



HM Treasury

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FORECASTS FOR THE UK ECONOMY  
A comparison of independent forecasts

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Compiled by  
Economic Assessment Team

No. 183  
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Please note that Forecasts for the UK Economy is a summary of published material reflecting the views of the forecasting organisations themselves and does not in any way provide new information on the Treasury's own views. It contains only a selection of forecasters, which is subject to review. No significance should be attached to the inclusion or exclusion of any particular forecasting organisation. HM Treasury accepts no responsibility for the accuracy of material published in this comparison.

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Forecast for the UK Economy are compiled and coordinated by Ruby Islam.  
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The next edition will be published on 21 August 2002. It will also be available on the Treasury's Internet site: <http://www.hm-treasury.gov.uk>.

## FORECASTS FOR THE UK ECONOMY

### A comparison of independent forecasts, July 2002

This edition of the comparison contains 19 new forecasts. The tables below summarise the average and range of independent forecasts for 2002 and 2003 and show the average of this month's new forecasts.

Forecasts for 2002	Independent <sup>+</sup>				Average of new* forecasts
	Averages		July range		
	July	June	Lowest	Highest	
GDP growth (per cent)	1.7	1.7	0.4	2.2	1.7
Inflation rate (Q4: per cent)					
- RPI	2.3	2.4	1.0	3.2	2.2
- RPI ex MIPs	2.3	2.3	1.7	2.8	2.2
Claimant unemployment (Q4: mn)	0.99	1.00	0.90	1.20	0.97
Current account (£bn)	-21.6	-22.0	-29.2	-14.9	-20.4
PSNB** (2002-03: £bn)	11.7	11.6	6.0	18.5	12.1
Forecasts for 2003	Independent <sup>+</sup>				Average of new* forecasts
	Averages		July range		
	July	June	Lowest	Highest	
GDP growth (per cent)	2.7	2.8	-0.1	3.5	2.6
Inflation rate (Q4: per cent)					
- RPI	2.8	2.8	1.9	4.4	2.7
- RPI ex MIPs	2.4	2.4	1.7	3.2	2.3
Claimant unemployment (Q4: mn)	0.98	0.98	0.72	1.35	0.98
Current account (£bn)	-22.7	-23.8	-30.0	-12.9	-21.0
PSNB** (2003-04: £bn)	14.8	14.7	-2.0	24.3	15.0

<sup>+</sup> Independent and City averages, and the range of forecasts, are based on forecasts made in the last three months (July: 19 Institutions, June: 6 Institutions, May: 10 Institutions).

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

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

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

		2002				July 2002		Table 1			
GDP & its components, at constant prices											
Percentage changes on a year earlier unless stated otherwise											
Forecasters & date of forecasts		GDP	Consumption		Fixed Invm.	Change in Inventories (£bn)	Domestic demand	Exports (goods & services)	Imports	Net trade Contribution to GDP	
			Private	Govt.							
<b>City forecasters</b>											
Abn Amro	Feb	1.8	3.0	4.3	0.7	0.2	2.6	1.0	3.2	-0.9	
Bank of America	Jul*	1.6	3.1	5.0	-2.0	2.3	2.9	-1.4	2.0	-1.3	
Barclays Capital	Jul*	2.0	3.6	5.4	-2.9	2.5	3.0	-2.2	1.2	-1.3	
Capital Economics	Jul*	1.5	3.2	5.0	-2.5	0.3	2.7	-3.5	0.5	-1.2	
Citigroup	Jun	1.6	3.7	3.8	0.1	1.9	3.1	-0.7	3.7	-1.5	
Credit Lyonnais	Jul*	1.4	3.4	4.4	-2.4	0.9	2.6	-1.8	1.9	-1.4	
Credit Suisse First Boston	Jul*	1.8	3.3	5.4	-1.8	2.2	3.0	-1.5	2.1	-1.4	
Daiwa Institute of Research	Jul*	1.6	3.5	3.6	0.1	3.5	3.1	-1.6	2.8	-1.9	
Deutsche Bank	May	1.8	3.6	2.9	1.3	1.5	3.1	-1.8	2.3	-1.5	
Dresdner Kleinwort Wasser	Jun	1.5	3.3	3.1	-0.2	0.7	2.5	-3.0	0.8	-1.2	
Economic Perspectives	Jul*	0.4	2.5	2.8	-4.6	-1.1	1.1	-1.6	0.5	-0.7	
Fortis Bank	Apr	2.0	3.1	3.1	-0.7	-	2.3	1.5	2.0	-0.4	
Goldman Sachs	Apr	1.6	3.4	3.4	0.9	0.2	2.8	-0.9	2.6	-1.4	
Hermes	Jul*	1.9	3.3	5.6	-2.9	2.1	2.9	-1.3	1.8	-	
HSBC Econ & Strategy	Jun	1.9	3.3	2.7	0.5	-1.1	2.2	-1.9	-0.2	-0.6	
ING Financial Markets	May	2.0	3.2	3.5	0.7	1.0	2.7	0.0	2.2	-0.9	
J P Morgan	Jul*	1.9	3.5	5.1	-2.2	4.9	3.3	-1.8	1.0	-1.0	
Lehman Brothers	May	1.8	3.5	3.5	1.0	1.6	3.1	-2.6	1.7	-1.5	
Lombard St	Jul*	2.0	3.5	6.0	-1.1	1.5	3.3	-2.3	1.6	-1.4	
Merrill Lynch	Jun	2.2	3.6	-	1.5	-	-	-	-	-	
Morgan Stanley Dean Witter	Jul*	1.8	3.0	3.6	0.1	2.4	2.7	0.0	2.7	-1.2	
RBSFM	Jul*	1.6	3.0	4.9	-2.2	1.7	2.5	-1.6	1.5	-1.0	
Royal & Sun Alliance Invest	Feb	2.3	2.6	4.6	0.3	0.3	2.6	-	-	-0.3	
Schroders	Dec	1.7	2.9	4.6	-4.7	0.1	1.9	-0.4	0.3	-0.8	
S.G.	Jan	1.6	3.1	2.7	-0.4	2.7	2.0	-0.3	1.5	-0.6	
Standard Chartered	May	1.5	2.0	4.0	1.0	-1.0	2.1	-1.0	2.5	-0.6	
UBS Warburg	Jul*	1.5	3.5	5.5	-4.3	-	2.6	-2.5	0.9	-1.2	
WestLB	Jul*	1.8	3.5	4.5	-2.0	1.5	2.8	-2.0	1.0	-1.1	
Williams de Broe	Jul*	1.8	3.0	5.1	-0.4	0.6	2.9	-1.1	2.1	-1.4	
<b>Non-City forecasters</b>											
BSL	Jul*	1.8	3.2	4.3	-1.4	-0.5	2.6	-2.6	0.1	-1.0	
Cambridge Econ	Jun	1.7	3.3	3.7	-0.6	-0.8	2.4	-1.3	1.1	-0.9	
CBI	May	1.7	2.4	3.3	1.4	1.8	2.4	0.1	2.4	-1.0	
CEBR	Jul*	1.5	2.8	2.7	0.6	1.5	2.4	-1.8	1.2	-	
DRI-WEFA	Jul*	1.8	3.2	3.0	-0.1	-	2.6	0.0	2.3	-0.8	
EIU	Jan	1.7	2.3	3.3	-1.3	-	1.8	-1.9	-0.9	-0.3	
ITEM Club	May	1.7	3.5	3.1	-0.3	-0.1	2.7	-1.3	1.6	-1.1	
Liverpool Macro Research	Jun	2.1	2.5 c	5.5 d	3.0 e	-	-	-	-	-	
NIESR	May	1.8	3.2	3.3	2.8	1.1	3.1	-1.9	2.2	-	
OEF	Jul*	1.8	3.3	4.4	-2.7	3.1	2.7	-1.7	1.4	-1.2	
EC	May	2.0	2.6	3.3	2.1	-0.1 h	2.6	1.1	2.8	-0.7	
OECD	May	1.9	3.1	2.8	-0.2	0.1	2.5	0.7	2.6	-0.8	
IMF	May	2.0	2.7	3.2	2.9	-0.1	2.7	1.1	3.3	-0.9	
<b>Average of Forecasts made in last 3 months</b>											
Independent		1.7	3.2	4.0	-0.6	1.2	2.7	-1.4	1.7	-1.1	
New (marked *)		1.7	3.2	4.5	-1.8	1.7	2.7	-1.7	1.5	-1.2	
City		1.7	3.3	4.3	-1.1	1.4	2.7	-1.7	1.7	-1.2	
<b>Range of Forecasts made in last 3 months</b>											
Highest		2.2	3.7	6.0	2.9	4.9	3.3	1.1	3.7	-0.6	
Lowest		0.4	2.0	2.7	-4.6	-1.1	1.1	-3.5	-0.2	-1.9	
HM Treasury	Apr	2-2½	3-3½	3¼	1½-2	0.9 - 1.6	2¾-3¼	-1½to-1	1-1½	-	

