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Monthly e-mail from Tim Congdon – 28th April, 2017

Global money round-up in spring 2017

In the USA, the world's largest economy, money growth has slowed since last summer. (The USA remains the world's largest economy when national outputs are measured in current prices and at current exchange rates.) The slowdown in autumn 2016 reflected 'quantitative tightening', as the Fed allowed the bonds acquired in earlier quantitative-easing exercises to run off at redemption. More recently, it has been due to a weakening in bank credit to the private sector, in turn the result of continued pressure on large banks to operate with higher capital/asset ratios. The money deceleration renders implausible surmises about an early Trump boom. More likely is that the next year to 18 months sees trend (or occasionally beneath-trend) growth in American demand and output.

Too many top policy-makers still have not understood the relationship between bank regulation and the growth rates of bank balance sheets and hence the quantity of money, and the further relationship between the quantity of money and nominal demand. Is there a risk of a renewed global recession, given that the worst of the Great Recession was caused by regulators' demands for extra bank capital from October 2008? The answer now is 'almost certainly not', not least because quantitative easing would be re-activated if recession warning signals emerged. Moreover, and more fundamentally, money growth in other major economies is fine. In China the authorities are pursuing a broad money target only 1% down on 2016's 13% figure and are achieving it; in the Eurozone QE has boosted M3 growth towards an almost ideal 5%; and in Japan 'yield curve control' has involved large purchases of bonds by the central bank, taking annual broad money growth towards 4%, which may not seem much, but is in fact the highest number since the 1990s. The US credit and money slowdown matters and must be discussed, but it must also be kept in perspective.

Money trends at the start of 2017 in the main countries/jurisdictions

What are the latest money growth trends in the main countries? And what is the message for global economic activity over the next year or so, and for inflation/deflation over the medium term thereafter? The table below summarizes the key numbers. For detail, it is recommended that the reader looks at the individual country comments below. Beneath the table I make an overall assessment. It is much the same as the late March assessment, but with more concern about the US money slowdown.

Name of country/ Jurisdiction	Share of world output, in purchasing-power-parity terms, %	Growth rate of broad money, in last three months at annualised rate, %	Growth rate of broad money, in last twelve months, %	Comment:
USA	16.1	3.1	3.1	Money growth weak, Trump boom in 2017 very unlikely
China	16.9	11.1	11.4	Money growth at moderate rate in stable context.
Eurozone	11.9	4.4	4.7	Money growth at almost 5% annual rate, ideal to help recovery
India	7.1	12.3	7.0	November 2016 attack on cash 'black economy' fading from money data
Japan	4.3	4.1	3.7	Broad money growth at highest for years, but moderate cf. rest of world
UK	2.3	4.0	6.0	Money growth slowing, perhaps because of same anti-GSIB regulatory pressure as in USA

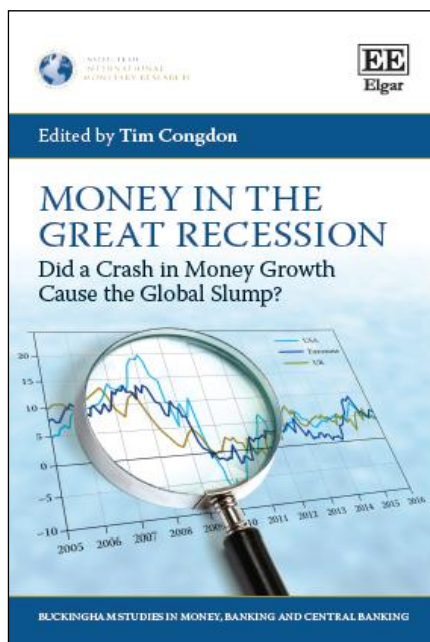
Talk of a buoyant global economy in 2017 is starting to fade, although – it must be emphasized – money trends generally are satisfactory. As was noted here last month, conjectures about a boom are misplaced, while alarmism about a bust is unjustified. The prospect is for another year of steady growth with weak underlying inflation pressures, even if the oil price rise gave an upward nudge to overall price indices in late 2016 and early 2017.

The slowdown in bank credit growth in the USA is now indisputable. “Loans and leases in bank credit” at US commercial banks (a category which roughly corresponds to bank lending to the private sector) has gone sideways in recent months. Tightening regulation is undoubtedly to blame, with the large banks responding to the Financial Standards Board’s demands (dating back to November 2015) that GSIBs’ total loss-absorbing capital increase to 16% of risk-weighted assets from 1st January 2019 and 18% from 1st January 2022. (A GSIB is a “global systemically important bank”.) While small US banks have continued to expand risk assets, “loans and leases” at the big banks dropped from \$5,080.1b. at 7th December 2016 to \$5,048.9b. at 12th February 2017. (The annualised rate of decline is almost 2%, not dramatic, but very different from the positive growth rates, sometimes almost into

the double digits %, of bank credit to the private sector recorded since 2013.) The disparity between the large and small banks is instructive, arguing that a renewed regulatory push for extra bank capital explains recent developments. The point here is that small banks, which are local and deemed to be small enough that they can be allowed to fail (whereas big banks are allegedly “too big to fail”), are not subject to the same regulatory requirements as the large.

Some readers may be puzzled that regulators are so keen on higher capital ratios, since a strong case can be made that it was the sudden demand for extra bank capital that precipitated the intensification of the global downturn from October 2008. (This is one theme of my own contributions to *Money in the Great Recession*, a book edited by me and to be published in June. The box below shows the cover, with the main theme.) It is important to understand many regulators do not see the relevant linkages. They cannot be concerned about the effect of regulation on the rate of growth of the quantity of money, because they define monetary policy purely in terms of the rate of interest and/or credit spreads. They exclude “the quantity of money” from their analytical purview altogether. Neel Kashkari, president of the Federal Reserve Bank of Minneapolis, has even urged a doubling of banks’ capital levels from current figures, although current figures are well above those that prevailed before October 2008.

