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The Office for National Statistics (ONS) is the
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analysing and disseminating many of the
United Kingdom's economic, social and
demographic statistics, including the retail
prices index, trade figures and labour market
data, as well as the periodic census of the
population and health statistics. The Director
of ONS is also the National Statistician and
the Registrar General for England and Wales,
and the agency administers the registration
of births, marriages and deaths there.

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No. 609, August 2004

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in brief

Article: Research and experimental development (R&D) statistics 2002

This article will be published in the September edition of *Economic Trends*. It is already available on the National Statistics website. The summary is included here:

In 2002 Gross Domestic Expenditure on R&D (GERD) was 1.85 per cent of GDP, very similar to 2001. In terms of international comparisons in 2002 the UK was just below the EU average of 1.93 per cent.

Within the UK, net expenditure in real terms on R&D by government peaked in 1980/81. Since then there was a gradual downward trend until 1998/99, after which point the expenditure for subsequent years has slightly increased.

The overall level of net government expenditure on defence R&D has fallen from 39 per cent in 1994 to 34 per cent in 2002.

Expenditure in real terms performed by the business sector has increased by 3 per cent on the 2001 total. Within the manufacturing sector, the chemicals broad product group has the largest share of R&D expenditure at 38 per cent. The services sector accounts for 20 per cent of total R&D expenditure.

Within the regions, spending is highest in the South East for both the business & government sectors.

At a glance – economic summaries recently released on the National Statistics website.

GDP Growth

Real GDP rose by 0.9 per cent in Q2 2004 up from 0.7 per cent in the previous quarter.

Output from the production industries rose by 0.9 per cent, the strongest quarterly growth since Q3 1999, following a fall of 0.5 per cent in Q1 2004. Manufacturing and mining and quarrying increased. There was a small fall in energy supply.

Services rose by 0.9 per cent maintaining the same rate of growth as the previous quarter.

Within services, distribution, hotels and restaurants grew by 1.0 per cent from 1.7 per cent in Q1. Motor trades declined following a rise in Q1- sale of motor vehicles was flat and sale of automotive fuel fell. Wholesaling output was flat. Retailing and hotels and restaurants grew at a similar rate to Q1.

Transport and communication grew more strongly than in Q1, mainly due to post and telecommunication.

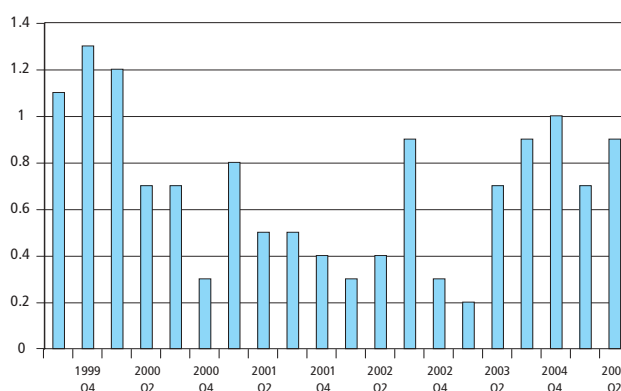
Business services and finance increased broadly in line with Q1 growth. The main contribution was from business services.

Government and personal services grew more strongly than in Q1 mainly due to recreation (includes motion pictures, video and radio and TV).

Construction is estimated to have increased broadly in line with the rest of the economy.

GDP quarterly growth (per cent)

Per cent change



Released: 25 July 2004

Public Sector

In June 2004 the public sector showed a deficit on current budget of £4.9 billion, compared with a deficit of £5.7 billion in June 2003.

Concentrating on one month in isolation can give a distorted picture as movements can be erratic. Focusing on the financial year to date generally provides a better overview. Between April and June of the financial year 2004/05, the public sector recorded a deficit of £12.1 billion. At the same stage of the 2003/04 financial year a deficit of £12.5 billion had been recorded.

More generally the public sector recorded deficits between 1991/92 and 1997/98 before moving into surplus in 1998/99. The deficit for 2002/03 was the first deficit recorded since 1997/98.

An alternative measure of the public sector fiscal position is public sector net borrowing. This additionally takes account of capital investment. In June 2004 there was net borrowing of £5.7 billion, which compares with a £6.2 billion in June 2003. In the financial year 2003/04 there was net borrowing of £34.0 billion. The Budget forecast for 2004/05 is net borrowing of £32.9 billion.

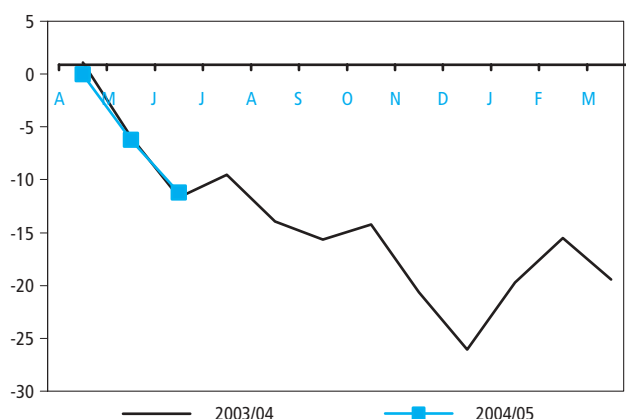
Public sector net debt, expressed as a percentage of gross domestic product (GDP), was 33.3 per cent at the end of June, compared with 31.8 per cent at end of June 2003. Debt peaked at 44.0 per cent of GDP in 1997, its highest since the mid 1980s. The debt ratio then fell steadily as public sector finances improved, reaching a low of 29.6 per cent in February 2002. Since then it has risen. The Budget forecast for the end of March 2005 is 34.4 per cent.

Net debt was £387.0 billion at the end of June, compared with £350.2 billion a year earlier. The Budget 2004 forecast for net debt at the end of March 2005 is £416 billion.

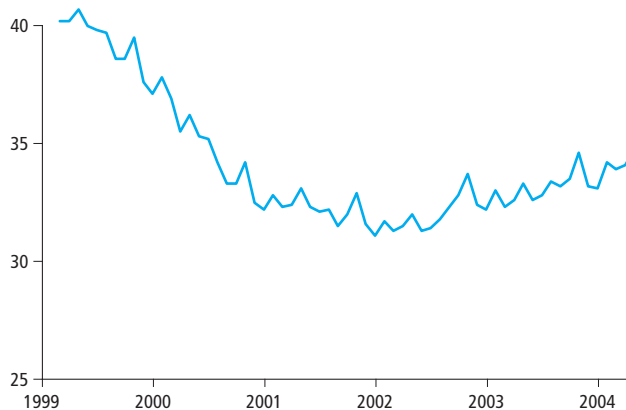
Released: 18 July 2004

Cumulative public sector surplus on current budget

£ Billion



Net debt (as a percentage of GDP)



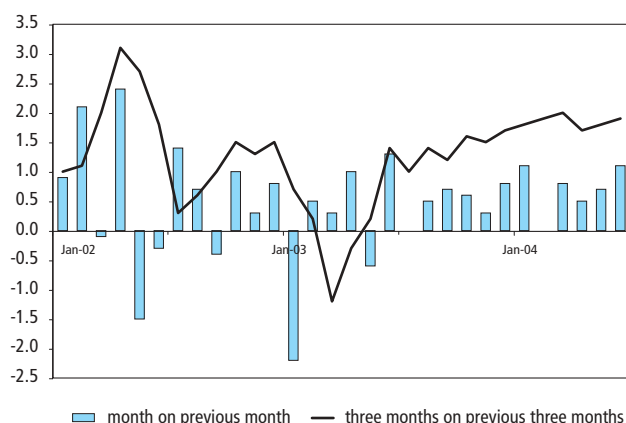
Retail Sales

Retail sales have continued to grow at a robust rate as indicated by the latest results for the Retail Sales Index. The headline three-monthly growth rate has stayed between 1.7 and 2.0 per cent since last December.

The volume of retail sales in the three months April to June was 1.9 per cent higher than in the previous three months. This compares to 1.8 per cent in the three months to May and 1.7 per cent in the three months to April. Three-monthly growth rates in June increased for food stores and for all categories of non-food store except clothing and footwear.

Analysis of monthly figures shows that the total sales volume increased by 1.1 per cent between May and June. This follows a 0.7 per cent increase last month and a 0.5 per cent increase in April.

Retail sales growth (per cent)



Household goods stores and other non-food stores showed strongest growth in sales volumes during June. Among household goods stores electrical retailers reported strong sales of TVs, partly as a result of Euro 2004. Among other non-food stores, sports shops reported increases in sales of football shirts and related attire. Clothing stores saw sales volumes decrease in June after strong increases in the preceding three months.

The total sales volume in June was 7.2 per cent higher than in June 2003. This follows an annual growth rate of 7.5 per cent in May which was the highest annual growth since April 2002.

The unadjusted value of retail sales in June totalled £23.1 billion. Average weekly sales were £4.6 billion, 6.0 per cent (about £300 million) higher than the same month in 2003.

Increased sales for mail order and internet companies helped raise the annual growth in sales volumes for the non-store retail and repair sector to 14.3 per cent, the highest since records for this sector began in 1986.

Released: 24 July 2004

Summaries on other economic topics as well as social subjects can be found at www.statistics.gov.uk/glance

Economic update

August 2004

Nicola Mai

Office for National Statistics

- The preliminary estimate for GDP growth in the second quarter was 0.9 per cent, an acceleration from the first quarter of the year.
- Also according to preliminary figures a buoyant service sector continued to lead economic growth, construction sector growth rose again and manufacturing output bounced back sharply after a fall in quarter one.
- Consumer spending rose by 0.6 per cent in the first quarter and retail sales growth remained buoyant into quarter two.
- Fixed investment rose by 1.7 per cent in the first quarter, a slower rate of growth than at the end of 2003 though still robust.
- Government spending is currently a positive contributor to economic growth although public sector finances are falling further into deficit. Figures for public sector finances in June sent some more positive signals however.
- Export activity declined in April but rose in May with a positive net effect on quarterly growth so far.
- Labour market aggregates remain largely stable, but average earnings have risen in early 2004.
- Producer output price inflation went up again in June reflecting the impact of higher oil prices. Input price inflation was lower than last month but remained high overall.
- The CPI measure of consumer prices is still below target but the inflation rate went up again in June.

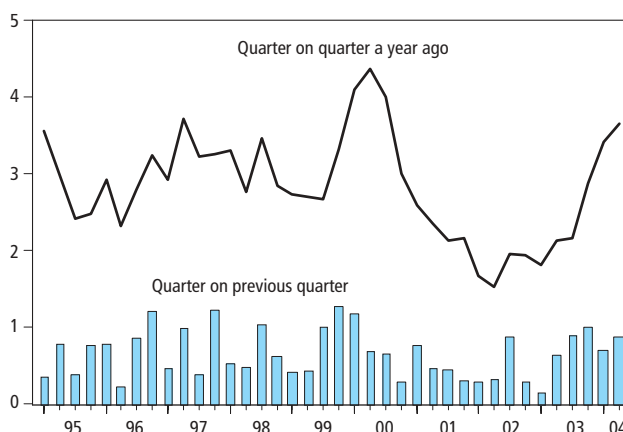
GDP activity – overview

Preliminary figures for the second quarter are now available and seem to suggest that the UK economy keeps on growing rapidly, maintaining the momentum built up in 2003. The initial estimate of GDP growth in the second quarter of 2004 was 0.9 per cent, indicating an acceleration over the previous quarter when growth was 0.7 per cent. The initial estimate for the annual rate of growth on the other hand was 3.7 per cent, higher than in the previous quarter (Figure 1). It should be remembered that this preliminary GDP release does contain a large element of estimation for certain sectors of the economy. The number will be firmed up later as more data becomes available.

First quarter GDP data are available for the major OECD economies and these show that the world economy continued to grow quite strongly in early 2004. First quarter GDP growth in the US at 1.0 per cent was about the same as that for the previous quarter. The growth was led by further strong growth in consumer spending but also reflected buoyancy in most areas of expenditure. Japan had the strongest GDP gains of all the major economies for the second successive

Figure 1
GDP

Growth



quarter, rising by 1.5 per cent. Exports continue to benefit from the impetus given to Asian trade from the rapid growth of China but much of the rise in the first quarter was due to domestic demand. Growth in the three biggest mainland EU economies, France, Germany and Italy, was rather more sluggish but still quicker than in the fourth quarter. Both Italian GDP and that of Germany rose by 0.4 per cent on the quarter while that of France was somewhat quicker at 0.8 per cent. Unfortunately for the UK, for whom the EU accounts for by far its biggest export market, the rebound particularly for Germany was led by exports, although at least in the case of France domestic demand also picked up. No second quarter GDP data was available at the time of writing.

Financial Market activity

The latest developments in financial markets suggest that the recovery in stock values since the low reached in March 2003 is still somewhat fragile. Last year saw some optimism return with the FTSE All Share Index ending 2003 up some 16 per cent, after three consecutive years of declines. 2004 also started positively with a good stock performance in the first quarter but a more erratic performance in the second quarter. By the end of June, the FTSE All Share Index was up almost 3 per cent when compared with the end of 2003. The increased volatility in the second quarter seemed to continue through July and, at the time this article was written, the FTSE All Share Index had declined enough to more than offset the gains accumulated through the year bringing the index to a level lower than that at the end of 2003.

The last twelve months or so have seen substantial exchange rate volatility, as sterling first declined and then rebounded. The early part of last year saw the pound fall against the euro but strengthen against the US dollar, and as a result the effective exchange rate fell by 7.2 per cent between December 2002 and May 2003. From this low the pound's effective rate rose slightly over the rest of the year as sterling continued to be buffeted between a strong euro and a weak dollar. For 2003 as a whole the effective index ended the year down about 5.0 per cent, as a fall of over 8 per cent in the bilateral rate versus the euro was partially offset by a rise of 10 per cent against

the dollar (Figure 2). Early 2004 has seen the pound continue to rise, most prominently against the dollar but also recently against the euro as well. The rebound may in part be due to the fact that the Bank of England has raised interest rates four times in recent months, by a total of 100 basis points in all, at a time when most other major central banks seem content to keep interest rates stable.

Output

As mentioned above, GDP growth in quarter two is estimated to be 0.9 per cent. It is worth remarking here that these preliminary second quarter estimates are based on partial information, which has to be augmented with a considerable amount of estimation to produce these initial numbers. This is particularly true at this stage for manufacturing and construction. In the case of construction the numbers are produced from a quarterly survey, the results of which are unavailable at the time of the preliminary GDP release. The manufacturing numbers are derived from a monthly survey but the responses to the third month of the quarter, in this case June, have usually not been fully collected by the time of the Preliminary GDP release.

According to the preliminary figures growth was rapid in all sectors of the economy. The service sector, by far the largest part of the UK economy, continues to be the major driver of growth while the production sector, which had displayed output declines in the first quarter of the year, picked up sharply in the second quarter and grew at the same rate as the service sector. Construction activity is also estimated to have performed quite well though not growing as fast as in the later quarters of 2003.

No published numbers are yet available for the construction sector. Figures for construction output are derived from a quarterly survey the results of which are still unavailable at the time of the initial GDP estimate for a quarter. This initial figure is a forecast calculated by the DTI using models based at least partly on monthly new construction orders. Using this methodology, construction is estimated to have grown slightly faster than in the first quarter of the year (Figure 3). External indicators of construction – mainly the RICS and the CIPS surveys – signal very strong growth in activity in the second

Figure 2
Exchange rates

£ equals

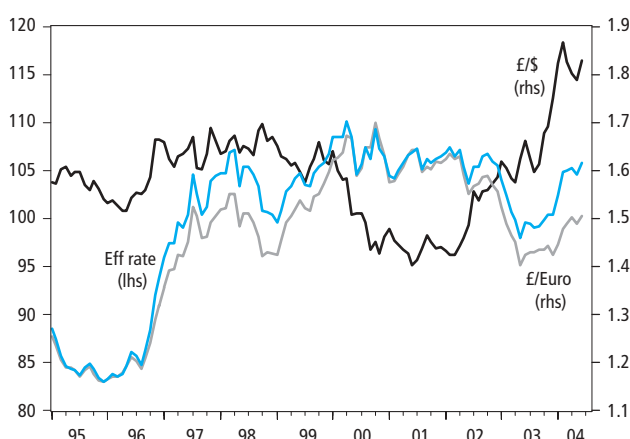
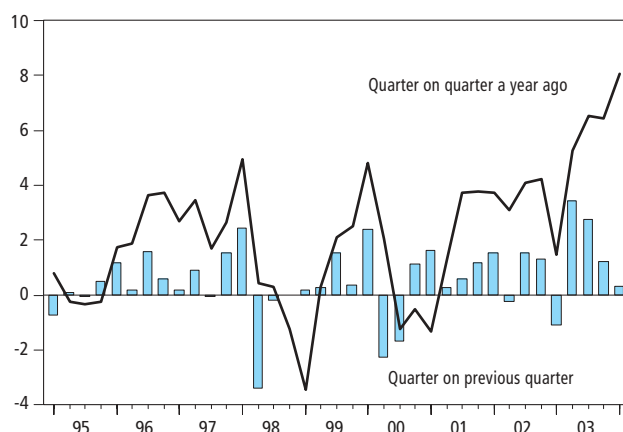


Figure 3
Construction output

Growth

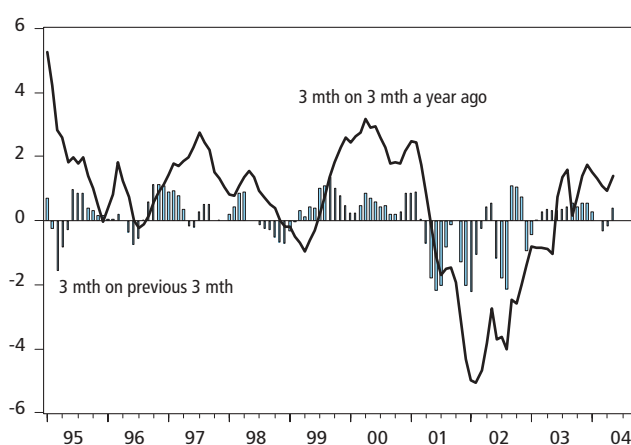


quarter, though possibly not as strong as in the first quarter. The CIPS indices show activity rising sharply in both housing and commercial activity with particular emphasis on housing.

Manufacturing output is estimated to have expanded rapidly in the second quarter, having grown by as much as 0.9 per cent. This is a notable pickup considering output had declined in the first quarter. The second quarter figure is based upon the released data for April and May, which showed sharp increases in activity and a forecast for June (Figure 4). The sector which helped growth up the most in recent months was the coke, refined petrol and nuclear fuels sector. Growth

Figure 4
Manufacturing output

Growth

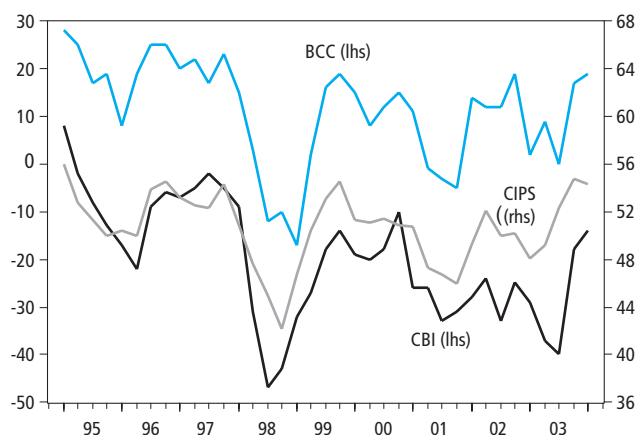


was positive in most sectors with the notable exception of textiles, leather and clothing. By industrial grouping output in all industries – durable and non-durable consumer goods, capital goods, intermediate consumption and energy – increased in recent months with the exception of consumer non-durables which were flat in the three months to May. External surveys of production for the second quarter of 2004 generally confirm the strength of the production sector (Figure 5). The CIPS survey, which has consistently signalled expansions since July last year, was particularly strong in the months from April to June 2004 showing increases in both output and orders figures. The quarterly BCC survey on manufacturing, on the other hand, provided somewhat more mixed signals. In particular, while home sales rose in the quarter, orders fell quite sharply. The quarterly CBI survey is not yet available but the monthly indicators for orders and output expectations showed high levels of optimism in all months from April to June.

Overall service sector output is estimated to have grown by 0.9 per cent in quarter two, expanding at the same rate as in quarter one. Growth in this sector has been very rapid since the second half of 2003 (Figure 6). The published monthly figures are the Index of Distribution and the experimental Index of Services. In the three months to April, the Index of Distribution experienced the sharpest rise since mid-2002 with increases coming from all sectors. In May the index fell by 0.5 per cent compared to the previous month due to declines in motor trades and wholesaling only partly offset by a rise in retailing. Overall, the index remained above its

Figure 5
External manufacturing

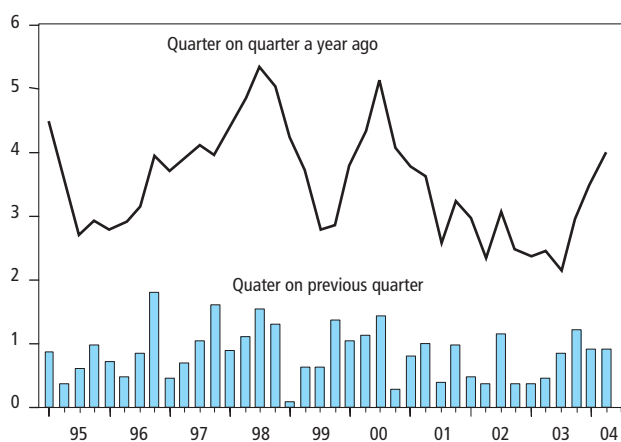
Balances



average in quarter one. The experimental Index of Services on the other hand grew by 0.7 per cent in the three months to May, with distribution making the largest contribution to growth. Growth in this index has slowed since the beginning of the year but remains sustained overall.

Figure 6
Services output

Growth



Surveys undertaken by other organisations point to strong growth in the service sector in the second quarter of the year. In spite of a slight drop from the first quarter, the CIPS index of services remains very strong signalling rapid growth in both activity and orders. The CIPS business expectations indicator on the other hand is at its highest level since 1999. The CBI survey overall showed that activity remained high in quarter two although there was a slight decline in the level of business in volume terms. The optimism indicator on the other hand was particularly strong. Finally, the BCC survey remained very strong and actually improved over the last quarter, with the deliveries (sales) index at its highest level since 1997.

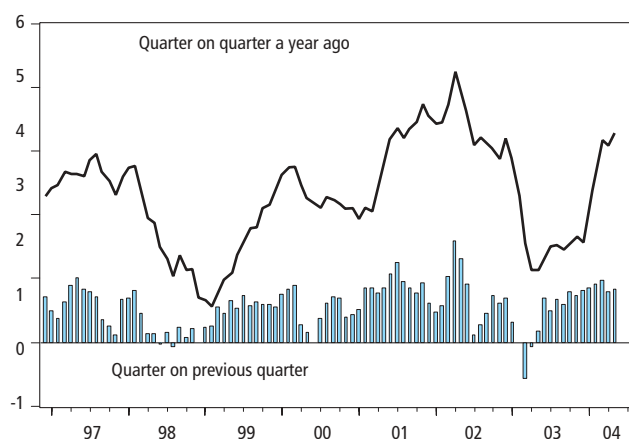
Household demand

An expenditure breakdown is not yet available for GDP in quarter two. Retail sales figures on the other hand show an increase of 1.9 per cent in the three months to June,

expanding at the same rate as in quarter one and providing some evidence that consumption remained strong into quarter two (Figure 7). External figures for retail sales seem to support this picture. Both the CBI retailing and the BRC like-for-like sale surveys improved on average over the previous quarter. The rise was particularly marked in the CBI survey, which reached the highest level since 2001 (Figure 8).

Figure 7
Retail sales

Growth



In the first quarter of 2004 quarterly growth in household final consumption was 0.6 per cent, exactly the same rate as in the fourth quarter of last year and slightly down on the third quarter number of 0.8 per cent. Growth compared with the same quarter a year ago was 3.0 per cent, compared to 2.2 per cent in quarter four last year (Figure 9). Growth for consumption as a whole in quarter one was significantly weaker than that of retail sales, which rose by 1.9 per cent in the quarter and was up 6.4 per cent when compared with the same quarter a year ago. It should be noted however, that household consumption accounts for a much wider range of spending than retail sales and that retail sales is still not calculated using chain linking, the method now used to produce the GDP numbers.

The breakdown of consumer spending patterns shows a variable pattern. Spending on goods and particularly on durable goods continues to rise sharply. Spending on durable goods rose by 1.7 per cent in the first quarter compared with 0.5 per cent in quarter four. Spending on semi-durables was also up sharply at 2.7 per cent compared with 3.1 per cent in quarter four. Expenditure on non-durable goods was somewhat weaker at 0.9 per cent, the same rate as in the previous quarter. Finally expenditure on services was virtually unchanged for the second successive quarter, implying that spending in this area has now been almost flat for six months.

Most of the fundamentals for consumer spending remain supportive. Real disposable income growth remains consistent with a moderate growth in spending. The labour market is tight and getting tighter, having a small upward effect on wages and generally ensuring that consumers remain relatively unconcerned about their job prospects.

Figure 8
External retailing

Balances

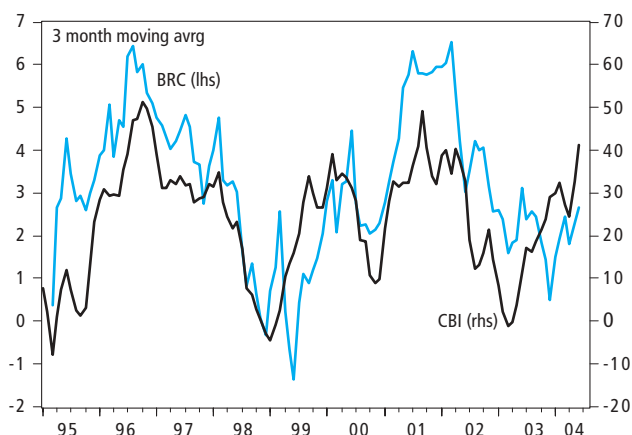
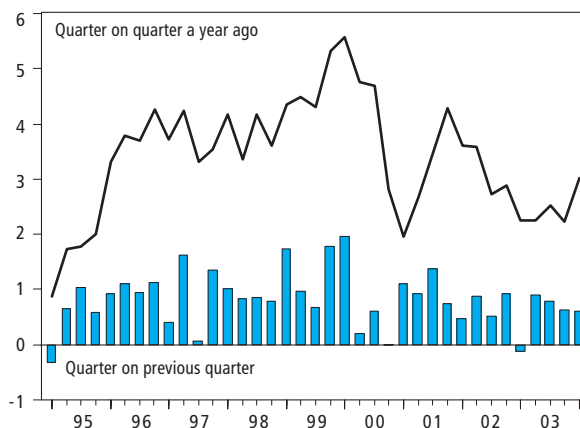


Figure 9
Household demand

Growth



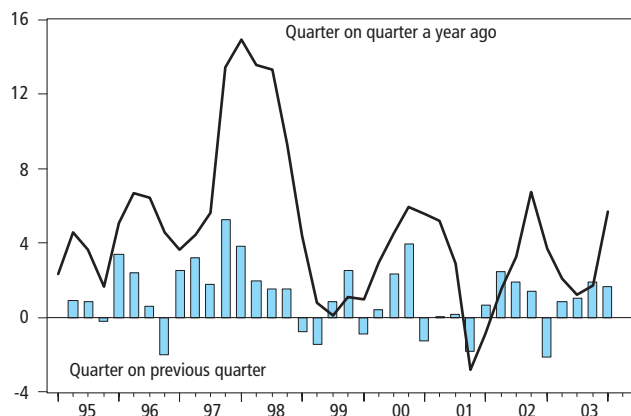
Meanwhile consumer confidence is still reasonably high and the continued buoyancy of the housing market is a further positive. Increased uncertainty in the stock market could act as a deterrent for consumption, although it would be premature to judge the impact of the recent volatility. Also, there is as yet little hard evidence to suggest that the four base rate hikes since November have had a significant or indeed any impact on consumer behaviour, although some commentary in the media has suggested that the pace of house price rises is now starting to slow.

