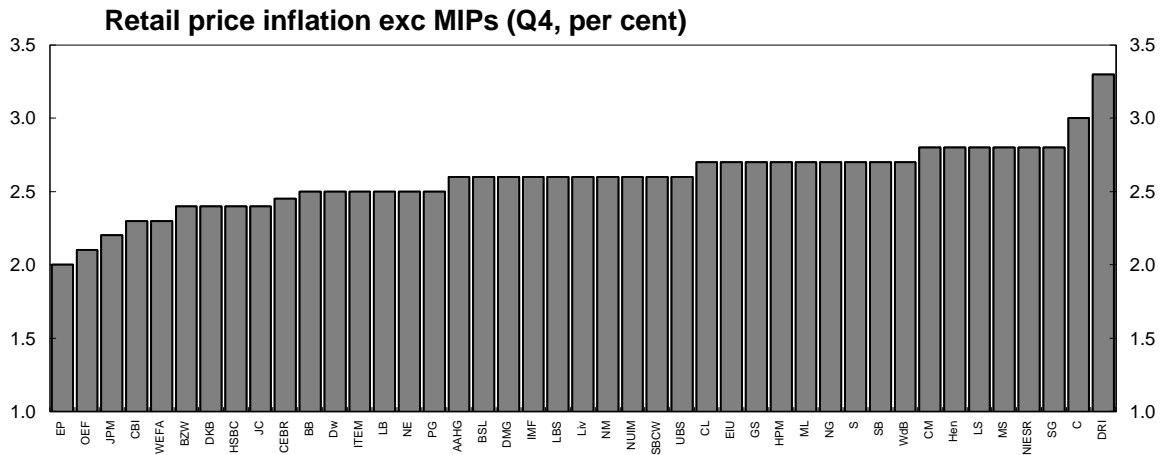
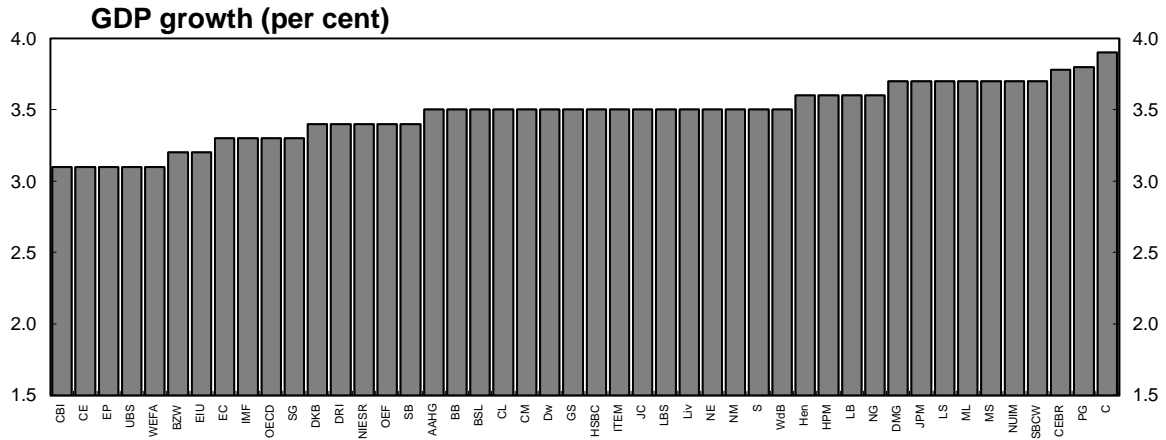


PSBR 1997-98
(£ billion)



Forecasts for 1997

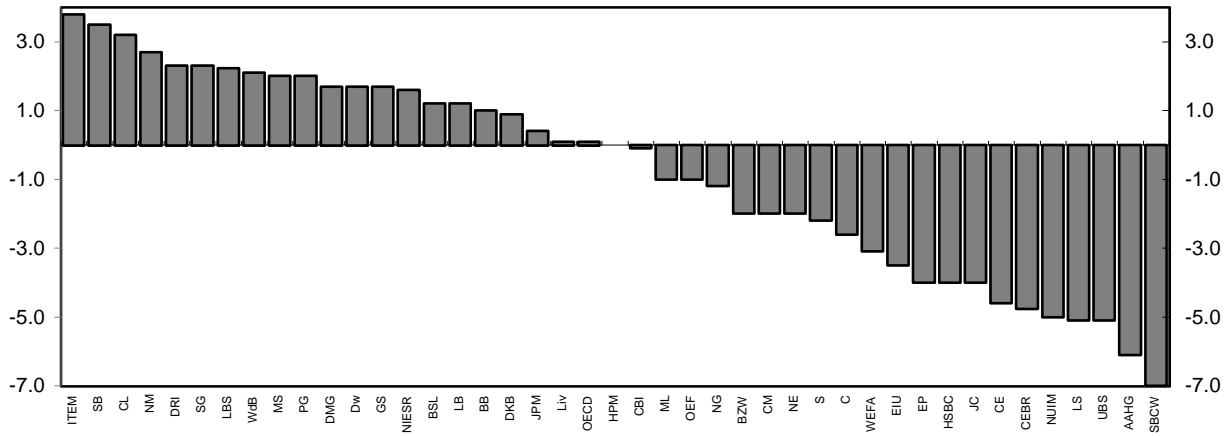
Range of independent forecasts - November 1997



