

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 18 March 1998. It will also be made available at the Treasury's internet site: <http://www.hm-treasury.gov.uk>.

FORECASTS FOR THE UK ECONOMY

A comparison of independent forecasts, February 1998

This edition of the comparison contains 30 new forecasts. The tables below summarise the average and range of independent forecasts for 1998 and 1999 and show the average of this month's new forecasts.

Forecasts for 1998

	Independent ⁺				Average of new* forecasts
	Averages		February range		
	February	January	Lowest	Highest	
GDP growth (per cent)	2.3	2.4	1.5	3.2	2.3
Inflation rate (Q4: per cent)					
- RPI	3.0	3.1	2.1	4.3	3.0
- RPI exc MIPs	2.7	2.8	2.0	3.7	2.7
Claimant unemployment (Q4: mn)	1.30	1.31	0.99	1.50	1.30
Current account (£bn)	-6.2	-6.2	-14.6	0.5	-6.4
PSBR (1998-99: £bn)	3.3	3.2	-3.2	10.0	3.7

Forecasts for 1999

	Independent ⁺				Average of new* forecasts
	Averages		February range		
	February	January	Lowest	Highest	
GDP growth (per cent)	2.0	2.0	1.3	3.4	2.0
Inflation rate (Q4: per cent)					
- RPI	2.5	2.6	1.5	4.1	2.5
- RPI exc MIPs	2.7	2.8	2.0	4.4	2.7
Claimant unemployment (Q4: mn)	1.36	1.37	1.01	1.60	1.35
Current account (£bn)	-7.1	-6.7	-17.5	6.6	-7.6
PSBR (1999-00 : £bn)	3.6	3.4	-3.0	17.0	3.7

Memo item: The latest independent average for the 1997-98 PSBR (£bn) is 8.4, with a range of 2.3 - 14.0.

⁺Independent and City averages, and the range of forecasts, are based on forecasts made in the last three months (February 30 institutions, January 37 institutions, December 27 institutions).

*

Based on new forecasts received for the comparison this month

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

1998

February 1998

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 (£bn)	Stockbuilding	Domestic demand	Exports (goods & services)	Imports
City forecasters									
Abn Amro Hoare Govett	Jan	2.4	3.7	1.8	5.4	2.5	3.5	3.4	6.5
Barclays Bank	Feb*	2.5	4.1	1.3	6.5	1.8	3.8	4.0	8.0
Barclays Capital	Feb*	2.4	3.0	2.2	2.8	2.8	2.8	4.2	5.2
Charterhouse	Feb*	2.9	3.3	0.0	6.5	2.4	3.1	3.1	5.5
Chase Manhattan	Feb*	1.6	2.7	1.0	4.0	1.6	2.4	3.4	5.9
Credit Lyonnais	Feb*	2.5	3.5	-0.5	5.0	3.8	-	4.2	6.3
Credit Suisse First Boston	Feb*	2.3	2.8	1.5	3.3	3.0	2.6	4.9	6.1
Daiwa Europe Ltd/DIR	Feb*	2.0	4.0	0.2	4.0	3.6	3.0	2.9	5.5
D M Grenfell	Feb*	3.0	4.3	2.4	6.1	4.1	4.3	3.0	6.8
Dresdner Kleinwort B	Jan	1.8	2.4	0.6	6.0	2.5	2.5	2.1	5.3
Economic Perspectives	Feb*	1.9	2.4	1.5	6.0	3.0	2.9	3.2	6.0
Goldman Sachs	Feb*	2.3	4.1	1.1	4.4	1.4	3.4	4.8	7.9
Hermes	Feb*	2.3	3.5	1.4	6.3	3.6	3.6	3.9	7.8
HSBC Econ & Strategy	Jan	2.5	3.5	2.0	3.5	3.0	3.1	5.0	6.5
James Capel	Jan	3.2	4.0	1.5	4.6	0.8	3.8	4.6	6.3
J P Morgan	Feb*	2.6	3.3	0.9	5.8	3.5	3.4	4.0	6.3
Lehman Brothers	Feb*	2.5	3.7	1.3	2.9	2.9	3.3	3.4	5.3
Lombard St	Feb*	2.5	3.3	1.8	5.2	4.8	3.4	4.6	7.5
Merrill Lynch	Jan	3.0	3.8	1.2	5.5	-	-	6.0	7.0
Morgan Stanley	Jan	3.1	4.3	1.3	6.9	4.1	4.1	3.0	7.8
Natwest Group	Feb*	2.1	3.1	1.6	3.2	2.5	2.7	4.2	6.1
Natwest Markets	Feb*	2.1	3.1	1.2	5.1	2.0	2.9	2.3	4.9
Nikko Europe	Feb*	2.4	3.6	0.1	6.4	2.4	3.3	4.3	6.5
Norwich Union IM	Feb*	2.7	3.5	2.0	4.6	3.8	3.5	3.1	5.9
Panmure Gordon	Feb*	2.6	3.7	2.7	3.6	4.0	3.6	3.8	6.4
Salomon Brothers	Feb*	1.5	3.7	0.9	4.7	2.7	3.3	2.4	8.0
Schroders	Feb*	2.1	3.4	0.3	5.7	3.0	3.2	3.6	6.7
Societe Generale	Oct	2.5	3.7	-0.2	5.3	2.7	3.2	6.4	7.9
S B C Warburg	Feb*	2.4	3.0	1.6	4.0	-	3.0	3.7	5.6
UBS	Feb*	1.7	2.5	0.5	4.2	0.1	2.0	3.5	4.4
Williams de Broe	Jan	2.5	3.7	2.1	5.3	3.2	3.7	1.1	5.1
Non-City forecasters									
BSL	Feb*	2.0	3.4	0.5	4.1	3.5	3.0	3.5	5.7
Cambridge Econ	Feb*	2.5	3.5	0.7	3.4	3.0	2.8	4.7	6.1
CBI	Nov	2.5	4.0	1.3	4.9	2.0	3.4	4.5	6.6
CEBR	Jan	1.9	2.0	1.6	8.9	2.1	2.8	4.4	6.3
DRI	Jan	2.1	2.5	2.0	4.0	2.1	2.6	4.1	6.4
EIU	Jan	2.1	3.1	1.4	3.7	3.2	2.8	5.3	7.5
Henley	Feb*	2.3	3.1	1.8	2.9	3.1	3.1	4.0	5.2
ITEM Club	Feb*	2.2	3.4	0.6	5.9	2.7	3.2	4.6	7.3
LBS	Feb*	2.2	3.7	1.6	4.7	2.2	3.4	3.8	7.2
Liverpool Univ	Feb*	2.3	3.5 c	0.4 d	7.6 e	-	4.2	-	-
NIESR	Feb*	1.9	2.9	1.0	3.1	2.6	2.5	2.0	3.9
OEF	Dec	2.1	4.0	0.1	5.0	2.5	3.3	4.6	7.5
WEFA	Jan	2.4	3.5	0.5	5.2	1.7	3.0	4.0	5.4
EC	Jan	2.1	3.4	1.2	5.7	0.3 g	3.1	3.1	6.2
OECD	Jan	2.2	3.7	0.8	5.5	-	3.4	3.9	7.9
IMF	Jan	2.4	3.6	-0.4	5.1	-	3.0	5.2	6.6
Average of Forecasts made in last 3 months									
Independent		2.3	3.4	1.1	4.9	2.7	3.2	3.8	6.3
New (marked *)		2.3	3.4	1.1	4.7	2.9	3.2	3.7	6.2
City		2.4	3.4	1.3	4.9	2.8	3.2	3.7	6.3
Range of Forecasts made in last 3 months									
Highest		3.2	4.3	2.7	8.9	4.8	4.3	6.0	
Lowest		1.5	2.0	-0.5	2.8	0.1	2.0	1.1	3.9
HM Treasury	Nov	2¼-2¾	3½-3¾	-1¼	6-6¼	¼ g	¾-3½	5-5¼	7¾-8

		1998			February 1998		Table 2			
		Inflation and monetary indicators								
		Percentage changes on a year earlier unless stated otherwise								
Forecasters & date of forecasts		RPI	RPI exc	Average	Sterling	3- month interest	Oil	M0	M4	
		(Q4)	MIPs (Q4)	earnings	index(Q4)	rate(Q4,%)	price (\$)	(1998-99)		
City forecasters										
Abn Amro Hoare Govett	Jan	3.4	2.8	4.8	93.5	7.45	18.5	4.6	8.2	
Barclays Bank	Feb*	3.8	3.2	5.0	94.0	7.50	17.0	5.0	8.0	
Barclays Capital	Feb*	2.4	2.4	4.6	95.9	6.75	-	5.0	7.0	
Charterhouse	Feb*	4.3	3.6	4.6	96.9	8.23	-	2.9	5.9	
Chase Manhattan	Feb*	2.7	2.7	4.5	97.0	7.20	16.0	5.5	8.5	
Credit Lyonnais	Feb*	2.9	2.4	-	97.0	7.20	17.5	5.7	7.7	
Credit Suisse First Boston	Feb*	3.1	2.8	4.8	100.0	6.75	-	6.0	9.0	
Daiwa Europe Ltd/DIR	Feb*	2.3	2.5	4.7	97.1	6.50	-	-	-	
D M Grenfell	Feb*	3.4	3.0	5.4	92.5	7.75	16.0	6.2	8.2	
Dresdner Kleinwort B	Jan	2.8	2.7	4.5	96.5	6.70	17.5	-	-	
Economic Perspectives	Feb*	2.7	2.3	4.4	98.0	6.50	16.0	5.0	8.5	
Goldman Sachs	Feb*	4.2	3.0	5.0	93.0	7.80	17.0	4.0 jk	7.4 jk	
Hermes	Feb*	2.6	2.5	4.9	-	7.00	-	-	-	
HSBC Econ & Strategy	Jan	2.9	2.3	4.5	93.0	7.50	15.0	5.0	8.0	
James Capel	Jan	4.3	3.7	5.0	98.2	8.10	17.0	7.8	10.5	
J P Morgan	Feb*	3.2	2.8	5.0	95.0	7.40	-	-	-	
Lehman Brothers	Feb*	3.4	2.9	5.1	94.2	7.80	17.0	6.5	9.0	
Lombard St	Feb*	3.8	3.4	5.5	89.1	8.20	16.5	-	7.5	
Merrill Lynch	Jan	3.6	3.3	5.2	-	7.50	-	6.0	9.0	
Morgan Stanley	Jan	3.7	3.3	5.4	97.5	7.50	-	5.2	8.7	
Natwest Group	Feb*	2.8	2.5	4.6	96.5	6.60	16.0	5.2	5.9	
Natwest Markets	Feb*	2.3	2.3	4.6	100.0	6.75	16.5	6.1	9.8	
Nikko Europe	Feb*	3.0	2.7	4.8	95.0	7.10	-	6.0	8.0	
Norwich Union IM	Feb*	3.5	3.3	5.0	98.0	7.25	19.0	7.0	9.0	
Panmure Gordon	Feb*	2.1	2.5	5.0	96.5	7.00	-	6.0	9.1	
Salomon Brothers	Feb*	3.0	2.5	4.9	98.0	7.00	18.0	-	-	
Schroders	Feb*	3.1	3.0	5.2	95.0	7.00	18.0	-	-	
Societe Generale	Oct	-	3.2	5.5	92.0	7.10	18.0	7.0	10.0	
S B C Warburg	Feb*	3.0	2.8	4.4	-	6.75	18.0	5.2	9.8	
UBS	Feb*	2.2	2.0	4.3	100.1	6.80	18.0	6.2	7.9	
Williams de Broe	Jan	3.0	2.6	4.8	99.6	7.90	17.5	4.7	10.4	
Non-City forecasters										
BSL	Feb*	3.1	2.7	4.7	94.4	7.40	17.1	-	-	
Cambridge Econ	Feb*	3.4 k	3.0 k	4.5	97.8 k	7.10 ks	19.0	-	-	
CBI	Nov	3.4	2.8	4.7	99.1	7.50 s	18.0	-	-	
CEBR	Jan	2.6	2.5	5.2	104.5	7.05	-	-	-	
DRI	Jan	2.3	2.3	4.6	98.9	7.32	18.7	5.6	6.7	
EIU	Jan	2.8	2.6	4.0	101.0	7.10	17.5	-	-	
Henley	Feb*	2.7	2.4	4.6	-	7.10	-	-	-	
ITEM Club	Feb*	3.4	2.8	4.9	100.5	7.40	17.7	6.4	7.1	
LBS	Feb*	3.0	2.7	4.9	102.2	7.00 s	18.0	1.8	8.5	
Liverpool Univ	Feb*	2.1	2.4	4.6	98.3	6.50	-	-	-	
NIESR	Feb*	3.3	2.4	4.8	100.6	7.50	18.2	3.5	11.5	
OEF	Dec	3.0	2.8	5.0	97.7	6.75	18.9	4.4	8.4	
WEFA	Jan	2.9	2.7	4.8	95.2	7.80	19.1	-	-	
EC	Jan	2.5	-	4.9	-	7.00	19.3	-	-	
OECD	Jan	-	-	-	-	7.40	18.3	-	-	
IMF	Jan	-	2.7	4.9i	-	-	19.0	-	-	
Average of Forecasts made in last 3 months										
Independent		3.0	2.7	4.8	97.1	7.23	17.6	5.3	8.4	
New (marked *)		3.0	2.7	4.8	96.8	7.16	17.3	5.3	8.3	
City		3.1	2.8	4.8	96.2	7.25	17.1	5.5	8.4	
Range of Forecasts made in last 3 months										
Highest		4.3	3.7	5.5	104.5	8.23	19.3	7.8	11.5	
Lowest		2.1	2.0	4.0	89.1	6.50	15.0	1.8	5.9	
HM Treasury	Nov	-	3	-	-	-	-	-	-	