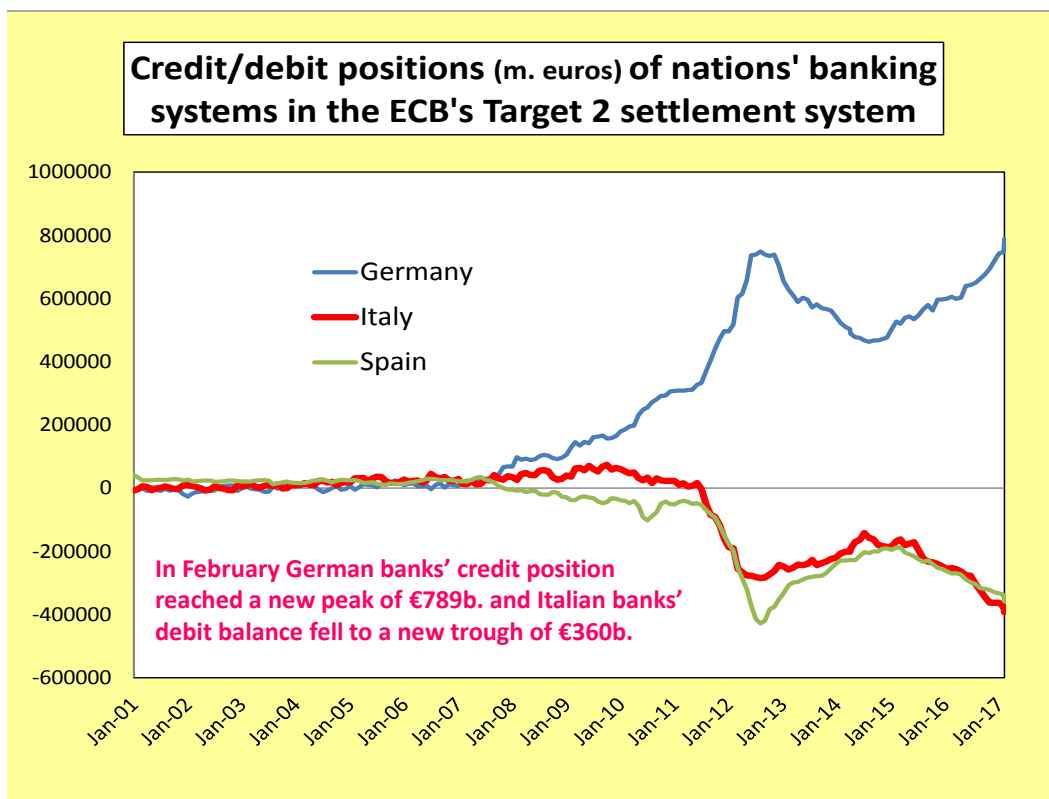
Money in the Great Recession (edited by Tim Congdon) is being published by Edward Elgar Publishing in June



- The blurb on the back cover of *Money in the Great Recession* reads as follows,

No issue is more fundamental in contemporary macroeconomics than the causes of the recent Great Recession. The standard view is that the banks were to blame because they took too much risk, “went bust” and had to be bailed out by governments. But very few banks had losses in excess of their capital. **The counter-argument presented in this volume is that the Great Recession was caused by a collapse in the rate of change of the quantity of money.** The book’s thesis echoes that made on the causes of the Great Depression by Friedman and Schwartz in their 1963 classic *A Monetary History of the United States*.

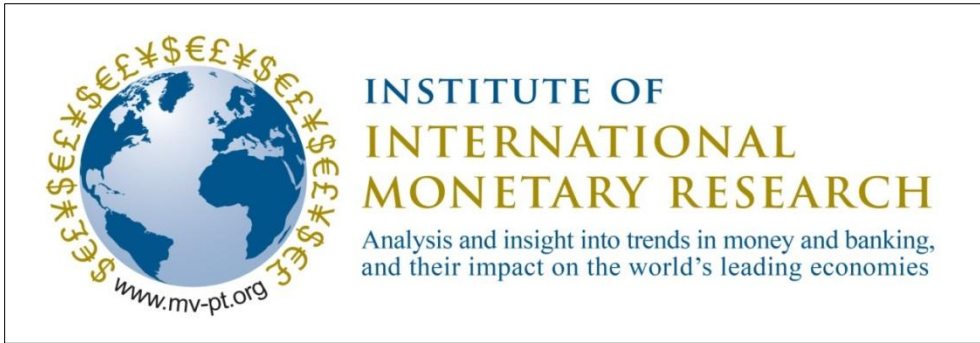
One other emerging discussion point is the continuing strain in the Eurozone between Germany as the creditor nation and various so-called “Club Med” countries as debtors. The European imbalances used to be evident most obviously in the commercial inter-bank market, but since that market dried up to new business in August 2007 they have instead migrated to the Target 2 inter-bank settlement system. The chart below shows that the creditor position of the German banks reached a new all-time peak in February, while Italian banks – which did not have substantial borrowings from the Target system in the Great Financial Crisis itself – have a record debit position. Ahead of the next Italian general elections, these developments are clearly worrying for financial markets. The Five Star Movement, led by the ex-comedian Beppe Grillo, had advocated Italy’s withdrawal from the Eurozone and is now much the most popular political party. Potentially this is a more serious threat to the integrity of the Eurozone than the result of the French presidential election, now almost certain to be won by Emmanuel Macron.



Overall the prospect is for steady, roughly trend growth (3% - 3½%) of the world economy in 2017, and there is – as yet – no obvious reason for taking a different view of 2018. But both the American money slowdown and the Italian debit position at Target 2 need to be watched.