Business demand

Private Non-Financial Corporations' fixed investment in current prices rose by 2.9 per cent in the first quarter and by 13.4 per cent when compared with a year ago, providing some support for the idea that this area of spending is now recovering. Disaggregated investment figures in real terms by asset are available but only for the economy as a whole and so are not directly comparable. These show that spending on machinery and equipment rose by 3.0 per cent on the quarter, the second consecutive quarter of sizeable gains in this asset. As this has been the area of investment that has been particularly weak in recent years, the improvement is a cause

Figure 10
Fixed Investment

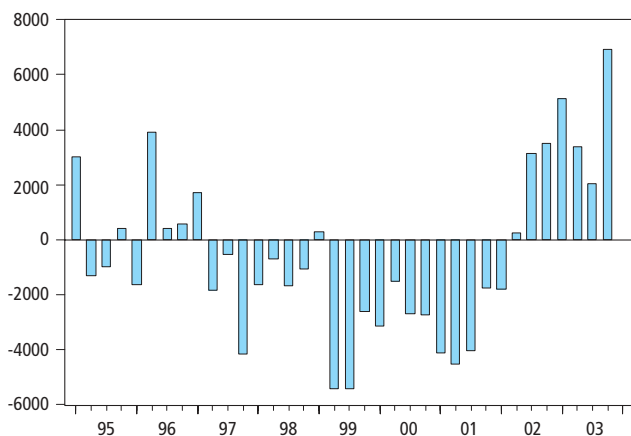
Growth



for optimism. Investment in dwellings and in other buildings and equipment were also up but the rise in fixed investment as a whole was held back by a fall in expenditure on transport equipment (Figure 10).

Figure 11
Net lending by the Non-financial corporate sector

Balances



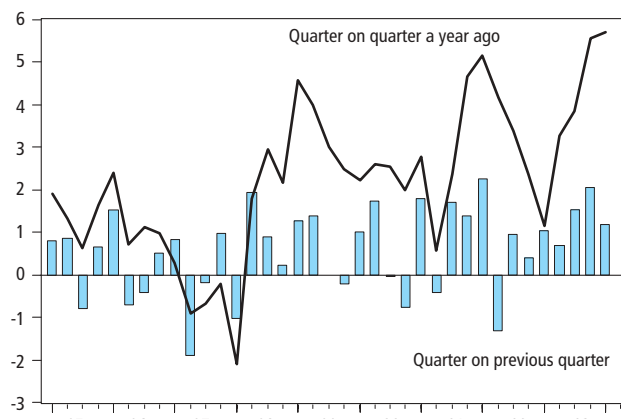
Despite the rise in spending over the last twelve months, the environment still remains a mixed one for investment. An increase in investment depends upon firms finding it both affordable and profitable to invest. The last few quarters have seen an improvement in this to some degree. The first quarter saw the non-financial corporate sector record another big quarterly net lending position due to another rise in the gross operating surplus and a high return on investments (Figure 11). However, because of the high level of borrowing in the late 1990s the corporate sector does still have very high levels of net liabilities. The financial balance sheet shows the sector had net liabilities of £1,327 billion in the first quarter of 2004, another rise when compared with the previous quarter.

It is also unclear whether firms perceive this as a favourable environment in which to boost investment. They generally continue to report a low level of capacity utilisation possibly indicating that further investment may not be required.

Also, evidence on investment intentions from the latest BCC survey seems to be mixed with manufacturing sector figures weakening and service sector figures strengthening.

Figure 12
Government spending

Growth



Government demand

Government final consumption expenditure in real terms grew by 1.2 per cent in the first quarter of 2004, a slower pace of growth than in the final quarter of last year when activity rose by 2.1 per cent (Figure 12). Some of the recent strength reflects higher defence spending, while spending on health is also rising sharply. Growth compared with the same quarter a year ago was up 5.7 per cent, while for 2003 as a whole it had been up 3.5 per cent compared with a 3.8 per cent rate of increase in 2002. It is worth recording that government output figures were recently revised in conjunction with the annual publication of the *Blue Book*, out on 23 July. In all periods since 2001, growth in government consumption has been revised up thanks partly to improved estimates of health output but also to other factors such as revised data on departmental spending and a review of the allocation of spending to functional categories.

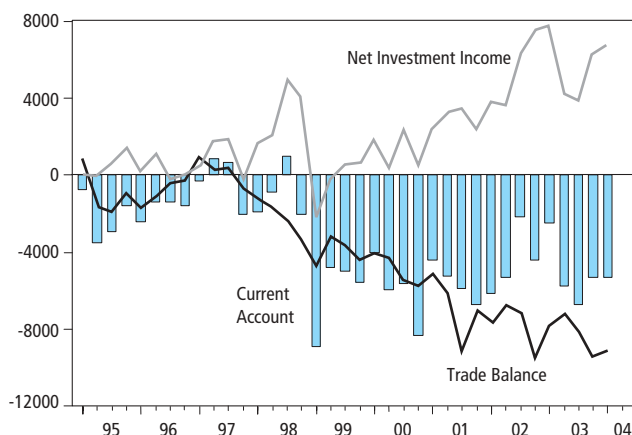
The combination of faster government expenditure growth alongside weaker revenues reflecting the more subdued economic activity has led to deterioration in the public sector's finances. The public sector, a substantial net lender in the years 1998 to 2001 became a net borrower again in 2002. The net borrowing figure for 2002 was £18.2 billion, which compares with a net lending figure of £7.6 billion in the previous year. This deterioration has continued into 2003 and early 2004. Net borrowing in calendar year 2003 was £38.1 billion and the first quarter of 2004 saw a further borrowing of the order of £9.4 billion. The latest budget deficit estimates for June, however, turned out to be lower than expected with the deficit having shrunk to £4.9 billion from £5.7 billion in the same period a year ago.

Trade and the Balance of Payments

The UK current account remained in substantial deficit in the first quarter of 2004 at a level almost identical to that of

Figure 13
Balance of Payments

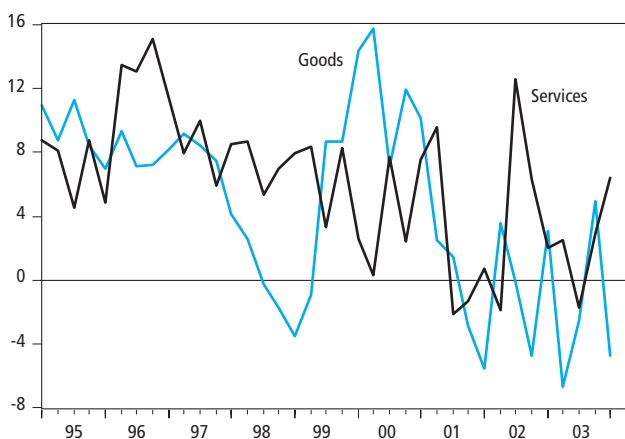
£ million



the previous quarter. The first quarter deficit figure was £5.3 billion, the same rate as in the fourth quarter of last year and down on the £6.8 billion deficit of the third quarter. The first quarter figure comprised of a record deficit on trade in goods of £13.9 billion, partially offset both by a rising surplus on trade in services of £4.8 billion and by positive income flows. The fall in the deficit from the third quarter was partly due to a stronger performance on trade in services and partly to more favourable income flows on direct investment activity. The deficit number for last year was revised upward from the earlier estimate due to less favourable figures in trade in goods and investment income (Figure 13).

Figure 14
Export volumes

Growth, quarter on quarter a year ago



In volume terms both imports and exports fell in quarter one – by 0.8 and 0.9 per cent respectively – with the export figure being driven down largely by a very sharp fall in non-EU exports of goods in January. One possibility is that sterling's rise against the dollar is now impacting on UK companies' international competitiveness but it is hard to explain an abrupt one month fall and then subsequent rebound in terms of this. A more likely explanation is that the decline is linked to seasonal adjustment problems brought on by

computerisation at Customs and Excise, which may have meant that exports that would have been in the past assigned to January were on this occasion assigned to December. Figure 14 depicts the movements of exports of goods and services over the last few years.

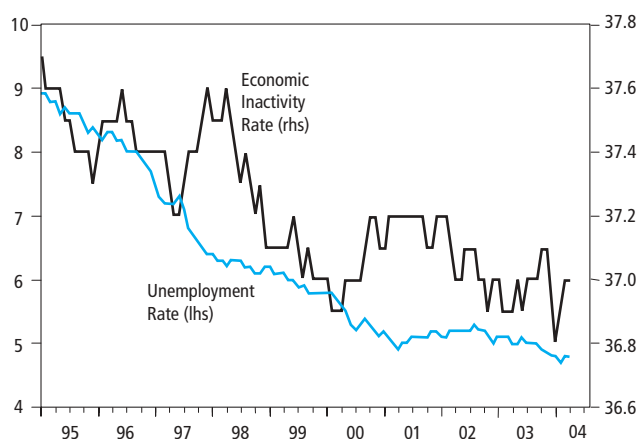
Figures on imports and exports of goods are now available for the first two months of the second quarter. The UK's balance on trade in goods and services in May is provisionally estimated as a deficit of £3.4 billion, compared with a revised deficit of £3.1 billion in April. More generally, the latest estimate of the trend suggests that the UK trade deficit is fairly flat in recent months.

Imports in volume terms rose in April and fell back in May, where the May drop came largely from oil and erratics. Imports from the EU increased in both months although so far growth over the past quarter is near zero. Growth in imports from non-EU countries, on the other hand, is positive so far. Export activity, on the other hand, declined in April and rose in May with a positive net effect on quarterly growth so far. Excluding oil and erratics, the increase in exports over the quarter is substantial reaching around 3.2 per cent so far. It is worth noting that from the May release EU figures include trade with the ten new countries which joined the Union on 1 May 2004.

External surveys on exports generally point to a pickup in the second quarter, broadly matching the pattern followed by monthly official figures so far. According to the BCC survey, the manufacturing sector's export balances recorded mixed movements – with export sales falling and export orders rising – but remained relatively strong overall. In the service sector, instead, the export balances rose with both sales and orders rising. According to this survey manufacturing exports remain stronger than service exports, but the gap has narrowed. Finally, according to the CBI monthly figures available when writing this article exports improved substantially in the second quarter. The average CBI index level for exports in the months from April to June is at the highest level since 1995.

Figure 15
Unemployment & Economically Inactive

Per cent



Labour Market

Headline labour market statistics continue to be remarkably stable. Employment is high, with the labour force survey (LFS) employment rate at 74.7 per cent in the period March to May, down marginally from the previous quarter. Meanwhile the LFS count of employment decreased by 29,000 over the same period. The ILO unemployment rate was 4.8 per cent in the three months to May, flat on a month ago. However, the claimant count unemployment rate, at 2.7 per cent in June was down 0.1 per cent compared with May. All these figures point to a fairly tight labour market, a conclusion that is somewhat confirmed by the recent rises in average earnings. When taking into account those people who are officially designated as economically inactive, that is, neither employed nor unemployed but actively seeking work, however, the position does not look quite so tight (Figure 15).

Full-time employment has been falling over the last year or so as most job gains have been in part-time work. Also, a recent trend has been for job gains to be in self-employment. The recent job loss in the three months to May, however, was evenly distributed between self-employed and employees, part-time and full-time jobs. The only category of jobs which increased and partly offset the loss in other jobs was the one of 'government supported training and employment programmes'.

The industry disaggregation from 'workforce jobs' is available for the three months up until March. The figures show a similar pattern to previous recent surveys. Manufacturing continues to shed jobs, whilst 'public administration, health and education', 'distribution, hotels and restaurants' and construction continue to increase employment. Notably, the 'finance and business services' contributed quite significantly to the total job loss in the three months up to March.

Earnings growth seems to have been on a steady though not steep rise over the last year. The latest available figures for May 2004 indicate wage inflation is 4.1 per cent when including or excluding bonuses, down from the April figures of 4.6 and 4.3 respectively. The gap between public and private sector earnings growth had been narrowing up to May this year, when public sector and private sector wage inflation were only 0.1 percentage points apart. A sharp rise in public sector inflation in May helped opening the gap once again, although this effect may be temporary.

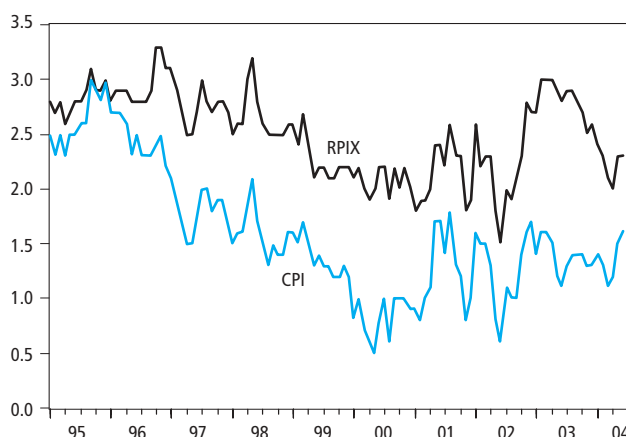
Prices

The producer price index has been edging up throughout 2004. When looking at the PPI excluding food, beverages, tobacco and petroleum products, the index has been much more stable suggesting a probable major impact from the recent increase in oil prices on the PPI. The effect of oil price rises is particularly notable in the input PPI which has accelerated sharply this year.

Producer output prices rose by 2.6 per cent annually in June, up from 2.5 per cent in May and 1.8 per cent in April. The increase is primarily due to higher oil prices but also reflects duty increases on alcohol and tobacco and price increases in the food industry and in goods classified as 'other

Figure 16
Inflation

Growth, month on month a year ago



products'. Output prices excluding food, beverages tobacco and petroleum products rose by 1.4 per cent in June, flat on the previous month. It seems possible then that underlying inflationary pressures are still being dampened by the strength of sterling. Input prices have climbed sharply in early 2004 although the series seems to have been quite erratic. Input prices had ended 2003 up 2.1 per cent compared with a year ago. The first two months of 2004 saw falls in input prices in annual terms but since then prices have been climbing and in May and June input prices were 5.4 and 3.3 per cent higher than a year ago respectively. Most of this rise is due to higher crude oil prices.

Consumer price inflation as measured by the CPI was at 1.6 per cent in June and has been edging up since March, getting closer to the Bank of England's inflation target. The RPIX has also been edging up in the last quarter and is now at 2.3 per cent, very close to the Bank's old target (Figure 16). Finally, the RPI measure of inflation also increased in June reaching 3.0 per cent, up from 2.8 per cent in May. Overall, inflationary pressures seem to have been rising this year, partly because of oil price movements but possibly also because of strengthening demand.

Forecasts for the UK August economy

A comparison of independent forecasts, July 2004

The tables below are extracted from HM Treasury's Forecasts for the UK Economy and summarise the average and range of independent forecasts for 2004 and 2005, updated monthly.

Independent forecasts for 2004

	Average	Lowest	Highest
GDP growth (per cent)	3.2	2.5	3.5
Inflation rate (Q4 per cent)			
CPI	1.7	1.0	2.7
RPI	3.2	2.5	4.1
Unemployment (Q4, million)	0.84	0.71	1.03
Current account (£ billion)	-26.4	-38.0	-17.5
Public Sector Net Borrowing (2004-05, £ billion)	35.7	25.6	48.0

Independent forecasts for 2005

	Average	Lowest	Highest
GDP growth (per cent)	2.6	0.4	3.2
Inflation rate (Q4 per cent)			
CPI	1.9	1.5	3.0
RPI	2.7	1.8	4.2
Unemployment (Q4, million)	0.85	0.62	1.06
Current account (£ billion)	-27.9	-46.0	-10.0
Public Sector Net Borrowing (2005-06, £ billion)	36.5	24.0	55.0

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 Claire Coast-Smith, Public Enquiry Unit 2/52, HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ (tel 020 7270 4558). It is also available at the Treasury's Internet site: <http://www.hm-treasury.gov.uk> under 'Economic Data and Tools'.

International economic indicators

August 2004

Richard Wild

Office for National Statistics

Overview

- Complete GDP growth estimates for 2004 Q1 are now available for all major economies. Japan and the US achieved the fastest rates of expansion, followed by France, Italy and Germany.
- Japanese growth in quarter one, where the economy expanded by 1.5 per cent on the previous period, was notably strong. The US economy also performed well, expanding by 1.0 per cent. The major Eurozone economies showed some improvement, with France growing by 0.8 per cent in the same quarter, and Germany and Italy both going up by 0.4 per cent.
- The US recovery last year was led primarily by buoyant private consumption demand, and this continues to be the main driver this year. Fixed investment has also shown increasing strength. The trade deficit, however, remains historically large.
- Japanese growth has again resulted from a balanced combination of both domestic and foreign trade components –but negative price growth has been a persistent phenomenon and real GDP growth in quarter one is explained partly by falls in the GDP deflator.
- The recovery in the Eurozone economies is now confirmed. Output growth in Germany came mainly from an improvement in the trade balance whilst private consumption weakened. Conversely, French growth was led by private consumption whilst the trade balance remained negative. Expansion in Italy resulted from equal contributions from private consumption and investment.
- In 2004 Q1, annual industrial production growth was positive for all countries except Italy, where growth was flat. External indicators for manufacturing in the Eurozone^{1,2,4,5} weakened in Italy and Germany but showed a minor improvement in France, with the converse true for the PMI Services indices. In the US, the ISM manufacturing⁹ and non-manufacturing (services)¹⁰ Purchasing Managers' Indices indicate sustained high levels of activity, although the non-manufacturing index has fallen marginally since April.
- The Italian unemployment rate looks to have levelled out at 8.5 per cent and the French and German rates are broadly flat at 9.4 and a historically revised 9.8 per cent, respectively. US unemployment, at 5.6 per cent, is below last year's average of 6.0 per cent, whilst in Japan the rate is down 0.1 per cent on April at 4.6 per cent, a figure still in excess of historical norms.
- Global inflationary pressures remain subdued. Consumer price inflation in France and Italy is close to the ECB target of 2 per cent, but considerably lower in Germany. For those countries, producer price growth has been positive but distinctly more sluggish. In the US, both consumer and producer price growth have picked up since last year. New monthly data for Japan indicate further falls in the CPI, but further increases in the PPI.

Germany

The quarterly GDP figures for last year indicate consecutive falls of 0.2 per cent in quarters one and two, counterbalanced by growth of 0.2 per cent and 0.3 per cent in quarters three and four. The revival continued into the first quarter of this year, with an addition of 0.4 per cent to GDP. In annual terms, GDP grew by 0.1 per cent in 2003 Q4, followed by a rise of 0.7 per cent in the next quarter, signalling the end of the brief recession. However, this gain is almost entirely attributable to the marked reversal in Germany's net trade position. In 2004 Q1 net exports contributed 1.3 per cent to growth, having subtracted 0.4 per cent in the previous quarter. Excluding 2003, this component has made positive annual contributions in each of the last four years. Domestically, household consumption remains weak, subtracting 0.5 per cent annually in quarter one of this year. Investment has been in decline since 2000 and the trend has continued into this year with a negative input of 0.2 per cent in Q1. Inventories added 0.2 per cent to growth in the same period, having added 0.6 per cent in 2003. Government expenditure made a modest positive contribution of 0.2 per cent last year, but only had a neutral effect in quarter one of 2004.

In the first quarter of 2004, German GDP increased by 0.4 per cent. Most of this was due to an improvement in the trade balance, which alone would have added 0.8 per cent to the total rise in growth. The only other positive effect came from a more moderate addition of 0.2 per cent from inventories. After falling in all but the first quarter of 2003, private consumption had a neutral effect on growth in 2004 Q1, indicating continued weakness. The figures for investment have been revised, mainly in an upward direction. After reducing GDP by 0.2 per cent in both quarters one and two of last year, GFCF added 0.0 per cent and 0.3 per cent in quarters three and four. For 2004 Q1, the news is again downbeat, with a real decline of 1.8 per cent resulting in a cut to GDP growth of 0.4 per cent. Lastly, government expenditure subtracted 0.2 per cent from demand, after playing a broadly flat role throughout last year. Overall, it is clear that rapid gains in external demand are masking subdued domestic consumption and declining investment, and this imbalance implies that the expansion may be more fragile than the headline figure suggests.

On the whole, the lack of impetus to current domestic consumption and investment during the course of 2003 has not yet been reversed. In the absence of trade, GDP would have contracted by 0.5 per cent in 2004 Q1. The improvement in economic sentiment in 2003 Q4 was reflected in a brief, if relatively substantial boost to investment. After several months of faint and faltering optimism, the key external surveys continue to tell an uncertain story, rooted in worries over rising oil prices and expected interest rate hikes. The ZEW Indicator of Economic Sentiment¹ fell from December 2003 to May of this year, but has risen by a point in each of June and July to its current level of 48.4. This is some way above the historical average, but analysts suspect that increases are being moderated by the lack of recovery in domestic demand.¹ The June IFO business survey², encompassing manufacturing, construction, retailing, and

wholesaling continued to decline, following a brief rise in April. As in May, there was a marked divergence between the business climate in East and West Germany, and a drop off in manufacturing employment is seen as the primary cause of the stagnation in domestic demand. The results of the July survey were not available in time for inclusion in this month's publication.

The improvement in net trade in Q1 provided a much-needed boost to the economy, but the growth paths of imports and exports were fairly irregular in 2003, and this volatility suggests that a continuation of the positive trend is by no means certain for Q2. Nevertheless, the dual evidence of expansion in France and Italy, coupled with the decline in the real effective exchange rate since January, continue to offer encouraging signs for external commerce. The idling domestic situation is at least in part explained by government expenditure, whose contribution to GDP growth turned negative last quarter. This is unsurprising, given that the ratio of the government deficit to GDP exceeded the 3 per cent ceiling imposed by the Stability and Growth pact for the second year in succession in 2003. Under this structural limitation, it seems likely that alternative cyclical and external factors will have to be relied upon to foster an increase in demand.

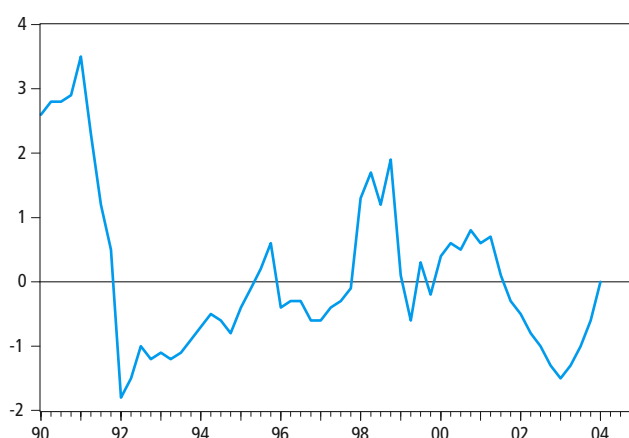
The industrial production index has been marginally revised, and now indicates expansion in 2003 Q4 and 2004 Q1, providing evidence of a cyclical upturn. Industrial production in 2003 quarter four rose at its fastest rate for five quarters, expanding by 2.1 per cent over the previous period. This compares to a sharp slowdown of -1.1 per cent in quarter two, followed by a flat posting in quarter three. For the first time since January of this year, the revised monthly figure in April showed a production gain of 1.5 per cent on the previous period, although this way of measuring growth is notoriously volatile. After strong annual growth in December 2003 of 2.6 per cent, the Index of Production fell back to 2.2 per cent in January and 1.6 per cent in February. After a further decline to 1.3 per cent growth in March, the recorded rate of increase now stands at 3.2 per cent. Generally, industrial production has been weak since 2001, after exceptional gains in 2000. After respective changes of -1.0 per cent and +0.4 per cent in 2002 and 2003, 2004 may offer additional growth if export demand continues to make up for weak private consumption.

Inflation was stable yet subdued in 2003, having fallen below the Eurozone target rate of 2.0 per cent since 2002 Q1. In 2004 Q1, the German CPI rose by 1.0 per cent, equalling the annual rate posted for the previous year as a whole. Between July 2003 and March 2004, monthly annual inflation averaged a little less than 1.1 per cent. However, in April and May growth climbed by 1.6 per cent and 2.0 per cent, and the momentum was maintained with a rise of 1.7³ per cent in June. A more subdued increase is observable in the PPI. Prices at the factory gate averaged monthly annual increases of 1.9 per cent from July to December 2003, but inflation dwindled to -0.1 per cent in February. After picking up to 0.3 per cent in March, German producer prices rose by 0.9 per cent and 1.6 per cent in April and May. The latest June figure stands at 1.5³ per cent.

Some significant upward revisions have been made to the unemployment rate figures, amounting to approximately 0.4 per cent per month since 2003. The monthly figures now average 9.7 per cent between May and December of last year, with a marginally positive trend emerging as 2004 progresses. In January and February, a rate of 9.6 per cent was followed by a posting of 9.7 per cent in March. The figure crept up slightly to 9.8 per cent in April and May matching that of May last year. Annual employment growth declined in every quarter from 2001 Q4 to 2003 Q4, with particularly strong falls seen in the first half of 2003 (see Figure 1); the figure now indicates zero growth in 2004 Q1. In quarterly terms, there was a positive change in employment of 0.3 per cent from 2003 quarter two to quarter three, and of 0.6 per cent from quarters three to four. In line with seasonal trends, employment fell by 1.8 per cent in the first quarter of this year, although this decline is less marked than in the first quarters of the previous three years.

Figure 1
Germany: Employment

Growth, quarter on quarter one year ago



The annual growth in earnings of 2.2 per cent in 2004 Q1 is a little higher than the 2.1 per cent and 2.0 per cent rates posted in quarters three and four of 2003. Earnings grew more strongly in the first half of 2003, up by 2.8 per cent in both quarters one and two, which helped to boost the annual average to a respectable 2.4 per cent. Wages and salaries have now outstripped CPI inflation in every year since 1999, with the exception of 2001.

