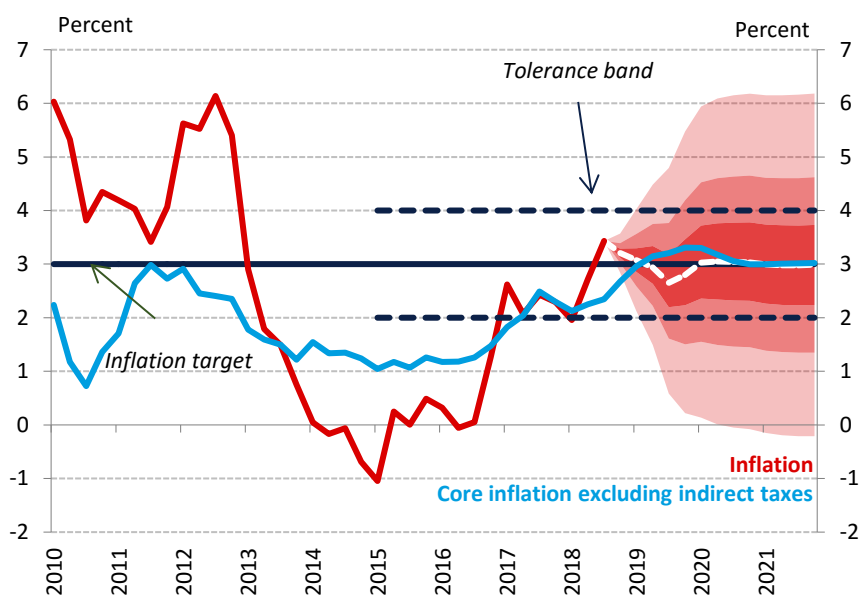


Baseline inflation and GDP projection of the December 2018 Inflation Report

The projections are based on information available for the period ending **14 December 2018**. Our forecast was based on **assumption of endogenous monetary policy**.

	2017	2018	2019	2020	2021
Inflation (percent)	2.4	2.8	2.9	3.0	3.0
Economic growth (percent)	4.1	4.7	3.5	3.0	3.0

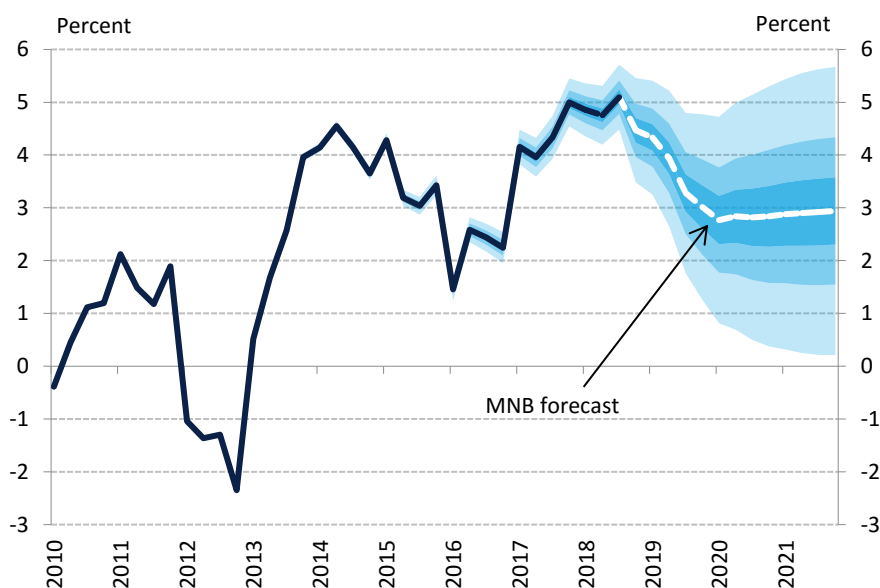
Inflation projection fan chart
(based on unadjusted data)



Note: The forecast for inflation presented in the fan chart shows the expected profile of CPI at the 12-quarter horizon.

GDP projection fan chart

(annual rate of change, based on seasonally and calendar adjusted and reconciled data)



Note: The forecast for GDP growth presented in the fan chart shows the expected profile of growth at the 12-quarter horizon.