



AUTUMN 2009 ECONOMIC OUTLOOK FOR THE UNITED KINGDOM: ANSWERS FROM CBI

MAIN FORECAST					
	1	2000	0040		
		2009	2010		
Real GDP growth		-3.9	0.7		
Consumer price inflation		1.9	1.6		
Unemployment rate		8.2	9.5		
Employment growth		-3.6	-1.5		
Components of aggregate demand					
Annual % change		2009	2010		
Private consumption		-2.9	0.5		
Public consumption		4.6	1.0		
Investment (Gross fixed capital formation)		-11.1	-0.5		
Exports		-11.1	0.1		
Imports		-11.8	0.6		
Importo		11.0	0.0		
ECONOMIC CENTIMENT					
ECONOMIC SENTIMENT					
	Positive	Negative	Unchanged		
Trend in business climate over the next		Industry			
6 months					
o monais		Services			
	Positive	Negative	Unchanged		
Trond in profitability over the next f					
Trend in profitability over the next 6		Industry			
months		Services			
	Increase	Increase		Decrease	Decrease
			Unchanged		
	(faster pace)	(slower pace)	-	(slower pace)	(faster pace)
Investment intentions over the next 6				Industry	
months				Services	
.				Services	
	Fall in global demand	Cost of finance	Availability of finance		
Influence on companies' investment	3		,		
Influence on companies' investment	negative	neutral	neutral		
decisions	3				
	Replacement	Extension	Rationalisation	Innovation	
Dulying favor babind investment	replacement	LACTIGION	radonarsadon	iiiiovaaoii	
Driving force behind investment	important	not important	not important	not important	
decisions in the next 6 months					
	Industry: past 6	Industry: next 6	Services: past 6	Services: next 6	
	months	months	months	months	
	monus	monus	monus	monus	
	_		_		
Overall trend in employment	Down	Down	Down	Down	
Overall trend in employment	Down	Down	Down	Down	
Overall trend in employment ACCESS TO FINANCE AND IMPACT OF			Down	Down	
			Down	Down	
ACCESS TO FINANCE AND IMPACT OF	THE CRISIS ON POTENT		Down	Down	
ACCESS TO FINANCE AND IMPACT OF	THE CRISIS ON POTENT	TAL GROWTH			
ACCESS TO FINANCE AND IMPACT OF Compared to 6 months ago, cost/access to finance has been	THE CRISIS ON POTENT	IAL GROWTH	Down	Down down / easier	
ACCESS TO FINANCE AND IMPACT OF	THE CRISIS ON POTENT	TAL GROWTH			
ACCESS TO FINANCE AND IMPACT OF Compared to 6 months ago, cost/access to finance has been	THE CRISIS ON POTENT	IAL GROWTH			
ACCESS TO FINANCE AND IMPACT OF Compared to 6 months ago, cost/access to finance has been	THE CRISIS ON POTENT sharply up / restrained	IAL GROWTH			
ACCESS TO FINANCE AND IMPACT OF Compared to 6 months ago, cost/access to finance has been for SMEs	sharply up / restrained Access	up / more difficult Cost			
ACCESS TO FINANCE AND IMPACT OF Compared to 6 months ago, cost/access to finance has been	sharply up / restrained Access	IAL GROWTH			
ACCESS TO FINANCE AND IMPACT OF Compared to 6 months ago, cost/access to finance has been for SMEs	sharply up / restrained Access	up / more difficult Cost			
ACCESS TO FINANCE AND IMPACT OF Compared to 6 months ago, cost/access to finance has been for SMEs	sharply up / restrained Access	up / more difficult Cost			
ACCESS TO FINANCE AND IMPACT OF Compared to 6 months ago, cost/access to finance has been for SMEs	sharply up / restrained Access	up / more difficult Cost			
ACCESS TO FINANCE AND IMPACT OF Compared to 6 months ago, cost/access to finance has been for SMEs for larger companies (>250 employees)	sharply up / restrained Access Access	up / more difficult Cost			
ACCESS TO FINANCE AND IMPACT OF Compared to 6 months ago, cost/access to finance has been for SMEs for larger companies (>250 employees) Over the next 6 months, cost /access to	sharply up / restrained Access Access	up / more difficult Cost Cost	same	down / easier	
ACCESS TO FINANCE AND IMPACT OF Compared to 6 months ago, cost/access to finance has been for SMEs for larger companies (>250 employees) Over the next 6 months, cost /access to finance will be	sharply up / restrained Access Access	up / more difficult Cost			
ACCESS TO FINANCE AND IMPACT OF Compared to 6 months ago, cost/access to finance has been for SMEs for larger companies (>250 employees) Over the next 6 months, cost /access to	sharply up / restrained Access Access	up / more difficult Cost Cost	same	down / easier	
ACCESS TO FINANCE AND IMPACT OF Compared to 6 months ago, cost/access to finance has been for SMEs for larger companies (>250 employees) Over the next 6 months, cost /access to finance will be	sharply up / restrained Access Access sharply up / restrained	up / more difficult Cost Cost up / more difficult	same	down / easier	