Tim Conger

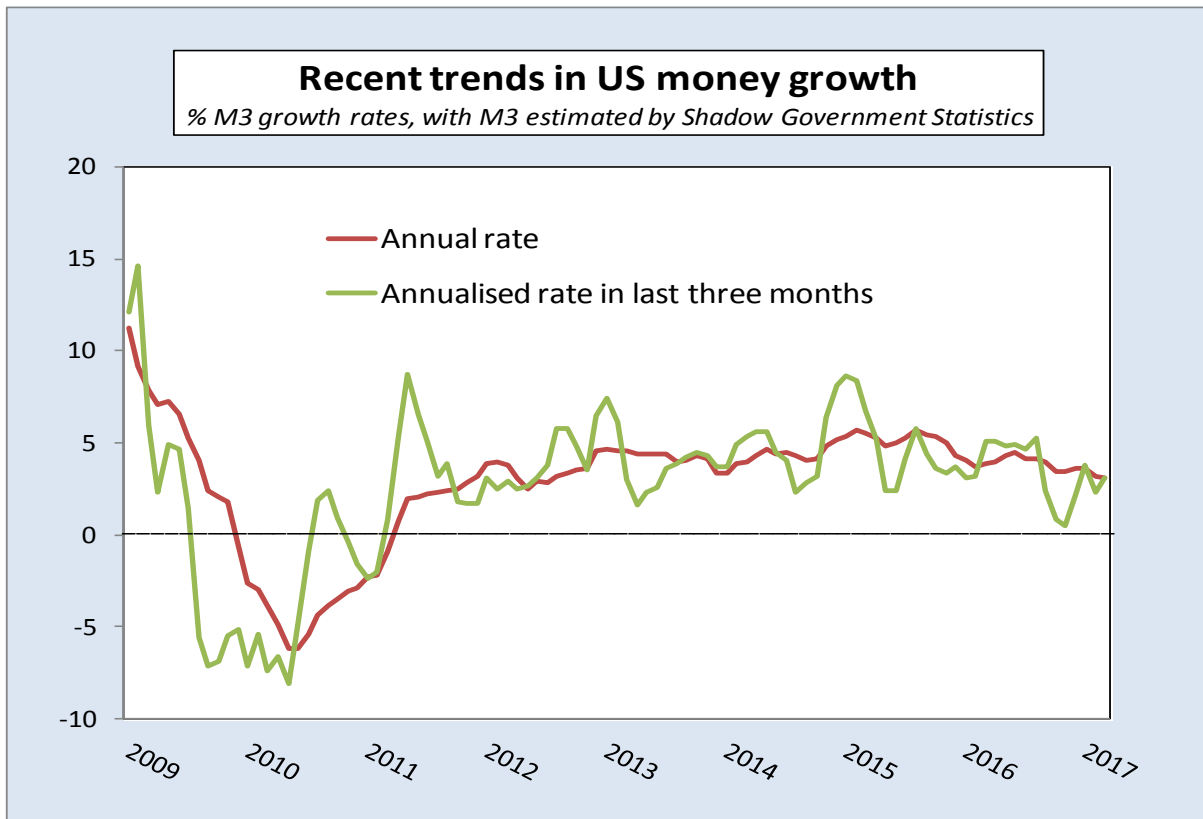
28th April, 2017



USA

	% annual/annualised growth rate:	
	M3	Nominal GDP
1960 – 2016	7.5	6.5
Six years to 2016	4.0	3.7
Year to March 2017	3.1	n.a
Three months to March 2017 at annualised rate	3.1	n.a.

Sources: Shadow Government Statistics research service for M3 after 2006 and US Bureau of Economic Analysis for GDP * estimated



M3 growth still weak, now due to feeble bank credit to the private sector

Summary: In 2017's first quarter US M3 grew at an annualised rate of 3.1%. M3 grew by \$74b. in March, a 0.4% increase, which is satisfactory. But In January and February M3 was up by only 0.2% and 0.1% respectively. Given that consumer price inflation continues to rise, the increase in *real* broad money (i.e., after inflation adjustment) has been negligible in the last six months. By contrast, in the three months to August 2016, M3 grew at an annualised rate of 5.3% while the inflation rate was a mere 1.1%. (Our M3 data are sourced from the Shadow Government Statistics research company.)

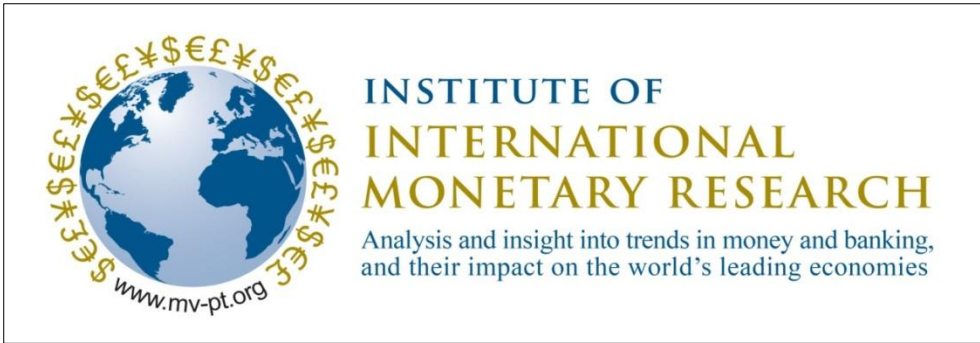
Money growth has slowed in the USA since summer 2016. The slowdown began in the autumn when the Fed allowed a further round of “quantitative tightening”, as these notes have called the process of letting the bonds acquired during the QE programmes run off when they matured. QT was evidenced by US banks’ cash assets, which fell from \$2,427,6b. in August to \$2,248,6b, three months later. It was unclear whether this was a deliberate policy by the Fed or something occurring by default. An article in the *Financial Times* on 20th January 2017 implied that it was a deliberate policy to reduce the Fed’s balance sheet, but the matter remains controversial. (Readers must note that the Fed does *not* base policy decisions on the behaviour of any quantity-of-money measure.)

The fall in banks’ cash assets stopped at the end of 2016 and since then has been partly reversed. Nevertheless, sluggish money growth has continued. The explanation is to be sought in a notable pause in new bank lending. The stock of “loans and leases in bank credit” (a category which roughly corresponds to bank credit to the private sector) increased at an annual rate of 6.8% in 2014, 7.8% in 2015 and 7.0% in 2016. As new bank loans are associated with the creation of bank deposits, the buoyancy of bank credit was the key reason for the reasonably high rate of money growth in the three-year period. But since early November US banks have *reduced* their “loans and leases” assets. The contraction has now continued for over four months, with the stock of both mortgage and business loans having fallen for two consecutive months within this period. The cause is almost certainly a further round of regulatory tightening by the Fed and other agencies.

Donald Trump promised to scrap the Dodd-Frank Act during his campaign for the presidency. This would be a major reversal of the regulatory tightening which marked the post-Great Recession years. A recent report in the *Wall Street Journal* suggested that he could announce some substantive proposals by the end of April. This might change the current situation where money growth, although not disastrous, is lacklustre. Without such a move, the much-vaunted Trump boom and hopes of above-trend growth look implausible, at least for 2017 and perhaps even early 2018.