Forecasters & date of forecasts	2002					July 2002		Table 2
	Inflation and monetary indicators							
	Percentage changes on a year earlier unless stated otherwise							
		RPI (Q4)	RPIX (Q4)	Average earnings	Sterling index(Q4)	BoE Repo Rate(Q4,%)	Oil price(\$)	M4
<b>City forecasters</b>								
Abn Amro	Feb	2.5	1.9	4.4	107.4	4.50	18.0	9.9
Bank of America	Jul*	1.9	2.2	3.7	-	4.75	24.0	5.9
Barclays Capital	Jul*	2.4	2.3	3.9	102.4	4.67	-	-
Capital Economics	Jul*	1.7	1.8	3.5	104.0	4.25	21.5	6.0
Citigroup	Jun	2.5	2.1	3.4	104.0	5.08	24.0	-
Credit Lyonnais	Jul*	2.4	2.2	3.5	102.0	4.50	24.0	-
Credit Suisse First Boston	Jul*	2.3	2.3	3.5	105.0	4.50	-	-
Daiwa Institute of Research	Jul*	2.0	1.8	3.5	100.4	4.25	-	-
Deutsche Bank	May	2.7	2.3	3.2	103.6	5.00	-	6.2
Dresdner Kleinwort Wasser	Jun	2.4	2.3	3.5	-	4.50	-	-
Economic Perspectives	Jul*	1.6	1.8	3.8	103.0	4.50	23.0	7.0
Fortis Bank	Apr	3.3	2.4	4.0	103.9	5.00	-	-
Goldman Sachs	Apr	1.8	2.3	4.1	98.0	-	22.9	4.3 jk
Hermes	Jul*	2.7	2.5	3.4	102.0	4.50	-	-
HSBC Econ & Strategy	Jun	2.7	2.6	4.1	102.9	4.75	25.0	-
ING Financial Markets	May	2.7	2.3	3.6	106.5	4.50	22.0	7.5
J P Morgan	Jul*	2.3	2.8	4.0	-	4.75	25.4	-
Lehman Brothers	May	3.2	2.6	2.9	104.0	5.25	22.1	-
Lombard St	Jul*	2.5	2.7	4.4	101.0	4.50	25.0	6.8
Merrill Lynch	Jun	2.5	2.5	4.0	-	5.00	-	-
Morgan Stanley Dean Witter	Jul*	1.1	2.4	3.9	99.0	4.50	-	-
RBSFM	Jul*	2.3	2.2	4.2	103.2	4.42	24.4	-
Royal & Sun Alliance Invest	Feb	1.8	2.2	4.9	-	4.75	-	8.0
Schroders	Dec	2.8	2.1	4.0	103.0	4.75	18.0	-
S.G.	Jan	-	2.3	3.5	107.0	4.25	24.5	7.5
Standard Chartered	May	2.0	1.9	3.2	102.0	4.25	21.0	5.0
UBS Warburg	Jul*	2.6	2.1	4.2	-	4.50	22.5	-
WestLB	Jul*	2.0	2.3	3.3	103.0	4.50	26.0	6.0
Williams de Broe	Jul*	1.5	1.7	3.6	102.5	4.30	24.5	5.8
<b>Non-City forecasters</b>								
BSL	Jul*	2.5	2.5	2.7	103.0	4.50	23.8	-
Cambridge Econ	Jun	1.7 k	2.4 k	3.5 n	105.5 k	4.10 ks	23.7	-
CBI	May	2.1	2.2	3.2	104.3	4.25	22.0	-
CEBR	Jul*	3.1	2.8	3.1	102.3	4.03	24.9	4.7
DRI-WEFA	Jul*	2.6	2.3	3.4	-	4.75	-	6.0
EIU	Jan	2.4	2.2	4.3	105.2	5.00	18.3	-
ITEM Club	May	1.0	2.1	3.6	105.5	4.20	25.0	4.9
Liverpool Macro Research	Jun	-	2.5	2.9	111.2	5.80	-	-
NIESR	May	2.5	2.0	4.2	106.4	5.00	24.5	-
OEF	Jul*	2.2	1.9	3.9	102.7	4.50	23.8	5.7
EC	May	1.8 k	2.5 ak	4.3 n	106.3 k	4.10 k	-	-
OECD	May	-	2.3	4.6	-	4.20 ks	-	-
IMF	May	-	2.3	-	-	-	-	-
<b>Average of Forecasts made in last 3 months</b>								
Independent		2.3	2.3	3.6	103.4	4.60	23.7	6.0
New (marked *)		2.2	2.2	3.7	102.4	4.48	24.1	6.0
City		2.3	2.2	3.7	102.8	4.60	23.6	6.2
<b>Range of Forecasts made in last 3 months</b>								
Highest		3.2	2.8	4.6	111.2	5.80	26.0	7.5
Lowest		1.0	1.7	2.7	99.0	4.03	21.0	4.7
HM Treasury	Apr	-	2¼	-	-	-	-	-

Forecasters & dates of forecasts	Table 3							PSNB (£bn 02-03)
	Other variables							
	Percentage changes on a year earlier unless stated otherwise							
		RHDI	Employment	Claimant unemp. (Q4-mns)	Manuf'g output	World Trade	Current account (£ bn)	
<b>City forecasters</b>								
Abn Amro	Feb	3.3	-0.2	1.10	-1.4	3.1	-27.0	5.4
Bank of America	Jul*	-	-	0.93	-2.3	-	-22.6	12.0
Barclays Capital	Jul*	2.3	0.2	0.92	-2.6	-	-17.4	12.0 cc
Capital Economics	Jul*	2.5	0.1	1.00	-3.0	3.0	-22.0	12.0
Citigroup	Jun	3.0	0.1	0.95	-3.6	-	-29.2	17.5
Credit Lyonnais	Jul*	-	-	0.95	-2.1	4.5	-21.5	13.0
Credit Suisse First Boston	Jul*	2.5	0.0	1.00	-3.5	-	-18.0	9.0
Daiwa Institute of Research	Jul*	2.5	0.1	0.92	-	-	-19.6	12.0
Deutsche Bank	May	2.4	-	1.00	-2.0	-	-20.5	8.0
Dresdner Kleinwort Wasser	Jun	2.5	-0.1	1.03	-2.9	-	-23.0	6.0
Economic Perspectives	Jul*	1.9	-0.4	1.15	-3.5	2.0	-22.5	13.0
Fortis Bank	Apr	-	-	1.01	-	-	-21.0	10.6
Goldman Sachs	Apr	3.2	0.1	0.95	-2.6	-	-27.3	11.2
Hermes	Jul*	-	0.3	0.95	-	-	-19.0	-
HSBC Econ & Strategy	Jun	2.4	0.0	0.98	-3.1	-	-17.0	13.0
ING Financial Markets	May	2.6	0.1	1.00	-2.6	1.3	-20.7	7.6
J P Morgan	Jul*	-	-	-	-2.5	-	-14.9	15.0
Lehman Brothers	May	2.5	0.3	0.90	-2.5	1.9	-23.3	9.6
Lombard St	Jul*	3.3	0.1	0.95	-	-	-17.3	17.0 cc
Merrill Lynch	Jun	-	-	-	-2.5	-	-26.0	-
Morgan Stanley Dean Witter	Jul*	1.3	0.1	1.10	-2.2	-	-25.0	6.0
RBSFM	Jul*	1.9	0.6	0.98	-2.9	2.2	-22.2	13.5
Royal & Sun Alliance Invest	Feb	2.6	0.2	1.00	3.0	-	-10.0	10.0
Schroders	Dec	1.9	-0.3	1.10	-1.2	-	-26.1	-
S.G.	Jan	-	-0.3	1.10	-2.0	3.0	-25.0	10.0
Standard Chartered	May	2.0	-0.5	1.20	-2.0	1.5	-25.0	13.0
UBS Warburg	Jul*	-	-	0.90	-3.2	-	-21.0	12.0
WestLB	Jul*	3.5	0.3	0.93	-3.0	3.0	-22.0	-
Williams de Broe	Jul*	-	0.5	0.91	-2.6	4.5	-20.3	12.3
<b>Non-City forecasters</b>								
BSL	Jul*	2.3	0.1	1.00	-3.0	1.7	-18.3	18.5
Cambridge Econ	Jun	2.6	0.2	1.10 k	-2.5	1.7 hh	-25.0	8.2 kcc
CBI	May	1.6	-0.4	1.06	-2.8	3.9	-21.8	12.9
CEBR	Jul*	2.3	0.1	1.01	-2.9	-	-21.9	14.0
DRI-WEFA	Jul*	3.1	0.6	3.30 x	-2.5	-	-21.4	9.5
EIU	Jan	2.6	-0.2	1.19	-1.1	1.1	-20.3	-
ITEM Club	May	2.3	0.0	0.95	-3.2	0.0	-20.3	10.0
Liverpool Macro Research	Jun	-	-	1.07	-	-	-24.6	4.0 cc
NIESR	May	2.6	0.1	1.05	-2.8	4.1 w	-28.2	12.0
OEF	Jul*	1.9	0.2	0.93	-3.1	1.8	-21.0	10.4
EC	May	-	0.2	5.30 aa	-	2.9	-2.5	g 0.2 g
OECD	May	-	0.3	5.30 aa	-	-	-1.9	g 0.8 gk
IMF	May	-	-0.1	5.40 aa	-	-	-0.9	g 0.9 gk
<b>Average of Forecasts made in last 3 months</b>								
Independent		2.4	0.1	0.99	-2.8	2.4	-21.6	11.7
New (marked *)		2.4	0.2	0.97	-2.8	2.8	-20.4	12.1
City		2.4	0.1	0.98	-2.7	2.7	-21.3	11.4
<b>Range of Forecasts made in last 3 months</b>								
Highest		3.5	0.6	1.20	-2.0	4.5	-14.9	18.5
Lowest		1.3	-0.5	0.90	-3.6	0.0	-29.2	6.0
HM Treasury	Apr	1¼ -1¾	-	-	-3 to -2½	2¼	-25¾	10

