

Economic Trends

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Managing Editor: Adèle Rowe

Editor: Paul Dickman

Production Team: Ayaz Ahmad
Craig Richardson

Artwork: DTP, Titchfield

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In Brief

Articles

This month we feature one article.

Michael Baxter of National Statistics describes the latest developments in the measurement of general government output. New output measures for Administration of Justice and Agricultural Intervention that have been incorporated into the published national accounts with effect from 2000 *Blue Book*. The measures are used in the calculation of both General Government constant price final expenditure and Government output (page 33).

Tables

Table 6.9

We are adding the PPI for the manufactured output of Motor vehicles, PQIR. The two existing PPI series are for plant and machinery bought as fixed assets by the Motor vehicle industry and All manufacturing industries.

Recent economic publications

Annual

UK Balance of Payments 2000 (Pink Book). The Stationery Office, ISBN 0 11 621277 2. Price £39.50.

UK Input-Output Supply and Use Tables 1998. The Stationery Office, ISBN 0 11 621375 2. Price £39.50.

UK National Accounts 2000 (Blue Book). The Stationery Office, ISBN 0 11 621276 4. Price £39.50.

Quarterly

Consumer Trends: 2000 quarter 1. The Stationery Office, ISBN 0 11 621316 7. Price £45.

UK Economic Accounts: 2000 quarter 1. The Stationery Office, ISBN 0 11 621274 8. Price £26.

UK Trade in Goods Analysed in Terms of Industries (MQ10): 2000 quarter 1. The Stationery Office, ISBN 0 11 538056 6. Price £75 p.a.

Monthly

Consumer Price Indices (MM23): June 2000. The Stationery Office, ISBN 0 11 538012 4. Price £185 p.a.

Financial Statistics: July 2000. The Stationery Office, ISBN 0 11 621191 1. Price £23.50.

Monthly Review of External Trade Statistics (MM24): May 2000. The Stationery Office, ISBN 0 11 538020 5. Price £185 p.a.

All of these publications are available from The Stationery Office, telephone 0870 600 5522, fax 0870 600 5533, e-mail bookorders@theso.co.uk or The Stationery Office bookshops; details on the inside back cover.

Economic Update - September 2000

by Geoff Tily, Macro-Economic Assessment - Office for National Statistics

Address: D4/20, 1 Drummond Gate, London, SW1V 2QQ

Tel: 020 7533 5919

E-mail: geoff.tily@ONS.gov.uk

Overview

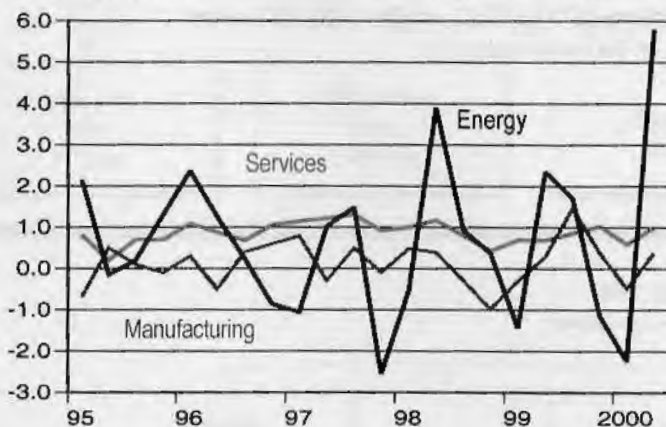
In the second quarter of 2000 GDP showed stronger growth than in the first quarter. The acceleration was due to very strong energy output, a return to growth in some manufacturing industries and services growth driven by very strong business services output. Underpinning the headline figures, growth by industry continues to reveal a mixed picture. External information saw increased growth in the service sector, but ongoing decreasing optimism in the manufacturing sector. Household demand slowed into the first half of 2000. Investment demand also remains subdued, possibly as a consequence of slowing profits and increasing borrowing. Demand for imports remains strong. External demand from non-EU economies is very strong, although EU demand is more modest. Labour market information continues to show ongoing improvements to both employment and unemployment, in the latest period the improvement is at an accelerating rate. Contrasting with this is a slowdown in headline average earnings. Retail prices continue to remain relatively subdued in both the manufacturing and services sectors. At the factory gate oil price increases are leading to high input prices, but there remain only modest increases to output prices.

GDP Activity

GDP activity in the second quarter of year 2000 showed a pick up in growth following a slight slowdown in the first quarter. Quarterly growth rose to 0.9 per cent compared with growth of 0.5 per cent in quarter one, while annual growth increased to 3.1 per cent compared with 3.0 per cent. The pick up in growth came from three sources, very strong growth in the energy sector, an increase in growth in the service sector and a recovery in the manufacturing sector following the decline seen in the first quarter (chart 1). Growth in the energy sector in quarter two was 5.8 per cent, a figure much

Chart 1

Manufacturing, services and energy output
seasonally adjusted percentage changes, quarters



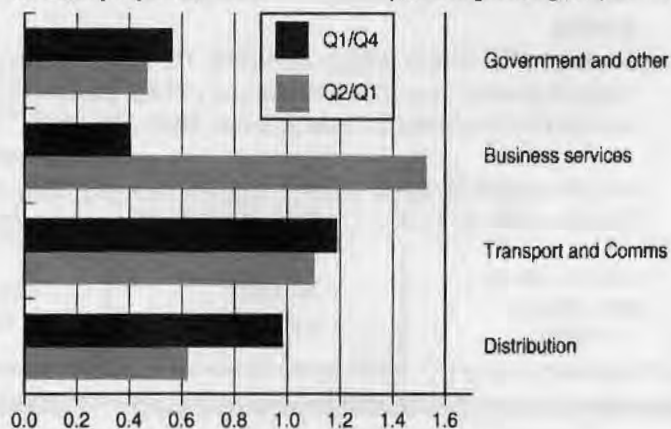
higher than the norm. Behind the growth were cooler weather than usual for the time of year, increased production as a number of maintenance schemes finished and an increase in gas production for export to EU economies, partly driven by higher prices abroad.

The service sector was estimated to have grown by 0.9 per cent, following a lower figure of 0.6 per cent in the first quarter. The increase was driven by a strong increase in growth in business services and finance industries, for

example legal activities, accountancy, architecture as well as the computer service industry. On the other hand, Chart 2 shows that quarterly growth in the other published aggregates for service industries (distribution, hotels and catering repairs; transport storage and communication; government and other services) actually showed less growth in the second quarter than the first quarter.

Chart 2

Services output
seasonally adjusted, percentage changes, quarters



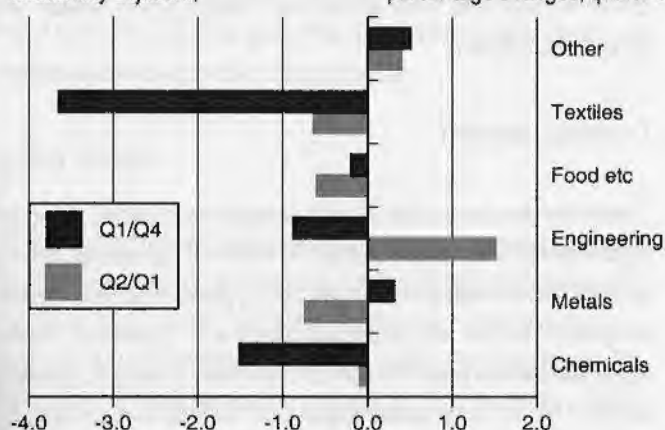
In the same way, while the index of manufacturing showed a recovery to growth of 0.4 per cent in the second quarter from a decline of 0.5 per cent in the first quarter of 2000, growth in most industries was seen to be slow. Chart 3 shows how growth in the second quarter was predominantly due to the acceleration within the 'engineering and allied' industries; all other published industries showed a decline into the second quarter, except for 'other manufacturing' which showed a modest increase. The sector as a whole thus continues to be driven by the growth in certain technology related sectors, in particular office machinery and computers and radio, TV and telecommunications, outside these sectors growth remains subdued.

ONS service data shows a similar pattern to external figures in 2000. The

Chart 3

Manufacturing output
seasonally adjusted,

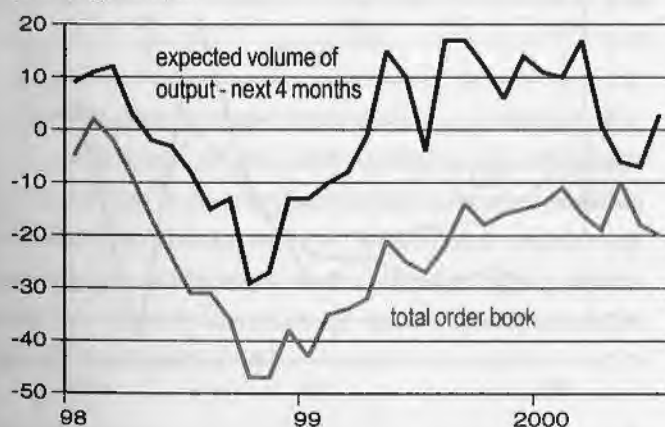
percentage changes, quarters



British Chambers of Commerce data for the service industry showed a pick up in output orders and deliveries in the second quarter following a slowdown in growth in the first quarter, while the Chartered Institute of Purchasing and Supply data remains reasonably robust but does not appear to indicate acceleration. On the manufacturing side ONS data has been volatile over recent quarters, CBI data continues to remain fairly subdued. Chart 4 shows total order books have been negative for over two years, with recent data subdued, but a way above the levels seen at the end of 1998, at the same time their expectations of output volumes fell quite markedly into the second quarter, but saw a modest recovery in the latest data.

Chart 4

CBI Business confidence
percentage balance



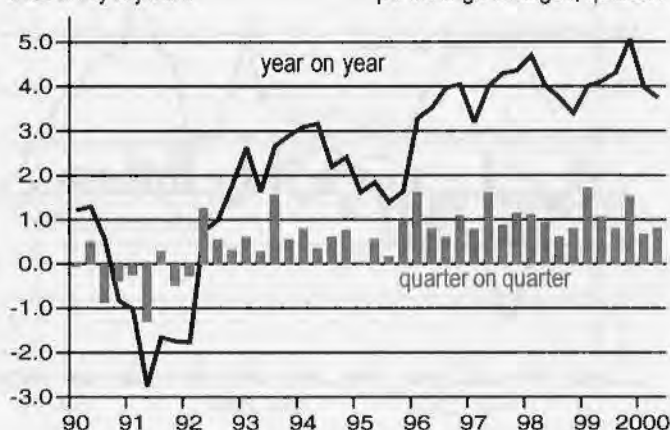
Domestic demand

Figures so far in the year 2000 show a slowdown in domestic demand compared to 1999. National Accounts household final consumption data shows household demand growth of 0.8 per cent in the second quarter of 2000, following 0.6 per cent in the first quarter. Annual growth comparing the latest quarter with the same quarter a year ago fell to 3.7 per cent from 4.0 per cent in quarter one (chart 5).

Chart 5

Household final consumption expenditure
seasonally adjusted

percentage changes, quarters

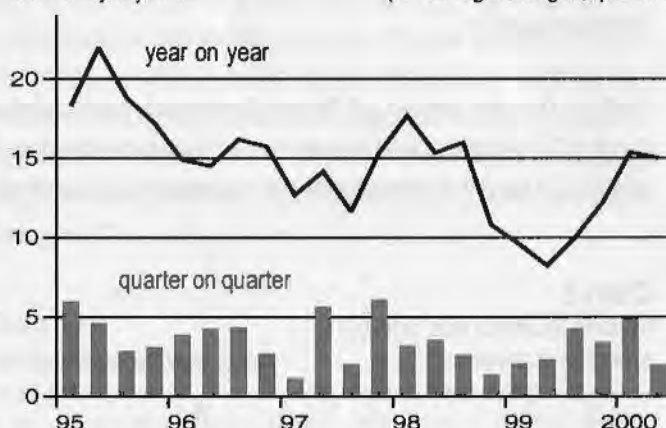


The modest pick-up in quarterly growth in the second quarter was due to a pick up in consumption of services. Looking further ahead, retail sales data to July shows little evidence of any substantial acceleration, but the three months on the previous three months growth rate increased to 0.9 per cent compared with 0.3 per cent in June, following the falling out of a very high January from the quarterly comparison. Partially supporting a slowdown in domestic demand is a reduction in consumer credit demand. Chart 6 shows growth in gross consumer credit slowing sharply into the second quarter of 2000, following three quarters of robust growth.

Chart 6

Gross consumer credit
seasonally adjusted

percentage changes, quarters

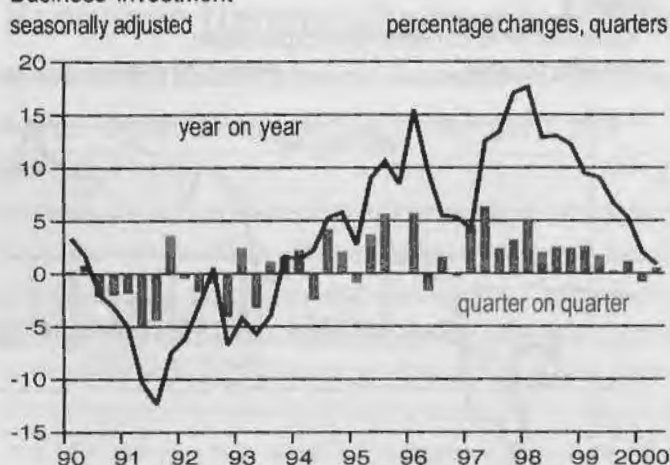


Recent data for consumer confidence continues to support some slowdown in domestic demand, with both MORI and GfK data subdued following accelerations into the first half of 1999, and MORI in particular registering a decline in confidence since the start of 2000, although it did see a pick up into August.

Turning to investment demand, data here continues to show an overall subdued picture. National Accounts data shows business investment picking up by 0.4 per cent into the second quarter, following a decline of 0.7 per cent

Chart 7

Business investment
seasonally adjusted



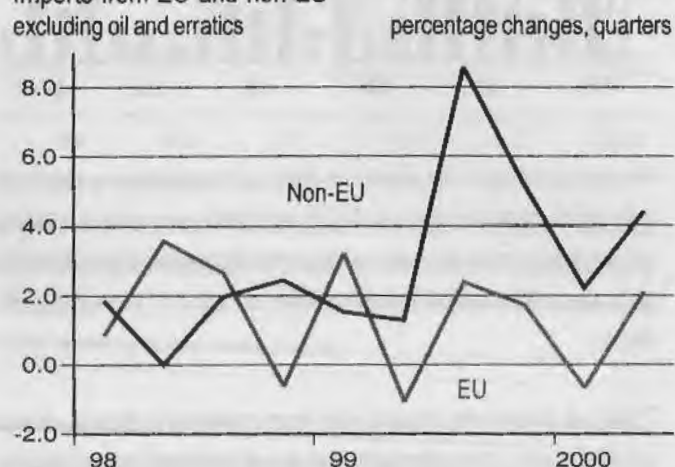
in the first quarter. Chart 7 shows how volatility in recent quarterly growth figures underpins a more substantial decline in annual growth, from 17.6 per cent in the first quarter of 1998 to 0.9 per cent in the latest quarter. Over this period manufacturing investment saw a substantial decline of 14.6 per cent, while other investment increased by 19.2 per cent. More recently however, investment in the service sector has also slowed, to annual growth of 0.8 per cent in the latest quarter.

This slowdown in investment may be partly driven by a slowdown in profit growth. In 1999 profits of corporations fell by 0.7 per cent, and since 1997 their profits have only increased by £4.2 billion, while business investment has grown by a far more substantial £20.9 billion. The net effect of these movements is a build-up in corporate net borrowing, which in 1999 stood at debts of £17.1 billion for private non-financial corporations and 0.4 billion for financial corporations.

Finally on domestic demand, UK demand for overseas goods remains robust, with National Accounts data showing a pick up in quarterly import growth to 2.3 per cent in the second quarter compared with 1.4 per cent in

Chart 8

Imports from EU and non-EU
excluding oil and erratics



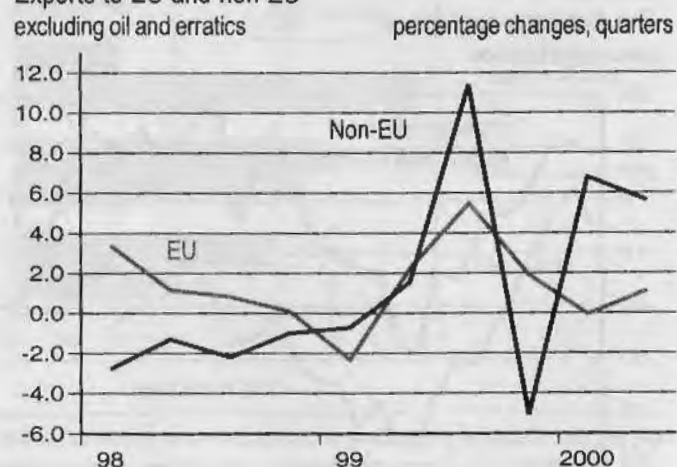
the first quarter. Chart 8 shows that the pick up has mainly been driven by ongoing robust growth in imports from non-EU countries, UK imports from EU economies have been more subdued, but picked up a little the second quarter of 2000. Overall the annual rate of import growth remains very strong at 11.0 per cent.

Overseas demand

Overall overseas demand for UK products continues to remain strong, but again shows a different picture between EU and non-EU economies. National accounts data showed slightly stronger quarterly growth in the second quarter compared to the first, with 2.6 per cent compared to 2.4 per cent. The disaggregation shows exports to non-EU economies growing at a quarterly rate of 4.1 per cent in the second quarter, down a little from 6.8 per cent in the first quarter, but slower growth in exports to EU economies second quarter growth of 1.1 per cent following a fall of 0.1 per cent in the first quarter. Chart 9, shows rates excluding oil and erratics. At annual rates, growth in the year to the second quarter was 17.5 per cent to non-EU economies, and 8.7 per cent to EU economies. Lastly data for July now exists for trade with non-EU economies, which records a fall. External indices continue to show a more pessimistic outlook for exports than recorded in official figures. BCC data has shown a downturn over the last two quarters, whereas CBI data continues to show some modest improvement throughout 1999 and into 2000; however, both series remain well below the peaks recorded at the start of 1995.

Chart 9

Exports to EU and non-EU
excluding oil and erratics



Monetary indicators and government finances

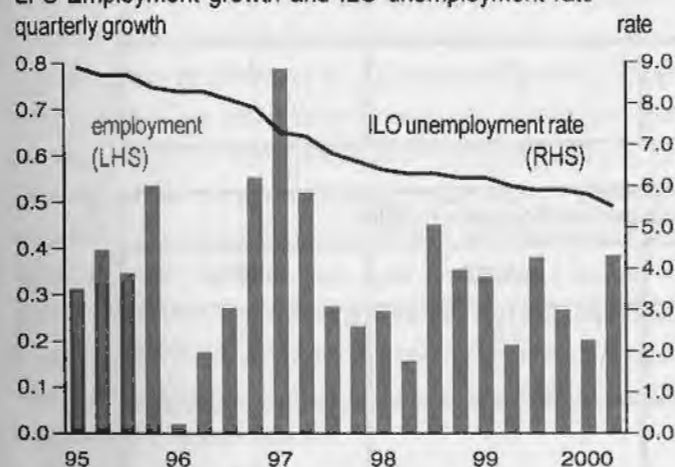
Increases in broad money (M4) annual growth continued July 2000, with annual growth of 6.8 per cent compared with 6.6 per cent in June; although shorter-term growth rates showed some degree of slowdown. Narrow money (M0) annual growth has however been slowing for three months now, with growth of 7.1 per cent in July compared in 7.6 per cent in June.

Outturn data for public sector finances in 2000-01 is recording an ongoing improvement over 1999-2000, with a surplus of £2.3 billion in April-July 2000 compared to borrowing of £0.3 billion in the same period of the previous year. It should be noted that part of the improvement is attributed to new arrangements for the payment of corporation tax.

Labour Market

The latest labour market dataset shows a continued improving outlook for both unemployment and employment. Labour Force Survey data shows employment increasing by 106,000 comparing April – June with January – March, and ILO unemployment falling by 91,000 over the same period. The unemployment rate correspondingly improving to 5.5 per cent from 5.8 per cent, with the latest rate the lowest since the data was first recorded in this form in 1992 (chart 10 shows the unemployment rate over the past five years).