John Petley
13th April, 2017

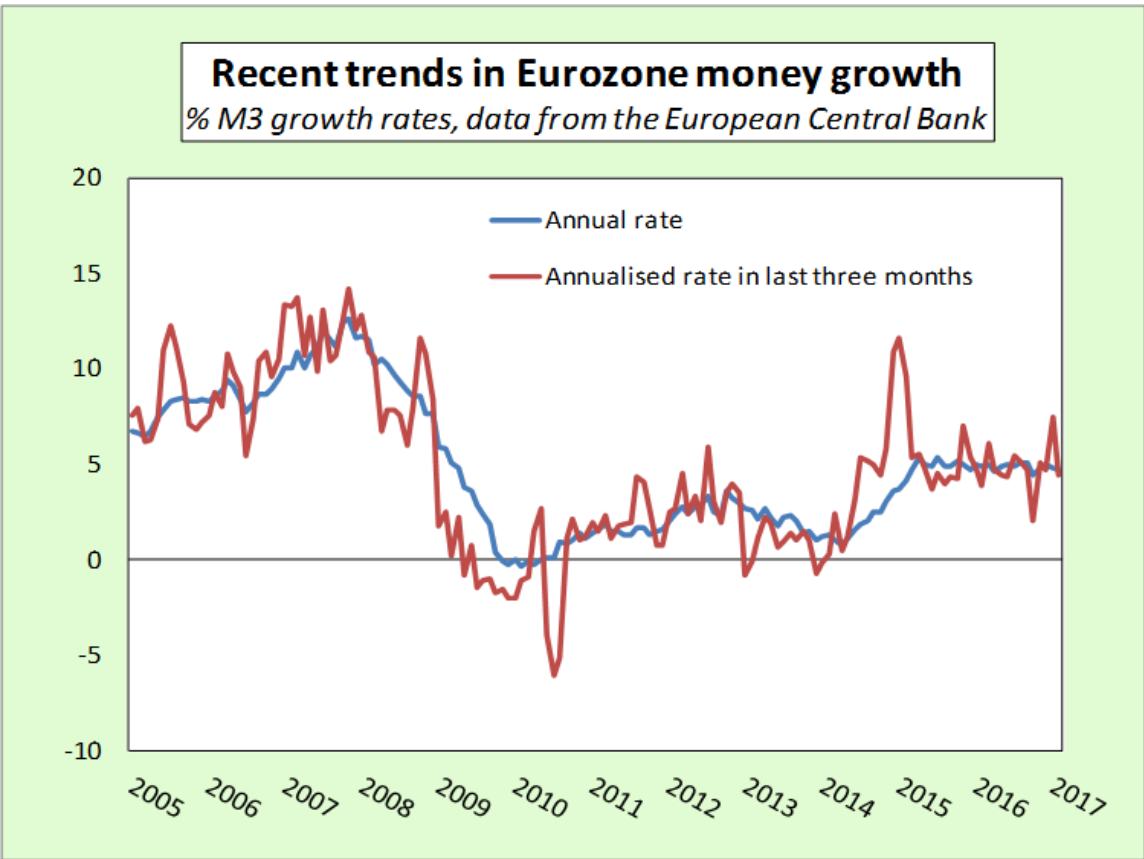
	% annual growth rate:	
	M3	Nominal GDP
1960 – 2016	7.5	6.5
1960 – 1970	7.7	6.8
1971 – 1980	11.4	10.3
1981 – 1990	7.7	7.7
1991 - 2000	5.6	5.6
2001 - 2010	7.1	3.9
Six years to 2016	4.0	3.7



Eurozone/Euroland

	% annual/annualised growth rate:	
	M3	Nominal GDP
1996 – 2016	5.3	3.0
Six years to 2016	3.4	2.0
Year to February 2017	4.7	n/a
Three months to February 2017 at annualised rate	4.4	n/a

Sources: European Central Bank and Institute of International Monetary Research estimates



Money growth stable as inflation slows

Summary: In the three months to February 2017 the Eurozone's M3 money measure grew at an annualised rate of 4.4%. This is down on the 7.5% recorded in the three months to January, but is very satisfactory. It is not far below the 5% figure that, almost certainly, was intended when the "quantitative easing" programme began over two years ago. In February itself, the quantity of money grew by €33b. The ECB's QE programme is now entering its third year and it has proved a great success, strengthening asset prices and balance sheets, and thereby boosting aggregate demand. The chart above shows how it has lifted annual broad money growth from the 2% average during the 2009-2013 period to just below 5%.

Annual consumer price inflation across the 19-member single currency area hit 2% in February. This enabled Mario Draghi, the president of the European Central Bank, to claim that the QE programme had achieved its prime objective of returning the inflation level to the official target, which is defined as 2% or just below. March's figures saw a drop to 1.5%, the first slowing of the inflation rate in almost a year. It is a notable drop, but not one which is likely to cause much concern. A salient feature of current Eurozone inflation patterns is the small spread in inflation rates between different countries. The figures of 1.6% in Germany, 2.3% in Belgium and 1.4% in Italy are close together, for example. Even Greece saw prices rise by 1.2% in the year to February, although its economy is still in dire straits. (Greek M3 fell in both the last two months, with unemployment still running at over 23%.)

The QE programme will be scaled back in March, with asset purchases reduced from €80b. to €60b. per month. It is currently scheduled to wind up completely at the end of 2017. With the Eurozone economy in a healthier state after the two years in which it has been in operation, a strong possibility is that it will not be extended. However, bank credit to the private sector needs to revive so that new bank loans can create new bank deposits at the right sort of pace.

Growth in bank lending remains steady, without much sign of acceleration. The stock of mortgage lending, for instance, which was growing at an annual rate of 2.7% at the end of 2016, recorded a comparable figure of 2.9% two months later. The financial sector is showing a renewed appetite for credit risk, but the growth in loans to the (non-financial) business sector is still rather weak, standing only 1.5% higher than 12 months ago. This has to be seen in the context of several years of steady contraction in bank lending, which has only been reversed in the last year or so.