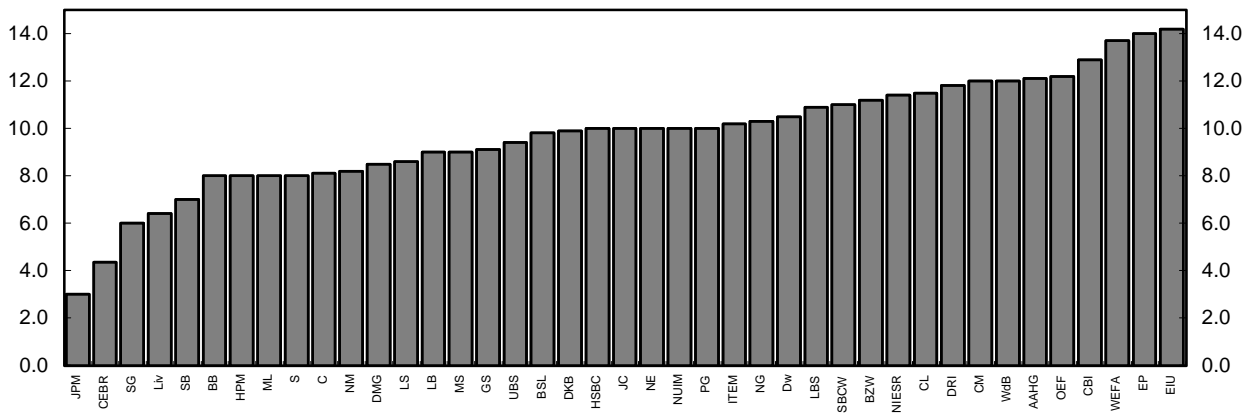
Forecasts for 1997

Range of independent forecasts - November 1997

Current account (£ billion)



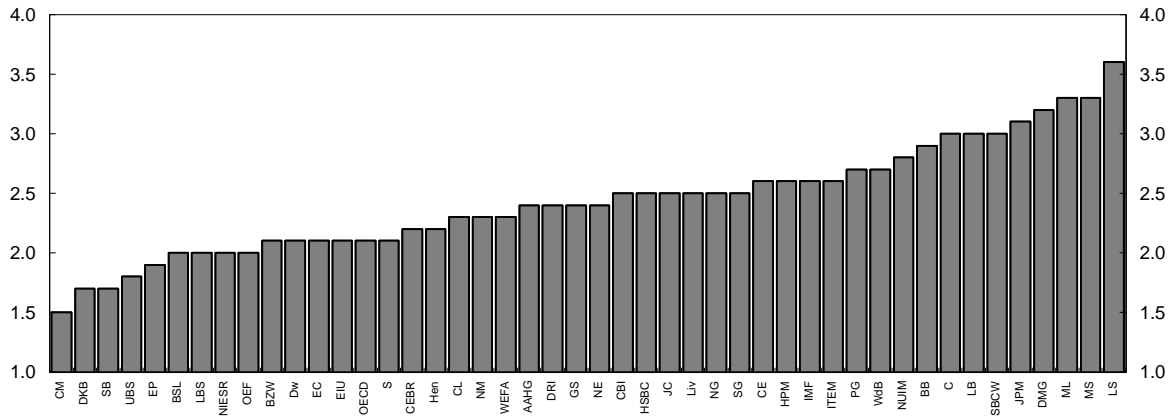
PSBR (1997 - 98, £ billion)



