

UNITED KINGDOM - ECONOMIC SURVEY - SEPTEMBER 2021

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ECONOMIC FORECASTS (CALENDAR YEAR BASIS)

DEADLINE

September 13

ONS Series Codes

* (average % change on previous CALENDAR year)

	2020	2021	2022
Gross Domestic Product , Chained 2016 Prices*	-9.8	6.0	3.5
Household Final Consumption Expenditure , Chained 2016 prices*	-10.6	3.5	5.9
Gross Fixed Capital Formation , Chained 2016 prices*	-8.8	4.5	3.5
Private Non-Financial Corps Trading Profits (excluding North Sea)*	-0.8	10.0	2.5
Manufacturing Production , 2013=100*	-9.5	6.8	3.1
Retail Price Index , "underlying (ex-MIPs)" or RPI-X , January 13, 1987=100*	1.7	3.5	5.2
Consumer Prices Index (Previously HICP), 2015 = 100*	0.8	2.5	4.5
Manufacturing Output Prices , 2015=100*	-1.0	3.0	4.5
Average Weekly Earnings, Whole Economy, Total Pay*	1.8	3.2	5.5
Unemployment Rate (Labour Force Survey measure)	4.5	5.1	6.2
Current Account, £bn	-73.9	-55	-45
	FY20/21	FY21/22	FY22/23
Public Sector Net Borrowing - excl. Financial Interventions (PSNB ex) (fiscal years (April-March), £bn)	298.0	215.0	155.0

ABMI
ABJR
NPQT
CAED
K22A
CHMK
D7BT
GB7S
KAB9
MGSX
HBOP
J5II

INTEREST RATE FORECASTS

	Latest	End Dec '21	End Sep '22
3 month Interbank Interest Rate , %	0.1	0.1	0.3
Yield on Benchmark 10 Year Gilts (0.375%, October 2030), %	0.7	0.9	1.3

EXCHANGE RATES AND OIL PRICES

	Latest	End Oct '21	End Dec '21	End Sep '22	End Sep '23
Japanese Yen/US Dollar	109.9	108.0	106.0	104.0	100.0
US Dollars/Euro	1.186	1.210	1.240	1.260	1.300
US Dollars/UK Pound	1.383	1.360	1.320	1.320	1.300
Canadian Dollars/US Dollar	1.254	1.240	1.240	1.220	1.200
Oil Price, BRENT - US \$/bbl	73.6	na	68.0	60.0	na

MONETARY POLICY EVALUATION

What probability do you attach to a Bank of England repo rate change at the MPC meeting of September 23, 2021?
 INCREASE + NO CHANGE 100.0 + DECREASE = Total 100%

And what, if any, CHANGES in rates do you expect? % OR %

Where do you estimate the Official Bank rate will be at the end of the next 4 quarters?

Official Bank rate:	Sep 30, 2021	Dec 31, 2021	Mar 31, 2022	Jun 30, 2022
	0.1 %	0.1 %	0.1 %	0.3 %

YEAR-ON-YEAR headline INFLATION

Consumer Prices, % change over previous year (y-o-y) (definition as above)

Aug '21	Sep	Oct	Nov	Dec	Jan '22	Feb	Mar	Apr	May	Jun	Jul	Aug
3.1	3.6	4.0	4.2	4.1	4.0	4.3	4.5	4.5	4.7	4.7	4.5	4.4

SPECIAL QUESTION (Answers Confidential) - QUARTERLY FORECASTS

In addition to the forecasts above, please give quarterly forecasts for the variables listed below for the period given (showing the % change over the SAME QUARTER of the PREVIOUS YEAR).

(definitions as above)

	1Q,'21	2Q,'21	3Q,'21	4Q,'21	1Q,'22	2Q,'22	3Q,'22	4Q,'22	1Q,'23	2Q,'23
Real GDP*	-6.1	22.2	5.4	5.6	7.7	3.1	2.5	1.0	0.4	0.3
Household Consumption*	-11.0	20.5	2.1	6.1	11.9	5.2	4.4	2.5	1.7	1.5
Manufacturing Production*	-1.9	26.2	4.6	2.0	4.0	2.8	2.9	2.7	2.2	1.8
Underlying Retail Prices* (1)	1.6	3.5	3.6	4.0	4.6	5.5	5.3	5.3	5.5	5.6
Consumer Prices (CPI)*	0.6	2.1	2.9	4.1	4.3	4.6	4.4	4.5	4.5	4.7
3 mth Interbank, %, end qtr	0.1	0.1	0.1	0.1	0.1	0.3	0.3	0.5	0.8	1.0

(1) excludes MIPs i.e. RPI-X

Quantitative Easing, Tapering and a Return to Monetary Policy Normalisation?

When do you think Official Bank Rate hikes will begin?

during Q1 2022	during Q2 2022	during Q3 2022	during Q4 2022	during Q1 2023	during Q2 2023	beyond Q2 2023
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Please comment on your forecasts by adding a message into the body of your e-mail

Annual vs. Quarterly Forecasts Reconciliation

Annual Forecast (Average of 4 Quarters)

	2021	2022
Real GDP*	6.0 (6.8)	3.5 (3.6)
Household Consumption*	3.5 (4.4)	5.9 (6.0)
Manufacturing Production*	6.8 (7.7)	3.1 (3.1)
Underlying Retail Prices* (1)	3.5 (3.2)	5.2 (5.2)
Consumer Prices (CPI)*	2.5 (2.4)	4.5 (4.5)