France

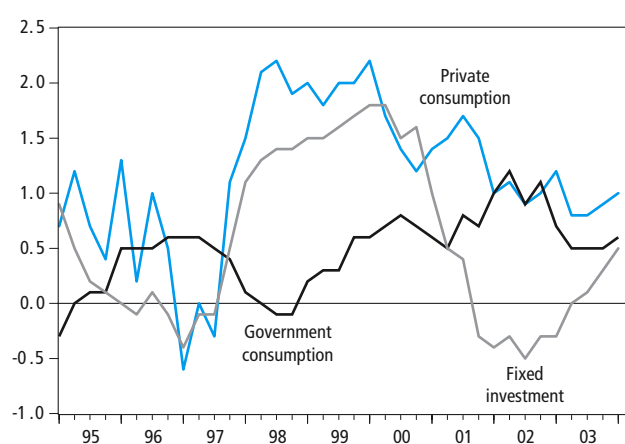
GDP growth accelerated sharply to 1.7 per cent in the year to March 2004, outpacing annual growth in 2003 of 0.5 per cent. Earlier estimates put annual expansion in 2003 at just 0.1 per cent. Growth in 2003 was supported by increases in household consumption and government expenditure, which added 0.9 and 0.6 per cent to growth respectively. Conversely, net exports and inventories declined, subtracting -0.9 and -0.2 per cent from growth respectively. The trade data now show a contraction in exports of 0.8 per cent and an expansion of 0.1 per cent in imports. Investment made only a flat contribution to the change in GDP in 2003, after subtracting 0.4 per cent in

2002. The similarity between the current French and German economic situations remains, albeit with more robust household consumption in the former. Last month's upward revisions to the German unemployment rate also place a margin of extra distance between the two. The decline in inventories over the first three quarters of 2003 is consistent with strong domestic demand; their subsequent rise in 2003 Q4 and 2004 Q1 in the face of sustained consumption growth may be explained by concurrent increases in industrial production.

The latest national accounts figures indicate that the economy grew annually by 0.4 per cent in quarter three and 1.1 per cent in quarter four of 2003, a rapid improvement over the first half of the year. In 2004 Q1, the expansion continued apace, with an increase of 1.7 per cent. Household consumption (+1.0 per cent) and government consumption (+0.6 per cent) made the largest contributions to GDP growth (see Figure 2), followed by fixed investment (Figure 2) and exports, whose magnitude has been revised upwards. France's net export position has been improving recently, although its growth contribution remains close to recent historical lows, now at -0.5 per cent. For GDP in quarterly terms, a moderate increase of 0.1 per cent in 2003 Q1 preceded a contraction of 0.3 per cent in Q2. In the latter half of last year, output climbed by 0.6 per cent in quarters three and four. In 2004 Q1, a gain of 0.8 per cent was made. The contribution of household consumption growth to output gains has not been revised since the July publication, with the component adding 0.3 per cent in 2003 Q4. The addition of 0.5 per cent – down from 0.6 per cent in previous estimates – remains the largest single contribution to expansion in 2004 Q1. Government expenditure has made steady progress, adding between 0.1 and 0.2 per cent to the change in output in all quarters of 2003 and 0.1 per cent in 2004 Q1. Imports now appear to have had the second largest impact on the rise in GDP, subtracting 0.3 per cent, with exports now adding 0.2 per cent. Last month investment looked to have made the second largest growth contribution in Q1, but its impact was cut by 0.2 per cent to 0.1 per cent in the most recent series of estimations. This loss has been offset in part by net exports and also inventories, which added 0.1 per cent to GDP in 2004 Q1.

Figure 2
France: Domestic demand

Contributions of consumption and investment to annual GDP growth



French industrial production expanded by 0.7 per cent in each of the latter two quarters of 2003, on a quarterly basis. A less substantial gain of 0.4 per cent was recorded for 2004 Q1, completing the first sequence of three successive production increases for three years. The latest monthly data indicate a rise over the year to April 2004 of 1.1 per cent, after growth of 0.9 per cent in February and 1.4 per cent in March. The longer-term picture shows that industrial production has been weak for roughly three years, but growth has been picking up in both period-to-period and annual terms. Production grew by 1.0 per cent in 2001 (a modest performance when compared to 1999 and 2000) and fell by 1.2 and 0.1 per cent in 2002 and 2003, respectively. The strength shown last quarter of last year, with annual growth of 1.2 per cent, carried over into 2004 Q1, where production increased by 0.7 per cent. Solid private domestic demand and renewed export growth may serve to maintain its buoyancy further into the year.

Looking at market indicators, the INSEE monthly business survey⁴ for June shows that activity remains above its long-term level, although the composite index has changed little since May. After a slight slowdown over the last three months, the outlook for the ensuing three-month period suggests a subdued recovery, with export order books filling up slowly.⁴ The July survey was yet to be published at the time of writing. The Purchasing Managers' Index (PMI) for manufacturing⁵ in France between June and July indicated only a 0.3 point rise in activity, while the services index fell from 58.5 to 57.9 over the same period.⁵ After strong increases between April and May, gains in both indices have cooled off, potentially signalling a slight cooling of the economy as a whole.

Consumer price inflation in France has picked up pace fairly rapidly during recent months. Following an acceleration to 2.2 per cent in November 2003, price growth fell back to 1.7 per cent in March 2004. Price growth accelerated to 2.2 per cent again in April and to 2.7 per cent in May. Despite falls in energy prices, increases in foodstuffs and services served to maintain harmonised inflation at 2.7% in June.

Producer prices have also risen during 2004, but so far to a much lesser degree. After remaining broadly flat from July to December last year, annual price growth rose by 0.1 per cent each month from the January rate of 0.1 per cent to the April figure of 0.4 per cent. The most recent May figure shows a faster pickup to 0.7 per cent. Whilst these figures are modest, they show a clear upward trend, resulting from increases in the cost of oil and its derivative products.

The French unemployment rate rose steadily over the past year, from 9.1 per cent in January 2003 to 9.5 per cent from October through to January, the highest rate since April 2000. Since February, the rate has been marginally lower at 9.4 per cent. Employment growth has shown a steady decline since 2000 Q4 on an annual basis. Using the more volatile quarter on quarter measure, the increase in the number of people employed has been declining since 2000 Q1, oscillating between 0.0 and 0.1 per cent during 2002. Data for 2003 show negative growth of 0.2 per cent in Q1 and no change in Q2. After contracting by 0.1 per cent in the Q3, some ground was made up in the final quarter with a gain of 0.2 per cent.

The data for 2004 Q1, however, show another contraction of 0.1 per cent, with a rise in construction sector employment cancelled out by a fall in the manufacturing sector.⁷

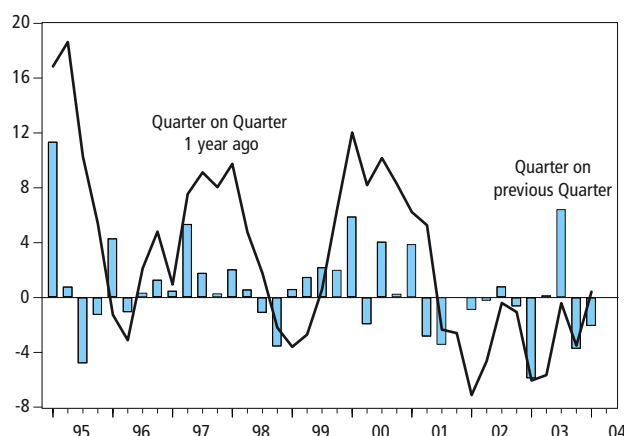
Annual earnings growth has been easing since 2000 and declined from 5.2 per cent in 2000 Q2 to 2.7 per cent in the second quarter of 2003. Increases in quarters three and four were moderate, at 3.0 per cent and 2.8 per cent, respectively.

Italy

Expenditure data for 2003 now indicate that the Italian economy expanded by 0.4 per cent last year. On a quarter-on-quarter basis, the first half of the year was characterised by slightly negative growth, which was followed by a reasonable upturn in activity in quarter three and no growth in quarter four. Annual growth in 2004 Q1 is estimated to be 0.8 per cent. The main contributors to the increase in 2003 were household and inventories, which added 0.7 per cent and 0.6 per cent to GDP growth, respectively, and government consumption, which added 0.4 per cent. Fixed investment was comparatively weak during 2003, falling by 2.1 per cent on the previous year, to have a (revised) negative impact on output growth of 0.4 per cent. Italy's net foreign trade position marginally improved, with a slight fall in exports more than offset by a fall in imports. However, the weakness of exports since 2002 (see Figure 3) resulted in a contribution of -0.9 per cent to GDP growth in 2003.

Figure 3
Italy: Exports

Growth, month on month one year ago



The first quarter of 2004 displayed a welcome rise in activity, with total expenditure increasing by 0.4 per cent over the previous period. The main drivers of the expansion were household consumption and investment, which each added 0.5 per cent to GDP growth, on a quarterly basis. Investment grew by a notable 2.5%⁸ per cent on 2003 Q4. Government consumption made a flat contribution, having marginally fallen since 2003 Q4, whilst inventories subtracted 0.3 per cent. Externally, export demand dropped by 2.1%⁸ per cent, resulting in a reduction in overall demand of 0.6 per cent. However, this effect was partially offset by a concurrent fall in imports that resulted in a combined contribution to GDP growth from net exports of -0.2 per cent.

On a quarterly basis household consumption appears to have rebounded, adding 0.2 and 0.4 per cent respectively to growth in quarters two and three of 2003, and subtracting 0.1 per cent in the final quarter. Much the same pattern was shown by investment, which fell sharply in 2003 Q1, and continued to stifle the expansion for the remaining three quarters. Net exports followed a similar path to Germany and France. In particular, trade only added to growth in quarter three of 2003. That one-off gain seems to have been linked to improving global economic conditions and increasing demand, especially outside of the Eurozone. In 2003, inventories proved to be the main catalyst of growth – especially in quarter one, where they contributed 1.1 per cent and in quarter four, where a further 0.7 per cent was added. Rising household consumption in tandem with falling import demand may explain the destocking that occurred in 2004 Q1.

The Index of Production has, in general, been weak since 2001. The latest estimates place annual growth in January 2004 at 0.1 per cent, followed by no growth in February. Production fell by 0.2 per cent in March but rebounded 0.7 per cent in April. However, the month-on-month figures indicate an overall contraction in production in the first three months of the year. This loss was partially offset by a monthly rise of 0.5 per cent between March and April. Beyond this, the Purchasing Managers' Index for manufacturing⁵ contracted by 0.5 points between June and July⁵, following a marginal rise of 0.3 points in the preceding period. However, the corresponding services index gained a further 1.3 points in July, after gaining 1.1 points a month earlier.⁵ The output position therefore seems positive on balance and rising French and German GDP may underpin future Italian output growth.

Consumer price inflation in recent years has been consistently higher than the EU average, with the most recent data for 2004 quarter one indicating a price increase of 2.3 per cent. As in France, the effect of last summer's heatwave on agricultural prices kept inflation high over 2003. In November, inflation slowed to 2.4 per cent and remained at that level in December. In 2004, price rises slowed marginally, to 2.2 per cent in January and to 2.3 per cent in all months up to June. Strong household consumption gains in Q1 may generate some extra inflationary pressure. Producer price inflation has been weaker than consumer price inflation since 2000. In the first quarter of this year, producer prices grew 0.4 per cent on an annual basis. PPI growth slowed through 2003, from 2.8 per cent in February to 0.7 per cent in October. It declined even further in January 2004, increasing by only 0.4 per cent. However, after bottoming out at 0.1 per cent in February, prices picked up by 0.7 per cent in March and by 1.7 per cent in April. In May, prices surged upwards by a rapid 2.9 per cent, with rising fuel costs apparently feeding through with a little more delay than in France or Germany.

Unemployment was broadly flat at a rate of 9.0 per cent in 2002, but declined steadily in 2003, falling from 9.0 per cent in January to 8.5 per cent in September. The latest figures indicate that unemployment remained steady at this level up to January. Data for later months is still unavailable. Annual employment growth has been positive in every quarter of the last nine years. Growth rates for 2003 were slightly weaker

than those observed in 2001 and 2002, with the most recent data for 2004 Q1 showing a relatively small rise of 0.7 per cent. Looking at quarterly growth, the fall of 0.7 per cent in the same period falls into the midrange of the seasonal declines commonly observed over the last five years and, as such, this does not in itself suggest the onset of a negative growth trend.

Earnings figures are quite volatile. It is worth noting, however, that annual increases for July, August and September 2003 were all 3.2 per cent, regaining the positive momentum that had been lost between March and June. The annual growth rate then fell back slightly towards year-end, posting 2.7 per cent in each month from October to December. The most recent data show rising earnings growth of 3.3 per cent and 3.5 per cent in February and March, respectively. In April, the rate climbed 3.6 per cent and was followed by a new year-high of 3.7 per cent in May. Earnings growth is now considerably greater than CPI inflation. Earnings in 2003 overall increased by 2.6 per cent, and in the year to 2004 Q1, rose by 3.0 per cent.

USA

The final estimate of GDP for 2004 Q1 is now presented in the relevant table. The US economy grew by 3.1 per cent in 2003, outstripping all other major world economies. It recovered strongly last year, expanding in all quarters and showing particular buoyancy in the second half of the year. Recent estimates of output in 2004 Q1 confirm that the upward trend has been sustained thus far, with annual growth of 4.8 per cent. Surveys of business activity in May continue to be favourable. The latest Institute for Supply Management manufacturing (diffusion) index remains high at 61.1⁹ per cent, although this is the lowest figure recorded since February. Nevertheless, the index has risen for the last thirteen consecutive months. The corresponding non-manufacturing index posted 59.9¹⁰ per cent, down from 65.2¹⁰ per cent in May. This is a relatively considerable slowdown, but represents the fifteenth consecutive month of expansion for this measure.

The main factor driving GDP expansion in 2004 Q1 was private consumption expenditure, which contributed 3.1 per cent to growth, annually. Fixed investment had the second largest effect, adding 1.6 per cent, followed by Government expenditure which made a reasonable contribution of 0.4 per cent. Inventories added 0.2 per cent to the gain in GDP, and net exports subtracted 0.4 per cent. Overall, the data for 2003 indicate that the US economy rebounded rapidly, with investment finally recovering and consumer confidence at high levels. Non-farm payroll employment has also risen significantly over the last six months, as indicated in the ISM surveys.^{9,10} The trade deficit is still very high, and whether or not the recent interest rate rise hinders the situation by causing the dollar to appreciate, or helps matters by reducing domestic consumption, remains to be seen.

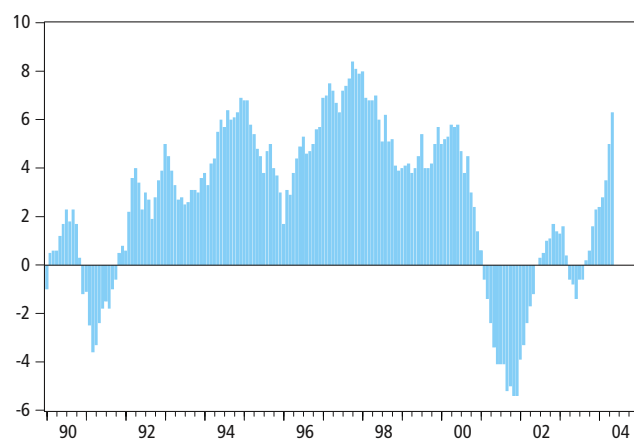
The quarterly expansion of 1.0 per cent in 2004 Q1 was robust, equalling the rate of increase observed in the previous period. Consumption growth added 0.7 per cent to the gain in output, slightly higher than the previous quarter's contribution of 0.6 per cent. Fixed investment boosted the

rise in GDP by 0.3 per cent, mainly through a rise in non-residential investment. Government consumption made a minor addition of 0.1 per cent after having a neutral effect in 2003 Q4, and the input from inventories amounted to +0.2 per cent. Finally, net exports had a negative impact on growth of 0.2 per cent after final revisions to the data. Overall, sustained domestic strength, led by strong private consumption, continues to outweigh the drag effected by net trade.

The index of production displayed signs of rapid expansion in the second half of 2003, with further minor revisions to the data this month. In quarterly terms, after a decline of 1.0 per cent in 2003 quarter two, the IOP picked up in the third quarter when it grew by 0.9 per cent and was even stronger in quarter four, rising by 1.4 per cent. The index increased more rapidly in 2004 quarter one, posting 1.6 per cent growth. Monthly, the recent trend of increasing strength continues, with annual growth rates of 2.8, 3.5 and 5.0 per cent in February, March and April, respectively (see Figure 4). The latest May figure shows even greater growth of +6.3 per cent. Overall in 2003 the index grew by 0.3 per cent, following on from two consecutive years of contractions, and the annual rate of expansion in the year to 2004 quarter one is currently estimated at 2.9 per cent – the highest figure in the last three years.

Figure 4
USA: Industrial production

Growth, month on month one year ago



In the first quarter of this year, consumer prices rose annually by 1.7 per cent. Inflation had picked up slightly in the first few months of 2003 and reached a peak for the year to March when the rate hit 3.1 per cent. Much of this can be explained by fluctuations in the oil price and after this peak, inflation averaged 2.1 per cent between April and December. In January, consumer prices grew by 1.9 and then by 1.7 per cent in both February and March. After a marked increase to 2.3 per cent in April, prices rose by 3.0 per cent in May, and by a greater 3.3 per cent in June,¹³ again driven primarily by rising energy costs.¹³ The change in the growth rate of producer prices followed a similar pattern to consumer price growth but have been much more volatile, posting a respectable annual growth rate of 1.5 per cent in 2004 quarter one. PPI inflation fell from a peak of 4.5 per cent in March 2003 to 1.1 per cent in March 2004, but since then it

has pulled up sharply, to +4.0 per cent in April and +5.6 per cent in May. However, on a month-to-month basis, producer prices fell slightly between May and June as the cost of inputs – including oil and derivative products – have been declining gently.¹²

Unemployment appears to have settled at 5.6 per cent, on average, for the first half of 2004. In broad terms, the rate rose from 2000 when it bottomed at 4 per cent, reaching a peak of 6.0 per cent in 2003. The fall in the rate during the last twelve months indicate that the recovery has been accompanied by an improvement in the labour market. After a contraction in month-on-month employment growth in January of 1.2 per cent, growth was +0.4 per cent in February and +0.2 per cent in March. In April and May, employment grew by 0.5 per cent and 0.3 per cent, respectively, and in June numbers continued to rise, but at a slower pace than in the previous three months.¹³ Quarter-on-quarter growth in the second half of the year had shown a similar picture, rising by 0.2 and 0.4 per cent in the third and fourth quarters respectively; the recorded fall of 1.0 per cent in 2004 Q1 seems to be seasonal rather than cyclical. In the year to 2004 quarter one, employment grew by 0.7 per cent, compared to a rise of 1.0 per cent over the same period a year earlier.

The data on earnings growth have been somewhat revised since the last article was published. Annual increases in the last five years have been in the region of 3.0 to 3.5 per cent. In the first five months of 2004, however, earnings growth remained at a steady 2.8 per cent; the latest data for June show a relatively poor gain of 1.8 per cent. This downward trend may serve to lower the average annual rate of growth below 3.0 per cent for the first time in four years unless the tightening of the labour market brings about renewed wage pressure.

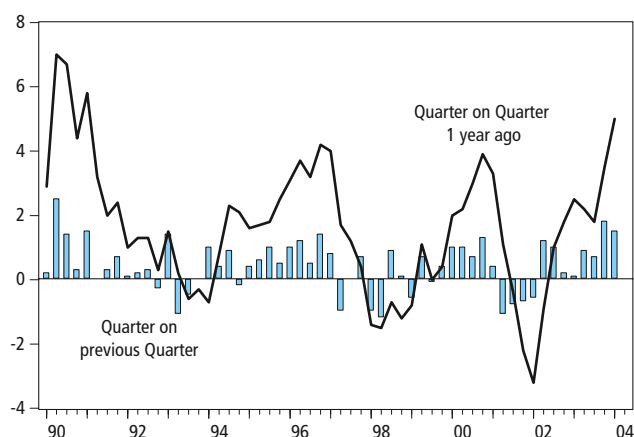
Japan

Preliminary estimates of GDP for the first quarter of this year became available in mid-May, with the release also containing some historical revisions. On an annual basis, expenditure is estimated to risen by a rapid 5.0 per cent in the year to 2004 Q1 (see Figure 5), on the back of 2.5 per cent growth during 2003 as a whole. With the exception of 2000, output growth over the last few years has been prominently sluggish in the world's second largest economy, but the recent figure places Japan's expansion far ahead of the eurozone, and above that of the US. The majority of gains in 2004 Q1 came from increases in domestic demand, but investment and foreign trade also boosted growth. It should be noted, however, that the high real rate of growth is in part the result of continued price deflation that persists despite recent signs that the downward trend may be coming to an end.

On a quarterly basis, the expansion of 1.5 per cent in 2004 Q1 was domestically generated, chiefly by private demand and inventories, which each contributed 0.5 per cent to growth. Investment added 0.2 per cent to growth, whilst government consumption contributed a more modest 0.1 per cent. Externally, net exports raised output growth by 0.2 per cent, 0.2 per cent less than in the previous quarter. Annual growth in 2004 Q1 was secured through a contribution of 1.6 per cent from private consumption and a similar addition of

Figure 5
Japan: GDP

Annual and quarterly growth



1.5 per cent from investment. Inventories and government consumption added 0.5 per cent and 0.2 per cent, respectively and net trade boosted growth by a healthy 1.1 per cent.

As with all the other major economies outside the UK, the index of production contracted in 2003 quarter two by 0.6 per cent, having grown by 0.3 per cent in the previous quarter. The index, however, saw a rebound in quarter three when it grew by 0.9 per cent, and grew rapidly in quarter four when it registered a gain of 3.6 per cent. Looking at the annual change on a monthly basis, a substantial amount of growth occurred between September 2003 and January 2004, averaging 4.2 per cent annually. In February, the index rose by a lesser 3.4 per cent, followed by faster growth of 4.0 per cent in March and an exceptionally rapid rise of 8.1 per cent in April. The month-on-month figures, although intrinsically more volatile, tell a slightly different story. After a strong boost of 3.7 per cent in September last year, production slowed and then fell in December. After rebounding in January, the data for February indicate a contraction of 3.9 per cent, compensated for by increases in March and April of 0.8 per cent and 3.1 per cent, respectively. Even taking month-to-month volatility into account, Japanese industrial production is the least stable of the major economies analysed here. In 2003, the index rose by 3.1 per cent, a minor improvement over the previous year's fall of 1.2 per cent, and a notable improvement on 2002's fall of 6.1 per cent. In summary, industrial production growth in Japan has been somewhat erratic over the past five years, but the gains in 2003 and early 2004 have so far been greater than the losses.

Quarterly consumer and producer prices continue to deflate, albeit at a decreasing pace than in 2001 and 2002. Consumer prices only fell by 0.2 per cent in 2003, the lowest reduction in several years; PPI deflation also relented somewhat, with prices dropping by 0.8 per cent on the previous year. These figures compare to -1.0 and -2.1 per cent respectively in 2002. However, the latest data for 2004 are mixed. Following the March fall of 0.1 per cent, consumer prices fell by 0.4 per cent in April and by 0.5 per cent in May. For producer prices using the same measure, a January fall of 0.6 per cent preceded a lesser decline of 0.5 per cent in February and a year low of -

0.2 per cent in March. But for the first time since August 2000, PPI growth was positive in April at 0.4 per cent and a further increase of 0.8 per cent was achieved in the following month. If high domestic demand is maintained over the course of the year, a move to positive consumer price inflation may still be realised.

The unemployment rate in May 2004 was 4.6 per cent, slightly down on the March and April rate of 4.7 per cent. Unemployment declined in 2003 as a whole (to 5.3 per cent, down from 5.4 per cent in 2002) and the current rate of unemployment looks to be moving closer to Japanese historical standards. From 1999 to 2003, the number of people employed fell in every year. In 2003, quarter-on-quarter employment growth picked up towards the end of the second quarter but the trend reverted in the second half of the year, falling in all months from July 2003 to the February figure of -0.2 per cent, on a month-to-month measurement. However, the number of people in work rose by 1.1 and 1.2 per cent in March and April, and by a further 0.5 per cent in May. In the year to 2004 Q1 employment increased by 0.2 per cent compared to a drop of 0.8 per cent in the same period a year ago. In summary, the gains are more of a recovery than an advance, coming on the back of negative growth in 2003 and 2003, but the annual change in Q2 should be positive.

Despite slackness in the labour market, there was a positive earnings trend for 2003 in all periods, with an increase of 2.3 per cent for the year as a whole, and of 1.8 per cent annually in 2004 Q1. Last year saw growth of 1.8 per cent in quarter one, and 2.5 per cent in quarter two. Further rises of 2.3 per cent were seen in both quarters three and four. The monthly data show particularly strong rates of annual growth in 2003 for both July (4.6 per cent) and December (4.1 per cent), potentially as a result of bonuses. The growth for this year is weaker, yet still positive, with increases averaging just less than 1.6 per cent from January to May. Overall, the labour market has tightened over the last year, and although earnings growth has been volatile it has been positive, albeit less so than in 2002.

Notes

International Economic Indicators uses information from OECD as well as from other organisations. All data is from OECD Main Economic Indicators unless otherwise noted:

1. Zentrum für Europäische Wirtschaftsforschung, http://www.zew.de/en/presse/presse.php?action=article_show&LFDNR=351
2. Institute for Economic Research at the University of Munich, http://www.cesifo.de/pls/cesifo_app/CESifoFrameSet.SwitchFrame?factor=10&page=/link/gk-e.htm
3. DESTATIS, <http://www.destatis.de/indicators/e/pre110je.htm>
4. INSEE, http://www.insee.fr/en/indicateur/indic_conj/indconj_frame.asp?ind_id=11
5. REUTERS, <http://www.reuters.com> (available on subscription)
6. INSEE, http://www.insee.fr/en/indicateur/indic_conj/indconj_frame.asp?ind_id=29
7. INSEE, http://www.insee.fr/en/indicateur/indic_conj/indconj_frame.asp?ind_id=30
8. ISTAT, <http://www.istat.it/fmi/ITALY-NSDP.html>
9. Institute for Supply Management, <http://www.ism.ws/ISMReport/ROB062004.cfm>
10. Institute for Supply Management, <http://www.ism.ws/ISMReport/NMROB062004.cfm>
11. Department of Labor, <http://stats.bls.gov/news.release/cpi.nr0.htm>
12. Department of Labor, <http://stats.bls.gov/news.release/ppi.nr0.htm>
13. Department for Labor, <http://stats.bls.gov/news.release/empst.nr0.htm>

Please note that, unless otherwise stated, graphs do not include data from the above sources

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, the USA and Japan are all available on an SNA93 basis. Cross country comparisons are now more valid.