1998

February 1998 Table 3

Other variables

Percentage changes on a year earlier unless stated otherwise

Forecasters & dates of forecast	RPDI	Employment	Claimant unemp (Q4-mns)	Industrial production	Manuf'g output	World Trade	Current account (£ bn)	PSBR (£bn 98-99)	
City forecasters									
ADN Amro Hoare Govett Jan	2.2	0.9	1.59	1.2	1.0	0.0	-8.0	4.0	
Barclays Bank Feb	2.5	1.1	1.45	-	0.9	-	-0.0	4.0	
Barclays Capital Feb	2.5	0.4	1.48	1.0	1.2	-	-5.5	1.8	
Charterhouse Feb	1.9	1.2	0.99	5.0	5.5	-	-5.0	5.5	
Chase Mannattan Feb	3.0	1.5	1.20	0.0	0.0	-	-7.0	8.0	
Credit Lyonnais Feb	-	-	1.50	2.2	1.0	5.0	-7.4	4.1	
Credit Suisse First Boston Feb	5.0	1.0	1.45	1.0	1.0	-	-0.0	5.0	
Daiwa Europe Ltd/DIK Feb	2.2	0.9	1.20	-	-	-	-4.8	5.0	
D M Grenfell Feb	5.1	1.0	1.50	1.0	1.5	-	-14.0	5.0	
Dresner Kleinwort B Jan	1.0	1.4	1.50	-0.5	-0.5	-	-7.5	9.0	
Economic Perspectives Feb	1.5	0.0	1.40	1.2	0.5	4.0	-8.0	10.0	
Goldman Sachs Feb	2.2	0.7	1.57	1.0	1.2	-	-4.0	2.5	
Hermes Feb	2.7	1.2	1.50	-	1.2	-	-10.0	2.0	
HSC Econ & Strategy Jan	2.5	0.5	1.50	1.0	1.0	0.0	-7.0	0.0	
James Capel Jan	5.5	1.7	1.05	1.8	2.0	5.2	-5.0	-2.0	
J P Morgan Feb	2.8	1.2	1.15	1.5	1.5	0.0	-9.0	2.0	
Lenman Brothers Feb	2.8	1.5	1.10	2.1	2.0	0.0	-5.0	0.0	
Lombard St Feb	5.0	0.0	1.20	-	-	-	-10.1	-1.0	
Merrill Lynch Jan	-	-	1.20	1.8	1.8	-	-5.0	4.0	
Morgan Stanley Jan	2.4	1.7	1.50	1.2	1.8	-	-12.0	-1.0	
Natwest Group Feb	2.5	0.8	1.58	1.0	1.0	0.0	-5.8	5.5	
Natwest Markets Feb	1.7	0.7	1.40	0.8	0.0	5.2	-4.7	4.8	
Nikko Europe Feb	2.5	0.7	1.50	2.0	1.8	-	-0.0	4.0	
Norwich Union IM Feb	5.0	1.2	1.50	2.1	2.0	-	-10.0	2.0	
Panmure Gordon Feb	2.5	1.5	1.51	-0.5	-0.5	-	-0.0	5.0	
Salomon Brothers Feb	1.8	0.7	1.27	1.0	1.0	-	-15.4	0.0	
Schroders Feb	2.5	0.9	1.28	1.4	1.4	0.0	-11.0	1.5	
Societe Generale Oct	2.7	1.0	1.20	1.8	1.5	8.0	-4.0	0.0	
S B C Warburg Feb	2.9	1.1	1.20	-	0.9	-	-1.9	5.0	
UBS Feb	1.0	0.7	1.57	1.8	1.5	0.7	-5.0	5.0	
Williams de Broe Jan	-	0.7	1.41	0.5	0.5	4.8	-8.5	5.0	
Non-City forecasters									
BSL Feb	3.9	0.9	1.55	0.7	0.5	4.7	-2.4	5.5	
Cambridge Econ Feb	2.5	1.1	1.50 K	1.7	1.2	5.7	-4.0	7.4 K	
CEI Nov	5.0	1.2	1.57	2.5	2.4	5.8	-7.0	4.5	
CEBK Jan	2.5	0.0	1.50	-	1.5	-	-12.0	-5.2	
DKI Jan	2.1	1.5	1.25	2.2	5.0	7.5	-2.0	7.1	
EIU Jan	-	0.8	1.57	1.4	-	0.7	-5.7	5.0	
Henley Feb	1.7	0.0	1.41	-	2.5	-	-5.1	-	
HEM Club Feb	2.0	0.8	1.25	-	2.5	0.9	-7.1	5.5	
LBS Feb	5.1	1.0	1.52	-	0.1	-	-5.0	5.4	
Liverpool Univ Feb	-	-	1.21	-	-	-	-8.5	5.9	
NIESK Feb	1.5	1.2	1.57	-	0.7	5.0	-0.9	0.7	
OEF Dec	2.5	0.7	1.28	1.2	1.5	7.0	-5.0	4.0	
WEFA Jan	2.4	1.0	1.50	1.4	1.5	7.0W	-7.7	5.0	
EC Jan	2.1	0.5	-	1.4	-	-	-0.5 g	-	
OECD Jan	-	0.8	-	-	1.8	8.7	-1.0 g	-0.5 g	
IMF Jan	-	0.9	-	-	-	-	-1.2 g	-0.0 g	
Average of Forecasts made in last 3 months									
Independent	2.4	1.0	1.50	1.5	1.5	5.9	-0.2	5.5	
New (marked *)	2.5	1.0	1.50	1.4	1.2	5.5	-0.4	5.7	
City	2.4	1.0	1.29	1.5	1.2	5.0	-7.2	5.1	
Range of Forecasts made in last 3 months									
Highest	5.9	1.7	1.50	5.0	5.5	8.7	-0.5	10.0	
Lowest	1.5	0.5	0.99	-0.5	-0.5	5.7	-14.0	-5.2	
HM Treasury	Nov	2 1/4	-	-	-	1 1/2-1 3/4	9	-7 1/4	4.5

1999

February 1998

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	Jan	2.1	2.3	1.5	4.1	2.0	2.3	5.3	5.6
Barclays Bank	Feb*	1.3	2.0	0.8	2.7	0.2	1.6	4.5	4.7
Barclays Capital	Feb*	2.6	2.5	2.5	4.0	2.4	2.7	5.5	5.8
Charterhouse	Feb*	3.4	2.0	1.0	5.9	1.6	2.4	6.7	4.3
Chase Manhattan	Feb*	2.1	2.5	1.0	4.4	2.0	2.6	2.9	4.5
Credit Lyonnais	Feb*	1.9	2.9	0.1	3.4	1.6	-	3.9	4.0
Credit Suisse First Boston	Feb*	2.0	2.5	1.1	3.1	3.0	2.3	5.1	5.9
Daiwa Europe Ltd/DIR	Feb*	2.6	3.4	0.6	2.6	3.6	2.7	8.1	7.5
D M Grenfell	Feb*	1.7	2.0	2.1	4.2	1.8	2.0	4.0	4.5
Dresdner Kleinwort B	Jan	1.7	1.2	1.6	2.6	2.3	1.5	5.1	4.6
Economic Perspectives	Feb*	1.7	2.0	2.4	5.0	1.5	2.4	3.0	5.0
Goldman Sachs	Feb*	1.6	2.3	1.1	3.1	0.1	2.0	5.3	6.1
Hermes	Feb*	2.0	2.3	1.2	5.0	3.6	2.6	4.0	5.6
HSBC Econ & Strategy	Jan	2.0	2.0	1.5	3.0	2.0	1.9	6.0	5.5
James Capel	Jan	1.5	1.5	0.9	1.4	0.7	1.2	5.5	4.7
J P Morgan	Feb*	1.3	2.1	0.7	5.0	1.1	2.0	3.1	4.9
Lehman Brothers	Feb*	1.6	2.3	0.5	2.7	3.1	2.0	2.9	4.0
Lombard St	Feb*	2.0	2.4	1.8	0.8	2.0	1.6	6.3	4.9
Merrill Lynch	Jan	1.7	1.7	1.5	2.0	-	-	5.0	6.0
Morgan Stanley	Jan	2.4	2.9	1.3	5.4	3.6	3.0	5.6	6.2
Natwest Group	Feb*	1.5	1.4	0.8	1.2	2.0	1.2	4.7	3.3
Natwest Markets	Feb*	2.2	2.0	1.0	3.4	2.0	2.0	4.8	4.1
Nikko Europe	Feb*	2.0	2.3	1.1	4.6	2.0	2.4	3.9	5.1
Norwich Union IM	Feb*	2.1	2.6	1.6	2.8	2.6	2.2	3.1	3.1
Panmure Gordon	Feb*	2.6	3.2	2.2	5.9	1.3	3.0	5.7	6.7
Salomon Brothers	Feb*	2.3	2.6	0.8	4.4	1.5	2.4	8.5	8.3
Schroders	Feb*	1.3	1.9	1.1	2.5	2.0	1.7	2.9	3.8
Societe Generale	Oct	-	-	-	-	-	-	-	-
S B C Warburg	Feb*	2.2	2.4	0.8	4.0	-	2.4	3.9	4.1
UBS	Feb*	2.2	2.0	0.4	4.8	2.9	2.6	5.0	6.0
Williams de Broe	Jan	2.1	2.9	1.5	5.0	2.1	2.8	1.6	4.1
Non-City forecasters									
BSL	Feb*	1.7	2.1	1.1	0.0	2.7	1.4	5.0	3.6
Cambridge Econ	Feb*	1.7	1.8	0.9	2.1	1.8	1.5	3.6	3.3
CBI	Nov	2.2	1.9	1.1	3.4	2.0	2.0	4.0	3.2
CEBR	Jan	2.0	2.0	2.0	5.6	2.4	2.7	4.1	6.3
DRI	Jan	1.8	0.6	3.1	5.5	0.8	1.4	4.2	3.0
EIU	Jan	1.9	1.9	1.4	2.5	2.5	1.8	6.1	5.8
Henley	Feb*	1.6	2.3	0.9	3.0	2.0	2.9	5.8	6.2
ITEM Club	Feb*	1.9	2.2	0.6	3.3	1.8	1.9	5.9	5.4
LBS	Feb*	1.8	2.5	1.4	2.3	1.3	2.1	4.2	4.6
Liverpool Univ	Feb*	3.1	2.7 c	2.1 d	4.3 e	-	3.0	-	-
NIESR	Feb*	2.1	2.5	1.2	3.8	0.8	2.2	3.5	3.4
OEF	Dec	-	-	-	-	-	-	-	-
WEFA	Jan	2.2	2.0	0.7	1.3	2.0	1.7	5.6	3.7
EC	Jan	2.3	2.4	1.4	3.8	0.1 g	2.4	5.5	5.6
OECD	Jan	2.1	2.3	1.2	3.5	-	2.3	5.1	5.4
IMF	Jan	-	-	-	-	-	-	-	-
Average of Forecasts made in last 3 months									
Independent		2.0	2.2	1.3	3.5	1.9	2.2	4.8	5.0
New (marked *)		2.0	2.3	1.2	3.5	1.9	2.2	4.7	4.9
City		2.0	2.3	1.2	3.6	2.0	2.2	4.7	5.1
Range of Forecasts made in last 3 months									
Highest		3.4	3.4	3.1	5.9	3.6	3.0	8.5	8.3
Lowest		1.3	0.6	0.1	0.0	0.1	1.2	1.6	3.0
HM Treasury	Nov	1½-2	1½-2	3	2¼-2¾	0-¼ g	1½-2	5¼-5¾	5½-6

