



AUTUMN 2008 ECONOMIC OUTLOOK FOR THE UNITED KINGDOM: ANSWERS FROM CBI (NOVEMBER UPDATE)

MAIN FORECAST						
		2008	2009			
Real GDP growth		0.8	-1.7			
Consumer price inflation		3.7	2.8			
Unemployment rate		5.8	7.9			
Employment growth		0.0	-2.0			
Employment growth		0.0	2.0			
Components of aggregate de	amand					
Annual % change	amanu	2008	2009			
Private consumption		1.6	-1.8			
Public consumption		2.2	2.0			
Investment (Gross fixed capita	(tormation	-3.8	-10.5			
Exports		1.3	-0.1			
Imports		0.6	-3.6			
ECONOMIC SENTIMENT						
	Positive	Negative	Unchanged			
Trend in business climate		Industry				
over the next 6 months		Services				
		00111000				
	Positive	Negative	Unchanged			
Trend in profitability over		Industry				
the next 6 months		Services				
		OCIVIOCO				
	Increase	Increase	Unchanged	Decrease	Decrease	
	(faster pace)	(slower pace)	Unchangeu	(slower pace)	(faster pace)	
Investment intentions over					Industry	
the next 6 months					Services	
					Services	
	Replacement	Extension	Rationalisation	Innovation		
Driving force behind	торишостот					
investment decisions in the	Same	Down	Same	Same		
next 6 months						
						
_	Positive	Negative	Unchanged			
Trend in consumer						
confidence over the next 6		yes				
months						
	Industry: past 6	Industry: next 6	Services: past 6	Services: next 6		
	months	months	months	months		
Overall trend in	Down	Down	Same	Down		
employment	DOWII	DOWII	Same	DOWII		
	Higher / more difficult	Same	Lower / less			
	Higher / more difficult	Same	Lower / less difficult			
Over the next 6 months,	Higher / more difficult Cost	Same				
cost/access to finance will	Cost	Same				
	_	Same				
cost/access to finance will	Cost	Same				
cost/access to finance will	Cost	Same to some extent		not at all		
cost/access to finance will be	Cost		difficult	not at all		
cost/access to finance will be Financial market turmoil	Cost		difficult	not at all		
cost/access to finance will be Financial market turmoil has affected companies'	Cost		difficult	not at all		
cost/access to finance will be Financial market turmoil has affected companies' investment decisions	Cost	to some extent	difficult	not at all		
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cost/access to finance will be Financial market turmoil has affected companies' investment decisions	Cost	to some extent	difficult	not at all		
cost/access to finance will be Financial market turmoil has affected companies' investment decisions negatively	Cost Access to a large extent	to some extent	difficult			
cost/access to finance will be Financial market turmoil has affected companies' investment decisions negatively	Cost Access to a large extent Not necessary,	to some extent yes	difficult to a limited extent	Neither	Unsatisfactory	Deteriorating
cost/access to finance will be Financial market turmoil has affected companies' investment decisions negatively	Cost Access to a large extent Not necessary, situation is	to some extent	difficult	Neither satisfactory nor	Unsatisfactory	Deteriorating
cost/access to finance will be Financial market turmoil has affected companies' investment decisions negatively POLICY MIX	Cost Access to a large extent Not necessary,	to some extent yes	difficult to a limited extent	Neither	Unsatisfactory	Deteriorating
cost/access to finance will be Financial market turmoil has affected companies' investment decisions negatively POLICY MIX Progress towards medium-	Cost Access to a large extent Not necessary, situation is	to some extent yes	difficult to a limited extent	Neither satisfactory nor	·	Deteriorating
cost/access to finance will be Financial market turmoil has affected companies' investment decisions negatively POLICY MIX Progress towards mediumterm budgetary objective	Cost Access to a large extent Not necessary, situation is	to some extent yes	difficult to a limited extent	Neither satisfactory nor	Unsatisfactory yes	Deteriorating
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cost/access to finance will be Financial market turmoil has affected companies' investment decisions negatively POLICY MIX Progress towards mediumterm budgetary objective is	Cost Access to a large extent Not necessary, situation is satisfactory Tight, appropriate for the euro area	to some extent yes Excellent Tight yes	difficult to a limited extent Satisfactory	Neither satisfactory nor unsatisfactory	yes Loose, appropriate	Deteriorating
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cost/access to finance will be Financial market turmoil has affected companies' investment decisions negatively POLICY MIX Progress towards mediumterm budgetary objective is Monetary policy is	Cost Access to a large extent Not necessary, situation is satisfactory Tight, appropriate for the euro area	to some extent yes Excellent Tight yes Inadequate	difficult to a limited extent Satisfactory	Neither satisfactory nor unsatisfactory	yes Loose, appropriate	Deteriorating
cost/access to finance will be Financial market turmoil has affected companies' investment decisions negatively POLICY MIX Progress towards mediumterm budgetary objective is	Cost Access to a large extent Not necessary, situation is satisfactory Tight, appropriate for the euro area	to some extent yes Excellent Tight yes	difficult to a limited extent Satisfactory	Neither satisfactory nor unsatisfactory	yes Loose, appropriate	Deteriorating