

HM Treasury

FORECASTS FOR THE UK ECONOMY

A comparison of independent forecasts

Compiled by
Economic Assessment Team

No. 155
March 2000

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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Forecasts for the UK Economy are compiled and coordinated by Ruby Islam (0171 270 5403).

Please direct enquiries on the contents of this issue to Alice Kaphan (0171 270 5404).

The next edition will be published on 19 April 2000. It will also be made available at the Treasury's internet site: <http://www.hm-treasury.gov.uk>.

CORRIGENDUM

FORECASTS FOR THE UK ECONOMY: A COMPARISON OF INDEPENDENT FORECASTS,
February 2000

The RPI excluding MIPS and 3 month interbank interest rate supplied by the Liverpool Macroeconomic Research group, last month, contained errors: the forecast for RPI excl MIPS should have been 2.2% (not 3.3%) and the forecast for the interest rate should have been 6.3% (not 5.80%). These mistakes came to light after the latest (February) edition of the comparison had been printed. It means a number of the averages and ranges as printed in the February edition are incorrect. The correct figures are detailed below.

Variable	Forecast for	Average	Range		Average of new* forecasts
			Lowest	Highest	
RPI ex MIPS	February 2000	2.1	1.7	3.0	2.1
3 month interbank rate	February 2000	6.50	5.60	7.20	6.49

* based on new forecasts received for the Comparison in the indicated month

FORECASTS FOR THE UK ECONOMY

A comparison of independent forecasts, March 2000

This edition of the comparison contains 27 new forecasts. The tables below summarise the average and range of independent forecasts for 2000 and 2001 and show the average of this month's new forecasts.

Forecasts for 2000

	Independent [†]				Average of new* forecasts
	Averages		March range		
	March	February	Lowest	Highest	
GDP growth (per cent)	3.1	3.1	2.0	3.7	3.1
Inflation rate (Q4: per cent)					
- RPI	2.9	3.0	1.7	4.3	2.8
- RPI exc MIPs	2.1	2.1	1.3	2.8	2.0
Claimant unemployment (Q4: mn)	1.08	1.09	0.97	1.35	1.06
Current account (£bn)	-15.6	-14.3	-28.0	-9.3	-17.1
PSNB** (2000-01: £bn)	-7.5	-6.4	-15.2	0.0	-8.6

Forecasts for 2001

	Independent [†]				Average of new* forecasts
	Averages		March range		
	March	February	Lowest	Highest	
GDP growth (per cent)	2.6	2.6	1.6	3.8	2.6
Inflation rate (Q4: per cent)					
- RPI	2.3	2.3	1.3	3.1	2.3
- RPI exc MIPs	2.4	2.4	1.5	2.8	2.3
Claimant unemployment (Q4: mn)	1.05	1.07	0.78	1.25	1.03
Current account (£bn)	-16.4	-15.0	-39.0	-5.0	-17.9
PSNB** (2001-02 : £bn)	-6.1	-4.9	-19.1	0.0	-7.5

[†]Independent and City averages, and the range of forecasts, are based on forecasts made in the last three months (March 27 Institutions, February 8 Institutions, January 6 Institutions,).

*Based on new forecasts received for the comparison this month

**PSNB: Public Sector Net Borrowing.

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

2000
GDP & its components, at constant prices

March 2000

Table 1

Percentage changes on a year earlier unless stated otherwise

Forecasters & date of forecasts		2000				Change in Inventories (£bn)	Domestic demand	Exports (goods & services)	Imports
		GDP	Private Consumption	Government expenditure	Fixed Investment				
City forecasters									
Abn Amro	Jan	3.2	4.0	2.9	4.0	2.0	4.2	8.5	10.6
Barclays Bank	Mar*	3.0	3.4	2.8	0.0	0.8	2.7	6.0	5.4
Barclays Capital	Mar*	3.0	3.2	2.8	2.7	2.0	3.6	6.1	7.3
Charterhouse	Mar*	3.4	3.6	2.7	3.5	1.0	3.8	6.5	6.4
Chase Manhattan	Mar*	2.6	3.3	4.0	5.7	2.6	4.3	3.3	8.2
Credit Lyonnais	Mar*	2.8	3.3	2.9	4.2	-0.3	3.6	4.7	6.5
Credit Suisse First Boston	Feb	2.8	3.0	2.0	3.7	0.0	3.0	6.2	6.5
Daiwa Institute of Research	Feb	3.2	3.7	2.9	2.6	3.7	3.7	5.0	6.4
Deutsche Bank	Mar*	3.3	4.2	3.0	5.1	4.9	4.7	6.4	10.0
Dresdner Kleinwort Benson	Mar*	3.0	3.5	2.8	3.0	1.1	3.5	4.8	6.0
Economic Perspectives	Mar*	2.0	3.8	3.0	-1.5	2.0	2.9	0.8	3.7
Goldman Sachs	Mar*	3.0	3.8	3.1	5.1	-	4.3	5.3	8.7
Greenwich Natwest	Mar*	3.1	3.3	3.0	3.5	3.0	3.8	4.5	6.5
Hermes	Mar*	3.2	3.7	2.9	2.7	3.8	3.7	4.8	6.2
HSBC Econ & Strategy	Feb*	3.0	4.0	3.0	1.0	2.7	3.5	7.5	8.5
J P Morgan	Feb	3.2	3.7	4.4	1.7	1.4	3.7	6.8	7.9
Lehman Brothers	Mar*	3.4	3.8	2.6	4.5	0.3	3.8	7.5	8.1
Lombard St	Mar*	3.1	3.3	2.8	5.0	1.5	3.7	4.5	6.0
Merrill Lynch	Feb	3.2	3.4	3.0	3.5	-	-	6.0	7.0
Morgan Stanley	Mar*	3.4	4.0	3.5	4.0	2.9	4.4	7.7	9.2
Natwest Group	Mar*	3.0	3.0	3.1	3.8	2.3	3.6	4.7	6.2
Salomon S Barney/Citibank	Mar*	3.6	3.7	3.6	7.3	-0.3	4.6	7.6	10.0
Schroders	Mar*	3.6	3.6	2.9	4.5	-	3.9	10.4	10.3
S.G.	Jan	3.0	2.6	3.3	2.2	1.4	2.8	6.6	5.8
Standard Chartered	Mar*	3.4	3.8	3.5	6.0	2.0	4.5	3.8	6.8
Warburg Dillon Read	Feb*	3.0	3.3	2.6	2.4	-	2.7	7.2	5.9
WestLB Panmure	Mar*	3.7	4.0	2.5	5.8	-1.9	3.9	7.3	7.4
Williams de Broe	Mar*	3.0	3.6	3.2	1.9	3.2	3.9	4.8	7.1
Non-City forecasters									
BSL	Mar*	3.2	3.6	3.2	2.1	2.6	3.7	7.0	7.7
Cambridge Econ	Dec	3.1	3.3	2.6	3.2	1.1	3.5	6.5	7.2
CBI	Feb*	3.1	3.5	2.8	2.7	1.4	3.3	5.0	5.6
CEBR	Jan	2.6	3.2	3.0	4.7	-1.2	3.5	3.3	5.2
DRI	Jan	2.9	3.1	4.0	4.1	1.6	3.9	4.7	6.9
EIU	Jan	2.9	3.5	2.1	1.5	1.6	3.0	5.9	5.6
Henley	Mar*	2.8	2.9	3.0	2.2	2.9	3.1	6.1	6.3
ITEM Club	Feb	3.5	3.8	3.9	4.4	0.3	4.1	6.1	7.6
Liverpool Mecro Research	Mar*	2.9	0.9	3.5	3.4	-	-	-	-
NIESR	Jan	3.1	3.5	4.6	3.3	1.2	3.8	6.5	7.9
OEF	Mar*	3.3	3.7	2.9	3.2	0.9	3.8	5.0	6.3
Primark WEF A	Dec	3.0	3.0	2.4	0.9	1.1	2.9	7.3	6.1
EC	Dec	3.4	3.7	2.2	6.0	1.0	4.1	7.2	8.7
OECD	Dec	2.7	2.6	2.6	3.0	-	2.9	4.0	4.3
IMF	Sep	2.2	2.0	2.8	3.3	-	2.4	4.1	4.6
Average of Forecasts made in last 3 months									
Independent		3.1	3.5	3.1	3.4	1.6	3.7	5.8	7.1
New (marked *)		3.1	3.4	3.0	3.6	1.7	3.8	5.5	7.1
City		3.1	3.6	3.0	3.5	1.8	3.7	5.9	7.3
Range of Forecasts made in last 3 months									
Highest		3.7	4.2	4.6	7.3	4.9	4.7	10.4	10.6
Lowest		2.0	0.9	2.0	-1.5	-1.9	2.7	0.8	3.7
HM Treasury	Nov	2½-3	2½ - 2¾	3	2¼-2½	¼	2¾-3	6½-6¾	6-6½