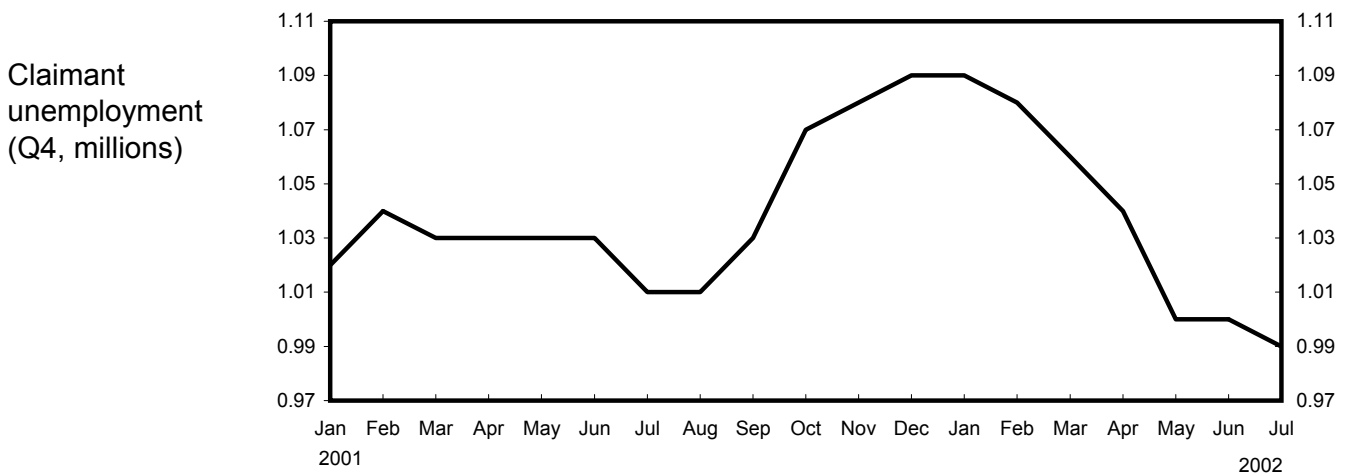
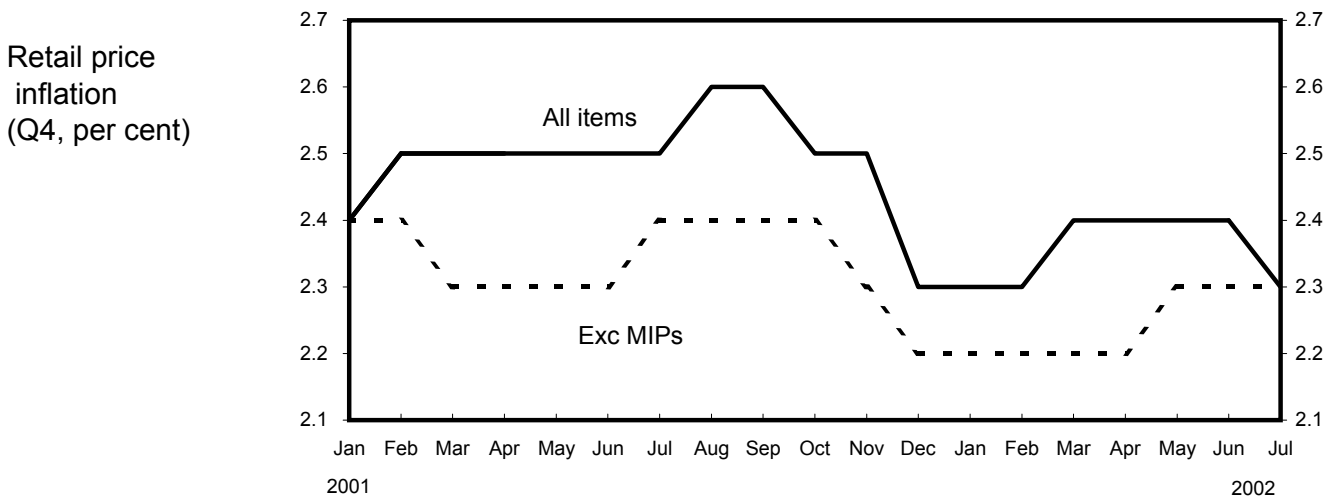
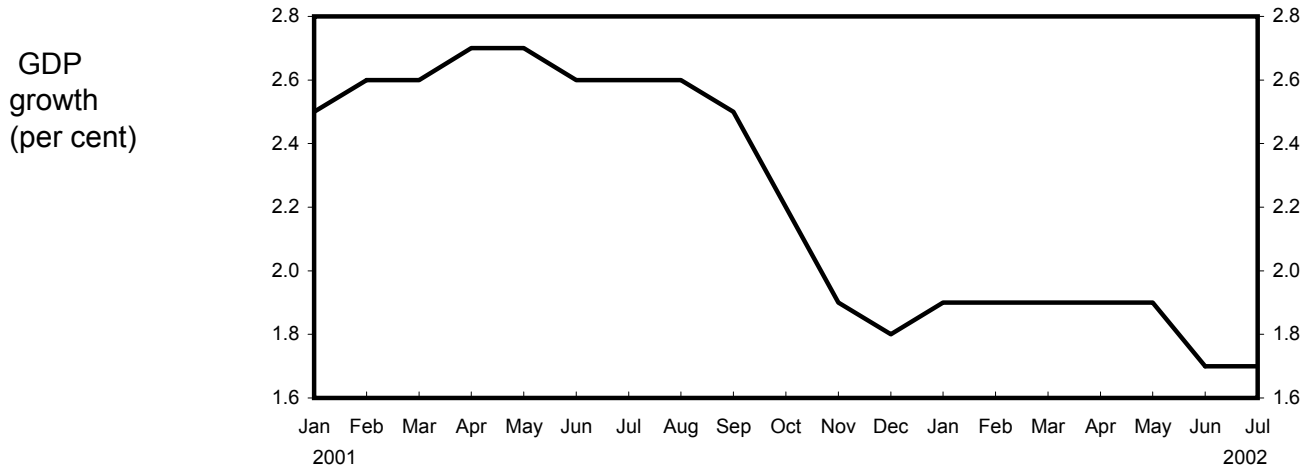
		2003			July 2002		Table 4			
		GDP & its components, at constant prices								
		Percentage changes on a year earlier unless stated otherwise								
Forecasters & date of forecasts		Consumption		Fixed Invm.	Change in Inventories (£bn)	Domestic demand	Exports (goods & services)	Imports	Net trade Contribution to GDP	
		GDP	Private							Govt.
<b>City forecasters</b>										
Abn Amro	Feb	2.7	1.7	3.8	4.5	0.4	2.6	7.0	6.1	-0.1
Bank of America	Jul*	2.4	2.3	3.4	3.8	3.5	3.0	7.3	7.5	-0.6
Barclays Capital	Jul*	3.0	2.4	3.5	4.2	3.2	2.9	7.7	6.7	-0.2
Capital Economics	Jul*	2.5	1.5	4.0	2.0	0.2	1.9	4.5	2.5	0.5
Citigroup	Jun	3.3	2.5	4.4	3.1	2.0	3.0	9.3	7.4	0.3
Credit Lyonnais	Jul*	2.6	2.7	3.0	3.9	1.7	3.0	7.6	7.9	-0.7
Credit Suisse First Boston	Jul*	2.8	2.8	3.0	4.3	2.8	3.1	5.3	5.5	-0.5
Daiwa Institute of Research	Jul*	3.0	2.8	4.2	3.1	4.4	3.2	7.2	7.1	-0.2
Deutsche Bank	May	3.0	3.0	3.4	4.6	3.4	3.6	6.6	7.6	-0.5
Dresdner Kleinwort Wasser	Jun	2.7	2.4	3.2	3.6	1.3	2.8	5.1	5.4	-0.4
Economic Perspectives	Jul*	-0.1	0.2	4.6	-5.6	-0.3	0.1	-0.6	0.1	-0.2
Fortis Bank	Apr	3.1	2.9	3.6	5.1	-	3.6	7.0	7.6	-0.5
Goldman Sachs	Apr	3.1	3.1	3.3	6.6	3.2	4.1	7.8	9.4	-1.2
Hermes	Jul*	2.6	2.8	3.9	1.0	2.4	2.7	4.4	4.3	-
HSBC Econ & Strategy	Jun	2.7	2.5	2.6	3.2	0.0	2.8	5.4	5.1	-0.2
ING Financial Markets	May	3.3	3.2	3.9	6.3	2.5	4.0	6.8	8.1	-1.0
J P Morgan	Jul*	3.0	3.2	3.7	2.7	7.5	3.5	4.9	3.7	0.1
Lehman Brothers	May	3.5	3.4	4.1	5.8	5.0	4.3	6.3	8.1	-1.2
Lombard St	Jul*	2.6	2.3	3.5	1.1	1.5	2.3	5.0	3.5	0.2
Merrill Lynch	Jun	3.2	2.8	-	3.0	-	-	-	-	-
Morgan Stanley Dean Witter	Jul*	3.4	3.2	5.7	6.6	2.0	4.2	9.2	10.1	-1.0
RBSFM	Jul*	3.0	2.4	3.5	4.2	2.0	2.9	7.5	6.6	0.0
Royal & Sun Alliance Invest	Feb	3.0	2.0	4.3	1.6	0.1	2.4	-	-	0.5
Schroders	Dec	-	-	-	-	-	-	-	-	-
S.G.	Jan	2.3	2.0	3.0	0.8	0.5	2.5	4.3	4.1	-0.2
Standard Chartered	May	2.2	2.0	3.5	3.5	1.0	2.4	1.0	2.0	-0.2
UBS Warburg	Jul*	2.6	2.8	3.4	0.8	-	2.5	8.6	7.2	0.0
WestLB	Jul*	3.0	3.0	4.3	4.5	2.0	3.5	6.8	7.0	-0.6
Williams de Broe	Jul*	2.5	1.6	3.3	8.6	0.7	3.1	8.9	9.4	-1.0
<b>Non-City forecasters</b>										
BSL	Jul*	2.6	2.2	3.3	4.5	1.7	3.0	5.0	5.6	-0.7
Cambridge Econ	Jun	2.9	2.8	3.1	3.0	0.2	3.0	7.5	7.1	-0.4
CBI	May	2.7	2.1	3.3	3.0	-0.1	2.2	4.7	3.0	0.4
CEBR	Jul*	2.3	1.6	2.7	1.7	1.8	1.9	5.9	4.6	-
DRI-WEFA	Jul*	2.9	2.8	3.5	4.7	-	3.2	7.7	7.5	-0.3
EIU	Jan	2.2	1.5	3.4	1.6	-	2.2	4.8	4.3	-0.1
ITEM Club	May	2.8	3.0	4.0	2.1	0.2	3.2	6.5	6.8	-0.6
Liverpool Macro Research	Jun	2.7	1.7 c	6.1 d	0.8 e	-	-	-	-	-
NIESR	May	2.9	3.1	3.2	3.4	2.2	3.3	5.4	5.9	-
OEF	Jul*	3.0	2.7	3.7	3.0	4.0	3.0	7.5	6.7	-0.2
EC	May	3.0	2.8	3.3	3.7	0.2 h	3.2	5.9	6.1	-0.5
OECD	May	2.8	2.5	4.0	3.3	0.0	2.9	8.8	8.3	-0.4
IMF	May	2.8	2.8	2.6	4.4	-	3.0	5.5	5.7	-0.5
<b>Average of Forecasts made in last 3 months</b>										
Independent		2.7	2.5	3.6	3.4	2.0	2.9	6.2	6.1	-0.4
New (marked *)		2.6	2.4	3.7	3.1	2.4	2.8	6.3	6.0	-0.3
City		2.7	2.5	3.7	3.4	2.3	2.9	6.1	6.0	-0.4
<b>Range of Forecasts made in last 3 months</b>										
Highest		3.5	3.4	5.7	8.6	7.5	4.3	9.3	10.1	0.5
Lowest		-0.1	0.2	2.6	-5.6	-0.3	0.1	-0.6	0.1	-1.2
HM Treasury	Apr	3-3½	2¼ - 2¾	3¼	5¾ - 6¼	0.1-1.7	3-3½	7¾ - 8¼	6½ - 7	-