		1999			February 1998		Table 5			
		Inflation and monetary indicators								
		Percentage changes on a year earlier unless stated otherwise								
Forecasters & date of forecasts		RPI	RPI exc	Average	Sterling	3- month interest	Oil	M0	M4	
		(Q4)	MIPs (Q4)	earnings	index(Q4)	rate(Q4,%)	price (\$)	(1999-00)		
City forecasters										
Abn Amro Hoare Govett	Jan	3.4	3.3	4.9	90.7	7.45	19.0	5.1	5.5	
Barclays Bank	Feb*	1.5	2.7	4.5	90.0	5.50	18.0	3.0	5.0	
Barclays Capital	Feb*	2.3	2.5	4.6	93.0	6.25	-	5.0	6.0	
Charterhouse	Feb*	2.3	2.9	4.1	95.7	7.03	-	3.8	7.2	
Chase Manhattan	Feb*	2.2	2.5	4.0	95.0	6.00	18.0	5.0	8.0	
Credit Lyonnais	Feb*	2.4	2.6	-	96.5	6.50	20.0	-	-	
Credit Suisse First Boston	Feb*	2.3	2.5	4.5	97.5	6.00	-	5.0	9.0	
Daiwa Europe Ltd/DIR	Feb*	2.8	2.6	4.3	92.3	7.00	-	-	-	
D M Grenfell	Feb*	2.5	3.0	5.5	90.0	7.00	17.0	5.7	6.8	
Dresdner Kleinwort B	Jan	2.4	2.4	4.5	97.0	6.70	18.0	-	-	
Economic Perspectives	Feb*	2.5	2.0	3.7	88.0	5.70	17.0	4.5	6.0	
Goldman Sachs	Feb*	3.5	3.4	5.0	93.0	7.80	18.0	3.6 jk	7.7 jk	
Hermes	Feb*	2.0	2.3	4.5	-	6.50	-	-	-	
HSBC Econ & Strategy	Jan	2.0	2.3	4.0	92.0	6.50	15.0	5.0	6.0	
James Capel	Jan	2.5	2.5	4.0	97.9	7.00	17.0	4.1	7.6	
J P Morgan	Feb*	2.4	2.8	5.0	85.0	6.00	-	-	-	
Lehman Brothers	Feb*	2.0	2.7	4.5	91.7	6.30	18.0	6.0	7.0	
Lombard St	Feb*	4.1	4.4	6.0	84.1	7.50	18.0	-	4.9	
Merrill Lynch	Jan	2.8	3.2	5.2	-	6.40	-	-	6.0	
Morgan Stanley	Jan	2.1	2.7	4.8	92.3	7.20	-	5.4	8.6	
Natwest Group	Feb*	2.2	2.9	4.5	92.3	5.90	17.5	5.4	5.3	
Natwest Markets	Feb*	1.8	2.4	4.1	98.0	6.0	19.0	6.0	9.0	
Nikko Europe	Feb*	2.7	2.7	4.5	95.0	6.60	-	6.0	8.0	
Norwich Union IM	Feb*	2.6	3.0	4.5	96.0	6.00	21.0	4.0	6.0	
Panmure Gordon	Feb*	2.0	2.4	4.7	90.5	6.50	-	5.2	7.2	
Salomon Brothers	Feb*	2.5	2.5	5.1	94.0	6.75	18.0	-	-	
Schroders	Feb*	2.3	2.6	5.0	90.0	6.30	18.0	-	-	
Societe Generale	Oct	-	-	-	-	-	-	-	-	
S B C Warburg	Feb*	2.6	2.5	4.0	-	6.25	-	4.5	8.6	
UBS	Feb*	2.5	2.3	3.6	98.2	6.50	18.0	6.4	7.2	
Williams de Broe	Jan	2.6	2.7	4.5	93.9	7.40	18.0	4.0	11.0	
Non-City forecasters										
BSL	Feb*	3.5	3.3	4.7	92.2	7.50	17.2	-	-	
Cambridge Econ	Feb*	2.5 k	2.7 k	4.3	92.4 k	6.30 ks	19.7	-	-	
CBI	Nov	2.7	2.7	4.8	95.0	6.5s	19.0	-	-	
CEBR	Jan	-	-	4.7	-	-	-	-	-	
DRI	Jan	2.2	2.2	3.6	93.2	7.05	18.3	3.9	5.0	
EIU	Jan	2.4	2.3	4.5	98.0	6.10	17.9	-	-	
Henley	Feb*	-	2.5	4.2	-	7.0	-	-	-	
ITEM Club	Feb*	2.7	2.8	5.1	94.3	7.00	19.7	4.3	4.7	
LBS	Feb*	2.2	2.5	4.6	95.3	6.00	19.0	2.0	16.1	
Liverpool Univ	Feb*	2.5	2.6	4.6	92.9	6.70	-	-	-	
NIESR	Feb*	2.3	2.5	4.5	97.7	6.50	19.0	3.0	12.1	
OEF	Dec	-	-	-	-	-	-	-	-	
WEFA	Jan	2.3	2.7	4.6	91.5	7.10	19.8	-	-	
EC	Jan	2.0	-	4.8	-	6.30	20.0	-	-	
OECD	Jan	-	-	-	-	7.20	18.4	-	-	
IMF	Jan	-	-	-	-	-	-	-	-	
Average of Forecasts made in last 3 months										
Independent		2.5	2.7	4.5	93.3	6.60	18.3	4.6	7.5	
New (marked *)		2.5	2.7	4.6	93.0	6.50	18.4	4.7	7.6	
City		2.5	2.7	4.6	92.9	6.55	18.0	4.9	7.1	
Range of Forecasts made in last 3 months										
Highest		4.1	4.4	6.0	98.2	7.80	21.0	6.4	16.1	
Lowest		1.5	2.0	3.6	84.1	5.50	15.0	2.0	4.7	
HM Treasury	Nov	-	2½	-	-	-	-	-	-	

1999 February 1998 Table 6
Other variables

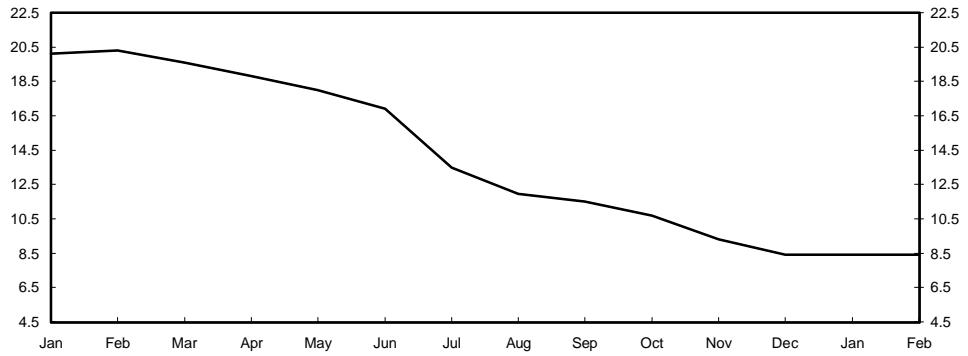
Percentage changes on a year earlier unless stated otherwise