France and Germany may follow in the Netherlands' footsteps and avoid creating any political upheaval in their forthcoming elections. The situation in Italy, which has large borrowings from the Target 2 system, is more precarious. With the Italian dangers put to one side, the Eurozone looks set to enjoy a stable, even positive macroeconomic phase in coming months.

John Petley
6th April, 2017

	% annual growth rate:	
	M3	Nominal GDP
1996 - 2016	5.3	3.0
1996 – 2000	4.6	4.1
2001 – 2010	6.8	3.1
Six years to 2016	3.4	2.0



China

	% annual/annualised growth rate:	
	M2	Nominal GDP
1991- 2016	19.7	15.4
2010 - 2016	14.4	11.6
Year to February 2017	11.4	n/a
Three months to February 2017 at annualised rate	11.1	n/a

Sources: People's Bank of China for M2 and Institute of International Monetary Research estimates



Broad money growth continues at a respectable level

Summary: In the three months to February 2017 China's M2 expanded by 2.8% or at an annualised rate of 11.1%. This is virtually unchanged from January's figure, albeit slightly down on the growth of 12% or higher seen in the latter part of 2016. Even so, as the graph above illustrates, Chinese broad money growth has entered a period of remarkable stability given the fluctuations of recent years. The Chinese authorities have set a target of 12% annual broad money growth for 2017, down from 2016's 13% target.

An unnamed government source told Reuters "A money supply rise of 11% should be enough for supporting growth, but we probably need to have some extra space, considering risks in the process of deleveraging." The Chinese government is reportedly keen to contain risk, being more concerned about containing debt levels than seeking growth at any cost. (While the issues are controversial, the foreign commentariat's hullabaloo about Chinese internal debt may not be justified by the facts.)

The government's 6.5% GDP growth target for 2017, if achieved, would be lower than anything seen in the last 25 years. But this might be viewed as consistent with rebalancing the economy from growth to consumption, while at the same time damping down the supposedly excessive growth of credit and debt. Official interest rates have not changed in over a year, although the People's Bank of China (the central bank) raised the interest rate it charges on short-term open market operations by 0.1% on 3rd February. The move suggests that the next big change in interest rates, whenever it comes, is likely to be upward. But that is unlikely any time soon, as the annual rate of consumer price inflation fell sharply from 2.5% in January to 0.8% in February. February's number was the lowest annual inflation rate in two years. A modest pick-up to 0.9% occurred in March. The dip in inflation was driven by a fall in food prices and does not necessarily imply a further downward move, especially as prices at the factory gates are rising. After over four years in negative territory, the producer price index began to rise, albeit only by 0.1% in September 2016. Since then, the annual change in the PPI has been accelerating upwards, reaching 7.8% in February 2017. This significant increase reflected the surge in oil prices and may not portend a deterioration in consumer inflation later in the year.

In the second half of 2016 the Chinese housing market experienced a continuing boom, while the number of new car registrations also reached record levels. In the first two months of 2017 the number of new car registrations fell by 39% to 1.6 million and the housing boom began to slow down. In the 70 largest Chinese cities, prices rose on average at an annual rate of 11.8% in February after hitting a peak of 12.6% in the year to November 2016. Government-imposed curbs on mortgage lending in 20 cities may be having an effect. The strong housing market indicates underlying domestic confidence in China, despite much foreign disquiet about corruption and authoritarianism. The stock of bank lending rose by 13% in the year to February, the eighth consecutive month it has been within the 12.5%-13.5% band. The Chinese government's determination to preserve stability should ensure that the country's current course of lower but steady money growth will be maintained.

John Petley
6th April, 2017

	% annual growth rate:	
	M2	Nominal GDP
1991 - 2000	24.6	18.5
2001 - 2010	18.4	15.2
Six years to 2016	13.5	10.6



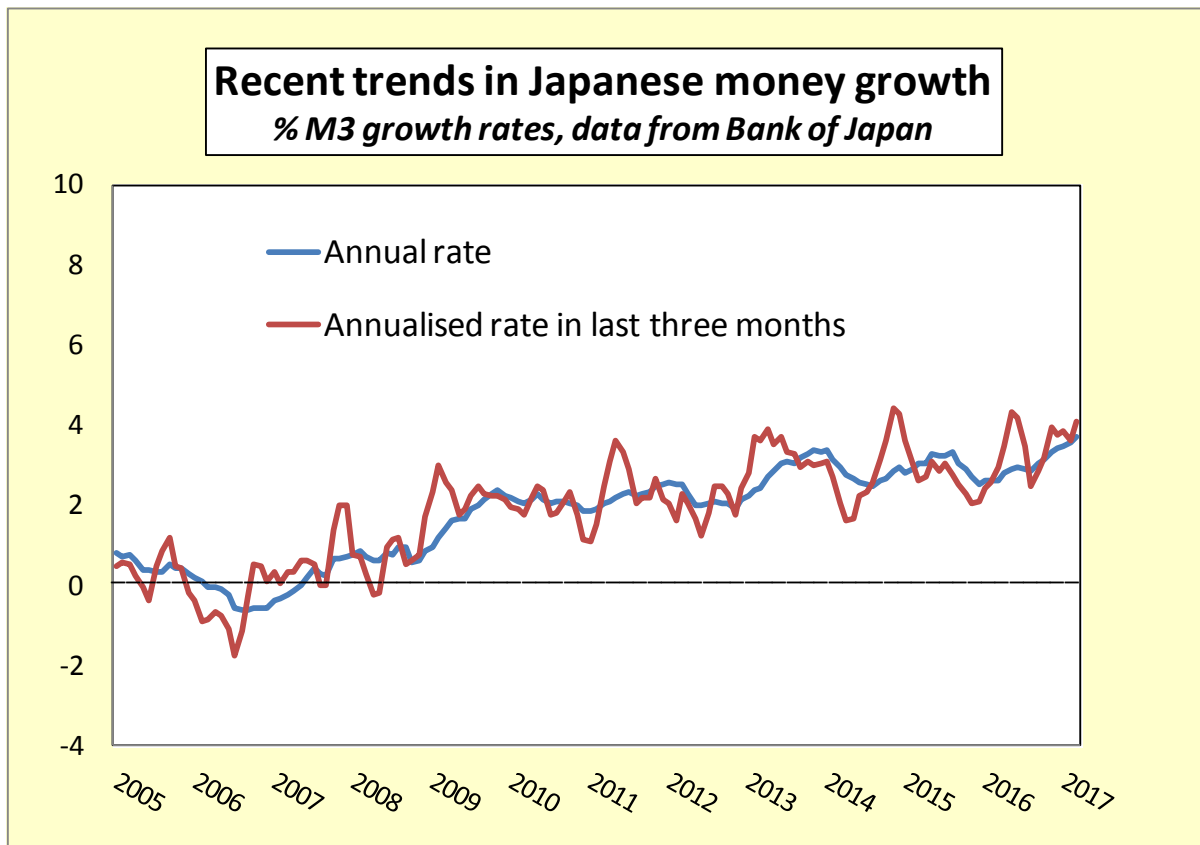
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Japan

