

## Appendix – Forecast details

Table A1. Exchange rates and interest rates

	UK exchange rates			FTSE All-share index	Interest rates				
	Effective 2011 = 100	Dollar	Euro		3-month rates	Mortgage interest	10-year gilts	World <sup>(a)</sup>	Bank Rate <sup>(b)</sup>
2011	100.00	1.60	1.15	2587.6	0.9	4.1	3.1	1.6	0.50
2012	104.17	1.59	1.23	2617.7	0.8	4.2	1.8	1.4	0.50
2013	102.91	1.56	1.18	3006.2	0.5	4.4	2.4	1.1	0.50
2014	110.94	1.65	1.24	3136.6	0.5	4.4	2.5	0.9	0.50
2015	118.16	1.53	1.38	3150.1	0.6	4.5	1.8	0.7	0.50
2016	108.04	1.38	1.24	2979.7	0.5	4.5	1.2	0.8	0.15
2017	103.76	1.33	1.19	2860.3	0.3	4.4	1.6	0.9	0.10
2018	104.26	1.34	1.19	2770.7	0.6	4.4	2.3	1.1	0.75
2019	104.56	1.35	1.18	2733.1	1.1	4.5	2.8	1.5	1.25
2020	104.83	1.37	1.18	2763.0	1.6	4.8	3.2	2.0	1.75
2021	105.11	1.38	1.17	2828.5	2.1	5.1	3.6	2.5	2.25
2015 Q1	114.93	1.51	1.34	3207.6	0.6	4.5	1.6	0.7	0.50
2015 Q2	117.57	1.53	1.39	3294.6	0.6	4.5	1.9	0.7	0.50
2015 Q3	120.31	1.55	1.39	3075.5	0.6	4.5	1.9	0.7	0.50
2015 Q4	119.82	1.52	1.39	3022.6	0.6	4.5	1.9	0.7	0.50
2016 Q1	113.34	1.43	1.30	2891.8	0.6	4.6	1.5	0.8	0.50
2016 Q2	111.24	1.43	1.27	2987.2	0.6	4.6	1.4	0.8	0.50
2016 Q3	103.97	1.33	1.20	3084.9	0.5	4.6	0.9	0.8	0.25
2016 Q4	103.60	1.33	1.19	2954.9	0.3	4.4	1.1	0.8	0.10
2017 Q1	103.60	1.33	1.19	2904.9	0.3	4.4	1.3	0.8	0.10
2017 Q2	103.70	1.33	1.19	2873.5	0.3	4.5	1.5	0.9	0.10
2017 Q3	103.81	1.33	1.19	2846.0	0.3	4.4	1.7	0.9	0.10
2017 Q4	103.94	1.33	1.19	2817.0	0.3	4.4	1.9	1.0	0.10
<i>Percentage changes</i>									
2011/2010	-0.2	3.7	-1.2	4.6					
2012/2011	4.2	-1.1	7.0	1.2					
2013/2012	-1.2	-1.3	-4.5	14.8					
2014/2013	7.8	5.3	5.4	4.3					
2015/2014	6.5	-7.2	11.1	0.4					
2016/2015	-8.6	-9.6	-10.1	-5.4					
2017/2016	-4.0	-3.6	-3.9	-4.0					
2018/2017	0.5	0.8	-0.2	-3.1					
2019/2018	0.3	0.9	-0.5	-1.4					
2020/2019	0.3	0.9	-0.6	1.1					
2021/2020	0.3	0.9	-0.6	2.4					
2015Q4/14Q4	7.2	-4.2	9.4	-1.4					
2016Q4/15Q4	-13.5	-12.4	-14.0	-2.2					
2017Q4/16Q4	0.3	0.4	-0.1	-4.7					

Notes: We assume that bilateral exchange rates for the first quarter of this year are the average of information available to 14 July 2016. We then assume that bilateral rates remain constant for the following two quarters before moving in line with the path implied by the backward-looking uncovered interest rate parity condition based on interest rate differentials relative to the US. We then assume sterling remains constant in the final quarter of this year. (a) Weighted average of central bank intervention rates in OECD economies. (b) End of period.