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1 Germany

Contribution to change in GDP

	GDP	PFC	GFC	GFCF	ChgStk	Exports	Imports ^{less}	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
1999	1.9	2.0	0.2	0.8	-0.4	1.5	2.3	1.1	0.4	0.5	-1.0	2.6	-0.1	8.4
2000	3.1	1.2	0.2	0.8	-0.2	4.4	3.2	5.6	1.3	1.5	3.1	2.8	0.6	7.8
2001	1.0	0.9	0.2	-0.9	-0.8	2.0	0.4	0.2	1.1	2.0	3.0	1.6	0.3	7.8
2002	0.2	-0.6	0.3	-1.4	0.1	1.2	-0.5	-1.0	-2.1	1.4	-0.6	1.7	-0.9	8.7
2003	-0.1	-0.1	0.2	-0.4	0.6	0.6	1.0	0.4	-0.6	1.1	1.7	2.4	-1.1	9.6
2000 Q4	1.9	0.6	0.3	0.4	—	4.9	4.4	5.4	ñ0.3	1.8	4.2	2.4	0.8	7.6
2001 Q1	1.9	1.2	0.1	-0.2	-0.5	3.6	2.3	5.6	2.3	1.7	4.6	2.1	0.6	7.6
Q2	0.8	0.6	0.1	-0.7	-0.4	2.5	1.4	1.3	0.4	2.4	4.6	2.0	0.7	7.7
Q3	0.7	0.9	0.2	-1.3	-1.2	2.0	-0.1	-1.4	1.5	2.2	2.6	1.2	0.1	7.9
Q4	0.5	0.7	0.3	-1.4	-1.3	0.1	-2.1	-4.3	0.3	1.6	0.3	1.1	-0.3	8.1
2002 Q1	-0.2	-0.5	0.3	-1.5	-0.7	0.3	-1.9	-3.8	-4.1	2.0	-0.4	1.1	-0.5	8.3
Q2	0.1	-0.7	0.4	-1.7	0.2	1.0	-0.8	-1.8	-2.2	1.3	-1.3	1.0	-0.8	8.5
Q3	0.4	-0.7	0.6	-1.4	0.3	1.6	—	-0.2	-1.0	1.1	-1.1	2.1	-1.0	8.8
Q4	0.5	-0.4	—	-1.0	0.6	1.9	0.7	1.7	-1.1	1.2	0.3	2.4	-1.3	9.1
2003 Q1	0.1	0.4	0.1	-0.9	1.2	1.6	2.4	1.4	0.8	1.2	1.7	2.8	-1.5	9.5
Q2	-0.3	—	0.1	-0.4	0.6	—	0.6	-0.3	-0.1	0.9	1.5	2.8	-1.3	9.7
Q3	-0.3	-0.3	0.2	-0.3	0.2	0.5	0.5	-1.2	-2.1	1.1	1.9	2.1	-1.0	9.7
Q4	0.1	-0.3	0.3	—	0.5	0.3	0.7	1.7	-1.1	1.2	1.8	2.0	-0.6	9.6
2004 Q1	0.7	-0.5	—	-0.2	0.2	2.2	0.9	1.7	-2.1	1.0	0.2	2.2	—	9.6
2003 May	..	..	..	..	..	..	..	0.6	-2.1	0.7	1.4	..	..	9.7
Jun	..	..	..	..	..	..	..	-2.1	1.5	1.0	1.4	..	..	9.7
Jul	..	..	..	..	..	..	..	1.2	-1.6	0.9	1.9	..	..	9.7
Aug	..	..	..	..	..	..	..	-2.6	-2.7	1.1	2.0	..	..	9.7
Sep	..	..	..	..	..	..	..	-2.2	-1.9	1.1	2.0	..	..	9.7
Oct	..	..	..	..	..	..	..	1.4	-0.5	1.2	1.7	..	..	9.7
Nov	..	..	..	..	..	..	..	0.9	-1.7	1.3	2.0	..	..	9.6
Dec	..	..	..	..	..	..	..	2.6	-0.9	1.1	1.8	..	..	9.6
2004 Jan	..	..	..	..	..	..	..	2.2	-2.4	1.2	0.2	..	..	9.6
Feb	..	..	..	..	..	..	..	1.6	-2.8	0.9	-0.1	..	..	9.6
Mar	..	..	..	..	..	..	..	1.3	-1.0	1.1	0.3	..	..	9.7
Apr	..	..	..	..	..	..	..	3.2	-1.7	1.6	0.9	..	..	9.8
May	..	..	..	..	..	..	..	..	..	2.0	1.6	..	..	9.8
Percentage change on previous quarter														
	ILGI	HUCC	HUCD	HUCE	HUCF	HUCG	HUCH	ILHC	ILHW				ILIQ	
2000 Q4	—	-0.2	0.3	-0.3	—	1.8	1.5	0.3	0.2				0.9	
2001 Q1	0.9	0.7	—	-0.3	-0.7	-0.1	-1.2	0.5	2.3				-2.0	
Q2	-0.1	0.3	-0.1	-0.4	0.1	0.1	0.1	-1.5	-0.8				1.0	
Q3	-0.2	0.1	—	-0.4	-0.6	0.2	-0.5	-0.7	-0.2				0.2	
Q4	-0.2	-0.4	0.4	-0.4	-0.1	-0.2	-0.5	-2.7	-1.0				0.5	
2002 Q1	0.2	-0.5	—	-0.3	-0.1	0.2	-1.0	1.0	-2.1				-2.2	
Q2	0.2	0.1	0.1	-0.6	1.0	0.7	1.1	0.6	1.1				0.7	
Q3	0.1	0.1	0.1	—	-0.5	0.8	0.4	0.9	1.1				—	
Q4	-0.1	-0.1	-0.1	-0.1	0.2	0.1	0.2	-0.8	-1.1				0.2	
2003 Q1	-0.2	0.2	—	-0.2	0.5	-0.1	0.7	0.7	-0.3				-2.4	
Q2	-0.2	-0.3	0.1	-0.2	0.4	-0.9	-0.6	-1.1	0.1				0.9	
Q3	0.2	-0.2	0.1	—	-0.9	1.4	0.3	—	-0.8				0.3	
Q4	0.3	-0.1	—	0.3	0.5	-0.1	0.3	2.1	-0.1				0.6	
2004 Q1	0.4	—	-0.2	-0.4	0.2	1.7	0.9	0.7	-1.3				-1.8	
Percentage change on previous month														
								ILKC	ILKM					
2003 Apr								-0.4	1.0					
May								-0.7	-1.4					
Jun								-0.7	2.7					
Jul								2.3	-2.0					
Aug								-2.3	-0.5					
Sep								-0.1	0.8					
Oct								2.6	0.6					
Nov								0.6	-1.9					
Dec								-0.1	0.6					
2004 Jan								1.1	-1.1					
Feb								-0.6	-0.2					
Mar								-0.3	0.5					
Apr								1.5	0.3					

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

2 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
1999	3.2	1.9	0.3	1.6	-0.3	1.1	1.5	2.3	2.4	0.5	-1.6	2.6	2.1	10.5
2000	4.2	1.6	0.7	1.6	0.5	3.6	3.7	4.2	0.5	1.7	2.0	5.2	2.8	9.1
2001	2.1	1.5	0.6	0.4	-0.6	0.5	0.4	1.0	-0.1	1.6	1.2	4.2	1.7	8.4
2002	1.1	1.0	1.1	-0.4	-0.2	0.5	0.9	-1.2	-0.1	2.0	-0.2	3.6	0.6	8.9
2003	0.5	0.9	0.6	-	-0.2	-0.8	0.1	-0.1	..	2.0	0.3	2.8	-0.2	9.4
2000 Q4	3.9	1.2	0.7	1.6	0.5	3.9	3.8	3.6	-1.3	1.8	2.4	5.1	2.6	8.6
2001 Q1	3.3	1.4	0.6	1.0	-0.1	2.7	2.3	3.3	1.2	1.3	2.4	4.4	2.3	8.5
Q2	2.2	1.5	0.5	0.5	..	0.7	1.0	1.5	-0.3	2.0	1.6	4.2	1.8	8.4
Q3	2.5	1.7	0.8	0.4	-1.0	0.2	-0.2	1.2	-0.6	1.8	0.7	4.2	1.4	8.3
Q4	0.5	1.5	0.7	-0.3	-1.3	-1.4	-1.2	-1.7	-0.7	1.4	-	4.0	1.2	8.4
2002 Q1	0.8	1.0	1.0	-0.4	-0.1	-0.7	0.1	-2.3	-1.6	2.1	-0.7	3.9	0.8	8.6
Q2	1.4	1.1	1.2	-0.3	-0.6	0.9	0.9	-0.8	-0.6	1.7	-0.5	3.9	0.6	8.9
Q3	0.9	0.9	0.9	-0.5	0.1	0.7	1.3	-1.4	1.0	1.8	0.1	3.4	0.5	9.1
Q4	1.4	1.0	1.1	-0.3	-0.2	1.1	1.3	-0.5	1.0	2.3	0.2	3.4	0.2	9.1
2003 Q1	0.8	1.2	0.7	-0.3	-0.4	-0.2	0.3	0.3	-0.8	2.4	0.6	2.8	-0.1	9.2
Q2	-0.1	0.8	0.5	-	-0.2	-1.4	-0.2	-1.4	..	1.8	0.6	2.7	-0.1	9.4
Q3	0.4	0.8	0.5	0.1	-0.4	-1.1	-0.4	-0.5	..	1.9	-	3.0	-0.3	9.4
Q4	1.1	0.9	0.5	0.3	0.3	-0.3	0.6	1.2	..	2.1	0.1	2.8	-0.1	9.5
2004 Q1	1.7	1.0	0.6	0.5	0.1	0.5	1.0	0.7	..	1.8	0.2	2.8	-	9.4
2003 May	..	..	..	..	..	..	..	-2.2	-1.9	1.7	0.6	..	..	9.4
Jun	..	..	..	..	..	..	..	-1.0	..	1.9	0.6	..	..	9.4
Jul	..	..	..	..	..	..	..	-0.4	..	1.8	-	..	..	9.4
Aug	..	..	..	..	..	..	..	-1.5	..	1.8	-0.1	..	..	9.4
Sep	..	..	..	..	..	..	..	0.4	..	2.0	-	..	..	9.4
Oct	..	..	..	..	..	..	..	1.9	..	2.1	-	..	..	9.5
Nov	..	..	..	..	..	..	..	0.6	..	2.2	0.2	..	..	9.5
Dec	..	..	..	..	..	..	..	1.3	..	2.1	0.1	..	..	9.5
2004 Jan	..	..	..	..	..	..	..	-0.1	..	1.9	0.1	..	..	9.5
Feb	..	..	..	..	..	..	..	0.9	..	1.8	0.2	..	..	9.4
Mar	..	..	..	..	..	..	..	1.4	..	1.7	0.3	..	..	9.4
Apr	..	..	..	..	..	..	..	1.1	..	2.2	0.4	..	..	9.4
May	..	..	..	..	..	..	..	..	..	2.7	0.7	..	..	9.4
Percentage change on previous quarter														
	ILGJ	HUBQ	HUBR	HUBS	HUBT	HUBU	HUBV	ILHD	ILHX				ILIR	
2000 Q4	1.4	0.3	0.2	0.5	0.2	1.0	0.8	1.0	-0.4				0.5	
2001 Q1	0.5	0.7	0.1	-	-0.8	-0.1	-0.5	0.7	2.3				0.5	
Q2	-	0.2	0.1	-0.1	0.2	-0.8	-0.3	-0.9	-2.2				0.2	
Q3	0.6	0.5	0.4	-	-0.6	0.1	-0.2	0.4	-0.3				0.2	
Q4	-0.6	0.1	0.1	-0.2	-0.1	-0.6	-0.2	-1.9	-0.5				0.3	
2002 Q1	0.8	0.2	0.4	-0.1	0.4	0.6	0.8	0.1	1.4				0.1	
Q2	0.6	0.3	0.3	-0.1	-0.3	0.8	0.5	0.6	-1.2				-	
Q3	0.1	0.3	0.1	-0.1	0.1	-0.1	0.3	-0.2	1.3				0.1	
Q4	-0.1	0.2	0.2	-0.1	-0.4	-0.3	-0.3	-1.0	-0.5				-	
2003 Q1	0.1	0.4	0.1	-	0.2	-0.7	-0.1	0.9	-0.4				-0.2	
Q2	-0.3	-0.1	0.1	0.2	-0.1	-0.4	-0.1	-1.1	..				-	
Q3	0.6	0.4	0.2	-	-0.1	0.3	0.1	0.7	..				-0.1	
Q4	0.6	0.3	0.2	0.2	0.2	0.5	0.7	0.7	..				0.2	
2004 Q1	0.8	0.5	0.1	0.1	0.1	0.2	0.3	0.4	..				-0.1	
Percentage change on previous month														
								ILKD	ILKN					
2003 Apr								-0.1	4.6					
May								-1.9	-2.3					
Jun								1.1	..					
Jul								0.5	..					
Aug								-0.3	..					
Sep								0.9	..					
Oct								0.7	..					
Nov								-0.8	..					
Dec								0.2	..					
2004 Jan								-0.4	..					
Feb								1.2	..					
Mar								0.3	..					
Apr								-0.4	..					

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 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

¹ Producer prices in manufactured goods

Source: OECD - SNA93

3 Italy

Contribution to change in GDP

	GDP	PFC	GFC	GFCF	ChgStk	Exports	less Imports	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
1999	1.7	1.6	0.2	0.9	0.3	—	1.4	-0.2	0.9	1.7	-0.2	2.3	1.2	11.3
2000	3.1	1.7	0.3	1.5	-1.1	2.7	1.9	4.2	-0.5	2.6	6.0	2.0	1.8	10.4
2001	1.7	0.5	0.7	0.4	-0.2	0.5	0.1	-1.1	-0.5	2.8	1.9	1.9	2.1	9.5
2002	0.3	0.3	0.3	0.2	0.5	-1.0	—	-1.3	-0.8	2.4	0.2	2.7	1.4	9.0
2003	0.4	0.7	0.4	-0.4	0.6	-1.1	-0.2	-0.5	-0.4	2.7	1.6	2.6	1.1	8.6
2000 Q4	2.6	1.6	0.4	0.8	-1.6	2.4	1.0	3.9	-2.0	2.6	6.6	1.8	2.8	9.9
2001 Q1	2.5	1.2	0.6	0.8	-1.0	1.9	1.0	3.2	1.4	2.9	4.7	1.8	3.2	9.7
Q2	2.1	0.8	0.7	0.3	-0.5	1.5	0.8	-0.3	-1.0	3.0	3.2	1.3	2.0	9.5
Q3	1.3	0.1	0.7	-0.1	1.0	-0.7	-0.4	-1.9	-1.3	2.8	1.0	2.2	1.9	9.4
Q4	0.8	-0.1	0.7	0.3	-0.2	-0.8	-0.9	-5.0	-1.0	2.4	-1.1	2.3	1.2	9.2
2002 Q1	-0.1	-0.5	0.4	-0.5	1.3	-2.2	-1.4	-4.0	-0.7	2.4	-1.0	2.4	1.7	9.0
Q2	0.2	—	0.3	-0.3	0.9	-1.4	-0.7	-1.8	-1.0	2.3	-0.6	3.4	1.9	9.0
Q3	0.5	0.6	0.3	0.3	-0.5	-0.1	0.2	-0.3	-1.3	2.4	0.6	2.3	1.3	9.0
Q4	0.9	1.0	0.3	1.4	0.1	-0.3	1.6	0.8	-0.3	2.8	1.7	2.7	1.0	8.9
2003 Q1	0.6	1.0	0.4	0.2	0.7	-1.7	-0.2	-0.1	0.3	2.7	2.7	2.6	0.9	8.8
Q2	0.3	0.8	0.4	0.2	0.3	-1.6	-0.2	-1.6	0.7	2.7	1.7	1.7	1.3	8.7
Q3	0.4	0.8	0.4	-0.5	0.5	-0.1	0.6	-0.3	-1.0	2.7	1.3	3.2	1.0	8.6
Q4	0.1	0.3	0.4	-1.6	1.0	-1.0	-1.0	0.1	-1.7	2.5	0.9	2.7	0.9	8.5
2004 Q1	0.8	0.9	0.2	0.2	-0.5	0.1	0.2	—	-3.0	2.3	0.4	3.0	0.7	..
2003 Jun	..	..	..	..	..	..	..	-1.8	-2.0	2.8	1.5	1.6	..	8.6
Jul	..	..	..	..	..	..	..	-0.6	-1.0	2.7	1.3	3.2	..	8.6
Aug	..	..	..	..	..	..	..	0.5	-2.0	2.7	1.4	3.2	..	8.6
Sep	..	..	..	..	..	..	..	-0.8	—	2.7	1.0	3.2	..	8.5
Oct	..	..	..	..	..	..	..	—	-2.0	2.6	0.7	2.7	..	8.5
Nov	..	..	..	..	..	..	..	—	-2.0	2.4	1.2	2.7	..	8.5
Dec	..	..	..	..	..	..	..	0.4	-1.0	2.4	0.8	2.7	..	8.5
2004 Jan	..	..	..	..	..	..	..	0.1	—	2.2	0.4	2.5	..	8.5
Feb	..	..	..	..	..	..	..	—	-6.0	2.3	0.1	3.3	..	..
Mar	..	..	..	..	..	..	..	-0.2	-3.0	2.3	0.7	3.5	..	..
Apr	..	..	..	..	..	..	..	0.7	-3.0	2.3	1.7	3.6	..	..
May	..	..	..	..	..	..	..	..	..	2.3	2.9	3.7	..	..
Jun	..	..	..	..	..	..	..	..	..	2.3	..	..	..	..
Percentage change on previous quarter														
	ILGK	HUCO	HUCP	HUCQ	HUCR	HUCS	HUCT	ILHE	ILHY				ILIS	
2000 Q4	0.4	0.1	0.2	-0.5	0.8	0.1	0.2	1.6	-1.0				0.7	
2001 Q1	0.9	0.4	0.3	0.8	-0.9	1.2	0.7	-0.4	-0.7				-0.9	
Q2	—	-0.1	0.2	-0.3	0.8	-0.9	-0.3	-1.7	-0.3				0.4	
Q3	—	-0.3	0.1	-0.1	0.3	-1.0	-1.0	-1.4	0.7				1.7	
Q4	-0.1	-0.1	0.1	-0.1	-0.4	—	-0.3	-1.6	-0.7				—	
2002 Q1	—	-0.1	—	—	0.5	-0.3	0.2	0.6	-0.3				-0.4	
Q2	0.3	0.4	0.1	-0.1	0.4	-0.1	0.4	0.6	-0.7				0.6	
Q3	0.2	0.3	—	0.5	-1.1	0.2	-0.1	0.1	0.3				1.1	
Q4	0.3	0.4	0.1	1.0	0.2	-0.2	1.1	-0.5	0.3				-0.3	
2003 Q1	-0.2	-0.1	0.2	-1.2	1.1	-1.7	-1.6	-0.3	0.3				-0.5	
Q2	-0.1	0.2	0.1	—	0.1	—	0.5	-0.9	-0.3				1.0	
Q3	0.4	0.4	0.1	-0.2	-0.9	1.7	0.7	1.5	-1.3				0.8	
Q4	—	-0.1	—	-0.1	0.7	-1.1	-0.5	-0.1	-0.3				-0.4	
2004 Q1	0.4	0.5	—	0.5	-0.3	-0.6	-0.4	-0.4	-1.0				-0.7	
Percentage change on previous month														
								ILKE	ILKO					
2003 Apr								-0.4	1.0					
May								-1.1	-1.0					
Jun								0.6	-1.0					
Jul								1.8	—					
Aug								-0.1	-1.0					
Sep								-0.7	1.0					
Oct								0.2	-1.0					
Nov								0.3	—					
Dec								—	1.0					
2004 Jan								-0.4	1.0					
Feb								—	-5.1					
Mar								-0.3	2.1					
Apr								0.5	1.0					

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 not seasonally adjusted
Source: OECD - SNA93

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USA

	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
1999	4.4	3.4	0.5	1.6	—	0.5	1.5	4.4	8.8	2.1	1.7	3.0	1.6	4.2
2000	3.7	3.2	0.3	1.2	-0.1	0.9	1.8	4.4	6.7	3.4	4.1	3.4	2.6	4.0
2001	0.5	1.7	0.4	-0.5	-0.9	-0.6	-0.4	-3.4	2.6	2.8	0.8	3.0	—	4.8
2002	2.2	2.4	0.5	-0.4	0.4	-0.3	0.5	-0.6	2.9	1.7	-0.7	3.6	-0.3	5.8
2003	3.1	2.2	0.6	0.7	-0.1	0.2	0.6	0.3	5.4	2.2	2.5	3.0	0.9	6.0
2000 Q4	2.2	2.8	0.1	0.8	-0.6	0.7	1.6	2.2	4.0	3.4	3.4	3.4	2.2	3.9
2001 Q1	1.9	1.8	0.4	0.3	-0.2	0.4	0.8	-0.4	1.7	3.3	2.0	2.7	0.8	4.2
Q2	0.2	1.7	0.3	-0.3	-1.3	-0.3	-0.1	-3.3	2.8	3.4	2.0	3.0	0.1	4.4
Q3	—	1.4	0.4	-0.7	-1.0	-1.1	-1.1	-4.5	1.4	2.7	0.6	3.0	—	4.8
Q4	—	1.9	0.5	-1.1	-1.2	-1.3	-1.1	-5.3	4.4	1.9	-1.5	3.3	-0.8	5.6
2002 Q1	1.2	2.5	0.4	-1.0	-0.3	-1.1	-0.6	-3.2	2.6	1.3	-1.9	3.9	-1.2	5.7
Q2	1.8	2.6	0.5	-0.7	0.2	-0.5	0.3	-0.9	2.9	1.3	-1.7	3.6	-0.5	5.8
Q3	3.0	2.6	0.5	-0.2	0.8	0.2	0.9	0.6	4.7	1.6	-0.6	3.6	0.1	5.7
Q4	2.8	1.9	0.7	0.2	1.0	0.3	1.3	1.4	1.7	2.2	1.5	3.2	0.3	5.9
2003 Q1	2.1	1.6	0.6	0.2	0.2	0.2	0.8	1.0	4.5	2.9	3.9	3.2	1.0	5.8
Q2	2.4	1.8	0.7	0.4	—	-0.1	0.5	-1.0	4.6	2.2	1.9	3.1	0.9	6.1
Q3	3.6	2.6	0.6	1.0	-0.4	0.1	0.4	-0.3	6.1	2.2	2.1	3.1	0.5	6.1
Q4	4.3	2.8	0.3	1.3	-0.1	0.6	0.7	1.5	6.5	1.9	2.3	2.5	1.3	5.9
2004 Q1	4.8	3.1	0.4	1.6	0.2	0.9	1.3	2.9	7.7	1.7	1.5	2.8	0.7	5.6
2003 Jun	..	..	..	..	..	..	..	-1.4	4.9	2.1	2.0	3.8	1.0	6.3
Jul	..	..	..	..	..	..	..	-0.6	5.4	2.1	2.1	3.8	0.8	6.2
Aug	..	..	..	..	..	..	..	-0.6	5.7	2.2	2.5	2.8	0.6	6.1
Sep	..	..	..	..	..	..	..	0.2	7.2	2.3	1.6	2.8	0.2	6.1
Oct	..	..	..	..	..	..	..	0.6	6.2	2.0	1.9	1.9	0.8	6.0
Nov	..	..	..	..	..	..	..	1.6	6.9	1.7	2.3	2.8	1.5	5.9
Dec	..	..	..	..	..	..	..	2.3	6.5	1.8	2.7	2.8	1.4	5.7
2004 Jan	..	..	..	..	..	..	..	2.4	5.8	1.9	2.4	2.8	0.7	5.6
Feb	..	..	..	..	..	..	..	2.8	8.7	1.7	1.2	2.8	0.7	5.6
Mar	..	..	..	..	..	..	..	3.5	8.7	1.7	1.1	2.8	0.7	5.7
Apr	..	..	..	..	..	..	..	5.0	8.4	2.3	4.0	2.8	0.7	5.6
May	..	..	..	..	..	..	..	6.3	9.4	3.0	5.6	2.8	0.9	5.6
Jun	..	..	..	..	..	..	..	..	..	..	..	1.8	1.0	5.6
Percentage change on previous quarter														
	ILGM	HUDM	HUDN	HUDO	HUDP	HUDQ	HUDR	ILHG	ILIA				ILIU	
2000 Q4	0.5	0.6	0.1	—	-0.1	-0.1	-0.1	-0.3	0.3				0.2	
2001 Q1	-0.1	0.1	0.2	-0.1	-0.4	-0.1	-0.2	-1.6	0.4				-0.7	
Q2	-0.2	0.4	0.1	-0.3	-0.3	-0.4	-0.3	-1.3	0.9				0.5	
Q3	-0.3	0.3	—	-0.4	-0.2	-0.5	-0.4	-1.3	-0.3				—	
Q4	0.5	1.1	0.2	-0.3	-0.3	-0.3	-0.1	-1.1	3.3				-0.6	
2002 Q1	1.2	0.7	0.1	—	0.5	0.1	0.3	0.5	-1.4				-1.1	
Q2	0.5	0.5	0.1	0.1	0.2	0.2	0.6	1.0	1.2				1.2	
Q3	0.8	0.3	0.1	0.1	0.4	0.1	0.2	0.2	1.5				0.6	
Q4	0.3	0.4	0.3	0.1	-0.1	-0.1	0.3	-0.4	0.4				-0.4	
2003 Q1	0.5	0.4	—	—	-0.2	-0.1	-0.3	0.2	1.4				-0.4	
Q2	0.8	0.6	0.3	0.3	-0.1	—	0.3	-1.0	1.3				1.1	
Q3	2.0	1.2	—	0.7	—	0.2	—	0.9	2.9				0.2	
Q4	1.0	0.6	—	0.3	0.2	0.5	0.6	1.4	0.9				0.4	
2004 Q1	1.0	0.7	0.1	0.3	0.2	0.2	0.4	1.6	2.5				-1.0	
Percentage change on previous month														
								ILKG	ILKQ				ILLA	
2003 Jun								—	1.0				0.7	
Jul								0.7	1.5				—	
Aug								—	0.9				-0.3	
Sep								0.6	-0.2				-0.3	
Oct								0.2	-0.2				0.7	
Nov								1.0	1.1				—	
Dec								0.2	0.5				-0.1	
2004 Jan								0.6	0.4				-1.2	
Feb								0.8	1.0				0.4	
Mar								—	2.3				0.2	
Apr								0.8	-0.6				0.5	
May								1.1	1.3				0.3	
Jun								..	..				0.8	