Chart 10
LFS Employment growth and ILO unemployment rate
quarterly growth

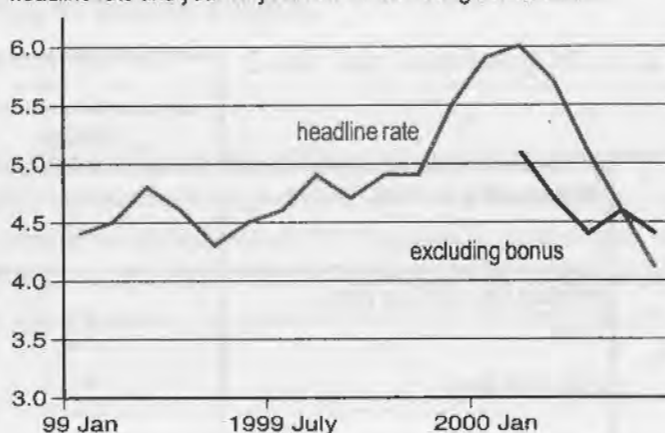


Growth in the employment series between April – June with January – March was strong at 0.4 per cent, up from 0.3 per cent between the previous two quarters. Chart 10 also shows that this measure of quarterly growth has been fairly volatile since the middle of 1997, but that growth rates have generally remained comfortably between 0.1 and 0.5 per cent. The last time growth was substantially above this range was the brief period between the end of 1996 and the start of 1997.

Despite the ongoing improvements in the labour market data earnings growth has continued to record slowing growth. The headline rate of average earnings growth in June 2000 fell to 4.1 per cent compared with 4.6 per cent in the previous month and was substantially below the recent peak of 6.5 per cent in January 2000. Both the fall and the peak have been exaggerated by high bonus payments over the millennium period. Chart 11 also includes the limited comparable data excluding bonuses; here growth over recent months is seen to be more stable at around 4.5 per cent, but again the limited evidence is of no acceleration.

Chart 11

Average earnings index
headline rate and year on year rate for excluding bonus series

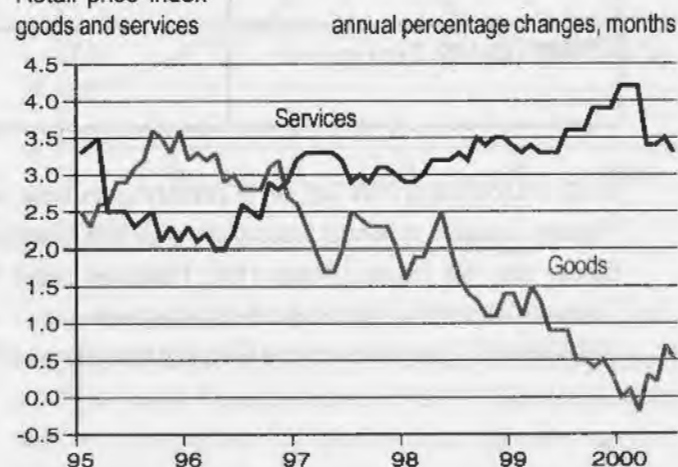


Prices

The underlying rate of inflation, RPIX was 2.2 per cent in July 2000, unchanged from the previous month. According to the goods and services perspective however, pressures modestly eased. Goods inflation was 0.5 per cent in July, a slight fall from 0.7 per cent in June, and a reversal in the trend following several months where petrol prices have led to aggregate goods prices rising. Similarly services inflation fell to 3.3 per cent in July from 3.5 per cent in June. Both series continue to show the subdued inflationary climate facing consumers.

Producer prices on the other hand continue to show accelerating inflation at annual rates. Output price inflation in the year to July was 2.9 per cent, the same as in June; however excluding the food, beverages, tobacco and petroleum, the increase was only 1.2 per cent, the main difference being the recent sharp increases in the prices of oil. Also primarily due to oil price increases, input prices are rising at an annual rate of 11.3 per cent, although this reflected a slowdown from 14.4 per cent in June. Input prices excluding food, beverages, tobacco and petroleum are more subdued and are also slowing, to 3.7 per cent in July, from 4.0 per cent in June.

Chart 12
Retail price index
goods and services



Forecasts for the UK Economy

A comparison of independent forecasts, August 2000

The tables below are extracted from HM Treasury's "FORECASTS FOR THE UK ECONOMY" and summarise the average and range of independent forecasts for 2000 and 2001, updated monthly.

	Independent Forecasts for 2000		
	Average	Lowest	Highest
GDP growth (per cent)	3.0	2.5	3.3
Inflation rate (Q4: per cent)			
- RPI	3.1	2.4	4.2
- RPI excl MIPs	2.1	1.4	2.9
Unemployment (Q4: mn)	1.08	0.94	1.20
Current Account (£ bn)	-17.7	-27.0	-10.0
PSNB *(2000-01: £ bn)	-10.6	-21.0	-5.0

	Independent Forecasts for 2001		
	Average	Lowest	Highest
GDP growth (per cent)	2.6	1.5	3.6
Inflation rate (Q4: per cent)			
- RPI	2.5	1.6	3.3
- RPI excl MIPs	2.4	1.3	2.9
Unemployment (Q4: mn)	1.04	0.78	1.26
Current Account (£ bn)	-18.9	-37.0	-10.0
PSNB* (2001-02: £ bn)	-7.3	-20.6	3.0

NOTE: "FORECASTS FOR THE UK ECONOMY" gives more detailed forecasts, covering 27 variables and is published monthly by HM Treasury, available on annual subscription, price £75. Subscription enquiries should be addressed to Miss C T Coast-Smith, Public Enquiry Unit, HM Treasury, Room 110/2, Parliament Street, London SW1P 3AG (Tel: 020-7270 4558). It is also available at the Treasury's internet site: <http://www.hm-treasury.gov.uk>.

* PSNB: Public Sector Net Borrowing (Treasury forecast excluding windfall taxes and associated spending).

International Economic Indicators - September 2000

by Craig Richardson, Macro-Economic Assessment - Office for National Statistics

Address: D4/20, 1 Drummond Gate, London, SW1V 2QQ Tel: 020 7533 5925, E-mail: Craig.Richardson@ONS.gov.uk

Overview

Oil prices continue to have a visible effect on consumer and producer price indices in the G7 economies, with recent movements in prices tracking oil closely. EU15 unemployment reached its lowest rate since June 1991 while Eurostat estimates show growth for the EU15 economies continuing. US GDP grew strongly in quarter two, driven mainly by strong private consumption and investment. However, their trade balance continues to cause concern. Canada grew strongly in the first quarter of 2000, also driven mainly by consumption and investment, however, it also benefits from a much more favourable trade position than the US. Japan continues to show faint signs of a recovery, with quarter on quarter retail sales growth becoming positive for the first time in ten quarters.

EU 15

The EU economies continued their trend of increasing growth in the final quarter of 1999, resulting in growth of 2.3 per cent for 1999 as a whole. They expanded by 0.8 per cent in quarter four, down from 1.0 per cent in quarter three. Latest Eurostat data shows the EU15 growing by 0.8 per cent again in the first quarter of 2000, with annual growth at 3.3 per cent, up from 3.0 per cent in the previous quarter. Eurostat data also shows annual growth of private financial consumption growing by 2.6 per cent in quarter one, government final consumption by 1.2 per cent, down from 1.7 per cent in the previous quarter, and gross fixed capital formation growing by 4.5 per cent, again down from 4.8 per cent in quarter four. In value terms, exports decreased by 0.3 per cent in the first quarter of 2000, following a rise of 1.4 per cent in the fourth quarter. The value of imports rose by 0.4 per cent, the net effect being a marginal improvement in the trade balance.

Industrial production in the EU 15 economies grew by 0.5 per cent in the first quarter of 2000, down significantly from growth of 1.2 per cent in the fourth quarter of 1999. Annual growth was 4.1 per cent into quarter one 2000, up from 3.8 per cent in quarter four 1999. Latest monthly data shows that the series grew slowly in April, but that growth picked up quite strongly into May.

Retail sales grew by 3.0 per cent in the year to the first quarter of 2000, following growth of 3.5 per cent in quarter four 1999. There was growth in January followed by two months of no change in the index. The index then fell slightly into April.

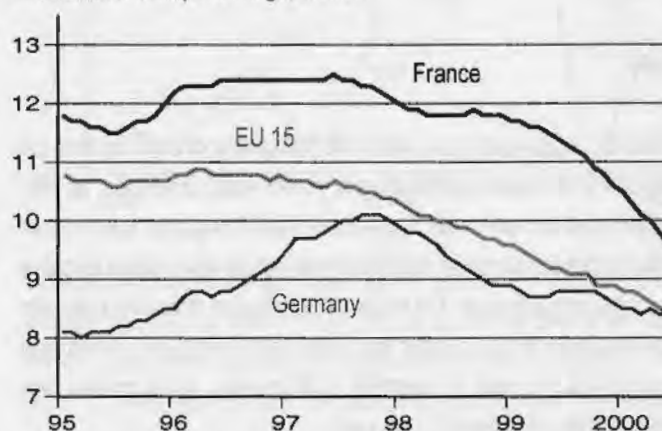
Annual growth in consumer prices was 2.6 per cent in June 2000, up by 0.4 percentage points on the previous month. This was primarily driven by annual inflation in the consumer energy components at 9.2 per cent in May, up from 8.3 per cent in the previous month. Annual food prices had been deflating until April 2000 when they rose by 0.2 per cent, annual growth in the year to May 2000 was 0.4 per cent. Annual producer prices also echo the changing oil markets, with inflation falling marginally

in April to 4.4 per cent when oil prices fell, and rising to 4.9 per cent in May 2000 when oil prices resumed their rise.

The EU 15 unemployment rate, (chart 1) has been steadily decreasing by 0.1 percentage points each month since February 2000, it reached 8.4 per cent in June. This is the lowest rate since June 1991. Overall, the unemployment rate for the second quarter of 2000 was 8.5 per cent, down from 8.8 per cent in the first quarter. Annual growth in civilian employment was 1.5 per cent in the first quarter of 2000, down marginally from 1.6 per cent in the fourth quarter of 1999. However, quarterly growth shows that there was actually a 0.7 per cent fall in employment in the first quarter of the year. Annual earnings growth in quarter one 2000 was 3.6 per cent for the second consecutive quarter, up from 2.7 per cent in the third quarter of 1999.

Chart 1

EU 15, French and German unemployment standardised rate, percentage, months



Germany

German economic growth was 0.7 per cent in the first quarter of 2000, making it a third successive quarter of strong growth following a rise of just 0.1 per cent in the second quarter of 1999. In quarter one 2000 a decline in the contribution of private final consumption was more than offset by strong growth in both government consumption and investment.

Annual retail sales growth was 2.1 per cent in both the first and second quarters of 2000, following growth of 1.9 per cent in quarter four 1999. However, the quarter-on-quarter growth in the second quarter of 2000 was -0.6 per cent, following positive growth of 0.8 per cent in quarter one. The monthly data shows that this arises from the index declining in April, picking up again in May, but then recording no growth in June. In contrast with this, consumer confidence fell slightly into May, but then picked up again into June 2000. April and June represent the highest level the consumer confidence balance has seen since the series was first collected in 1987.

Annual consumer price inflation continued to gain momentum in June, with the rate rising to 1.7 per cent, up from 1.5 per cent in May and 1.3 per cent in April. Approximately half of the June increase was accounted for by oil prices, while the remainder was accounted for by increases in service prices (e.g. air transport) and manufactured goods. Annual producer prices rose by 0.3 percentage points to reach 4.8 per cent in May 2000, again, mainly driven by petroleum price inflation.

Annual earnings growth rose to 4.6 per cent in the first quarter of 2000, up from 3.7 per cent in the fourth quarter of 1999. This could be the result of a strong millennium impact and bonuses rather than a tightening labour market. Employment growth in the year to the first quarter of 2000 was 2.5 per cent, up from 2.1 per cent in quarter four. This growth is a record, the highest since the series began in 1965. Unemployment continued to decline into June, with the standardised rate falling to 9.6 per cent, down from 9.8 per cent in May and 10.5 per cent at the start of the year. This represents seventeen successive months of falling unemployment and the rate is now 3.0 percentage point below its peak in June 1997.

Italy

Italian GDP grew by 1.0 per cent in the first quarter of 2000, up from 0.6 per cent in the fourth quarter. Annual growth was 3.0 per cent, up from 2.2 per cent in quarter four. Quarter one saw strong contributions from private final consumption and exports as well as a significant negative impact from destocking. The negative contribution of imports in quarter one was lower than in quarter four. Investment continues to contribute around 0.2 per cent to quarterly GDP growth, whilst private final consumption contributed 0.7 per cent.

Industrial production had been showing promising signs, growing by 1.6 per cent in the fourth quarter of 1999 but growth then fell to 0.6 per cent in the first quarter of 2000. Monthly data shows a strong rise in the index in February 2000 after a fall in January, but very low growth in March. The latest data also shows a decline in April but another strong pick up in May. Capital utilisation improved significantly into the first quarter of 2000. Business sentiments for current and future order books both fell

into June.

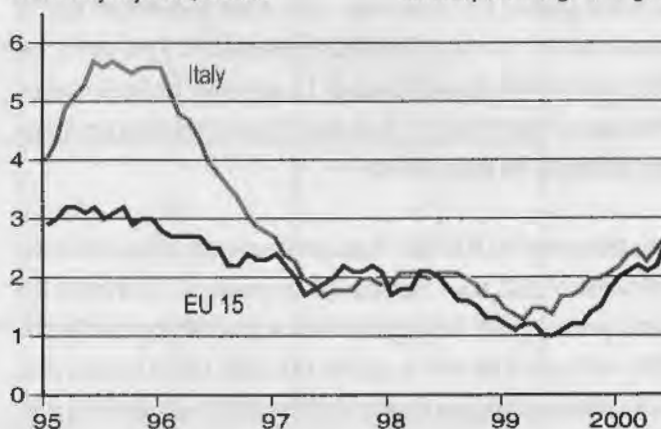
No new retail sales volume data has been available since the end of 1998, however, one possible proxy of the current situation is the value of retail sales from major outlets. The annual growth in retail sales from major outlets rose from 4.1 per cent in April to 4.9 per cent in May 2000. However, this series remains very volatile. Consumer confidence had been improving over the first four months of 2000 but fell sharply into May 2000, possibly reflecting the political situation. It then rose again in June.

Annual consumer price inflation remains higher than the EU15 average, (chart 4). Following a fall in the rate into April it then rose for two consecutive months to reach 2.7 per cent in June. It then dipped to 2.6 per cent in July 2000. Consumer price inflation for the second quarter of 2000 was 2.6 per cent. Annual producer prices inflation continues to rise steeply, reaching 6.9 per cent in June 2000, following a rise of 1.1 percentage points in May to reach 6.4 per cent. This compares to deflation of 1.8 per cent in producer prices in March 1999. It would appear that oil price rises are having a considerable effect on Italian producers, with the fall in prices in April being a likely cause for the dip in the growth rate.

Chart 4

Italy - Consumer price inflation
seasonally adjusted, months

annual percentage changes



No new earnings data has been available since December 1999. The last data shows a rise of 1.8 per cent in the fourth quarter of 1999, down from 2.3 per cent in the third quarter. Employment in the second quarter of 2000 rose by 1.5 per cent, up from a fall of 1.2 per cent in the previous quarter. Annual growth was also 1.5 per cent in quarter two. Unemployment fell by 0.1 percentage points to 11.0 per cent in the first quarter of 2000, with the monthly data showing a downwards trend over the quarter and a further fall to 10.7 per cent in April.

USA

The US economy has grown vigorously since the start of 1992, and the latest figures indicate that this trend is continuing. GDP grew by 1.3 per

The contributions of exports and imports both grew relatively strongly but cancelled each other out.

German industrial production grew by 0.9 per cent in the first quarter of 2000, up marginally from 0.8 per cent in the final quarter of 1999. Looking at the latest monthly data, growth slipped in March 2000, but then rose strongly into May. New manufacturing orders for both domestic and foreign markets both showed a rise into May 2000.

Following the drop in the contribution of private financial consumption, the annual growth in retail sales fell to -1.0 per cent in the first quarter of 2000, after growing by a subdued 0.8 per cent in the previous quarter. The decline mainly reflects very weak sales figures for March, the latest data shows that they recovered into April and showed strong growth into May 2000. Consumer confidence in May 2000 rose to its highest level since February 1999, although it dipped in June and July to record a negative balance once more, (chart 2).

Chart 2
German consumer confidence
percentage balance



Annual consumer prices recorded a substantial rise in June 2000, growing by 1.9 per cent in June, up from 1.4 in May. Disaggregating the index shows that this is again mainly attributable to energy prices, which rose by 14.4 per cent in the year to June 2000, a substantial rise since growth of 9.3 per cent in April, but still below the 17.9 per cent growth recorded in March. Annual deflation of food prices was 0.8 per cent in May 2000, following deflation of 1.6 per cent in April. Annual producer prices have followed a similar pattern to the consumer prices, except with more pronounced movements. Growth was 3.5 per cent in June 2000, up from 3.2 per cent in the previous month and from just 2.6 per cent in April, when the oil prices dropped.

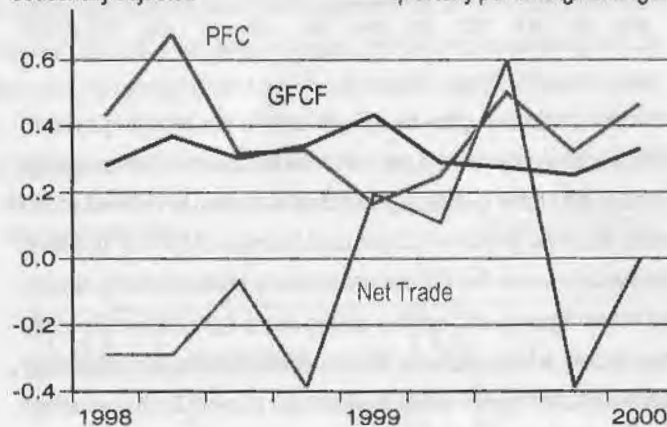
Annual earnings grew by 3.0 per cent in quarter four 1999, up from 2.7 per cent in the previous quarter. Although this is high in recent terms it remains low historically, in the early years of the decade the series was

typically around the 6.0 per cent level. Employment rose by 0.4 per cent in the year to the first quarter of 2000, up from 0.2 per cent in quarter four. Growth still remains low compared to the rates recorded at the start of 1999. The unemployment rate remained virtually flat at 8.7 per cent for most of the latter half of 1999, but fell to 8.4 per cent in the first quarter of 2000, and then to 8.2 per cent in the second quarter.

France

The French economy's run of robust growth that started in 1997 continued into the first quarter of 2000, with quarterly growth of 0.7 per cent, down slightly from 0.9 per cent in the fourth quarter of 1999. This decline in growth was despite consistently strong quarterly growth in private consumption and investment. In the first quarter the growth of the contribution of imports slowed to match that of exports, the net effect being no overall contribution of trade to GDP, (chart 3). Evidence of a destocking in the first quarter of 2000 had a negative contribution to GDP; this follows a precautionary build-up of stocks in the fourth quarter of 1999 prior to the millennium change-over. The annual growth rate of GDP for the first quarter was 3.4 per cent, up from 3.2 per cent in the previous quarter.

Chart 3
France - Contributions to quarterly GDP growth
seasonally adjusted quarterly percentage changes



French industrial production grew by 4.2 per cent in the year to first quarter of 2000, up from 4.0 per cent in the fourth quarter of 1999. Monthly data shows following strong growth in February and March, the index dropped into April, but then picked up again in May. The rise was mainly concentrated in the manufacturing sector, e.g. cars, consumer goods and capital goods. These are the same areas that caused the fall in April. Capital utilisation matched industrial production with a slight rise into the first quarter of 2000, and then rose again into quarter two to reach its highest level since the fourth quarter of 1990. Order books rose strongly into June but then slipped back again into July, however, in historical terms the series remains high.

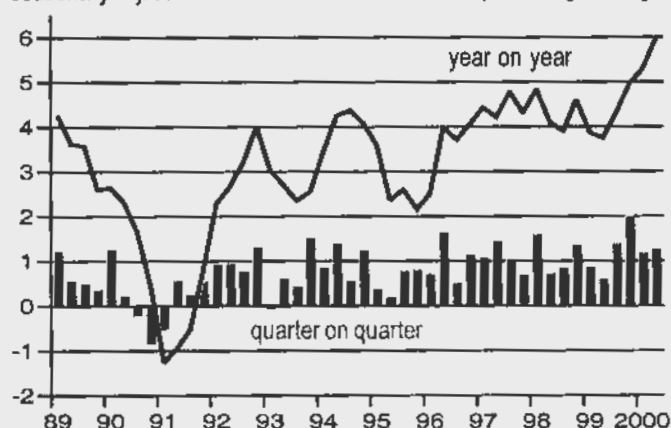
cent in the second quarter of 2000, up from 1.2 per cent in the first quarter, (chart 5). The main contributors were the continuing strong growth in private consumption (a contribution of 0.5 per cent to GDP) and investment (a contribution of 0.7 per cent to GDP). The second quarter also saw a return to positive stockbuilding, following the destocking in the first quarter. The US trade balance continued to deteriorate substantially, with the growth in the contribution of exports remaining low in the second quarter, while the contribution of imports continues to grow steadily. The strong economy continues to cause concern in the Federal Reserve, and in May they raised interest rates by 0.5 percentage points to reach 6.5 per cent.