Forecasters & dates of forecasts		RPDI	Employment	Claimant unemp (Q4-mns)	Industrial production	Manuf'g output	World Trade	Current account (£ bn)	PSBR (£ bn 99-00)
City forecasters									
Abn Amro Hoare Govett	Jan	1.8	0.6	1.51	1.6	1.4	6.5	-9.9	-0.9
Barclays Bank	Feb*	1.8	0.0	1.60	-	0.8	-	-7.0	6.0
Barclays Capital	Feb*	2.3	0.0	1.42	2.5	2.5	-	-6.2	3.0
Charterhouse	Feb*	1.9	0.1	1.10	5.2	5.7	-	-4.3	2.9
Chase Manhattan	Feb*	1.9	0.0	1.30	1.0	1.0	-	-10.0	6.0
Credit Lyonnais	Feb*	-	-	1.36	2.8	2.2	6.2	-6.4	5.8
Credit Suisse First Boston	Feb*	2.8	0.0	1.55	1.5	1.5	-	-6.0	3.0
Daiwa Europe Ltd/DIR	Feb*	1.6	0.1	1.20	-	-	-	-4.9	0.0
D M Grenfell	Feb*	2.0	0.0	1.45	1.5	1.5	-	-15.8	3.0
Dresdner Kleinwort B	Jan	1.2	0.2	1.30	1.2	1.0	-	-7.5	11.3
Economic Perspectives	Feb*	2.0	0.4	1.60	2.0	1.8	4.0	-11.0	17.0
Goldman Sachs	Feb*	1.1	-0.2	1.45	1.5	1.6	-	-7.7	0.8
Hermes	Feb*	1.5	0.0	1.35	-	2.0	-	-10.0	3.0
HSBC Econ & Strategy	Jan	2.1	0.0	1.40	1.5	1.5	7.0	-5.0	-2.0
James Capel	Jan	2.4	0.8	1.32	1.5	1.5	6.1	-3.0	2.0
J P Morgan	Feb*	2.0	0.2	1.38	0.5	0.5	6.0	-15.0	8.0
Lehman Brothers	Feb*	2.5	0.5	1.20	2.3	2.5	7.0	-7.5	3.0
Lombard St	Feb*	2.2	0.0	1.50	-	-	-	-13.1	3.0
Merrill Lynch	Jan	-	-	1.30	2.0	2.0	-	-5.0	3.0
Morgan Stanley	Jan	2.0	1.0	1.30	1.9	2.2	-	-9.0	-3.0
Natwest Group	Feb*	2.4	0.7	1.40	2.6	2.4	6.5	-2.8	2.6
Natwest Markets	Feb*	1.9	0.2	1.30	2.0	1.9	5.4	-4.5	6.0
Nikko Europe	Feb*	2.5	0.0	1.40	2.0	2.0	-	-6.0	0.5
Norwich Union IM	Feb*	2.0	0.4	1.30	2.4	2.5	-	-5.0	-2.0
Panmure Gordon	Feb*	2.7	0.9	1.22	2.2	1.9	-	-10.0	-3.0
Salomon Brothers	Feb*	2.2	0.4	1.20	2.0	2.0	-	-16.3	0.0
Schroders	Feb*	2.1	0.2	1.37	1.1	1.1	5.5	-11.9	5.0
Societe Generale	Oct	-	-	-	-	-	-	-	-
S B C Warburg	Feb*	2.7	0.7	1.20	-	2.0	-	-0.9	0.0
UBS	Feb*	2.0	0.5	1.40	2.9	3.2	-	-6.6	3.0
Williams de Broe	Jan	-	0.1	1.55	1.3	1.4	2.8	-17.5	7.2
Non-City forecasters									
BSL	Feb*	1.4	0.2	1.52	1.0	1.2	3.8	-3.2	4.8
Cambridge Econ	Feb*	2.1	0.1	1.60 k	1.3	1.2	3.7	-5.8	10.2 k
CBI	Nov	2.2	1.2	1.33	3.7	3.3	6.0	-4.9	0.2
CEBR	Jan	2.5	0.1	-	-	3.1	-	-8.8	7.7
DRI	Jan	0.1	0.4	1.58	2.6	3.0	6.2	6.6	4.6
EIU	Jan	-	-0.1	1.44	1.1	-	7.1	-6.2	4.0
Henley	Feb*	1.7	-1.1	-	1.6	-	-	-4.3	-
ITEM Club	Feb*	1.7	0.6	1.20	-	2.2	7.8	-8.8	10.4
LBS	Feb*	1.7	1.2	1.27	-	0.9	-	-7.1	5.4
Liverpool Univ	Feb*	-	-	1.01	-	-	-	-9.3	-2.4
NIESR	Feb*	1.8	1.4	1.31	-	2.4	6.6	-1.8	3.0
OEF	Dec	-	-	-	-	-	-	-	-
WEFA	Jan	1.9	0.5	1.33	1.8	2.2	6.5w	-7.3	2.5
EC	Jan	2.4	0.5	-	1.4	-	-	-0.7 g	-
OECD	Jan	-	0.4	-	-	2.0	7.7	-1.4 g	-
IMF	Jan	-	-	-	-	-	-	-	-
Average of Forecasts made in last 3 months									
Independent		2.0	0.3	1.36	1.9	1.9	5.9	-7.1	3.6
New (marked *)		2.0	0.3	1.35	2.0	1.9	5.7	-7.6	3.7
City		2.1	0.3	1.36	2.0	1.9	5.7	-8.2	3.1
Range of Forecasts made in last 3 months									
Highest		2.8	1.4	1.60	5.2	5.7	7.8	6.6	17.0
Lowest		0.1	-1.1	1.01	0.5	0.5	2.8	-17.5	-3.0
HM Treasury	Nov	-	-	-	-	1¼-1¾	7¼	7¼	-

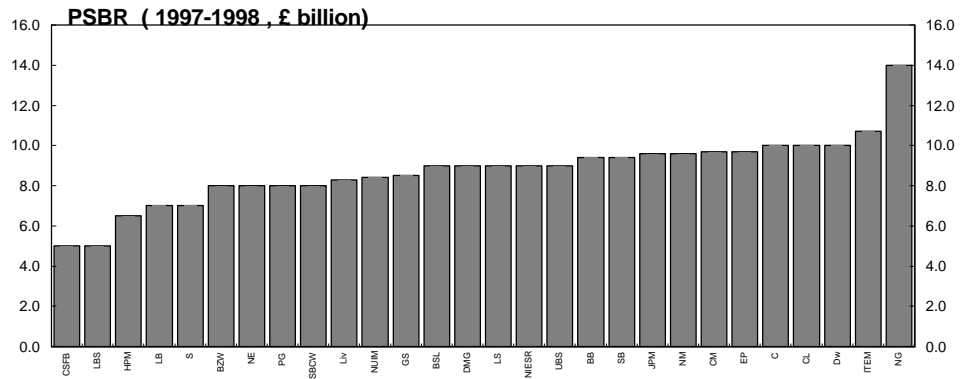
PSBR forecasts for 1997-98

Independent average, January 1997 - February 1998

PSBR (1997-1998 , £ billion)

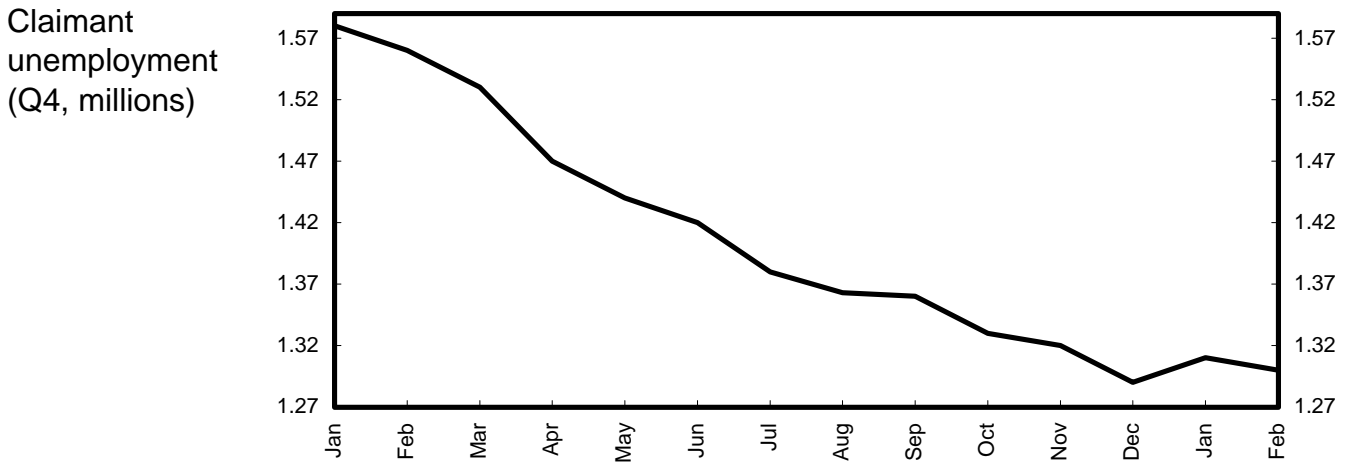
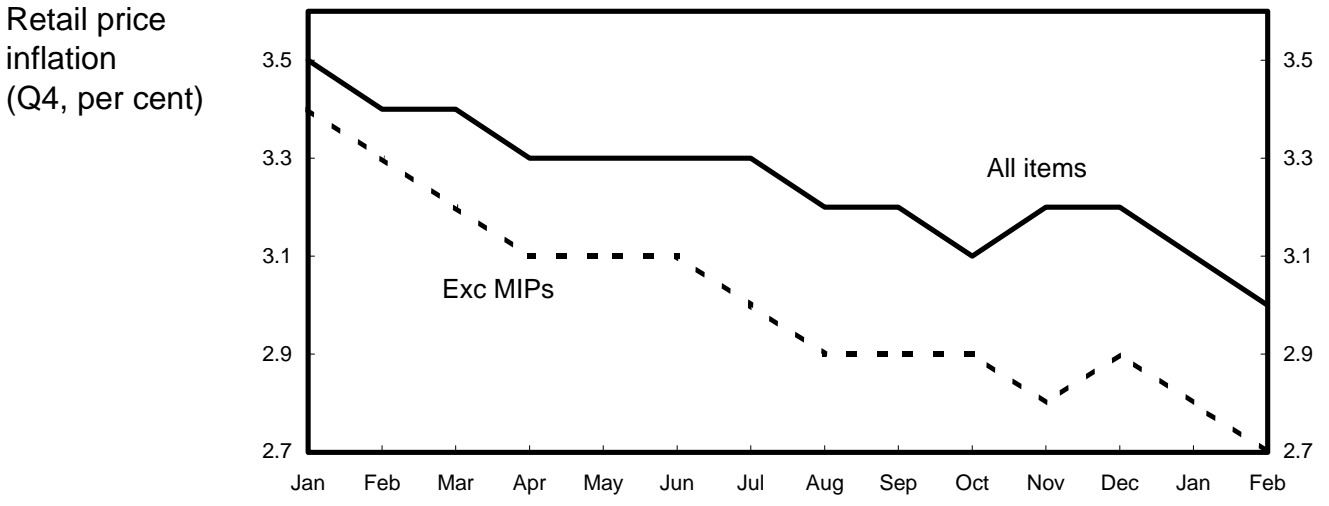
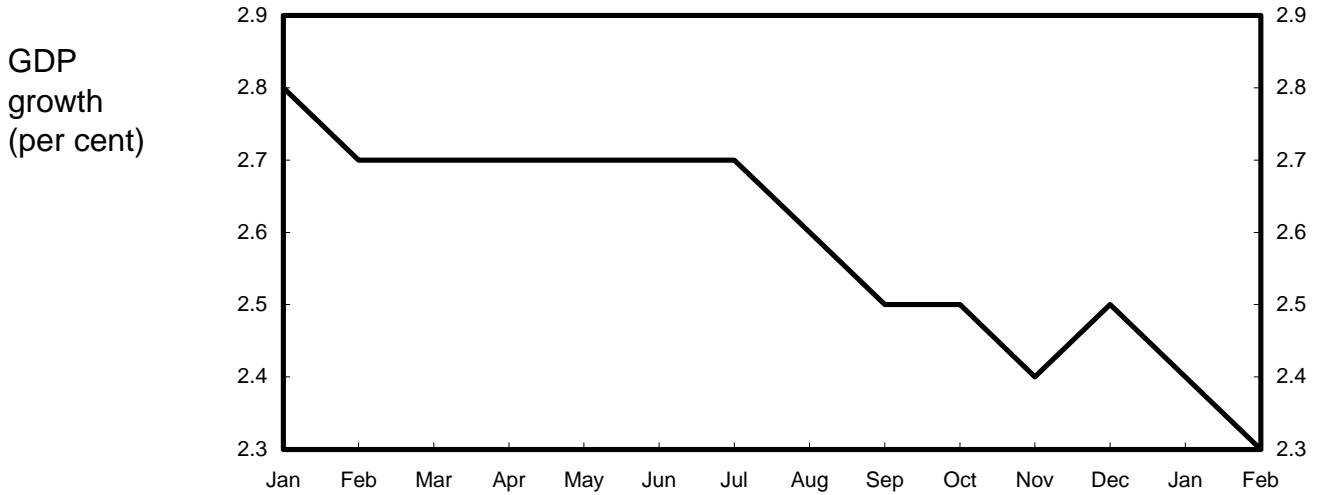