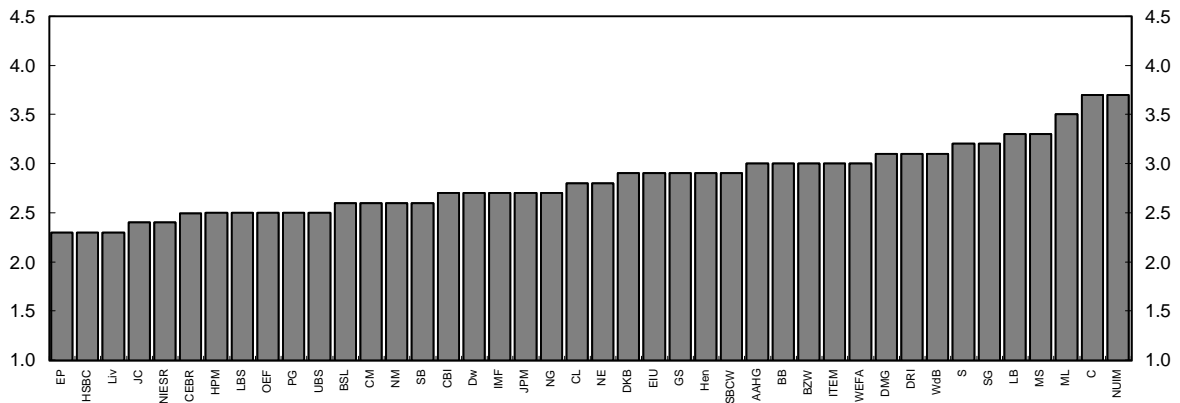
Forecasts for 1998

Range of independent forecasts - November 1997

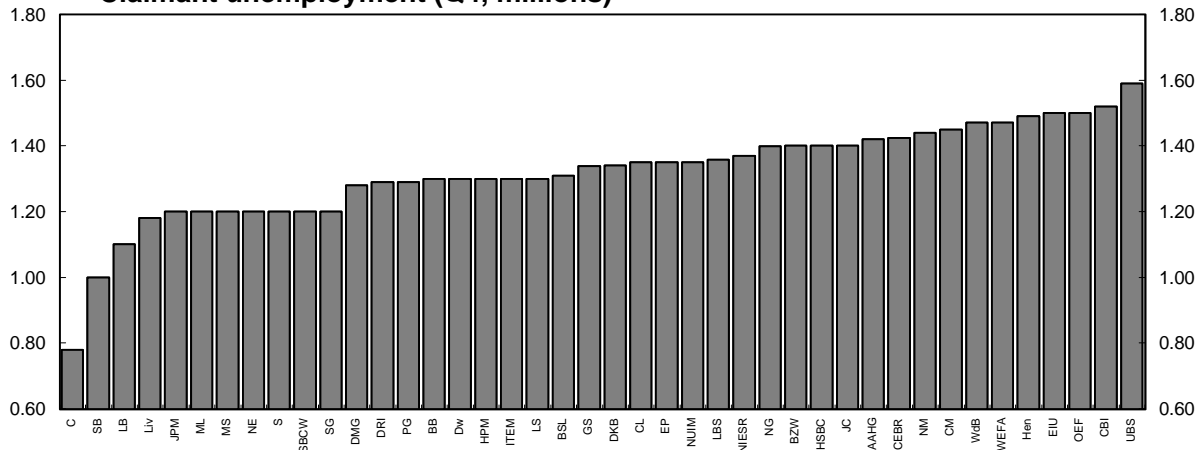
GDP growth (per cent)



Retail price inflation exc MIPs (Q4, per cent)



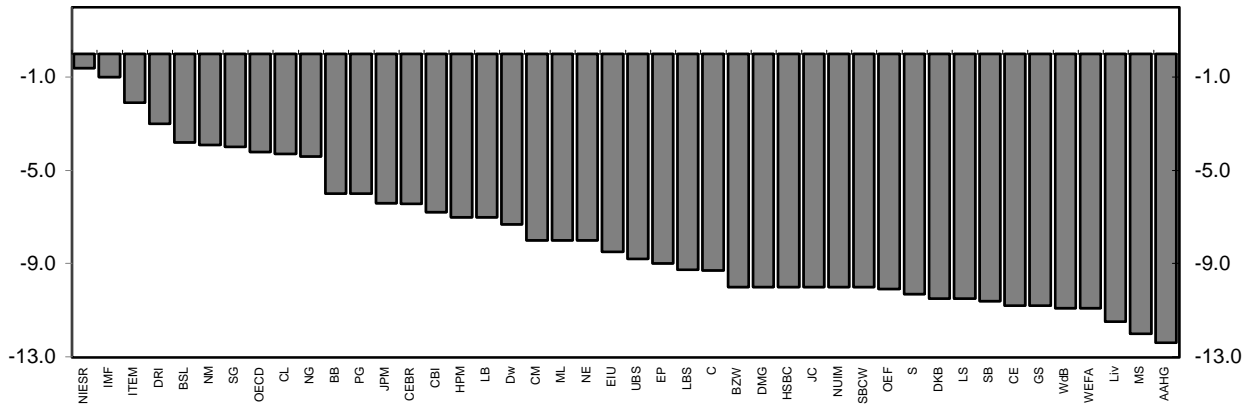
Claimant unemployment (Q4, millions)