ACCESS TO FINANCE AND IMPACT OF Compared to 6 months ago, cost/access to finance has been for SMEs for larger companies (>250 employees) Over the next 6 months, cost /access to finance will be	sharply up / restrained Access Access	up / more difficult Cost Cost up / more difficult	same	down / easier	
ACCESS TO FINANCE AND IMPACT OF Compared to 6 months ago, cost/access to finance has been for SMEs for larger companies (>250 employees) Over the next 6 months, cost /access to finance will be for SMEs	sharply up / restrained Access Access sharply up / restrained	up / more difficult Cost Cost up / more difficult	same	down / easier	
ACCESS TO FINANCE AND IMPACT OF Compared to 6 months ago, cost/access to finance has been for SMEs for larger companies (>250 employees) Over the next 6 months, cost /access to finance will be	sharply up / restrained Access Access sharply up / restrained	up / more difficult Cost Cost up / more difficult	same	down / easier	
ACCESS TO FINANCE AND IMPACT OF Compared to 6 months ago, cost/access to finance has been for SMEs for larger companies (>250 employees) Over the next 6 months, cost /access to finance will be for SMEs	sharply up / restrained Access Access sharply up / restrained	up / more difficult Cost Cost up / more difficult	same	down / easier	
ACCESS TO FINANCE AND IMPACT OF Compared to 6 months ago, cost/access to finance has been for SMEs for larger companies (>250 employees) Over the next 6 months, cost /access to finance will be for SMEs	sharply up / restrained Access Access sharply up / restrained	up / more difficult Cost Cost up / more difficult	same	down / easier	
ACCESS TO FINANCE AND IMPACT OF Compared to 6 months ago, cost/access to finance has been for SMEs for larger companies (>250 employees) Over the next 6 months, cost /access to finance will be for SMEs for larger companies (>250 employees)	sharply up / restrained Access Access sharply up / restrained Access Access Access Access Access	up / more difficult Cost Cost up / more difficult	same	down / easier	
ACCESS TO FINANCE AND IMPACT OF Compared to 6 months ago, cost/access to finance has been for SMEs for larger companies (>250 employees) Over the next 6 months, cost /access to finance will be for SMEs for larger companies (>250 employees)	sharply up / restrained Access Access sharply up / restrained Access sharply up / restrained Access Access	up / more difficult Cost Cost up / more difficult Cost	same same Cost	down / easier	
ACCESS TO FINANCE AND IMPACT OF Compared to 6 months ago, cost/access to finance has been for SMEs for larger companies (>250 employees) Over the next 6 months, cost /access to finance will be for SMEs for larger companies (>250 employees)	sharply up / restrained Access Access sharply up / restrained Access Access Access Access Access	up / more difficult Cost Cost up / more difficult	same	down / easier	
ACCESS TO FINANCE AND IMPACT OF Compared to 6 months ago, cost/access to finance has been for SMEs for larger companies (>250 employees) Over the next 6 months, cost /access to finance will be for SMEs for larger companies (>250 employees)	sharply up / restrained Access Access sharply up / restrained Access sharply up / restrained Access Access	up / more difficult Cost Cost up / more difficult Cost	same same Cost	down / easier	
ACCESS TO FINANCE AND IMPACT OF Compared to 6 months ago, cost/access to finance has been for SMEs for larger companies (>250 employees) Over the next 6 months, cost /access to finance will be for SMEs for larger companies (>250 employees) For companies, the current financing situation is	sharply up / restrained Access Access sharply up / restrained Access threat to company existence	up / more difficult Cost Cost up / more difficult Cost	same same Cost	down / easier	
ACCESS TO FINANCE AND IMPACT OF Compared to 6 months ago, cost/access to finance has been for SMEs for larger companies (>250 employees) Over the next 6 months, cost /access to finance will be for SMEs for larger companies (>250 employees)	sharply up / restrained Access Access sharply up / restrained Access threat to company existence	up / more difficult Cost Cost up / more difficult Cost of high concern	same same Cost	down / easier	