Chart 5

USA - GDP

seasonally adjusted

percentage changes



Industrial production grew by 1.7 per cent in the second quarter of 2000, up marginally from 1.6 per cent in the first quarter. This represents substantially higher quarterly growth than was seen in 1999, when the series recorded growth of 1.2 per cent for three of the four quarters. Monthly data shows that this rise was driven by relatively strong January and March figures, with another strong rise in April 2000 and slightly lower growth in May and June. This is partially reflected by the monthly capital utilisation figures, which showed a rise into April but has remained unchanged since then. However, this contrasts with the value of new manufacturing orders, which fell sharply into April 2000 but then picked up again into May.

Retail sales had been growing at a frantic pace towards the end of 1999, but no new volume data has been provided by the OECD since January 2000. The value data shows that quarterly growth was strong in quarter one but then fell sharply in quarter two. Annual growth also fell into quarter two, although it remains very strong. Deflating the value index by the consumer price index gives a crude volume measure, this shows that like with the value index, annual growth rose into the first quarter but fell into the second, quarterly growth also fell sharply in quarter two 2000. Corresponding to this, consumer confidence rose strongly into quarter one but then fell slightly into quarter two. Analysts continue to

worry about the effect of the high level of consumer credit on the economy, commercial bank loans grew by 10.5 per cent in the year to quarter two 2000, up from 7.6 per cent in quarter one.

As with a number of other countries, US annual consumer price inflation has been volatile over recent months. Following a 0.8 per cent fall into April, the rate then rose by 0.7 per cent into June to reach 3.7 per cent. The previous fall had mainly reflected a rise in the index in April 1999 rather than recent movements. The recent rise represents an increase in the inflation rate for fuel and electricity, from 4.7 per cent where it had been for the three months to May, to reach 6.6 per cent in June 2000. Following a brief return to positive inflation rates in May, durable goods inflation fell back to -0.2 per cent in June 2000. Annual food price inflation remained at 2.3 per cent in June 2000. Annual producer price inflation rose to 4.3 per cent in June after two months at 3.9 per cent. The 62.8 per cent annual growth in the price of refined petroleum products is clearly driving these figures.

Annual growth of earnings rose in the first two months of the year to reach 4.5 per cent, it then fell for the next three months to reach 2.7 per cent in May. However, growth picked up again in June, reaching 3.6 per cent. Annual growth was 4.3 per cent for the first quarter. The pattern suggests that payments relating to the millennium may be the cause of the higher figures in January and February, rather than the effect of a tightening labour market. At the same time, annual employment growth fell sharply into May 2000, down 0.9 percentage points to 1.2 per cent, although it picked up marginally in June to reach 1.3 per cent. Corresponding to this, the unemployment rate fell slightly to 4.0 per cent in June, from 4.1 per cent in May. The unemployment rate of 3.9 per cent recorded in April 2000 had represented the lowest unemployment rate seen since January 1970.

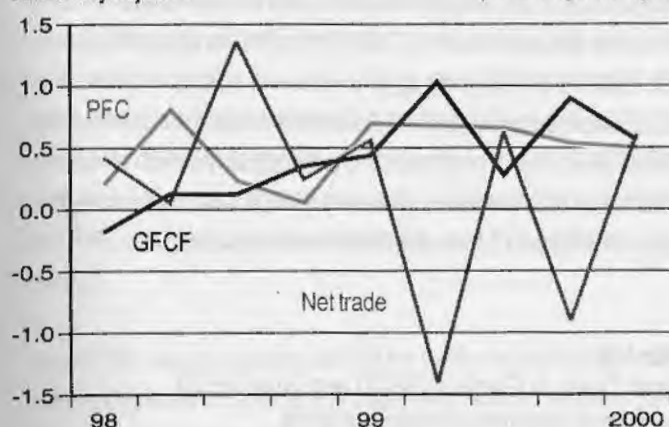
Canada

Canadian GDP grew by 1.2 per cent in the first quarter of 2000, the same as in the previous quarter. Like the US, the strong growth was seen in consumption and investment, although unlike the US, Canadian growth benefited from a significant fall in the negative contribution of imports and a very strong export performance, a reversal of the previous quarter, (chart 6). Corresponding to this, the Canadian balance of payments moved into a position of a considerable surplus in quarter one 2000. Given the close proximity to the US it seems likely that a sizeable proportion of this export growth is going to the US, which is currently sucking in imports to satisfy internal demand. At an annual rate the Canadian economy grew by 4.9 per cent, again the same as in quarter four, but down on the growth of 5.2 per cent recorded in quarter three of 1999.

Canadian industrial production grew by 1.3 per cent in the first quarter

Chart 6

Canada - Contributions to quarterly GDP growth
seasonally adjusted percentage changes



of 2000, up from 1.1 per cent in quarter four of 1999. The latest monthly data shows that although the series recorded virtually zero growth in April, it showed strong growth in May 2000. Corresponding to the industrial output, capital utilisation also rose into the first quarter. Business optimism for the future situation remained high into the second quarter, although optimism about the current situation has dipped slightly since reaching a peak in quarter four 1999.

From a demand perspective, the Canadian economy remains in a healthy shape, although annual retail sales growth in the first quarter of 2000 was 4.4 per cent, down marginally from 4.5 per cent in quarter four 1999. Monthly data however shows that the index remains unchanged since March 2000, suggesting lower growth in the second quarter.

Given the close proximity to the US it is perhaps unsurprising that the Canadian annual consumer price inflation follows similar trends to that of the US index, although it is generally a little lower (chart 7). Following a drop into April 2000 to reach 2.1 per cent the rate has since risen to 2.9 per cent in June. Perhaps unusually, Canadian annual producer price inflation fell into June, in contrast to most of the other G7 economies who

recorded a rise in the rate, mainly due to oil prices. This is despite a strong rise in the refined petroleum and coal products category.

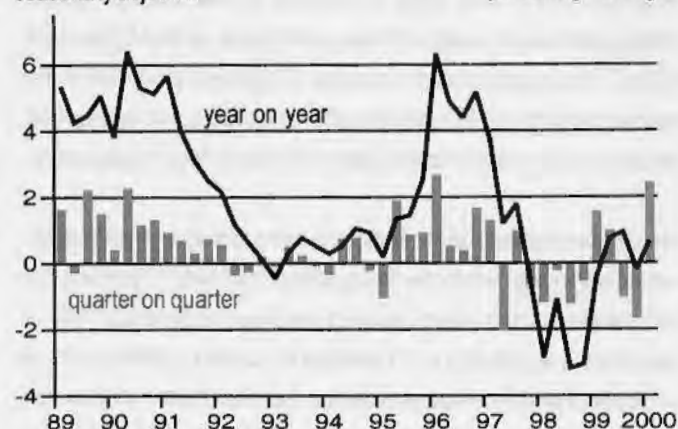
Annual earnings growth in Canada in quarter one show strong signs of a millennium impact, with growth rising from 0.8 per cent in quarter four 1999 to 3.2 per cent in the first quarter of 2000. Annual growth in civilian employment remains strong, despite a fall from 3.1 per cent in quarter one to 2.8 per cent in quarter two. The unemployment rate has been falling since a peak in the fourth quarter of 1996. It fell from 6.8 per cent in quarter one to 6.7 per cent in quarter two. Despite being at a higher rate than the US, rates have not been this low in Canada since 1974.

Japan

Following the contraction of GDP in the final quarter of 1999, the Japanese economy appeared to rebound strongly into the first quarter of 2000, with quarterly GDP growth of 2.4 per cent and annual growth of 0.7 per cent, up from -1.6 per cent and -0.2 per cent respectively (chart 8). However, some have attributed part of this growth to difficulties with seasonal adjustment. According to this data, quarterly growth was driven by private final consumption and a strong recovery in exports, reflecting the improving economic situation in South East Asia at present. However, investment remains lacklustre given the substantial amount of spare capacity present in the economy. The Bank of Japan perhaps indicated a measure of confidence in the Japanese economy, their zero per cent interest rate policy was lifted in August, with interest rates rising to 0.25 per cent, the overnight rate had been at virtually zero for sixteen months.

Chart 8

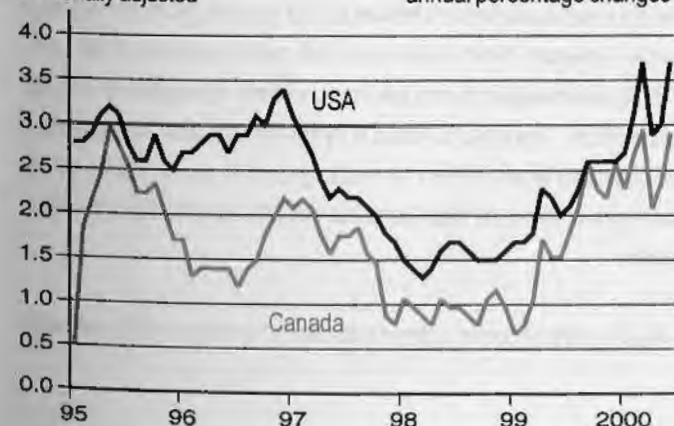
Japan - GDP
seasonally adjusted percentage changes



Japanese industrial production grew by 1.5 per cent in the second quarter of 2000, up from 0.7 per cent in the first quarter. Monthly data shows that this was mainly due to a strong June figure. Capital utilisation rose into the first quarter of the year, and the business sentiment for the current and future situation both rose.

Chart 7

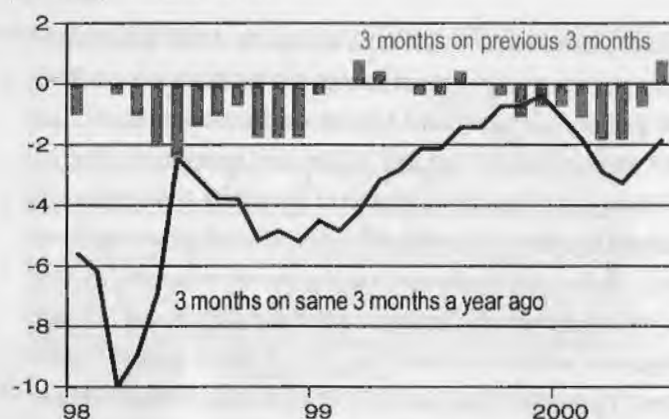
Canadian and US inflation rate
seasonally adjusted annual percentage changes



Despite improving output, the demand perspective remains weak. Annual retail sales declined markedly by 2.9 per cent in the first quarter of 2000, and this was followed by a further decline of 1.9 per cent in quarter two, however, quarter on quarter growth in the second quarter was positive, (chart 9). The negative annual growth could reflect a contraction in consumer credit made available by banks in 2000. The series has been declining since April 1999, although it picked up slightly into April 2000 it dropped strongly into May. Perhaps surprisingly, consumer confidence improved into the second quarter of 2000, the fourth consecutive quarterly improvement.

Chart 9

Japan - retail sales
percentage changes, months



Annual consumer prices had been showing some signs of improvement, with the level of deflation falling for four consecutive months until the situation worsened again in April. The situation improved marginally in May, with deflation falling from 0.8 per cent to 0.7 per cent, but it has remained there in June 2000. In contrast, annual producer prices remain positive, with growth of 0.4 per cent in June, up from 0.3 per cent in May. This suggests that the margins of Japanese producers in the domestic market may be under considerable pressure as input prices rise but producers are unable to pass on the price rises to consumers.

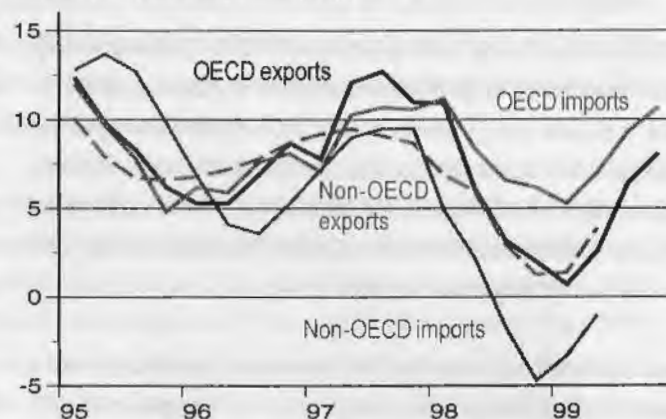
The Japanese labour market is showing some slightly promising signs. Annual earnings growth for the first quarter of 2000 was 2.0 per cent, the first time the quarterly series has been positive since the end of 1997. It slipped back only slightly to 1.7 per cent in quarter two. Whilst annual employment growth continues to decline, there has been a very modest improvement, from a decline of 0.5 per cent in May to a decline of 0.3 per cent in June 2000. Month on month data paints a slightly more pessimistic view, with no change in the index in June 2000, following three months of positive growth. However, we should not attach too much weight to just one month's data. Following a fall into May to 4.6 per cent, the unemployment rate rose marginally in June to reach 4.7 per cent.

World Trade

Growth in world trade slowed dramatically into the third quarter of 1998, but there is some evidence of a recovery in more recent quarters, with world trade now measured up to the second quarter of 1999. The OECD is more up to date and is indicative of strength in the third quarter of 1999, (chart 10). The world data shows quarterly growth of trade in goods was 0.6 for the fourth quarter of 1998, 0.4 per cent for the first quarter of 1999 and 2.9 per cent in the second quarter.

Chart 10

World Trade in Goods - OECD and Non-OECD
Year on year percentage changes, quarters



OECD exports of goods (which includes manufactures along with food, beverages and tobacco, basic materials and fuels) grew by 2.1 per cent in the fourth quarter of 1999, following growth of 3.9 per cent in the third quarter, 2.3 per cent in the second, and a decline of 0.2 per cent in the first quarter. Exports of manufactures alone grew by 1.8 per cent in the fourth quarter of 1999, the third successive quarter of growth following a decline of 0.2 per cent in the first quarter of the year.

Non-OECD exports of goods also continued their recovery following their slump in the third quarter of 1998. They recorded quarterly growth of 3.9 per cent in the second quarter of 1999, following growth of 0.7 per cent in the first quarter. It seems surprising that non-OECD goods exports did not seem to perform as well as OECD goods exports in 1998 as a whole. However, it should be noted that many currencies in the non-OECD area devalued during the financial crises against the currencies of the OECD. This effect is added to by the fact that table 7 is expressed in US dollars which is likely to lead to growth in export values falling below growth in export volumes for non-OECD countries due to currency effects.

OECD imports of goods suffered little during the crisis in 1998, reflecting

the fact that the most severe financial crises occurred outside the OECD, in South East Asia and Russia, with Japan and South Korea being the worst affected OECD countries. Imports recorded a year of strong growth in 1999. Quarterly growth of imports of goods was 3.0 per cent in the fourth quarter of 1999, down from 3.1 per cent in the third quarter, and from 3.4 per cent in the second, but up from 1.1 per cent in the first quarter of 1999. This growth would appear to come mainly from manufactures, imports of which grew by 3.1 per cent in the fourth quarter of 1999, by 3.8 per cent in the third quarter and by 3.6 per cent in the second.

Non-OECD imports of goods were hit the hardest in the financial crisis, with five consecutive quarters of negative growth of imports of goods finally ending in the second quarter of 1999. The second quarter of 1999 saw growth recover to 2.1 per cent, up from a decline of 0.5 per cent in the previous quarter. This pattern is reflected in the imports of manufactures, which grew by 2.6 per cent in quarter two of 1999, following a return to positive growth of 0.4 per cent in the first quarter and negative growth throughout the quarters of 1998. Financial turmoil had a strong adverse effect on domestic demand in many non-OECD countries.

Notes

The series presented here are taken from the OECD's Main Economic Indicators and are shown for each of the G7 (except the UK) economies and for the European Union (EU15) countries in aggregate. The definitions and methodologies used conform to SNA 68 and SNA 93.

Comparisons of indicators over the same period should be treated with caution, as the length and timing of the economic cycles varies across countries.

Data for France, Germany, Italy and the USA has been updated to SNA93 basis. All other tables are on the SNA68 basis. The two bases are not directly comparable meaning that cross-country comparisons with countries on different bases are less valid. All the European data is likely to be put on the SNA93 basis in OECD data very soon. Japan will not be available on SNA93 basis until near the end of 2000.

All data is *seasonally adjusted* except for the following:

- Consumer Price Indices
- Producer Price Indices
- Earnings (excluding Japan)
- Employment

1 European Union 15

Contribution to change in GDP

	GDP	PFC	GFC	GFCF	ChgStk ¹	Exports	less Imports	IoP	Sales	CPI	PPI	Earnings	Empl	Unempl
Percentage change on a year earlier														
	ILGB	HUDS	HUDT	HUDU	HUDV	HUDW	HUDX	ILGV	ILHP	HYAB	ILAI	ILAR	ILIJ	GADR
1991	1.4	1.4	0.5	0.2	-0.2	0.4	0.9	-0.1	..	5.2	2.2	6.7	0.1	8.4
1992	1.0	0.9	0.5	-0.1	-0.2	0.9	0.9	-1.2	..	4.4	1.2	5.6	-1.8	9.1
1993	-0.4	-0.2	0.2	-1.2	-0.4	0.4	-0.9	-3.6	..	3.6	1.4	4.3	-2.0	10.7
1994	2.8	1.0	0.2	0.5	0.7	2.4	2.0	5.0	..	3.1	2.1	4.0	-0.2	11.1
1995	2.4	1.1	0.1	0.6	0.2	2.3	2.0	3.5	-0.3	3.1	4.5	3.4	0.5	10.7
1996	1.6	1.1	0.3	0.4	-0.4	1.4	1.2	0.6	0.2	2.5	0.6	3.7	0.5	10.8
1997	2.6	1.2	0.1	0.6	0.2	3.0	2.6	4.0	2.5	2.0	0.9	3.2	0.8	10.6
1998	2.6	1.7	0.2	1.1	0.4	1.9	2.8	3.6	3.2	1.7	-0.3	2.5	1.6	9.9
1999	2.3	1.6	0.4	1.0	-0.1	1.4	2.0	1.6	2.9	1.3	-	3.0	1.7	9.2
1998 Q1	3.4	1.7	0.2	1.5	0.6	3.2	3.7	5.6	2.6	1.8	0.7	2.9	1.5	10.2
Q2	2.7	1.6	0.2	0.9	0.6	2.4	3.0	4.6	2.6	2.1	0.3	2.8	1.3	10.0
Q3	2.5	1.9	0.2	1.2	0.3	1.6	2.6	3.3	3.9	1.7	-0.7	2.8	1.6	9.9
Q4	2.0	1.7	0.2	1.0	0.3	0.6	1.9	1.3	3.6	1.3	-1.6	1.8	1.8	9.7
1999 Q1	1.9	1.7	0.4	0.9	0.1	0.2	1.4	0.4	3.5	1.1	-1.7	2.8	1.8	9.5
Q2	2.0	1.6	0.3	1.2	-0.2	0.8	1.6	0.3	2.2	1.1	-1.0	2.8	2.0	9.2
Q3	2.5	1.6	0.3	1.0	-	1.8	2.3	1.8	2.4	1.1	0.4	2.7	1.6	9.1
Q4	3.0	1.6	0.4	1.0	-0.2	2.7	2.5	3.8	3.5	1.6	2.2	3.6	1.6	8.9
2000 Q1	..	..	..	..	..	..	..	4.1	3.0	2.2	4.1	3.6	1.5	8.8
Q2	..	..	..	..	..	..	..	..	..	2.3	..	..	..	8.5
1999 Jul	..	..	..	..	..	..	..	0.9	2.8	1.1	-0.2	..	..	9.1
Aug	..	..	..	..	..	..	..	2.4	1.9	1.2	0.4	..	..	9.1
Sep	..	..	..	..	..	..	..	2.3	2.8	1.2	1.0	..	..	9.1
Oct	..	..	..	..	..	..	..	2.7	2.8	1.4	1.6	..	..	8.9
Nov	..	..	..	..	..	..	..	4.1	2.8	1.5	2.2	..	..	8.9
Dec	..	..	..	..	..	..	..	4.7	4.7	1.8	2.8	..	..	8.9
2000 Jan	..	..	..	..	..	..	..	2.7	3.7	2.0	3.5	..	..	8.8
Feb	..	..	..	..	..	..	..	4.7	3.7	2.1	4.2	..	..	8.8
Mar	..	..	..	..	..	..	..	4.9	1.8	2.2	4.5	..	..	8.7
Apr	..	..	..	..	..	..	..	5.2	3.7	2.1	4.4	..	..	8.6
May	..	..	..	..	..	..	..	6.4	..	2.2	4.9	..	..	8.5
Jun	..	..	..	..	..	..	..	..	..	2.6	..	..	..	8.4
Jul	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Percentage change on previous quarter														
	ILGL	HUDY	HUDZ	HUEA	HUEB	HUEC	HUED	ILHF	ILHZ					ILIT
1998 Q1	0.7	0.5	0.1	0.5	0.1	0.5	0.9	1.2	1.6					-0.6
Q2	0.5	0.4	0.1	-0.1	0.1	0.3	0.4	0.6	0.7					1.0
Q3	0.5	0.4	0.1	0.5	-0.3	0.2	0.3	0.3	0.9					1.1
Q4	0.3	0.4	0.1	0.2	0.5	-0.4	0.3	-0.7	0.3					0.3
1999 Q1	0.6	0.5	0.2	0.3	-0.2	0.1	0.4	0.3	1.6					-0.6
Q2	0.6	0.3	-	0.2	-0.1	0.8	0.6	0.5	-0.6					1.2
Q3	1.0	0.4	0.1	0.3	-0.1	1.2	0.9	1.8	1.2					0.8
Q4	0.8	0.4	0.1	0.2	0.2	0.5	0.6	1.2	1.3					0.3
2000 Q1	..	..	..	..	..	..	..	0.5	1.2					-0.7
Q2	..	..	..	..	..	..	..	..	..					..
Percentage change on previous month														
								ILKF	ILKP					
1999 Jul								1.0	0.9					
Aug								0.6	-0.9					
Sep								-0.2	-					
Oct								0.5	0.9					
Nov								1.0	0.9					
Dec								-0.3	-					
2000 Jan								-0.8	0.9					
Feb								1.4	-					
Mar								0.6	-					
Apr								0.4	-0.9					
May								1.4	..					
Jun								..	..			
Jul								..	..			