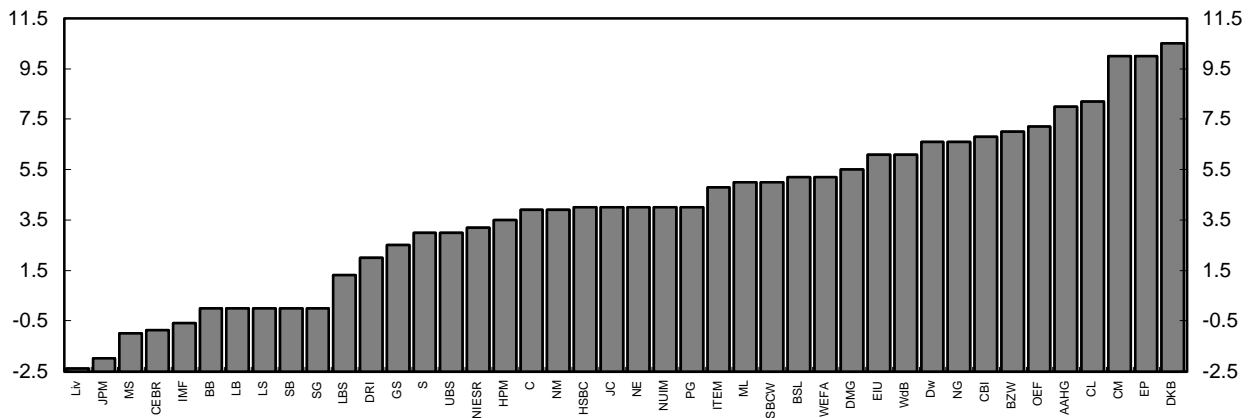
Forecasts for 1998

Range of independent forecasts - November 1997

Current account (£ billion)



PSBR (1998 - 99, £ billion)



Medium-term projections, November 1997

This edition of the comparison contains medium-term projections from 17 forecasters, for the calendar years 1997 to 2001, and the fiscal years 1997-98 to 2000-01. The table below summarises the independent average, which is the average of medium-term projections made in the last three months.

	Independent average				
	1997	1998	1999	2000	2001
GDP growth (per cent)	3.5	2.4	2.1	2.3	2.5
Inflation rate (per cent)					
-RPI	3.1	3.3	2.8	2.5	2.6
-RPI excMIPS	2.7	2.7	2.9	2.7	2.6
Claimant unemployment (mn)	1.59	1.38	1.36	1.42	1.40
Current account (£bn)	0.4	-7.2	-7.4	-6.7	-5.9
	1997-98	1998-99	1999-00	2000-01	
PSBR (FY; £bn)	9.1	2.1	5.3	2.4	

GDP (Percentage change)					Non-oil GDP (Percentage change)					
1997	1998	1999	2000	2001		1997	1998	1999	2000	2001
City forecasters										
3.5	2.9	1.8	1.5	2.2	Barclays	3.6	2.9	1.8	1.5	2.2
3.5	2.3	2.3	3.0	2.6	Credit Lyonnais	3.5	2.0	2.2	3.2	3.0
3.5	2.1	2.0	2.6	-	Daiwa Europe Ltd	-	-	-	-	-
3.5	2.4	2.3	2.3	-	Goldman Sachs	-	-	-	-	-
3.7	3.6	2.4	-	-	Lombard St Research	3.7	3.6	2.2	-	-
3.6	2.5	1.5	2.5	3.4	Natwest Group	3.7	2.5	1.5	2.5	3.4
3.5	2.3	2.2	-	-	Natwest Markets	3.5	2.2	2.1	-	-
3.4	1.7	2.6	-	-	Salomon Brothers	3.4	1.7	2.6	-	-
3.5	2.1	1.3	1.5	2.0	Schroders	3.6	2.0	1.1	1.6	2.0
3.5	2.7	2.2	2.2	2.2	Williams de Broe	3.5	2.7	2.2	2.3	2.2
Non-City forecasters										
3.5	2.0	1.6	2.0	2.5	BSL	3.6	2.0	1.6	2.1	2.6
3.1	2.6	2.6	1.8	2.2	Cambridge Econ.	3.1	2.6	2.6	2.0	2.5
3.8	2.2	2.1	2.5	2.8	CEBR	-	-	-	-	-
3.5	2.6	1.9	2.4	2.7	ITEM Club	3.6	2.7	1.9	2.5	2.8
3.5	2.0	2.1	2.6	2.4	LBS	3.5	2.0	2.2	2.7	2.5
3.5	2.5	3.0	2.9	2.7	Liverpool	-	-	-	-	-
3.4	2.0	1.8	2.5	2.3	NIESR	3.4	2.0	1.8	2.5	2.3
3.5	2.4	2.1	2.3	2.5	Independent average	3.5	2.4	2.0	2.3	2.6
3.8	3.6	3.0	3.0	3.4	Highest	3.7	3.6	2.6	3.2	3.4
3.1	1.7	1.3	1.5	2.0	Lowest	3.1	1.7	1.1	1.5	2.0

