

ANNEX A: DETAILED MACROECONOMIC FORECASTS

ANNEX TABLE A.1: DETAILED MACROECONOMIC FORECASTS FOR 2014

% change unless otherwise stated	<i>SPU</i> 2014	ESRI	CBI	EC	IMF	OECD
	Apr 2014	Apr 2014	Apr 2014	May 2014	Dec 2013	May 2014
Real GDP	2.1	2.6	2.0	1.7	1.7	1.9
Real GNP	2.7	3.5	2.7	NA	1.3	NA
Consumption	2.0	1.5	1.1	0.4	0.5	0.9
Investment	15.4	9.6	11.1	12.0	4.4	14.1
Government	-0.9	-0.5	-2.1	-0.7	-2.8	-1.8
Exports	2.1	3.7	3.0	2.8	2.5	2.8
Imports	3.2	3.6	3.1	3.1	1.4	4.0
Current Account (% GDP)	5.8	7.8	6.9	7.4	4.6	6.6
Employment	2.2	2.8	2.6	2.4	1.5	2.2
Unemployment Rate (%)	11.5	11.4	11.3	11.4	12.3	11.4
HICP	0.5	0.4	0.5	0.6	0.9	0.3
GDP Deflator	0.5	1.0	0.7	1.1	0.7	0.4
Nominal GDP (€ billions)	168.4	170.0	168.5	168.7	169.5	167.7
Nominal GDP	2.6	3.7	2.7	2.8	2.5	2.3

ANNEX TABLE A.2: DETAILED MACROECONOMIC FORECASTS FOR 2015

% change unless otherwise stated	<i>SPU</i> 2014	ESRI	CBI	EC	IMF	OECD
	Apr 2014	Apr 2014	Apr 2014	May 2014	Dec 2013	May 2014
Real GDP	2.7	3.5	3.2	3.0	2.5	2.2
Real GNP	2.3	3.7	2.6	NA	2.1	NA
Consumption	1.6	2.0	1.3	0.8	1.0	1.0
Investment	12.4	10.4	10.2	6.5	5.4	8.0
Government	-1.6	0.0	-1.5	-0.1	-2.5	-1.5
Exports	3.2	4.0	5.0	3.7	3.7	3.1
Imports	3.4	3.9	4.5	2.6	2.7	2.9
Current Account (% GDP)	5.2	8.4	7.0	8.9	4.7	7.6
Employment	2.0	2.7	2.2	2.3	1.2	1.7
Unemployment Rate (%)	10.5	10.1	10.4	10.2	11.7	10.4
HICP	0.9	1.2	1.0	1.1	1.1	0.7
GDP Deflator	0.9	1.0	1.2	0.9	1.0	0.9
Nominal GDP (€ billions)	174.5	178.0	176.0	175.3	175.4	172.9
Nominal GDP	3.6	3.7	4.4	3.9	3.5	3.1

ANNEX TABLE A.3: MEDIUM-TERM MACROECONOMIC FORECASTS ACROSS FORECASTING AGENCIES, 2013-18

% change unless otherwise stated	2013	2014	2015	2016	2017	2018
SPU 2014: Apr 2014						
GDP	-0.3	2.1	2.7	3.0	3.5	3.5
GNP	3.4	2.7	2.3	2.5	2.7	2.7
Employment	2.4	2.2	2.0	2.0	1.9	1.9
Unemployment Rate	13.0	11.5	10.5	9.7	8.9	8.0
ESRI (MTR: Jul 2013)						
<i>(a) Recovery Scenario</i>						
GDP	1.7	3.0	4.0	4.1	4.2	3.7
GNP	1.2	0.5	4.3	3.6	4.0	3.4
Employment	0.5	0.9	2.3	2.9	1.9	2.2
Unemployment Rate	14.0	13.4	11.8	10.6	9.5	8.2
<i>(b) Delayed Adjustment Scenario</i>						
GDP	1.8	1.9	2.7	1.9	2.7	3.0
GNP	1.3	-0.9	3.0	1.1	2.8	3.1
Employment	0.6	0.3	1.2	0.4	0.4	1.3
Unemployment Rate	13.9	13.8	12.9	13.5	13.1	11.9
<i>(c) Stagnation Scenario</i>						
GDP	1.7	3.5	1.3	1.1	2.0	0.8
GNP	1.2	0.0	1.9	0.6	2.1	0.4
Employment	0.4	1.2	0.8	-0.3	0.9	0.2
Unemployment Rate	14.1	13.1	12.5	13.4	12.8	12.5
OECD (May 2014)						
GDP	-0.3	1.9	2.2	3.3	3.3	3.0
GNP	-	-	-	-	-	-
Employment	-	-	-	-	-	-
Unemployment Rate	13.0	11.4	10.4	-	-	-
IMF (12th Review: Dec 2013)						
GDP	0.3	1.7	2.5	2.5	2.5	2.5
GNP	0.2	1.3	2.1	2.1	2.1	2.2
Employment	1.6	1.5	1.2	1.2	1.7	1.7
Unemployment Rate	13.3	12.3	11.7	11.3	10.9	10.4

ANNEX TABLE A.4: POTENTIAL OUTPUT GROWTH FORECASTS TO 2018

%	2014	2015	2016	2017	2018
<i>SPU 2014</i>	1.5	2.2	2.9	3.3	3.5
<i>OECD (May 2014)</i>	0.8	1.0	0.9	1.4	1.8
<i>EC (Spring 2014)</i>	1.3	2.0	1.4	1.3	1.3

Sources: *SPU 2014*; ESRI (*Medium-Term Review 2013*); OECD (*Economic Outlook, May 2014*).

Note: The IMF do not publish forecasts of potential output growth.

Potential Output growth forecasts are shown above for three institutions. The main difference between the EC and the *SPU 2014* forecasts is on the labour side. The latter show a labour contribution of 1.7pp in 2018, while the EC show 0.1pp. This arises mainly from a higher NAWRU (10.5 per cent versus 7.7 per cent), but also from the EC showing a small contraction in the working age population (*SPU 2014* shows positive growth). Capital and TFP contributions are also weaker in the EC forecasts, primarily as a result of the extension methods used (see Annex C).