GDP = Gross Domestic Product at constant market prices
PFC = Private Final Consumption at constant market prices
GFC = Government Final Consumption at constant market prices
GFCF = Gross Fixed Capital Formation at constant market prices
ChgStk = Change in Stocks at constant market prices
Exports = Exports of goods and services
Imports = Imports of goods and services
IoP = Industrial Production

Sales = Retail Sales Volume
CPI = Consumer Prices, measurement not uniform among countries
PPI = Producer Prices (manufacturing)
Earnings = Average Wage Earnings (manufacturing), definitions of coverage and treatment vary among countries
Empl = Total Employment not seasonally adjusted
Unempl = Standardised Unemployment rates: percentage of total labour force
Source: OECD - SNA68

2 Germany

Contribution to change in GDP

	GDP	PFC	GFC	GFCF	ChgStk	Exports	less Imports	IoP	Sales	CPI	PPI	Earnings	Empl ¹	Unempl
Percentage change on a year earlier														
	ILFY	HUBW	HUBX	HUBY	HUBZ	HUCA	HUCB	ILGS	ILHM	HVLL	ILAF	ILAO	ILIG	GABD
1991	..	..	..	..	..	..	..	3.3	5.6	4.1	2.2	6.1	1.9	4.2
1992	1.8	1.3	1.0	0.8	-0.6	-0.5	0.1	-2.5	-2.1	5.0	1.6	5.4	-1.4	4.5
1993	-1.1	0.1	-	-1.1	-0.1	-1.3	-1.2	-7.6	-4.2	4.5	0.1	5.1	-1.0	7.9
1994	2.4	0.6	0.5	0.9	0.3	1.7	1.6	3.6	-	2.7	0.7	3.7	-0.4	8.4
1995	1.8	1.3	0.3	-0.1	0.3	1.4	1.3	1.0	0.8	1.7	1.9	4.0	-0.2	8.2
1996	0.8	0.4	0.4	-0.2	-0.3	1.3	0.8	0.7	-1.1	1.4	0.1	3.5	-0.3	8.9
1997	1.6	0.5	-0.2	0.2	0.4	2.8	2.0	3.7	-1.6	1.9	0.7	1.5	-0.4	9.9
1998	1.9	1.2	0.1	0.2	0.8	1.8	2.1	4.2	1.0	1.0	-0.2	1.8	0.7	9.4
1999	1.3	1.1	-	0.4	0.5	1.1	1.9	1.6	0.5	0.6	-0.3	2.6	0.9	8.8
1998 Q1	2.8	1.1	0.2	0.6	0.4	2.9	2.4	6.3	0.8	1.2	0.6	1.3	0.1	9.8
Q2	1.9	0.8	0.1	-	0.9	2.8	2.7	4.8	-0.8	1.4	0.3	1.8	0.4	9.6
Q3	1.8	1.6	-	0.2	0.6	1.3	1.9	4.5	2.4	0.7	-0.4	2.1	0.9	9.2
Q4	1.1	1.4	-	-0.2	1.2	0.1	1.4	1.5	1.9	0.4	-1.2	2.2	1.4	8.9
1999 Q1	0.7	1.0	0.1	0.1	0.9	-0.1	1.4	-0.6	1.5	0.3	-1.5	2.5	1.5	8.8
Q2	0.9	1.2	-0.1	0.5	0.6	0.4	1.8	0.4	-0.2	0.5	-1.0	2.4	1.3	8.7
Q3	1.4	1.1	0.1	0.5	0.4	1.6	2.2	1.9	-0.2	0.7	-	2.7	0.7	8.8
Q4	2.3	1.2	0.1	0.5	0.1	2.6	2.2	4.4	0.8	1.0	1.3	3.0	0.2	8.7
2000 Q1	2.3	0.2	0.2	0.6	0.4	3.7	2.8	4.9	-1.0	1.7	2.7	..	0.4	8.5
Q2	..	..	..	..	..	..	..	..	..	1.6	3.1	..	..	8.4
1999 Jul	..	..	..	..	..	..	..	-	-0.1	0.6	-0.4	..	..	8.8
Aug	..	..	..	..	..	..	..	2.7	0.7	0.7	0.1	..	..	8.8
Sep	..	..	..	..	..	..	..	3.1	-1.2	0.7	0.5	..	..	8.8
Oct	..	..	..	..	..	..	..	3.5	2.0	0.8	0.9	..	..	8.8
Nov	..	..	..	..	..	..	..	5.0	-1.0	1.0	1.3	..	..	8.7
Dec	..	..	..	..	..	..	..	4.6	1.2	1.2	1.8	..	..	8.6
2000 Jan	..	..	..	..	..	..	..	2.7	-0.7	1.6	2.4	..	..	8.5
Feb	..	..	..	..	..	..	..	6.0	2.0	1.8	2.9	..	..	8.5
Mar	..	..	..	..	..	..	..	6.0	-4.2	1.9	3.0	..	..	8.4
Apr	..	..	..	..	..	..	..	6.2	5.2	1.5	2.6	..	..	8.5
May	..	..	..	..	..	..	..	8.5	7.0	1.4	3.2	..	..	8.4
Jun	..	..	..	..	..	..	..	..	..	1.9	3.5	..	..	8.4
Jul	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Percentage change on previous quarter														
	ILGI	HUCC	HUCD	HUCE	HUCF	HUCG	HUCH	ILHC	ILHW				ILIQ	
1998 Q1	1.2	1.0	0.3	0.1	0.1	0.2	0.5	2.4	1.4				-2.2	
Q2	-0.1	-0.2	-	-0.4	0.5	0.6	0.5	-	-0.7				1.5	
Q3	0.2	0.5	-0.2	0.3	-	-0.3	0.1	0.6	0.7				1.5	
Q4	-0.2	0.1	-0.1	-0.2	0.7	-0.4	0.2	-1.6	0.4				0.6	
1999 Q1	0.7	0.7	0.3	0.4	-0.2	-	0.5	0.4	1.1				-2.1	
Q2	0.1	-	-0.1	-	0.2	1.0	0.9	0.9	-2.4				1.3	
Q3	0.8	0.3	-	0.3	-0.2	0.9	0.5	2.2	0.7				0.9	
Q4	0.7	0.3	-0.1	-0.2	0.3	0.6	0.2	0.8	1.4				0.1	
2000 Q1	0.7	-0.4	0.4	0.4	0.2	1.2	1.2	0.9	-0.7				-1.9	
Q2	..	..	..	..	..	..	..	..	..				..
Percentage change on previous month														
								ILKC	ILKM					
1999 Jul								1.1	0.5					
Aug								1.4	-0.5					
Sep								-1.1	-2.2					
Oct								0.8	3.8					
Nov								0.4	-1.3					
Dec								0.1	0.4					
2000 Jan								-1.2	-1.1					
Feb								2.8	1.9					
Mar								0.1	-1.9					
Apr								0.9	2.4					
May								2.5	4.2					
Jun												
Jul												

GDP = Gross Domestic Product at constant market prices
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GFCF = Gross Fixed Capital Formation at constant market prices
ChgStk = Change in Stocks at constant market prices
Exports = Exports of goods and services
Imports = Imports of goods and services
IoP = Industrial Production

Sales = Retail Sales volume
CPI = Consumer Prices measurement not uniform among countries
PPI = Producer Prices (manufacturing)
Earnings = Average Earnings (manufacturing), definitions of coverage and treatment vary among countries
Empl = Total Employment not seasonally adjusted
Unempl = Standardised Unemployment rates: percentage of total workforce

Source: OECD - SNA93

¹ Excludes members of armed forces

3 France

Contribution to change in GDP

	GDP	PFC	GFC	GFCF	ChgStk	Exports	less Imports	IoP	Sales	CPI	PPI ¹	Earnings	Empl ²	Unempl
Percentage change on a year earlier														
	ILFZ	HUBK	HUBL	HUBM	HUBN	HUBO	HUBP	ILGT	ILHN	HXAA	ILAG	ILAP	ILIH	GABC
1991	1.1	0.4	0.6	-0.3	-0.2	1.0	0.5	-0.2	-0.2	3.2	-1.2	3.7	0.1	9.5
1992	1.3	0.4	0.8	-0.3	-0.2	1.0	0.3	-1.1	0.3	2.3	-1.1	4.2	-0.6	10.4
1993	-0.9	-0.1	1.0	-1.3	-1.2	-	-0.7	-3.7	0.2	2.2	-2.2	2.4	-1.3	11.7
1994	1.8	0.3	0.1	0.3	1.0	1.6	1.6	3.9	-0.1	1.7	1.2	2.1	0.1	12.3
1995	1.9	0.9	-	0.4	0.5	1.7	1.6	2.5	-	1.7	5.2	2.6	0.9	11.7
1996	1.1	0.7	0.5	-	-0.5	0.7	0.3	0.9	-0.3	2.0	-2.6	3.0	0.2	12.3
1997	1.9	0.1	0.5	-	0.1	2.8	1.5	3.8	1.0	1.2	-0.5	2.2	0.7	12.3
1998	3.2	1.9	0.1	1.2	0.7	2.0	2.5	5.1	2.6	0.8	-0.9	2.4	1.4	11.8
1999	2.9	1.3	0.6	1.4	-0.4	1.0	0.9	2.3	2.4	0.5	-1.5	2.5	2.1	11.3
1998 Q1	3.2	1.5	0.1	1.0	0.5	3.2	3.1	7.3	2.3	0.9	0.6	2.9	1.2	11.9
Q2	3.5	2.1	-	1.2	0.9	2.4	3.1	6.7	3.1	1.1	-0.3	2.9	1.2	11.8
Q3	3.3	2.1	-	1.3	0.4	1.7	2.3	4.1	2.5	0.7	-1.3	1.9	1.3	11.8
Q4	3.0	1.8	0.1	1.3	0.8	0.5	1.6	2.6	2.7	0.4	-2.4	1.9	1.8	11.8
1999 Q1	2.7	1.5	0.5	1.5	-0.2	-0.1	0.5	1.5	3.4	0.2	-2.9	1.9	1.9	11.7
Q2	2.6	1.1	0.6	1.4	-0.3	0.4	0.5	0.8	1.8	0.4	-2.5	1.9	2.2	11.5
Q3	3.1	1.3	0.6	1.4	-0.7	1.5	0.9	2.6	2.2	0.5	-1.4	2.8	2.2	11.2
Q4	3.2	1.3	0.7	1.3	-0.5	2.3	1.7	4.0	1.9	1.0	0.7	3.7	2.1	10.8
2000 Q1	3.4	1.6	0.5	1.2	-0.1	3.0	2.7	4.2	2.1	1.5	3.1	4.6	2.5	10.3
Q2	..	..	..	..	..	..	..	..	2.1	1.5	..	..	..	9.8
1999 Jul	..	..	..	..	..	..	..	2.4	4.1	0.4	-1.8	..	..	11.3
Aug	..	..	..	..	..	..	..	2.4	-0.3	0.5	-1.4	..	..	11.2
Sep	..	..	..	..	..	..	..	3.2	2.8	0.7	-0.8	..	..	11.1
Oct	..	..	..	..	..	..	..	3.7	0.1	0.8	0.3	..	..	10.9
Nov	..	..	..	..	..	..	..	4.3	3.1	0.9	0.8	..	..	10.8
Dec	..	..	..	..	..	..	..	3.9	2.8	1.3	1.1	..	..	10.6
2000 Jan	..	..	..	..	..	..	..	3.3	1.8	1.6	2.4	..	..	10.5
Feb	..	..	..	..	..	..	..	4.7	2.4	1.4	3.2	..	..	10.3
Mar	..	..	..	..	..	..	..	4.9	2.0	1.5	3.6	..	..	10.1
Apr	..	..	..	..	..	..	..	4.8	-1.0	1.3	4.5	..	..	10.0
May	..	..	..	..	..	..	..	4.6	4.6	1.5	4.8	..	..	9.8
Jun	..	..	..	..	..	..	..	..	2.7	1.7	..	..	..	9.6
Jul	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Percentage change on previous quarter														
	ILGJ	HUBQ	HUBR	HUBS	HUBT	HUBU	HUBV	ILHD	ILHX					ILIR
1998 Q1	0.9	0.4	-0.1	0.3	0.5	0.6	0.9	1.4	-					0.4
Q2	0.9	0.7	-	0.4	0.1	0.3	0.6	1.3	1.0					0.2
Q3	0.5	0.3	0.1	0.3	-0.1	0.1	0.2	-0.3	0.7					0.4
Q4	0.7	0.3	0.1	0.3	0.3	-0.4	-	0.2	1.1					0.8
1999 Q1	0.5	0.2	0.2	0.4	-0.5	-0.1	-0.3	0.3	0.7					0.5
Q2	0.8	0.2	0.2	0.3	-	0.7	0.6	0.6	-0.6					0.5
Q3	1.0	0.5	0.1	0.3	-0.5	1.2	0.6	1.5	1.0					0.5
Q4	0.9	0.3	0.2	0.3	0.5	0.4	0.8	1.5	0.8					0.7
2000 Q1	0.7	0.5	-	0.3	-0.1	0.7	0.7	0.5	0.8					0.9
Q2	..	..	..	..	..	..	..	..	-0.6					..
Percentage change on previous month														
								ILKD	ILKN					
1999 Jul								1.0	2.2					
Aug								-	-3.7					
Sep								0.8	1.8					
Oct								0.5	-0.2					
Nov								1.2	1.8					
Dec								-1.1	-0.4					
2000 Jan								-0.1	-0.5					
Feb								1.0	1.1					
Mar								0.8	0.6					
Apr								-0.3	-4.0					
May								0.7	4.2					
Jun												
Jul												

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Sales = Retail Sales volume
CPI = Consumer Prices, measurement not uniform among countries
PPI = Producer Prices (manufacturing)
Earnings = Average Wage Earnings (manufacturing), definitions of coverage and treatment vary among countries
Empl = Total Employment not seasonally adjusted
Unempl = Standardised Unemployment rates: percentage of total workforce
IoP = Index of Production

Contribution to change in GDP

	GDP	PFC	GFC	GFCF	ChgStk	Exports	Imports	less IoP	Sales	CPI	PPI	Earnings	Empl	Unempl
Percentage change on a year earlier														
	ILGA	HUCI	HUCJ	HUCK	HUCL	HUCM	HUCN	ILGU	ILHO	HYAA	ILAH	ILAQ	ILII	GABE
1991	1.4	1.7	0.3	0.2	-0.1	-0.3	0.5	-1.8	3.2	6.3	3.3	9.7	1.3	8.6
1992	0.8	1.2	0.1	-0.3	-0.1	1.4	1.6	-1.0	1.8	5.3	2.0	5.4	-1.0	8.9
1993	-0.9	-2.3	-	-2.2	-0.7	1.9	-2.5	-2.3	-2.9	4.6	3.7	3.6	-4.1	10.2
1994	2.2	0.9	-0.2	-	0.8	2.2	1.7	5.8	-8.2	4.1	3.7	3.4	-1.7	11.1
1995	2.9	1.0	-0.4	1.1	0.2	3.1	2.1	5.8	-5.1	5.3	7.9	3.1	-0.6	11.7
1996	1.1	0.7	0.2	0.7	-0.7	0.2	-0.1	-1.5	-1.4	4.0	1.8	3.1	0.5	11.7
1997	1.8	1.7	0.1	0.2	0.3	1.7	2.3	3.8	6.9	2.0	1.3	3.6	0.4	11.7
1998	1.5	1.4	0.1	0.8	0.6	0.9	2.2	1.3	3.0	2.0	0.1	2.8	1.2	11.8
1999	1.4	1.0	0.1	0.8	0.4	-0.1	0.9	-	-	1.7	-0.2	2.3	1.2	11.4
1998 Q1	2.8	1.6	0.1	1.2	1.5	2.4	3.9	5.2	3.8	2.0	1.2	2.2	1.0	11.8
Q2	1.5	1.1	0.1	0.7	0.2	1.5	2.2	2.7	0.4	2.1	0.6	3.1	0.9	11.9
Q3	1.5	1.3	0.1	0.8	0.1	0.7	1.5	0.3	3.2	2.1	-0.1	2.8	1.1	11.9
Q4	0.4	1.5	0.1	0.3	0.5	-0.8	1.4	-2.5	5.1	1.7	-1.2	3.0	1.5	11.8
1999 Q1	1.1	1.5	0.1	0.4	1.0	-1.5	0.4	-1.2	-	1.4	-1.8	3.0	1.2	11.6
Q2	1.1	1.0	0.1	0.8	0.8	-0.7	1.0	-2.5	-	1.4	-1.4	2.1	1.3	11.4
Q3	1.3	0.9	0.1	0.9	0.2	0.1	1.0	0.3	-	1.7	-	2.3	1.2	11.3
Q4	2.2	0.8	0.1	1.2	-0.3	1.6	1.1	3.3	-	2.1	2.2	1.8	1.4	11.1
2000 Q1	3.0	1.1	0.3	1.2	-1.2	3.1	1.4	3.4	-	2.4	4.6	-	1.2	11.0
Q2	-	-	-	-	-	-	-	-	-	2.6	6.2	-	1.5	-
1999 Jul	-	-	-	-	-	-	-	-1.1	-	1.7	-0.6	2.6	-	11.3
Aug	-	-	-	-	-	-	-	2.6	-	1.7	-	2.1	-	11.3
Sep	-	-	-	-	-	-	-	-0.4	-	1.8	0.8	2.1	-	11.2
Oct	-	-	-	-	-	-	-	1.6	-	2.0	1.6	1.9	-	11.1
Nov	-	-	-	-	-	-	-	2.5	-	2.0	2.2	1.8	-	11.1
Dec	-	-	-	-	-	-	-	6.0	-	2.1	2.8	1.8	-	11.2
2000 Jan	-	-	-	-	-	-	-	1.8	-	2.2	3.8	-	-	11.2
Feb	-	-	-	-	-	-	-	4.8	-	2.4	4.7	-	-	11.0
Mar	-	-	-	-	-	-	-	3.6	-	2.5	5.4	-	-	10.8
Apr	-	-	-	-	-	-	-	4.2	-	2.3	5.3	-	-	10.7
May	-	-	-	-	-	-	-	7.8	-	2.5	6.4	-	-	-
Jun	-	-	-	-	-	-	-	-	-	2.7	6.9	-	-	-
Jul	-	-	-	-	-	-	-	-	-	2.6	-	-	-	-
Percentage change on previous quarter														
	ILGK	HUCO	HUCP	HUCQ	HUCR	HUCS	HUCT	ILHE	ILHY				ILIS	
1998 Q1	-0.4	0.4	-	0.3	-0.4	0.3	1.0	-0.9	5.1				-0.7	
Q2	0.6	0.5	0.1	-0.1	-	-0.1	-0.2	0.6	-0.5				1.1	
Q3	0.5	0.3	-	0.1	-0.2	0.2	-0.1	-0.9	-				1.4	
Q4	-0.3	0.3	-	0.1	1.1	-1.1	0.7	-1.4	0.6				-0.3	
1999 Q1	0.3	0.3	-	0.3	0.1	-0.4	-	0.5	-				-1.0	
Q2	0.6	0.1	-	0.3	-0.2	0.7	0.3	-0.8	-				1.2	
Q3	0.8	0.2	-	0.2	-0.8	1.0	-0.1	2.0	-				1.3	
Q4	0.6	0.1	0.1	0.3	0.6	0.3	0.8	1.6	-				-0.1	
2000 Q1	1.0	0.7	0.1	0.2	-0.8	1.0	0.3	0.6	-				-1.2	
Q2	-	-	-	-	-	-	-	-	-				1.5	
Percentage change on previous month														
								ILKE	ILKO					
1999 Jul								0.7	-					
Aug								0.9	-					
Sep								-0.3	-					
Oct								0.7	-					
Nov								1.1	-					
Dec								0.2	-					
2000 Jan								-1.0	-					
Feb								1.5	-					
Mar								0.3	-					
Apr								-0.5	-					
May								2.3	-					
Jun								-	-					
Jul								-	-					