RPI inflation (Per cent)					RPI excluding MIPs inflation (Per cent)					
1997	1998	1999	2000	2001		1997	1998	1999	2000	2001
City forecasters										
3.1	3.6	2.5	1.2	2.0	Barclays	2.7	2.8	3.2	2.2	2.2
3.1	3.7	3.3	3.0	1.9	Credit Lyonnais	2.7	2.8	3.5	3.0	2.2
3.1	3.0	2.3	2.7	-	Daiwa Europe Ltd	2.7	2.5	2.7	2.7	-
-	-	-	-	-	Goldman Sachs	2.7	2.9	2.5	2.5	-
3.1	3.9	4.5	-	-	Lombard St Research	2.7	3.3	4.4	-	-
3.1	3.7	2.3	2.7	3.1	Natwest Group	2.7	3.0	2.7	3.0	3.0
3.1	3.2	2.3	-	-	Natwest Markets	2.7	2.7	2.7	-	-
3.1	3.6	2.4	-	-	Salomon Brothers	2.6	2.5	2.7	-	-
3.1	3.7	2.8	2.2	2.7	Schroders	2.7	3.2	3.0	2.5	2.7
3.1	3.3	3.5	3.6	4.0	Williams de Broe	2.7	2.7	3.5	3.7	4.1
Non-City forecasters										
3.1	3.4	3.2	2.6	2.2	BSL	2.7	2.6	3.0	2.8	2.4
3.0	2.9	2.5	2.6	2.7	Cambridge Econ.	2.6	2.5	2.4	2.6	2.5
3.1	2.9	2.1	1.9	2.5	CEBR	2.6	2.4	1.9	2.2	2.7
3.0	3.6	3.1	2.5	2.5	ITEM Club	2.7	2.7	3.0	2.7	2.5
3.1	2.6	2.5	2.4	2.4	LBS	2.7	2.4	2.9	2.5	2.3
3.1	2.1	2.4	3.0	2.0	Liverpool	2.7	2.3	2.5	2.6	2.7
3.2	3.8	2.4	2.4	2.7	NIESR	2.8	2.8	2.1	2.2	2.4
3.1	3.3	2.8	2.5	2.6	Independent average	2.7	2.7	2.9	2.7	2.6
3.2	3.9	4.5	3.6	4.0	Highest	2.8	3.3	4.4	3.7	4.1
3.0	2.1	2.1	1.2	1.9	Lowest	2.6	2.3	1.9	2.2	2.2

PSBR (£ billion)					PSBR (Per cent of money GDP)			
1997-98	1998-99	1999-00	2000-01		1997-98	1998-99	1999-00	2000-01
City forecasters								
8.0	0.0	3.0	5.0	Barclays	1.0	0.0	0.3	0.5
11.5	8.2	8.5	5.9	Credit Lyonnais	1.4	1.0	0.8	0.6
10.5	6.6	9.9	7.9	Daiwa Europe Ltd	1.3	0.8	1.1	0.8
9.1	2.5	-3.2	-8.2	Goldman Sachs	-	-	-	-
8.6	0.0	5.0	-	Lombard St Research	1.1	0.0	0.5	-
10.3	6.6	5.2	-2.8	Natwest Group	1.3	0.8	0.6	-0.3
8.2	3.9	5.0	-	Natwest Markets	1.0	0.5	0.5	-
7.0	0.0	0.0	-	Salomon Brothers	0.9	0.0	0.0	-
8.0	3.0	5.0	8.0	Schroders	1.0	0.4	0.6	0.9
12	6.1	6.9	7.4	Williams de Broe	1.4	0.7	0.8	0.7
Non-City forecasters								
9.8	5.2	8.4	8.2	BSL	1.2	0.6	1.0	0.9
13.3 k	11.3 k	10.1 k	8.9 k	Cambridge Econ.	1.7 k	1.4 k	1.2 k	1.0 k
4.3	-8.7	7.8	-3.9	CEBR	-	-	-	-
10.2	4.8	8.4	6.7	ITEM Club	1.3	0.6	1.0	0.7
10.9	1.3	3.3	3.5	LBS	1.4	0.2	0.4	0.4
6.4	-2.4	-8.2	-17.5	Liverpool	0.8	-0.3	-0.9	-1.9
11.4	3.2	5.1	8.0	NIESR	1.4	0.4	0.6	0.9
9.1	2.1	5.3	2.4	Independent average	1.2	0.5	0.7	0.6
11.5	8.2	9.9	8.2	Highest	1.3	1.0	1.1	0.9
4.3	-8.7	-3.2	-8.2	Lowest	1.0	0.0	0.0	-0.3