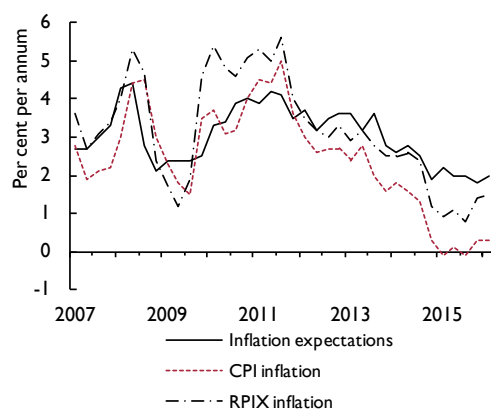
Table A2. Price indices

2013=100

	Unit labour costs	Imports deflator	Exports deflator	Wholesale price index <sup>(a)</sup>	World oil price (\$) <sup>(b)</sup>	Consumption deflator	GDP deflator (market prices)	Retail price index		
								All items	Excluding mortgage interest	Consumer prices index
2011	97.6	100.1	97.6	98.1	108.5	95.9	96.6	94.0	94.0	94.8
2012	98.6	99.6	97.5	99.2	110.4	97.7	98.1	97.0	97.0	97.5
2013	100.0	100.0	100.0	100.0	107.1	100.0	100.0	100.0	100.0	100.0
2014	99.3	95.9	97.4	100.9	97.8	101.7	101.6	102.4	102.4	101.4
2015	100.3	90.8	92.7	101.1	51.8	102.0	102.0	103.4	103.5	101.5
2016	101.7	94.1	93.7	102.2	42.2	102.7	102.1	105.0	105.0	102.0
2017	102.8	101.2	98.2	105.6	50.4	105.4	103.9	108.3	108.1	104.5
2018	105.0	104.4	101.4	109.1	57.0	108.3	106.8	112.4	111.7	107.5
2019	106.9	105.9	103.6	111.9	58.1	110.8	109.4	116.4	114.8	109.8
2020	108.4	107.3	105.6	113.9	59.3	113.1	111.9	120.5	117.8	112.1
2021	109.6	109.1	107.8	115.5	60.5	115.4	114.3	125.2	120.9	114.3
Percentage changes										
2011/2010	-0.1	6.8	5.8	2.8	37.6	3.6	2.0	5.2	5.3	4.5
2012/2011	1.0	-0.5	-0.2	1.1	1.8	1.9	1.5	3.2	3.2	2.9
2013/2012	1.4	0.4	2.6	0.8	-3.0	2.3	1.9	3.0	3.1	2.6
2014/2013	-0.7	-4.1	-2.6	0.9	-8.7	1.7	1.6	2.4	2.4	1.4
2015/2014	1.1	-5.3	-4.8	0.2	-47.0	0.3	0.3	1.0	1.0	0.1
2016/2015	1.4	3.6	1.1	1.1	-18.5	0.7	0.2	1.6	1.5	0.5
2017/2016	1.1	7.5	4.8	3.3	19.4	2.6	1.7	3.2	2.9	2.5
2018/2017	2.1	3.2	3.2	3.3	13.0	2.8	2.8	3.8	3.3	2.8
2019/2018	1.8	1.4	2.1	2.6	2.0	2.3	2.5	3.6	2.8	2.2
2020/2019	1.4	1.3	2.0	1.8	2.0	2.1	2.3	3.5	2.6	2.0
2021/2020	1.2	1.6	2.0	1.4	2.0	2.1	2.2	3.8	2.6	2.0
2015Q4/14Q4	1.1	-5.1	-6.7	0.1	-43.8	0.1	0.0	1.0	1.1	0.1
2016Q4/15Q4	1.6	8.2	5.9	2.3	9.3	1.0	0.6	1.9	1.7	0.8
2017Q4/16Q4	1.3	5.6	4.1	3.5	21.6	3.2	2.7	3.7	3.5	3.1

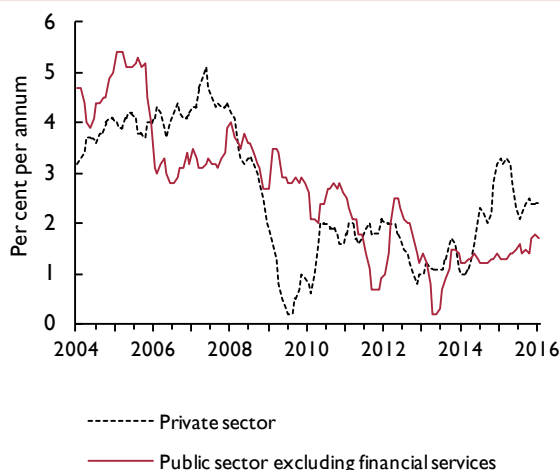
Notes: (a) Excluding food, beverages, tobacco and petroleum products. (b) Per barrel, average of Dubai and Brent spot prices.

Figure A1. Household inflation expectations for the year ahead are stable



Source: Bank of England/NOP Inflation Attitudes Survey, ONS.  
Note: Inflation expectation is for the rate of inflation 12 months ahead. Contemporaneous inflation rates are for the month available during the month of the survey.

Figure A2. Private and public sector nominal wage growth



Source: ONS.  
Note: Regular pay, excluding bonuses and arrears.