		2003			July 2002		Table 5	
		Inflation and monetary indicators						
		Percentage changes on a year earlier unless stated otherwise						
Forecasters & date of forecasts		RPI (Q4)	RPIX (Q4)	Average earnings	Sterling index(Q4)	BoE Repo Rate(Q4,%)	Oil price(\$)	M4
<b>City forecasters</b>								
Abn Amro	Feb	3.2	2.3	4.6	107.1	5.00	21.0	6.0
Bank of America	Jul*	2.7	2.5	4.1	-	5.00	26.0	6.3
Barclays Capital	Jul*	2.9	2.3	4.8	100.7	5.92	-	-
Capital Economics	Jul*	2.8	2.1	4.3	100.5	4.75	20.0	7.0
Citigroup	Jun	4.4	3.0	4.8	102.0	7.08	24.0	-
Credit Lyonnais	Jul*	2.6	2.3	4.4	99.0	5.00	25.2	-
Credit Suisse First Boston	Jul*	2.9	2.5	4.5	105.0	5.50	-	-
Daiwa Institute of Research	Jul*	2.7	2.2	3.9	96.5	4.75	-	-
Deutsche Bank	May	2.9	2.4	4.6	102.4	4.75	-	6.0
Dresdner Kleinwort Wasser	Jun	2.5	2.3	4.2	-	5.00	-	-
Economic Perspectives	Jul*	2.5	2.0	3.5	101.0	5.00	17.0	6.0
Fortis Bank	Apr	3.3	2.7	4.8	99.9	5.25	-	-
Goldman Sachs	Apr	3.2	2.5	4.6	96.0	-	23.0	4.7 jk
Hermes	Jul*	2.5	2.5	4.6	100.0	5.00	-	-
HSBC Econ & Strategy	Jun	3.2	2.8	4.7	101.7	5.50	25.0	-
ING Financial Markets	May	2.8	2.1	4.2	107.1	4.75	20.0	7.2
J P Morgan	Jul*	2.1	2.6	5.0	-	5.50	25.4	-
Lehman Brothers	May	3.9	2.8	5.0	102.5	6.00	15.0	-
Lombard St	Jul*	3.1	3.2	5.2	96.0	5.00	25.0	7.4
Merrill Lynch	Jun	2.0	2.5	4.7	-	5.00	-	-
Morgan Stanley Dean Witter	Jul*	2.7	2.5	4.4	97.9	5.25	-	-
RBSFM	Jul*	3.0	2.5	5.0	102.2	5.00	25.3	-
Royal & Sun Alliance Invest	Feb	2.7	2.6	5.0	-	5.50	-	7.0
Schroders	Dec	-	-	-	-	-	-	-
S.G.	Jan	-	2.4	4.0	104.0	5.75	24.0	8.5
Standard Chartered	May	2.5	2.2	4.0	98.0	4.50	23.0	6.0
UBS Warburg	Jul*	2.7	2.4	4.5	-	4.50	20.0	-
WestLB	Jul*	2.0	2.3	4.0	100.0	5.25	27.0	6.0
Williams de Broe	Jul*	2.4	2.2	4.2	97.0	5.00	26.0	6.8
<b>Non-City forecasters</b>								
BSL	Jul*	2.3	2.1	4.3	100.6	4.50	25.4	-
Cambridge Econ	Jun	2.6 k	2.3 k	4.5 n	102.7 k	5.10 ks	24.9	-
CBI	May	2.9	2.3	4.2	102.8	5.25	22.0	-
CEBR	Jul*	1.9	1.7	3.8	103.3	4.28	21.0	4.4
DRI-WEFA	Jul*	3.6	2.5	4.2	-	5.75	-	6.9
EIU	Jan	2.6	2.4	4.4	104.1	5.25	20.2	-
ITEM Club	May	2.2	2.1	4.6	100.9	5.10	25.0	5.0
Liverpool Macro Research	Jun	-	2.3	4.0	112.9	5.80	-	-
NIESR	May	2.7	2.5	5.0	105.2	5.10	23.3	-
OEF	Jul*	3.2	2.2	4.2	100.7	5.30	24.9	7.2
EC	May	2.7 k	2.5 ak	4.5 n	105.2 k	4.60 k	-	-
OECD	May	-	2.3	5.0	-	5.10 ks	-	-
IMF	May	-	2.8	-	-	-	-	-
<b>Average of Forecasts made in last 3 months</b>								
Independent		2.8	2.4	4.4	101.4	5.16	23.2	6.3
New (marked *)		2.7	2.3	4.4	100.0	5.07	23.7	6.4
City		2.8	2.4	4.5	100.5	5.17	22.9	6.5
<b>Range of Forecasts made in last 3 months</b>								
Highest		4.4	3.2	5.2	112.9	7.08	27.0	7.4
Lowest		1.9	1.7	3.5	96.0	4.28	15.0	4.4
HM Treasury	Apr	-	2½	-	-	-	-	-