Sterling Index (1990 = 100)					Interest rate (Per cent)					
1997	1998	1999	2000	2001		1997	1998	1999	2000	2001
City forecasters										
-	-	-	-	-	Barclays	6.80	7.50	6.50	5.50	5.00
100.5	97.5	93.7	93.0	93.0	Credit Lyonnais	7.00	7.50	6.75	6.50	6.00
99.9	97.7	93.2	90.0	-	Daiwa Europe Ltd	6.80	7.10	6.30	6.30	-
98.0	93.0	93.0	93.0	-	Goldman Sachs	7.30 r	7.50 r	6.80 r	6.80 r	-
100.0	94.0	92.0	-	-	Lombard St Research	6.90	8.00	8.75	-	-
101.0j	94.3j	92.1j	92.0j	91.9j	Natwest Group	6.90	7.10	6.00	5.90	6.10
100.0	98.0	94.0	-	-	Natwest Markets	6.50	6.90	6.30	-	-
100.0	97.0	95.0	-	-	Salomon Brothers	6.60	7.25	6.75	-	-
102.0	95.0	90.0	85.0	85.0	Schroders	6.50	7.40	6.80	6.10	6.00
100.0	97.2	91.7	86.1	80.8	Williams de Broe	6.80	7.80	7.60	7.40	7.30
Non-City forecasters										
99.7	96.4	92.5	91.0	90.3	BSL	6.60	7.40	7.50	6.80	6.30
97.3	92.8	85.6	85.7	85.8	Cambridge Econ.	6.30 s	6.80 s	6.40 s	6.00 s	6.00 s
99.9	99.3	99.1	99.0	97.9	CEBR	6.50	7.69	7.00	5.73	4.68
99.8	98.8	93.9	90.3	89.5	ITEM Club	6.80	7.50	7.30	6.80	6.50
99.4	94.3	90.1	89.5	89.1	LBS	6.60	6.90	6.00	6.00	6.00
99.9	97.9	93.8	89.8	86.5	Liverpool	6.80	6.60	7.00	7.30	6.50
100.4	100.1	100.9	102.4	104.3	NIESR	7.40	7.50	7.10	7.10	7.10
99.8	96.6	93.2	91.2	90.8	Independent average	6.8	7.3	6.9	6.5	6.1
102.0	100.1	100.9	102.4	104.3	Highest	7.4	8.0	8.8	7.4	7.3
97.3	92.8	85.6	85.0	80.8	Lowest	6.5	6.6	6.0	5.5	4.7

Domestic Demand (Percentage change)					Contribution of net trade to GDP growth (Per cent)					
1997	1998	1999	2000	2001		1997	1998	1999	2000	2001
City forecasters										
3.8	3.9	1.4	1.2	2.0	Barclays	-0.3	-1.2	0.4	0.7	0.1
-	-	-	-	-	- Credit Lyonnais	-	-	-	-	-
4.0	3.4	1.9	2.1	-	Daiwa Europe Ltd	-0.4	-1.2	0.2	0.6	-
-	-	-	-	-	Goldman Sachs	-	-	-	-	-
4.4	3.7	2.0	-	-	Lombard St Research	-0.8	-0.1	0.5	-	-
4.1	2.8	0.9	2.3	3.1	Natwest Group	-	-	-	-	-
3.7	2.8	2.1	-	-	Natwest Markets	-0.1	-0.5	0.0	-	-
3.7	3.0	2.0	-	-	Salomon Brothers	-0.3	-1.3	0.6	-	-
4.1	3.0	1.7	1.8	2.0	Schroders	-0.6	-0.9	-0.6	-0.3	0.0
4.0	3.6	2.7	2.5	2.2	Williams de Broe	-0.6	-1.1	-0.6	-0.4	-0.1
Non-City forecasters										
3.8	2.3	1.3	1.8	2.6	BSL	-0.3	-0.3	0.3	0.3	-0.1
3.6	3.1	2.2	1.8	2.1	Cambridge Econ.	-0.6	-0.6	0.2	-0.1	-0.1
4.0	3.0	2.0	2.3	2.4	CEBR	-	-	-	-	-
3.9	3.3	2.1	1.9	2.4	ITEM Club	-0.4	-0.7	-0.2	0.5	0.3
4.1	3.2	1.5	2.1	2.3	LBS	-0.6	-1.2	0.6	0.4	-
4.1	4.0	2.1	2.3	2.5	Liverpool	-0.6	-1.5	0.9	0.6	0.2
3.8	2.9	1.9	2.4	2.2	NIESR	-0.4	-0.9	-0.1	0.1	0.1
3.9	3.2	1.9	2.0	2.3	Independent average	-0.5	-0.9	0.2	0.2	0.1
4.4	4.0	2.7	2.5	3.1	Highest	-0.1	-0.1	0.9	0.7	0.3
3.6	2.3	0.9	1.2	2.0	Lowest	-0.8	-1.5	-0.6	-0.4	-0.1

