Continued UK GDP Growth Forecast by SWIFT Index as Rate of Growth Slows for US Economy

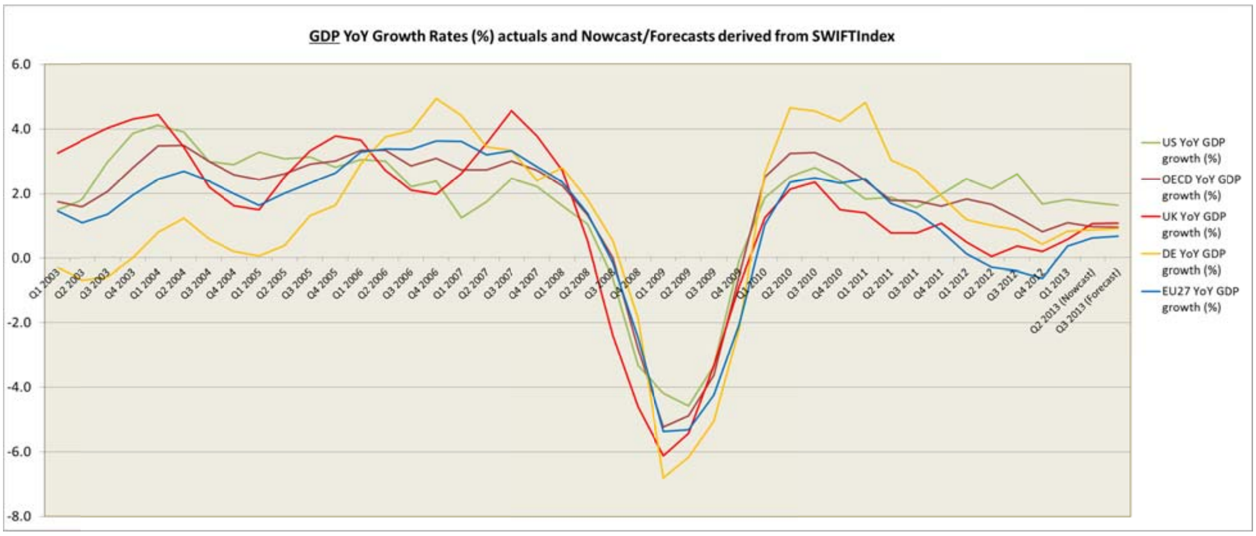
- Latest forecasts reconfirm SWIFT payments volumes are a leading metric for GDP growth

Brussels, 16 May 2013 – SWIFT, the financial messaging provider for more than 10,000 financial institutions and corporations in 212 countries, has released its latest SWIFT Index data based on an average of 2 million SWIFT payments messages per day.

The SWIFT Index forecasts that the UK economy will continue to grow at a faster rate than Q1 2013 as it continues its economic recovery, with a year-on-year GDP growth rate of 1.1%. This follows SWIFT's successful Q1 forecast that the UK would move out of a negative growth rate and avoid a triple-dip recession.

The US economy will continue to grow during Q2 as the SWIFT Index forecasts a 1.7% year-on-year GDP growth rate. A similar growth rate, 1.6 % is forecasted for Q3 pointing to a slower growth in the US compared to Q1 2013.

The following graph shows year-on-year GDP growth based on the SWIFT Index, clearly indicating a recovery for the UK and EU27 aggregates and slightly moderating growth for the US, German, OECD aggregates.



For EU27, the SWIFT Index continues to point to the end of recession for the EU27 bloc with a gradual recovery forecast for Q2 at a year-on-year GDP growth rate of 0.6%.

Contrary to other growth forecasts, the SWIFT Index predicts that German GDP growth will continue to grow, albeit at a slower rate remaining flat during Q2 and Q3 with a year-on-year GDP growth rate of 0.9% forecast.

"Combining OECD data and our own algorithm based on SWIFT payments volumes, the SWIFT Index is a composite leading indicator of GDP growth and provides accurate forecasts that correlate closely with actual GDP growth" commented Andre Boico, Head of Pricing & Analytics, SWIFT. "With the April Index results accurately predicting UK and US GDP growth, the SWIFT Index has proved itself to be a leading metric for GDP growth with investors, analysts, economists, national banks and policy makers using it to inform key decision-makers."