Forecasters & dates of forecasts	2003 Other variables Percentage changes on a year earlier unless stated otherwise						July 2002	Table 6
	RHDI	Employment	Claimant unemp. (Q4-mns)	Manuf'g output	World Trade	Current account (£ bn)	PSNB (£bn 03-04)	
<b>City forecasters</b>								
Abn Amro	Feb	2.5	1.1	1.00	3.1	-	-28.0	14.5
Bank of America	Jul*	-	-	0.87	3.8	-	-21.5	14.0
Barclays Capital	Jul*	1.9	0.2	0.88	4.4	-	-14.2	15.0 cc
Capital Economics	Jul*	3.0	0.1	1.00	3.0	6.0	-15.0	14.0
Citigroup	Jun	1.9	0.5	0.81	1.2	-	-28.1	14.2
Credit Lyonnais	Jul*	-	-	0.95	2.0	6.0	-21.5	18.0
Credit Suisse First Boston	Jul*	2.6	0.5	1.00	2.5	-	-18.0	15.0
Daiwa Institute of Research	Jul*	2.1	0.3	0.95	-	-	-27.1	15.0
Deutsche Bank	May	2.8	-	0.97	2.8	-	-23.5	15.0
Dresdner Kleinwort Wasser	Jun	2.4	0.3	1.01	2.7	-	-26.2	9.2
Economic Perspectives	Jul*	0.9	-0.6	1.35	0.5	3.5	-19.0	24.0
Fortis Bank	Apr	-	-	0.98	-	-	-25.0	12.0
Goldman Sachs	Apr	2.6	0.5	0.89	3.2	-	-37.0	15.8
Hermes	Jul*	-	0.2	0.95	-	-	-19.5	-
HSBC Econ & Strategy	Jun	2.7	0.2	1.02	1.5	-	-21.0	18.0
ING Financial Markets	May	2.8	0.5	0.90	3.4	7.8	-23.8	10.4
J P Morgan	Jul*	-	-	-	2.7	-	-12.9	18.0
Lehman Brothers	May	4.7	1.0	0.72	2.9	6.9	-26.7	12.1
Lombard St	Jul*	3.0	-0.2	1.10	-	-	-20.5	20.0 cc
Merrill Lynch	Jun	-	-	-	3.2	-	-20.0	-
Morgan Stanley Dean Witter	Jul*	1.4	1.0	1.00	4.2	-	-24.0	-2.0
RBSFM	Jul*	2.2	0.7	0.96	3.4	6.9	-22.2	15.0
Royal & Sun Alliance Invest	Feb	2.4	0.4	0.90	4.0	-	-8.0	20.0
Schroders	Dec	-	-	-	-	-	-	-
S.G.	Jan	-	0.3	1.10	1.5	6.0	-30.0	10.0
Standard Chartered	May	2.0	0.1	1.10	1.5	4.0	-28.0	16.0
UBS Warburg	Jul*	-	-	0.90	2.6	-	-19.0	15.0
WestLB	Jul*	3.0	0.4	0.90	2.0	8.0	-27.0	-
Williams de Broe	Jul*	-	0.7	0.85	2.4	11.8	-30.0	7.8
<b>Non-City forecasters</b>								
BSL	Jul*	2.8	0.1	1.00	2.0	7.0	-17.9	22.5
Cambridge Econ	Jun	3.2	0.4	1.20 k	1.8	3.0 hh	-26.0	14.2 kcc
CBI	May	1.6	0.8	1.00	1.8	4.0	-21.4	21.3
CEBR	Jul*	1.6	-0.4	1.06	1.9	-	-21.6	24.3
DRI-WEFA	Jul*	2.2	1.0	3.20 x	2.7	-	-24.1	11.5
EIU	Jan	2.2	0.1	1.25	1.7	7.1	-22.1	-
ITEM Club	May	2.7	0.4	0.90	1.9	6.7	-25.0	13.0
Liverpool Macro Research	Jun	-	-	1.08	-	-	-28.5	7.9 cc
NIESR	May	3.5	0.3	1.13	1.9	7.3 w	-28.9	15.1
OEF	Jul*	2.1	0.3	0.95	2.4	8.6	-24.9	13.0
EC	May	-	0.6	5.30 aa	-	6.6 w	-2.6 g	0.5 g
OECD	May	-	0.6	5.30 aa	-	-	-2.1 g	1.3 gk
IMF	May	-	0.4	5.40 aa	-	-	-0.5 g	1.2 gk
<b>Average of Forecasts made in last 3 months</b>								
Independent		2.5	0.4	0.98	2.5	6.7	-22.7	14.8
New (marked *)		2.2	0.3	0.98	2.7	7.2	-21.0	15.0
City		2.5	0.3	0.96	2.6	6.8	-22.1	13.8
<b>Range of Forecasts made in last 3 months</b>								
Highest		4.7	1.0	1.35	4.4	11.8	-12.9	24.3
Lowest		0.9	-0.6	0.72	0.5	3.5	-30.0	-2.0
HM Treasury	Apr	2 - 2½	-	-	2¼ - 2¾	8½	-23¾	13

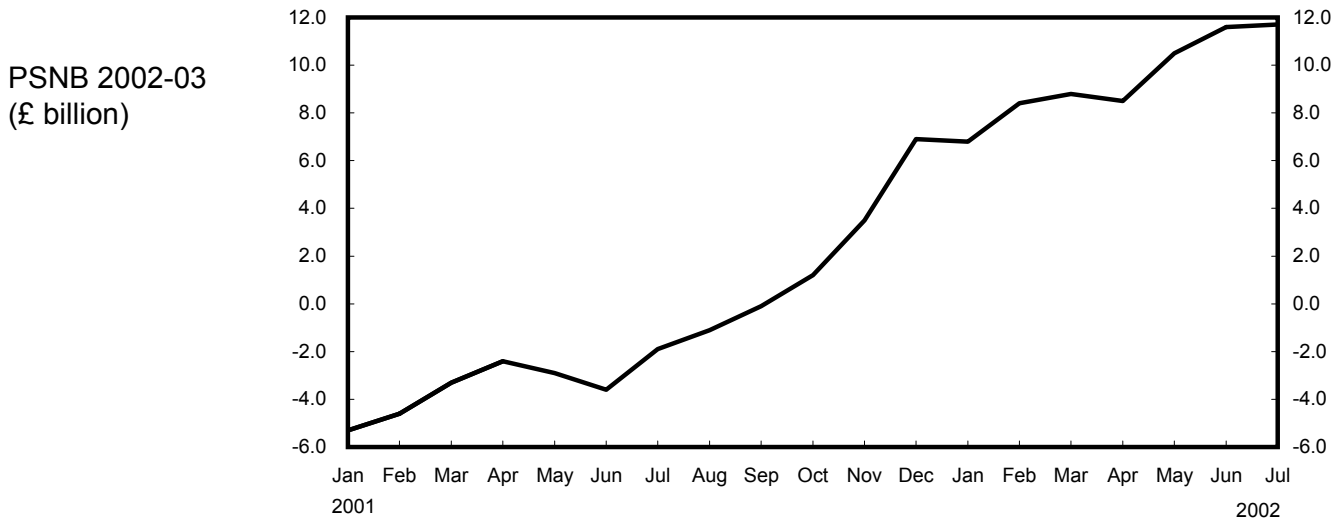
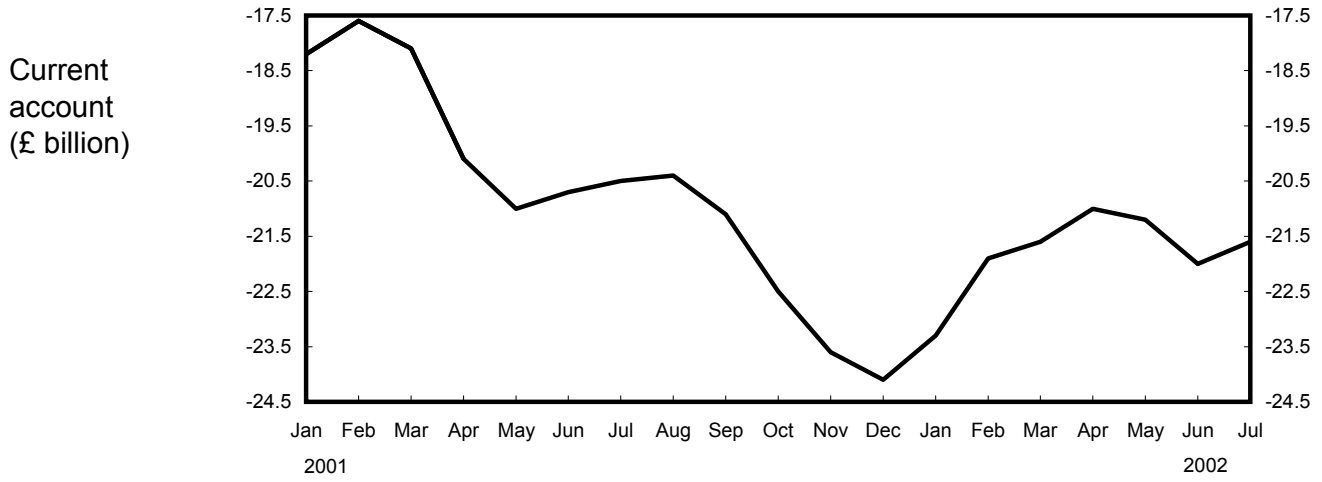
# Forecasts for 2002

## Independent average, January 2001 - July 2002



# Forecasts for 2002

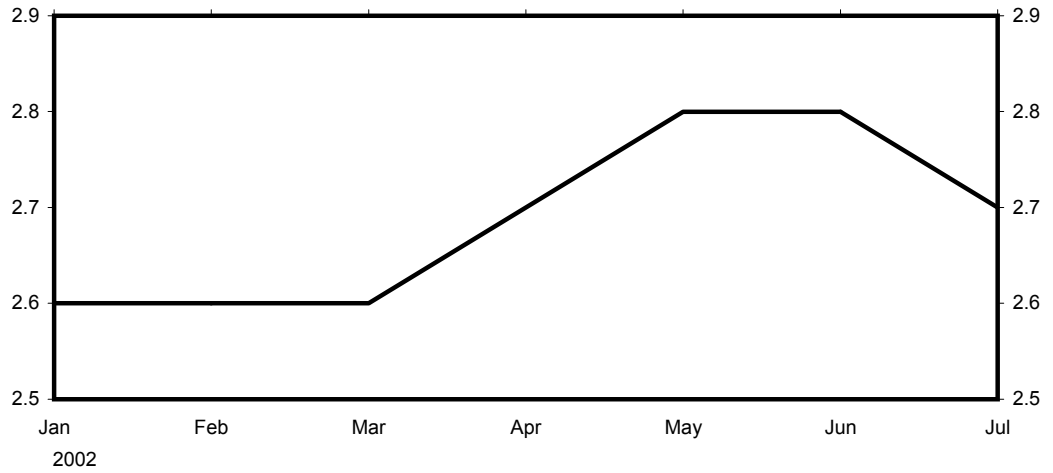
Independent average, January 2001 - July 2002