2000

March 2000

Table 2

Inflation and monetary indicators

Percentage changes on a year earlier unless stated otherwise

Forecasters & date of forecasts		RPI (Q4)	RPI exc MIPs (Q4)	Average earning	Sterling index(Q4)	3- month interest rate(Q4,%)	Oil price \$	M0 (2000-1)	M4
City forecasters									
Abn Amro	Jan	2.5	1.7	5.0	1098	6.10	19.0	2.7	5.8
Barclays Bank	Mar*	3.4	2.1	4.7	-	6.50	21.0	4.0	4.0
Barclays Capital	Mar*	2.8	1.8	5.2	-	6.33	-	-	-
Charterhouse	Mar*	3.9	2.8	5.3	1043	7.15	-	8.8	8.2
Chase Manhattan	Mar*	1.7	1.5	5.4	1082	6.50	23.0	-	-
Credit Lyonnais	Mar*	2.5	1.8	5.0	1030	6.00	22.0	-	-
Credit Suisse First Boston	Feb	2.5	2.0	4.5	-	6.25	-	6.0	6.0
Daiwa Institute of Research	Feb	3.6	2.1	5.3	1029	6.50	-	-	-
Deutsche Bank	Mar*	3.0	2.0	5.6	1030	6.60	-	7.8	6.5
Dresdner Kleinwort Benson	Mar*	3.3	2.1	4.5	1060	6.50	-	-	-
Economic Perspectives	Mar*	2.3	1.6	4.2	1060	5.75	23.3	5.5	4.5
Goldman Sachs	Mar*	2.9	2.0	4.5	960	6.50	24.0	5.0 jk	107 jk
Greenwich Natwest	Mar*	2.9	2.2	4.9	1048	6.25	23.0	-	-
Hermes	Mar*	3.2	2.0	4.9	1059	6.50	-	-	-
HSBC Econ & Strategy	Feb*	3.3	2.0	5.0	1054	6.20	20.0	6.0	7.0
J P Morgan	Feb	-	2.4	-	-	7.05	-	-	-
Lehman Brothers	Mar*	3.3	1.9	5.8	1041	7.20	23.6	7.4	6.2
Lombard St	Mar*	2.4	2.2	4.8	1050	6.75	27.0	-	6.5
Merrill Lynch	Feb	2.9	2.1	5.0	-	6.30	-	-	6.0
Morgan Stanley	Mar*	3.6	2.7	5.0	1050	6.90	-	-	4.9
Natwest Group	Mar*	3.1	2.4	5.2	1040	6.80	22.0	7.1	5.5
Salomon S Barney /Citibank	Mar*	-	-	4.8	1060	7.20	24.0	-	-
Schroders	Mar*	2.2	1.3	4.8	-	6.50	-	-	-
S.G.	Jan	-	1.8	5.0	101.0	6.90	20.0	100	7.0
Standard Chartered	Mar*	2.5	2.2	4.2	97.0	6.50	23.0	13.0	7.0
Warburg Dillon Read	Feb*	2.2	1.8	4.8	-	-	20.5	6.6	6.9
WestLB Panmure	Mar*	2.4	2.2	5.1	115.3	6.80	-	5.3	7.0
Williams de Broe	Mar*	2.8	1.9	4.8	106.4	6.70	23.8	5.3	8.9
Non-City forecasters									
BSL	Mar*	3.0	2.1	4.8	106.0	6.00	21.7	-	-
Cambridge Econ	Dec	3.1 r	2.4 r	4.8	106.3 r	6.10 ks	19.0	-	-
CBI	Feb*	2.6	2.2	4.9	106.0	6.25 s	23.3	-	-
CEBR	Jan	2.6	2.3	5.0	107.0	7.00 s	22.7	-	-
DRI	Jan	2.1	2.1	4.6	100.6	6.20	19.9	3.8	107
EIU	Jan	2.8	2.1	4.6	103.9	6.25	20.0	-	-
Henley	Mar*	2.9	2.1	5.1	-	6.60	-	-	-
ITEM Club	Feb	3.1	2.2	5.3	106.0	6.50	25.0	4.0 k	5.5 k
Liverpool Macro Research Group	Mar*	-	2.2	3.6	105.1	6.40	-	-	-
NIESR	Jan	4.3	2.2	5.0	106.1	6.50	20.9	6.7	9.1
OEF	Mar*	3.4	2.1	5.3	108.5	6.50	23.7	6.2	10.9
Primark WEFA	Dec	2.9	2.2	4.6	-	6.50	20.6	-	-
EC	Dec	-	2.1	4.8	103.1	-	21.5	-	-
OECD	Dec	-	-	5.1	-	6.40	-	-	-
IMF	Sep	-	-	4.1 i	-	-	-	-	-
Average of Forecasts made in last 3 months									
Independent		2.9	2.1	4.9	104.9	6.52	22.4	6.5	6.9
New (marked *)		2.8	2.0	4.9	105.0	6.54	23.2	7.0	6.8
City		2.8	2.0	4.9	104.7	6.56	22.5	6.8	6.3
Range of Forecasts made in last 3 months									
Highest		4.3	2.8	5.8	115.3	7.20	27.0	13.0	10.9
Lowest		1.7	1.3	3.6	96.0	5.75	19.0	2.7	4.0
HMT Treasury	Nov	-	2½	-	-	-	-	-	-