Current Account (£ billion)					Current Account (Per cent of money GDP)					
1997	1998	1999	2000	2001		1997	1998	1999	2000	2001
City forecasters										
1.0	-6.0	-5.0	0.0	-1.0	Barclays	0.2	-0.8	-0.6	0.0	-0.1
3.2	-4.3	-4.4	-3.5	-6.3	Credit Lyonnais	-	-	-	-	-
1.7	-7.3	-9.2	-7.4	-	Daiwa Europe Ltd	0.2	-0.9	-1.1	-0.8	-
1.7	-10.6	-13.8	-16.7	-	Goldman Sachs	0.2	-1.3	-1.6	-1.8	-
-5.1	-10.5	-10.6	-	-	Lombard St Research	-1.0	-1.6	-1.6	-	-
-1.2	-4.4	-2.5	-2.7	-3.1	Natwest Group	0.2	0.5	0.3	0.3	0.3
2.7	-3.9	-4.8	-	-	Natwest Markets	0.3	-0.5	-0.6	-	-
3.5	-10.6	-7.1	-	-	Salomon Brothers	0.4	-1.3	-0.8	-	-
-2.2	-10.3	-10.3	-9.0	-8.0	Schroders	-0.3	-1.2	-1.2	-1.0	0.9
2.1	-10.9	-19.3	-23.7	-26.5	Williams de Broe	0.3	-1.3	-2.1	-2.5	-2.6
Non-City forecasters										
1.2	-3.8	-3.2	-0.4	-0.6	BSL	0.2	-0.5	-0.4	-0.0	-0.1
-4.6	-10.8	-10.8	-10.6	-11.9	Cambridge Econ.	-0.6	-1.3	-1.2	-1.2	-1.2
-4.7	-6.4	-3.7	-8.3	-10.1	CEBR	-	-	-	-	-
3.8	-2.1	-5.4	-2.6	-0.1	ITEM Club	0.5	-0.3	-0.6	-0.3	0.0
2.2	-9.0	-9.2	-4.6	-1.6	LBS	0.3	-1.1	-1.1	-0.5	-0.2
0.1	-11.5	-5.9	-2.3	-1.7	Liverpool	0.0	-1.6	-0.8	-0.3	-0.2
1.6	-0.6	-0.7	-1.9	0.4	NIESR	0.8	-0.3	-0.3	-0.8	0.2
0.4	-7.2	-7.4	-6.7	-5.9	Independent average	0.1	-0.9	-0.9	-0.8	-0.4
3.8	-0.6	-0.7	0.0	0.4	Highest	0.8	0.5	0.3	0.3	0.9
-5.1	-11.5	-19.3	-23.7	-26.5	Lowest	-1.0	-1.6	-2.1	-2.5	-2.6

Claimant unemployment (million)					GDP deflator (Percentage change)				
1997	1998	1999	2000	2001		1997-98	1998-99	1999-00	2000-01
City forecasters									
1.60	1.55	1.45	1.70	1.80	Barclays	-	-	-	-
1.58	1.38	1.36	1.31	1.24	Credit Lyonnais	-	-	-	-
1.54	1.37	1.40	1.56	-	Daiwa Europe Ltd	2.5	2.6	2.7	2.7
1.57	1.33	1.35	1.37	-	Goldman Sachs	2.3 k	2.6 k	2.5 k	2.5 k
1.70	1.30	1.30	-	-	Lombard St Research	1.9	3.3	4.5	-
1.58	1.40	1.42	1.40	1.36	Natwest Group	-	-	-	-
1.55	1.42	1.41	-	-	Natwest Markets	2.9	2.5	2.5	-
1.50	1.10	1.00	-	-	Salomon Brothers	2.5	2.3	2.5	-
1.57	1.25	1.21	1.30	1.50	Schroders	-	-	-	-
1.58	1.44	1.52	1.55	1.55	Williams de Broe	2.5	2.4	4.3	4.9
Non-City forecasters									
1.53	1.29	1.42	1.56	1.60	BSL	2.5	2.8	3.5	3.1
1.70	1.60	1.60	1.60	1.50	Cambridge Econ.	3.4 k	2.5 k	2.4 k	2.8 k
1.60	1.50	1.50	1.40	1.20	CEBR	4.4	5.9	2.4	1.6
1.62	1.35	1.33	1.38	1.39	ITEM Club	3.0	2.3	2.4	2.4
1.62	1.38	1.38	1.42	1.49	LBS	3.0	2.1	2.3	3.1
1.57	1.25	1.06	0.90	0.74	Liverpool	-	-	-	-
1.60	1.40	1.40	1.40	1.40	NIESR	2.8 k	2.8 k	2.3 k	2.5 k
1.59	1.38	1.36	1.42	1.40	Independent average	2.75	2.87	2.94	2.90
1.7	1.6	1.6	1.7	1.8	Highest	4.4	5.9	4.5	4.9
1.5	1.1	1.0	0.9	0.7	Lowest	1.9	2.1	2.3	1.6