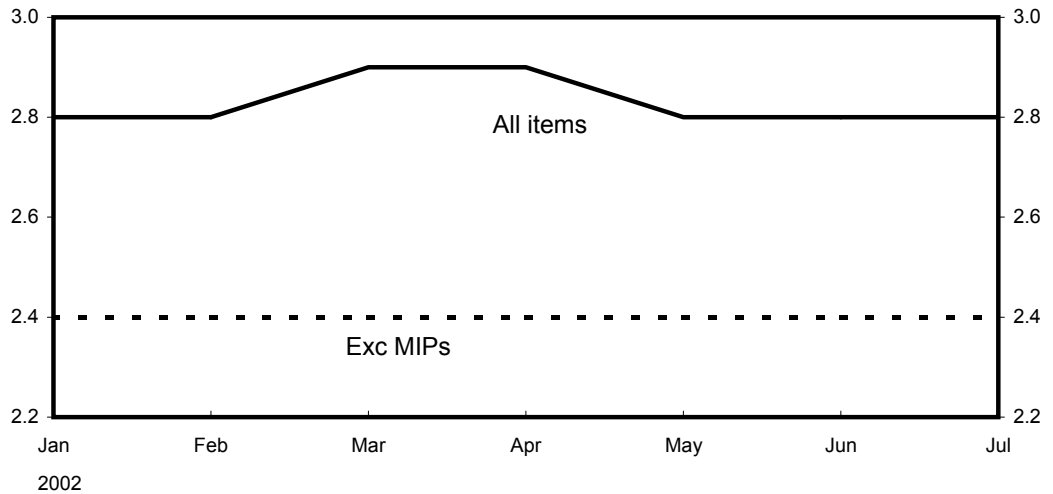
# Forecasts for 2003

Independent average, January 2002 - July 2002

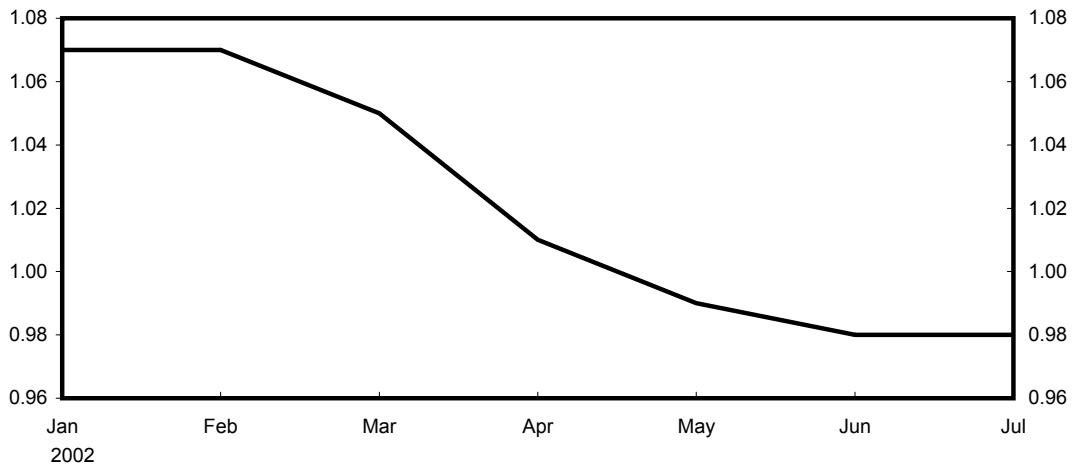
GDP growth (per cent)



Retail price inflation (Q4, per cent)



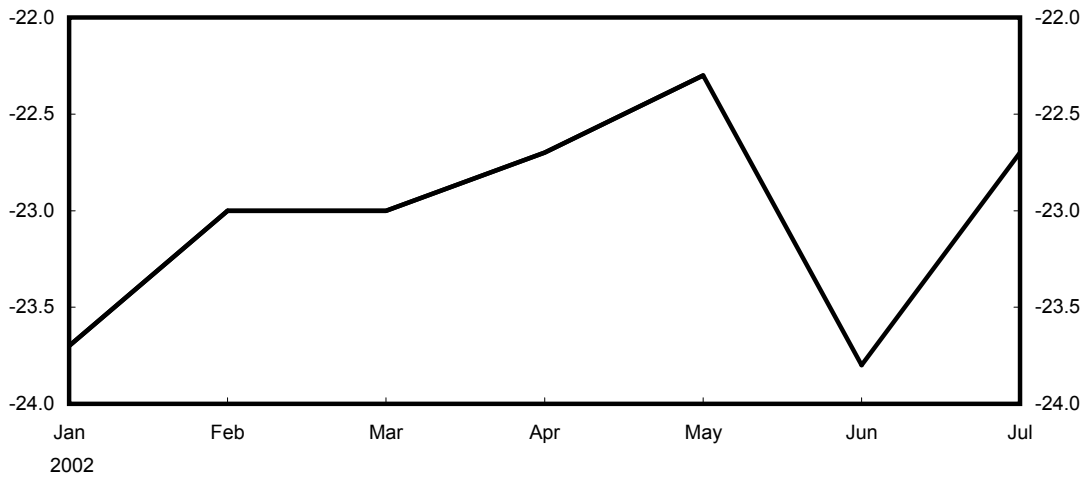
Claimant unemployment (Q4, millions)



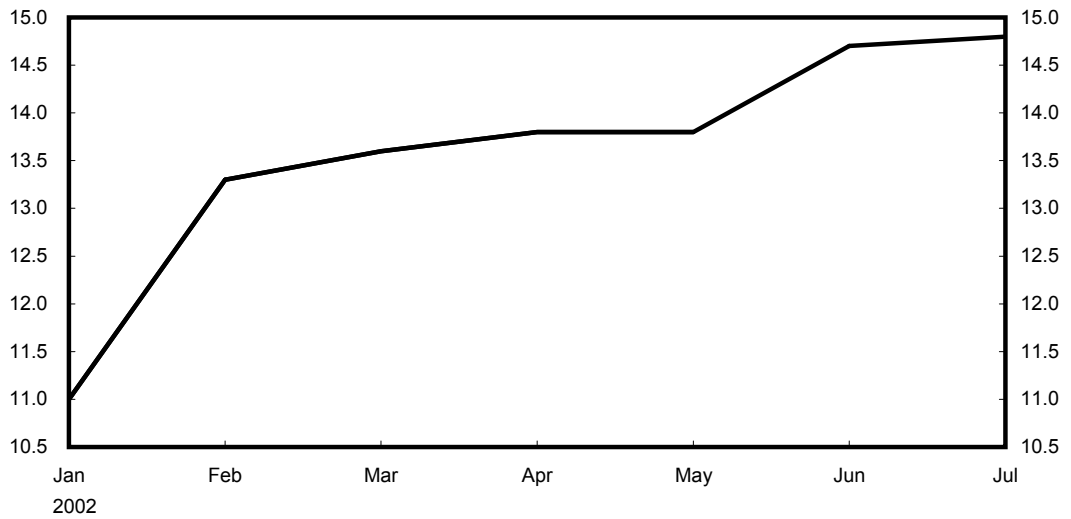
# Forecasts for 2003

Independent average, January 2002 - July 2002

Current account  
(£ billion)

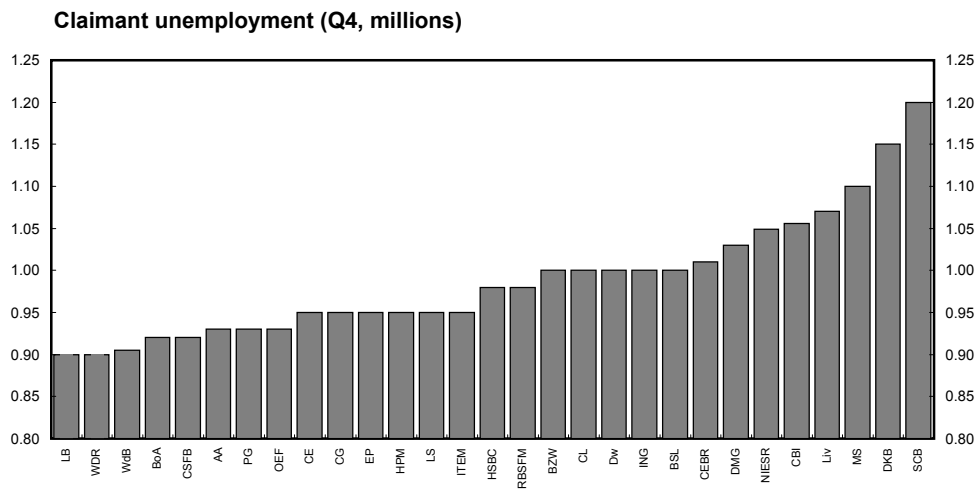
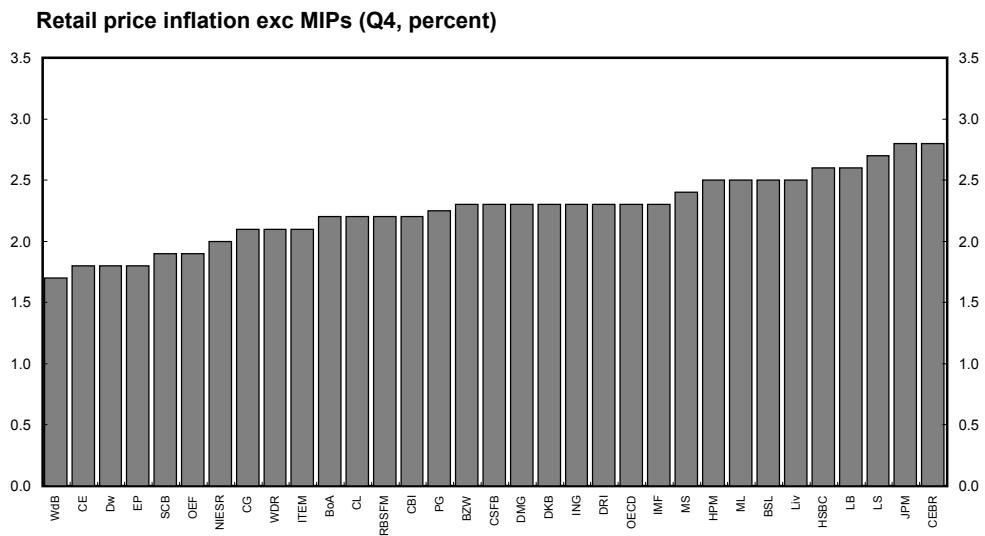
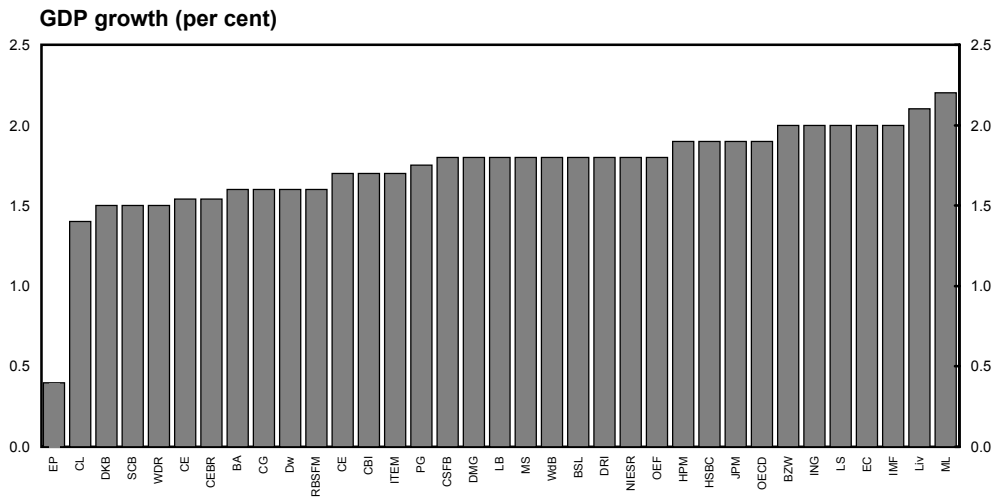