	% annual/annualised growth rate:	
	M3	Nominal GDP
1981- 2016	4.0	1.9
Six years to 2016	2.9	0.6
Year to March 2017	3.7	n/a
Three months to March 2017 at annualised rate	4.1	n/a

Sources: Bank of Japan for M3 and IMF for GDP



Broad money growth improvement continues

Summary: In the 12 months to March 2017 the annual growth rate of Japanese M3 broad money was – at 3.7% - higher than the average of recent years. Indeed, as the graph above indicates, it is close to its highest level in over a decade. Meanwhile the annualised rate of increase in the last three months is a fairly buoyant 4.1%. This not quite the strongest annualised quarterly growth in recent years, but – by the standards of the last 20 years – both the annual growth rate and the three-month annualised rate are positive for the economy. The amelioration in the rate of broad money growth reflects the Bank of Japan’s asset purchase programme, so-called “qualitative and quantitative easing”. Since 2010 broad money has increased steadily at an annual rate between 2% and 3½%, but the latest numbers are stronger.

During 2016 the central bank monthly asset purchases of 80 trillion yen (about \$6½b.) continued, supplemented by additional measures seeking to stimulate the economy (and inflation) further. These included “negative interest rates” at the start of the year and “yield curve control” (whereby the BOJ will buy as many 10-year government bonds as necessary to keep yields at their current level of 0%) from September. These measures are having a beneficial effect. Yield curve control has involved heavy purchases of government bonds from non-banks in early 2017, boosting their bank deposits and the quantity of money, and so helping asset markets and economic activity.

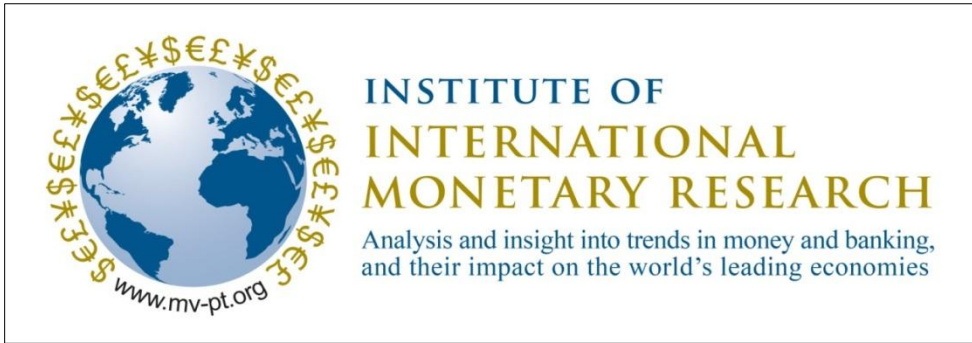
The “QQE” programme was launched in an attempt to boost inflation and, on this front, has not been so successful. At the close of 2016 the annual consumer price inflation stood at a mere 0.3%, well below the 2% target. In January 2017 the rate rose to 0.4% before falling back to 0.3% in February. However, in January the annual change in the producer prices index turned positive for the first time in 21 months, a trend which continued in both subsequent months. Even so, the money figures do not point to a significant acceleration in inflation in the short term. They are consistent with at least trend demand and output growth in 2017, and a 2% increase in consumer prices in 2018 is possible.

Japan’s economy grew by 1.0% during 2016. Growth in exports was the main driver of GDP growth in the final quarter, aided by a fall in the value of the yen. Domestic consumption remains weak for the moment, with consumer spending declining by 3.8% in the year to February, although retail sales have picked up in the last four months. Unemployment has fallen to a mere 2.8% but pay growth is anaemic. Wages rose by a mere 0.4% in the year to March and are falling in some sectors. The money figures nonetheless suggest that this year could bring a further improvement to Japan’s economy. Certainly, if the three-month annualised rate moves to 5% in the next few months, which is by no means impossible, Japan could surprise on the upside.