Table A3. Gross domestic product and components of expenditure

£ billion, 2013 prices

	Final consumption expenditure		Gross capital formation		Domestic demand	Total exports <sup>(c)</sup>	Total final expenditure	Total imports <sup>(c)</sup>	Net trade	GDP at market prices
	Households & NPISH <sup>(a)</sup>	General govt.	Gross fixed in-vestment	Changes in inventories <sup>(b)</sup>						
2011	1102.3	342.8	265.3	-5.7	1699.1	509.1	2208.1	523.5	-14.5	1684.8
2012	1121.1	348.6	271.5	0.4	1733.3	512.2	2245.3	538.5	-26.3	1706.9
2013	1138.5	349.6	280.2	10.4	1778.8	517.6	2296.4	556.9	-39.2	1739.6
2014	1163.1	357.6	298.9	19.2	1838.8	525.2	2364.0	571.0	-45.8	1793.0
2015	1192.6	362.4	308.9	20.0	1884.0	550.4	2434.3	604.4	-54.0	1833.2
2016	1220.5	365.3	303.0	15.3	1904.1	560.7	2464.8	609.8	-49.1	1864.0
2017	1218.8	367.6	292.9	9.3	1888.6	581.7	2470.3	597.2	-15.4	1882.2
2018	1224.9	369.4	300.1	9.0	1903.4	602.4	2505.7	596.2	6.1	1918.6
2019	1242.5	370.2	314.4	9.0	1936.0	617.8	2553.8	602.9	14.9	1960.0
2020	1266.7	372.8	332.8	9.0	1981.4	632.4	2613.8	619.1	13.3	2003.8
2021	1296.4	376.5	346.2	9.0	2028.0	646.4	2674.4	637.8	8.6	2045.8
<i>Percentage changes</i>										
2011/2010	-0.5	0.2	1.9		0.1	5.8	1.3	0.8		1.5
2012/2011	1.7	1.7	2.3		2.0	0.6	1.7	2.9		1.3
2013/2012	1.6	0.3	3.2		2.6	1.1	2.3	3.4		1.9
2014/2013	2.2	2.3	6.7		3.4	1.5	2.9	2.5		3.1
2015/2014	2.5	1.4	3.3		2.5	4.8	3.0	5.8		2.2
2016/2015	2.3	0.8	-1.9		1.1	1.9	1.3	0.9		1.7
2017/2016	-0.1	0.6	-3.3		-0.8	3.7	0.2	-2.1		1.0
2018/2017	0.5	0.5	2.5		0.8	3.5	1.4	-0.2		1.9
2019/2018	1.4	0.2	4.8		1.7	2.6	1.9	1.1		2.2
2020/2019	2.0	0.7	5.9		2.3	2.4	2.3	2.7		2.2
2021/2020	2.3	1.0	4.0		2.4	2.2	2.3	3.0		2.1
<i>Decomposition of growth in GDP</i>										
2011	-0.3	0.0	0.3	-0.6	0.1	1.7	1.8	-0.3	1.4	1.5
2012	1.1	0.3	0.4	0.4	2.0	0.2	2.2	-0.9	-0.7	1.3
2013	1.0	0.1	0.5	0.6	2.7	0.3	3.0	-1.1	-0.8	1.9
2014	1.4	0.5	1.1	0.5	3.4	0.4	3.9	-0.8	-0.4	3.1
2015	1.6	0.3	0.6	0.0	2.5	1.4	3.9	-1.9	-0.5	2.2
2016	1.5	0.2	-0.3	-0.3	1.1	0.6	1.7	-0.3	0.3	1.7
2017	-0.1	0.1	-0.5	-0.3	-0.8	1.1	0.3	0.7	1.8	1.0
2018	0.3	0.1	0.4	0.0	0.8	1.1	1.9	0.0	1.1	1.9
2019	0.9	0.0	0.7	0.0	1.7	0.8	2.5	-0.3	0.5	2.2
2020	1.2	0.1	0.9	0.0	2.3	0.7	3.1	-0.8	-0.1	2.2
2021	1.5	0.2	0.7	0.0	2.3	0.7	3.0	-0.9	-0.2	2.1

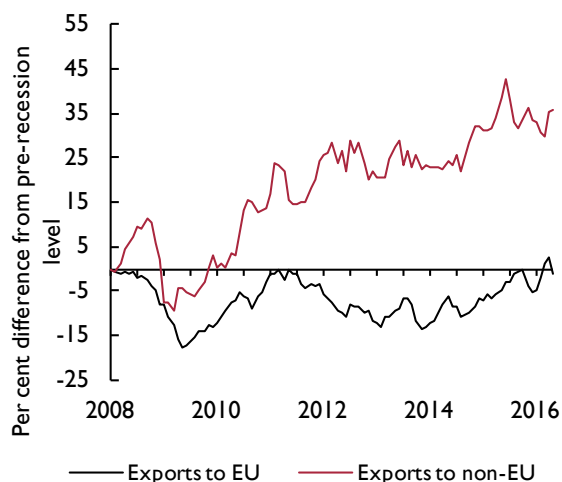
Notes: (a) Non-profit institutions serving households. (b) Including acquisitions less disposals of valuables and quarterly alignment adjustment. (c) Includes Missing Trader Intra-Community Fraud. (d) Components may not add up to total GDP growth due to rounding and the statistical discrepancy included in GDP.