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

5 Japan

	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	
1999	0.2	0.1	0.7	-0.1	-0.4	0.1	0.3	0.6	-2.6	-0.3	-1.5	-0.7	-0.8	4.7	
2000	2.8	0.4	0.8	0.8	0.3	1.3	0.8	4.9	-0.9	-0.7	0.2	1.7	-0.2	4.7	
2001	0.4	1.0	0.5	-0.4	-	-0.7	-	-6.1	-1.1	-0.7	-2.3	-	-0.5	5.0	
2002	-0.3	0.5	0.4	-1.6	-0.2	0.8	0.1	-1.2	-3.2	-1.0	-2.1	-1.1	-1.3	5.4	
2003	2.5	0.5	0.2	0.8	0.4	1.1	0.5	3.1	-1.7	-0.2	-0.8	2.3	-0.2	5.3	
2000 Q4	3.9	0.6	0.8	1.7	0.6	1.1	0.9	5.1	-0.7	-0.8	-0.6	1.0	0.3	4.7	
2001 Q1	3.3	1.1	0.6	1.0	1.0	0.2	0.7	1.3	1.3	-0.5	-1.9	0.3	0.4	4.7	
Q2	1.1	1.0	0.5	0.2	0.2	-0.6	0.2	-4.2	-0.7	-0.7	-2.1	0.5	-0.5	4.9	
Q3	-0.4	1.0	0.4	-0.3	-0.5	-1.0	-0.2	-8.9	-2.3	-0.8	-2.5	-0.3	-0.9	5.1	
Q4	-2.2	0.7	0.5	-2.3	-0.5	-1.2	-0.6	-12.1	-2.7	-1.0	v3.0	-0.5	-1.3	5.4	
2002 Q1	-3.2	0.2	0.4	-2.3	-1.5	-0.4	-0.5	-8.9	-4.9	-1.4	-2.8	-1.6	-1.4	5.3	
Q2	-0.9	0.3	0.4	-2.0	-0.4	0.8	-	-3.4	-2.7	-0.9	-2.2	-0.7	-1.5	5.4	
Q3	1.0	1.1	0.5	-1.8	0.5	1.1	0.5	2.7	-2.7	-0.8	-2.1	-2.1	-0.9	5.4	
Q4	1.8	0.5	0.3	-0.5	0.5	1.8	0.7	5.7	-2.4	-0.5	-1.2	0.1	-1.1	5.4	
2003 Q1	2.5	0.4	0.3	0.1	1.0	1.3	0.7	5.5	-1.0	-0.2	-0.7	1.8	-0.8	5.4	
Q2	2.2	0.4	0.1	0.9	0.3	0.8	0.3	2.0	-2.4	-0.3	-1.1	2.5	0.1	5.4	
Q3	1.8	-	0.1	0.7	0.2	1.2	0.3	1.0	-2.1	-0.2	-0.6	2.3	-0.1	5.2	
Q4	3.5	1.0	0.2	1.5	-0.1	1.3	0.4	4.1	-1.1	-0.3	-0.8	2.3	-0.1	5.1	
2004 Q1	5.0	1.6	0.2	1.5	0.5	1.8	0.7	4.5	-0.7	-0.1	-0.4	1.8	0.2	4.9	
2003 May	..	..	..	..	..	..	..	0.7	-2.1	-0.2	-1.1	2.2	0.1	5.4
Jun	..	..	..	..	..	..	..	1.3	-2.1	-0.4	-1.1	3.9	0.6	5.3
Jul	..	..	..	..	..	..	..	0.3	-3.2	-0.2	-0.8	4.6	0.1	5.3
Aug	..	..	..	..	..	..	..	-0.2	-2.1	-0.3	-0.6	1.8	-0.1	5.1
Sep	..	..	..	..	..	..	..	2.9	-1.1	-0.2	-0.6	0.9	-0.2	5.1
Oct	..	..	..	..	..	..	..	3.7	-	-	-0.9	1.8	-0.3	5.2
Nov	..	..	..	..	..	..	..	4.7	-3.1	-0.5	-0.8	1.1	-0.3	5.2
Dec	..	..	..	..	..	..	..	4.0	-	-0.4	-0.7	4.1	0.2	4.9
2004 Jan	..	..	..	..	..	..	..	6.1	1.1	-0.3	-0.6	1.7	0.3	5.0
Feb	..	..	..	..	..	..	..	3.4	-2.1	-	-0.5	2.0	0.2	5.0
Mar	..	..	..	..	..	..	..	4.0	-1.1	-0.1	-0.2	1.7	0.2	4.7
Apr	..	..	..	..	..	..	..	8.1	-1.1	-0.4	0.4	1.1	0.8	4.7
May	..	..	..	..	..	..	..	..	-2.1	-0.5	0.8	1.3	0.4	4.6
Percentage change on previous quarter															
	ILGN	HUDA	HUDB	HUDC	HUDD	HUDE	HUDF	ILHH	ILIB				ILIV		
2000 Q4	1.3	0.4	0.1	0.9	0.1	-	0.3	1.2	-0.3				-		
2001 Q1	0.4	0.6	0.1	-0.3	0.3	-0.4	-0.1	-3.0	1.3				-1.9		
Q2	-1.1	-	0.2	-0.7	-0.4	-0.4	-0.2	-3.1	-2.3				1.4		
Q3	-0.8	-	-	-0.2	-0.6	-0.3	-0.2	-4.2	-1.0				-0.4		
Q4	-0.7	0.1	0.2	-1.1	0.1	-0.2	-0.2	-2.4	-0.7				-0.4		
2002 Q1	-0.6	-	-	-0.4	-0.7	0.5	0.1	0.6	-1.0				-2.0		
Q2	1.2	0.2	0.1	-0.3	0.8	0.8	0.3	2.8	-				1.3		
Q3	1.0	0.8	0.1	-	0.3	-	0.2	1.8	-1.0				0.2		
Q4	0.2	-0.4	-	0.2	0.1	0.4	0.1	0.4	-0.3				-0.6		
2003 Q1	0.1	-0.1	-	0.2	-0.1	0.1	0.1	0.3	0.3				-1.7		
Q2	0.9	0.1	-	0.5	0.1	0.2	-0.1	-0.6	-1.4				2.3		
Q3	0.7	0.3	0.1	-0.2	0.2	0.4	0.2	0.9	-0.7				-		
Q4	1.8	0.6	0.1	1.0	-0.2	0.6	0.2	3.6	0.7				-0.6		
2004 Q1	1.5	0.5	0.1	0.2	0.5	0.5	0.3	0.7	0.7				-1.4		
Percentage change on previous month															
								ILKH	ILKR				ILLB		
2003 May								1.1	-				0.9		
Jun								-0.6	-				0.8		
Jul								-0.2	-2.1				-0.5		
Aug								-0.1	2.2				-0.3		
Sep								3.7	-				-0.3		
Oct								0.8	1.1				-0.1		
Nov								0.8	-2.1				-0.2		
Dec								-0.7	1.1				-0.3		
2004 Jan								3.4	2.1				-1.3		
Feb								-3.9	-2.1				-0.2		
Mar								0.8	-				1.1		
Apr								3.1	-1.1				1.2		
May								..	-1.1				0.5		

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

Source: OECD - SNA93

Regional economic indicators

August 2004

Anis Chowdhury

Office for National Statistics

Overview

- Recently updated GVA figures (published on 30 April 2004) shows that the South West had the highest growth rate amongst the regions between 2001 and 2002 at basic prices.
- The North East grew the fastest in terms of GVA per head in 2002, while London had the lowest growth rate amongst the English regions but remained the region with the highest level of GVA per head.
- Figures for household disposable income as of 1999 show that the West Midlands had the highest growth rate of disposable income per head amongst the English regions, while Scotland was the highest of the non-English countries.
- London had the highest overall consumption per head and Northern Ireland had the highest growth rate among the non-English countries.
- Employment showed growth across most regions according to the Labour Force Survey but the number of employees fell according to the survey of employers. Most regions also saw decreases in their unemployment. However, there was an increase in the long-term claimant count rates across most regions.
- The annual industrial production figure for the UK fell slightly in 2004 quarter one and fell significantly in Wales but was up for Northern Ireland.
- Construction output for the UK grew over the first quarter in 2004 but at a lesser rate than in 2003 quarter four. Welsh construction output maintained the upward trend seen in previous quarters.
- Business optimism shows a mixed picture across regions in the April survey with the North generally showing a positive picture and the Midlands and the South showing less optimism.
- House price inflation was relatively high in 2004 quarter one in most regions, however there were signs of a slowdown with prices increasing at a lesser rate compared to 2003 quarter four.

GDP at basic prices

Tables 1 to 4 concern National Accounts statistics for the regions.

In the recently updated Table 1, figures for headline Gross value added (GVA) at basic prices show that the South West had the highest growth rate amongst the English regions between 2001 and 2002 of 6.0 per cent followed by the North West's 5.4 per cent. Both were higher than the UK average of 5.1 per cent. Together, they also accounted for 18 per cent of the UK's total GVA in 2002 with contributions of 7.7 per cent and 10.3 per cent respectively. London had the lowest rate of GVA growth in 2002 of 4.4 per cent. Other regions where annual growth between 2001 and 2002 was close to or above the UK average include the North East at 5.3 per cent, East Midlands at 5.1 per cent, East at 5.3 per cent and the South East at 5.2 per cent.

Looking at the recently updated Table 2, which compares GVA per head per region shows London had the highest GVA per head in 2002 of £19,975, well above the UK average, while the North East has the lowest at £11,750. Other regions with GVA per head above the UK average were the East and the South East.

Table 3 shows that household disposable income per head increased in the UK in 1999 by 4.6 per cent compared to an increase of 1.9 per cent in 1998. London recorded the highest value in 1999 of £12,207 followed by the South East with £11,055, which continues medium term trends. Looking at annual percentage changes, Scotland recorded the largest rise of 7.8 per cent in 1999, while Yorkshire and the Humber was the slowest growing region, with growth of 2.4 per cent in 1999. Other slower growing regions were the South East,

with 3.3 per cent, London, with 3.4 per cent, and the South West with growth of 3.6 per cent in 1999. Greater than the UK average rates of activity in 1999 compared to 1998, of 4.5 per cent, were seen across most regions, with the highest in Scotland, followed by the North East and Northern Ireland, whilst the lowest growth was seen in the Yorkshire and the Humber region.

Table 4, shows individual consumption expenditure per head, with London again recording the highest monetary value of £12,250 in 1999, followed by the South East with £11,392 while the North East had the lowest expenditure. Looking at annual percentage changes, London also recorded the largest rise in consumption with growth of 8.8 per cent in 1999, while the North East recorded a decline of 1.0 per cent in the same period, compared to an increase of 4.4 per cent in 1998.

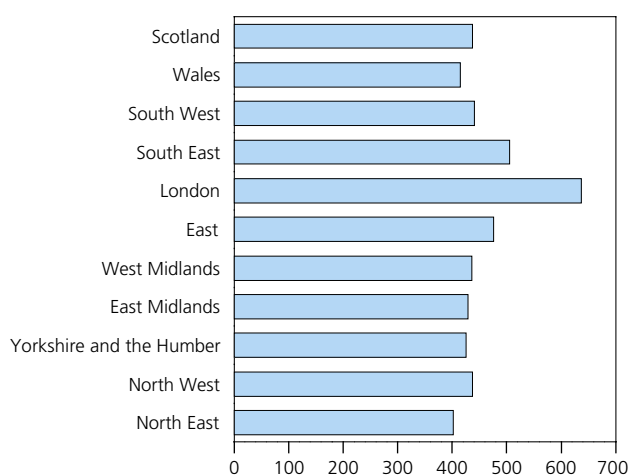
The Labour Market

Tables 5 to 11 concern the labour market. Tables 6, 8 and 9 are seasonally adjusted; while Tables 5, 7, 10 and 11 are unadjusted.

The **quarterly employment growth** (from the Labour Force Survey), Table 9, in the UK was 0.7 per cent in 2004 quarter one, compared to a 0.1 per cent increase in the previous quarter. Employment increased across most of the English regions with the only fall being recorded in the South East, a fall of 0.4 per cent in contrast to a 0.2 per cent increase in 2003 Q4. The highest growth rates in 2004 Q1 was achieved in the North East at 1.6 per cent followed by West Midlands at 0.9 per cent. Wales, Scotland and Northern Ireland all show increases in 2004 Q1. For Wales, total employment increased by 0.8 per cent in contrast to a decrease of 0.5 per cent in 2003 Q4. Scotland and Northern Ireland show increases in 2004 Q1 in contrast to decreases in 2003 Q4 with Scotland showing the bigger increase at 0.9 per cent. Comparing 2004 Q1 with the same period a year ago shows the North East with the highest growth rate of 3.9 per cent followed by the East on 3.4 per cent. The UK as a whole showed growth over the period of 1.6 per cent.

Figure 1
Total average gross weekly pay, April 2003

£



The **number of employee jobs** (from the Employers Survey – workforce jobs), in Table 11 decreased in every region in the quarter to March 2004, with the decrease for the UK averaging 0.8 per cent. This is in contrast to December 2003, where there were increases across all regions. In the English regions, the largest decline in March 2004 was in the East Midlands of 1.5 per cent followed by North East and East at 0.9 per cent. Amongst the non-English countries, Wales shows the biggest fall of 1.3 per cent. Overall, on a yearly basis, the picture is of an upward trend across most regions. It should be noted that this survey does not take into account the self employed.

The **UK claimant count rate – a measure of unemployment**, Table 8, was 2.7 per cent of the workforce in the UK in June 2004, slightly down from 2.8 per cent in May and continuing the downward trend from January 2004. This national rate masks large variations between regions with the North East having the highest claimant count in June 2004 at 3.8 per cent. This region has had the highest count in every year since 1999. The North East is followed closely by Northern Ireland with a rate of 3.7 per cent. The South East and the South West had the lowest claimant counts of 1.6 and 1.5 per cent respectively. The general picture however is one of relative stability between May and June 2004, with 0.1 per cent decreases across most regions except for the North East where there was a 0.3 per cent decrease and in Wales where there was a 0.2 per cent decrease. The general trend continues to be downwards.

Table 6 shows the rate of **unemployment (according to the internationally consistent ILO definition)**. The rate in 2004 Q1 is 4.7 per cent, down from 4.9 per cent in 2004 quarter four. The general picture is one of decreasing unemployment across most regions with the greatest decrease of 0.8 percentage points occurring in Northern Ireland at and the North East. The East Midlands and the South East are the only two regions showing increases in the unemployment rate, of 0.3 and 0.1 percentage points respectively. Overall, the UK unemployment rate decreased by 0.2 per cent.

The **Long-term claimant count as a percentage of total unemployment**, Table 7, for the UK as a whole was 16.4 per cent in February 2004, up from 16.1 per cent for the previous month. The general picture is of the long-term claimant count picking up from March 2003 across all regions, accelerating in May but then growing at a slower rate in June in most regions. Northern Ireland is the only region to have experienced a decrease in the long-term claimant count in June 2004, decreasing by 0.4 percentage points.

Table 10 shows **redundancy rates** in the government office regions. In the UK overall redundancies remained unchanged at 6 per cent between winter 2003 and spring 2004. In regard to the regions there was a mixed picture with a lower rate of redundancies recorded in the North West and East while increases were recorded in Yorkshire and the Humber, West Midlands, South East and Scotland.

Total average gross weekly pay (from the annual New Earnings Survey), in Table 5, shows London having the highest rate of pay at £637 a week in April 2003, up from £624 a year ago, an increase of 2.1 per cent. Growth rates in the latest period are generally lower than in April 2002 when some regions' pay grew by 5.0 per cent or more (for example,

the South East, the North East and the East Midlands). The highest rate of growth of 4.5 per cent was in the South West, the only region where gross weekly pay grew by more than 4.0 per cent. The lowest was in the North East, 0.7 per cent.

Figure 2
Total in employment



Industrial Production and Construction

For UK industrial production output, Table 12, figures for the UK, Northern Ireland and Wales now extend to 2004 quarter one, while data for Scotland is available up to 2003 quarter four. The figures for the UK as a whole and Scotland are calculated using the new method of chain linking and so are not directly comparable with the breakdowns for Wales and Northern Ireland. The latest data shows production decreasing by 0.5 per cent in the quarter in the UK, in contrast to a 0.2 per cent increase in 2003 Q4. Overall in 2003 the index contracted by 0.1 per cent in the UK following a decline of 2.6 per cent in 2002. Looking at the countries, Wales production decreased by 4.4 per cent and Northern Ireland production increased by 0.8 per cent in 2004 quarter one. Annual figures also show an increase for Northern Ireland but a decrease for Wales.

UK construction output, Table 13, figures for the UK and Wales extend to 2004 quarter one, data for Scotland and Northern Ireland is available up to 2003 quarter four. The figures for the UK as a whole and Scotland are calculated using the new method of chain linking and so are not directly comparable with the breakdowns for Wales and Northern Ireland. The UK construction index rose by 0.4 per cent in the first quarter of 2004, down from 1.3 per cent in 2003 quarter four and from 2.8 per cent in quarter three. Overall in 2003, the UK index increased by 4.9 per cent, slightly faster than in 2002. Wales construction index rose by 6.4 per cent in 2004 quarter one and by 14 per cent in 2003.

Manufacturing

Almost all CBI data is presented on the basis of government office regions. However, London and the South East are combined.

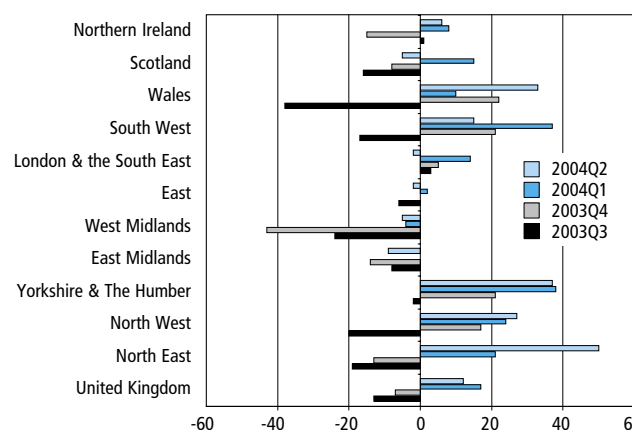
Tables 14 to 17 show that CBI/BSL balances reveal a positive picture across most regions regarding both business optimism and the volume of orders in its April 2004 survey.

Table 14 shows that businesses in many regions were substantially more optimistic about the business situation

in the April 2004 survey than in the January and October surveys. The North East recorded the highest rise in confidence followed by the Wales and the North West. In several regions however, the balance of respondents has reverted to a negative position, having been positive three months ago. This is most marked in Scotland and London and the South East.

UK manufacturing output, as measured by CBI/BSL balances for volume of output in Table 15, also shows a positive picture. All regions except Northern Ireland show a positive balance. The North East shows the most marked increase in the balance following a decrease in the January survey. Other regions to have recorded higher positive balances compared to the January survey include the North West, Yorkshire and the Humber and the West Midlands. Northern Ireland shows a negative balance in contrast to a positive balance three months ago. Forecasts for the next four months also show a positive picture with most regions anticipating an increase in output except the West Midlands, Northern Ireland and Scotland which expect a decrease.

Figure 3
Manufacturing industry (business optimism)



The overall CBI/BSL volume of new orders, Table 16, generally shows that more firms had an increase in orders in April 2004 than in the January and October surveys. The rise in new orders was most marked in the North East, Yorkshire and the Humber, the North West, London and the South East. The East Midlands and Northern Ireland show a negative balance compared to a positive balance three months ago. Looking ahead at the next four months, a positive balance is shown across most regions with the East Midlands anticipating a particularly strong increase and Scotland and Northern Ireland expecting a decrease.

Volume of new export orders, Table 17, for the last four month figures show a mixed picture in the April Survey. There were rises in the North East, North West, Yorkshire and the Humber, South West and Scotland. However, six regions led by the East Midlands reported a fall in export orders. Looking ahead at the next four months shows most regions expecting a pick up in export orders with the East, South West and Northern Ireland expecting a deterioration.

Firms working below capacity, Table 18 shows a mixed picture with variations across regions. In the UK as a whole, firms working below capacity showed a slight decrease in the April 2004 survey compared to the January 2004 survey. The largest fall was in the North East, consistent with a sharp rise in output. Three regions led by the South West and followed by the North West and Scotland show an increase in the proportion of firms operating below capacity.

The Housing Market

In Table 20, UK house prices (not seasonally adjusted) increased by 0.9 per cent on the quarter in 2004 quarter one, having grown by 2.1 per cent in 2003 quarter four, according to the index calculated by the ODPM. House prices in most English regions and UK country components shows a general slowdown with the South West the only region increasing at a greater rate compared to 2003 quarter four. London is the only region to have recorded a fall of 1.6 per cent having grown in 2003 quarter four by 0.2 per cent. Amongst the English regions, the North East showed the biggest increase of 4.3 per cent followed by North West at 2.4 per cent. The East had the lowest increase of 0.3 per cent. Countrywise, Wales showed the largest increase of 3.2 per cent.

Annual data shows house prices increased significantly in the UK in 2003 by 15.7 per cent. Most regions in England saw growth in double figures, the highest being in the North East and East Midlands where prices grew by 22.5 per cent. Other regions with high increases were Yorkshire and the Humber (20.4 per cent) and the East (17.0 per cent). Wales grew by 20.3 per cent.

In Table 19 the **number of permanent dwellings started** fluctuates quite widely from quarter to quarter with a significant seasonal factor involved. However the 2003 annual figures show a positive picture with a majority of regions experiencing an increase in dwelling starts, compared to 2002, where there was growth amongst fewer regions. Of the English regions, the West Midlands had the largest annual increase in dwelling starts at 16.6 per cent followed by Yorkshire and the Humber at 15.5 per cent and North East at 10.8 per cent. The two regions to show decline were London where dwelling starts decreased by 6.4 per cent and the South West where the decrease was 0.1 per cent. Countrywise, Northern Ireland shows the largest increase at 9.8 per cent.

Business Start-ups

VAT registrations and de-registrations, Table 21, shows de-registrations outnumbering registrations by 200 for the calendar year 2002 which is the first net loss since 1994 when there were a net 5,800 de-registrations. In 2002 de-registrations outnumbered registrations in several regions, but the North East, the East Midlands, the West Midlands, the East and the South East saw net gains. The largest net loss was in London (2,100 businesses).

1

Headline Gross value added^{1,2} at basic prices

Government Office Regions

£ million

	United Kingdom ³	North East	North West	Yorkshire and the Humber	East Midlands	West Midlands	East	London	South East	South West	England	Wales	Scotland	Northern Ireland
	IGAE	IFZR	IFZS	IFZT	IFZU	IFZV	IFZW	IFZX	IFZY	IFZZ	IGAA	IGAB	IGAC	IGAD
1990	491 410	18 631	53 637	38 262	32 766	41 546	48 083	75 823	71 487	37 219	417 455	20 698	42 986	10 272
1996	663 768	23 988	69 941	50 708	44 607	55 691	64 821	102 711	99 828	50 787	563 082	27 314	58 113	15 258
1997	705 553	24 773	73 540	53 564	47 554	59 009	69 162	110 802	107 926	53 794	600 123	28 590	60 776	16 064
1998	749 692	25 470	77 501	56 219	49 979	62 151	73 872	120 843	117 184	56 527	639 746	29 747	63 186	17 012
1999	783 395	25 964	80 776	58 037	51 855	64 305	77 531	127 655	124 839	58 885	669 847	30 721	65 081	17 746
2000	817 292	26 823	84 029	59 978	53 745	66 595	81 734	133 125	132 244	61 495	699 768	31 865	67 145	18 514
2001	860 116	28 040	88 377	62 610	56 180	69 578	86 388	140 789	140 518	65 247	737 727	33 351	69 623	19 414
2002	903 836	29 531	93 137	65 698	59 060	72 946	90 984	146 927	147 799	69 185	775 266	35 084	72 989	20 497

1 Based on the European System of Accounts 1995 (ESA95).

Source: National Statistics

2 Data are consistent with the headline series published on 30 April 2004

3 UK less Extra-Region and statistical discrepancy.

2

Headline Gross value added^{1,2} at basic prices: £ per head

Government Office Regions

£

	United Kingdom ³	North East	North West	Yorkshire and the Humber	East Midlands	West Midlands	East	London	South East	South West	England	Wales	Scotland	Northern Ireland
	IGAW	IGAE	IGAJ	IGAK	IGAL	IGAM	IGAN	IGAO	IGAP	IGAQ	IGAR	IGAS	IGAT	IGAU
1990	8 585	7 209	7 854	7 775	8 203	7 962	9 450	11 152	9 409	7 973	8 752	7 233	8 490	6 438
1996	11 438	9 354	10 305	10 236	10 885	10 587	12 379	14 883	12 790	10 604	11 633	9 461	11 412	9 182
1997	12 130	9 700	10 865	10 819	11 554	11 217	13 124	15 994	13 738	11 163	12 368	9 894	11 958	9 612
1998	12 858	10 010	11 481	11 358	12 115	11 801	13 923	17 341	14 850	11 671	13 148	10 253	12 445	10 140
1999	13 398	10 257	11 928	11 732	12 513	12 213	14 516	18 130	15 693	12 083	13 716	10 617	12 832	10 589
2000	13 937	10 633	12 473	12 115	12 925	12 681	15 207	18 735	16 567	12 527	14 282	10 988	13 282	11 001
2001	14 508	11 132	13 080	12 586	13 431	13 171	15 994	19 285	17 518	13 216	14 937	11 470	13 748	11 492
2002	15 259	11 750	13 755	13 186	14 080	13 753	16 786	19 975	18 387	13 945	15 642	12 020	14 440	12 081

1 Based on the European System of Accounts 1995 (ESA95).

Source: National Statistics

2 Data are consistent with the headline series published on 30 April 2004.

3 UK less Extra-Region and statistical discrepancy.

3

Household disposable income¹: £ per head

Government Office Regions

£

	United Kingdom ²	North East	North West	Yorkshire and the Humber	East Midlands	West Midlands	East	London	South East	South West	England	Wales	Scotland	Northern Ireland
	DEPZ	LRCG	LRCH	DEQB	DEQC	DEQH	LRCI	DEQE	LRCJ	DEQG	LREV	DEQJ	DEQK	DEQL
1989	5 560	4 908	5 239	5 208	5 280	4 934	6 097	6 549	6 110	5 638	5 643	4 994	5 355	4 729
1993	7 771	7 053	7 313	7 232	7 214	7 112	8 248	9 311	8 519	7 608	7 867	6 986	7 704	6 540
1994	8 019	7 095	7 536	7 417	7 569	7 391	8 540	9 612	8 873	7 767	8 127	7 235	7 773	6 959
1995	8 497	7 522	7 874	7 780	7 869	7 939	9 011	10 102	9 282	8 606	8 592	7 742	8 287	7 678
1996	8 938	7 972	8 334	8 323	8 401	8 313	9 484	10 650	9 814	8 915	9 070	8 056	8 541	7 834
1997	9 513	8 554	8 900	8 776	8 835	8 748	10 025	11 485	10 579	9 511	9 674	8 389	8 977	8 365
1998	9 696	8 585	9 008	9 106	8 935	8 981	10 147	11 811	10 698	9 725	9 862	8 529	9 154	8 500
1999	10 142	9 018	9 501	9 325	9 409	9 541	10 638	12 207	11 055	10 073	10 284	8 870	9 870	8 998

1 Based on the European System of Accounts 1995 (ESA95).

Source: National Statistics

2 UK less Extra-Region

4

Individual consumption expenditure¹: £ per head

Government Office Regions

£

	United Kingdom	North East	North West	Yorkshire and the Humber	East Midlands	West Midlands	East	London	South East	South West	England	Wales	Scotland	Northern Ireland
	TLZI	TLZJ	TLZK	TLZL	TLZM	TLZN	TLZO	TLZP	TLZQ	TLZR	TLZS	TLZT	TLZU	THZZ
1994	7 441	6 676	7 082	7 081	7 180	6 920	7 380	8 799	8 424	7 045	7 539	6 563	7 334	6 427
1995	7 762	6 973	7 336	7 306	7 583	7 364	7 915	9 011	8 697	7 408	7 865	6 997	7 537	6 775
1996	8 268	7 391	7 798	7 758	7 939	7 705	8 514	9 485	9 333	8 049	8 365	7 722	8 007	7 188
1997	8 776	7 744	8 331	8 177	8 370	8 128	8 963	10 248	9 938	8 584	8 895	8 041	8 488	7 463
1998	9 316	8 086	8 662	8 763	8 695	8 640	9 740	11 264	10 656	8 961	9 488	8 079	8 874	7 749
1999	9 864	8 003	9 321	8 907	9 057	9 262	10 077	12 250	11 392	9 600	10 057	8 206	9 459	8 281

1 Based on the European System of Accounts 1995 (ESA95).

Source: National Statistics

5 Total average gross weekly pay¹ Government Office Regions

£

	United Kingdom	North East	North West	Yorkshire and the Humber	East Midlands	West Midlands	East	London	South East	South West	Wales	Scotland	Northern Ireland
	DEOG	LRCO	LSHZ	DCQI	DCQH	DCQG	LRCQ	DCPI	LRCR	DCQF	DCQL	DCQM	DCQN
1994 Apr	324.7	294.6	307.7	297.0	292.5	300.1	322.8	420.6	339.4	306.9	290.5	301.9	286.5
1995 Apr	336.7	299.2	317.7	306.0	306.4	311.3	331.5	441.5	348.1	313.9	302.1	313.4	300.2
1996 Apr	350.2	315.2	329.5	316.8	318.5	323.9	347.7	455.0	367.1	325.3	313.3	325.2	306.2
1997 Apr	366.3	327.4	345.6	330.6	333.1	337.3	362.2	480.1	382.6	342.6	330.2	336.9	319.7
1998 Apr	383.1	338.7	363.3	345.2	350.3	359.8	380.3	504.5	406.3	354.6	342.8	350.0	332.6
1999 Apr	399.8	349.7	373.7	360.7	362.5	375.8	397.3	524.7	423.6	365.4	354.1	370.1	344.9
2000 Apr	418.1	368.0	389.0	375.1	374.4	387.2	416.2	561.7	443.3	380.6	368.4	383.0	360.4
2001 Apr	442.3	379.7	408.2	391.7	393.4	417.4	438.0	595.6	472.5	408.3	381.6	404.8	375.0
2002 Apr	462.6	399.3	426.8	409.9	413.0	427.3	459.6	624.1	496.7	421.7	399.7	427.0	390.1
2003 Apr	473.8	402.1	437.6	425.5	428.7	435.8	475.9	636.9	505.6	440.6	414.5	436.8	404.5

1 Average gross weekly earnings of full-time employees on adult rates whose pay for the survey pay-period was not affected by absence.