PSNB 2003-04  
(£ billion)

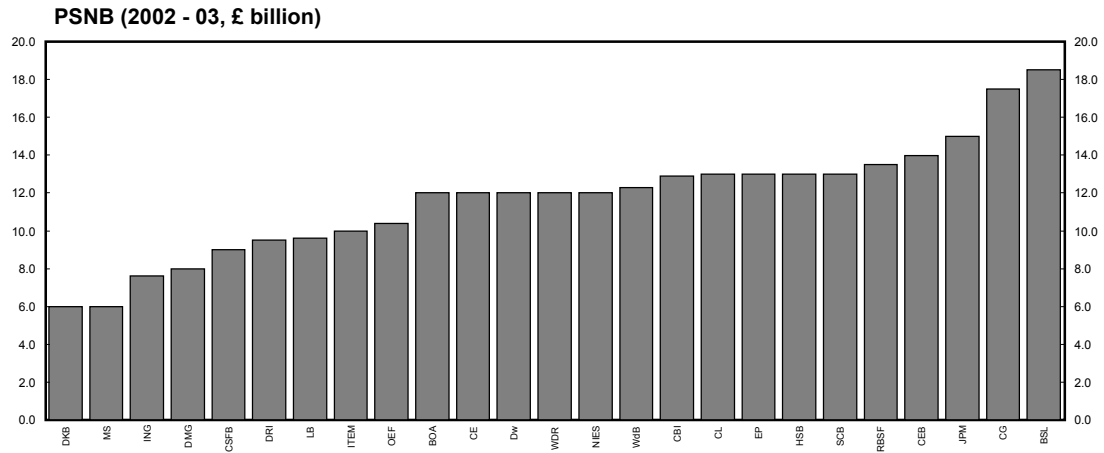
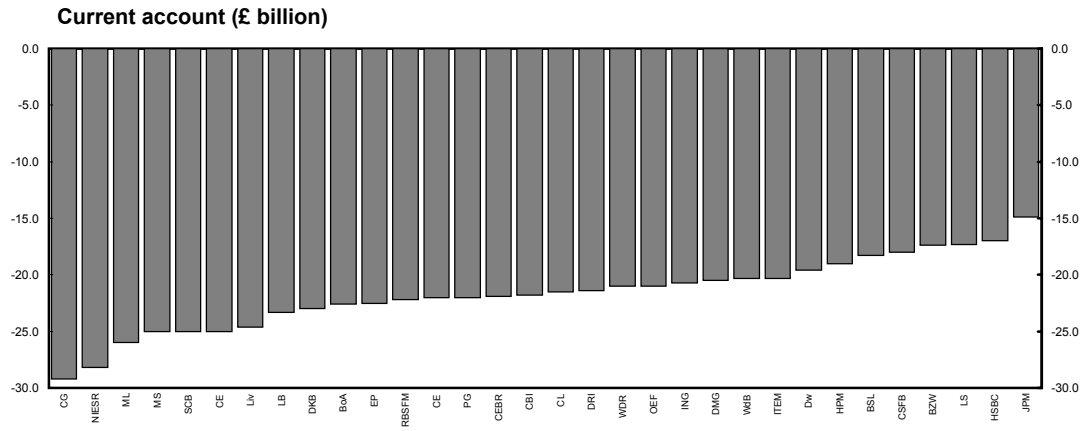


## Forecasts for 2002

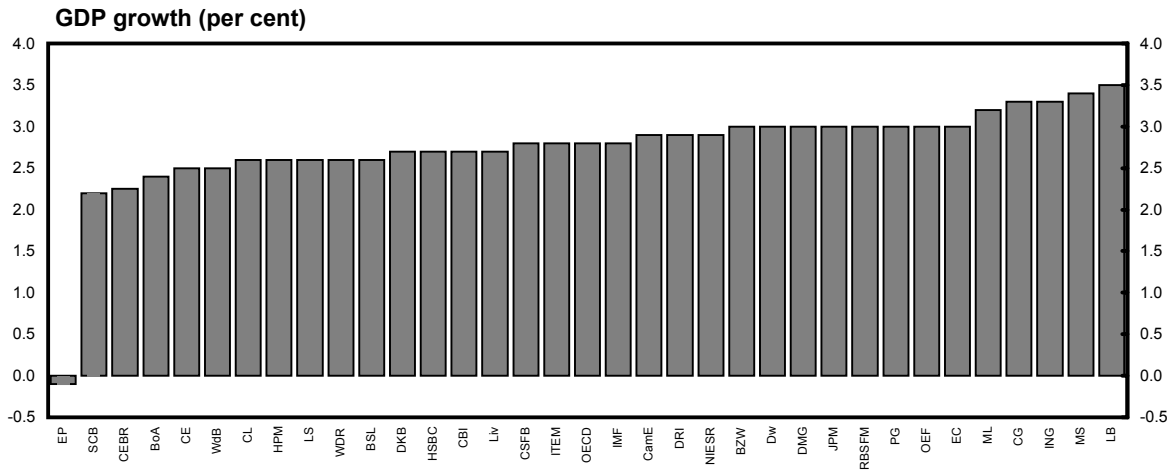
### July 2002 range of forecasts (made in last 3 months)



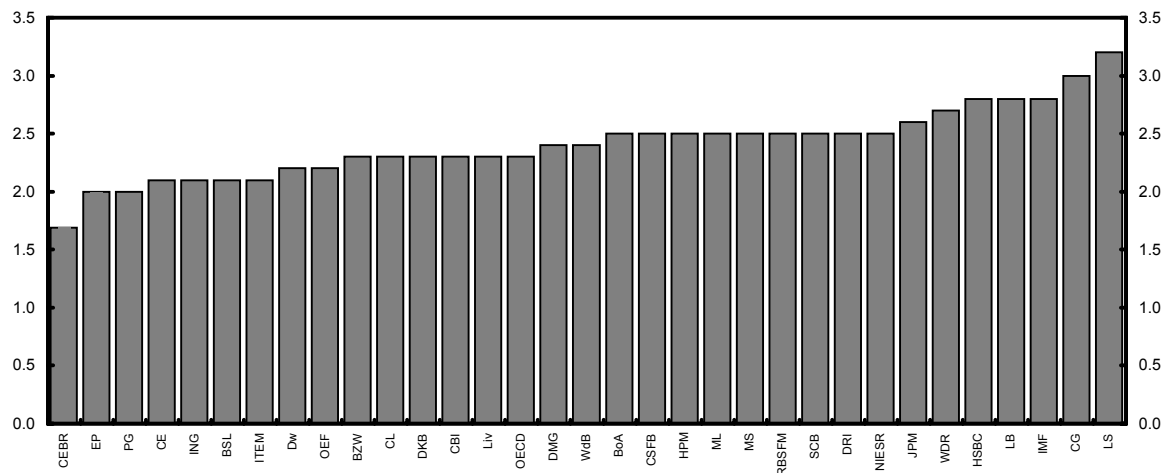
## Forecasts for 2002 July 2002 range of forecasts (made in last 3 months)