Table A4. External sector

	Exports of goods <sup>(a)</sup>	Imports of goods <sup>(a)</sup>	Net trade in goods <sup>(a)</sup>	Exports of services	Imports of services	Net trade in services	Export price competitiveness <sup>(c)</sup>	World trade <sup>(d)</sup>	Terms of trade <sup>(e)</sup>	Current balance
	£ billion, 2013 prices <sup>(b)</sup>						2013=100		% of GDP	
2011	310.6	402.0	-91.4	198.0	121.5	76.5	98.0	95.4	97.6	-1.8
2012	305.4	412.0	-106.6	206.6	126.4	80.2	99.6	97.4	97.8	-3.7
2013	303.1	423.8	-120.7	214.5	133.1	81.4	100.0	100.0	100.0	-4.4
2014	307.4	434.4	-127.0	217.7	136.6	81.2	103.5	104.2	101.5	-4.7
2015	326.8	463.1	-136.3	223.6	141.3	82.3	102.3	108.8	102.1	-5.4
2016	329.6	469.8	-140.3	231.2	140.0	91.1	95.6	110.7	99.6	-6.0
2017	347.1	460.5	-113.4	234.6	136.6	98.0	94.4	115.5	97.1	-3.2
2018	361.0	459.7	-98.8	241.4	136.5	104.9	95.4	120.6	97.1	-1.1
2019	370.5	464.9	-94.4	247.3	138.0	109.3	95.5	125.4	97.8	-0.2
2020	379.5	477.9	-98.5	252.9	141.1	111.8	95.5	129.9	98.4	-0.2
2021	388.1	493.0	-104.9	258.3	144.8	113.5	95.4	134.1	98.8	-0.5
<b>Percentage changes</b>										
2011/2010	6.8	1.5		4.4	-1.4		4.3	6.2	-1.0	
2012/2011	-1.7	2.5		4.3	4.1		1.6	2.1	0.3	
2013/2012	-0.7	2.9		3.8	5.2		0.4	2.7	2.2	
2014/2013	1.4	2.5		1.5	2.6		3.5	4.2	1.5	
2015/2014	6.3	6.6		2.7	3.5		-1.2	4.4	0.6	
2016/2015	0.8	1.5		3.4	-0.9		-6.6	1.8	-2.4	
2017/2016	5.3	-2.0		1.5	-2.4		-1.2	4.3	-2.5	
2018/2017	4.0	-0.2		2.9	-0.1		1.0	4.5	0.0	
2019/2018	2.6	1.1		2.5	1.1		0.1	3.9	0.7	
2020/2019	2.4	2.8		2.3	2.3		0.0	3.6	0.6	
2021/2020	2.3	3.1		2.1	2.6		-0.2	3.2	0.4	

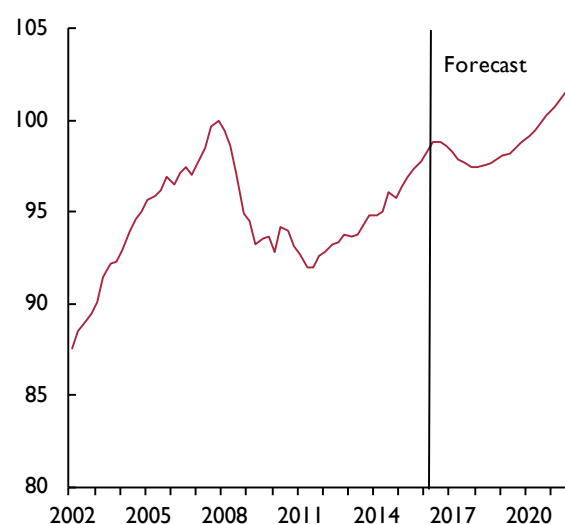
Notes: (a) Includes Missing Trader Intra-Community Fraud. (b) Balance of payments basis. (c) A rise denotes a loss in UK competitiveness. (d) Weighted by import shares in UK export markets. (e) Ratio of average value of exports to imports.

Figure A3. Goods exports volumes to the EU have just regained pre-recession levels



Notes: Percentage difference is exports to EU and non-EU countries from their pre-recession level. 3-month moving averages. Volume of goods exports. Pre-recession peak is January 2008, defined by NIESR's monthly estimate of GDP.

Figure A4. Per capita consumer spending is expected to reach its pre-recession peak in 2020 (2007Q4=100)



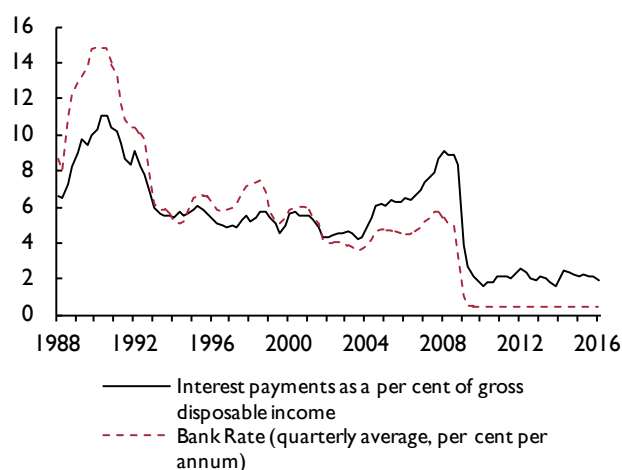
Sources: ONS, NIESR forecast.

