

24 April 2012

## Supplementary forecast information release

We are releasing the information below following a request for further detail underlying the March 2012 *Economic and fiscal outlook*. The OBR will where possible meet requests to release supplementary forecast information, where this will improve the quality of public debate on the public finances. Our full release policy can be found on our website.

### Forecasts of Alcohol Consumption

The forecasts for alcohol duties in Table 4.7 of the March 2012 *Economic and fiscal outlook* are based on the forecast growth in consumption of each type of alcohol multiplied by announced or projected duty rates.

The demand for alcohol is estimated using econometric equations for beer, wine and spirits. Demand is assumed to be related to real household expenditure and the real duty rate (which will pick up price effects). These demand models will pick up recent trends in alcohol consumption such as the rise in wine consumption and the fall in beer consumption. Cider consumption is simply assumed to grow in line with recent trends in cider consumption.

	Beer and Cider <sup>1</sup>	Wine <sup>2</sup>	Spirits <sup>3</sup>
2010-11	54,710	13,780	1,120
2011-12	53,560	13,860	1,110
2012-13	51,830	14,470	1,100
2013-14	50,410	14,770	1,100
2014-15	49,060	15,260	1,100
2015-16	48,160	16,030	1,120
2016-17	47,160	16,720	1,140

<sup>1</sup> Thousands of hectolitres of beer and cider

<sup>2</sup> Thousands of hectolitres of wine

<sup>3</sup> Hectolitres of alcohol (includes spirit-based 'ready-to-drinks' such as alcopops)