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Earnings = Average Wage Earnings (manufacturing), definitions of coverage and treatment vary among countries
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Source: OECD - SNA93

Contribution to change in GDP

	GDP	PFC	GFC	GFCF	ChgStk	Exports	less Imports	IoP	Sales	CPI	PPI	Earnings	Empl ¹	Unempl
Percentage change on a year earlier														
	ILGC	HUDG	HUDH	HUDI	HUDJ	HUDK	HUDL	ILGW	ILHQ	ILAA	ILAJ	ILAS	ILIK	GADO
1991	-0.5	-0.1	0.2	-0.9	-0.3	0.6	-	-2.0	-1.9	4.2	2.0	3.2	-0.8	6.8
1992	3.1	1.9	0.1	0.8	0.3	0.6	0.6	3.1	3.5	3.0	1.3	2.7	0.6	7.5
1993	2.7	2.2	-0.1	1.0	-	0.3	0.9	3.4	4.7	2.9	1.2	2.6	1.5	6.9
1994	4.0	2.5	-	1.2	0.7	0.9	1.2	5.5	6.7	2.6	0.6	2.4	2.3	6.1
1995	2.7	2.0	-	0.9	-0.5	1.0	0.9	4.8	3.5	2.8	1.9	2.6	1.5	5.6
1996	3.6	2.1	0.1	1.5	-	0.9	1.0	4.4	4.9	2.9	2.6	3.3	1.4	5.4
1997	4.4	2.4	0.3	1.6	0.4	1.4	1.7	6.3	4.3	2.3	0.4	3.1	2.3	4.9
1998	4.4	3.1	0.2	2.1	0.2	0.3	1.6	4.2	6.2	1.6	-0.9	2.5	1.5	4.5
1999	4.2	3.5	0.3	1.9	-0.4	0.3	1.5	3.5	8.3	2.1	1.9	2.9	1.5	4.2
1998 Q1	4.8	2.8	0.2	2.0	0.8	0.8	1.8	5.7	4.6	1.4	-1.5	2.8	1.9	4.7
Q2	4.1	3.4	0.2	2.2	-0.3	0.2	1.7	4.7	7.7	1.6	-0.8	2.8	1.5	4.4
Q3	3.9	3.0	0.2	1.9	0.3	-0.2	1.3	3.8	5.1	1.6	-0.6	2.5	1.1	4.5
Q4	4.6	3.3	0.3	2.2	-	0.3	1.5	2.9	7.2	1.5	-0.4	1.9	1.3	4.4
1999 Q1	3.9	3.4	0.4	2.0	-0.8	-	1.2	2.8	8.8	1.7	0.7	1.8	1.7	4.3
Q2	3.8	3.4	0.1	1.8	-0.5	0.2	1.4	3.3	7.5	2.2	1.3	2.8	1.4	4.3
Q3	4.3	3.5	0.3	1.9	-0.4	0.6	1.8	3.7	8.9	2.4	2.3	3.7	1.4	4.2
Q4	5.0	3.7	0.4	1.9	0.1	0.5	1.8	4.2	8.4	2.6	2.9	3.6	1.5	4.1
2000 Q1	5.3	4.0	0.7	2.2	-0.1	0.9	2.0	5.4	..	3.2	3.6	4.3	1.6	4.1
Q2	6.0	3.6	0.9	2.4	0.5	1.0	2.1	5.9	..	3.2	4.1	2.9	1.6	4.0
1999 Jul	..	..	..	..	..	..	..	4.7	8.6	2.1	1.5	3.7	1.5	4.3
Aug	..	..	..	..	..	..	..	3.1	9.5	2.3	2.3	3.7	1.6	4.2
Sep	..	..	..	..	..	..	..	3.4	8.5	2.6	3.1	3.6	1.2	4.2
Oct	..	..	..	..	..	..	..	3.7	7.6	2.6	2.8	3.7	1.5	4.1
Nov	..	..	..	..	..	..	..	4.3	8.4	2.6	3.0	3.6	1.5	4.1
Dec	..	..	..	..	..	..	..	4.7	9.2	2.6	2.8	3.6	1.4	4.1
2000 Jan	..	..	..	..	..	..	..	5.2	8.2	2.7	2.5	4.5	1.5	4.0
Feb	..	..	..	..	..	..	..	5.3	..	3.1	4.0	4.5	1.7	4.1
Mar	..	..	..	..	..	..	..	5.4	..	3.7	4.5	3.6	1.7	4.1
Apr	..	..	..	..	..	..	..	6.0	..	2.9	3.9	2.7	2.1	3.9
May	..	..	..	..	..	..	..	5.9	..	3.0	3.9	2.7	1.2	4.1
Jun	..	..	..	..	..	..	..	5.9	..	3.7	4.3	3.6	1.3	4.0
Jul	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Percentage change on previous quarter														
	ILGM	HUDM	HUDN	HUDO	HUDP	HUDQ	HUDR	ILHG	ILIA				ILIU	
1998 Q1	1.6	0.8	-0.1	0.7	0.6	-	0.5	0.6	2.1				-1.0	
Q2	0.7	0.9	0.2	0.7	-0.7	-0.1	0.4	0.7	2.4				1.5	
Q3	0.9	0.7	-	0.3	0.1	-0.1	0.2	0.8	0.3				0.6	
Q4	1.4	0.8	0.1	0.5	-	0.4	0.4	0.8	2.3				0.2	
1999 Q1	0.9	0.9	-	0.6	-0.2	-0.2	0.2	0.5	3.6				-0.6	
Q2	0.6	0.9	-	0.4	-0.4	0.2	0.6	1.2	1.1				1.2	
Q3	1.4	0.8	0.2	0.4	0.3	0.3	0.6	1.2	1.6				0.6	
Q4	2.0	1.0	0.2	0.5	0.5	0.3	0.4	1.2	1.8				0.3	
2000 Q1	1.2	1.2	0.3	0.8	-0.5	0.2	0.4	1.6	..				-0.5	
Q2	1.3	0.5	0.3	0.7	0.3	0.2	0.6	1.7	..				1.2	
Percentage change on previous month														
								ILKG	ILKQ				ILLA	
1999 Jul								0.6	0.8				0.3	
Aug								0.2	0.8				-0.4	
Sep								0.2	-				-0.6	
Oct								0.7	-				0.7	
Nov								0.3	1.6				0.1	
Dec								0.4	1.6				0.1	
2000 Jan								0.7	0.8				-0.9	
Feb								0.4	..				0.4	
Mar								0.6	..				0.5	
Apr								0.8	..				0.6	
May								0.5	..				-0.2	
Jun								0.2	..				0.8	
Jul								..	..				..

GDP = Gross Domestic Product at constant market prices
PFC = Private Final Consumption at constant market prices
GFC = Government Final Consumption at constant market prices
GFCF = Gross Fixed Capital Formation at constant market prices
ChgStk = Change in Stocks at constant market prices
Exports = Exports of goods and services
Imports = Imports of goods and services
IoP = Industrial Production

Sales = Retail Sales volume
CPI = Consumer Prices, measurement not uniform among countries
PPI = Producer Prices (manufacturing)
Earnings = Average Earnings (manufacturing), definitions of coverage and treatment vary among countries
Empl = Total Employment not seasonally adjusted
Unempl = Standardised Unemployment rates: percentage of total workforce

Source: OECD - SNA93

Contribution to change in GDP

	GDP	PFC	GFC	GFCF	ChgStk	Exports	less Imports	IoP ¹	Sales	CPI	PPI	Earnings ²	Empl	Unempl
Percentage change on a year earlier														
	ILGD	HUCU	HUCV	HUCW	HUCX	HUCY	HUCZ	ILGX	ILHR	ILAB	ILAK	ILAT	ILIL	GADP
1991	3.8	1.5	0.2	1.1	0.3	0.6	-0.3	1.9	2.5	3.2	1.2	3.5	1.9	2.1
1992	1.0	1.2	0.2	-0.5	-0.4	0.5	-	-5.7	-0.2	1.8	-1.0	1.3	1.1	2.1
1993	0.3	0.7	0.2	-0.6	-0.2	0.2	-	-3.4	-2.8	1.2	-1.6	0.3	0.2	2.5
1994	0.7	1.1	0.2	-0.2	-0.2	0.5	0.8	1.3	0.3	0.7	-1.8	2.2	0.1	2.9
1995	1.4	1.2	0.3	0.4	0.2	0.7	1.4	3.0	0.1	-0.1	-0.7	2.9	-	3.1
1996	5.2	1.8	0.2	3.4	0.4	0.8	1.3	2.2	0.7	0.1	-1.8	2.6	0.5	3.4
1997	1.6	0.3	0.1	-0.3	0.1	1.4	0.1	4.0	-1.9	1.7	0.7	2.9	1.0	3.4
1998	-2.6	-0.3	0.1	-2.3	-0.6	-0.3	-0.9	-6.7	-5.5	0.7	-1.3	-0.8	-0.6	4.1
1999	0.3	0.7	0.1	-0.3	0.1	0.2	0.6	1.0	-2.0	-0.3	-1.5	-0.6	-0.8	4.7
1998 Q1	-2.9	-2.1	0.3	-1.8	-0.1	0.3	-0.7	-4.2	-10.0	2.0	0.4	-0.2	-	3.7
Q2	-1.1	0.7	-	-1.8	-0.6	-0.5	-1.1	-7.9	-2.4	0.4	-1.9	-0.3	-0.7	4.1
Q3	-3.2	-0.2	0.2	-3.0	-0.9	-0.2	-1.0	-7.9	-3.8	-0.2	-1.6	-1.7	-0.9	4.2
Q4	-3.1	0.3	0.1	-2.6	-0.9	-0.9	-0.9	-6.7	-5.2	0.5	-2.0	-0.7	-1.0	4.4
1999 Q1	-0.4	0.6	0.2	-0.9	-0.2	-0.4	-0.4	-3.7	-4.2	-0.1	-2.1	-0.4	-1.2	4.6
Q2	0.7	1.1	0.1	-0.1	0.1	-0.1	0.5	0.3	-2.1	-0.3	-1.8	-1.1	-1.1	4.7
Q3	0.9	1.0	0.1	-	0.2	0.5	0.8	2.7	-1.4	-	-1.4	-0.3	-0.7	4.7
Q4	-0.2	0.1	-	-	0.2	1.0	1.5	5.1	-0.3	-1.0	-0.6	-0.3	-0.2	4.7
2000 Q1	0.7	0.6	-	-0.6	0.1	1.7	1.1	4.4	-2.9	-0.7	-0.1	2.0	-0.5	4.8
Q2	..	..	..	..	..	..	..	6.2	-1.9	-0.7	0.4	1.7	-0.4	4.7
1999 Jul	..	..	..	..	..	..	..	1.3	-2.1	-0.1	-1.5	-3.0	-1.3	4.8
Aug	..	..	..	..	..	..	..	3.9	-1.1	0.3	-1.4	0.4	-0.6	4.7
Sep	..	..	..	..	..	..	..	2.8	-1.1	-0.2	-1.1	1.6	-0.2	4.6
Oct	..	..	..	..	..	..	..	3.8	-	-0.7	-0.8	1.0	-0.4	4.7
Nov	..	..	..	..	..	..	..	5.4	-1.1	-1.2	-0.5	0.1	-	4.6
Dec	..	..	..	..	..	..	..	6.2	-	-1.1	-0.5	-2.2	-0.3	4.7
2000 Jan	..	..	..	..	..	..	..	4.4	-2.2	-0.9	-0.3	2.5	-0.4	4.7
Feb	..	..	..	..	..	..	..	4.0	-3.3	-0.6	-0.1	1.8	-0.4	4.8
Mar	..	..	..	..	..	..	..	4.7	-3.3	-0.5	0.2	1.7	-0.6	4.9
Apr	..	..	..	..	..	..	..	7.3	-3.3	-0.8	0.5	2.2	-0.5	4.8
May	..	..	..	..	..	..	..	4.7	-1.1	-0.7	0.3	2.1	-0.5	4.6
Jun	..	..	..	..	..	..	..	6.8	-1.1	-0.7	0.4	0.9	-0.3	4.7
Jul	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Percentage change on previous quarter														
	ILGN	HUDA	HUDB	HUDC	HUDD	HUDE	HUDF	ILHH	ILIB				ILIV	
1998 Q1	-1.2	0.2	-0.1	-0.8	-0.4	-0.4	-0.3	-1.7	-0.3				-1.6	
Q2	-0.2	0.1	-	-0.4	-0.2	-0.2	-0.5	-4.3	-2.4				2.1	
Q3	-1.2	-	0.1	-1.2	-0.2	0.1	-	0.3	-0.7				-0.4	
Q4	-0.5	-	0.1	-0.2	-0.1	-0.4	-0.1	-1.1	-1.8				-1.1	
1999 Q1	1.5	0.5	0.1	0.9	0.3	-	0.3	1.4	0.8				-1.8	
Q2	1.0	0.7	-0.1	0.4	0.1	0.2	0.3	-0.3	-0.3				2.2	
Q3	-1.0	-0.1	0.1	-1.1	-0.1	0.7	0.3	2.7	-				-	
Q4	-1.6	-1.0	-	-0.2	-	0.1	0.6	1.2	-0.8				-0.6	
2000 Q1	2.4	1.1	0.1	0.4	0.1	0.8	-0.1	0.7	-1.9				-2.1	
Q2	..	..	..	..	..	..	..	1.5	0.8				2.3	
Percentage change on previous month														
								ILKH	ILKR				ILLB	
1999 Jul								0.6	-				-0.4	
Aug								2.3	-				0.2	
Sep								-0.5	-1.1				0.1	
Oct								-0.1	-				-0.2	
Nov								1.2	-				-0.3	
Dec								0.2	-				-0.9	
2000 Jan								-0.4	-1.1				-1.1	
Feb								-0.2	-1.1				-0.7	
Mar								2.1	-				0.6	
Apr								-0.5	-				1.4	
May								0.2	1.1				1.0	
Jun								1.7	1.1				-	
Jul								..	..				..

GDP = Gross Domestic Product at constant market prices
PFC = Private Final Consumption at constant market prices
GFC = Government Final Consumption at constant market prices
GFCF = Gross Fixed Capital Formation at constant market prices
ChgStk = Change in Stocks at constant market prices
Exports = Exports of goods and services
Imports = Imports of goods and services

Sales = Retail Sales volume
CPI = Consumer Prices, measurement not uniform among countries
PPI = Producer Prices (manufacturing)
Earnings = Average Earnings (manufacturing), definitions of coverage and treatment vary among countries
Empl = Total Employment not seasonally adjusted
Unempl = Standardised Unemployment rates: percentage of total workforce
IoP = Index of Production

1 Not adjusted for unequal number of working days in a month
2 Figures monthly and seasonally adjusted

7 World trade in goods¹

	Export of manufactures			Import of manufactures			Export of goods			Import of goods			Total trade	
	Total	OECD	Other	Total	OECD	Other	Total	OECD	Other	Total	OECD	Other	manufactures	goods
Percentage change on a year earlier														
	ILIZ	ILJA	ILJB	ILJC	ILJD	ILJE	ILJF	ILJG	ILJH	ILJI	ILJJ	ILJK	ILJL	ILJM
1991	3.6	2.5	8.9	5.5	3.9	10.5	3.9	3.5	4.9	4.5	3.5	7.5	4.5	4.2
1992	4.2	3.3	8.4	5.0	4.0	7.9	4.2	3.6	5.7	5.0	4.1	7.5	4.6	4.6
1993	4.3	1.6	15.3	3.4	0.3	12.5	3.9	2.2	9.1	3.3	0.9	10.3	3.9	3.8
1994	12.2	10.1	20.1	12.2	12.6	11.1	10.7	9.4	14.1	10.9	10.9	10.8	12.2	10.8
1995	9.7	10.0	8.6	10.5	9.8	12.4	8.7	9.1	7.8	9.5	8.5	12.2	10.1	9.1
1996	7.1	6.9	7.8	7.2	7.4	6.6	6.9	6.6	7.6	6.4	7.0	4.9	7.1	6.6
1997	11.5	12.0	10.0	10.5	11.0	9.4	10.1	10.9	9.1	9.5	9.7	8.8	11.0	9.9
1998	5.9	6.2	4.7	6.9	9.6	..	5.2	5.4	4.3	5.8	8.0	0.1	6.4	5.5
1999	5.3	4.8	7.7	..	9.3	..	..	4.6	..	..	8.3	..	..	..
1995 Q1	13.3	13.5	12.6	13.5	13.8	12.8	11.8	12.4	10.1	12.2	12.0	12.8	13.4	12.0
Q2	10.3	10.7	8.9	11.6	10.8	13.8	9.3	9.8	7.9	10.8	9.7	13.7	11.0	10.0
Q3	8.7	9.3	6.9	10.0	8.8	12.9	7.8	8.3	6.7	9.1	7.8	12.7	9.3	8.5
Q4	6.9	7.0	6.4	7.2	6.0	10.3	6.3	6.2	6.6	6.2	4.8	9.8	7.0	6.2
1996 Q1	6.0	5.8	6.7	7.4	7.1	8.1	5.7	5.3	6.8	6.4	6.2	6.8	6.7	6.0
Q2	6.0	5.6	7.1	6.1	6.2	5.9	5.8	5.3	7.2	5.4	5.9	4.1	6.0	5.6
Q3	7.4	7.2	7.9	7.4	8.2	5.5	7.2	6.9	7.8	6.5	7.6	3.6	7.4	6.8
Q4	9.0	8.9	9.3	7.7	8.0	7.0	8.7	8.7	8.7	7.3	8.1	5.3	8.3	8.0
1997 Q1	8.7	8.4	10.0	7.6	7.4	8.1	8.2	7.8	9.2	7.1	7.1	7.2	8.2	7.6
Q2	12.4	13.0	10.5	11.1	11.8	9.4	11.4	12.1	9.5	9.9	10.3	9.0	11.8	10.7
Q3	13.3	14.2	10.1	11.7	12.5	9.9	11.7	12.7	9.1	10.3	10.7	9.5	12.5	11.0
Q4	11.6	12.2	9.5	11.6	12.2	10.0	10.4	11.0	8.7	10.3	10.6	9.5	11.6	10.3
1998 Q1	11.0	11.9	7.7	11.0	13.2	5.3	9.8	11.0	6.9	9.4	11.2	4.9	11.0	9.6
Q2	6.8	6.9	6.7	7.8	9.9	2.3	6.1	6.1	6.0	6.7	8.4	2.2	7.3	6.4
Q3	3.7	3.8	3.3	5.0	7.8	-2.2	3.1	3.2	3.0	4.3	6.5	-1.7	4.4	3.7
Q4	2.3	2.6	1.4	4.2	7.8	-5.1	1.8	2.0	1.3	3.2	6.2	-4.7	3.3	2.5
1999 Q1	1.0	1.0	1.1	3.7	6.1	-2.8	0.9	0.7	1.4	3.1	5.4	-3.3	2.3	2.0
Q2	3.0	2.6	4.1	5.8	7.9	0.1	3.0	2.6	3.9	5.0	7.1	-1.0	4.4	4.0
Q3	7.6	6.6	11.0	..	10.7	..	..	6.5	..	..	9.4	..	..	..
Q4	9.7	8.3	14.6	..	12.1	..	..	8.4	..	..	11.0	..	..	..
Percentage change on previous quarter														
	ILJN	ILJO	ILJP	ILJQ	ILJR	ILJS	ILJT	ILJU	ILJV	ILJW	ILJX	ILJY	ILJZ	ILKA
1995 Q1	3.1	3.4	1.8	1.9	1.3	3.4	2.6	2.9	1.7	1.6	1.0	3.3	2.5	2.1
Q2	1.2	1.1	1.7	2.1	1.6	3.2	1.1	0.9	1.6	2.1	1.6	3.2	1.7	1.6
Q3	0.9	0.7	1.5	1.1	0.7	2.2	1.1	0.9	1.6	1.1	0.8	2.0	1.0	1.1
Q4	1.5	1.6	1.3	1.9	2.3	1.1	1.4	1.4	1.6	1.2	1.4	0.8	1.7	1.3
1996 Q1	2.2	2.3	2.0	2.0	2.3	1.3	2.0	2.0	1.8	1.8	2.3	0.5	2.1	1.9
Q2	1.2	1.0	2.0	0.9	0.8	1.2	1.2	0.9	2.0	1.1	1.3	0.6	1.1	1.2
Q3	2.3	2.3	2.3	2.3	2.6	1.8	2.4	2.4	2.2	2.2	2.4	1.5	2.3	2.3
Q4	3.1	3.2	2.7	2.2	2.1	2.6	2.8	3.0	2.4	2.0	1.9	2.5	2.6	2.4
1997 Q1	2.0	1.8	2.7	1.9	1.8	2.4	1.5	1.2	2.3	1.6	1.4	2.4	2.0	1.6
Q2	4.6	5.3	2.5	4.2	5.0	2.4	4.2	5.0	2.3	3.8	4.3	2.3	4.4	4.0
Q3	3.0	3.4	1.8	2.9	3.2	2.2	2.7	3.0	1.8	2.5	2.7	2.0	3.0	2.6
Q4	1.5	1.4	2.2	2.0	1.8	2.6	1.6	1.5	2.0	2.0	1.8	2.4	1.8	1.8
1998 Q1	1.4	1.5	1.0	1.4	2.7	-2.0	1.0	1.2	0.6	0.8	1.9	-1.9	1.4	0.9
Q2	0.8	0.5	1.5	1.3	1.9	-0.4	0.6	0.3	1.5	1.2	1.7	-0.2	1.0	0.9
Q3	..	0.4	-1.3	0.2	1.2	-2.3	-0.2	0.2	-1.1	0.2	1.0	-1.9	0.1	..
Q4	0.2	0.2	0.3	1.2	1.8	-0.5	0.4	0.3	0.4	0.9	1.5	-0.7	0.7	0.6
1999 Q1	..	-0.2	0.7	0.9	1.1	0.4	0.1	-0.1	0.7	0.7	1.1	-0.5	0.5	0.4
Q2	2.7	2.2	4.6	3.4	3.6	2.6	2.7	2.3	3.9	3.0	3.4	2.1	3.0	2.9
Q3	4.5	4.3	5.1	..	3.8	..	..	3.9	..	..	3.1	..	..	..
Q4	2.2	1.8	3.6	..	3.1	..	..	2.1	..	..	3.0	..	..	..

