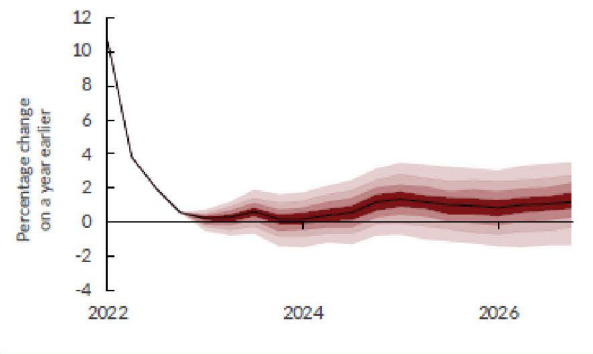


UK Economic Outlook

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Figure 1.2 GDP growth



We project GDP growth will remain close to

zero per cent

UK inflation remains in

Double-digit territory

Inflation is forecast to fall in 2023, but not as quickly as the external consensus forecasts.

Real personal disposable income saw a very slight improvement in the last quarter of 2022, the first time in four quarters. But, this is likely to be short lived, and we now forecast real household personal disposable income to fall in 2023.

Figure 1.24 Components of quarterly growth in real personal disposable income

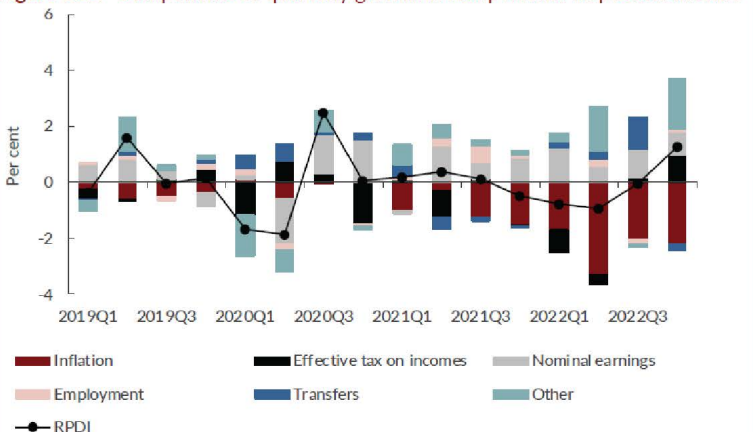


Figure 1.4 CPI inflation fan chart

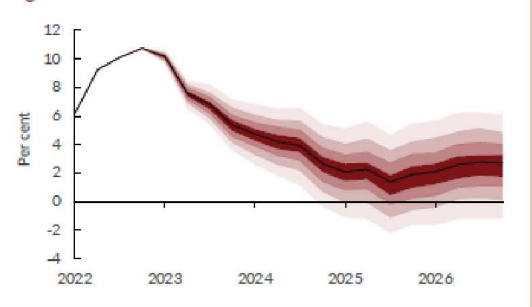
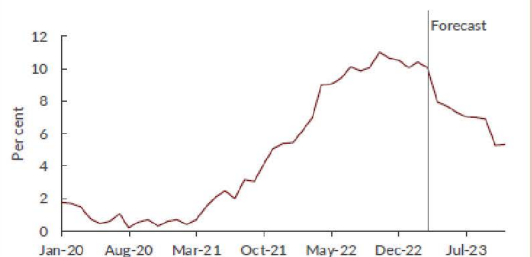


Figure 1.3 Annual consumer price index inflation



Source: ONS, NIESR calculations.

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