Table A5. Household sector

	Average <sup>(a)</sup> earnings	Compen- sation of employees	Total personal income	Gross disposable income	Real disposable income <sup>(b)</sup>	Final consumption expenditure		Saving ratio <sup>(c)</sup>	House prices <sup>(d)</sup>	Net worth to income ratio <sup>(e)</sup>
	2013=100	£ billion, current prices			£ billion, 2013 prices			per cent	2013=100	
						Total	Durable			
2011	96.0	831.1	1412.6	1091.9	1138.6	1102.3	88.4	8.9	95.0	6.5
2012	97.9	850.5	1457.4	1136.8	1163.1	1121.1	92.2	8.3	96.6	6.7
2013	100.0	879.1	1492.0	1161.5	1161.5	1138.5	98.0	6.6	100.0	6.7
2014	100.5	899.3	1538.1	1199.2	1179.2	1163.1	104.9	6.8	110.0	7.3
2015	101.7	929.2	1599.5	1244.0	1220.0	1192.6	113.0	6.1	117.3	7.5
2016	103.9	958.3	1674.8	1302.7	1268.3	1220.5	119.7	6.5	123.8	7.7
2017	106.2	978.1	1728.9	1346.5	1277.9	1218.8	118.0	7.5	119.3	7.1
2018	109.4	1017.7	1814.3	1411.3	1302.6	1224.9	120.4	8.9	119.4	6.9
2019	112.5	1058.3	1904.6	1477.5	1333.6	1242.5	123.0	9.8	120.5	6.6
2020	115.6	1097.2	2001.2	1551.0	1371.4	1266.7	125.9	10.6	121.8	6.5
2021	118.8	1133.2	2098.0	1625.4	1408.2	1296.4	128.6	10.9	122.9	6.4
<b>Percentage changes</b>										
2011/2010	1.0	1.4	1.8	1.4	-2.1	-0.5	0.8		-1.0	
2012/2011	1.9	2.3	3.2	4.1	2.2	1.7	4.2		1.6	
2013/2012	2.1	3.4	2.4	2.2	-0.1	1.6	6.3		3.5	
2014/2013	0.5	2.3	3.1	3.2	1.5	2.2	7.1		10.0	
2015/2014	1.2	3.3	4.0	3.7	3.5	2.5	7.7		6.7	
2016/2015	2.2	3.1	4.7	4.7	4.0	2.3	6.0		5.5	
2017/2016	2.2	2.1	3.2	3.4	0.8	-0.1	-1.4		-3.6	
2018/2017	3.0	4.0	4.9	4.8	1.9	0.5	2.0		0.0	
2019/2018	2.8	4.0	5.0	4.7	2.4	1.4	2.2		1.0	
2020/2019	2.7	3.7	5.1	5.0	2.8	2.0	2.4		1.0	
2021/2020	2.8	3.3	4.8	4.8	2.7	2.3	2.1		1.0	

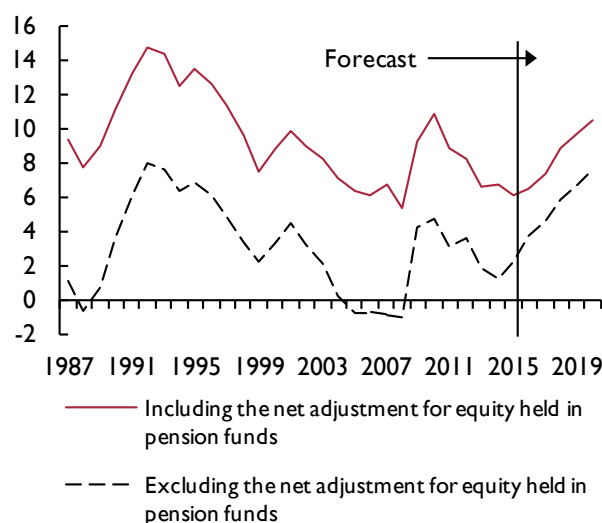
Notes: (a) Average earnings equals total labour compensation divided by the number of employees. (b) Deflated by consumers' expenditure deflator. (c) Includes adjustment for change in net equity of households in pension funds. (d) Office for National Statistics, mix-adjusted. (e) Net worth is defined as housing wealth plus net financial assets.

Figure A5. Household income gearing



Sources: ONS, NIESR forecast.

Figure A6. We expect households' propensity to save to rise over the medium term (per cent of gross disposable incomes)



Sources: ONS, NIESR forecast.