Tim Congdon and John Petley

21st April, 2017

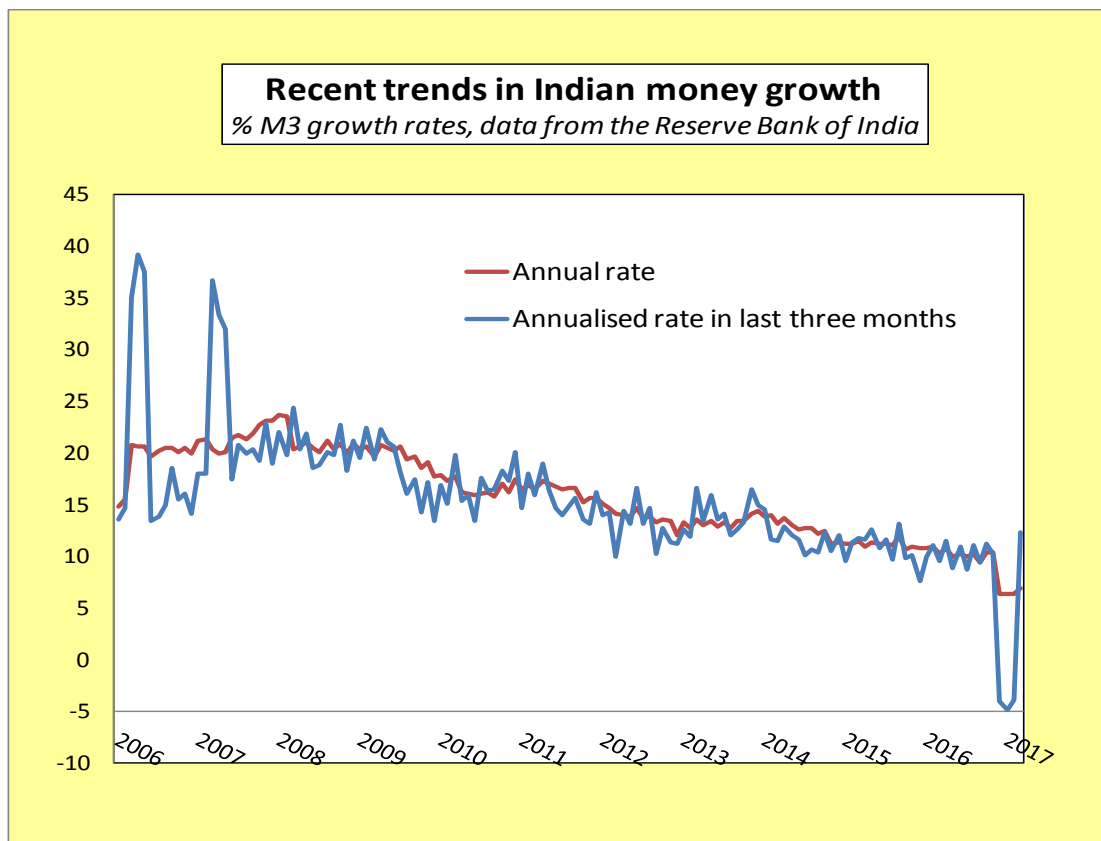
	% annual growth rate:	
	M3	Nominal GDP
1981 – 1990	9.2	4.6
1991 - 2000	2.5	1.1
2001 - 2010	1.1	0.8
Six years to 2016	2.9	0.6



India

	% annual/annualised growth rate:	
	M3	Nominal GDP
1991- 2016	16.1	13.5
2010 - 2016	12.6	12.8
Year to March 2017	7.0	n/a
Three months to March 2017 at annualised rate	12.3	n/a

Sources: Reserve Bank of India for M3 and IMF for GDP



Broad money growth bounces back from the demonetisation chaos

Summary: In the first quarter of 2017, Indian M3 grew at an annualised rate of 12.3%. Indian broad money has now recovered from the contraction seen in recent months and is now higher than it was last autumn, just before the plunge caused in November by the mass withdrawal 500 and 1,000 rupee notes from circulation. The annual growth rate of broad money has picked up to 7% and will hopefully recover in due course to a figure closer to the 10-11% level seen before the November shock.

Old 500 and 1,000 rupee notes ceased to be legal tender on 30th December. 97% of the old notes were deposited in Indian banks before deadline, according to *The Times of India*. On 24th February, Arun Jaitley, India's finance minister, claimed that approximately Rs. 12 trillion of the new notes were now in circulation. This figure is approximately 80% of the total value of the old notes. The worst effects of the badly-handled changeover, intended to curb tax evasion and corruption, seem to be over. Even so the growth in the stock of bank lending has fallen sharply since the demonetisation announcement in November.. The annual growth rate stood at over 10% as recently as October 2016, but it had fallen to a mere 5.1% by the start of 2017. It subsequently fell further, touching a mere 4.1% at the start of March, although a modest recovery took place in the second half of the month. The stock of bank deposits did not increase at all in the first ten weeks of the year, which implies that most of the recent money growth is due to the increase in currency in circulation. This is an unusual phenomenon in a modern economy and seems unlikely to continue once the printing of the new banknotes is complete.

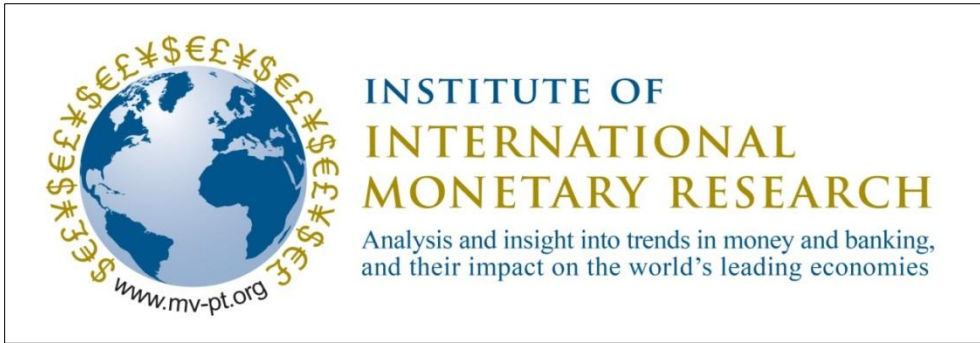
The Reserve Bank of India has made no attempt to reduce interest rates from the current level of 6.25%, despite sluggish bank lending data. Annual consumer price inflation ticked upwards from 3.2% in January to 3.7% in February. These figures are much lower than the recent average for India, while a sharp increase in factory gate prices in the first two months of the year reflects one-off movements in energy prices.

Separately, Indian banking is plagued by non-performing loans. Uttar Pradesh, the largest state, recently wrote off some \$5.6 billion of unpaid agricultural loans. Debt relief for farmers was an election promise by the ruling BJP party, but this move has provoked criticism from the central bank. It is believed that differences with the government over the approach to debt forgiveness was one reason for the departure of the previous governor of the RBI, Raghuram Rajan, who wanted to change the somewhat phlegmatic approach of Indian banks towards unpaid debt. Sources are not agreed on the percentage of bank loans which may never be repaid. The consensus is a minimum of 10%, with and sources within the RBI itself suggesting a figure as high as 20% for some banks. Plans to create a "bad bank" to take over the banks' bad loans seem unlikely to progress far, although some form of government intervention to neutralize the NPL problem is possible.

