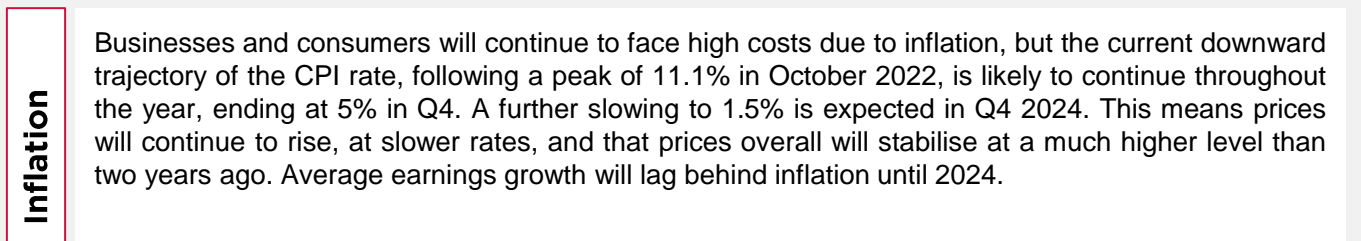
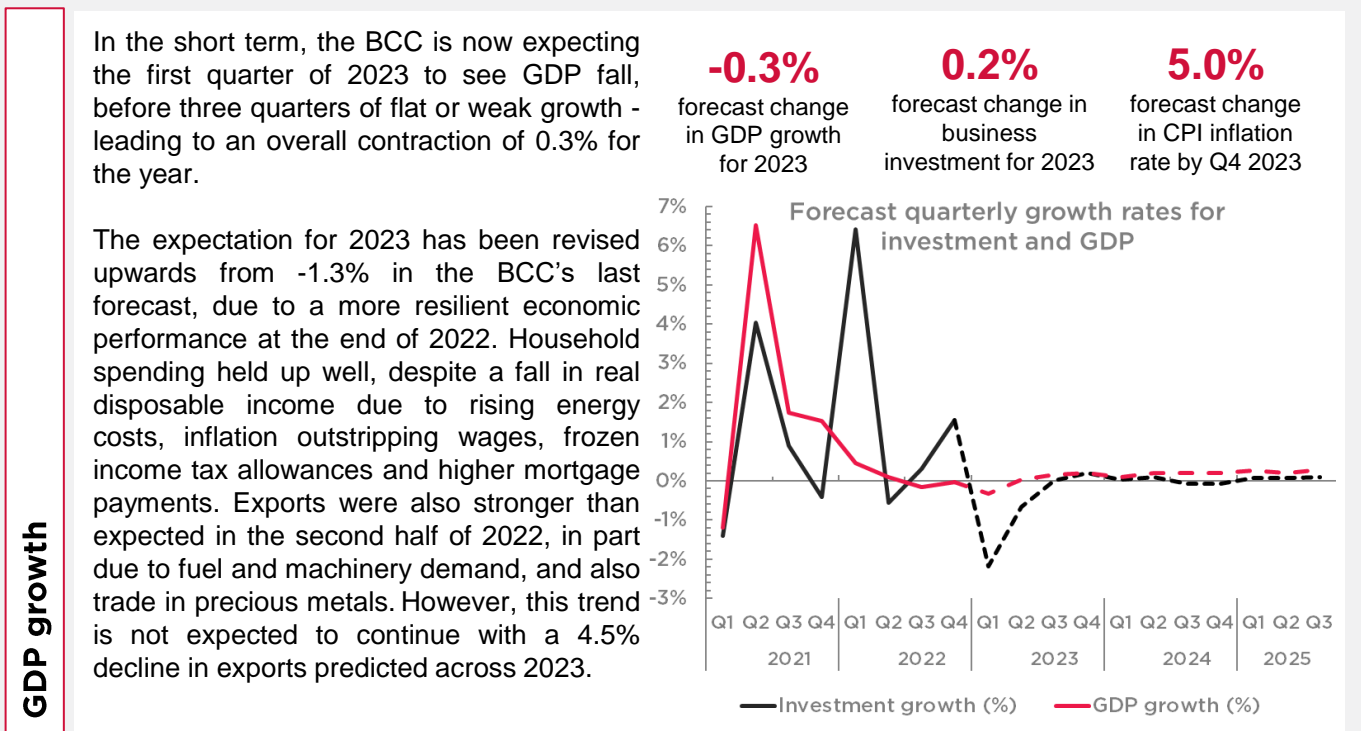


BRITISH CHAMBERS OF COMMERCE

QUARTERLY ECONOMIC FORECAST Q1 2023**The BCC upgrades GDP forecast for 2023 but expects the UK economy to shrink by 0.3% in 2023.**

- The BCC's Q1 2023 Quarterly Economic Forecast expects the UK economy to avoid a technical quarterly recession as it upgrades its quarterly GDP forecast. One quarter of decline is expected in Q1 2023 followed by three quarters of near flat growth.
- The BCC UK inflation is expected to slow to 5.0% in Q4 2023, and 1.5% by Q4 2024.
- Investment, household consumption, imports and exports are all expected to decline in 2023.



QUARTERLY ECONOMIC FORECAST Q1 2023

Current forecast (2023 Q1)

BCC Economic Full Forecast (Annual % change)				
	2022	2023	2024	2025
GDP	4.0%	-0.3%	0.6%	0.9%
Household Consumption	5.4%	-0.4%	0.7%	1.2%
General government	1.9%	1.8%	1.2%	0.8%
Investment	7.7%	-1.5%	0.0%	0.1%
of which: Business Investment	9.9%	0.2%	1.0%	1.7%
Exports	10.3%	-4.5%	1.1%	2.4%
Imports	12.6%	-2.0%	1.4%	2.0%
Total Production	-4.3%	-2.8%	0.2%	0.7%
Manufacturing	-4.8%	-2.7%	0.2%	0.8%
Construction	5.6%	0.6%	0.8%	1.2%
Services	5.5%	0.2%	0.6%	1.0%
Unemployment rate %*	3.7%	4.5%	4.8%	4.1%
Unemployment 000's**	-262	270	109	-226
Youth unemployment rate %*	10.5%	11.8%	12.1%	12.1%
Youth unemployment 000's**	-68	53	10	0
CPI inflation (Q4)^	10.8%	5.0%	1.5%	2.0%
Average earnings (Q4)^	5.8%	4.5%	2.6%	2.5%
Interest rates (Q4)*	3.50	4.25	3.50	3.25
NetTrade-Goods&Services-%GDP*	-3.4%	-4.4%	-4.6%	-4.6%
BofP-CurrentAccount-%GDP*	-4.6%	-4.6%	-5.3%	-5.7%
PSNBex-BCC forecast-FinYears-%GDP*	7.0%	5.6%	4.0%	
PSNBex-BCC forecast-FinYears-£bn*	173.1	139.0	100.0	

* Reported as levels

** Change in levels

^ Annual % change in Q4

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