Medium-term projections

Independent average November 1997

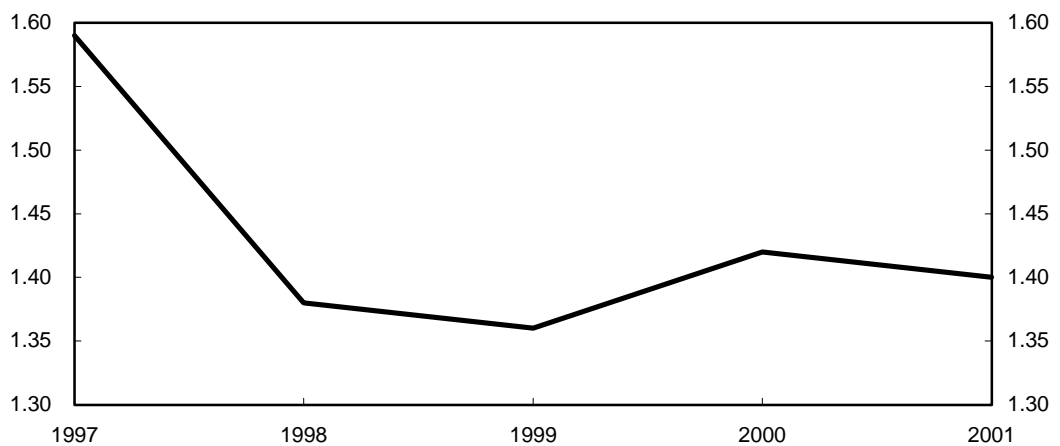
GDP growth (per cent)



Retail price inflation exc MIPs (per cent)



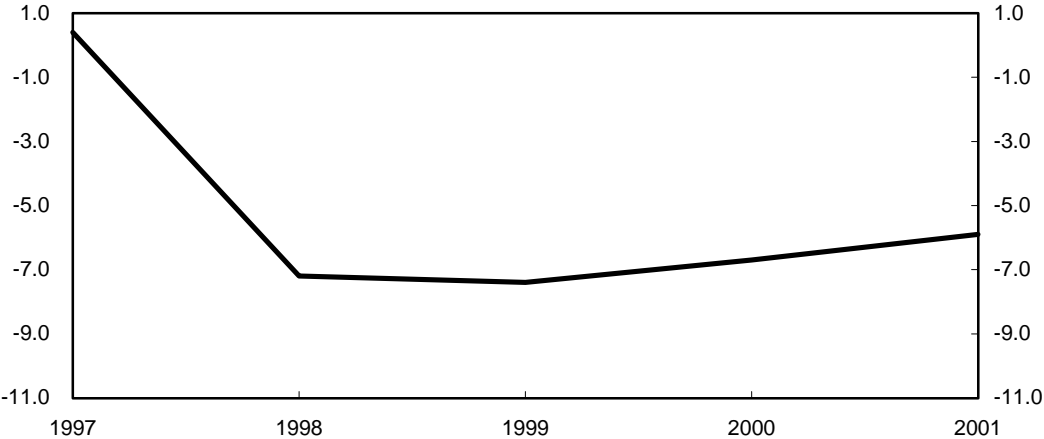
Claimant unemployment (millions)



Medium-term projections

Independent average November 1997

Current account (£ billion)



PSBR (£ billion)



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

AAHG:	Abn Amro Hoare Govett
BB:	Barclays Bank
BZW:	Barclays de Zoëte Wedd
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
Dw:	Daiwa Europe Ltd/DIR
DMG:	Deutsche Morgan Grenfell
DKB:	Dresdner kleinwort Benson
DRI:	Data Resources Inc. Europe
EC:	European Commission
EIU:	Economist Intelligence Unit
EP:	Economic Perspectives
GS:	Goldman Sachs
Hen:	Henley Forecasting Centre
HSBC:	HSBC Economics and Strategy
HPM:	Hermes Pensions Management Ltd
IMF:	International Monetary Fund
ITEM:	ITEM Club
JC:	James Capel
JPM:	J P Morgan
LB:	Lehman Brothers
Liv:	Liverpool University Research Group in Macroeconomics
LS:	Lombard Street Research Ltd
LBS:	London Business School
ML:	Merrill Lynch
MS:	Morgan Stanley
NIESR:	National Institute for Economic and Social Research
NG:	Natwest Group
NE:	Nikko Europe
NM:	Natwest Markets
NUIM:	Norwich Union Investment Management
PG:	Panmure Gordon
OECD:	Organisation for Economic Cooperation and Development
OEF:	Oxford Economic Forecasting
SB:	Saloman Brothers
S:	Schroders
SBCW:	S B C Warburg
SG:	Societe Generale
UBS:	Union Bank of Switzerland
WEFA:	Wharton Economic Forecasting
WdB:	Williams de Broë

Notation used in tables:

- b: consumers' expenditure deflator
- c: non-durable consumption
current and capital expenditure, including stockbuilding
- e: investment and stockbuilding combined
as a percentage of GDP
- h: hourly rate
end period
- k: non-oil trade
wages and salaries divided by employees in employment
- o: Consumer price deflator to Q4
calculated from general government financial deficit figures adjusted for
privatisation proceeds
forecast growth rates for Q4
- r: base rate (remainder are 3-month interbank rate)
billions of dollars
- u: average of spot price of Brent crude and Dubai light crude
UK export markets
- x: derived from the consumer price index
- y: derived from the consumer price index

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