

UNITED KINGDOM - ECONOMIC SURVEY - MARCH 2022

RETURN TO: CONSENSUS ECONOMICS INC.

e-mail: cf@consensuseconomics.com



Please enter your details below:

Name: Peter Warburton **Company:** Economic Perspectives **Date:** 14-Mar

ECONOMIC FORECASTS (CALENDAR YEAR BASIS) **DEADLINE**
March 14

* (average % change on previous CALENDAR year)

	2021	2022	2023
Gross Domestic Product , Chained 2016 Prices*	7.5	1.4	0.9
Household Final Consumption Expenditure , Chained 2016 prices*	6.1	4.4	0.5
Gross Fixed Capital Formation , Chained 2016 prices*	5.3	2.5	1.5
Private Non-Financial Corps Trading Profits (excluding North Sea)*	3.5	-7.0	-2.5
Manufacturing Production , 2013=100*	6.7	3.1	0.8
Retail Price Index , "underlying (ex-MIPs)" or RPI-X , January 13, 1987=100*	4.2	7.3	5.5
Consumer Prices Index (CPI) , 2015 = 100*	2.6	6.0	4.6
Manufacturing Output Prices , 2015=100*	5.2	5.0	4.5
Average Weekly Earnings, Whole Economy, Total Pay*	5.9	7.2	6.0
Unemployment Rate (Labour Force Survey measure)	4.5	4.7	4.8
Current Account, £bn	-60	-55	-50
Public Sector Net Borrowing - excl. Financial Interventions (PSNB ex) (fiscal years (April-March), £bn)	FY21/22 180.0	FY22/23 155.0	FY23/24 130.0

INTEREST RATE FORECASTS

	Latest	End Jun '22	End Mar '23
3 month Term SONIA Reference Rate (TSRR), %	0.4	0.8	1.5
Yield on Benchmark 10 Year Gilts (0.25%, July 2031), %	1.3	1.5	1.8

EXCHANGE RATES AND OIL PRICES

	Latest	End Apr '22	End Jun '22	End Mar '23	End Mar '24
Japanese Yen/US Dollar	115.6	114.0	113.0	112.0	111.0
US Dollars/Euro	1.106	1.135	1.150	1.180	1.200
US Dollars/UK Pound	1.334	1.340	1.330	1.320	1.320
Canadian Dollars/US Dollar	1.267	1.270	1.255	1.250	1.240
Oil Price, BRENT - US \$/bbl	127.1	na	95.0	75.0	na

MONETARY POLICY EVALUATION

What probability do you attach to a Bank of England repo rate change at the MPC meeting of **May 5, 2022?**

INCREASE: + NO CHANGE: + DECREASE: = Total:

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?

	Mar 31, 2022	Jun 30, 2022	Sep 30, 2022	Dec 31, 2022
Official Bank rate:	<input type="text" value="0.8"/> %	<input type="text" value="1.0"/> %	<input type="text" value="1.3"/> %	<input type="text" value="1.5"/> %

YEAR-ON-YEAR headline INFLATION

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

	Feb '22	Mar '22	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb '23
	5.6	6.4	7.5	7.3	6.8	6.2	6.0	5.5	4.5	4.6	4.7	5.0	5.0

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)

	3Q,'21	4Q,'21	1Q,'22	2Q,'22	3Q,'22	4Q,'22	1Q,'23	2Q,'23	3Q,'23	4Q,'23
Real GDP*	7.0	6.5	5.6	0.5	-0.3	0.0	0.8	0.9	0.9	1.0
Household Consumption*	5.8	8.9	11.2	4.0	1.5	0.9	0.7	0.6	0.4	0.4
Manufacturing Production*	4.3	0.7	5.5	2.8	2.7	0.9	0.8	0.6	0.8	1.0
Underlying Retail Prices* (1)	4.6	7.0	8.2	7.7	7.0	6.0	5.8	5.5	5.6	5.0
Consumer Prices (CPI)*	2.8	5.0	5.8	7.2	5.9	4.6	5.0	4.6	4.9	4.4
3 mth Interbank, %, end qtr	0.1	0.3	0.5	1.0	1.3	1.5	1.5	1.8	1.8	1.8

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

Please comment on your forecasts by adding a message into the body of your e-mail

ONS Series Codes

ABMI

ABJR

NPQT

CAED

K22A

CHMK

D7BT

GB7S

KAB9

MGSX

HBOP

J5II

Annual vs. Quarterly Forecasts Reconciliation

Annual Forecast (Average of 4 Quarters)

	2022	2023
Real GDP*	1.4 (1.4)	0.9 (0.9)
Household Consumption*	4.4 (4.4)	0.5 (0.5)
Manufacturing Production*	3.1 (3.0)	0.8 (0.8)
Underlying Retail Prices* (1)	7.3 (7.2)	5.5 (5.5)
Consumer Prices (CPI)*	6.0 (5.9)	4.6 (4.7)