2000

March 2000

Table 3

Other variables

Percentage changes on a year earlier unless stated otherwise

Forecasters & dates of forecasts		RHDI	Employment	Claimant unemp. (Q4-mns)	Industrial production	Manuf'g output	World Trade	Current account (£bn)	PSNB (£bn 00-01)
City forecasters									
Abn Amro	Jan	3.9	1.4	1.20	2.6	2.5	7.5	-13.6	-8.2
Barclays Bank	Mar*	2.6	0.5	1.10	-	2.0	-	-10.0	-10.0
Barclays Capital	Mar*	3.6	0.6	1.10	3.5	3.5	-	-14.7	-7.0 cc
Charterhouse	Mar*	3.5	1.4	0.97	2.7	2.8	-	-18.3	-19.6
Chase Manhattan	Mar*	5.0	-0.4	1.10	-	-	6.9	-28.0	-10.0
Credit Lyonnais	Mar*	-	-	1.00	1.6	1.8	6.0	-14.5	-5.5
Credit Suisse First Boston	Feb	3.0	0.3	1.00	2.5	2.5	-	-12.0	0.0
Daiwa Institute of Research	Feb	3.1	0.3	1.10	-	-	-	-13.2	-
Deutsche Bank	Mar*	3.6	-	1.04	2.8	2.9	-	-19.2	-7.7
Dresdner Kleinwort Benson	Mar*	2.6	1.2	1.00	2.8	2.9	-	-20.6	-9.2
Economic Perspectives	Mar*	2.4	0.2	1.15	1.5	2.0	5.5	-17.0	-5.0
Goldman Sachs	Mar*	3.4	0.7	1.11	2.4	2.5	-	-23.2	-11.1
Greenwich Natwest	Mar*	3.6	1.1	1.64 aa	2.8	2.9	4.7	-13.2	-4.0
Hermes	Mar*	3.4	0.9	1.11	-	2.4	-	-12.6	-9.3
HSBC Econ & Strategy	Feb*	4.0	0.9	1.04	2.5	2.5	6.6	-15.0	-10.0
J P Morgan	Feb	-	-	1.00	-	2.4	-	-12.6	-3.0
Lehman Brothers	Mar*	3.0	1.5	1.04	3.1	3.5	8.5	-21.5	-12.2
Lombard St	Mar*	3.3	1.0	1.00	-	-	-	-17.9	0.0 cc
Merrill Lynch	Feb	-	-	1.00	-	2.9	-	-14.0	-4.0
Morgan Stanley	Mar*	4.4	1.7	1.00	2.8	2.9	-	-15.0	-6.0 cc
Natwest Group	Mar*	3.2	0.8	1.11	3.0	3.0	6.0	-13.1	-7.5
Salomon S Barney /Citibank	Mar*	2.0	0.9	0.97	2.4	2.5	-	-26.4	-11.1
Schroders	Mar*	5.1	0.4	-	2.8	3.0	-	-	-
S.G.	Jan	2.9	0.7	1.12	1.5	1.5	6.0	-12.0	-6.0
Standard Chartered	Mar*	-	1.2	1.00	2.8	2.5	-	-15.0	-4.0
Warburg Dillon Read	Feb*	-	1.0	1.10	2.3	2.5	-	-10.0	-6.0
WestLB Panmure	Mar*	3.5	1.8	1.00	2.6	2.7	-	-11.0	-7.00
Williams de Broe	Mar*	-	1.0	1.10	3.0	3.1	8.6	-20.2	-10.3
Non-City forecasters									
BSL	Mar*	4.9	0.5	1.09	2.3	2.6	7.1	-17.0	-4.7
Cambridge Econ	Dec	3.4	0.9	1.20 r	3.0	3.7	3.0 r	-11.8	-2.9 kcc
CBI	Feb*	3.3	0.5	1.12	3.1	2.6	6.7	-15.7	-5.3
CEBR	Jan	5.2	2.2	1.10	-	2.3	-	-16.8	-8.2 cc
DRI	Jan	4.2	0.8	1.35	2.4	2.9	6.5	-12.7	-8.5
EIU	Jan	4.5	0.5	1.06	2.1	1.9	6.7	-9.3	27.4 eek
Henley	Mar*	3.5	0.9	1.10	-	2.9	-	-12.6	-
ITEM Club	Feb	3.5	0.5	1.21	3.2	3.1	8.5	-13.7	-5.0
Liverpool Macro Research	Mar*	-	-	1.07	-	-	-	-15.1	-13.7 cc
NIESR	Jan	4.4	0.8	1.19	-	2.4	8.1	-14.9	-5.3
OEF	Mar*	3.2	0.3	1.10	1.9	2.4	8.0	-16.4	-9.0
Primark WEFA	Dec	2.8	0.5	1.21	3.2	3.0	8.8	-10.0	-3.5 cc
EC	Dec	3.3	1.4	5.50 aa	3.6	3.5	6.3	-11.9	-
OECD	Dec	-	-	-	-	-	-	-22.0	-
IMF	Sep	-	-0.3	5.10 x	-	-	-	-	-
Average of Forecasts made in last 3 months									
Independent		3.6	0.9	1.08	2.6	2.6	6.9	-15.6	-7.5
New (marked *)		3.4	0.8	1.06	2.6	2.7	6.8	-17.1	-8.6
City		3.4	0.9	1.06	2.6	2.6	6.6	-16.1	-7.9
Range of Forecasts made in last 3 months									
Highest		5.2	2.2	1.35	3.5	3.5	8.6	-9.3	0.0
Lowest		2.0	-0.4	0.97	1.5	1.5	4.7	-28.0	-19.6
HM Treasury	Nov	3-3½	-	-	-	1½-2	6½	-10¼	-3.0

Forecasters & date of forecasts	2001					March 2000		Table 4	
	GDP & its components, at constant prices					Change in Inventories (£bn)	Domestic demand	Exports (goods & services)	Imports
	GDP	Private Consumption	Government expenditure	Fixed investment	Percentage changes on a year earlier unless stated otherwise				
City forecasters									
Abn Amro	Jan	2.4	2.6	2.8	4.5	1.6	2.9	6.4	7.2
Barclays Bank	Mar*	2.0	1.7	2.2	0.0	2.0	1.7	6.8	5.3
Barclays Capital	Mar*	2.7	2.5	2.8	3.3	2.0	2.7	4.5	4.3
Charterhouse	Mar*	2.4	1.8	2.3	3.1	1.2	2.2	5.5	4.7
Chase Manhattan	Mar*	2.7	2.7	4.0	5.4	3.6	3.6	7.5	9.1
Credit Lyonnais	Mar*	2.5	2.6	3.0	4.5	1.2	3.2	4.7	6.1
Credit Suisse First Boston	Feb	2.5	2.8	2.1	5.3	0.8	3.2	4.5	6.1
Daiwa Institute of Research	Feb	2.6	2.3	2.5	3.0	2.0	2.3	6.8	5.4
Deutsche Bank	Mar*	3.0	3.1	3.3	3.9	2.7	3.0	5.7	5.5
Dresdner Kleinwort Benson	Mar*	2.9	2.9	3.2	2.5	2.0	2.7	6.7	5.9
Economic Perspectives	Mar*	1.6	3.0	2.8	-3.5	2.0	1.8	2.0	3.0
Goldman Sachs	Mar*	2.4	2.7	2.8	5.2	-	3.2	5.4	7.0
Greenwich Natwest	Mar*	2.3	2.5	3.0	2.2	3.0	2.5	4.5	4.7
Hermes	Mar*	2.7	2.6	2.4	3.3	3.9	2.7	5.4	5.1
HSBC Econ & Strategy	Feb*	2.0	2.5	3.0	1.5	3.8	2.5	2.5	4.0
J P Morgan	Feb	2.7	2.9	3.1	2.5	2.7	3.0	3.1	4.0
Lehman Brothers	Mar*	2.8	3.3	3.0	2.9	-0.8	2.9	7.1	6.8
Lombard St	Mar*	2.4	2.4	2.4	2.5	2.4	2.5	5.0	5.0
Merrill Lynch	Feb	2.5	2.5	3.0	3.0	-	-	5.0	5.0
Morgan Stanley	Mar*	3.1	3.5	4.0	5.3	2.5	3.8	6.8	7.9
Natwest Group	Mar*	2.4	2.1	3.2	2.8	2.4	2.4	5.1	4.4
Salomon S Barney/Citibank	Mar*	2.9	3.2	2.1	6.2	1.1	3.7	7.0	8.6
Schroders	Mar*	3.2	3.5	4.1	8.7	-	4.5	8.2	11.2
S.G.	Jan	2.5	2.2	2.4	3.3	2.0	2.5	6.5	5.7
Standard Chartered	Mar*	2.9	3.0	4.0	5.0	2.3	3.1	4.2	5.0
Warburg Dillon Read	Feb*	2.7	2.9	2.0	2.9	-	2.7	4.8	4.8
WestLB Panmure	Mar*	3.8	3.6	2.4	7.1	-1.9	4.0	6.4	6.3
Williams de Broe	Mar*	2.3	2.7	3.2	3.4	2.0	2.7	3.8	4.8
Non-City forecasters									
BSL	Mar*	2.3	2.6	2.8	3.3	1.9	2.7	6.8	7.2
Cambridge Econ	Dec	2.5	2.4	2.2	3.1	1.3	2.5	3.1	3.1
CBI	Feb*	2.6	2.4	2.5	3.1	3.0	2.7	4.3	4.5
CEBR	Jan	3.0	3.1	3.0	5.7	2.3	4.0	3.0	6.1
DRI	Jan	3.1	3.4	2.9	3.3	1.9	3.3	7.1	7.1
EIU	Jan	2.1	2.3	1.9	3.0	2.2	2.4	5.7	6.0
Henley	Mar*	3.1	2.9	2.4	3.3	3.9	3.0	5.4	4.8
ITEM Club	Feb	2.5	2.8	5.1	3.5	0.1	3.4	5.3	7.5
Liverpool Macro Research	Mar*	2.9	0.9	1.8	6.2	-	-	-	-
NIESR	Jan	2.2	2.7	2.4	3.5	1.1	2.8	4.7	5.7
OEF	Mar*	2.6	2.5	2.4	2.9	0.9	2.6	6.5	5.7
Primark WEFA	Dec	2.6	2.2	2.5	3.4	1.2	2.5	5.5	4.9
EC	Dec	-	-	-	-	-	-	-	-
OECD	Dec	2.3	2.2	2.2	2.6	-	2.3	4.8	4.5
IMF	Sep	-	-	-	-	-	-	-	-
Average of Forecasts made in last 3 months									
Independent		2.6	2.7	2.9	3.6	1.9	2.9	5.4	5.9
New (marked*)		2.6	2.6	2.8	3.6	1.9	2.9	5.6	5.9
City		2.6	2.7	2.9	3.6	1.9	2.9	5.4	5.8
Range of Forecasts made in last 3 months									
Highest		3.8	3.6	5.1	8.7	3.9	4.5	8.2	11.2
Lowest		1.6	0.9	1.8	-3.5	-1.9	1.7	2.0	3.0
HM Treasury	Nov		2¼-2¾	2.0	2½-3	0-¼	2¼-2½	5-5½	4½-5

