

D Monitoring of Other Institutions' Forecasts

The Ministry of Finance of the Czech Republic monitors macroeconomic forecasts of other institutions engaged in forecasting future development of the Czech economy. Forecasts of 11 institutions are continuously monitored from publicly available data sources. Of these, six institutions are domestic (CNB, Ministry of Labour and Social Affairs, domestic banks and investment companies) and others are foreign (European Commission, OECD, IMF, etc.). The forecasts are summarised in the following table.

Sources of tables and graphs: Ministry of Finance's own calculations.

Table D.1: Consensus Forecast

		March 2013			April 2013
		min.	max.	consensus	MoF forecast
Gross domestic product (2013)	growth in %, const.pr.	-0.3	1.0	0.2	0.0
Gross domestic product (2014)	growth in %, const.pr.	1.0	3.4	2.0	1.2
Average inflation rate (2013)	%	1.9	2.5	2.2	2.1
Average inflation rate (2014)	%	1.5	2.3	1.9	1.7
Average monthly wage (2013)	growth in %	1.5	2.8	2.2	1.8
Average monthly wage (2014)	growth in %	2.1	3.5	2.7	2.8
Current account / GDP (2013)	%	-2.2	0.1	-1.4	-2.3
Current account / GDP (2014)	%	-2.0	0.5	-1.3	-2.3

Forecasts of the monitored institutions predict a gradual recovery of the Czech economy. In 2013 they envisage GDP growth by 0.2% and in 2014 by 2.0%. The forecast of the MoF is more conservative compared to these estimates.

Consumer price growth is expected to slow down. The institutions monitored expect an inflation rate of 2.2% and 1.9%, respectively for 2013 and 2014. The forecast of the MoF is in line with both estimates.

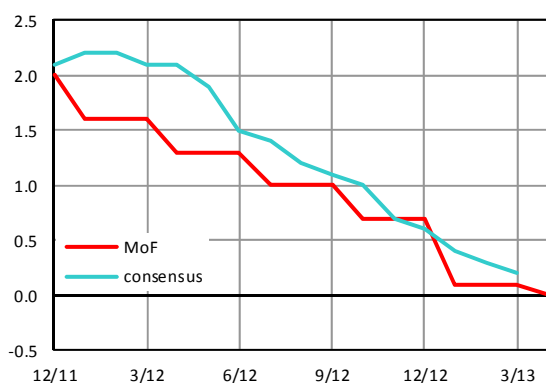
According to the forecasts of the monitored institutions, the average wage should increase by 2.2%

and 2.7%, respectively in 2013 and 2014. The forecast of the MoF is in line with both estimates.

According to the opinion of the monitored institutions, the current account deficit of the balance of payments should not surpass 1.5% of GDP in 2013 and 2014. Due to a worsening of the external environment, the MoF expects the deficit to reach 2.3% of GDP in both years. The current account deficit of the balance of payments should remain, however, on a sustainable level, posing no risk in terms of macroeconomic imbalances.

Graph D.1: Forecast of Real GDP Growth for 2013

in %; the horizontal axis shows the month, in which the monitoring was conducted



Graph D.2: Forecast of Average Inflation Rate for 2013

in %; the horizontal axis shows the month, in which the monitoring was conducted