Range of independent forecasts - February 1998



Forecasts for 1998

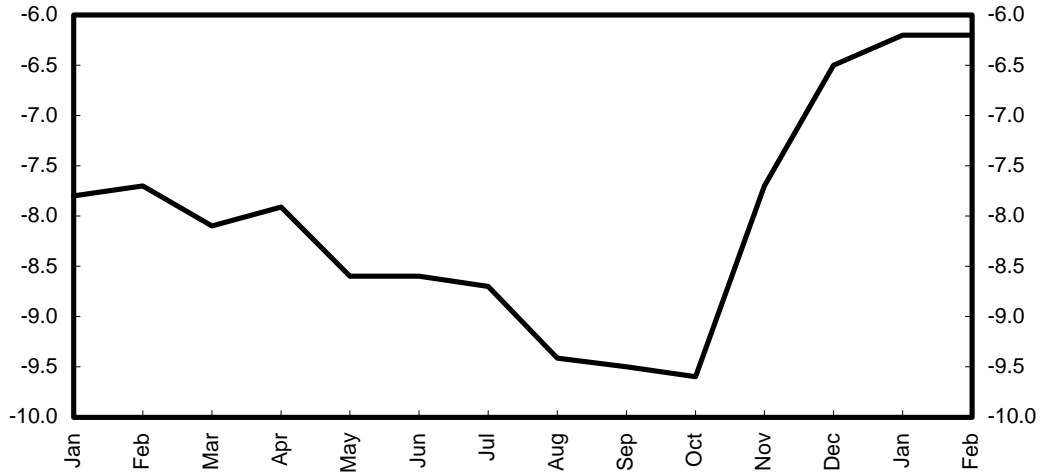
Independent average, January 1997 - February 1998



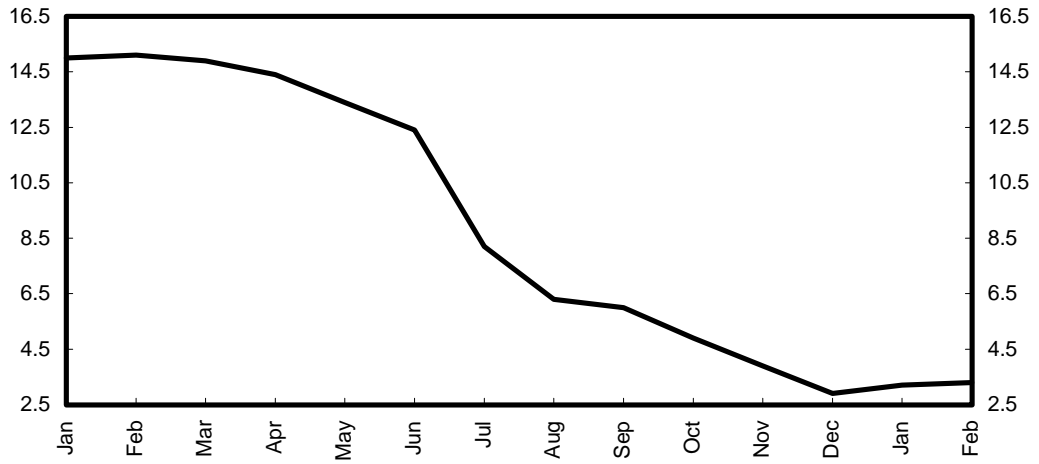
Forecasts for 1998

Independent average, January 1997 - February 1998

Current account
(£ billion)

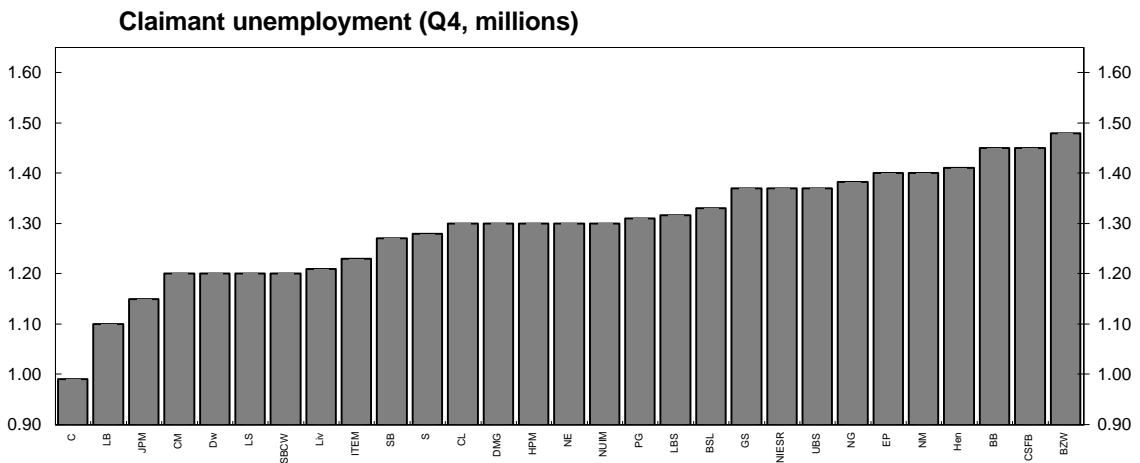
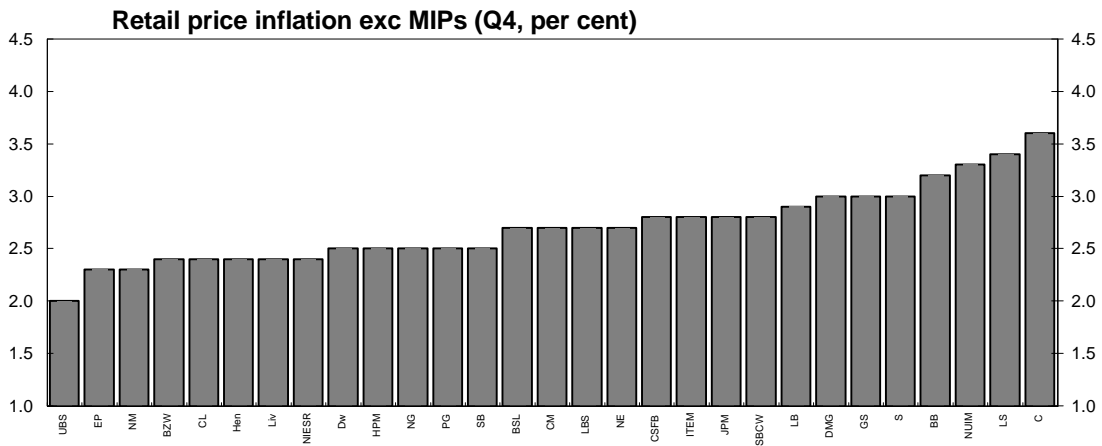
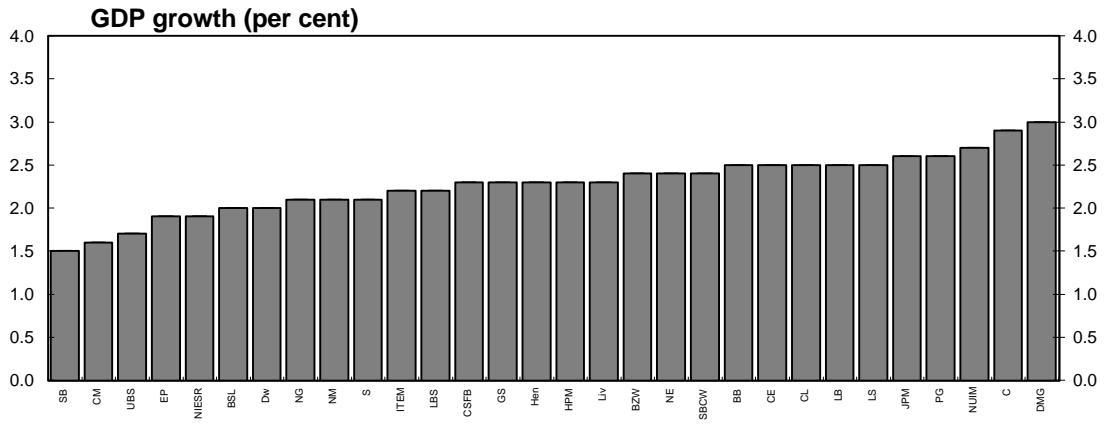


PSBR 1997-98
(£ billion)



Forecasts for 1998

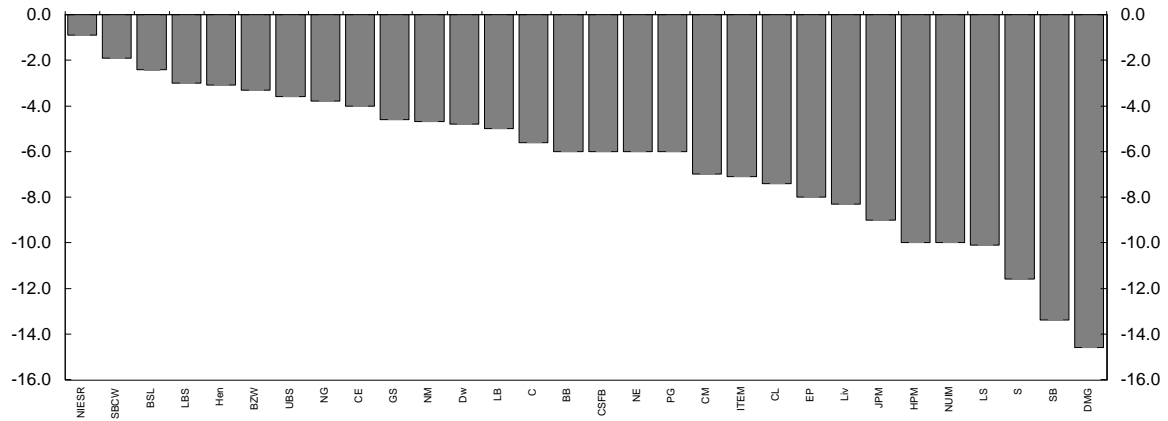
Range of independent forecasts - February 1998



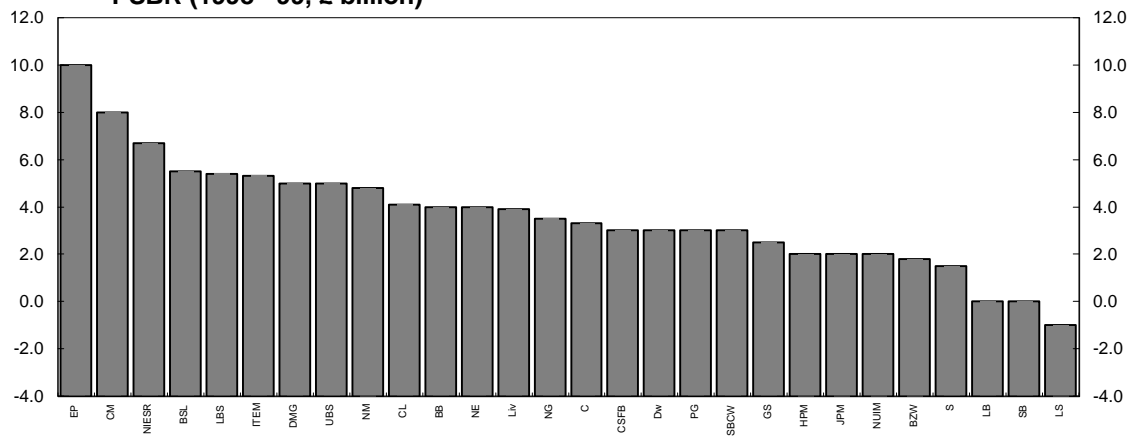
Forecasts for 1998

Range of independent forecasts - February 1998

Current account (£ billion)