John Petley

6th April, 2016

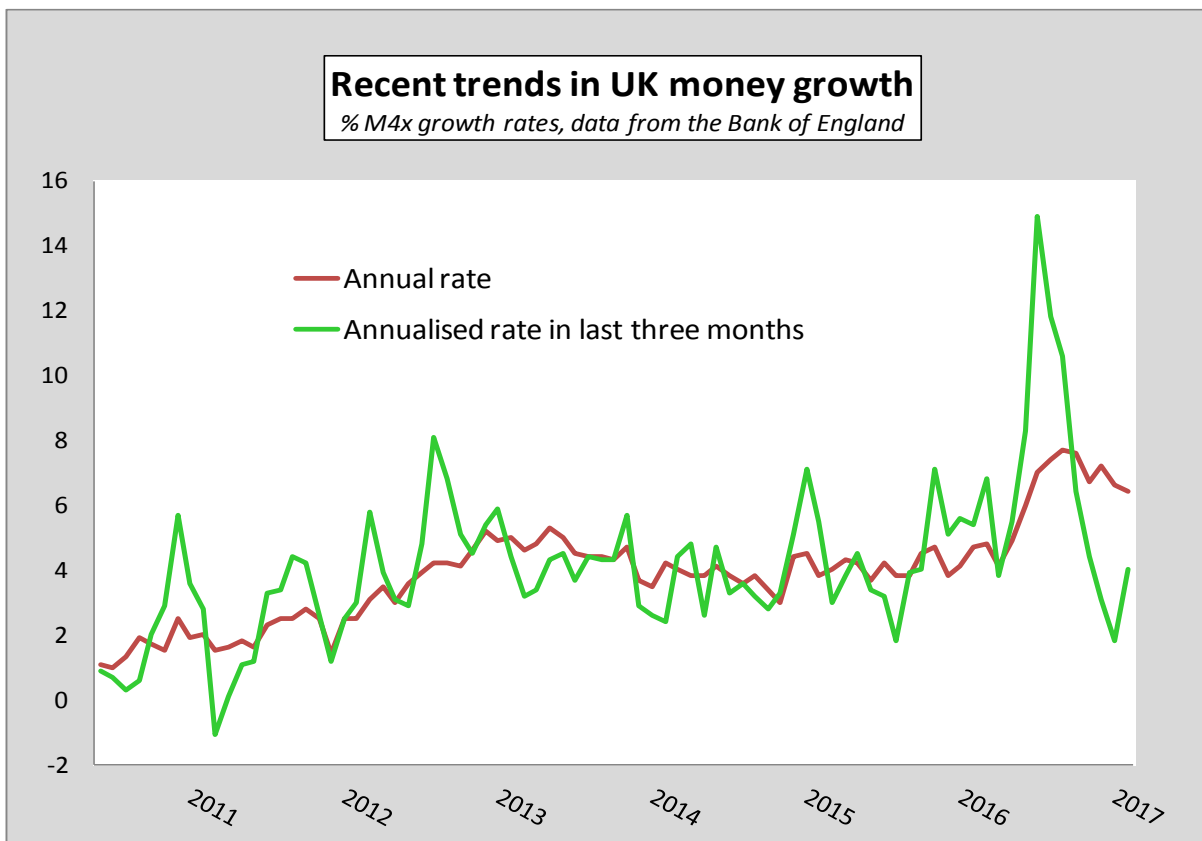
	% annual growth rate:	
	M3	Nominal GDP
1991 - 2000	17.4	14.0
2001 - 2010	17.3	14.0
Six years to 2016	11.8	11.6



UK

	% annual/annualised growth rate:	
	M4x/M4 before 1997	Nominal GDP
1964 – 2016	10.1	8.2
Six years to 2016	3.6	3.7
Year to February 2017	6.4	n/a
Three months to February 2017 at annualised rate	4.0	n/a

Sources: Bank of England and Office for National Statistics.



M4x growth returns to a satisfactory level

Summary: In the three months to February 2017, UK broad money M4x grew at an annualised rate of 4%. This is a significant improvement on the 1.8% recorded for the three months to January, a period which included a fall in broad money during November and rather meagre growth of £2.7b. in January. In February itself, M4x grew by £6.4b., a satisfactory if unspectacular amount, which was sufficient to return broad money growth to levels more typical of recent years. The annual pace of broad money expansion has fallen from 7.2% at the end of 2016 to 6.4% and will be returning the more typical levels (3% - 5%) seen in the last four years once the rapid growth between April and July in 2016 starts to drop out of the calculations.

UK consumer inflation, on an upward trend in the last year, remained steady at 2.3% in the year to March. This figure is the highest since September 2013 and seems likely to increase further, possibly touching 3% later in the year. The unnecessary quantitative easing last autumn was one reason for the concurrent fall in the pound, although Brexit took most of the flak. The fall in the pound has contributed to inflation. However, it is striking that prices are rising at a similar rate in the Eurozone, which has not seen such a large and sudden fall in value of its currency. With UK unemployment continuing to fall, currently standing at 4.7%, and inflation rising, the argument for raising interest rates has become more persuasive. Even so, money growth is not particularly strong, which mitigates against any immediate action. It is possible that banks are still restricting balance-sheet growth to meet regulatory restrictions, with worries about the implementation of the FRS9 accounting standard being another headache for banks' management. Furthermore, the rate of wage growth, which reached 2.8% in the year to November, has continued to moderate, falling to 2.3% in January and remaining at this level in February, the most recent month for which statistics are available.

The explanation for the money slowdown in January lies partly in the strength of the public finances in recent months. M4x is dominated by bank deposits. When the government runs a budget surplus, as it did in that month, tax payments from the private sector's bank deposits exceed receipts from government spending. So bank deposits fall. This is not, however, the only factor behind the rather modest levels of money growth. There has been a general slowdown in lending the private sector. (New loans boost the quantity of money by creating new deposits.) Annual business loan growth fell from 3.7% in January to 2.4% in February. Mortgage lending also slowed, with some 800 fewer mortgages approved in February compared with the previous month.

It is too early to say that the UK economy is slowing down. Some factors, such as the record number of new car registrations in March or the healthy growth in factory orders, paint a positive picture. The retail sector and consumer spending are also holding up well. While the Brexit doomsayers have definitely been proved wrong, the recent monetary data nonetheless caution against too optimistic a view on the UK's 2017 economic prospects.

John Petley
6th April, 2017

	% annual growth rate:	
	M4/M4x	Nominal GDP
1964- 2016	8.2	10.1
1991 – 2000	5.0	6.4
2001 – 2010	3.9	9.4
Six years to 2016	3.6	0.7