¹ Data used in the World and OECD aggregates refer to Germany after unification

Source: OECD - SNA68

Final Expenditure Prices Index (Experimental) – July 2000

Contact: Richard Clegg

Tel: 020-7533 5822; e-mail: richard.clegg@ons.gov.uk

Note that further development work is ongoing and the FEPI will be available only as an experimental index until this work has been completed.

Summary

While the Final Expenditure Prices Index (FEPI) rate of inflation increased from 1.3 per cent to 1.4 per cent between June and July 2000, the rate of inflation for the FEPI(P), a variant version of the FEPI incorporating government output prices (see Note 6), fell from 1.5 per cent to 1.4 per cent. This was because the FEPI(P) showed a lower increase in the rate of inflation for government prices than the FEPI. The rate of inflation for consumer and investment prices fell between June and July.

The FEPI and FEPI(P) annual percentage change

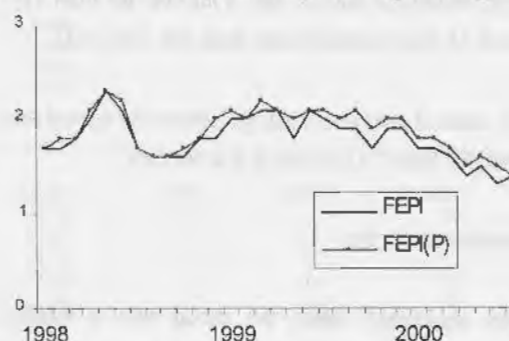


Table A

Final Expenditure Prices Index and components (January 1992=100 and annual percentage change)

		ICP		IIP		IGP		IGP(P)		FEPI		FEPI(P)	
		Index	%change	Index	%change	Index	%change	Index	%change	Index	%change	Index	%change
2000	Feb	122.0	1.3	113.5	2.3	122.0	2.4	121.4	3.0	120.3	1.7	120.1	1.8
	Mar	122.4	1.1	113.7	2.2	121.9	2.4	121.4	2.7	120.6	1.6	120.5	1.7
	Apr	122.9	1.0	113.9	2.1	123.2	2.4	122.2	2.8	121.1	1.4	120.9	1.5
	May	123.2	1.0	114.7	2.6	123.5	2.3	122.4	2.7	121.5	1.5	121.3	1.6
	Jun	123.4	1.1	114.7	2.2	123.5	1.3	122.5	1.8	121.6	1.3	121.4	1.5
	Jul	122.6	1.0	114.7	2.0	123.6	2.1	122.6	2.2	121.2	1.4	121.0	1.4

The Index of Consumer Prices (ICP)

Consumer price inflation, as measured by the ICP, fell from 1.1 per cent in June to 1.0 per cent in July 2000. The lower rate of inflation for the ICP in July was mainly due to lower inflation for clothing and footwear, tobacco and other goods and services which outweighed higher inflation for food.

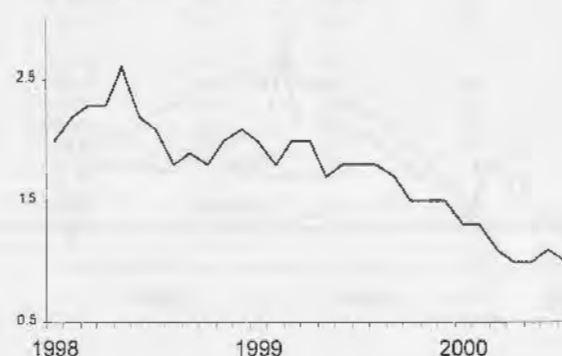
Downward pressure came from:

- Clothing and footwear, where the annual rate of inflation was minus 5.5 per cent in July compared with minus 2.8 per cent in June, due to wider and deeper sales than last year. Clothing and footwear has shown a negative rate of inflation for 25 consecutive months.
- Tobacco, where the annual rate of inflation fell from 9.8 per cent in June to 8.0 per cent in July as last July's price rises by a manufacturer dropped out of the comparison.
- Other goods and services, where the annual rate of inflation fell from 2.0 per cent in June to 1.6 per cent in July.

Upward pressure came from:

- Food, where the annual rate of inflation was plus 1.3 per cent in July compared with minus 0.3 per cent in June, the first positive rate of inflation for food recorded since July 1999. Within food, the main upward effect was recorded for potatoes as this year's wet weather conditions led to a shortening of supplies in contrast to plentiful supplies last year. There were also upward effects for fresh fruit and vegetables.

The ICP annual percentage change



The Index of Investment Prices (IIP)

Investment price inflation, as measured by the IIP, fell from 2.2 per cent in June to 2.0 per cent in July, largely due to a fall in the rate of inflation for dwellings.

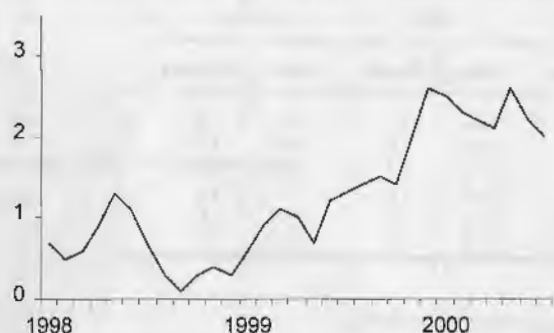
Downward pressure came from:

- Dwellings, where the annual rate of inflation fell from 12.7 per cent to 11.0 per cent between June and July 2000.
- Transfer costs of land and buildings, where the annual rate of inflation fell from 7.6 per cent to 6.4 per cent.

Upward pressure came from:

- Transport equipment, where the annual rate of inflation increased from 0.1 per cent in June to 1.2 per cent in July mainly due to higher inflation for passenger cars and commercial vehicles.

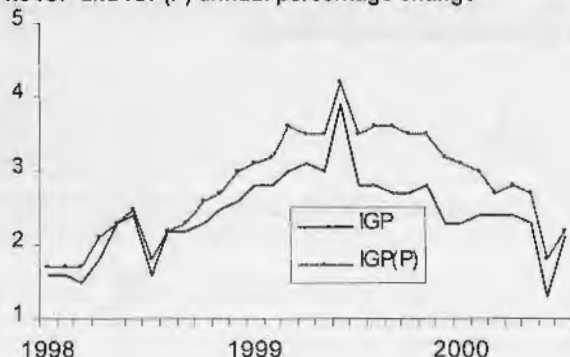
The IIP annual percentage change



The Index of Government Prices - IGP and IGP(P)

The IGP(P) is a variant version of the IGP which incorporates government output prices, whereas the IGP is based on input prices (see Note 6). The rate of inflation for the IGP and IGP(P) increased between June and July 2000; it was unusually low in June 2000 due to local government and National Health Service employees receiving arrears of pay in June 1999.

The IGP and IGP(P) annual percentage change



Comparison between FEPI and other inflation measures

Table B
Measures of Inflation (annual percentage changes)

	FEPI	FEPI(P)	RPIX	HICP	ICP(FEPI)	PPI
2000 Feb	1.7	1.8	2.2	1.0	1.3	2.4
Mar	1.6	1.7	2.0	0.7	1.1	2.4
Apr	1.4	1.5	1.9	0.6	1.0	2.3
May	1.5	1.6	2.0	0.5	1.0	2.4
Jun	1.3	1.5	2.2	0.8	1.1	2.9
Jul	1.4	1.4	2.2	1.0	1.0	2.9

NOTES

1. The headline measure of inflation is the Retail Prices Index (RPI). The RPI should be used as the main indicator of inflation affecting average households.

2. The Final Expenditure Prices Index (FEPI) is a measure of the change in the prices paid by UK households, business and government for final purchases of goods and services. Intermediate purchases by business are excluded. The FEPI is made up of three components:

The Index of Consumer Prices (ICP)
The Index of Investment Prices (IIP)
The Index of Government Prices (IGP).

3. The ICP measures inflation affecting all consumers in the UK. The price indicators used in the ICP are taken mainly from the Retail Prices Index (RPI).

4. The IIP is a measure of the change in the prices paid for capital goods by business and by government. It also covers new construction projects and dwellings built for consumers, businesses and government. The price indicators used are mainly Producer Price Indices (PPIs), implied import deflators, construction output price indices and average house price indicators.

5. The IGP measures inflation affecting government. It covers expenditure by central and local government on pay and on procurement. The price indicators used are mainly Average Earnings Indices (to reflect labour costs), PPIs and RPIs (to reflect the cost of goods consumed by government).

6. The IGP(P) is a variant version of the IGP which incorporates government output prices for health, education, social security, legal aid, crown and county courts and magistrates courts (which comprise around 55% of general government final consumption expenditure) and therefore reflects movements in productivity. The IGP(P) feeds into a variant version of the FEPI, the FEPI(P), which differs from the FEPI solely because of the inclusion of government output prices.

7. Care should be taken when interpreting monthly movements in the IGP and IGP(P). These indices are particularly volatile on a month-to-month basis, so a fall one month is often offset by a rise the next and vice versa. The data are of greatest value if trends rather than individual monthly movements are observed.

8. An article describing the development and composition of the FEPI is included in Economic Trends, No 526, September 1997. Data are available in computer readable form from the National Statistics Databank service (telephone 020-7533 5675, fax 020-7533 5689 or e-mail sales.ons@gt.net.gov.uk).

Final Expenditure Prices Index - FEPI & FEPI(P)

Summary Table

Experimental price indices

	Index of Consumer Prices ICP	Index of Investment Prices IIP	Index of Government Prices IGP	Final Expenditure Prices Index FEPI	Annual percentage changes			
					ICP	IIP	IGP	FEPI
January 1992=100								
Weights								
1997	595	180	225	1000				
1998	597	183	220	1000				
1999	608	182	210	1000				
2000	602	191	207	1000				
FINAL EXPENDITURE PRICES INDEX - FEPI								
	CUSE	CUSK	CUSO	CUSP	CGAZ	CGBF	CGBJ	CGBK
1998 Jul	119.2	111.0	117.8	117.2	2.1	0.7	1.6	1.7
Aug	119.6	110.9	117.9	117.5	1.8	0.3	2.2	1.6
Sep	120.1	110.7	118.2	117.8	1.9	0.1	2.2	1.6
Oct	120.1	110.8	118.0	117.8	1.8	0.3	2.3	1.6
Nov	120.3	110.8	118.2	117.9	2.0	0.4	2.5	1.8
Dec	120.6	110.7	119.0	118.2	2.1	0.3	2.6	1.8
1999 Jan	120.0	110.8	119.2	118.0	2.0	0.6	2.8	2.0
Feb	120.4	111.0	119.1	118.3	1.8	0.9	2.8	2.0
Mar	121.1	111.3	119.1	118.7	2.0	1.1	3.0	2.1
Apr	121.7	111.6	120.3	119.4	2.0	1.0	3.1	2.1
May	122.0	111.8	120.7	119.7	1.7	0.7	3.0	1.8
Jun	122.0	112.2	121.9	120.0	1.8	1.2	3.9	2.1
Jul	121.4	112.4	121.1	119.5	1.8	1.3	2.8	2.0
Aug	121.7	112.4	121.2	119.7	1.8	1.4	2.8	1.9
Sep	122.1	112.4	121.4	120.0	1.7	1.5	2.7	1.9
Oct	121.9	112.4	121.2	119.8	1.5	1.4	2.7	1.7
Nov	122.1	113.0	121.5	120.1	1.5	2.0	2.8	1.9
Dec	122.4	113.6	121.7	120.5	1.5	2.6	2.3	1.9
2000 Jan	121.5	113.6	122.0	120.0	1.3	2.5	2.3	1.7
Feb	122.0	113.5†	122.0	120.3	1.3	2.3	2.4	1.7
Mar	122.4	113.7	121.9	120.6	1.1	2.2	2.4	1.6
Apr	122.9	113.9	123.2	121.1†	1.0	2.1†	2.4	1.4†
May	123.2	114.7	123.5	121.5	1.0	2.6	2.3	1.5
Jun	123.4	114.7	123.5†	121.6	1.1	2.2	1.3†	1.3
Jul	122.6	114.7	123.6	121.2	1.0	2.0	2.1	1.4
FINAL EXPENDITURE PRICES INDEX INCORPORATING IMPLIED GOVERNMENT OUTPUT PRICES - FEPI(P)								
			LGTZ	LGUA			GXVN	GXVO
1998 Jul	119.2	111.0	115.9	116.8	2.1	0.7	1.8	1.7
Aug	119.6	110.9	116.2	117.1	1.8	0.3	2.2	1.6
Sep	120.1	110.7	116.5	117.4	1.9	0.1	2.3	1.6
Oct	120.1	110.8	116.6	117.5	1.8	0.3	2.6	1.7
Nov	120.3	110.8	116.8	117.6	2.0	0.4	2.7	1.8
Dec	120.6	110.7	117.4	117.9	2.1	0.3	3.0	2.0
1999 Jan	120.0	110.8	117.7	117.7	2.0	0.6	3.1	2.1
Feb	120.4	111.0	117.9	118.0	1.8	0.9	3.2	2.0
Mar	121.1	111.3	118.2	118.5	2.0	1.1	3.6	2.2
Apr	121.7	111.6	118.9	119.1	2.0	1.0	3.5	2.1
May	122.0	111.8	119.2	119.4	1.7	0.7	3.5	2.0
Jun	122.0	112.2	120.3	119.6	1.8	1.2	4.2	2.1
Jul	121.4	112.4	120.0	119.3	1.8	1.3	3.5	2.1
Aug	121.7	112.4	120.4	119.5	1.8	1.4	3.6	2.0
Sep	122.1	112.4	120.7	119.9	1.7	1.5	3.6	2.1
Oct	121.9	112.4	120.7	119.7	1.5	1.4	3.5	1.9
Nov	122.1	113.0	120.9	120.0	1.5	2.0	3.5	2.0
Dec	122.4	113.6	121.2	120.3	1.5	2.6	3.2	2.0
2000 Jan	121.5	113.6	121.4	119.8	1.3	2.5	3.1	1.8
Feb	122.0	113.5†	121.4	120.1†	1.3	2.3	3.0	1.8†
Mar	122.4	113.7	121.4	120.5	1.1	2.2	2.7	1.7
Apr	122.9	113.9	122.2	120.9	1.0	2.1†	2.8	1.5
May	123.2	114.7	122.4	121.3	1.0	2.6	2.7	1.6
Jun	123.4	114.7	122.5	121.4	1.1	2.2	1.8	1.5
Jul	122.6	114.7	122.6	121.0	1.0	2.0	2.2	1.4

† indicates earliest revision.