Sources: New Earnings Survey, National Statistics; Department of Economic Development, Northern Ireland

6 Unemployed as a percentage of the economically active population^{1,2} seasonally adjusted Government Office Regions

Percentages

	United Kingdom	North East	North West	Yorkshire and the Humber	East Midlands	West Midlands	East	London	South East	South West	England	Wales	Scotland	Northern Ireland
	MGSX	YCNC	YCND	YCNE	YCNF	YCNH	YCNH	YCNH	YCNJ	YCNK	YCNL	YCNM	YCNN	MGXW
2001 Q1	5.1	7.6	5.2	5.4	4.7	5.6	3.5	6.5	3.4	3.9	4.9	6.0	5.9	6.2
Q2	5.0	7.4	5.3	5.5	5.0	5.5	3.6	6.2	3.2	3.6	4.8	6.1	6.3	6.0
Q3	5.1	7.1	5.1	5.3	4.6	5.4	4.0	6.6	3.4	3.6	4.9	5.5	6.6	6.1
Q4	5.2	7.2	5.4	5.1	4.5	5.5	3.9	7.3	3.4	3.6	5.0	5.8	6.7	5.8
2002 Q1	5.1	7.2	5.4	5.0	4.8	5.6	3.6	6.9	3.6	3.4	4.9	5.7	6.5	6.1
Q2	5.2	6.5	5.5	5.3	4.6	5.7	3.7	6.8	3.9	3.7	5.0	5.7	6.5	5.4
Q3	5.3	6.2	5.5	5.6	4.6	5.9	3.8	7.0	4.0	4.0	5.1	5.2	6.3	6.3
Q4	5.1	7.5	5.0	5.1	4.7	5.7	4.1	6.6	4.0	4.1	5.0	5.1	6.1	5.5
2003 Q1	5.1	6.4	5.0	5.2	4.1	6.0	4.6	7.0	3.9	3.7	5.0	4.8	5.8	5.2
Q2	5.0	6.0	4.9	5.1	4.4	5.6	4.0	7.2	4.0	3.5	4.9	4.6	5.6	5.0
Q3	5.0	6.7	4.8	4.9	4.5	5.9	3.9	7.2	3.9	3.2	4.9	4.7	5.8	5.8
Q4	4.9	6.4	4.8	5.1	4.4	5.8	3.5	7.1	3.8	3.1	4.8	4.8	5.8	6.3
2004 Q1	4.7	5.3	4.6	4.7	4.7	5.5	3.4	6.9	3.9	2.9	4.7	4.5	5.7	5.1

1 Periods are calendar quarter.

Source: Labour Force Survey, National Statistics

2 Data has been adjusted to reflect the 2001 Census Population data.

For further details, please see the National Statistics website:
www.statistics.gov.uk/cc/nugget.asp?id=207

7 Long-term claimant as a percentage of the unemployed¹ (those out of work for 12 months or more) Government Office Regions

Percentages

	United Kingdom	North East	North West	Yorkshire and the Humber	East Midlands	West Midlands	East	London	South East	South West	Wales	Scotland	Northern Ireland
	LRFN	LRFO	LSIA	LRFR	LRFS	LRFT	LRFU	LRFV	LRFW	LRFX	LRFY	LRFZ	LRGA
2003 May	15.0	14.9	15.0	13.5	13.2	15.8	11.6	19.3	11.7	11.6	14.1	13.2	22.3
Jun	15.2	15.2	15.1	13.7	13.6	15.9	12.0	19.3	12.2	11.8	14.5	13.2	21.8
Jul	15.0	14.9	14.9	13.5	13.6	15.7	12.2	19.4	12.3	11.8	13.9	12.8	20.8
Aug	15.0	14.5	14.8	13.4	13.8	15.6	12.4	19.3	12.4	11.8	13.9	13.0	20.5
Sep	15.4	14.5	15.3	13.7	14.5	16.0	12.7	19.6	12.5	11.9	14.3	13.7	21.5
Oct	15.7	14.7	15.6	14.0	15.0	16.4	13.2	19.7	12.9	12.0	14.6	13.9	22.8
Nov	15.8	14.4	15.7	14.0	15.4	16.7	13.2	19.8	12.9	11.9	14.3	14.0	23.9
Dec	15.8	14.2	15.4	13.9	15.4	16.7	13.3	19.9	13.0	11.9	13.8	13.9	24.5
2004 Jan	15.1	13.3	14.6	13.1	15.0	16.1	12.7	19.9	12.5	11.3	12.8	13.1	24.3
Feb	15.0	13.4	14.4	12.9	14.9	15.9	12.3	19.6	12.6	11.1	12.7	13.1	24.8
Mar	15.2	13.7	14.5	13.0	15.0	16.3	12.4	19.7	12.9	11.3	12.9	13.5	25.3
Apr	15.5	13.9	14.6	13.2	15.5	16.6	12.7	19.6	13.5	11.8	13.3	14.0	25.8
May	16.1	14.4	14.9	13.6	16.1	17.1	13.3	20.0	14.1	12.3	14.0	14.7	26.6
Jun	16.4	14.8	15.2	13.8	16.3	17.4	13.7	20.3	14.6	12.9	14.4	14.9	26.2

1 Computerised claims only.

Source: National Statistics

8 Claimant count rates as a percentage of total workforce

Government Office Regions

Seasonally adjusted

	United Kingdom	North East	North West	Yorkshire and the Humber	East Midlands	West Midlands	East	London	South East	South West	Wales	Scotland	Northern Ireland
	BCJE	DPDM	IBWC	DPBI	DPBJ	DPBN	DPDP	DPDQ	DPDR	DPBM	DPBP	DPBQ	DPBR
1999	4.2	7.1	4.6	5.0	3.7	4.5	2.9	4.5	2.3	3.1	5.0	5.1	6.4
2000	3.6	6.3	4.1	4.4	3.4	4.0	2.4	3.7	1.9	2.5	4.4	4.6	5.3
2001	3.2	5.7	3.7	4.0	3.1	3.7	2.1	3.3	1.6	2.1	4.0	4.0	4.9
2002	3.1	5.2	3.6	3.7	2.9	3.5	2.1	3.6	1.7	2.0	3.6	3.9	4.5
2003 Jun	3.0	4.5	3.3	3.4	2.9	3.5	2.1	3.7	1.7	1.9	3.3	3.9	4.2
Jul	3.0	4.5	3.3	3.4	2.9	3.6	2.1	3.7	1.7	1.9	3.4	4.0	4.4
Aug	3.1	4.5	3.3	3.4	2.9	3.6	2.1	3.7	1.7	1.9	3.4	4.0	4.6
Sep	3.0	4.3	3.2	3.3	2.8	3.5	2.1	3.7	1.7	1.8	3.2	3.7	4.4
Oct	2.9	4.2	3.0	3.2	2.7	3.4	2.0	3.6	1.7	1.8	3.1	3.6	4.2
Nov	2.8	4.2	3.0	3.1	2.7	3.5	2.0	3.6	1.7	1.8	3.1	3.6	4.0
Dec	2.9	4.3	3.0	3.1	2.7	3.3	2.0	3.6	1.7	1.8	3.2	3.7	4.0
2004 Jan	3.1	4.7	3.3	3.4	2.9	3.6	2.2	3.6	1.8	1.9	3.5	4.0	4.2
Feb	3.1	4.6	3.3	3.4	2.9	3.6	2.3	3.6	1.8	2.0	3.5	4.1	4.1
Mar	3.0	4.4	3.2	3.3	2.8	3.5	2.2	3.6	1.8	1.9	3.4	3.9	4.0
Apr	2.9	4.3	3.1	3.2	2.7	3.4	2.1	3.6	1.7	1.7	3.3	3.8	3.9
May	2.8	4.1	2.9	3.0	2.6	3.3	2.1	3.6	1.6	1.6	3.1	3.6	3.7
Jun	2.7	3.8	2.8	2.9	2.5	3.2	2.0	3.5	1.6	1.5	2.9	3.5	3.7

9 Total in employment^{1,2,3}, seasonally adjusted

Government Office Regions

Source: National Statistics

Thousands

	United Kingdom	North East	North West	Yorkshire and the Humber	East Midlands	West Midlands	East	London	South East	South West	England	Wales	Scotland	Northern Ireland
	MGRZ	YCJP	YCJQ	YCJR	YCJS	YCJT	YCJU	YCJV	YCJW	YCJX	YCJY	YCJZ	YCKA	YCPT
2001 Q1	27 604	1 060	3 031	2 262	1 974	2 421	2 699	3 478	4 031	2 360	23 316	1 234	2 354	695
Q2	27 662	1 065	3 052	2 252	1 971	2 417	2 678	3 518	4 045	2 377	23 374	1 223	2 358	701
Q3	27 670	1 064	3 003	2 263	1 990	2 434	2 670	3 520	4 054	2 385	23 383	1 220	2 348	720
Q4	27 735	1 067	3 023	2 268	2 001	2 455	2 684	3 510	4 060	2 395	23 461	1 224	2 342	706
2002 Q1	27 765	1 072	3 027	2 274	2 004	2 454	2 689	3 513	4 065	2 389	23 488	1 226	2 342	704
Q2	27 850	1 068	3 030	2 274	2 024	2 464	2 680	3 539	4 055	2 405	23 539	1 241	2 352	715
Q3	27 846	1 068	3 028	2 277	2 039	2 459	2 680	3 514	4 033	2 406	23 504	1 258	2 363	724
Q4	28 000	1 051	3 084	2 284	2 033	2 468	2 668	3 545	4 054	2 407	23 594	1 287	2 384	734
2003 Q1	28 049	1 061	3 089	2 304	2 041	2 459	2 655	3 525	4 054	2 414	23 603	1 295	2 395	751
Q2	28 112	1 067	3 103	2 307	2 039	2 448	2 687	3 539	4 043	2 415	23 646	1 316	2 404	736
Q3	28 130	1 069	3 107	2 317	2 027	2 432	2 690	3 573	4 048	2 418	23 680	1 317	2 398	732
Q4	28 152	1 085	3 101	2 319	2 042	2 432	2 731	3 540	4 056	2 428	23 733	1 310	2 386	716
2004 Q1	28 346	1 102	3 127	2 328	2 057	2 454	2 744	3 589	4 041	2 448	23 890	1 321	2 408	720

1 Includes employees, the self-employed, participants on Government-supported employment and training schemes and unpaid family-workers.

2 Periods are calendar quarters.

3 Data have been adjusted to reflect the 2001 Census population data. For further details please see the National Statistics website: www.statistics.gov.uk/cci/nugget.asp?id=207

Source: Labour Force Survey, National Statistics

10 Redundancies, not seasonally adjusted¹

Government Office Regions

Rates²

	United Kingdom	North East	North West	Yorkshire and the Humber	East Midlands	West Midlands	East	London	South East	South West	Wales	Scotland	Northern Ireland
	DITA	LRDH	LRDI	DCXF	DCXG	DCXL	LRDJ	DCXI	LRDK	DCXK	DCXN	DCXO	DITB
Summer 2000	6	— ³	7	5	9	7	5	4	7	8	— ³	6	—
Autumn 2000	7	— ³	8	7	7	8	6	7	6	6	— ³	7	—
Winter 2000	7	— ³	9	6	7	9	5	6	6	8	9	6	—
Spring 2001	7	— ³	8	5	8	8	6	7	5	7	— ³	10	—
Summer 2001	7	— ³	8	7	7	8	9	6	7	5	— ³	8	—
Autumn 2001	8	— ³	9	10	7	6	7	8	9	6	— ³	7	—
Winter 2001	9	12	10	5	8	9	7	8	10	8	10	10	—
Spring 2002	8	— ³	8	5	8	11	10	8	8	7	— ³	8	—
Summer 2002	7	— ³	8	8	7	10	6	7	6	8	— ³	8	—
Autumn 2002	7	— ³	6	6	9	6	7	6	8	7	— ³	7	—
Winter 2002	8	10	7	6	7	10	7	7	7	5	12	8	—
Spring 2003	6	— ³	7	7	7	8	6	4	8	6	— ³	6	—
Summer 2003	6	— ³	6	— ³	9	10	5	6	8	6	— ³	6	—
Autumn 2003	6	— ³	7	— ³	6	7	6	6	7	5	— ³	9	—
Winter 2003	6	— ³	8	5	6	5	7	5	5	— ³	— ³	6	—
Spring 2004	6	— ³	6	6	— ³	8	6	5	7	6	— ³	7	—

1 The method of calculating redundancy estimates back to spring 1995 has changed from that used to calculate data previously published in this table. Thus the data in this table are not comparable to those previously published. See pp225-229 of the May 2000 Labour Market Trends for more information.

2 Redundancies per 1,000 employees.

3 Sample size too small to provide a reliable estimate.

Source: Labour Force Survey, National Statistics

11

Employee jobs (all industries)

Government Office Regions

2000 = 100

	United Kingdom	North East	North West	Yorkshire and the Humber	East Midlands	West Midlands	East	London	South East	South West	Wales	Scotland	Northern Ireland
	YEKA	YEKB	YEKJ	YEKC	YEKD	YEKI	YEKE	YEKF	YKKG	YKJH	YEKK	YEKL	YEKM
2000	100.2	100.8	99.5	100.1	101.0	100.3	99.8	99.8	99.6	100.1	100.0	100.6	100.5
2001	101.4	101.9	100.3	101.7	101.9	102.0	102.0	99.8	99.9	100.2	100.1	102.9	102.0
2002	101.7	99.3	102.8	102.8	100.9	103.8	103.5	100.7	100.2	101.1	100.2	102.8	103.6
2003	101.9	98.9	104.5	102.9	101.0	105.0	102.8	100.8	99.6	102.5	101.0	102.5	104.5
2002 Sep	101.6	103.3	104.2	101.3	100.4	100.7	100.8	98.7	102.6	103.5	100.9	102.7	103.3
Dec	102.2	103.7	105.2	102.5	100.2	101.5	101.6	99.3	103.1	103.7	100.4	102.8	104.9
2003 Mar	101.2	103.5	104.2	101.2	98.7	100.4	100.6	98.3	102.5	102.1	99.9	101.9	103.8
Jun	101.7	104.6	104.7	102.5	99.5	100.9	101.0	98.5	103.0	102.7	100.3	102.2	104.0
Sep	101.9	104.7	105.1	102.7	99.8	100.6	101.0	98.6	102.8	103.0	101.7	102.4	104.1
Dec	102.6	105.4	105.8	103.6	100.1	101.3	101.4	100.1	103.3	103.4	102.1	103.1	106.1
2004 Mar	101.8	104.5	105.0	102.9	98.6	100.6	100.5	99.7	102.6	102.8	100.8	102.1	105.6

Source: National Statistics

12

Index of industrial production

Seasonally adjusted 2000 = 100

	United Kingdom	Scotland	Northern Ireland	Wales
	CKYW	LRFK	LRFL	TMQX
2000	101.6	100.0	100.00	100.0
2001	100.0	95.2	102.90	94.2
2002	97.5	88.9	100.30	94.2
2003	97.4	87.5	101.20	89.2
2001 Q1	101.9	97.5	106.7	94.7
Q2	100.3	97.3	101.5	92.8
Q3	99.9	93.8	102.0	94.5
Q4	97.9	92.1	101.6	94.8
2002 Q1	97.8	89.6	100.0	94.7
Q2	97.6	89.5	100.9	95.0
Q3	97.4	88.8	100.8	94.7
Q4	97.1	87.8	99.5	92.3
2003 Q1	97.3	87.8	99.1	90.3
Q2	97.1	86.9	100.7	89.1
Q3	97.4	86.9	102.3	86.5
Q4	97.6	88.3	102.7	90.7
2004 Q1	97.1	..	103.5	86.7

Sources: National Statistics;
 Scottish Executive;
 Department of Enterprise, Trade & Investment Northern Ireland;

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Index of construction

Seasonally adjusted 2000 = 100

	United Kingdom	Scotland	Northern Ireland	Wales
	GDQB	LRZR	LRFM	TMQY
2000	98.2	100.0	..	100.0
2001	100.0	96.4	..	91.1
2002	103.8	91.9	..	98.1
2003	108.9	97.2	..	112.0
2001 Q1	99.2	99.5	124.3	94.7
Q2	99.5	97.9	116.3	84.3
Q3	100.1	95.3	116.8	92.1
Q4	101.3	92.8	119.7	96.6
2002 Q1	102.9	92.0	113.6	96.4
Q2	102.6	91.9	117.0	98.3
Q3	104.2	91.5	112.5	97.3
Q4	105.6	92.4	111.7	100.3
2003 Q1	104.4	94.4	112.9	102.8
Q2	108.0	96.3	117.9	108.6
Q3	111.0	98.4	120.3	116.1
Q4	112.4	99.6	120.1	120.7
2004 Q1	112.8	..	..	128.4

Sources: National Statistics;
 Scottish Executive; Department of Finance and Personnel, Northern Ireland

14 Manufacturing industry: optimism about business situation

Government Office Regions (London and the South East is still on an SSR basis)

Balance¹

	United Kingdom	North East	North West	Yorkshire and the Humber	East Midlands	West Midlands	East	London and the South East	South West	Wales	Scotland	Northern Ireland
	DCMO	LRYS	LYRT	DCMU	DCMT	DCMS	LRYS	DCMP	DCMR	DCMX	DCMY	DCMZ
2003 Jul	-13	-19	-20	-2	-8	-24	-6	3	-17	-38	-16	1
Oct	-7	-13	17	21	-14	-43	-	5	21	22	-8	-15
2004 Jan	17	21	24	38	-	-4	2	14	37	10	15	8
Apr	12	50	27	37	-9	-5	-2	-2	15	33	-5	6

1 Balance in percentage of firms reporting rises /less those reporting falls.

Source: CBI/BSL Regional Trends Survey ISSN:0960 7781

15 Manufacturing industry: volume of output

Government Office Regions (London and the South East is still on an SSR basis)

Balance¹

	United Kingdom	North East	North West	Yorkshire and the Humber	East Midlands	West Midlands	East	London and the South East	South West	Wales	Scotland	Northern Ireland
Past 4 months	DCLQ	LRVY	LRWY	DCLW	DCLV	DCLU	LRVX	DCLR	DCLT	DCLZ	DCMA	DCMB
2003 Jul	-9	19	9	-20	-24	-18	-13	-20	-15	16	-12	19
Oct	-19	-18	-8	-20	-15	-30	-25	-38	8	-10	-19	29
2004 Jan	14	-7	10	9	7	3	13	8	32	14	13	55
Apr	15	40	21	19	5	7	4	3	17	12	1	-34
Next 4 months	DCMC	LRYY	LRYZ	DCMI	DCMH	DCME	LRZA	DCMD	DCMF	DCML	DCMM	DCMN
2004 Apr	12	50	21	22	12	-7	14	19	24	23	-9	-25

1 Balance in percentage of firms reporting rises /less those reporting falls.

Source: CBI/BSL Regional Trends Survey ISSN:0960 7781

16 Manufacturing industry: volume of new orders

Government Office Regions (London and the South East is still on an SSR basis)

Balance¹

	United Kingdom	North East	North West	Yorkshire and the Humber	East Midlands	West Midlands	East	London and the South East	South West	Wales	Scotland	Northern Ireland
Past 4 months	DCNA	LRZB	LRZC	DCNG	DCNF	DCNE	LRZD	DCNB	DCND	DCNJ	DCNK	DCNL
2003 Jul	-18	29	-1	-9	-23	-22	-33	-28	-23	4	-26	24
Oct	-16	-10	-11	-13	-22	-30	-27	-22	-2	10	-32	6
2004 Jan	13	-8	9	18	3	-2	6	4	19	8	1	28
Apr	18	36	29	32	-20	8	6	15	19	14	6	-32
Next 4 months	DCNM	LRZE	LRZF	DCNS	DCNR	DCNQ	LRZG	DCNN	DCNP	DCNV	DCNW	DCNX
2004 Apr	10	35	12	16	29	-	11	10	12	29	-2	-32

1 Balance in percentage of firms reporting rises /less those reporting falls.

Source: CBI/BSL Regional Trends Survey ISSN:0960 7781

17 Manufacturing industry: volume of new export orders

Government Office Regions (London and the South East is still on an SSR basis)

Balance¹

	United Kingdom	North East	North West	Yorkshire and the Humber	East Midlands	West Midlands	East	London and the South East	South West	Wales	Scotland	Northern Ireland
Past 4 months	DCNY	LRZH	LRZI	DCOE	DCOD	DCOC	LRZJ	DCNZ	DCOB	DCOH	DCOI	DCOJ
2003 Jul	-23	17	-3	-8	-16	-21	-31	-11	-25	-	-15	33
Oct	-22	9	-14	-10	-26	-30	-2	8	1	-7	-20	34
2004 Jan	4	-27	19	17	6	-11	-14	-7	-34	10	6	40
Apr	3	36	25	19	-39	-22	-3	-14	11	-2	16	-10
Next 4 months	DCOK	LRZK	LRZL	DCOQ	DCOP	DCOO	LRZM	DCOL	DCON	DCOT	DCOU	DCOV
2004 Apr	9	25	16	9	32	-9	-7	-3	-5	8	6	-12

1 Balance in percentage of firms reporting rises /less those reporting falls.

Source: CBI/BSL Regional Trends Survey ISSN:0960 7781

18 Manufacturing industry: firms working below capacity

Government Office Regions (London and the South East is still on an SSR basis)

Percentages

	United Kingdom	North East	North West	Yorkshire and the Humber	East Midlands	West Midlands	East	London and the South East	South West	Wales	Scotland	Northern Ireland
	DCOW	LRZN	LRZO	DCPC	DCPB	DCPA	LRZP	DCOX	DCOZ	DCPF	DCPG	DCPH
2003 Jul	68	81	85	79	67	71	65	68	66	58	52	66
Oct	68	75	67	78	55	61	78	81	43	49	71	73
2004 Jan	66	93	59	71	62	63	55	62	49	58	51	91
Apr	65	72	63	65	51	61	42	49	74	41	54	72

Source: CBI/BSL Regional Trends Survey ISSN:0960 7781

19 Permanent dwellings started

Government Office Regions

Numbers

	United Kingdom	North East	North West	Yorkshire and the Humber	East Midlands	West Midlands	East	London	South East	South West	Wales	Scotland ¹	Northern Ireland
	DEOI	LRDP	LRZQ	DCRX	DCRW	DCRV	LRDR	DCRR	LRDS	DCRU	BLIA	BLFA	BLGA
2002	193 347	6 387	19 112	14 615	16 004	14 659	19 315	16 914	25 303	16 918	9 419	22 579	11 977
2003	..	7 079	20 409	16 887	16 762	17 090	20 093	15 825	27 674	16 904	9 793	24 522	13 152
2001 Q1	48 832	1 926	4 788	3 879	3 757	4 026	4 521	3 446	6 043	4 082	2 206	6 391	3 764
Q2	51 875	1 704	4 979	3 788	3 764	4 136	5 620	4 447	6 982	4 445	2 705	5 455	3 847
Q3	49 614	1 581	4 804	3 639	3 972	3 310	4 800	5 764	6 462	4 152	2 452	5 787	2 889
Q4	42 833	1 097	4 694	3 435	3 500	3 171	4 054	3 077	6 050	3 785	1 778	5 445	2 745
2002 Q1	50 707	1 743	5 323	3 333	3 586	4 081	4 857	4 795	6 400	4 710	2 161	6 309	3 381
Q2	49 871	1 712	5 132	3 768	4 435	3 615	4 408	3 856	7 084	4 387	2 809	5 278	3 381
Q3	50 551	1 603	4 740	4 178	4 263	3 880	5 957	4 040	6 262	4 487	2 628	5 426	3 107
Q4	42 218	1 329	3 917	3 336	3 720	3 083	4 093	4 223	5 557	3 334	1 882	5 566	2 108
2003 Q1	52 993	1 633	5 307	4 453	4 741	4 278	5 350	3 734	6 725	4 314	2 203	6 469	3 646
Q2	..	2 028	5 921	3 790	4 224	4 152	5 412	4 766	7 788	4 393	2 736	5 826	3 256
Q3	..	1 734	4 958	4 226	4 161	4 568	5 130	3 627	7 039	4 553	2 696	6 543	3 460
Q4 ²	..	1 684	4 238	4 056	3 751	4 104	4 318	3 698	5 941	3 585	2 158	5 684	2 790
2004 Q1 ³	..	1 554	5 645	4 197	4 325	3 979	6 008	5 181	7 282	3 941	..	8 510	4 294

1 Includes estimates for outstanding returns for private sector.

2 English regions data revised

3 Provisional

Sources: Office of the Deputy Prime Minister;
National Assembly for Wales; Scottish Executive;
Department for Social Development, Northern Ireland

20 House prices¹

Government Office Regions

February 2002 = 100

	United Kingdom	North East	North West ²	Yorkshire and the Humber	East Midlands	West Midlands	East	London	South East	South West	Wales	Scotland	Northern Ireland
	LRBH	LRDX	LRDY	LRBJ	LRBK	LRBP	LRDZ	LRBM	LREA	LRBO	LRBR	LRBS	LRBT
2002	111.2	112.6	112.6	111.5	115.1	112.6	110.3	110.3	110.4	113.1	110.7	109.8	109.5
2003 ³	128.7	137.9	132.9	134.2	141.0	132.7	129.9	120.3	127.1	133.4	133.2	124.9	119.1
2001 Q1	92.1	86.6	97.5	92.9	84.1	90.1	84.4	98.9	91.2	90.5	82.9	96.9	105.3
Q2	95.4	93.8	96.8	92.7	88.8	93.5	84.3	102.8	100.3	91.4	93.0	94.5	97.0
Q3	98.8	93.6	107.0	97.8	93.5	98.6	88.1	103.6	101.8	99.5	89.1	97.2	102.0
Q4	96.8	99.7	100.2	97.7	94.1	96.0	88.1	100.0	98.7	98.4	87.3	97.9	93.1
2002 Q1	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Q2 ⁴	108.2	110.4	111.2	109.3	110.7	108.3	106.0	108.2	106.7	109.0	107.8	108.8	109.4
Q3 ⁴	115.5	116.8	116.6	114.8	120.5	116.9	114.0	114.9	114.2	118.3	114.6	113.9	114.5
Q4 ⁴	121.2	123.2	122.5	122.0	129.0	125.0	121.2	118.1	120.6	125.1	120.3	116.5	114.2
2003 Q1 ⁴	123.4	123.5	122.7	124.1	134.3	125.3	127.8	116.1	124.6	131.1	123.3	112.6	116.2
Q2 ⁴	127.2	135.4	129.3	131.7	140.6	130.8	130.5	117.2	127.4	132.4	128.8	121.6	119.6
Q3 ⁴	130.7	143.0	136.7	137.1	141.9	135.6	129.8	123.9	127.6	134.3	136.7	129.6	119.8
Q4 ⁴	133.4	149.7	143.2	144.2	147.1	139.3	131.5	124.1	128.6	135.8	144.0	136.0	120.8
2004 Q1 ⁴	134.6	156.2	146.6	147.4	148.5	142.3	131.9	122.1	129.5	138.4	148.6	139.5	124.1

1 These indices adjust for the mix of dwellings (by size and type, whether new or second-hand) and exclude those bought at non-market prices and are based on mortgage completions obtained from the Survey of Mortgage Lenders.