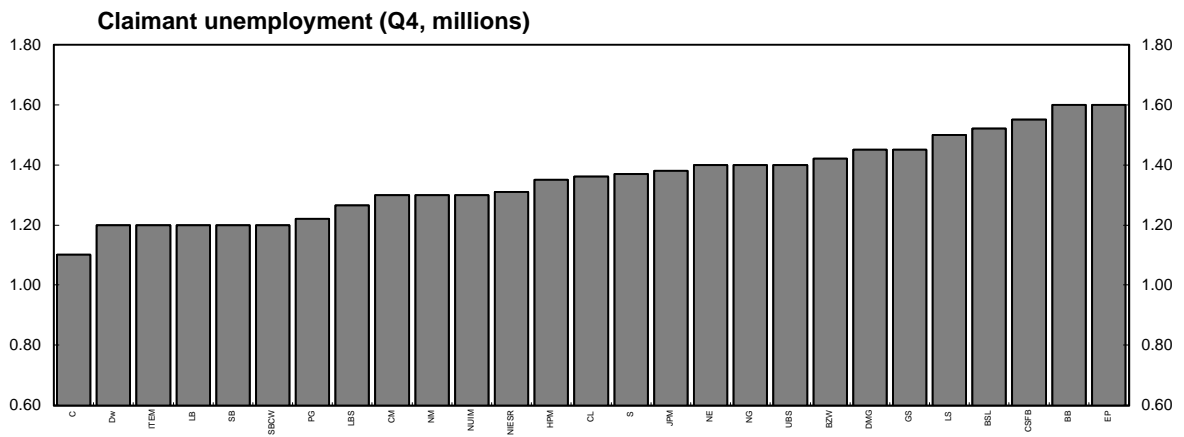
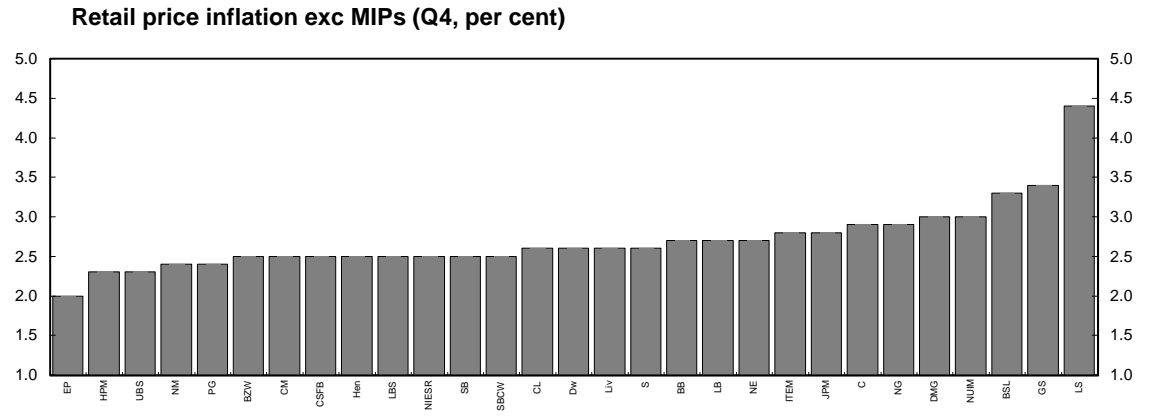
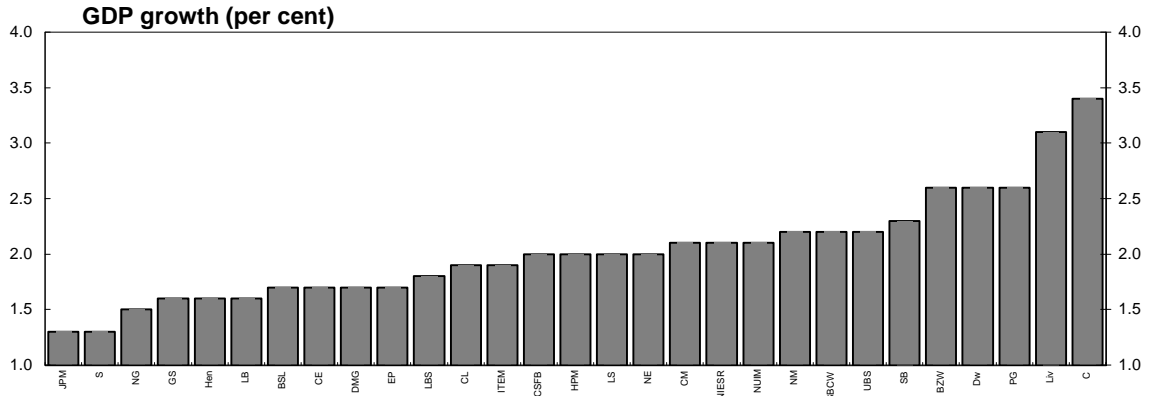


PSBR (1998 - 99, £ billion)



Forecasts for 1999

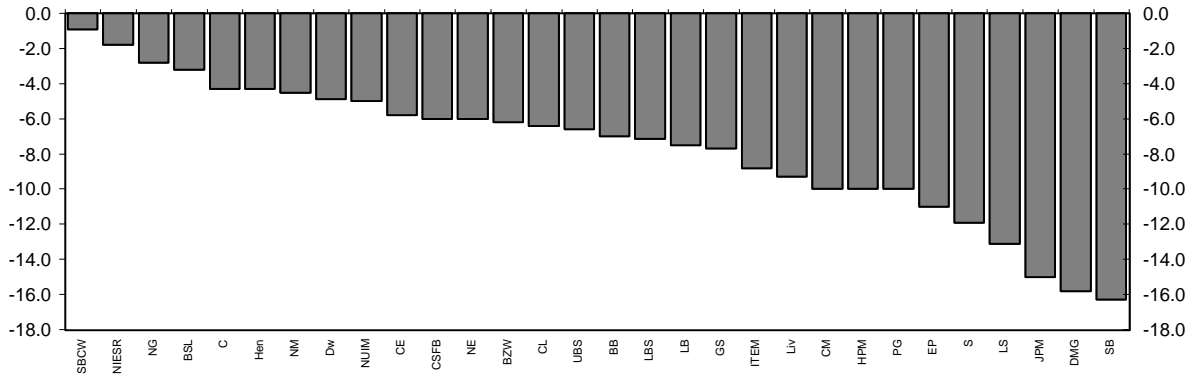
Range of independent forecasts - February 1998



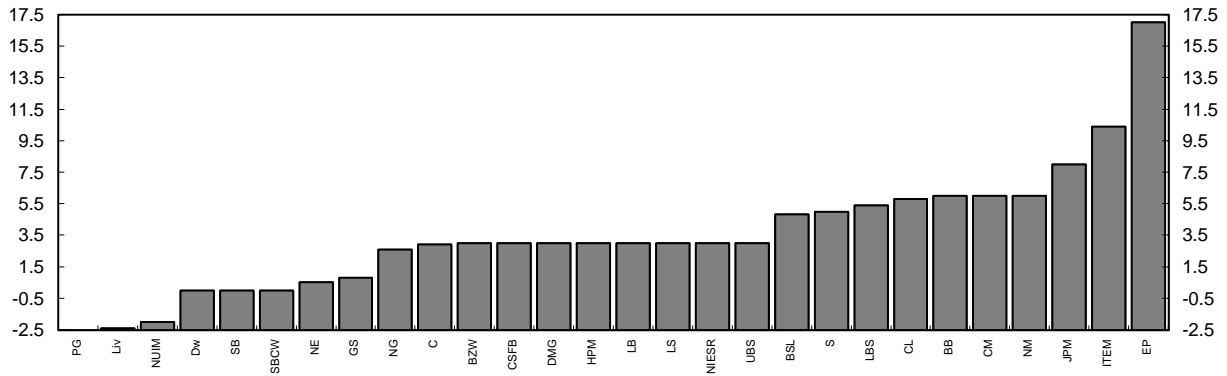
Forecasts for 1999

Range of independent forecasts - February 1998

Current account (£ billion)



PSBR (1999 - 00, £ billion)



Medium-term projections, February 1998

This edition of the comparison contains medium-term projections from 18 forecasters, for the calendar years 1998 to 2002, and the fiscal years 1998-99 to 2001-02. The table below summarises the independent average, which is the average of medium-term projections made in the last three months.

	Independent average				
	1998	1999	2000	2001	2002
GDP growth (per cent)	2.2	1.9	2.3	2.5	2.5
Inflation rate (per cent)					
-RPI	3.3	2.6	2.6	2.7	2.7
-RPI excMIPS	2.8	2.7	2.7	2.7	2.7
Claimant unemployment (mn)	1.35	1.36	1.38	1.35	1.40
Current account (£bn)	-5.2	-6.1	-5.1	-4.9	-4.5
	1998-99	1999-00	2000-01	2001-02	
PSBR (FY; £bn)	4.4	4.8	3.2	3.4	

GDP (Percentage change)					Non-oil GDP (Percentage change)					
1998	1999	2000	2001	2002		1998	1999	2000	2001	2002
City forecasters										
2.5	1.3	2.0	3.0	3.0	Barclays	2.5	1.3	2.0	3.0	3.0
2.5	1.9	2.7	2.3	-	Credit Lyonnais	2.2	1.7	2.9	2.6	-
2.0	2.6	3.0	3.3	2.8	Daiwa Europe Ltd	-	-	-	-	-
2.3	1.6	2.0	2.3	-	Goldman Sachs	-	-	-	-	-
2.5	1.6	2.0	2.3	2.3	Lehman Brothers	2.5	1.6	2.0	2.3	2.3
2.1	1.5	2.5	3.2	3.0	Natwest Group	2.1	1.5	2.5	3.2	3.0
2.4	2.2	2.4	2.7	-	SBC warburg	2.6	2.1	2.4	2.7	-
2.1	1.3	1.5	2.0	2.2	Schroders	1.9	1.1	1.5	2.0	2.2
1.7	2.3	2.5	2.3		UBS	1.7	2.3	2.4	2.4	-
2.5	2.1	2.3	2.1	1.9	Williams de Broe	2.5	2.1	2.3	2.1	2.0
Non-City forecasters										
2.0	1.7	2.0	2.4	2.2	BSL	2.0	1.8	2.1	2.4	2.3
2.5	1.7	1.9	2.3	2.5	Cambridge Econ.	2.4	1.7	2.0	2.6	2.7
2.1	1.8	1.9	2.8	2.8	DRI	2.3	1.8	1.9	2.3	3.0
2.2	1.9	2.2	2.2	2.3	ITEM Club	2.1	1.9	2.3	2.3	2.4
2.2	1.8	2.0	2.1	2.3	LBS	2.2	1.9	2.1	2.2	2.4
2.3	3.1	3.1	2.8	-	Liverpool	-	-	-	-	-
1.9	2.1	3.1	2.7	2.4	NIESR	1.9	2.1	3.1	2.7	2.4
2.4	2.2	2.2	2.2	2.4	WEFA	-	-	-	-	-
2.2	1.9	2.3	2.5	2.5	Independent average	2.2	1.8	2.3	2.5	2.5
2.5	3.1	3.1	3.3	3.0	Highest	2.6	2.3	3.1	3.2	3.0
1.7	1.3	1.5	2.0	1.9	Lowest	1.7	1.1	1.5	2.0	2.0