2 Final Expenditure Prices Index (FEPI) Index of Consumer Prices (ICP) Experimental price indices

	Food	Alcoholic Drink	Tobacco	Clothing and Footwear	Housing	Fuel and Power	Household Goods and Services	Transport and Communi- cation	Recreation Entertain- ment and Education	Other Goods and Services	Index of Consumer Prices ICP	Of which: goods	Of which: services
January 1992=100													
Weights													
1997	126	68	30	67	90	39	71	189	119	201	1000	595	405
1998	127	68	29	67	87	39	71	188	118	206	1000	597	403
1999	119	66	28	70	85	34	75	192	113	218	1000	600	400
2000	117	64	26	68	85	31	76	191	126	216	1000	595	405
	CURU	CURV	CURW	CURX	CURY	CURZ	CUSA	CUSB	CUSC	CUSD	CUSE	MJYH	MJYI
1998 Jul	112.8	124.9	163.0	99.3	130.4	97.3	111.4	122.0	110.4	128.6	119.2	112.3	130.6
Aug	114.1	125.2	163.1	101.2	130.6	97.2	112.2	121.9	110.4	128.8	119.6	112.9	130.8
Sep	113.7	125.3	163.2	105.8	130.8	97.3	112.9	121.9	111.0	128.7	120.1	113.4	131.1
Oct	113.9	125.6	163.4	104.7	131.1	97.5	112.4	121.5	111.2	129.5	120.1	113.2	131.7
Nov	113.8	125.2	163.4	105.3	131.3	97.4	113.6	121.1	111.2	130.2	120.3	113.2	132.1
Dec	114.7	125.1	166.2	104.7	131.4	97.2	115.7	120.5	111.0	130.6	120.6	113.5	132.3
1999 Jan	115.1	126.5	172.0	97.6	131.5	97.3	111.3	121.2	110.7	130.6	120.0	112.4	132.6
Feb	115.4	126.8	172.1	100.0	131.5	97.2	112.8	121.2	110.6	131.0	120.4	113.0	132.8
Mar	114.7	126.8	178.2	101.6	131.4	97.5	114.5	122.6	110.7	131.3	121.1	113.8	133.3
Apr	114.1	127.0	180.7	102.0	133.5	97.3	113.2	124.1	111.1	132.3	121.7	114.0	134.6
May	114.7	127.6	180.7	102.5	133.6	97.1	114.6	124.1	111.2	132.5	122.0	114.3	134.9
Jun	114.2	128.2	181.2	102.3	133.7	97.1	114.0	123.8	111.0	132.9	122.0	114.1	135.1
Jul	113.5	127.9	184.3	97.4	134.0	97.4	112.0	123.8	110.3	133.6	121.4	113.0	135.5
Aug	113.0	128.1	184.7	98.8	134.3	97.4	113.1	124.2	110.1	133.7	121.7	113.3	135.7
Sep	112.9	128.1	184.8	102.6	134.4	97.7	114.0	123.9	110.6	133.9	122.1	113.8	136.2
Oct	112.8	128.2	184.7	101.6	134.8	97.9	113.4	123.7	110.9	133.1	121.9	113.4	136.0
Nov	113.4	127.8	184.8	102.0	135.1	98.1	114.6	123.3	110.8	133.7	122.1	113.5	136.4
Dec	113.5	127.5	184.7	101.2	135.3	98.7	116.5	123.6	110.7	134.1	122.4	113.7	136.8
2000 Jan	113.4	128.4	184.9	94.4	136.0	98.6	111.5	124.1	110.3	133.9	121.5	112.2	137.1
Feb	113.4	128.5	186.7	97.5	136.1	98.6	112.6	124.2	110.8	134.1	122.0	112.9	137.3
Mar	112.7	128.7	186.9	98.9	135.9	98.7	113.9	125.2	110.7	134.7	122.4	113.4	137.7
Apr	112.6	129.0	198.5	100.2	135.7	97.4	113.8	125.9	111.2	134.6	122.9	113.9	137.9
May	113.6	129.6	198.6	100.0	135.9	96.7	114.3	126.0	111.5	135.2	123.2	114.1	138.4
Jun	113.9	129.9	199.0	99.4	136.2	96.2	113.7	126.8	111.2	135.5	123.4	114.2	138.8
Jul	115.0	129.7	199.1	92.0	136.6	96.1	111.5	126.7	110.6	135.7	122.6	112.9	139.0
Annual Percentage Changes													
	Food	Alcoholic Drink	Tobacco	Clothing and Footwear	Housing	Fuel and Power	Household Goods and Services	Transport and Communi- cation	Recreation Entertain- ment and Education	Other Goods and Services	Index of Consumer Prices ICP	Of which: goods	Of which: services
	CGAP	CGAQ	CGAR	CGAS	CGAT	CGAU	CGAV	CGAW	CGAX	CGAY	CGAZ	MJYJ	MJYK
1998 Jul	1.3	3.1	9.2	-1.0	3.3	-5.4	1.6	2.2	0.1	4.2	2.1	0.9	3.8
Aug	1.3	3.2	7.9	-1.1	3.3	-5.4	1.3	1.6	0.2	3.9	1.8	0.6	3.6
Sep	1.3	3.2	7.7	-0.5	3.3	-2.7	1.2	1.2	0.3	3.5	1.9	0.7	3.5
Oct	1.5	3.2	7.7	-1.2	3.4	-2.5	0.9	1.0	0.4	3.8	1.8	0.7	3.5
Nov	2.0	3.4	7.6	-1.8	3.5	-2.2	1.2	0.9	0.5	4.3	2.0	0.7	3.9
Dec	2.7	3.7	8.4	-1.9	3.5	-1.9	2.2	0.4	0.3	4.3	2.1	1.0	3.8
1999 Jan	3.0	3.6	8.0	-2.1	3.3	-1.1	1.4	0.5	0.4	4.1	2.0	1.0	3.6
Feb	3.3	3.0	7.9	-2.0	3.2	-1.5	1.2	0.3	0.1	3.6	1.8	0.7	3.4
Mar	2.9	2.7	11.7	-2.4	3.0	-1.4	1.2	1.5	0.3	3.5	2.0	1.1	3.6
Apr	2.1	2.8	11.5	-2.9	2.8	-1.6	1.0	1.6	0.3	3.7	2.0	0.9	3.7
May	1.1	2.5	11.1	-3.3	2.7	-1.2	1.1	1.5	0.1	3.4	1.7	0.5	3.5
Jun	1.0	3.1	11.3	-3.2	2.7	-0.5	1.2	1.3	0.3	3.5	1.8	0.6	3.5
Jul	0.6	2.4	13.1	-1.9	2.8	0.1	0.5	1.5	-0.1	3.9	1.8	0.6	3.8
Aug	-1.0	2.3	13.2	-2.4	2.8	0.2	0.8	1.9	-0.3	3.8	1.8	0.4	3.7
Sep	-0.7	2.2	13.2	-3.0	2.8	0.4	1.0	1.6	-0.4	4.0	1.7	0.4	3.9
Oct	-1.0	2.1	13.0	-3.0	2.8	0.4	0.9	1.8	-0.3	2.8	1.5	0.2	3.3
Nov	-0.4	2.1	13.1	-3.1	2.9	0.7	0.9	1.8	-0.4	2.7	1.5	0.3	3.3
Dec	-1.0	1.9	9.8	-3.3	3.0	1.5	0.7	2.6	-0.3	2.7	1.5	0.2	3.4
2000 Jan	-1.5	1.5	7.5	-3.3	3.4	1.3	0.2	2.4	-0.4	2.5	1.3	-0.2	3.4
Feb	-1.7	1.3	8.5	-2.5	3.5	1.4	-0.2	2.5	0.2	2.4	1.3	-0.1	3.4
Mar	-1.7	1.5	4.9	-2.7	3.4	1.2	-0.5	2.1	-	2.6	1.1	-0.4	3.3
Apr	-1.3	1.6	9.9	-1.8	1.6	0.1	0.5	1.5	0.1	1.7	1.0	-0.1	2.5
May	-1.0	1.6	9.9	-2.4	1.7	-0.4	-0.3	1.5	0.3	2.0	1.0	-0.2	2.6
Jun	-0.3	1.3	9.8	-2.8	1.9	-0.9	-0.3	2.4	0.2	2.0	1.1	0.1	2.7
Jul	1.3	1.4	8.0	-5.5	1.9	-1.3	-0.4	2.3	0.3	1.6	1.0	-0.1	2.6

† Indicates earliest revision.

Final Expenditure Prices Index (FEPI)

Index of Investment Prices (IIP)

Experimental price indices

	Transport Equipment	Other Machinery and Equipment	Dwellings	New Buildings and Works	Transfer Costs of Land and Buildings	Intangible Fixed Assets ¹	Index of Investment Prices IIP
January 1992=100							
Weights							
1997	95	382	187	270	32	34	1000
1998	97	392	181	262	35	33	1000
1999	98	390	178	260	42	32	1000
2000	97	383	180	267	41	32	1000
	CUSH	CUSG	CUSJ	CUSF	CUSI	MJYL	CUSK
1998 Jul	119.0	99.9	118.9	114.6	165.0	119.4	111.0
Aug	119.7	99.1	119.5	115.0	164.6	119.8	110.9
Sep	119.8	98.1	120.0	115.4	165.4	120.1	110.7
Oct	120.3	97.8	120.1	115.9	165.7	120.1	110.8
Nov	121.2	97.5	119.7	116.5	165.1	120.1	110.8
Dec	121.7	97.1	119.0	117.0	164.3	120.3	110.7
1999 Jan	121.2	97.3	118.7	117.3	167.0	120.0	110.8
Feb	121.8	97.2	118.9	117.6	168.0	120.4	111.0
Mar	121.9	96.8	120.7	117.9	170.2	120.9	111.3
Apr	122.1	96.6	122.8	118.1	171.6	121.4	111.6
May	122.1	96.0	124.4	118.3	175.4	121.5	111.8
Jun	122.3	95.7	126.3	118.5	179.9	121.4	112.2
Jul	121.5	95.3	128.6	118.8	182.5	121.2	112.4
Aug	121.3	94.2	130.8	119.0	185.3	121.3	112.4
Sep	121.2	93.6	131.6	119.2	186.0	121.5	112.4
Oct	121.0	93.0	132.1	119.7	189.5	121.4	112.4
Nov	122.8	93.5	133.2	120.0	186.4	121.7	113.0
Dec	123.7	93.8	135.2	120.4	186.1	121.9	113.6
2000 Jan	121.9	93.5	135.9	120.6	191.1	121.2	113.6
Feb	121.8 [†]	93.1	136.3	121.0	189.6 [†]	121.2 [†]	113.5 [†]
Mar	121.7	92.6	138.4	121.4	191.4	121.7	113.7
Apr	120.5	92.2	140.7	121.8	191.9	123.1	113.9
May	121.7	93.0	142.0 [†]	122.1	191.7	124.1	114.7
Jun	122.4	92.6 [†]	142.4	122.3	193.5	123.6	114.7
Jul	122.9	92.2	142.7	122.5	194.2	123.3	114.7
Annual Percentage Changes							
	Transport Equipment	Other Machinery and Equipment	Dwellings	New Buildings and Works	Transfer Costs of Land and Buildings	Intangible Fixed Assets ¹	Index of Investment Prices IIP
	CGBC	CGBB	CGBE	CGBA	CGBD	MJYM	CGBF
1998 Jul	1.5	-6.6	8.4	4.8	9.6	1.1	0.7
Aug	1.6	-7.3	8.2	4.4	8.6	0.8	0.3
Sep	1.9	-7.9	8.6	4.3	8.0	0.8	0.1
Oct	2.5	-7.9	8.9	4.4	8.9	0.8	0.3
Nov	3.7	-7.6	8.5	4.6	7.8	0.8	0.4
Dec	3.8	-7.8	7.8	4.7	8.0	0.9	0.3
1999 Jan	3.6	-6.8	7.4	4.5	10.4	1.1	0.6
Feb	4.3	-5.9	7.0	4.3	9.5	1.1	0.9
Mar	3.0	-5.2	6.8	4.2	10.1	1.4	1.1
Apr	3.4	-5.0	6.9	4.1	7.7	1.6	1.0
May	2.4	-5.8	7.3	3.9	9.6	1.0	0.7
Jun	2.9	-5.1	7.4	3.8	12.0	1.3	1.2
Jul	2.1	-4.6	8.2	3.7	10.6	1.5	1.3
Aug	1.3	-4.9	9.5	3.5	12.6	1.3	1.4
Sep	1.2	-4.6	9.7	3.3	12.5	1.2	1.5
Oct	0.6	-4.9	10.0	3.3	14.4	1.1	1.4
Nov	1.3	-4.1	11.3	3.0	12.9	1.3	2.0
Dec	1.6	-3.4	13.6	2.9	13.3	1.3	2.6
2000 Jan	0.6	-3.9	14.5	2.8	14.4	1.0	2.5
Feb	- [†]	-4.2	14.6	2.9	12.9 [†]	0.7 [†]	2.3
Mar	-0.2	-4.3	14.7 [†]	3.0	12.5	0.7	2.2
Apr	-1.3	-4.6	14.6	3.1	11.8	1.4	2.1 [†]
May	-0.3	-3.1	14.1	3.2	9.3	2.1	2.6
Jun	0.1	-3.2 [†]	12.7	3.2	7.6	1.8	2.2
Jul	1.2	-3.3	11.0	3.1	6.4	1.7	2.0

[†] Indicates earliest revision.¹ This covers mineral exploration, computer software and entertainment, literary and artistic originals.

4 Final Expenditure Prices Index - FEPI & FEPI(P) Index of Government Prices - IGP & IGP(P) Experimental price indices

					Annual percentage changes			
	Local Government Pay & Procurement	Central Government Pay & Procurement	Education Grants	Index of Government Prices	Local Government Pay & Procurement	Central Government Pay & Procurement	Education Grants	Index of Government Prices
January 1992=100								
Weights								
1997	354	569	77	1000				
1998	353	570	77	1000				
1999	351	567	82	1000				
2000	352	569	79	1000				
INDEX OF GOVERNMENT PRICES - IGP								
	CUSL	CUSM	CUSN	CUSO	CGBG	CGBH	CGBI	CGBJ
1998 Jul	120.6	115.7	120.6	117.8	1.0	2.0	2.0	1.8
Aug	120.7	115.8	120.6	117.9	2.5	2.0	2.0	2.2
Sep	121.2	116.1	120.6	118.2	2.5	1.9	2.0	2.2
Oct	121.1	115.8	120.6	118.0	2.5	2.2	2.0	2.3
Nov	121.3	116.0	120.7	118.2	2.5	2.7	2.1	2.5
Dec	122.1	116.7	121.4	119.0	2.7	2.5	2.3	2.6
1999 Jan	122.0	117.1	122.3	119.2	2.7	2.8	2.5	2.8
Feb	122.0	117.0	122.3	119.1	2.7	3.1	2.5	2.8
Mar	122.1	116.9	122.3	119.1	2.9	3.2	2.6	3.0
Apr	123.7	117.7	123.7	120.3	2.7	3.2	3.0	3.1
May	123.7	118.5	123.7	120.7	2.6	3.2	3.0	3.0
Jun	125.9	119.3	123.7	121.9	4.4	3.7	3.0	3.9
Jul	124.4	118.7	124.7	121.1	3.2	2.6	3.4	2.8
Aug	124.5	118.8	124.7	121.2	3.1	2.6	3.4	2.8
Sep	125.1	118.8	124.8	121.4	3.2	2.3	3.5	2.7
Oct	125.1	118.4	124.8	121.2	3.3	2.2	3.5	2.7
Nov	125.2	118.9	124.9	121.5	3.2	2.5	3.5	2.8
Dec	125.3	119.2	124.9	121.7	2.6	2.1	2.9	2.3
2000 Jan	125.3	119.5	124.9	122.0	2.7	2.0	2.1	2.3
Feb	125.3	119.6	124.9	122.0	2.7	2.2	2.1	2.4
Mar	125.3	119.5	124.9	121.9	2.6	2.2	2.1	2.4
Apr	127.5	120.2	126.9	123.2	3.1	2.1	2.6	2.4
May	127.6	120.5 [†]	126.9	123.5	3.2	1.7 [†]	2.6	2.3
Jun	127.7 [†]	120.6	126.9	123.5 [†]	1.4 [†]	1.1	2.6	1.3 [†]
Jul	127.7	120.7	126.8	123.6	2.7	1.7	1.7	2.1
INDEX OF GOVERNMENT PRICES INCORPORATING IMPLIED OUTPUT PRICES - IGP(P)								
	LGTU	LGTX	LGTZ	GXVL	GXVM	GXVN		
1998 Jul	113.5	116.9	120.6	115.9	0.2	2.5	2.0	1.8
Aug	113.8	117.2	120.6	116.2	1.7	2.4	2.0	2.2
Sep	114.5	117.4	120.6	116.5	1.9	2.6	2.0	2.3
Oct	114.6	117.4	120.6	116.6	2.0	2.9	2.0	2.6
Nov	115.0	117.7	120.7	116.8	2.3	3.2	2.1	2.7
Dec	115.5	118.2	121.4	117.4	2.7	3.2	2.3	3.0
1999 Jan	115.9	118.4	122.3	117.7	3.2	3.1	2.5	3.1
Feb	116.3	118.6	122.3	117.9	3.6	3.3	2.5	3.2
Mar	116.7	118.8	122.3	118.2	4.0	3.5	2.6	3.6
Apr	117.3	119.4	123.7	118.9	3.6	3.4	3.0	3.5
May	117.7	119.7	123.7	119.2	3.9	3.3	3.0	3.5
Jun	120.1	120.2	123.7	120.3	5.9	3.4	3.0	4.2
Jul	119.1	120.2	124.7	120.0	4.9	2.8	3.4	3.5
Aug	119.6	120.6	124.7	120.4	5.1	2.9	3.4	3.6
Sep	120.3	120.6	124.8	120.7	5.1	2.7	3.5	3.6
Oct	120.5	120.5	124.8	120.7	5.1	2.6	3.5	3.5
Nov	120.8	120.7	124.9	120.9	5.0	2.5	3.5	3.5
Dec	121.0	121.0	124.9	121.2	4.8	2.4	2.9	3.2
2000 Jan	121.1	121.2	124.9	121.4	4.5	2.4	2.1	3.1
Feb	121.3	121.2	124.9	121.4	4.3	2.2	2.1	3.0
Mar	121.3	121.2	124.9	121.4	3.9	2.0	2.1	2.7
Apr	122.3	121.7	126.9	122.2	4.3	1.9	2.6	2.8
May	122.4	121.9	126.9	122.4	4.0	1.8	2.6	2.7
Jun	122.6	122.1	126.9	122.5	2.1	1.6	2.6	1.8
Jul	122.7	122.2	126.8	122.6	3.0	1.7	1.7	2.2

[†] indicates earliest revision.

Index of Distribution (Prototype) – May 2000

Contact: Hugh Skipper

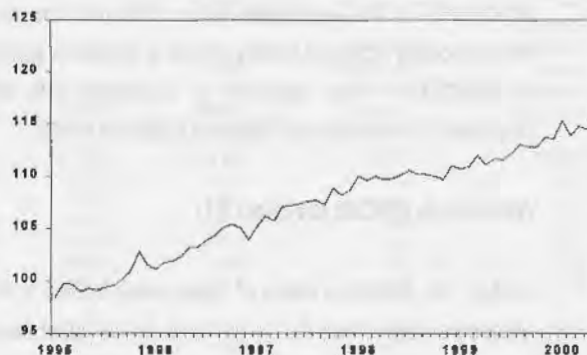
Tel: 01633 813388; e-mail: hugh.skipper@ons.gov.uk

In May, the prototype Index of Distribution (IoD) showed distribution industries' gross value added rising by 3.1 per cent in the latest three months, compared with the same three months a year ago. This rise was driven mainly by the component for the retail trades. The level of the IoD was at 115.9 in May.

The prototype IoD shows the monthly movements in volume terms of gross value added in the distribution sector (SIC92 section G), which consists of the motor trades, wholesaling and retailing. Index numbers are based on 1995=100 and all values are seasonally adjusted.

Prototype Index of Distribution

seasonally adjusted: 1995=100



Prototype IoD and components at constant 1995 basic prices (1995=100 index and 3 month-on-3 month annual percentage change)

seasonally adjusted

		Index of Distribution		Motor trades		Wholesale		Retail	
		Index	Latest 3 mth on same 3 mth a year ago: % change	Index	Latest 3 mth on same 3 mth a year ago: % change	Index	Latest 3 mth on same 3 mth a year ago: % change	Index	Latest 3 mth on same 3 mth a year ago: % change
1999	May	111.7	1.7	110.6	0.6	105.1	0.3	118.1	3.3
	Jun	111.6	1.5	110.7	-0.1	105.0	0.4	117.8	3.0
	July	112.2	1.5	111.6	-1.0	106.1	1.0	118.0	2.9
	Aug	113.0	1.8	111.5	-0.8	107.2	1.2	118.9	3.2
	Sep	112.8	2.2	111.6	0.1	106.5	1.6	119.0	3.5
	Oct	112.8	2.5	110.8	-0.1	105.8	1.7	119.9	4.3
	Nov	113.7	2.9	110.6	-0.4	107.5	1.9	120.5	4.5
	Dec	113.6	2.9	112.0	0.0	106.9	1.8	120.4	4.9
	Jan	115.3	3.4	112.3	0.6	108.4	2.6	122.8	5.3
	Feb	113.9	3.1	112.9	0.1	106.1	2.1	121.3	5.3
	Mar	114.8	3.1	111.5	0.3	108.3	2.4	122.0	4.8
	Apr	114.5r	2.7	111.1r	-0.2	107.8r	2.1	121.8r	4.3
2000	May	115.9	3.1	113.3	0.4	109.4	3.1	122.8	4.1

The symbol 'r' indicates that the index data have been revised since the previous month's release. The values marked are the earliest shown in this table to have been revised.

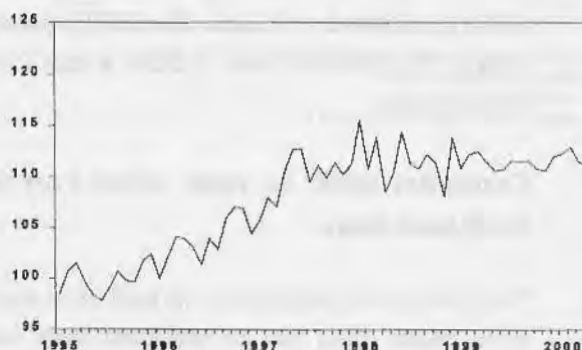
Tables following this note show data back to January 1996.

Motor trades (SIC92 division 50)

In May, the prototype index of gross value added in the motor trades rose by 0.4 per cent in the latest three months, compared with the same period a year ago. The level of the prototype index for the motor trades was at 113.3 in May. Values for 1999 and 2000 should be treated with caution, however, as the new seasonal pattern in vehicle sales, following the change in the vehicle registration system, is not yet clear. Data are therefore liable to be revised more than usual.

Prototype component index for motor trades

seasonally adjusted: 1995=100

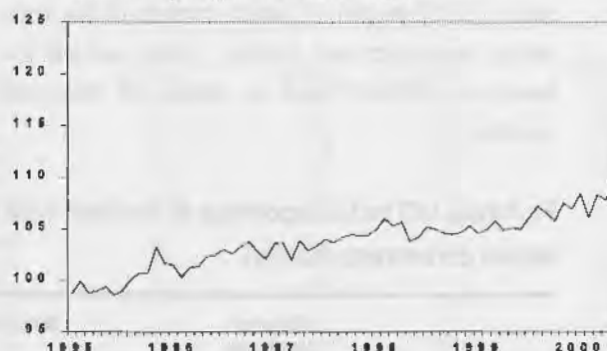


Until a consistent seasonal pattern emerges, the seasonally adjusted series for the affected components will be derived by extending the underlying trend of the series from quarter 4 1998, taking into account movements in the unadjusted data. This explains why the seasonally adjusted series shows a smoother profile in 1999/2000. The approach is consistent with the treatment of other affected National Statistics series.

Wholesale (SIC92 division 51)

In May, the prototype index of gross value added in the wholesale trades rose by 3.1 per cent in the latest three months, compared with the same period a year ago. The pattern within wholesaling continued to be mixed. The level of the prototype index for the wholesale trades was at 109.4 in May.