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Table 5

Inflation and monetary indicators

Percentage changes on a year earlier unless stated otherwise

Forecasters & date of forecasts		RPI (Q4)	RPI exc MIPs (Q4)	Average earnings	Sterling index(Q4)	3-month interest rate(Q4,%)	Oil price(\$)	M0 (2001-2002)	M4
City forecasters									
Abn Amro	Jan	2.6	2.5	5.0	110.5	5.95	17.0	4.8	4.6
Barclays Bank	Mar*	2.0	2.5	4.0	-	6.00	18.0	5.0	5.0
Barclays Capital	Mar*	1.5	2.2	4.5	-	5.50	-	-	-
Charterhouse	Mar*	2.7	2.7	5.1	100.7	6.78	-	7.1	7.9
Chase Manhattan	Mar*	3.1	2.6	4.9	107.1	8.00	23.0	-	-
Credit Lyonnais	Mar*	2.1	2.2	4.5	98.0	5.50	21.0	-	-
Credit Suisse First Boston	Feb	2.3	2.0	4.5	-	6.25	-	6.0	6.0
Daiwa Institute of Research	Feb	2.2	2.1	4.6	98.3	6.25	-	-	-
Deutsche Bank	Mar*	2.4	2.5	4.0	102.0	6.25	-	6.9	5.0
Dresdner Kleinwort Benson	Mar*	2.0	2.3	4.4	103.7	6.00	-	-	-
Economic Perspectives	Mar*	1.6	1.5	4.0	100.0	5.00	19.0	4.5	5.0
Goldman Sachs	Mar*	2.9	2.5	4.5	96.0	6.10	21.5	5.5 jk	10.8 jk
Greenwich Natwest	Mar*	2.5	2.5	4.5	100.7	6.08	20.0	-	-
Hermes	Mar*	2.3	2.2	4.7	101.8	6.00	-	-	-
HSBC Econ & Strategy	Feb*	1.3	2.3	4.6	105.4	5.20	17.0	5.5	5.0
J P Morgan	Feb	-	2.5	-	-	7.20	-	-	-
Lehman Brothers	Mar*	2.1	2.7	5.2	110.6	6.09	20.0	4.1	9.8
Lombard St	Mar*	2.6	2.7	5.2	100.0	6.50	27.0	-	6.2
Merrill Lynch	Feb	2.7	2.5	5.0	-	5.80	-	-	5.5
Morgan Stanley	Mar*	2.3	2.7	4.8	100.5	6.90	-	-	6.8
Natwest Group	Mar*	2.0	2.3	4.3	99.6	6.00	19.0	6.5	6.4
Salomon S Barney /Citibank	Mar*	-	-	5.2	104.0	7.70	24.0	-	-
Schroders	Mar*	2.6	2.6	3.6	-	6.50	-	-	-
S.G.	Jan	-	2.0	5.0	98.0	5.50	19.0	8.5	8.0
Standard Chartered	Mar*	2.7	1.9	3.8	92.0	6.00	20.0	9.0	5.0
Warburg Dillon Read	Feb*	1.5	2.0	4.5	-	-	18.0	6.0	7.5
WestLB Panmure	Mar*	2.5	2.3	4.9	114.0	6.80	-	6.0	6.8
Williams de Broe	Mar*	1.9	2.0	4.7	105.3	6.40	23.5	3.4	8.7
Non-City forecasters									
BSL	Mar*	2.2	2.5	3.7	104.0	5.25	18.4	-	-
Cambridge Econ	Dec	2.5 r	2.5 r	4.4	104.8 r	5.60 ks	19.6	-	-
CBI	Feb*	2.3	2.4	4.8	102.0	5.75 s	20.0	-	-
CEBR	Jan	2.7	2.5	5.3	103.0	7.90 s	23.3	-	-
DRI	Jan	3.0	2.8	4.9	98.7	6.13	18.5	3.2	7.5
EIU	Jan	2.4	2.5	4.5	103.5	5.75	17.8	-	-
Henley	Mar*	2.2	2.3	5.0	-	6.00	-	-	-
ITEM Club	Feb	2.4	2.3	2.4	99.0	6.3	25.0	4.1 k	7.2 k
Liverpool Mecro Research	Mar*	-	2.5	4.6	104.6	5.9	-	-	-
NIESR	Jan	2.8	2.3	4.9	104.1	6.50	21.3	6.1	10.3
OEF	Mar*	2.4	2.1	4.8	103.4	6.50	20.3	7.3	10.1
Primark WEFA	Dec	1.2	2.5	4.5	-	5.75	20.6	-	-
EC	Dec	-	-	-	-	-	-	-	-
OECD	Dec	-	-	5.4	-	6.80	-	-	-
IMF	Sep	-	-	-	-	-	-	-	-
Average of Forecasts made in last 3 months									
Independent		2.3	2.4	4.6	102.4	6.19	20.5	5.8	6.9
New (marked *)		2.3	2.3	4.5	102.5	6.21	21.0	6.0	6.9
City		2.3	2.3	4.6	102.3	6.23	20.4	6.0	6.4
Range of Forecasts made in last 3 months									
Highest		3.1	2.8	5.3	114.0	8.00	27.0	9.0	10.3
Lowest		1.3	1.5	2.4	92.0	5.00	17.0	3.2	4.6
HMT Treasury	Nov	-	2½	-	-	-	-	-	-

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Table 6

Other variables

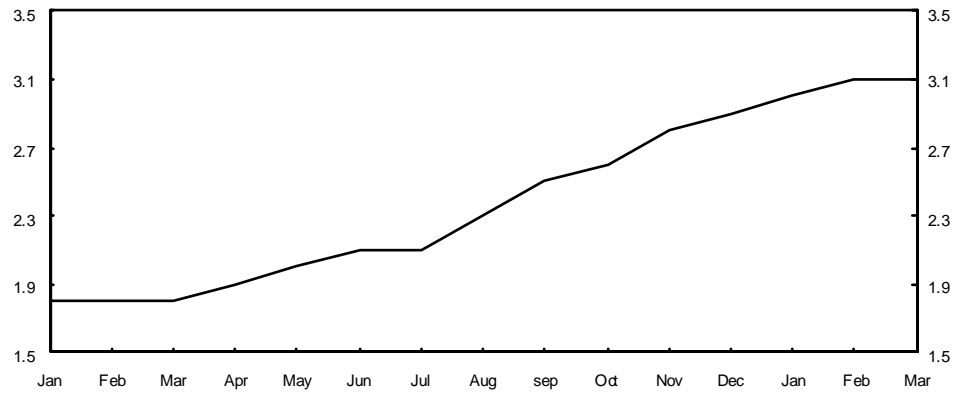
Percentage changes on a year earlier unless stated otherwise