RPI inflation (Per cent)					RPI excluding MIPs inflation (Per cent)					
1998	1999	2000	2001	2002		1998	1999	2000	2001	2002
City forecasters										
-	-	-	-	-	Barclays	-	-	-	-	-
3.4	2.7	2.5	2.2	-	Credit Lyonnais	-	-	-	-	-
3.3	2.6	3.3	2.8	2.7	Daiwa Europe Ltd	2.5	2.7	3.0	2.8	2.7
-	-	-	-	-	Goldman Sachs	3.0	3.2	2.8	2.5	-
3.8	2.3	2.5	2.5	2.5	Lehman Brothers	3.0	2.6	2.7	2.5	2.5
3.4	2.3	2.7	3.1	2.9	Natwest Group	2.8	2.7	3.0	3.0	2.9
3.4	2.6	2.9	3.1	-	SBC warburg	2.8	2.6	2.7	2.8	-
3.6	2.7	2.1	2.7	2.5	Schroders	3.1	3.0	2.4	2.7	2.5
2.2	-	-	-	-	UBS	2.9	2.8	2.7	2.6	-
3.4	2.6	2.8	3.5	4.1	Williams de Broe	2.7	2.6	2.9	3.6	4.2
Non-City forecasters										
3.4	3.5	2.8	2.4	2.6	BSL	2.8	3.2	2.9	2.6	2.5
3.4	2.5	2.4	3.1	2.7	Cambridge Econ.	3.0	2.7	2.7	2.5	2.6
3.0	2.3	2.3	2.7	2.1	DRI	2.6	2.4	2.3	2.7	1.9
3.6	2.9	2.6	2.8	2.8	ITEM Club	2.7	2.8	2.8	2.6	2.6
3.4	2.4	2.4	2.5	2.5	LBS	2.8	2.5	2.5	2.5	2.5
2.7	2.2	2.6	2.2	-	Liverpool	2.4	2.5	2.5	2.4	-
3.8	2.6	2.2	2.6	3.2	NIESR	2.8	2.5	2.5	2.6	2.9
3.5	2.6	2.3	2.1	2.1	WEFA	2.9	2.9	2.7	2.6	2.4
3.3	2.6	2.6	2.7	2.7	Independent average	2.8	2.7	2.7	2.7	2.7
3.8	3.5	3.3	3.5	4.1	Highest	3.1	3.2	3.0	3.6	4.2
2.2	2.2	2.1	2.1	2.1	Lowest	2.4	2.4	2.3	2.4	1.9

PSBR (£ billion)					PSBR (Per cent of money GDP)			
1998-99	1999-00	2000-01	2001-02		1998-99	1999-00	2000-01	2001-02
City forecasters								
4.0	6.0	10.0	12.0	Barclays	0.5	0.7	1.1	1.2
4.1	5.8	8.3	8.9	Credit Lyonnais	1.0	0.7	0.9	0.9
3.0	0.0	-3.0	-6.0	Daiwa Europe Ltd	0.4	0.0	-0.3	-0.6
2.5	0.8	-2.3	-6.2	Goldman Sachs	-	-	-	-
0.0	3.0	6.0	6.0	Lehman Brothers	0.0	0.3	0.6	0.6
3.5	2.6	-3.8	-8.0	Natwest Group	0.4	0.3	-0.4	-0.8
3.0	0.0	-2.0	0.0	SBC warburg	0.4	0.0	-0.2	0.0
1.5	5.0	8.0	10.0	Schroders	0.2	0.6	0.9	1.0
-	-	-	-	UBS	3.0	2.8	2.4	2.1
3.6	7.2	9.0	12.0	Williams de Broe	0.4	0.8	0.9	1.2
Non-City forecasters								
5.5	4.8	4.6	4.6	BSL	0.9	0.7	0.7	0.7
10.2	9.9 k	7.8 k	4.6 k	Cambridge Econ.	1.2 k	1.1 k	0.8 k	0.5 k
5.9	7.1	4.6	11.2	DRI	0.7	0.8	0.5	1.2
5.3	10.4	5.1	4.0	ITEM Club	0.6	1.2	0.6	0.4
5.4	5.4	2.7	0.2	LBS	0.65	0.62	0.29	0.02
3.9	-2.4	-11.7	-19.1	Liverpool	0.5	-0.3	-1.2	-1.9
6.7	2.9	0.0	-4.8	NIESR	0.8	0.3	0.0	-0.5
5.0	2.8	-0.9	-5.8	WEFA	0.6	0.3	-0.1	-0.6
4.4	4.8	3.2	3.4	Independent average	1.0	0.8	0.6	0.8
10.2	10.4	10.0	12.0	Highest	3.0	2.8	2.4	2.1
0.0	-2.4	-11.7	-19.1	Lowest	0.0	-0.3	-1.2	-1.9

Sterling Index (1990 = 100)					Interest rate (Per cent)					
1998	1999	2000	2001	2002		1998	1999	2000	2001	2002
City forecasters										
-	-	-	-	-	Barclays	7.50	6.25	5.00	6.00	7.00
99.7	96.5	95.5	94.5	-	Credit Lyonnais	7.30	6.75	7.00	6.50	-
100.5	93.3	91.6	91.5	93.9	Daiwa Europe Ltd	6.90	6.80	7.20	7.20	7.20
93.0	93.0	93.0	93.0	-	Goldman Sachs	7.80 r	6.80 r	6.80 r	6.80 r	-
100.0	93.0	91.0	90.0	90.0	Lehman Brothers	7.90	7.00	6.00	5.50	5.00
96.5j	92.3j	92.2j	92.1j	92.0j	Natwest Group	7.24	5.99	5.80	6.03	5.78
-	-	-	-	-	SBC warburg	7.00	6.25	6.25	6.25	-
95.0	90.0	85.0	85.0	85.0	Schroders	7.30	6.70	6.10	6.00	6.00
106.3	106.5	-	-	-	UBS	6.90	6.50	6.30	6.50	-
101.9	96.0	90.3	84.8	80.1	Williams de Broe	7.80	7.50	7.20	7.10	7.10
Non-City forecasters										
97.5	92.8	91.8	91.6	91.2	BSL	7.50	7.50	6.80	6.40	6.40
97.8	92.4	88.8	88.8	88.8	Cambridge Econ.	7.10 s	6.30 s	5.50 s	6.00 s	6.00 s
98.4	94.6	92.4	92.0	91.1	DRI	7.42 s	7.06 s	6.75 s	6.50 s	6.49 s
101.9	97.0	91.7	90.5	89.7	ITEM Club	7.50	7.20	6.60	6.50	6.50
102.2	95.3	94.0	93.4	92.9	LBS	7.31	6.40	6.00	5.90	5.60
100.5	95.2	90.8	87.0	-	Liverpool	6.80	6.60	6.70	6.20	-
100.6	97.7	96.1	96.1	96.3	NIESR	7.50	6.50	5.50	5.50	5.50
97.8	93.2	90.7	89.3	88.6	WEFA	7.80	7.30	6.80	6.00	5.60
99.5	95.1	91.6	90.5	89.8	Independent average	7.37	6.74	6.32	6.26	6.18
106.3	106.5	96.1	96.1	96.3	Highest	7.90	7.50	7.20	7.20	7.20
93.0	90.0	85.0	84.8	80.1	Lowest	6.80	5.99	5.00	5.50	5.00

Domestic Demand (Percentage change)					Contribution of net trade to GDP growth (Per cent)					
1998	1999	2000	2001	2002		1998	2000	2002	2000	2001
City forecasters										
3.8	1.6	1.5	2.9	3.3	Barclays	-1.5	-0.2	0.4	0.0	-0.3
-	-	-	-	-	- Credit Lyonnais	-	-	-	-	-
3.0	2.7	2.0	2.6	3.0	Daiwa Europe Ltd	-1.0	-0.1	1.0	0.7	-0.2
-	-	-	-	-	Goldman Sachs	-	-	-	-	-
3.3	2.0	2.2	2.4	2.3	Lehman Brothers	-0.8	-0.5	-0.3	-0.1	0.0
2.7	1.2	2.3	3.0	2.8	Natwest Group	-	-	-	-	-
3.0	2.4	2.6	2.9	-	SBC warburg	-0.7	-0.2	-0.2	-0.2	-
3.2	1.7	1.6	2.0	2.2	Schroders	-0.9	-0.4	-0.1	0.0	0.0
2.0	-	-	-	-	UBS	-	-	-	-	-
3.7	2.8	2.7	2.1	1.8	Williams de Broe	-1.5	-1.0	-0.6	-0.1	0.1
Non-City forecasters										
3.0	1.4	1.9	2.6	2.7	BSL	-0.0	0.0	0.0	-0.0	-0.0
2.8	1.5	1.8	2.2	2.3	Cambridge Econ.	-0.5	0.1	-0.1	-0.1	0.0
2.6	1.4	1.5	3.1	2.5	DRI	-0.8	0.3	0.3	-0.2	0.3
3.2	1.9	2.1	2.4	2.8	ITEM Club	-1.0	-	0.2	-0.1	-0.5
3.4	2.1	2.1	2.1	2.4	LBS	-	-	-	-	-
4.2	3.0	2.2	2.5	-	Liverpool	-1.9	-0.1	0.9	0.3	-
2.5	2.2	2.5	1.9	1.6	NIESR	-0.6	-0.1	0.6	0.8	0.8
3.0	1.7	1.7	1.9	2.2	WEFA	-0.6	0.6	0.6	0.4	0.3
3.1	2.0	2.0	2.4	2.5	Independent average	-1.0	-0.1	0.2	0.1	0.1
4.2	3.0	2.7	3.1	3.3	Highest	-0.0	0.6	1.0	0.8	0.8
2.0	1.2	1.5	1.9	1.6	Lowest	-1.9	-1.0	-0.6	-0.2	-0.5