Notes to the editor:

Below, you can find a summary table of the GDP estimates derived from the SWIFT Index and the forecast trend compared to the last actual figure (Q1-2013).

Region/ Country	***Q1-2013 vs. Q1-2012 (Year-on-Year %)***	***Q2-2013 vs. Q2-2012 (Year-on-Year %)***	***Q3-2013 vs. Q3-2012 (Year-on-Year %)***	***Forecast Q3-2013 Trend***	
	GDP Actual [1] (published by OECD)	*GDP Nowcast*	*GDP Forecast*	*Direction[2]*	*Rate of change[3]*
OECD	*1.1%*	*1.0%*	*0.9%*	*Growing*	*Slightly slower*
EU27	*0.4%*	*0.6%*	*0.7%*	*Growing*	*Slightly faster*
US	*1.8%*	*1.7%*	*1.6%*	*Growing*	*Slightly slower*
UK	*0.6%*	*1.1%*	*1.1%*	*Growing*	*Faster*
Germany	*0.8%*	*0.9%*	*0.9%*	*Growing*	*Flat*

Dictionary of terms:

(1) Published by OECD & downloaded on 10 May 2013. When no actual is available (for OECD global, EU27 and Germany), SWIFT will use its previous nowcasted GDP growth rate.

(2) Direction: sign of the GDP forecast figure. Positive growth rate (>0%) is equivalent to 'Growing'. Negative growth rate (<0%) is equivalent to 'Contracting'. Flat is used when GDP shows no change at 0%.
(3) Rate of change: we compare the GDP growth rate forecast (here Q2-2013) to the last known actual (Q4-2012). If the forecasted GDP growth rate is higher than the last actual, then the "rate of change" can be 'Faster',' Slightly Faster' or 'From Contracting' (if there is a change in sign from negative growth to positive growth). If the forecasted GDP growth rate is lower than the last actual, then the "rate of change" can be 'Slower', 'Slightly Slower' or 'From Growing' (if there is a change in sign from positive growth to negative growth).

....

About SWIFT Index

Part of the Business Intelligence portfolio, the SWIFT Index provides quantitative fact-based Business Intelligence aggregated from SWIFT data on payments traffic and can be used to derive an early forecast of GDP growth on a monthly basis. The SWIFT Index utilizes Year-on-Year data to calculate GDP growth to deseasonalize annual variations in volumes and highlight economic trends of relevance.

As announced in October 2012, SWIFT can now offer an Index for UK, Germany, US and EU27 in addition to the World Index and OECD Index. These four new additional indices will support business decision-making in these major economies and will act as leading indicators of national and regional GDP growth. SWIFT is able to forecast GDP growth through a methodology that has been validated by academic experts from the Centre for Operations Research and Econometrics (CORE – Université Catholique de Louvain, Belgium).

The SWIFT Business Intelligence (BI) portfolio offers clients a suite of intuitive tools including analytics, insights and economic indicators, designed to grow with a customer's business needs.

For further information about the SWIFT Index and its methodology, please visit www.swift.com/swiftindex.

About SWIFT

SWIFT is a member-owned cooperative that provides the communications platform, products and services to connect more than 10,000 banking organisations, securities institutions and corporate customers in 212 countries and territories. SWIFT enables its users to exchange automated, standardised financial information securely and reliably, thereby lowering costs, reducing operational risk and eliminating operational inefficiencies. SWIFT also brings the financial community together to work collaboratively to shape market practice, define standards and debate issues of mutual interest.

For more information, please visit www.swift.com or follow us on Twitter: @swiftcommunity and Linkedin: SWIFT.

Contact:
Yuri Imaizumi at Weber Shandwick
+81 3 5427 7412
yimaizumi@webershandwick.com

Toko Kagami at Weber Shandwick
+81 3 5427 7383
tkagami@webershandwick.com