2 North West including Merseyside.

3 Data from 2003 onwards based on a significantly enhanced sample of returns from mortgage lenders

4 Quarterly index calculated as average of the monthly mix-adjusted series

Source: Office of the Deputy Prime Minister

21 VAT registrations and deregistrations¹: net change²

Government Office Regions

Thousands

	United Kingdom	North East	North West	Yorkshire and the Humber	East Midlands	West Midlands	East	London	South East	South West	Wales	Scotland	Northern Ireland
	DCYQ	LREB	LRZS	DCYT	DCYU	DCYY	LRED	DEON	LREE	DCYX	DCZA	DCZB	DCZC
1999	21.0	0.3	1.5	0.6	1.0	1.4	2.4	7.2	5.2	1.6	-0.4	0.2	-
2000	18.6	0.4	1.6	0.6	1.3	1.6	2.6	5.2	4.1	1.1	0.1	0.2	-0.3
2001	7.4	-0.3	0.9	-0.4	0.6	0.6	0.4	1.8	3.1	0.4	-	0.2	0.1
2002	-0.2	0.1	-0.2	-0.2	1.0	0.1	0.5	-2.1	1.1	-0.3	-0.7	0.2	0.3

1 This series replaces the previously published dataset

2 Net gain or loss in the stock of registered enterprises each year - equal to registrations < de-registrations

Source: Department of Trade and Industry

Private pension estimates and the National Accounts

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This article presents preliminary estimates of total pension contributions from 1995 to 2002 on a new definition that embraces all private pensions. These estimates show substantial changes compared with previous statistics, but remain subject to a high degree of uncertainty. The article also discusses other changes in the compilation of pension components in the National Accounts and provides a preliminary assessment of the impact on key National Accounts aggregates.

Introduction

This article presents preliminary estimates of total pension contributions from 1995 to 2002 on a new definition that embraces all private pensions. These estimates show substantial changes compared with previous statistics, but remain subject to a high degree of uncertainty. They provide measures which generate fewer inconsistencies across information from a larger variety of sources than was considered in the earlier review of pension contributions.

It is now estimated that:

- Contributions to funded occupational pension schemes grew from £16 billion in 1995 to £27 billion in 2002. In 2002, this represents a significant downward revision of some £12 billion from the previous estimates used in reconciliation with Inland Revenue tax relief calculations and in the National Accounts.
- Contributions to personal pension schemes grew from £9 billion in 1995 to £14 billion in 2002, in line with earlier estimates.
- Total contributions, including imputed contributions to unfunded public sector occupational schemes, were £34 billion in 1995, rising to £54 billion in 2002.

Full time series are given in Table 1.

Pension contributions are an element of household income and a component of Gross Domestic Product (GDP) from the income side. While it is not possible at this stage to anticipate all of the effect of the above changes on the National Accounts, an illustrative analysis shows that the revision to pension contributions might, taken by itself, lead to a reduction of up to 0.3 per cent to the level of Gross Domestic Product (GDP). There would not be a significant impact on quarterly or annual estimates of GDP growth. There would be a reallocation between components of income. In particular household income would be revised down, leading to downward revisions to the level of the saving ratio of up to one percentage point between 1995–2003. However, this is within the average size of previous revisions to the saving ratio, and the implementation of the revision will be carried through in conjunction with other future revisions in the National Accounts. Therefore the full impact would depend on these other revisions as well as the pension changes.

The announcement of changes is consistent with the *National Statistics Code of Practice Protocol on Revisions* that specifies methodological change should be announced before the release of statistics based on the new methods. The article serves as advance notice of consequent revisions. The changes are not reflected in the *Blue Book* datasets released in June 2004. The aim of releasing the information alongside the *Blue Book* datasets was to draw attention to the uncertainties in the accounts and to likely future revisions.

The estimation and national accounts treatment of pensions contributions is one of the most complex areas of official economic statistics. The estimates presented here are part of a long-standing work programme on pension statistics that began with the Pension Contributions Statistics Review published in 2002. Previous analyses have drawn attention to the overstatement of contributions under occupational schemes. The assessment here attempts to narrow down some of the uncertainties over these estimates.

These are preliminary views taken in the light of existing knowledge and currently available statistics. These views will be better informed as a result of new surveys currently under way which will significantly increase our knowledge and understanding of the transactions of the pensions industry. However, the preliminary estimates made for this article both reflect improved sources and remove some long-standing methodological errors. They are better estimates of the level of activity in pensions, and better describe the complexities of the structure of pension contributions and payments we now have in the UK. In addition, the estimates are presented in a new framework which allows a comprehensive view of contributions to all types of pension schemes. In the medium term further work on these issues will be carried out by the newly established inter-departmental Pension Statistics Task Force. All of these improvements are the result of the highest level of cross-departmental support and significant input from the pensions industry and other users.

Background

This article mainly concerns private pensions, defined here as all non-state pensions. This includes personal pensions, and occupational pension schemes for both private sector and public sector employees. Statistics on most public sector occupational schemes derive from government administrative sources and are not the focus of this article, but they are included in discussions to give a complete picture of pension contributions. The emphasis on private sector schemes also means that the article is mainly concerned with ‘funded’ pension schemes. Nearly all private sector pension schemes are funded, where contributions are invested in a fund from which benefits commitments are met. The state pension and most pension arrangements for public sector workers are unfunded schemes, for which commitments are met from current contributions with any shortfall made up from other sources of revenue (that is, from general taxation).

Private pension statistics have been subject to detailed internal and external scrutiny over the past two years. These concerns were discussed in detail in the Office for National Statistics (ONS) Review of Pension Contributions Statistics and the associated consultations. Since that review, we have benefited immensely from comprehensive, very detailed and expert analyses of the pensions statistics carried out by Adair Turner and the Pensions Commission.¹ The Pensions Commission has broadened the range of concerns from those already identified, such as the investment flows between pension funds and insurance companies and inconsistent reporting, to the compilation of pension components

in the National Accounts. They have brought to bear an understanding of contemporary pensions issues that will have a long-term benefit to the work of the inter-departmental Pension Statistics Task Force, as well as an immediate impact on past methods and calculations.

The changes discussed in this article can be split into two broad groups: first, the revisions to pension contributions statistics anticipated from improvements to the collection of data; and second, corrections to National Accounts practices.

The changes to estimates of **contributions to pension schemes** have been most widely foreshadowed, in particular through the Review of Pension Contributions Statistics work. The main work programme set underway has been a review of the surveys providing ONS estimates of pension statistics that underpin the National Accounts. Some revised estimates from the revised survey are already being processed by ONS. However, the survey changes will not resolve all the questions raised with sufficient speed to meet pressing user demands. ONS has therefore taken the exceptional step of producing preliminary estimates of changes based on alternative sources and informed by the results of ONS consultations on the survey changes. As an aid to interpretation of pension contribution data, ONS has also developed a new framework which allows a comprehensive view of contributions to all types of pension schemes.

The second group of changes discussed relate to the methods used for the compilation of the National Accounts rather than survey data themselves. These largely reflect an incorrect allocation of insurance company and pension fund business to specific pension categories. Some of the changes to national accounts components are very large, although there is very little impact on wider national accounts aggregates because of the way in which pension transactions are treated.

The last section turns to the full impact of these component series on the National Accounts. This assessment is also subject to a high degree of uncertainty because the adjustments cannot all be fully worked through the national accounts processes at this stage.

The estimation and national accounts treatment of pension contributions is one of the most complex areas of official economic statistics. The structure of the sector can change rapidly, and even very large financial flows are often difficult to match with balance sheet changes. As small net changes in balances can result from very large credit and debit flows, incomplete information can result in large biases. Nevertheless we are confident that the preliminary estimates introduced today lead to an improved overall presentation, and a better guide for users of changes in the level and structure of pension funds’ contributions and benefits. In the medium term the newly established inter-departmental Pension Statistics Task Force will provide a clearer direction for these and many wider issues, and will do so with the highest level of cross departmental support and significant input from the pensions industry and other users.

The complexity of measuring and presenting 'pensions' estimates

Within the UK, pension provision is particularly complex as many individuals build up pension entitlements in one or more occupational or personal schemes in addition to their entitlements for the state retirement pension. This complexity has been further increased by the variety of changes in the pensions industry during the last ten years. The growth in personal pensions and the introduction of stakeholder pensions mean that there are a range of portable and flexible options for individuals who wish to save for their retirement. Regulatory changes, labour market developments and changes in the pension provider market have all resulted in a greater tendency for pension funds to be shifted between providers. At the same time, some employers providing occupational pensions have shifted provision from defined benefit (DB) schemes, where benefits are defined typically by salary and the length of service, to defined contribution (DC) schemes, where benefits depend upon the size of the fund accumulated at the time benefits are paid.

The nature of the UK pensions industry presents difficulties for data collection and presentation. There are four main participants who provide information: individuals, employers, pension providers and the government. There are also three stages of provision, firstly where individuals (and employers on their behalf) are contributing during their working lives; secondly the accumulation of investment returns on those contributions; and thirdly the drawdown of resources in retirement. Across the pensions industry, aggregate statistics on private pensions are compiled from surveys of pension providers: employers who manage their own ('self-administered') pension funds, and insurance companies who may act in three roles, as pension providers, investment managers for self-administered funds, and also as administrators for self-administered funds where the employer has gone into liquidation. The fact that insurance companies have multiple roles makes it difficult to identify and separate the various strands of their business correctly through surveys.

The treatment of pensions that is necessary to maintain the logic and integrity of the national accounts system is also complex as it involves a network of relationships and transfers between institutional sectors, not all of which accord with the concepts that external users would be interested in. Misunderstandings may arise when national accounts practice in measuring the economy as a whole differs from the experiences of individuals when they contribute to or draw benefits from pension schemes.

Getting a good measure of the scale and extent of pension provision is a difficult area for any statistical office. Each country has different arrangements, and international organisations require detailed information for reconciliation that is not easily obtained. Many countries base their pensions statistics on regulatory returns, which are less likely to follow national accounts concepts and tend to be far less detailed and timely than the statistics available in the UK. At the same time, the development of new types of pension and changes in government policies around the world has led to

a requirement to revisit complex classification guidelines. Measurement in the UK is particularly difficult because of the size of private pensions relative to state pensions and the complexity of the market that has developed. The survey changes described below represent significant improvements in the techniques for measuring pension provision.

Surveys of pension providers

The main sources of statistics on flows of pension contributions are the ONS quarterly and annual surveys of insurance companies and pension funds. A summary of investment flow statistics from these surveys is published in the quarterly 'Investment by insurance companies, pension funds and trusts' First Release. Quarterly statistics on income and expenditure and more detailed information on investment flows are released on the National Statistics website in a database format, and subsequently published, again on the website, in the publication MQ5: *Investment by insurance companies, pension funds and trusts*.

The statistics are derived from statutory sample surveys which cover all insurance companies; self-administered pension funds; investment and unit trusts. (General insurance company business and trusts do not involve pensions and so are not discussed further in this article.) There are separate questionnaires for income and expenditure, transactions in financial assets and the balance sheet.

The target population for the self-administered pension funds surveys is all self-administered pension funds in the UK, including those that are partly insured. Funds that are fully insured are excluded as they are covered by surveys addressed to insurance companies. The quarterly income and expenditure survey includes information on employees' and employers' normal and additional pension contributions, payments made, and transfers to and from other pension schemes. The quarterly transactions in financial assets and annual balance sheet surveys collect information on investment flows by and holdings of self-administered pension funds.

The population base for the long-term insurance surveys is drawn from returns to the Financial Services Authority. These surveys cover both life and pension business written by insurance companies. Pension business includes both occupational schemes (described as group/company sponsored schemes in MQ5) and personal pensions. The quarterly and annual surveys into the income and expenditure of long-term insurance companies collect data on single and regular pension premiums, each broken down into individual/personal and group/company sponsored premiums, and on claims payable. The quarterly transactions in financial assets and annual balance sheet surveys collect data on investment flows by and holdings of long-term insurance companies. The quarterly surveys are aligned each year with the results from the annual surveys, which leads to revisions to previously published statistics.

In MQ5 the results for long-term insurance and self-administered pension funds are published separately and include detailed data on a range of variables covering income,

expenditure and assets. The data from long-term insurance companies are published without any adjustment for either transfers or for investment flows into insurance managed funds from the self-administered pension funds. This is mentioned in both the text of MQ5 and footnotes to tables.

For many analytical purposes there is a need to exclude such transfers and investment flows and to measure net contributions. A transfer payment is made, either when a pension scheme takes over another scheme or moves its investments in insurance managed funds from one provider to another; or when an individual moves from one pension scheme to another or changes their personal pension provider. This transaction is recorded as an outflow for one scheme/company and an inflow for the other. When a pension fund makes an initial move to insurance managed funds this is recorded as an investment by the self-administered fund and as new premiums by the insurance company. In the insurance companies and pension funds surveys, transfers and investment in insurance managed funds are treated differently:

- Self-administered pension funds: transfers are identified explicitly on the survey questionnaire on both the income and expenditure side, and published in MQ5.
- Group/company sponsored (occupational) pension schemes: until recently, the insurance companies survey did not separate transfers, nor did it give guidance as to how they should be treated. It is assumed that they are included on the income side as premiums received, and on the expenditure side as claims payable. The data are published in MQ5 without adjustment.
- Personal pension schemes: the insurance company survey has not specified how transfers of personal pensions should be recorded. Premiums for this kind of business have grown rapidly in recent years which suggests that transfers have become increasingly important. Until recently data on these transfers have not been explicitly collected.
- Insurance managed funds: self-administered pension funds record investment in insurance managed funds as a financial transaction not as a transfer. Insurance companies report these as occupational pension premiums and until recently, these have not been reported separately.

The statistics on pension inflows published in MQ5 therefore need adjustment for policy use and for use as part of the National Accounts because of the transfers and investment flows between different pension funds and pension providers. Transfers have been a feature of pensions data for some time but the magnitude has greatly increased through the 1990s. The growth of insurance managed funds as an investment vehicle for self-administered pension funds since the mid-1990s has seen an increase in the flow of funds from pension schemes to the insurance sector. The insurance companies and pension funds survey arrangements had not proved adequate for identifying this development.

On identifying these issues, the Review of ONS Pension Contributions Statistics (ONS, 2002) recommended a review of how insurance companies filled in the survey questionnaires. ONS, guided by the inter-departmental Pension Statistics Review Committee, undertook that review jointly with insurance companies in 2003. The findings have led to some improvements in the survey. The new survey questionnaires have more detailed guidance notes and contain extra questions, enabling the investment flows and transfers to be adequately identified and the relevant components adjusted.

The ONS review of the insurance company questionnaire also identified a number of other problems, although of lesser significance in terms of overall aggregates. ONS consulted the industry on these in January 2004 (ONS, 2004a). The general problem is that respondents may not classify contributions to headings in the way needed by ONS and assumed in subsequent statistical estimates. The results of this consultation were published in May (ONS, 2004c).

ONS has been making adjustments for transfers to both occupational and individual/personal pension contributions as part of the National Accounts. The adjustments have been made using the pension funds survey estimate of transfers and the Association of British Insurers (ABI) statistics which measure transfers, refunds and surrenders within the insurance sector. What has been at issue here is the split between occupational and personal pensions for insurance sector transfer payments. The ABI transfer payments total is divided between occupational and personal pensions based on claims information. For both occupational and personal pension contributions, these adjustments for transfers have only captured part of this activity. No adjustment has been made in National Accounts in respect of the increase in insurance managed funds. Investigative work with insurance companies indicates that personal pension contributions have also been overstated by ONS, as purchases of pension annuities and income drawdown products have been reported as individual/personal pension contributions. This has led to pension contributions through occupational and personal schemes being overstated.

New results for investment by insurance companies, pension funds and trusts

The first returns of survey data collected on the new questionnaires have been coming in over the past two months. The July publication of the investment by insurance companies, pension funds and trusts survey results includes statistics for the first quarter of 2004 on this new basis (it also contains an explanation of the discontinuity from previous results). However, while the survey returns received so far show firms have adapted to the new arrangements, they do not reveal a fully coherent picture of pension contributions at this stage. The survey will take several quarters to settle, and a more coherent picture will only be available when the annual benchmark results are processed in December.

Best assessment of pension contributions

There is a pressing need to resolve some of the uncertainty surrounding pension contributions, and a requirement for a back series. The exceptional measure of producing a preliminary best estimate of pension contributions in advance of the survey data has therefore been a logical step. In addition, this report proposes a new definition of 'total pension contributions' which is wider than, but can be reconciled with, the total eligible for tax relief which has been used previously in the work of the Pension Statistics Review Committee.²

The proposed presentation, which will be used in future pension statistics publications, breaks contributions down into the same three broad categories which were used in the Pension Statistics Review Committee work. The line references refer to the most recent publication of that table, entitled 'Reconciliation of gross pension inflows' and published in the Annual Report (ONS, 2004b):

- funded occupational pension schemes (line I)
- personal pensions (including Group Personal pensions and stakeholder pensions) (line M)
- unfunded and notionally funded schemes (line L).

The statistical sources and methodology used to arrive at the best estimate for each block, and the definitional differences from the tax relief total, are set out in the following paragraphs.

Funded occupational schemes

As the problems with estimating activity of schemes managed by insurance companies will not be resolved until data for at least a complete year are available from the revised survey, a different approach has been taken to making a preliminary estimate. The approach adopted produces an estimate for total contributions to funded occupational schemes by projecting forward using an alternative data source from a period when the survey problems were thought to be less significant – specifically, 1995. Estimation is based on a composite measure using data on membership of occupational schemes; employee contribution rates (from the Government Actuary Department surveys of occupational schemes); and the average earnings index. As the last Government Actuary Department survey relates to 2000, there is more uncertainty about the projection from that time.

This methodology strictly speaking applies only to employee contributions. However survey data also suggest that the balance between employee and employer contributions has been broadly stable over the time period considered, so the same estimation technique has been applied to normal employer contributions. Employers may in addition make special contributions – for instance to remove any fund deficits. These are recorded separately in the survey of self-administered pension funds, and have been added back to the series derived from the new estimated trend. Special employers' contributions are not thought to be significant for insured pension schemes, as only a small part of this business is in respect of defined benefit schemes where deficits may occur.

It follows from the methodology adopted that the resultant series will, by definition, be broadly in line with earnings. However as the statistics for contributions to self-administered funds are thought to have always been reliable, a credibility check is provided by comparing the total excluding that series with an independent source for insurance company contributions. The Association of British Insurers survey their member companies. The comparison with their premiums receivable statistics suggests the estimates are of the right order of magnitude over the period from 1995 to 2002.

Personal pensions

The problems with personal pension statistics data from the investment by insurance companies and pension funds surveys are described above. An alternative source, as already recognised by the Pension Statistics Review Committee and used in some contexts (though not in the compilation of National Accounts) is Inland Revenue data on contributions to personal pension schemes.

These statistics are collected from pension providers as part of the administrative process when they claim for repayment of basic rate tax which is due on all new contributions to personal pensions. The repayment claims are subject to audit, and the contributions data checked for consistency with those claims. It is therefore a complete and good quality source of data. One limitation is that the timing of claims is not regular, so first estimates may understate contributions in the period, but this is less of a problem with annual and historic data. Inland Revenue has produced their best estimates from the full eligible set of claimants for calendar years from 1995 to 2002.

The statistics cover contributions to personal, group personal and stakeholder pensions, and freestanding Additional Voluntary Contributions. The latter are purchased by individuals who have an occupational pension, but being personal arrangements between the individual and the pension provider, they fall into the category of personal pensions for taxation purposes.

The estimates include 'minimum contributions', the payments from the National Insurance Fund to personal pension schemes approved for the purpose of contracting out of the state second pension. These rebates represent the difference between the full and contracted out rate for National Insurance contributions. Most of these contributions do not attract tax relief so were not included in the previous reconciliation table which focussed on the elements receiving tax relief. But as tangible flows of money into pension schemes it is appropriate to include them in the new definition of total contributions. The rebates are also included in the national accounts estimates of social contributions though there are some timing differences in the series used for National Accounts.

The Inland Revenue statistics also include premiums for Retirement Annuity Contracts – the precursors to personal pensions which were available to individuals not covered by an occupational scheme (mainly the self-employed). They were superseded in 1988 when personal pensions were introduced, but contracts taken out before that time

Table 1

Preliminary 'best estimate' of contributions to pension schemes¹

	£ billion							
	1995	1996	1997	1998	1999	2000	2001	2002
Funded occupational schemes	16	18	19	20	21	23	24	27
Personal pension schemes	9	9	10	11	12	13	13	14
Unfunded occupational schemes	9	9	9	10	10	11	12	13
Total contributions to pension schemes	34	36	38	41	44	47	49	54
<i>of which, components included in total eligible for tax relief:</i>								
Funded occupational schemes²								
new data	16	18	19	20	21	23	24	27
previous data	17	19	22	26	31	34	34	39
Individual and employer contributions to personal pensions								
new data	6	7	8	9	10	10	10	11
previous data	6	7	8	9	10	10	10	11
Unfunded schemes - employees, and employers to notional								
new data	6	6	6	6	7	7	8	9
previous data	6	6	6	7	7	7	8	9
Total for contributions receiving tax relief								
new data	28	30	33	35	38	41	43	46
previous data	29	32	36	41	47	52	52	58

1. Components may not add to totals due to rounding.

2. Includes adjustments required for reconciliation of different national accounts estimates. The size of these adjustments cannot be determined until the individual components have been fed through the full national accounts balancing process so zero adjustment has been assumed for the new data.

are still continuing. Statistics on these are derived from the self-assessment tax system and are considered to be of good quality as completion of a tax return is the mechanism for claiming tax relief on the contributions.

Unfunded and notionally funded schemes

There are six large and a number of small unfunded public sector occupational schemes. Though unfunded, they may nevertheless charge contributions to either employees or employers or both. Contributions from employees attract tax relief in the normal way and are included in the total of contributions for tax relief. Employer contributions are largely an internal accounting transaction but in some cases there are actual flows from one part of the public sector to another. (These are referred to as 'notionally funded' schemes in national accounts tables; the largest being those for teachers and NHS staff.) These employer contributions are set on actuarial advice using a broadly similar approach to a private sector funded scheme. They reflect the amount the employer would have to pay if there was a fund and the contributions were invested. They are included as part of the income of the household sector in the National Accounts, and it is appropriate to include them in an assessment of total pension contributions.

Contributions to unfunded public sector schemes are measured through government administrative systems. Though the basic data are thought to be good quality,

there have been a number of changes to the methodology for calculating employer contributions which result in discontinuities in the series. However these are relatively minor in the context of total pension contributions. The existing national accounts statistics have therefore been adopted for the new presentation of total pension contributions.

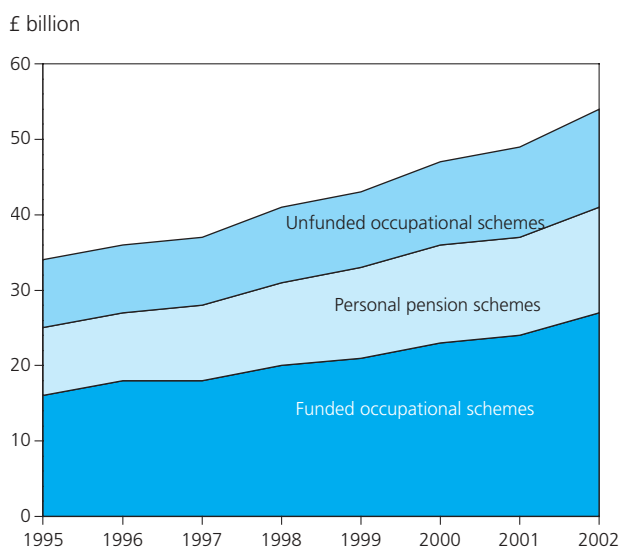
Aggregate contributions

The overall assessment of new pension contributions estimates is reproduced in Table 1 and Figure 1 below, which are based on a development of the Pension Statistics Review Committee presentation with additional items to reflect those elements not included in the total for tax relief. The additions as explained above are:

- 'minimum contributions' – rebates on National Insurance Contributions – to personal pensions; and
- notional or imputed contributions to unfunded public sector schemes.