Forecaster s & dates of forecasts		RHDI	Employment	Claimant unemp. (Q4-mns)	Industrial production	Manuf'g output	World Trade	Current account (£ bn)	PSNB (£bn 01-02)
City forecasters									
Abn Amro	Jan	2.7	0.8	1.20	1.5	1.5	7.0	-13.4	-2.6
Barclays Bank	Mar*	2.2	0.0	1.20	-	2.0	-	-5.0	-8.0
Barclays Capital	Mar*	2.4	0.1	1.10	2.9	2.9	-	-15.6	-9.0 cc
Charterhouse	Mar*	2.1	-0.3	1.11	2.0	2.1	-	-20.6	-19.1
Chase Manhattan	Mar*	5.5	0.6	0.90	-	-	8.7	-39.0	-10.0
Credit Lyonnais	Mar*	-	-	0.90	1.8	1.4	5.5	-15.2	-2.0
Credit Suisse First Boston	Feb	3.0	0.1	0.90	2.5	2.5	-	-12.0	0.0
Daiwa Institute of Research	Feb	2.9	0.2	1.10	-	-	-	-10.2	-
Deutsche Bank	Mar*	3.2	-	0.98	2.5	2.6	-	-22.1	-6.8
Dresdner Kleinwort Benson	Mar*	2.5	1.1	0.81	2.6	2.6	-	-19.7	-7.0
Economic Perspectives	Mar*	2.2	0.3	1.15	2.2	2.5	5.0	-15.0	-3.0
Goldman Sachs	Mar*	2.3	0.5	1.03	2.7	2.8	-	-32.1	-9.6
Greenwich Natwest	Mar*	2.9	0.3	1.64 aa	2.3	2.1	5.1	-10.8	-1.5
Hermes	Mar*	3.1	0.8	1.08	-	2.5	-	-12.1	-8.8
HSBC Econ & Strategy	Feb*	2.8	0.8	1.00	1.0	1.0	4.7	-13.0	-4.0
J P Morgan	Feb	-	-	1.00	-	2.0	-	-18.6	-3.0
Lehman Brothers	Mar*	2.5	3.3	1.10	2.9	2.9	7.5	-19.5	-7.4
Lombard St	Mar*	3.1	0.6	1.10	-	-	-	-19.4	-7.0 cc
Merrill Lynch	Feb	-	-	1.00	-	2.5	-	-14.0	-2.0
Morgan Stanley	Mar*	4.0	2.0	0.90	1.4	1.8	-	-17.0	-5.0 cc
Natwest Group	Mar*	2.8	0.3	1.07	2.8	2.6	6.5	-11.4	-2.5
Salomon S Barney/Citibank	Mar*	3.2	1.6	0.78	1.9	2.0	-	-35.7	-10.0
Schroders	Mar*	5.3	0.2	-	0.9	1.0	-	-	-
S.G.	Jan	2.7	0.6	1.10	1.5	1.5	7.5	-10.0	-6.0
Standard Chartered	Mar*	-	0.9	1.20	3.2	3.5	-	-13.0	-5.5
Warburg Dillon Read	Feb*	-	1.1	0.90	2.5	2.6	-	-10.0	-2.0
WestLB Panmure	Mar*	2.8	1.2	0.90	2.5	2.4	-	-9.0	-11.0
Williams de Broe	Mar*	-	0.7	1.07	2.5	2.2	7.2	-22.9	-15.1
Non-City forecasters									
BSL	Mar*	2.9	0.5	1.07	1.1	1.2	6.0	-20.3	-1.7
Cambridge Econ	Dec	2.5	0.6	1.30 r	2.1	2.6	3.0 r	-12.6	2.5 kcc
CBI	Feb*	3.4	1.0	1.04	2.3	2.2	5.1	-15.1	-4.9
CEBR	Jan	3.1	1.6	1.10	-	2.8	-	-20.0	-17.7 cc
DRI	Jan	2.7	1.2	1.23	2.9	3.4	6.5	-13.8	-4.0
EIU	Jan	3.5	0.2	1.15	2.0	2.0	6.8	-9.5	24.7 eek
Henley	Mar*	3.0	1.0	1.00	-	2.9	-	-11.7	-
ITEM Club	Feb	3.2	-	1.25	1.6	1.4	7.5	-15.9	-5.0
Liverpool Macro Research	Mar*	-	-	0.98	-	-	-	-13.6	-22.5 cc
NIESR	Jan	2.4	0.4	1.21	-	2.1	5.7	-16.8	-0.4
OEF	Mar*	2.9	0.2	1.10	2.1	2.6	7.1	-13.5	-9.5
Primark WEFA	Dec	2.4	0.3	1.19	2.5	2.5	7.0	-8.0	-
EC	Dec	-	-	-	-	-	-	-	-
OECD	Dec	-	-	-	-	-	-	-20.0	-
IMF	Sep	-	-	-	-	-	-	-	-
Average of Forecasts made in last 3 months									
Independent		3.0	0.7	1.05	2.2	2.2	6.4	-16.4	-6.1
New (marked *)		3.0	0.7	1.03	2.3	2.3	6.4	-17.9	-7.5
City		3.0	0.7	1.02	2.2	2.2	6.5	-16.9	-6.6
Range of Forecasts made in last 3 months									
Highest		5.5	3.3	1.25	3.2	3.5	8.7	-5.0	0.0
Lowest		2.1	-0.3	0.78	0.9	1.0	4.7	-39.0	-19.1
HM Treasury	Nov	2¼-2¼	-	-	-	2-2½	6¼	-11½	-3.0

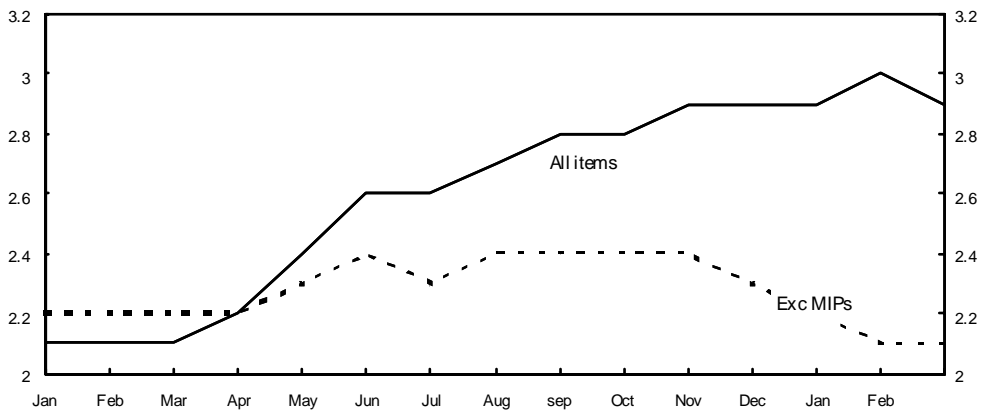
Forecasts for 2000

Independent average, January 1999 - March 2000

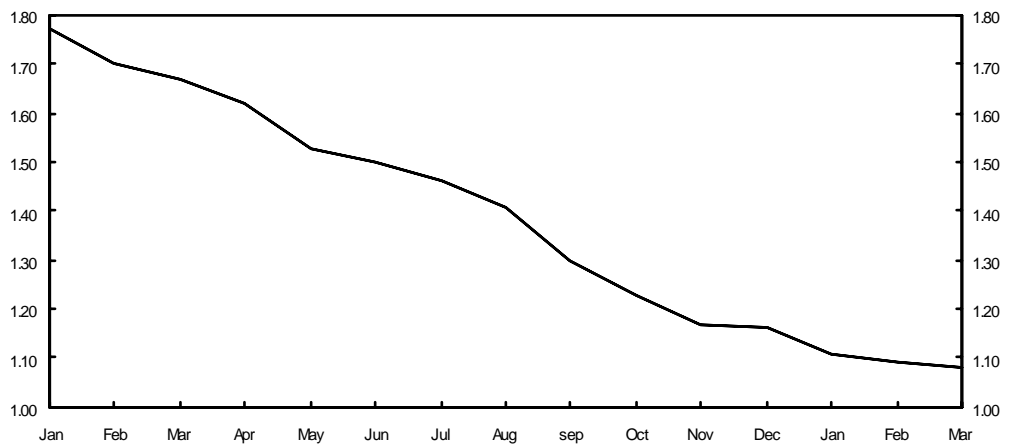
GDP growth
(per cent)