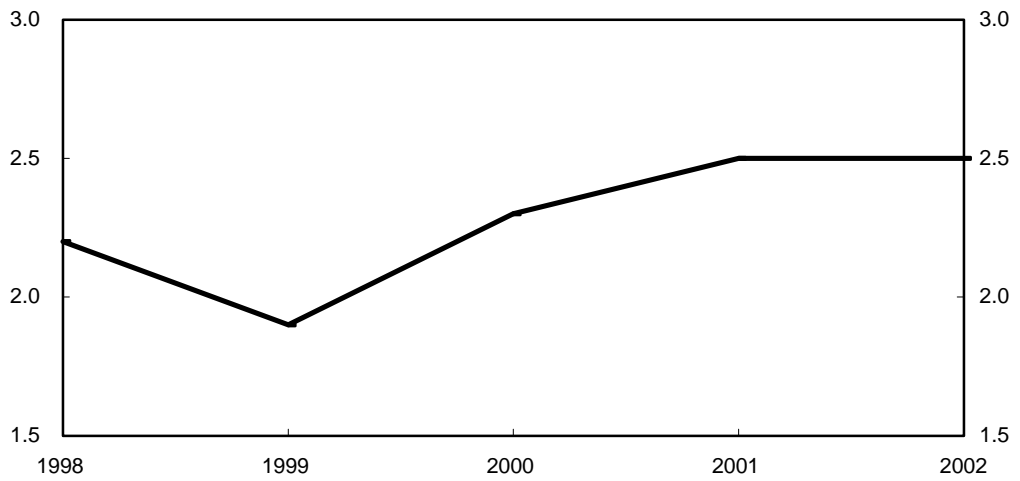
Current Account (£ billion)					Current Account (Per cent of money GDP)					
1998	1999	2000	2001	2002		1998	1999	2000	2001	2002
City forecasters										
-6.0	-7.0	-4.0	-5.0	-6.0	Barclays	-0.8	-0.9	-0.5	-0.6	-0.7
-7.4	-6.4	-6.8	-8.0	-	Credit Lyonnais	-	-	-	-	-
-4.8	-4.9	1.8	7.5	6.9	Daiwa Europe Ltd	-0.6	-0.6	0.2	0.8	0.7
-4.6	-7.7	-15.8	-17.3	-	Goldman Sachs	-0.6	-0.9	-1.7	-1.3	-
-5.0	-7.5	-9.0	-8.0	-7.0	Lehman Brothers	-0.6	-0.9	-1.1	-0.9	-0.8
-3.8	-2.8	-3.1	-3.9	-4.2	Natwest Group	0.5	0.3	0.3	0.4	0.4
-1.9	-0.9	-1.3	-2.3	-	SBC warburg	-0.2	-0.1	-0.1	-0.2	-
-11.6	-11.9	-9.9	-9.0	-8.0	Schroders	-1.4	-1.4	-1.2	-1.0	-0.9
-	-	-	-	-	UBS	-1.0	-1.0	-0.9	-0.8	-
-8.3	-17.5	-24.0	-28.3	-31.3	Williams de Broe	-1.0	-2.0	-2.6	-2.8	-3.0
Non-City forecasters										
-2.4	-3.2	1.4	2.0	1.0	BSL	-0.3	-0.4	0.2	0.2	0.1
-4.0	-5.8	-5.4	-6.5	-5.7	Cambridge Econ.	-0.5	-0.7	-0.6	-0.7	-0.6
-2.0	6.6	9.0	7.6	1.4	DRI	-0.2	0.8	1.0	0.8	0.1
-7.1	-8.8	-8.5	-9.0	-11.8	ITEM Club	-0.9	-1.0	-0.9	-1.0	-1.2
-3.0	-7.1	-3.1	-1.1	-1.1	LBS	0.4	-0.9	-0.3	-0.1	-0.1
-8.3	-9.3	-3.8	-2.6	-	Liverpool	-1.1	-1.2	-0.5	-0.3	-
-0.9	-1.8	-0.1	4.1	9.4	NIESR	-0.5	-0.8	-0.1	1.7	3.7
-8.0	-7.6	-4.5	-3.2	-2.7	WEFA	-1.0	-0.9	-0.5	-0.3	-0.3
-5.2	-6.1	-5.1	-4.9	-4.5	Independent average	-0.6	-0.7	-0.5	-0.4	-0.2
-0.9	6.6	9.0	7.6	9.4	Highest	0.5	0.8	1.0	1.7	3.7
-11.6	-17.5	-24.0	-28.3	-31.3	Lowest	-1.4	-2.0	-2.6	-2.8	-3.0

Claimant unemployment (million)					GDP deflator (Percentage change)				
1998	1999	2000	2001	2002		1998-99	1999-00	2000-01	2001-02
City forecasters									
1.40	1.50	1.75	1.75	1.60	Barclays	-	-	-	-
1.33	1.35	1.34	1.30	-	Credit Lyonnais	2.4	2.8	-	-
1.30	1.20	1.00	0.90	0.90	Daiwa Europe Ltd	2.6	2.2	3.0	2.8
1.37	1.46	1.56	1.61	-	Goldman Sachs	2.5 k	3.0 k	2.5 k	2.5 k
1.30	1.40	1.50	1.50	1.50	Lehman Brothers	-	-	-	-
1.38	1.40	1.39	1.35	1.30	Natwest Group	-	-	-	-
1.30	1.20	1.10	0.90	-	SBC warburg	2.3	2.5	2.6	2.7
1.32	1.31	1.32	1.34	1.34	Schroders	3.7	3.1	2.8	2.5
1.50	1.50	1.40	1.40	-	UBS	-	-	-	-
1.39	1.50	1.59	1.60	1.58	Williams de Broe	2.4	3.1	4.2	4.8
Non-City forecasters									
1.32	1.44	1.59	1.62	1.62	BSL	2.8	3.7	3.3	2.8
1.50	1.60	1.70	1.60	1.60	Cambridge Econ.	2.5 k	2.8 k	2.5 k	2.7
1.27	1.38	1.64	1.73	1.68	DRI	1.5	2.4	1.9	2.8
1.28	1.21	1.24	1.30	1.35	ITEM Club	2.1	2.2	2.3	2.4
1.35	1.28	1.25	1.25	1.25	LBS	3.0	2.4	3.7	3.2
1.29	1.08	0.91	0.75	-	Liverpool	-	-	-	-
1.40	1.30	1.30	1.20	1.20	NIESR	2.4 k	2.2 k	1.9 k	2.4 k
1.36	1.32	1.30	1.29	1.22	WEFA	2.3	3.0	2.9	2.6
1.35	1.36	1.38	1.35	1.40	Independent average	2.5	2.7	2.8	2.9
1.50	1.60	1.75	1.75	1.68	Highest	3.7	3.7	4.2	4.8
1.27	1.08	0.91	0.75	0.90	Lowest	1.5	2.2	1.9	2.4

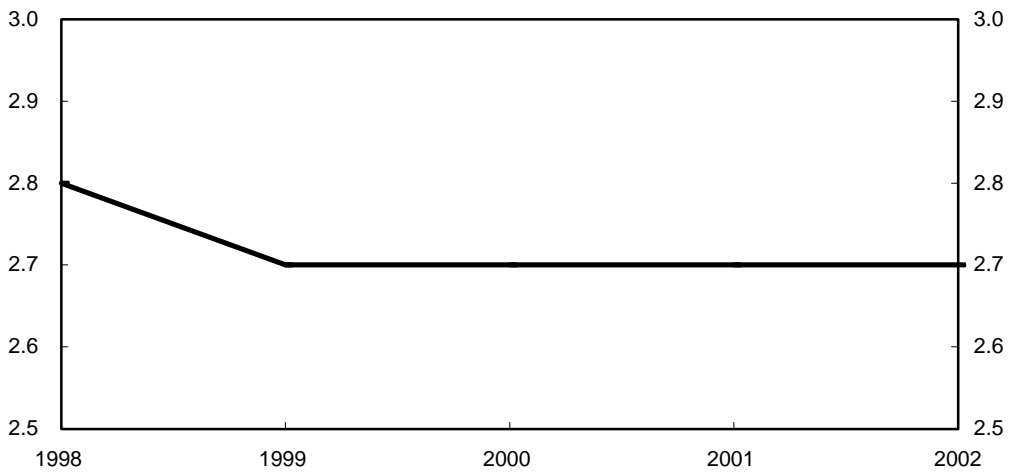
Medium-term projections

Independent average February 1998

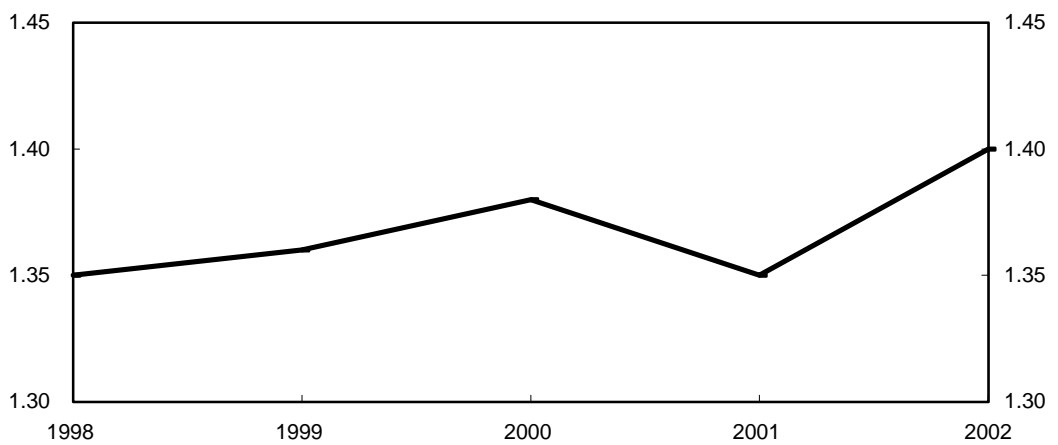
GDP growth
(per cent)



Retail price inflation
exc MIPs
(per cent)



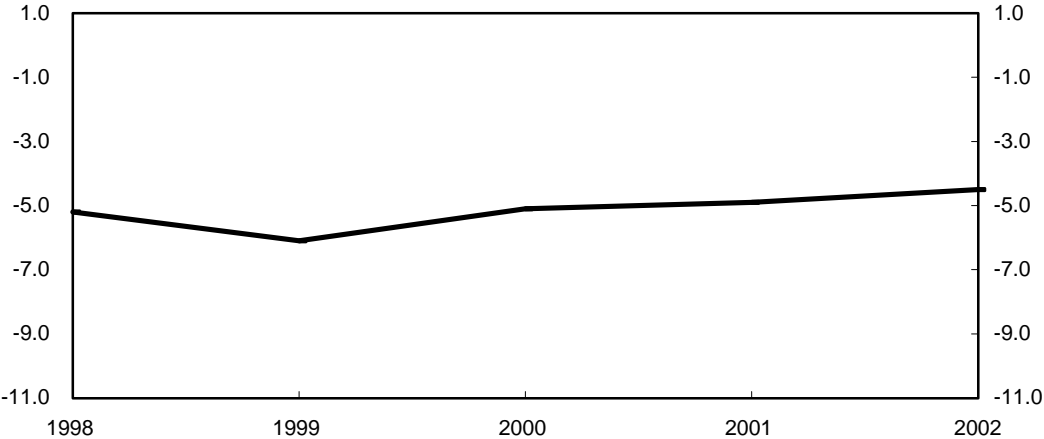
Claimant unemployment
(millions)



Medium-term projections

Independent average February 1998

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 Capital
BSL:	Business Strategies Ltd
CE:	Cambridge Econometrics
C:	Charterhouse
CM:	Chase Manhattan
CBI:	Confederation of British Industry
CEBR:	Centre for Economics and Business Research Ltd
CL:	Credit Lyonnais
CSFB:	Credit Suisse First Boston
Dw:	Daiwa Europe Ltd/DIR
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:

- a: consumers' expenditure deflator
- b: underlying consumers' expenditure deflator
- c: non-durable consumption
- d: current and capital expenditure, including stockbuilding
- e: private sector investment, stockbuilding and durable consumption
- f: investment and stockbuilding combined
- g: as a percentage of GDP
- h: contribution to GDP growth - per cent
- i: hourly rate
- j: end period
- k: calendar year
- m: non-oil trade
- n: wages and salaries divided by employees in employment
- o: consumer price deflator to Q4
- p: calculated from general government financial deficit figures adjusted for privatisation proceeds
- q: forecast growth rates for Q4
- r: various definitions; refer to forecasters for details
- s: base rate (remainder are 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

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