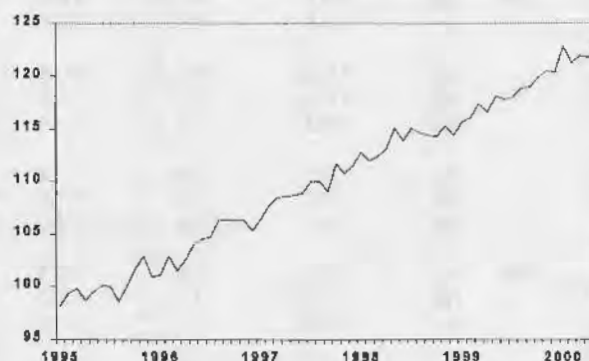
Prototype component index for wholesale
seasonally adjusted: 1995=100



Retail (SIC92 division 52)

In May, the prototype index of gross value added in the retail trades rose by 4.1 per cent in the latest three months, compared with the same period a year ago. As in other recent months, the growth in the retail index was driven mainly by the sub-component for retail sales through predominantly non-food stores. The level of the prototype index for the retail trades was at 122.8 in May.

Prototype component index for retail
seasonally adjusted: 1995=100



Consistency with quarterly estimates of GDP(O)

The monthly figures for the prototype IoD and its three component series are consistent with the corresponding quarterly series for the same industries contained in the quarterly estimates of GDP by the output measure (GDP(O)), published on 21 July. The GDP(O) quarterly index for the distribution sector is shown in table 2.9 of this publication.

Component series for retail: differs from the Retail Sales Index

The prototype IoD component for the retail trades shown in this release differs from the established Retail Sales Index (RSI) in that the IoD retail series is designed to

indicate movements in retailing gross value added, whereas the RSI is an index of sales. The two series may therefore follow slightly different paths, although the broad trends in each are very similar.

Notes

Further details of the data sources and methods used in this prototype index are given in the article, 'Release of a prototype monthly Index of Distribution', by Hugh Skipper and Ian Cope, which appeared in the December 1999 issue of *Economic Trends* (no. 553).

Identifiers for the quarterly GDP(O) series that correspond to the IoD and its three main components are given in the footnotes to the tables that follow.

IOD: Index of Distribution (PROTOTYPE)

Index numbers of gross value added at constant basic prices^{1,2,3}

1995=100, seasonally adjusted

SIC Section G: IoD ⁴					Component series			
percentage change					percentage change			
Index	month on month	latest 3 months on previous 3 months	latest 3 months on same 3 months a year ago		Index	month on month	latest 3 months on previous 3 months	latest 3 months on same 3 months a year ago
	FVVR	FVVK	FVVL	FVVM	FVVO	FVVB	FVVC	FVVD
1996 Jan	101.1	-0.4	1.5	3.5	100.0	-2.3	1.3	5.1
Feb	101.8	0.7	0.1	2.5	102.1	2.1	1.1	3.2
Mar	101.9	0.1	-0.2	2.2	104.1	2.0	0.8	1.9
Apr	102.3	0.5	0.2	2.5	103.9	-0.2	2.0	2.7
May	103.2	0.8	1.0	3.1	103.1	-0.8	2.2	3.9
Jun	103.2	--	1.3	3.8	101.4	-1.7	0.7	4.3
Jul	103.9	0.7	1.4	4.2	103.9	2.4	-0.5	4.5
Aug	104.3	0.3	1.3	4.4	102.9	-0.9	-0.9	3.6
Sep	105.1	0.8	1.5	4.7	106.0	2.9	1.4	4.4
Oct	105.4	0.3	1.5	4.7	107.0	1.0	2.4	5.2
Nov	105.1	-0.3	1.4	3.8	106.9	-0.1	3.8	6.2
Dec	103.9	-1.1	0.4	3.0	104.4	-2.3	1.8	4.8
1997 Jan	105.2	1.2	-0.2	2.9	105.7	1.2	0.3	4.3
Feb	106.2	0.9	-0.1	3.6	107.9	2.1	-0.6	4.5
Mar	105.7	-0.4	0.9	4.1	107.1	-0.8	0.7	4.7
Apr	107.1	1.3	1.5	4.3	110.6	3.2	2.7	4.9
May	107.2	--	1.5	4.1	112.7	1.9	3.8	6.1
Jun	107.4	0.3	1.5	4.2	112.7	--	4.7	8.9
Jul	107.6	0.1	1.0	3.8	109.5	-2.8	2.8	8.5
Aug	107.7	0.1	0.9	3.7	111.1	1.4	0.9	8.1
Sep	107.3	-0.4	0.3	3.0	109.9	-1.1	-1.6	5.6
Oct	108.9	1.4	0.5	2.9	111.4	1.4	-0.7	5.2
Nov	108.2	-0.6	0.5	2.9	110.2	-1.1	-0.5	3.6
Dec	108.7	0.4	1.0	3.6	111.3	1.0	0.7	4.6
1998 Jan	110.0	1.2	0.9	4.0	115.5	3.7	1.4	6.3
Feb	109.6	-0.3	1.2	4.1	110.8	-4.1	1.8	6.1
Mar	110.0	0.3	1.2	3.9	113.8	2.7	2.1	6.0
Apr	109.7	-0.3	0.8	3.2	108.5	-4.7	-1.2	2.3
May	109.8	0.1	0.4	3.0	110.4	1.8	-1.4	0.7
Jun	110.1	0.3	--	2.4	114.4	3.6	-2.0	-0.8
Jul	110.6	0.4	0.3	2.6	111.3	-2.7	0.9	0.4
Aug	110.2	-0.3	0.4	2.5	110.8	-0.5	1.1	1.0
Sep	110.2	--	0.4	2.6	112.2	1.3	0.3	1.2
Oct	110.0	-0.2	--	2.0	111.4	-0.7	-0.5	0.6
Nov	109.7	-0.2	-0.3	1.7	108.1	-3.0	-1.4	0.1
Dec	111.0	1.1	-0.1	1.5	113.8	5.3	-0.3	0.1
1999 Jan	110.7	-0.2	0.3	1.4	110.9	-2.5	-0.5	-1.2
Feb	110.9	0.2	0.8	1.3	112.2	1.2	1.6	-0.2
Mar	112.0	1.0	0.9	1.2	112.5	0.3	0.7	-1.3
Apr	111.1	-0.8	0.8	1.5	111.5	-0.9	1.0	1.0
May	111.7	0.5	0.7	1.7	110.6	-0.8	-0.7	0.6
Jun	111.6	-0.1	0.2	1.5	110.7	--	-0.9	-0.1
Jul	112.2	0.6	0.4	1.5	111.6	0.9	-1.0	-1.0
Aug	113.0	0.7	0.6	1.8	111.5	-0.1	-0.3	-0.8
Sep	112.8	-0.2	1.1	2.2	111.6	0.1	0.6	0.1
Oct	112.8	--	0.9	2.5	110.8	-0.7	0.3	-0.1
Nov	113.7	0.7	0.7	2.9	110.6	-0.2	-0.2	0.4
Dec	113.6	--	0.6	2.9	112.0	1.2	-0.4	--
2000 Jan	115.3	1.5	1.2	3.4	112.3	0.3	0.3	0.6
Feb	113.9	-1.2	1.1	3.1	112.9	0.5	1.3	0.1
Mar	114.8	0.8	1.2	3.1	111.5	-1.3	1.0	0.3
Apr	114.5 [†]	-0.3 [†]	0.2	2.7 [†]	111.1 [†]	-0.3 [†]	0.2 [†]	-0.2 [†]
May	115.9	1.3	0.7	3.1	113.3	2.0	-0.4	0.4

1 Indices are valued at constant basic prices, which exclude taxes and subsidies on production.

2 Estimates cannot be regarded as accurate to the last digit shown.

3 Any apparent inconsistencies between the index numbers and the percentage changes shown in these tables are due to rounding.

4 The equivalent quarterly index series, released electronically as part of the GDP(O) estimates, have identifiers EWAD (motor), EWAE (wholesale), EWA (retail) and GDQC (IoD). For further information about obtaining these series please telephone 020 7533 5675, fax 020 7533 5688, or email bill.roberts@ons.gov.

Sources: For further information on these data please, telephone 01633 813388; fax 01633 812575; or email hugh.skipper@ons.gov.uk

2 IOD: Index of Distribution (PROTOTYPE) continued

Index numbers of gross value added at constant basic prices^{1,2,3}

1995=100, seasonally adjusted

Component series								
SIC51: Wholesale ⁴					SIC52: Retail ⁴			
percentage change					percentage change			
Index	month on month	latest 3 months on previous 3 months	latest 3 months on same 3 months a year ago		Index	month on month	latest 3 months on previous 3 months	latest 3 months on same 3 months a year ago
	FVVP	FVVE	FVVF	FVVG	FVQV	FVWH	FVWI	FVVJ
1996 Jan	101.5	-0.1	1.6	3.3	101.1	0.2	1.5	3.1
Feb	100.3	-1.2	-0.4	1.8	102.9	1.8	0.1	3.0
Mar	101.3	1.0	-0.8	1.9	101.5	-1.4	-	2.7
Apr	101.4	0.1	-1.1	1.7	102.5	1.1	0.6	3.0
May	102.3	0.9	0.5	2.6	104.0	1.4	1.0	3.3
Jun	102.5	0.2	1.0	3.1	104.5	0.4	1.8	4.2
Jul	103.0	0.5	1.6	3.6	104.7	0.2	2.1	4.5
Aug	102.6	-0.4	1.0	3.5	106.3	1.5	2.4	5.6
Sep	103.3	0.7	0.9	3.0	106.4	0.1	2.1	6.3
Oct	103.8	0.5	0.6	2.7	106.3	-0.2	1.9	6.2
Nov	102.8	-0.9	0.6	1.7	106.3	0.1	1.1	4.7
Dec	102.1	-0.7	-	1.0	105.3	-0.9	0.1	4.0
1997 Jan	103.6	1.5	-0.3	0.7	106.4	1.0	-0.3	4.3
Feb	103.7	0.1	-0.1	1.9	107.7	1.2	0.1	4.8
Mar	102.0	-1.6	0.2	2.1	108.5	0.7	1.5	5.6
Apr	103.9	1.8	0.4	2.2	108.6	0.1	2.1	5.8
May	102.9	-1.0	-0.2	1.3	108.7	0.1	2.0	5.8
Jun	103.4	0.5	0.3	1.3	108.9	0.2	1.1	4.9
Jul	104.0	0.6	0.2	0.8	110.0	0.9	0.9	4.6
Aug	103.7	-0.4	0.7	1.0	110.0	-	1.0	4.2
Sep	104.2	0.5	0.5	1.0	109.1	-0.8	0.9	3.7
Oct	104.5	0.3	0.7	0.9	111.7	2.4	1.0	3.7
Nov	104.4	-0.1	0.7	1.1	110.8	-0.8	0.8	3.9
Dec	104.4	-0.1	0.5	1.5	111.5	0.6	1.5	5.0
1998 Jan	105.0	0.6	0.4	1.7	112.8	1.2	1.3	5.3
Feb	106.0	1.0	0.7	1.9	112.0	-0.7	1.4	5.3
Mar	105.3	-0.7	0.9	2.2	112.4	0.4	1.0	4.5
Apr	105.7	0.4	1.0	2.4	113.1	0.6	0.8	4.0
May	103.8	-1.8	-0.2	1.9	115.1	1.7	1.3	4.6
Jun	104.2	0.4	-0.8	1.1	113.9	-1.0	1.5	4.9
Jul	105.2	0.9	-1.2	0.9	115.1	1.0	1.9	5.0
Aug	105.0	-0.1	-0.1	1.1	114.6	-0.4	0.9	4.5
Sep	104.6	-0.4	0.3	0.9	114.4	-0.2	0.5	4.5
Oct	104.5	-0.1	0.3	0.6	114.3	-0.1	-0.3	3.8
Nov	104.7	0.2	-0.2	0.2	115.3	0.9	0.1	3.7
Dec	105.3	0.6	-0.1	0.4	114.4	-0.7	-	3.0
1999 Jan	104.6	-0.7	0.2	0.3	115.7	1.1	0.6	3.1
Feb	104.9	0.3	0.3	-0.1	116.1	0.4	0.7	3.0
Mar	105.8	0.9	0.3	-0.3	117.4	1.1	1.5	3.6
Apr	104.9	-0.9	0.3	-0.4	116.6	-0.7	1.4	3.7
May	105.1	0.2	0.3	0.3	118.1	1.3	1.7	3.3
Jun	105.0	-0.1	-0.1	0.4	117.8	-0.2	0.9	3.0
Jul	106.1	1.0	0.2	1.0	118.0	0.2	1.1	2.9
Aug	107.2	1.0	0.8	1.2	118.9	0.8	0.8	3.2
Sep	106.5	-0.6	1.5	1.6	119.0	0.1	1.0	3.5
Oct	105.8	-0.7	1.0	1.7	119.9	0.8	1.1	4.3
Nov	107.5	1.6	0.5	1.9	120.5	0.5	1.3	4.5
Dec	106.9	-0.5	0.1	1.8	120.4	-0.1	1.4	4.9
2000 Jan	108.4	1.5	1.0	2.6	122.8	1.9	1.6	5.3
Feb	106.1	-2.1	0.5	2.1	121.3	-1.2	1.4	5.3
Mar	108.3	2.1	0.9	2.4	122.0	0.6	1.4	4.8
Apr	107.8 [†]	-0.5 [†]	-0.1 [†]	2.1 [†]	121.8 [†]	-0.1 [†]	0.4 [†]	4.3 [†]
May	109.4	1.5	1.3	3.1	122.8	0.8	0.6	4.1

For footnotes see table 1 of this article.

Sources: For further information on these data please;
telephone 01633 813388;
fax 01633 812575;
or email hugh.skipper@ons.gov.uk

Developments in the measurement of general government output

Michael Baxter

Office for National Statistics

Zone D3/24

1 Drummond Gate

LONDON SW1V 2QQ

Tel: 020 7533 6018

E-mail: michael.baxter@ons.gov.uk

Two recent articles in *Economic Trends* (see references) discussed the problems of defining and measuring the non-market output of general government and described the output measures for health, education and social services that are included in the published National Accounts. This article describes new output measures for Administration of Justice and Agricultural Intervention that have been incorporated into the published National Accounts with effect from the 2000 *Blue Book*. The measures are used in the calculation of both General Government constant price final expenditure and Government output.

Cost-weighted Activity Index

The general principle in this research has been the construction for each area of a cost-weighted activity index (CWA). This involves the following steps:

- Produce a list of activities that are considered to cover all or most of the work of that area.
- For each activity, find a volume measure that describes how the amount of work involved in that activity is changing over time. In general, the activity is homogeneous, so a good volume measure is a count of the number of incidents or cases in each time period. Convert this measure into an index number based on 1995 = 100.
- Weight together these index numbers to produce an aggregate measure for the whole area. For national accounts purposes, the weights should be proportional to expenditure on that activity in the base year (currently 1995).

Often, deriving the weights is quite difficult. A good technique is to get the (absolute or relative) cost of one case in the base year, then multiply it by the number of cases in that year.

Administration of Justice

This was split into six areas and a separate CWA produced for each area. These were then weighted together using 1995 expenditure weights. Data for each CWA are for England and Wales (except for prisons, where they are for Great Britain) due to problems with the different systems of courts in Scotland and Northern Ireland. (England and Wales accounts for 90 per cent of the United Kingdom for court expenditure, so this restriction should have little effect.) However, the weights used to combine these CWAs reflect total United Kingdom expenditure.

The six areas are: Prisons, Legal Aid, Crown Prosecution Service, Crown Courts, County Courts, Magistrates' Courts. These are all Central Government, except for Magistrates' Courts, which are Local Government. (Central Government pays half the running costs of these courts, but this is regarded as a transfer payment to Local Government.) Probation should also be included; an experimental index for this area has been derived, but is not incorporated into the *Blue Book* data set. It is intended to include a CWA for probation in the 2001 *Blue Book* data, together with CWAs for any other areas of Government that are developed in the next few months.

Prisons

This just reflects the total number of people in prisons. Ideally, it should be done by category of prisoner, but consistent time series by category are not available.

Legal Aid

Cases are classified into ten types. For each type, we have annual data on the number of cases for which legal aid is granted. The weights are the actual total expenditure on legal aid for each type of

case in 1995. (The weights should be the cost of administering the legal aid, rather than the payments, since the latter are transfer payments rather than final expenditure. However, breakdown of administration costs is not available. The overall weight for legal aid reflects total administration costs.)

Crown Prosecution Service

We have annual estimates of the number of cases before magistrates' and crown courts. We also have estimates of the average cost of a case in 1995 in magistrates' and crown courts. The total cost of all cases of a given type is found as the product of the number of such cases in 1995 and the average cost of a case.

Crown Courts

We have monthly data on the number of cases in three categories: actual trials, referrals from magistrates' courts where the latter have found the defendant guilty but the crown courts must decide on the sentence, and appeals from magistrates' courts. Weights are calculated as for the Crown Prosecution Service.

County Courts

We have data for each month on the amount of work in five categories: actual trials, small claims (trials under a simple procedure where the amount of money at issue is relatively small), hours of administrative work, summonses issued and warrants issued. Weights are calculated as for the Crown Prosecution Service.

Magistrates' Courts

Cases are split into 14 types, such as domestic violence, thefts from shops, traffic offences, and remands (referrals to crown courts). We

have data on the number of cases of each type for each month. These are weighted together using 1995 based expenditure weights constructed as follows: For 1995, we have an estimate of the average cost of each type of case. (The costs are actually for 1996, but this should make little difference.) Weights are found as for the Crown Prosecution Service.

Probation

The Probation Service produces its own CWA1, which can probably be used for National Accounts purposes.

The Intervention Board

The Board's own published CWA1 is used.

Revisions and Adjustments to other Components

The new series have been calculated back to 1994 Quarter 1. Of the six existing components of constant price General Government expenditure (Health, Education, Social Security, Defence, Other Central Govt and Other Local Govt), the first four are unaffected. Magistrates' courts have previously been Other Local Govt and the others were Other Central Govt. It has not proved possible to separate out the contribution that Administration of Justice and Agricultural Intervention make to Other Central Govt or Other Local Govt, except in the base year, 1995. For this year, the contributions are 19.5 per cent for Other Central Govt and 1.0 per cent for Other Local Govt. Thus for other years, these components are calculated using the existing methodology including Administration of Justice and Agricultural Intervention, then reduced by these percentages. The effect of the new series on the level and annual change of constant price General Government expenditure and GDP is shown below.

Year	Change in level (£m)	% change in level:		% annual growth without new measures		Effect of new measures on % annual growth	
		General Government	GDP	General Government	GDP	General Government	GDP
1994	+2	0.00	0.00	1.37	4.39	0.00	0.00
1995	0	0.00	0.00	1.56	2.79	0.00	0.00
1996	+62	0.04	0.01	1.72	2.55	0.04	0.01
1997	+704	0.50	0.09	-1.40	3.51	0.45	0.09
1998	+731	0.51	0.09	1.10	2.64	0.01	0.00
1999	+577	0.39	0.07	2.98	2.11	-0.12	-0.02

In the 2000 *Blue Book* data set, there were no changes to data before 1998 (except those due to revisions to capital consumption). Thus the 1998 and 1999 values only reflect changes in growth since 1997, rather than changes since 1995, due to the change in methodology, so the effect is far smaller than the table indicates. It is hoped that the full impact will appear in the 2001 *Blue Book* data set, together with that of other new measures.

Quarterly data

Many data sources, in both the existing and new CWAs, are only annual. They are converted to quarters by the techniques described in Baxter (1998). However, data for the most recent quarters are forecasts. Conversely, where monthly data are available they are aggregated to quarters before input into the calculations. However, where only one or two months' data are available for the latest quarter, they are used to help forecast the quarterly total.

Effect on the General Government Deflator

Given a current price series and its constant price analogue, the resultant deflator is defined as $100 \times \text{current price} / \text{constant price}$. For a constant price series produced by deflating the current price data for pay, procurement and capital consumption, as is still done for much of General Government, the resultant deflator is a weighted average of the three deflators. As these are usually quite smooth, the overall deflator will also be smooth. Also, short-term

movements in the current and constant price series are highly correlated; in particular, a sudden increase in current price expenditure is immediately reflected in the constant price data. However, when the constant price series is produced from output measures, as is now the case for most of General Government, short-term movements in the current and constant price series are almost uncorrelated, and the deflator may be fairly erratic. In particular, a sudden increase in current price expenditure probably has little immediate effect on the constant price data, so the deflator rises sharply. The fact that some of the data for output measures are only available annually, rather than quarterly, exacerbates this. As the proportion of constant price General Government expenditure derived by output measures is rising, the overall deflator may become more erratic.

References

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