Retail price
inflation
(Q4, per cent)

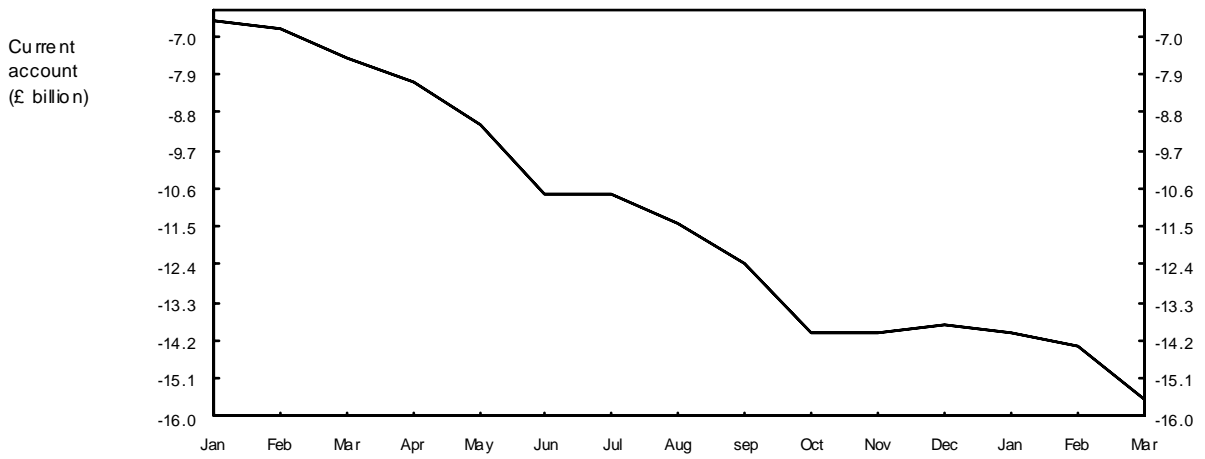


Claimant
unemployment
(Q4, millions)

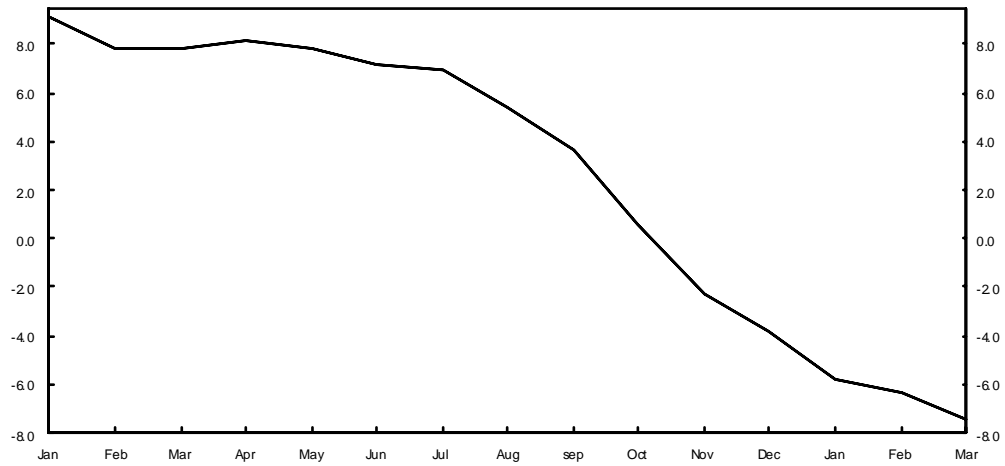


Forecasts for 2000

Independent average, January 1999 -March 2000

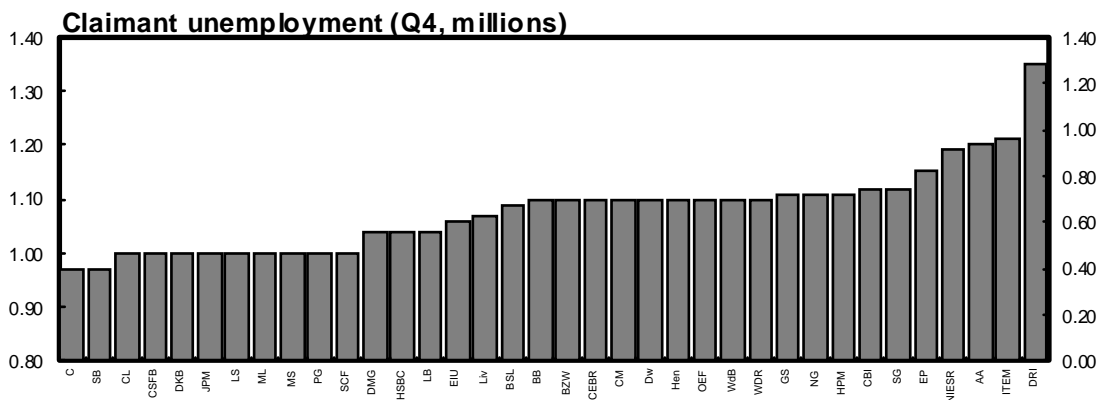
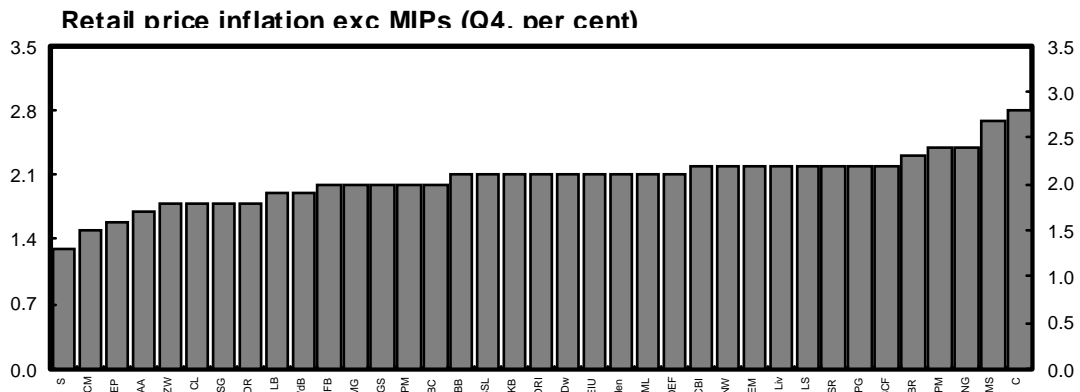
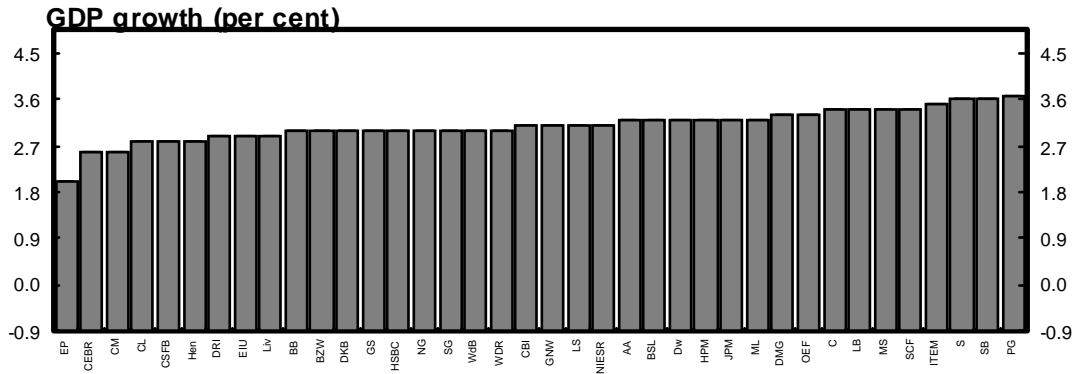


PSNB 2000-01 (£ billion)