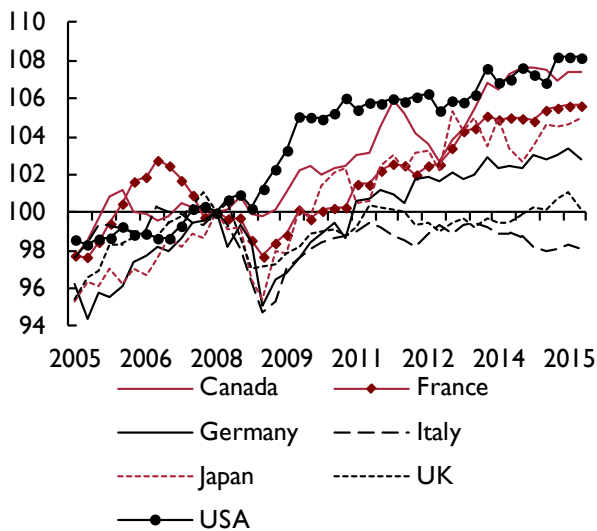
Table A6. Fixed investment and capital

£ billion, 2013 prices

	Gross fixed investment				User cost of capital (%)	Corporate profit share of GDP (%)	Capital stock	
	Business investment	Private housing <sup>(a)</sup>	General government	Total			Private	Public <sup>(b)</sup>
2011	147.6	64.0	54.0	265.3	13.7	23.9	3183.2	904.5
2012	158.2	63.1	50.2	271.5	13.3	23.4	3202.7	955.3
2013	162.3	69.3	48.6	280.2	12.8	23.9	3219.2	934.7
2014	168.6	78.6	51.6	298.9	12.7	24.6	3246.2	981.8
2015	177.1	80.8	51.0	308.9	13.3	24.1	3279.6	1022.8
2016	170.3	84.1	48.6	303.0	13.1	23.2	3307.0	1050.8
2017	161.7	81.5	49.6	292.9	13.2	23.7	3321.9	1076.3
2018	165.3	85.1	49.7	300.1	13.6	24.7	3342.9	1101.3
2019	174.5	90.2	49.7	314.4	14.2	25.6	3376.5	1125.7
2020	184.9	95.3	52.7	332.8	14.3	26.6	3422.9	1152.5
2021	189.6	99.9	56.7	346.2	14.6	27.5	3475.1	1182.8
<b>Percentage changes</b>								
2011/2010	4.3	3.3	-5.6	1.9			0.5	-0.1
2012/2011	7.2	-1.5	-7.0	2.3			0.6	5.6
2013/2012	2.6	9.8	-3.2	3.2			0.5	-2.2
2014/2013	3.9	13.4	6.3	6.7			0.8	5.0
2015/2014	5.0	2.8	-1.3	3.3			1.0	4.2
2016/2015	-3.8	4.0	-4.7	-1.9			0.8	2.7
2017/2016	-5.0	-3.0	2.2	-3.3			0.5	2.4
2018/2017	2.2	4.4	0.2	2.5			0.6	2.3
2019/2018	5.6	6.0	0.0	4.8			1.0	2.2
2020/2019	6.0	5.7	5.9	5.9			1.4	2.4
2021/2020	2.5	4.8	7.7	4.0			1.5	2.6

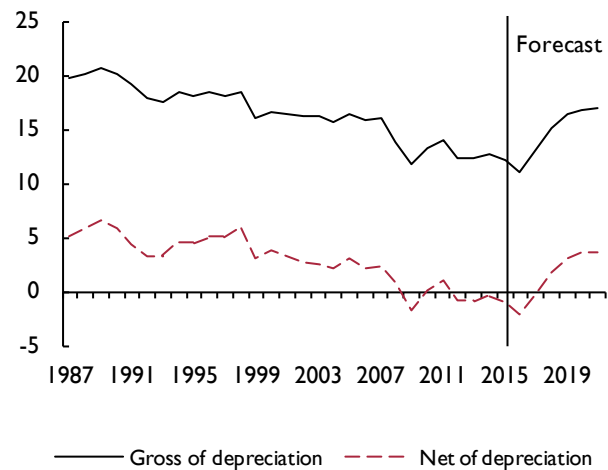
Notes: (a) Includes private sector transfer costs of non-produced assets. (b) Including public sector non-financial corporations.

Figure A7. Productivity in the UK remains around pre-recession levels



Source: NiGEM database and forecast.  
Notes: 2008Q1 = 100. GDP per person hour.

Figure A8. National saving is not expected to recover pre-crisis levels over our forecast horizon (per cent of GDP)



Source: NiGEM database and forecast.

Table A7. Productivity and the labour market

Thousands

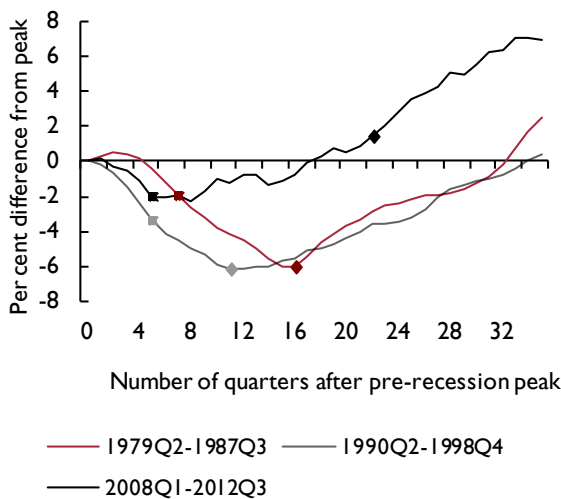
	Employment		ILO unemployment	Labour force <sup>(b)</sup>	Population of working age <sup>(c)</sup>	Productivity (2013=100)		Unemployment, %	
	Employees	Total <sup>(a)</sup>				Per hour	Manufacturing	Claimant rate	ILO unemployment rate
2011	25117	29376	2593	31969	40944	101.3	101.6	4.7	8.1
2012	25213	29697	2572	32269	40880	100.5	99.7	4.7	8.0
2013	25514	30044	2474	32518	40915	100.0	100.0	4.3	7.6
2014	25963	30757	2026	32783	41037	100.6	101.1	3.0	6.2
2015	26517	31297	1781	33078	41241	101.4	99.1	2.3	5.4
2016	26767	31713	1683	33395	41396	101.5	99.0	2.3	5.0
2017	26724	31763	1902	33665	41527	102.5	102.1	3.0	5.6
2018	26991	32153	1782	33935	41620	103.3	105.3	2.7	5.3
2019	27299	32486	1713	34199	41707	104.6	108.4	2.5	5.0
2020	27547	32710	1729	34439	41812	106.2	111.7	2.5	5.0
2021	27689	32901	1752	34653	41900	107.8	115.3	2.5	5.1