ACCESS TO FINANCE AND IMPACT OF Compared to 6 months ago, cost/access to finance has been for SMEs for larger companies (>250 employees) Over the next 6 months, cost /access to finance will be for SMEs for larger companies (>250 employees) For companies, the current financing situation is	sharply up / restrained Access Access sharply up / restrained Access threat to company existence	up / more difficult Cost Cost up / more difficult Cost	same same Cost	down / easier	
ACCESS TO FINANCE AND IMPACT OF Compared to 6 months ago, cost/access to finance has been for SMEs for larger companies (>250 employees) Over the next 6 months, cost /access to finance will be for SMEs for larger companies (>250 employees) For companies, the current financing situation is working capital / treasury needs	sharply up / restrained Access Access sharply up / restrained Access sharply up / restrained Access Access Access SMES	up / more difficult Cost Cost up / more difficult Cost of high concern	same same Cost	down / easier	
ACCESS TO FINANCE AND IMPACT OF Compared to 6 months ago, cost/access to finance has been for SMEs for larger companies (>250 employees) Over the next 6 months, cost /access to finance will be for SMEs for larger companies (>250 employees) For companies, the current financing situation is	sharply up / restrained Access Access sharply up / restrained Access sharply up / restrained Access Access Access SMES	up / more difficult Cost Cost up / more difficult Cost of high concern	same same Cost	down / easier	
ACCESS TO FINANCE AND IMPACT OF Compared to 6 months ago, cost/access to finance has been for SMEs for larger companies (>250 employees) Over the next 6 months, cost /access to finance will be for SMEs for larger companies (>250 employees) For companies, the current financing situation is working capital / treasury needs	sharply up / restrained Access Access sharply up / restrained Access sharply up / restrained Access Access Access SMES	up / more difficult Cost Cost up / more difficult Cost of high concern large companies	same same Cost	down / easier	
ACCESS TO FINANCE AND IMPACT OF Compared to 6 months ago, cost/access to finance has been for SMEs for larger companies (>250 employees) Over the next 6 months, cost /access to finance will be for SMEs for larger companies (>250 employees) For companies, the current financing situation is working capital / treasury needs	sharply up / restrained Access Access sharply up / restrained Access sharply up / restrained Access Access Access SMES	up / more difficult Cost Cost up / more difficult Cost of high concern	same same Cost	down / easier	
ACCESS TO FINANCE AND IMPACT OF Compared to 6 months ago, cost/access to finance has been for SMEs for larger companies (>250 employees) Over the next 6 months, cost /access to finance will be for SMEs for larger companies (>250 employees) For companies, the current financing situation is working capital / treasury needs debt refinancing	sharply up / restrained Access Access sharply up / restrained Access sharply up / restrained Access threat to company existence SMEs SMEs	up / more difficult Cost Cost up / more difficult Cost of high concern large companies	same same Cost	down / easier down / easier	
ACCESS TO FINANCE AND IMPACT OF Compared to 6 months ago, cost/access to finance has been for SMEs for larger companies (>250 employees) Over the next 6 months, cost /access to finance will be for SMEs for larger companies (>250 employees) For companies, the current financing situation is working capital / treasury needs	sharply up / restrained Access Access sharply up / restrained Access sharply up / restrained Access threat to company existence SMEs SMEs	up / more difficult Cost Cost up / more difficult Cost of high concern large companies	same same Cost	down / easier down / easier not worrying	
ACCESS TO FINANCE AND IMPACT OF Compared to 6 months ago, cost/access to finance has been for SMEs for larger companies (>250 employees) Over the next 6 months, cost /access to finance will be for SMEs for larger companies (>250 employees) For companies, the current financing situation is working capital / treasury needs debt refinancing	sharply up / restrained Access Access sharply up / restrained Access sharply up / restrained Access threat to company existence SMEs SMEs	up / more difficult Cost Cost up / more difficult Cost of high concern large companies	same same Cost	down / easier down / easier	