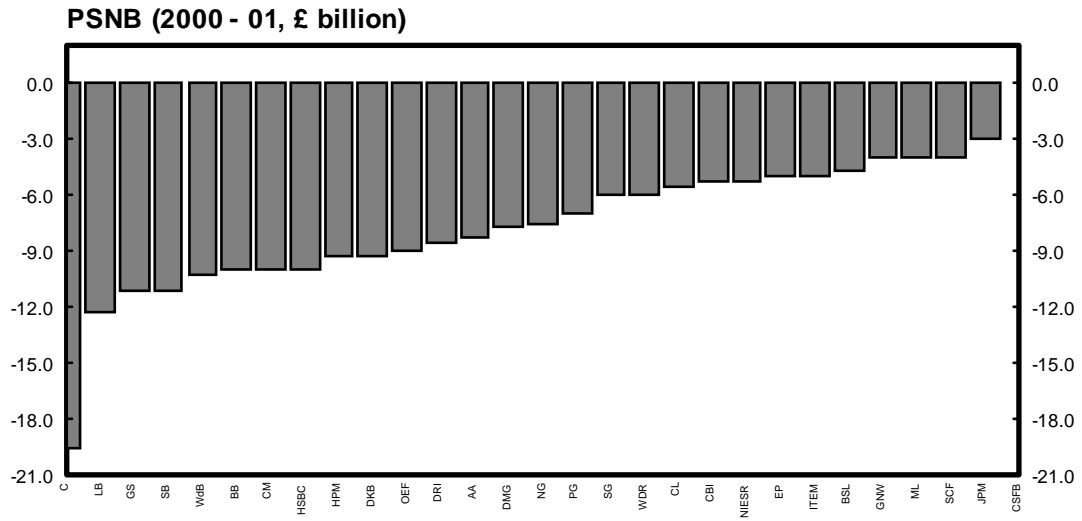
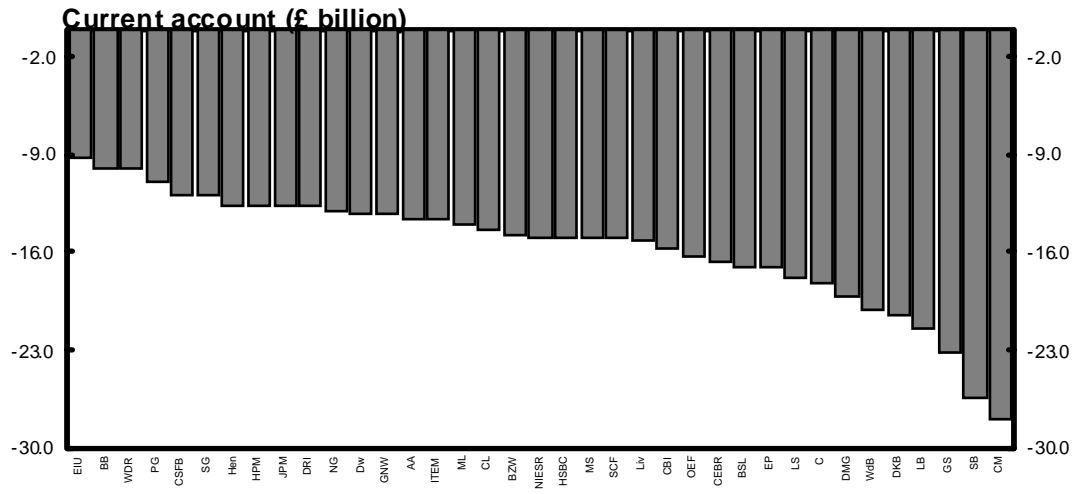
Forecasts for 2000

March 2000 range of forecasts (made in last 3 months)



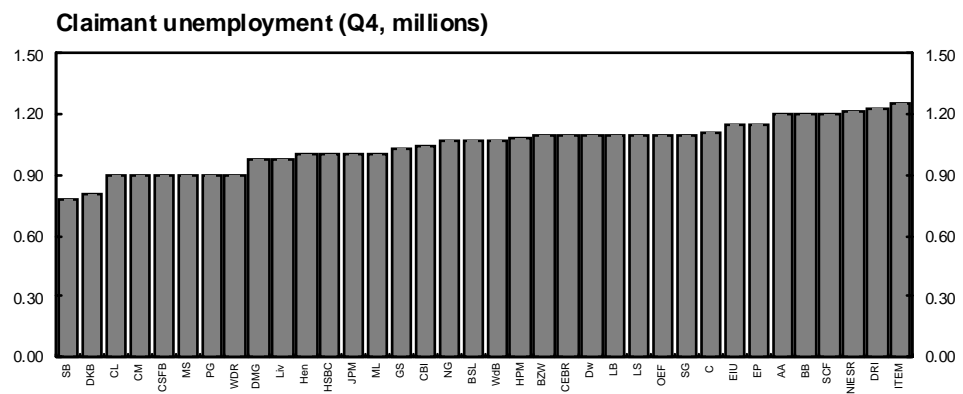
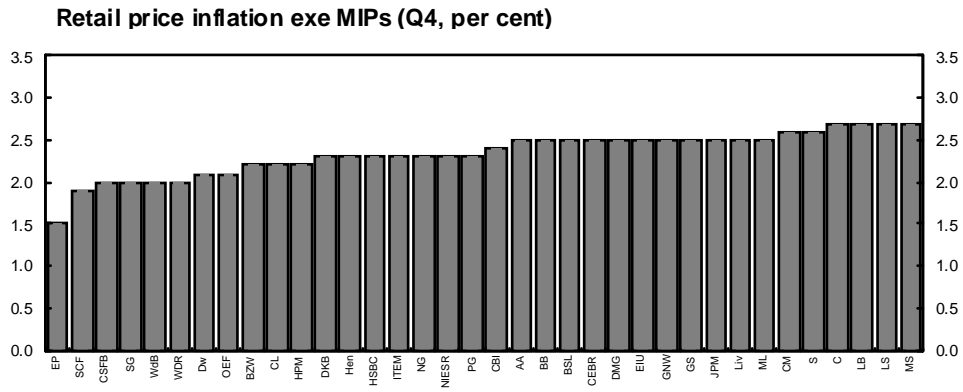
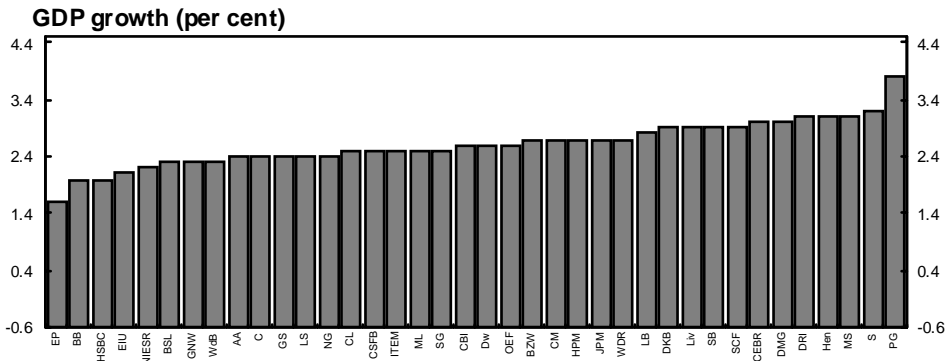
Forecasts for 2000

March 2000 range of forecasts (made in last 3 months)