Percentage changes									
2011/2010	0.4	0.5	3.8	0.8	0.6	0.9	2.7		
2012/2011	0.4	1.1	-0.8	0.9	-0.2	-0.8	-1.9		
2013/2012	1.2	1.2	-3.8	0.8	0.1	-0.5	0.3		
2014/2013	1.8	2.4	-18.1	0.8	0.3	0.6	1.1		
2015/2014	2.1	1.8	-12.1	0.9	0.5	0.8	-1.9		
2016/2015	0.9	1.3	-5.5	1.0	0.4	0.1	-0.1		
2017/2016	-0.2	0.2	13.0	0.8	0.3	1.0	3.2		
2018/2017	1.0	1.2	-6.3	0.8	0.2	0.8	3.1		
2019/2018	1.1	1.0	-3.9	0.8	0.2	1.2	2.9		
2020/2019	0.9	0.7	0.9	0.7	0.3	1.6	3.1		
2021/2020	0.5	0.6	1.3	0.6	0.2	1.5	3.2		

Notes: (a) Includes self-employed, government-supported trainees and unpaid family members. (b) Employment plus ILO unemployment. (c) Population projections are based on annual rates of growth from 2014-based population projections by the ONS.

Figure A9. In 2016Q2 GDP was 7.7 per cent higher than its pre-crisis peak and employment is estimated to be 7 per cent higher



Source: NIESR calculations.  
 Note: Peak is defined by GDP. The lines refer to the evaluation of the level of employment. A square indicates trough of recession; a diamond indicates recovery of pre-recession GDP peak.

Figure A10. The Beveridge curve suggests continued improvement in the labour market matching process



Source: NIESR calculations.  
 Notes: Population aged 16–64. Dates refer to pre-recession, the Great Recession and the post Great Recession periods, as defined by NIESR's monthly GDP estimates.

Table A8. Public sector financial balance and borrowing requirement

£ billion, fiscal years

	2014–15	2015–16	2016–17	2017–18	2018–19	2019–20	2020–21	2021–22
Current receipts:								
Taxes on income	389.4	405.4	417.3	428.9	454.6	487.5	511.0	537.4
Taxes on expenditure	230.7	239.9	244.2	250.5	259.9	271.1	282.5	295.2
Other current receipts	25.7	24.4	21.4	20.2	20.2	16.3	17.1	17.8
Total	645.8	669.7	682.9	699.6	734.6	775.0	810.6	850.5
(as a % of GDP)	35.1	35.6	35.7	35.4	35.4	35.7	35.8	36.0
Current expenditure:								
Goods and services	359.2	362.0	366.1	373.1	378.1	381.3	389.5	402.6
Net social benefits paid	228.7	230.8	230.2	230.7	232.5	238.3	249.5	260.9
Debt interest	33.5	34.6	34.1	33.7	35.9	38.0	39.4	40.9
Other current expenditure	50.0	50.6	54.4	55.8	58.1	46.1	48.3	50.0
Total	671.4	678.0	684.8	693.3	704.5	703.7	726.7	754.3
(as a % of GDP)	36.5	36.1	35.8	35.1	34.0	32.4	32.1	31.9
Depreciation	37.0	38.1	39.6	41.5	43.3	45.1	47.0	49.0
Surplus on public sector current budget <sup>(a)</sup> (as a % of GDP)	-62.6 -3.4	-46.4 -2.5	-41.5 -2.2	-35.2 -1.8	-13.2 -0.6	26.1 1.2	37.0 1.6	47.1 2.0
Gross investment	65.4	69.1	69.0	71.6	73.6	75.3	84.6	88.2
Net investment (as a % of GDP)	28.4 1.5	31.0 1.6	29.4 1.5	30.1 1.5	30.3 1.5	30.2 1.4	37.6 1.7	39.2 1.7
Total managed expenditure (as a % of GDP)	736.7 40.0	747.1 39.8	753.8 39.5	764.9 38.7	778.1 37.5	779.1 35.9	811.3 35.8	842.5 35.7
Public sector net borrowing (as a % of GDP)	91.0 4.9	77.4 4.1	70.9 3.7	65.3 3.3	43.4 2.1	4.1 0.2	0.7 0.0	-8.0 -0.3
Financial transactions	6.9	17.5	-11.6	-7.1	-14.1	-15.4	-25.6	0.0
Public sector net cash requirement (as a % of GDP)	84.1 4.6	59.9 3.2	82.5 4.3	72.4 3.7	57.5 2.8	19.5 0.9	26.3 1.2	-8.0 -0.3
Public sector net debt (% of GDP)	83.2	84.2	86.8	86.0	84.5	81.3	78.6	74.8
GDP deflator at market prices (2013=100)	101.9	102.0	102.3	104.6	107.5	110.0	112.5	114.9
Money GDP	1840.3	1879.3	1910.6	1977.4	2072.3	2169.1	2266.8	2363.0
Financial balance under Maastricht (% of GDP) <sup>(b)</sup>	-5.6	-4.2	-3.7	-3.5	-2.4	-0.7	-0.1	0.3
Gross debt under Maastricht (% of GDP) <sup>(b)</sup>	87.9	89.0	89.4	90.4	88.6	85.1	81.3	77.5