ACCESS TO FINANCE AND IMPACT OF Compared to 6 months ago, cost/access to finance has been for SMEs for larger companies (>250 employees) Over the next 6 months, cost /access to finance will be for SMEs for larger companies (>250 employees) For companies, the current financing situation is working capital / treasury needs debt refinancing	sharply up / restrained Access Access sharply up / restrained Access sharply up / restrained Access threat to company existence SMEs SMEs	up / more difficult Cost Cost up / more difficult Cost of high concern large companies	same same Cost	down / easier down / easier not worrying	
ACCESS TO FINANCE AND IMPACT OF Compared to 6 months ago, cost/access to finance has been for SMEs for larger companies (>250 employees) Over the next 6 months, cost /access to finance will be for SMEs for larger companies (>250 employees) For companies, the current financing situation is working capital / treasury needs debt refinancing financing productive investments	sharply up / restrained Access Access sharply up / restrained Access threat to company existence SMEs SMEs	up / more difficult Cost Cost up / more difficult Cost of high concern large companies	same same Cost somewhat concenting	down / easier down / easier not worrying	
Compared to 6 months ago, cost/access to finance has been for SMEs for larger companies (>250 employees) Over the next 6 months, cost /access to finance will be for SMEs for larger companies (>250 employees) For companies, the current financing situation is working capital / treasury needs	sharply up / restrained Access Access sharply up / restrained Access threat to company existence SMEs SMEs	up / more difficult Cost Cost up / more difficult Cost of high concern large companies	same same Cost somewhat concenting	down / easier down / easier not worrying	
ACCESS TO FINANCE AND IMPACT OF Compared to 6 months ago, cost/access to finance has been for SMEs for larger companies (>250 employees) Over the next 6 months, cost /access to finance will be for SMEs for larger companies (>250 employees) For companies, the current financing situation is working capital / treasury needs debt refinancing financing productive investments	sharply up / restrained Access Access sharply up / restrained Access threat to company existence SMEs SMEs	up / more difficult Cost Cost up / more difficult Cost of high concern large companies	same same Cost somewhat concenting	down / easier down / easier not worrying	
ACCESS TO FINANCE AND IMPACT OF Compared to 6 months ago, cost/access to finance has been for SMEs for larger companies (>250 employees) Over the next 6 months, cost /access to finance will be for SMEs for larger companies (>250 employees) For companies, the current financing situation is working capital / treasury needs debt refinancing financing productive investments	sharply up / restrained Access Access sharply up / restrained Access threat to company existence SMEs SMEs	up / more difficult Cost Cost up / more difficult Cost of high concern large companies	same same Cost somewhat concenting	down / easier down / easier not worrying	
ACCESS TO FINANCE AND IMPACT OF Compared to 6 months ago, cost/access to finance has been for SMEs for larger companies (>250 employees) Over the next 6 months, cost /access to finance will be for SMEs for larger companies (>250 employees) For companies, the current financing situation is working capital / treasury needs debt refinancing financing productive investments	sharply up / restrained Access Access sharply up / restrained Access threat to company existence SMEs SMEs	up / more difficult Cost Cost up / more difficult Cost up / more difficult Cost of high concern large companies large companies	same same Cost somewhat concenting	down / easier down / easier not worrying	



POLICY MIX					
	Tight, appropriate for the euro area	Timbs	Annyanyiata	Loose	Loose, appropriate fo
M	tne euro area	Tight	Appropriate	Loose	tne euro area
Monetary policy is		yes			
	adequate	inadequate			
Consistency between fiscal and monetary policies		yes			
	excellent committment	satisfactory committment	neither satisfactory nor unsatisfactory committment	unsatisfactory committment	no clear committmen creating an extremely worrying situation
Regarding the sustainability of public finances, government shows				yes	
	respect the 3% limit	be in balance			
In 2015, the government deficit will	no	no			