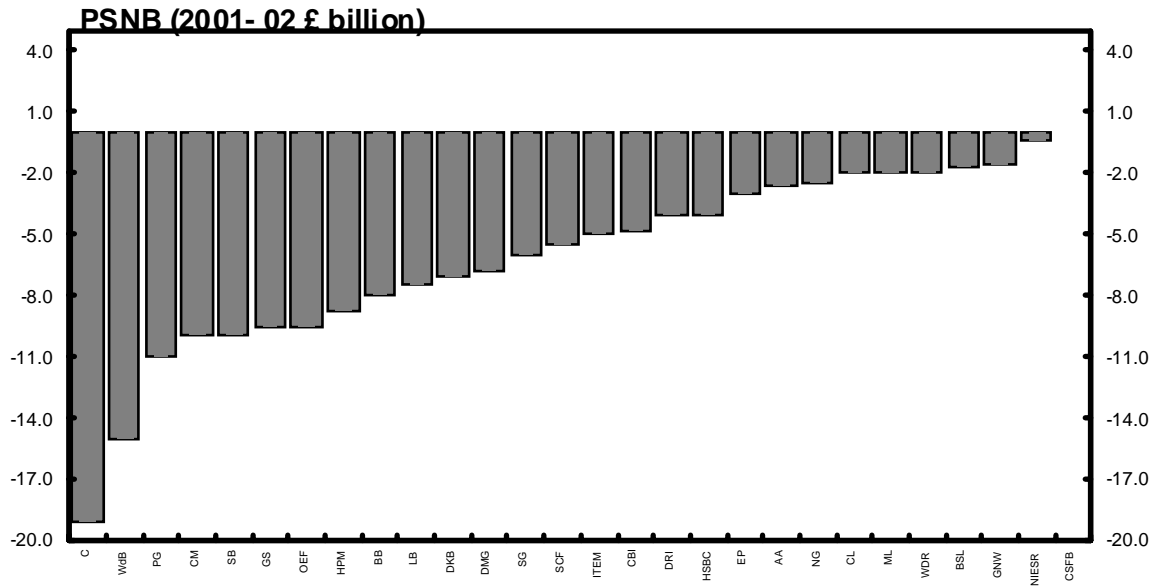
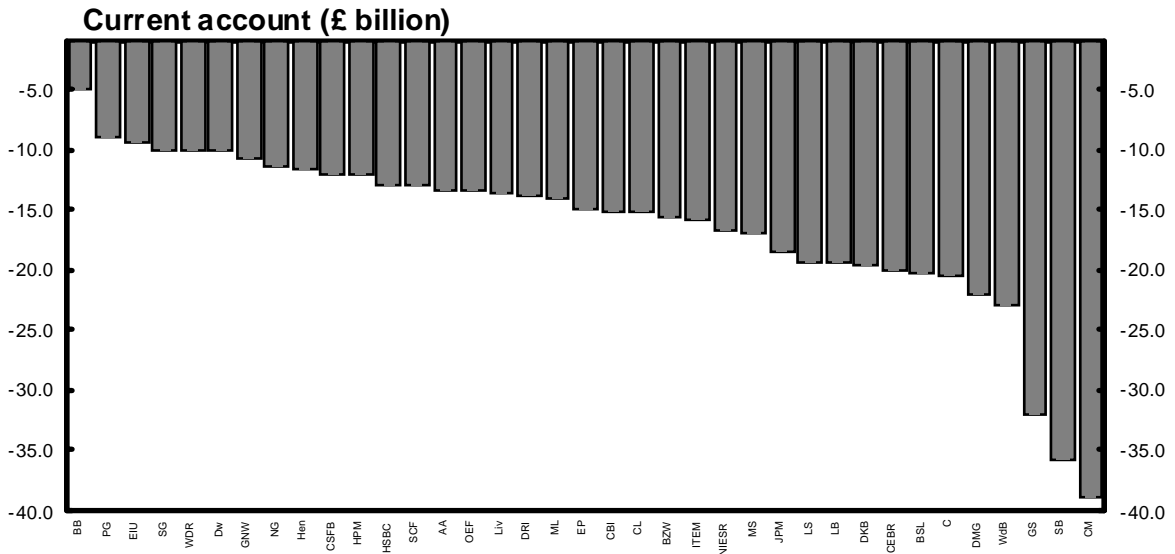
Forecasts for 2001

March 2000 range of forecasts (made in last 3 months)



Forecasts for 2001

March 2000 range of forecasts (made in last 3 months)



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

AA:	Abn Amro
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
DB :	Deutsche Bank
DKB:	Dresdner Kleinwort Benson
DRI:	Data Resources Inc. Europe
EC:	European Commission
EIU:	Economist Intelligence Unit
EP:	Economic Perspectives
GNW:	Greenwich Natwest
GS:	Goldman Sachs
Hen:	Henley Forecasting Centre
HSBC:	HSBC Economics and Strategy
HPM:	Hermes Pensions Management Ltd
IMF:	International Monetary Fund
ITEM:	ITEM Club
JPM:	J P Morgan
LB:	Lehman Brothers
Liv:	Liverpool Mecro Research
LS:	Lombard Street Research Ltd
ML:	Merrill Lynch
MS:	Morgan Stanley
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
SB:	Saloman Smith Barney
S:	Schroders
SG:	Societe Generale
WDR:	Warburg Dillon Read
WLBP:	WestLB Panmure
WdB:	Williams de Broë
WEFA:	Primark WEFA

Notation used in tables:

- a: consumers' expenditure deflator
- b: underlying consumers' expenditure deflator
- c: non-durable consumption
- d: current and capital expenditure, including stockbuilding
- e: private sector investment, stockbuilding and durable consumption
- f: investment and stockbuilding combined
- g: as a percentage of GDP
- h: contribution to GDP growth - per cent
- i: hourly rate
- j: end period
- k: calendar year
- m: non-oil trade
- n: wages and salaries divided by employees in employment
- o: consumer price deflator to Q4
- p: calculated from general government financial deficit figures adjusted for privatisation proceeds
- q: forecast growth rates for Q4
- r: various definitions; refer to forecasters for details
- s: base rate
- t: billions of dollars
- u: general government current and capital expenditure plus stockbuilding
- v: average of spot price of Brent crude and Dubai light crude
- w: UK export markets
- x: claimant unemployment rate
- y: derived from the consumer price index
- z: OECD real imports of goods and services
- aa: ILO Unemployment
- bb: households only
- cc: PSNCR (Formerly PSBR)
- dd: harmonized index of consumer prices (HICP)
- ee: general government financial balance

Contact lists:
Organisation

Contact

Telephone number

Abn Amro	Richard Iley	0171 374 7171
Barclays Bank	Mark Joint	01202 344 112
Barclays Capital	David Hillier	0171 773 4307
BSL	Neil Blake	0171 630 5959
Cambridge Econometrics	Rachel Beaven	01223 460 760
Charterhouse	Richard Jeffrey	0171 246 2472
Chase Manhattan	Adrian Schmidt	0171 777 4033
CBI	Ranjiv Mann	0171 395 8101
	Sudhir Junankar	0171 395 8100
CEBR	Solomon Peters	0171 600 6661
Credit Lyonnais	Glenn Davies	0171 214 5388
Credit Suisse First Boston	Robert Barrie	0171 888 7536
Daiwa Europe Ltd/DIR	Don Eggington	0171 597 8000
Deutsche Morgan Grenfell	Ciaran Barr	0171 545 2088
Dresdner Kleinwort Benso	Leo Doyle	0171 956 8074
DRI	Darren Rawcliffe	0181 545 6225
EC	Keith Vernon	(00 322) 299 3446
EIU	Phillip Whyte	0171 830 1287
Economic Perspectives	Peter Warburton	0171 382 8317
Goldman Sachs	Ann Terry	0171 774 1166
Greenwich Natwest	Geoffrey Dicks	0171 389 3892
Henley Centre	David Martin	0171 955 1868
Hermes Pensions Man. Ltd	James Walsh	0171 680 2144
HSBC	Jonathan Loynes	0171 336 4147
	Roger Bootle	0171 336 3888
ITEM club	John Gaster	01865 268913
J P Morgan	Danny Gabay	0171 325 5335
Lehman Brothers	Mike Dicks	0171 260 2783
Liverpool Mecro Research	Patrick Minford	01222 875728
Lombard Street Research Ltd	Stewart Robertson	0171 337 2800
Merrill Lynch	Ian Stewart	0171 772 1512
Morgan Stanley	Mark Miller	0171 513 6643
NIESR	Garry Young	0171 222 7665
Natwest Group	Elisabeth Hall	0171 726 1912
Norwich Union IM	Mike Collins	01603 683680
Oxford Economic Forecasting	Adrian Cooper	01865 202 828
Saloman Smith Barney	Michael Saunders	0171 721 3924
Schroders	Sharda Dean	0171 658 6439
S.G. (Societe Generale)	Brian Hilliard	0171 762 5014
Warburg Dillon Read	Darren Winder	0171 568 4412
Primark WEFA	Paul Robson	0171 631 0757
WestLB Panmure	Stuart Weatherby	0171 860 3659
Williams de Broë	David Smith	0171 588 7511 ext 402