Notes: These data are constructed from seasonally adjusted national accounts data. This results in differences between the figures here and unadjusted fiscal year data. Data exclude the impact of financial sector interventions, but include flows from the Asset Purchase Facility of the Bank of England. (a) Public sector current budget surplus is total current receipts less total current expenditure and depreciation. (b) Calendar year.



Table A9. Saving and investment

As a percentage of GDP

	Households		Companies		General government		Whole economy		Finance from abroad <sup>(a)</sup>		Net national saving
	Saving	Investment	Saving	Investment	Saving	Investment	Saving	Investment	Total	Net factor income	
2011	6.4	4.1	11.8	8.8	-4.1	2.9	14.1	15.8	1.8	-1.2	1.0
2012	5.9	4.2	11.0	9.2	-4.5	2.6	12.4	16.1	3.7	0.1	-0.7
2013	4.7	4.6	10.5	9.6	-2.8	2.5	12.3	16.7	4.4	0.5	-0.8
2014	4.7	4.9	10.7	9.9	-2.6	2.6	12.8	17.4	4.7	1.2	-0.3
2015	4.3	5.0	9.3	10.0	-1.4	2.5	12.2	17.5	5.4	1.9	-0.9
2016	4.6	5.3	7.3	9.4	-0.8	2.4	11.1	17.1	6.0	2.1	-2.2
2017	5.3	5.1	8.3	8.7	-0.6	2.5	13.0	16.2	3.2	0.0	-0.2
2018	6.3	5.2	8.4	8.6	0.4	2.4	15.1	16.2	1.1	-0.9	1.9
2019	7.0	5.4	7.2	8.8	2.2	2.4	16.3	16.6	0.2	-1.0	3.1
2020	7.5	5.6	6.5	9.1	2.8	2.4	16.9	17.1	0.2	-0.9	3.6
2021	7.8	5.7	5.8	9.1	3.3	2.6	16.9	17.4	0.5	-0.7	3.7

Notes: Saving and investment data are gross of depreciation unless otherwise stated. (a) Negative sign indicates a surplus for the UK.

Table A10. Medium and long-term projections

All figures percentage change unless otherwise stated

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022–26
GDP (market prices)	1.9	3.1	2.2	1.7	1.0	1.9	2.2	2.2	2.1	2.1
Average earnings	2.1	0.5	1.2	2.2	2.2	3.0	2.8	2.7	2.8	2.9
GDP deflator (market prices)	1.9	1.6	0.3	0.2	1.7	2.8	2.5	2.3	2.2	2.1
Consumer Prices Index	2.6	1.4	0.1	0.5	2.5	2.8	2.2	2.0	2.0	2.1
Per capita GDP	1.3	2.3	1.4	0.9	0.3	1.2	1.5	1.6	1.5	1.5
Whole economy productivity <sup>(a)</sup>	-0.5	0.6	0.8	0.1	1.0	0.8	1.2	1.6	1.5	1.7
Labour input <sup>(b)</sup>	1.9	2.8	1.5	1.5	0.1	1.2	1.0	0.7	0.5	0.4
ILO unemployment rate (%)	7.6	6.2	5.4	5.0	5.6	5.3	5.0	5.0	5.1	5.1
Current account (% of GDP)	-4.4	-4.7	-5.4	-6.0	-3.2	-1.1	-0.2	-0.2	-0.5	-1.6
Total managed expenditure (% of GDP)	41.1	40.6	39.8	39.4	39.0	37.8	36.3	35.8	35.7	36.1
Public sector net borrowing (% of GDP)	5.5	5.5	4.3	3.7	3.5	2.4	0.6	0.1	-0.3	0.4
Public sector net debt (% of GDP)	80.3	82.5	84.4	85.3	86.6	85.5	83.3	80.3	77.2	67.6
Effective exchange rate (2011=100)	102.9	110.9	118.2	108.0	103.8	104.3	104.6	104.8	105.1	105.7
Bank Rate (%)	0.5	0.5	0.5	0.4	0.1	0.4	0.9	1.4	1.9	3.4
3 month interest rates (%)	0.5	0.5	0.6	0.5	0.3	0.6	1.1	1.6	2.1	3.6
10 year interest rates (%)	2.4	2.5	1.8	1.2	1.6	2.3	2.8	3.2	3.6	4.1

Notes: (a) Per hour. (b) Total hours worked.