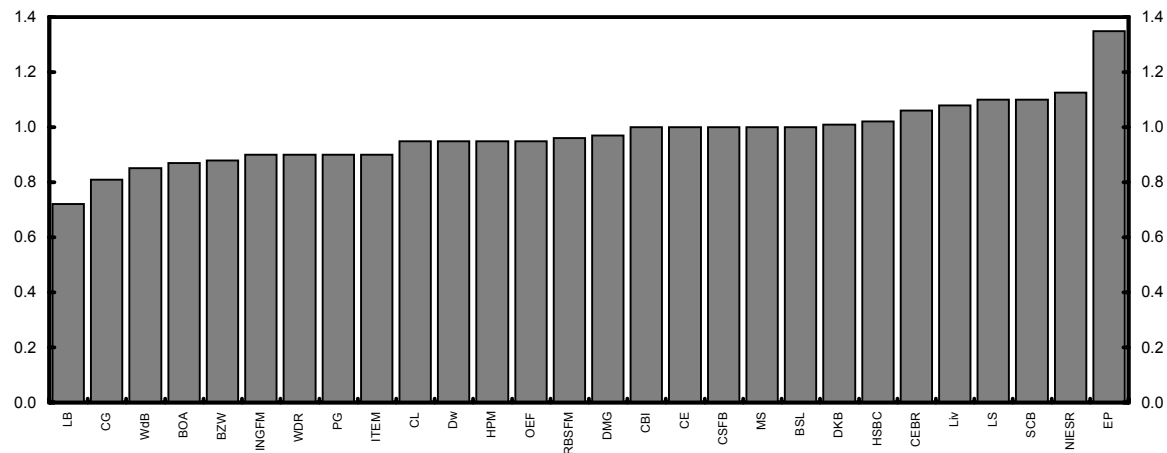
## Forecasts for 2003 July 2002 range of forecasts ( made in last 3 months )



**Retail price inflation exc MIPs (Q4, per cent)**

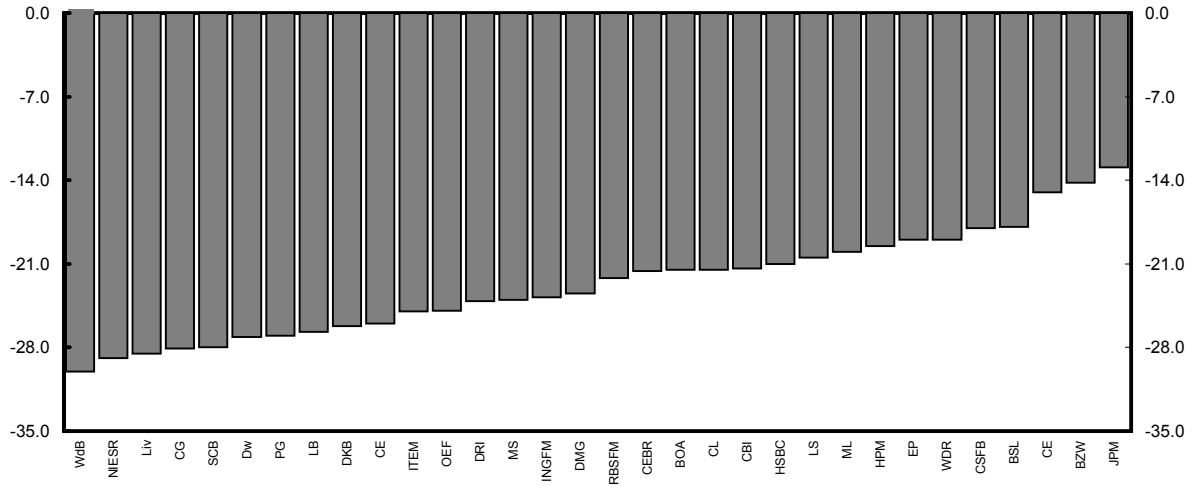


**Claimant unemployment (Q4, millions)**

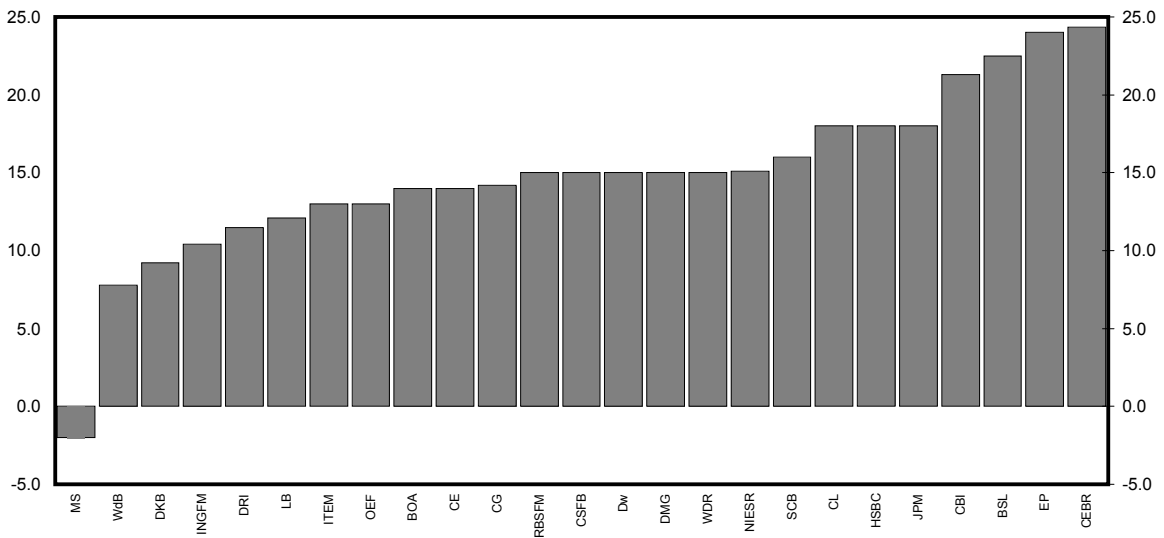


## Forecasts for 2003 July 2002 range of forecasts (made in last 3 months)

**Current account (£ billion)**



**PSNB (2003-04 £ billion)**



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

AA:	Abn Amro
BOA:	Bank of America
BZW:	Barclays Capital
BSL:	Business Strategies Ltd
CamE:	Cambridge Econometrics
CapE:	Capital Economics
CG:	Citigroup
CM:	Chase Manhattan
CBI:	Confederation of British Industry
CEBR:	Centre for Economics and Business Research Ltd
CL:	Credit Lyonnais
CSFB:	Credit Suisse First Boston
Dw:	Daiwa Europe Ltd/DIR
DB:	Deutsche Bank
DKW:	Dresdner Kleinwort Wasserstein
DRI:	Data Resources Inc. Europe
EC:	European Commission
EIU:	Economist Intelligence Unit
EP:	Economic Perspectives
FB:	Fortis Bank
GNW:	Greenwich Natwest
GS:	Goldman Sachs
HSBC:	Economics and Strategy
HPM:	Pensions Management Ltd
ING:	ING Financial Markets
IMF:	International Monetary Fund
ITEM:	ITEM Club
JPM:	JP Morgan
LB:	Lehman Brothers
Liv:	Liverpool Macro Research
LS:	Lombard Street Research Ltd
ML:	Merrill Lynch
MSDW:	Morgan Stanley Dean Witter
NIESR:	National Institute for Economic and Social Research
NG:	Natwest Group
NE:	Nikko Europe
NUIM:	Norwich Union Investment Management
OECD	Organisation for Economic Cooperation and Development
OEF:	Oxford Economic Forecasting
RBSFM:	Royal Bank Of Scotland Financial Markets
RSAL:	Royal & Sun Alliance Investments
SB:	Saloman Smith Barney
S:	Schroders
SG:	Societe Generale
SCB:	Standard Chartered
WDR:	Warburg Dillon Read
WLBP:	WestLB Panmure
WdB:	Williams de Broë

## Notation used in tables:

- a: consumers expenditure deflator
- b: underlying consumers expenditure deflator
- c: non-durable consumption
- d: current and capital expenditure, including stockbuilding
- e: private sector investment, stockbuilding and durable consumption
- f: investment and stockbuilding combined
- g: as a percentage of GDP
- h: contribution to GDP growth - per cent
- i: hourly rate
- j: end period
- k: calendar year
- m: non-oil trade
- n: wages and salaries divided by employees in employment
- o: consumer price deflator to Q4
- p: calculated from general government financial deficit figures adjusted for Privatisation proceeds
- q: forecast growth rates for Q4
- r: various definitions; refer to forecasters for details
- s: 3 month interbank rate
- t: billions of dollars
- u: general government current and capital expenditure plus stockbuilding
- v: average of spot price of Brent crude and Dubai light crude
- w: UK export markets
- x: claimant unemployment rate
- y: derived from the consumer price index
- z: OECD real imports of goods and services
- aa: ILO Unemployment
- bb: households only
- cc: PSNCR (Formerly PSBR)
- dd: harmonized index of consumer prices (HICP)
- ee: general government financial balance
- ff: gross disposable income deflated by implicit price of private consumption
- gg: 1990 Prices
- hh: World GDP

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CBI	Alex Muscatelli	020 7395 8111
CEBR	Kavin Mc Cauley	020 7600 6661
Credit Lyonnais	Glenn Davies	020 7214 5388
Credit Suisse First Boston	Robert Barrie	020 7888 7554
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HSBC	John Butler	020 7336 4147
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Lehman Brothers	Mike Dicks	020 7260 2783
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Morgan Stanley D Witter	Mark Miller	020 7425 6643
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Royal bank of Scotland	Geoffrey Dicks	020 7375 4277
Royal & SA Investment	Steve Andrew	020 7539 3482
Saloman Smith Barney	Michael Saunders	020 7721 3924
Schroders	Keith Wade	020 7658 6296
S.G. (Societe Generale)	Brian Hilliard	020 7762 5014
Standard Chartered Bank	Julian Jessop	020 7280 6690
Warburg Dillon Read	Darren Winder	020 7568 4412
WestLB Panmure	Henrich Maass	0049 211 826 2045
Williams de Broë	David Smith	020 7898 2402