Because of the broader coverage, the new estimate of total contributions cannot be compared directly with previously published statistics. In order to make this comparison, the elements used in the total for tax relief are identified in the lower part of the table and compared with figures on the previous definition published in Pension Statistics Review Committee papers. The revised profiles reflect a

Figure 1
Pensions contributions – new estimates



significant downward revision to our view of private pension contributions from the middle of the 1990s to the present. On a comparable basis, pension contributions eligible for tax relief in 2002 have been revised down from the £58 billion in the previous reconciliation to £46 billion. The revision arises entirely from funded occupational schemes, as the Inland Revenue estimate for personal pension schemes was already used for the tax relief total (though the position is different for the estimates feeding into the National Accounts as described below).

The statistics are based on preliminary estimates that reflect more judgement than would usually be needed to assess the likely changes from the results of the fuller survey data. The new estimates are a significant improvement on the existing estimates, incorporating some substantial adjustments that were known to be needed, though as we do not have measures of known precision for them, the margin of error could be considerable. Furthermore, the nature of the estimation process means that it is not possible to produce acceptable quality estimates for funded occupational schemes at a more detailed level.

The National Accounts and pensions data

The National Accounts provide a comprehensive and fully coherent picture of the UK Economy. This article was originally released on the National Statistics website to accompany the 2004 *Blue Book* datasets in order to draw analysts' attention to the areas of uncertainty due to the revised view of pensions data that is emerging. It should be noted that there is no direct link between the National Accounts and pensions policy.

In addition to the impact of the statistical changes discussed above, there are also changes resulting from investigations into the compilation processes for some pension components of the accounts that have been made as a result of long-standing inconsistencies found for the first time by the Pensions Commission. The timing of these findings has meant that it has not been possible to incorporate these changes into the formal work for this year's *Blue Book* dataset.

Instead the current exercise, involving a very basic and preliminary revised view of the processes used to construct the Accounts, was carried out to assess whether there is likely to be any significant impact on GDP and the saving ratio.

As background to the changes, it is necessary to look briefly at how pension transactions are treated within the wider national accounts framework. The aim of this treatment is to capture the transactions exhaustively, but also to present them in a way that recognises their whole economy impact, rather than from the perspective of individual households. As required by EU Regulation, the treatment adopted is as defined by the European System of Accounts 1995 (ESA95) which is based on the System of National Accounts 1993 (SNA93).³

In practice the SNA treatment is relatively complicated, and the flows and stocks are not always in line with the intuitive concepts that users might be interested in as individuals. The issue can be crudely subdivided into conceptual and practical. The general *conceptual* problem is that *contributions* into pension schemes that are unambiguously 'saving' for retirement are not received as money by the household sector until they mature as pension *benefits* or *payments*. For example, under most private occupational schemes, part of salaries are paid direct to pension funds (that is, from the corporate to the financial sector). In national accounts terminology, the contributions are deemed to be income to the household sector even though the contribution is paid straight to the financial sector and is not received by the household sector. The general *practical* problem is in translating survey results, which are based on companies that *sell* pensions (as well as other products) or run pension schemes of their own, to the various national accounts categories, where the interest is mainly in who *buys* the pensions. Furthermore, the survey respondents are asked questions that may have little relevance to their own monitoring processes and so they may have difficulty producing the data according to categories relevant to the National Accounts.⁴

The national accounts treatment is different for occupational, state and personal pensions. The main complication to the treatment of occupational schemes arises because, in practice, both employees' and employers' contributions into these schemes tend to be 'deducted at source'. Pension contributions are usually transferred directly from employers to the financial sector (employers might be in the private or public sector). The income is only received by the household sector when individuals have retired and receive the money as pension benefits. The critical element of the national accounts treatment is to account for any such contributions as revenue to the household sector when it is earned (that is, paid as contributions) rather than paid (that is, received as benefits).⁵ Technically this is known as 're-routing'. Pension contributions are then part of the income measure of GDP and a component of the aggregate household revenue measure that underpins calculation of saving and the saving ratio. Pension benefits are recorded in the accounts, but an adjustment is made so that they do not affect GDP or saving measures.⁶

Personal pensions are less complicated. Contributions to these schemes are made from actual income that households have received, paid on to pension companies. Contributions to personal pensions are therefore made from GDP and household saving. The exception is where employers contribute to personal pensions, where the treatment is the same as for occupational pension contributions that are 'deducted at source'.

State pensions are not the focus of this article, but for completeness the national accounts treatment is described briefly. Here the pensions are paid from the National Insurance Fund which could be supplemented if necessary from general government revenues. Any contributions to these schemes are therefore part of households' overall tax and National Insurance bill. The national accounts measure of income is gross of taxation and therefore correctly includes these 'contributions'.

Related to, though not identical to, the distinction between the three types of pensions is the identification of certain pension transactions as 'social'. The concept in turn defines the pension figures that are actually published in the accounts for the household sector.⁷ The ESA95 definition of 'social' relates to flows of expenditure intended to provide for events and circumstance such as illness, unemployment and retirement. State pensions and occupational pensions are in their nature social transactions. Personal pensions are less clear cut, but those where an employer makes a contribution fall within the definition laid down in the ESA.

In the National Accounts, reserves of pension funds are treated as owned by the household sector. Therefore flows of property income (that is, dividends, interest and rent) into these reserves are treated as flows of income to the household sector, and forming part of their social contributions to pensions. As transfers, these are re-distributive flows which increase households' disposable income but are not part of GDP.

More generally the presentation of pensions data on the household sector accounts is part of the wider sector account analysis that decomposes the economy down into sectors (household, financial companies, non-financial companies, government and rest of the world) and examines income and expenditure according to this decomposition. The accounts offer measures of the difference between income and expenditure as analytical tools, the most common measure being net lending/borrowing. However for the household sector there is also a measure of 'saving' corresponding to the difference between expenditure and income before purchases of fixed capital investment have been taken into account. This measure of saving is also presented as a share of income as the saving ratio. This ratio has become quite important to some analysts. As income is measured gross of pension contributions, a revision to pension contribution data will in principle affect this ratio.

Revisions due to changes in the compilation of National Account pension components

Aside from the changes to pension contributions outlined in the previous section, a number of problems with systems for

construction of some detailed pension components of the National Accounts have been revealed. The main changes are to pension benefits and the property income component of pension contributions.

Personal pension contributions

Unlike the estimates used in deriving contributions eligible for tax relief, the National Accounts used personal pension data from the insurance company survey. Though some adjustments for double counting were made, these were found to have been insufficient, as discussed above. The personal pension data that feed into the National Accounts will therefore be revised in line with the Inland Revenue data. There will also be a small adjustment to reflect the treatment of personal pensions where the employer makes a contribution.

The impact of this change is not extensive. Most personal pension contributions are not classified as social contributions and the changes mainly affect a component of the financial account reflecting the size of pension fund reserves allocated to households (net equity of households in life assurance and pension funds' reserves).

Pension benefits

The largest single revision as a result of the analytical work is to the private funded pension component of social benefits data. Pension payments from occupational schemes operated by insurance companies have been found to be considerably overstated (Table 2). The changes have no impact on GDP and saving measures because, as noted above, pension transactions impact on these measures when the contribution is made rather than the benefit is paid.

Table 2
Total private funded social benefits (D622)

	£ billion							
	1995	1996	1997	1998	1999	2000	2001	2002
Previous estimates	35	40	46	49	56	67	67	65
Revised estimates	28	29	32	33	33	41	37	40

The main reason for this revision is the correcting of an erroneous ratio in the system for the construction of the accounts. Benefit payments are derived from information on claims supplied as part of the insurance companies and pension funds survey, but these data correspond to all types of insurance and pension business and were not being appropriately allocated between pensions and other benefits. A revised methodology has been prepared. Furthermore a small adjustment has been made reflecting the allocation of some personal pension payments as social payments.

The allocation error also affects the estimation of personal pension benefits. The portion of these benefits not included in social payments is an element of the calculations on the financial account to reflect the size of households' reserves

(as above). This is another area where the ONS is carrying out further investigations; any impact will be confined to the financial account.

Property income

The methodological review has also revealed first some double counting in the basic estimate of property income; and second that too much of this property income is being allocated to pensions and hence to social contributions. The double counting leads to a reduction in the estimate of total property income by £4 billion in 2002, and this will reduce households' income. The misallocation leads to a revision to the overall estimates of social contributions, but does not impact on GDP or saving measures. Revisions to the relevant property income flows are shown in Table 3.

Table 3
Property income

	£ billion							
	1995	1996	1997	1998	1999	2000	2001	2002
Total impact on								
social contributions	-5	-7	-10	-10	-13	-12	-14	-12
Of which, Revision								
to household income	2	1	-1	-2	-2	-3	-4	-4

Wider impact of revisions on National Accounts

The revisions due to both anticipation of survey results and correction of compilation errors cause a changed overall view of both stand-alone pension estimates and potentially of national accounts aggregates for the household sector and beyond.

Pension aggregates

The main pension aggregates in the National Accounts are employers' actual social contributions (D6111), employees actual social contributions (D6112) and private funded social benefits (D622). On Table 6.1.4S of the *Blue Book* the categories are expanded to show the specific contributions according to various pension categories.

These social components are included in the accounts in order to explain more fully the household income position on the secondary distribution of income account. As discussed above only pension contributions impact on the accounts in aggregate. (In practice, there are offsetting changes in an adjustment figure to keep the accounts balanced.) Any changes to the overall size of the fund of households' reserves in all private pension schemes then feed through to the household sector *financial* account (through the component 'net equity of households in life assurance and pension funds' reserves' (F61).)

Lastly there are, of course, corresponding changes to the overall figures on the accounts for the insurance company and pension fund sector, with flows changing to mirror changes in the household sector.

National Accounts aggregates

While estimation of the impact on overall pension components is a relatively simple matter, estimation of the overall effect on the accounts is more difficult. The UK system is based on publishing a coherent and comprehensive assessment of GDP and the sector accounts each quarter. This assessment is based on three approaches: by directly measuring production, by measuring the income generated by the production and by measuring the expenditure on the goods and services produced. ONS believes that the best benchmark estimate of GDP at current prices comes from incorporating this information on production, income and expenditure in an Input-Output Supply and Use framework⁸ to produce a single estimate of GDP. (This benchmarking takes place some 18–21 months after the end of the year to which it relates.) The *Blue Book* information released in June 2004 is based on the application of these processes to the year 2002 and revisiting the process for 2001. The timing of the changes announced in this article has meant that it has not been possible to process these changes through the latest *Blue Book* round. However analysts have made some very preliminary assessments of how the pensions changes might impact on the overall view on GDP over the relevant period.

Theoretically, changes to any aggregate component of the accounts might have an impact on GDP. The main impact of the pensions changes discussed above will be a downward revision to the pensions elements of compensation of employees, a component of the income measure of GDP. In 2002 the impact of the revision to occupational scheme contributions on Table 1 is £12 billion. The specific impact on aggregate GDP depends on how the change is interpreted through the supply-use process.

Even in the general case, any revision to income components of GDP have a lesser impact on the aggregate measure. First, changes to income components are only one of three perspectives on the supply-use process. Moreover, production data are generally considered to be most reliable and are given the greatest weight in the overall assessment. Second, the national accounts *Blue Book* processes see a number of revisions to the components of each of the measures. In the specific context here, the aggregate revision to GDP would be much smaller than the revision to pensions contributions. Given we cannot anticipate the outcome of the next supply-use process, ONS considers that the overall view of GDP should not be changed as a result of knowing about these changes to pension contributions.

However, as an illustrative exercise, a maximum impact could be derived under the assumption of no changes to other components, and a weight for income components in the overall assessment of less than a third. In 2002, with GDP at roughly £1,000 billion, a downward revision to income of £12 billion could be estimated as having a maximum impact on GDP of between 0.2 and 0.3 per cent. The effect on levels would be smaller in earlier years, but estimates of growth are unlikely to be significantly changed in any year.

Any revisions to compensation of employees will also feed through to total household resources and the saving ratio. Here it is possible that the revisions may be larger than the aggregate impact on GDP. This follows because there may be a re-allocation between the components of the income, for example between the household sector and private non-financial corporation sector. Furthermore, the property income changes will reduce total household resources. Very provisional ONS calculations again suggest it is unlikely that the full effect of the change to compensation of employees will feed through to the saving ratio. However there will be some downward impact, up to a maximum of one percentage point over the period 1995–2003. There may also be some offsetting changes in other sectors of the accounts.

A revision of this scale to the saving ratio would not be exceptional. The calculation for the saving ratio is based on a small difference between two very large figures, measured by surveys with sampling error, that can both be subject to large revision. For example in 2002, household income of £735 billion is compared with expenditure of £692 billion. Over the period 1995 to the present the average revision (regardless of sign) between the original and most recent estimate of the saving ratio has been about one percentage point. The saving ratio cannot be regarded as reliable for any single point in time, but over time provides a good illustration of movements in household spending and saving behaviour.

We should remain cautious over the use of any single measure as indicative of the relative health or otherwise of the UK pensions system. Measures based on pension contributions are not necessarily indicative of changes in pension coverage, entitlement, or the actual benefits households expect to receive on retirement. Contributions are also partly determined by funding requirements and would tend to increase more slowly during periods of strong investment growth (and *vice versa*). Furthermore, payments into other assets, in particular housing, may be regarded as important sources of income on retirement. The saving ratio is equally subject to effects that may be little to do with saving behaviour for retirement. First, the behaviour of the ratio suggests a cyclical pattern to saving, with households spending a larger share of their income in an expansion and lesser share during a contraction. Second, the particularly large shift in the ratio in 1997 was due mainly to the improved compliance following the introduction of self-assessment of taxation. Third, the ratio could be affected by spending wealth accumulated in assets and/or taking on debt (for example, households withdrawing equity on their houses in order to spend increases consumption without increasing income). Fourth, the household saving ratio only partly reflects overall saving in the economy, and trends in household saving may not be mirrored in total saving.

Implementation and further work

This article has identified areas where we know now that estimates of some national accounts components will be subject to revision in future *Blue Books*. The aim is to incorporate these changes in stages. The first stage will be implemented for the Quarterly National Accounts for the second quarter of 2004 (released 29 September) and

will affect the property income components of the sector accounts, with no effect on GDP. The second stage, full implementation throughout the National Accounts, will be part of the 2005 *Blue Book* process. This implementation will also involve revisiting the estimates of pension contributions, with the benefit of the annual benchmark survey data on pension transactions that will then be available.

It is not possible to anticipate the size of future adjustments, but we believe that the current assessment in this article brings together the best available unbiased estimates that take account of the problems discussed here and in Pension Statistics Review Committee papers.

Notes

- 1 We would like to record our gratitude to the Commission for the insights into this area of statistics that their work has revealed.
- 2 In the original Report it was included in Annex B, as Table 1 (ONS, 2002, pp. 31–32).
- 3 A detailed discussion of the treatment can be found in annexes to both ESA95 and SNA93. The ONS also published an overview of the treatment in Annex 2 to the ‘Discussion note on insurance companies’ recording of pensions transactions’. This is reproduced as an appendix to this article; a fuller account will be published in due course.
- 4 The international definition is based on a compromise between countries that have quite different pension arrangements, and may be less appropriate for countries with certain pension structures.
- 5 Imputed employer contributions to unfunded schemes (in the main public sector pensions) also count as revenue to the household sector.
- 6 However the Gross Disposable Income (GDI) measure of income looks at matters from the perspective of households rather than income according to GDP. Changes to benefits feed directly to GDI and changes to contributions do not. The measure is therefore affected by national accounts revisions discussed at the end of the paper. It will be reduced by revisions to benefits, although the impact will be offset by revisions arising from the misallocation of property income as well as affected by changes arising in the national accounts balancing process.
- 7 As would be expected, the key statistics concerning pension transactions and the main area where pension transactions impact on wider aggregates are in the household sector accounts. The most comprehensive information is published on Tables A37 to A41 of the quarterly *UK Economic Accounts* and 6.1.1 to 6.1.9 of the *Blue Book*.
- 8 Within the supply-use framework, the supply (domestic production plus imports) of 123 products is compared to the demand for those products. Simultaneously, the outputs of 123 industries are compared to the inputs into each industry. Supply and demand should be equal, as should industrial inputs and outputs. The raw data within the supply-use table are adjusted to produce a balance which generates a single, coherent measure of GDP; that is, in which at the end of the balancing process the GDP totals of income, expenditure and output components are all the same as each other. The adjustment process takes account of the quality of the data in each cell. This process draws on all the available data so, in effect, GDP is a weighted average of production, income and expenditure information. However, the weight given to each of the individual components varies

from product to product and across time. In practice though, production data are generally considered the most reliable and are given the greatest weight.

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2. Employers' and employees' contributions are social contributions payable by the household sector and receivable by the financial institutions sector in the secondary distribution of income account. Note that social contributions in this also include notional contribution supplements less service charges, which are significant.

3. Pension payments are social benefits payable by the financial institutions to the household sector in the secondary distribution of income account.

These flows (2 & 3) affect sector balances but have no effect on GDP.

4. An adjustment for the change in net equity of households in pension funds is made as a flow between the household and financial institutions sectors to compensate for the difference between contributions and benefits as recorded by these sectors.

The adjustment has no impact on saving, correcting sectoral saving for the imbalances created by the earlier transactions and ensuring that the resulting sectoral balances of net lending/borrowing (which match the balances in the financial account) maintain pensions equity in the household sector.

Appendix: The treatment of pensions in the National Accounts

This appendix describes the treatment of non-state pensions in the National Accounts. It is based on Annex IV to the 1993 UN System of National Accounts.

Non-state schemes are defined, together with state schemes, as part of social insurance and the flows are social contributions and social benefits. Personal pensions to which employers do not contribute are a significant exception and are treated solely as a financial investment by the household sector.

Pensions to which employers contribute are shown in the income accounts because:

- the employers' contribution forms part of compensation of employees and contributes to Gross Domestic Product (GDP)
- it is taken to be helpful to show the social benefits (pension payments) as part of incomes for economic analysis purposes. Consequently the accounts also need to show the contributions, and the impact of both pension payments and contributions needs to be counterbalanced to maintain the correct sectoral balances for gross saving and net lending/borrowing to match with the financial account.

The flows in the National Accounts for these schemes are at all stages net of transfers, refunds and surrenders. They are:

1. Employers' and employees' contributions are receivable by the household sector in the allocation of primary incomes account.

The effect is to include these contributions in GDP as part of compensation of employees.

E-business and labour productivity in manufacturing and services

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New firm level analysis based on data from e-commerce surveys has shown the value of using Information and Communication Technologies (ICT) to link business processes on labour productivity.

Earlier work in this area focused on e-commerce (buying and selling over electronic networks). More recent surveys have broadened the use of electronic business processes. They show that the use of e-commerce by firms, after high levels of initial trial and error, has begun to stabilise.

While adoption of e-business processes is now widespread among larger firms, their labour productivity effects vary by sector.

This article summarises work based on the 2001/02 surveys. It outlines a research programme on other ICT indicators and their impacts, whose results will be reported later.

Introduction

Analysis of Office for National Statistics (ONS) micro-data suggests firms with automatic links between their e-commerce networks and operating business processes enjoy higher labour productivity. However this is not true for all process links, and depends on firm size and sector.

Previous ONS work in this area has been limited to narrower analysis of e-commerce, the buying or selling of goods via electronic networks (Criscuolo and Waldron, 2003). However the potential of electronic networks lies in how they can transform the operations of an enterprise, not just its transactions, and e-commerce is increasingly seen as just one of many specific applications of e-business.

International work in this area includes a study by Atrostic and Nguyen (2002). They show, using the 1999 US Bureau of Census Computer Network Use Survey (CNUS), that:

- computer networks in firms have a positive impact on Total Factor Productivity (TFP)
- only half such networks were used for buying or selling.

Growing case evidence suggests that integration of business processes through computer networks, with organisational and human capital investments, promotes gains in labour productivity (Brynjolfsson and Yang, 1999). The concept of a firm with integrated systems linking production, distribution, procurement and sales functions making operations more efficient is supported by international case studies. Automatic processing and sharing of such information may help improve labour productivity if the technology is applied appropriately

Up to now, statistical analysis of these effects has been limited by lack of large sample surveys, and also by rapid changes in ICT use by firms. Both these limitations are addressed in this article.

E-business Process Measurement

Questions on electronic business processes have been included in the ONS e-commerce surveys to business in both 2001 and 2002. In both years the questions:

- focus on links between internal business process types (for example, logistics) and buying / selling, and on links to customers' and suppliers' e-enabled business processes
- cover both open systems (usually one-to-many) such as the internet, and closed systems (usually one-to-one).

Closed electronic business links predate the development of the Internet, and are often known as Electronic Data Interchange (EDI). Such systems are usually set up by firms to organise procurement or order handling and involve dedicated business to business links. Many of these systems are now migrating to the Internet, although they remain 'closed' in the sense that they are owned by one firm, which selects the customers or suppliers that can do business through them.

The business process questions included in the 2002 survey are shown below.

On the last working day of 2002

27. did your electronic ordering systems link automatically to electronic systems either within or outside of your business?

(please put a cross in the box that applies)

Yes ☐ No ☐ 180 → If no, go to question 29

28. did your business's electronic ordering, sales or purchasing systems link automatically, within your business to:

(for each category, please place a cross against either yes or no)

	Yes	No	
your production or service operating systems	<input type="checkbox"/>	<input type="checkbox"/>	185
your logistics or delivery systems	<input type="checkbox"/>	<input type="checkbox"/>	186
your invoicing or payment systems	<input type="checkbox"/>	<input type="checkbox"/>	184
your marketing or customer relationship management systems	<input type="checkbox"/>	<input type="checkbox"/>	187
your other internal operating systems	<input type="checkbox"/>	<input type="checkbox"/>	188
your suppliers' ordering or business systems	<input type="checkbox"/>	<input type="checkbox"/>	181
your customers' ordering or business systems	<input type="checkbox"/>	<input type="checkbox"/>	183
other links to external businesses' systems	<input type="checkbox"/>	<input type="checkbox"/>	189

These questions are based on a model of business processes developed by Michael Porter (Porter, 1985), and which forms the basis for the US survey. This list of processes is largely based on manufacturing firms and may be less applicable to firms providing services. This has given rise to some difficulties for respondents, particularly smaller firms in the service sector, and discussions have been held with other statistics offices to develop improved survey approaches. For the time being surveys based on this type of business model are being tried in a number of countries.

The analysis which follows:

- explores e-business process use in the 2002 E-commerce Inquiry
- shows the decreasing level of turbulence in e-commerce activity among UK firms
- examines associations between e-business process integration and labour productivity
- outlines econometric work still under way to determine statistical significance, and the relationship between these and other indicators of ICT use.

Results for e-business in 2002 survey

Responses to the E-commerce survey in 2002 show business process links are reasonably common, with 40 to 50 per cent incidence among large firms (over 250 employees), but under 10 per cent incidence among firms with less than 20 employees. For micro businesses (under 10 employees) use of electronically linked businesses processes is reported at 1–2 per cent. These results are shown in Table 1 below, overall and for specific types of process links.

The data shows that internal integration is more common than direct links with customers or suppliers' business systems, and that integration in the financial area (sales or procurement to invoicing or payment) is the most widespread form of linkage. There is also evidence that external links to suppliers are somewhat more common than links to customers; this is broadly consistent with earlier analysis of the use, and benefits, of electronic procurement (Criscuolo and Waldron, 2002).

The populations of firms by size band are also shown in Table 1 and make clear that although incidence of e-business links is low in micro-businesses, the population is many times greater than the largest group. This means that there are many more micro businesses with linked processes (over 30,000) than there are among firms in the largest size category.

The ONS survey does not ask, as US surveys have, about use of Enterprise Resource Planning (ERP) by firms. ERP entails the use of integrated, IT based controls across the firm, and so ERP enabled firms are usually those with multiple business processes links. We can assess this by identifying firms whose responses show they have linked some, or most, processes in Table 1.

Table 2 shows, by comparison, the proportion of firms with differing levels of multiple links. It indicates that a majority of firms, across all size bands, that have linked one process to procurement or sales have linked at least three. So multiple linking is common for those firms that have made a start. But the proportion of firms that are heavily integrated and answer 'yes' to five or more questions, is less than half of the firms that have some form of e-linked processes.

In theory the integration of electronic business processes should offer firms improved efficiency, productivity and hence profitability. The results of the 2002 E-commerce survey show that firms are investing in and applying such technologies. Assuming firms are rational economic agents,

Table 1

Percentage of businesses with electronic integration of different types of business processes

Employment size band (numbers)	Per cent				
	0 to 9	10-49	50-249	250-999	1,000+
With integrated processes in some form (overall question)	2	8	20	40	51
- integrated production or service operating systems	1	3	11	25	31
- integrated logistics or delivery systems	1	2	8	25	33
- integrated invoicing or payment systems	1	5	14	32	43
- integrated marketing or customer relationship management (CRM) systems	1	2	5	11	18
- integrated other internal systems	1	4	9	23	33
- integrated with suppliers' ordering or business systems	1	3	5	15	24
- integrated with customers' ordering or business systems	:	1	5	16	20
Number of businesses in UK population	1,621,499	184,048	31,435	5,541	1,608

Source: E-commerce survey 2002

Table 2

Percentage of businesses multiple linking of electronic business processes

Employment size band (numbers)	Per cent				
	0-9	10-49	50-49	259-999	1,000+
With integrated processes in some form (Table 1)	2	8	20	40	51
- with 3 + linked processes	1	4	12	30	39
- with 5 + linked processes	:	1	4	15	19

Source: E-commerce survey 2002

improved performance should be their goal. Later in this article we attempt to discover whether such investments are associated with higher productivity at firm level.

Changes in e-commerce use

Previous analysis in ONS (Clayton and Waldron, 2003) has shown considerable levels of turbulence, defined as entry and exit to and from e-commerce activity, between 2000 and 2001. Many firms in 2001 had either stopped using e-commerce or had only recently started. This meant it was very difficult to identify statistically significant effects in any productivity impact work. The following section summarises previous findings and replicates the analysis for 2001 to 2002 to discover whether behaviour is more settled, and so improved performance effects more likely to be evident.

The new analysis uses two linked samples of firms that responded to the E-commerce survey in two consecutive years – 2000 to 2001 and 2001 to 2002. These provide an insight into the levels of turbulence in e-commerce (via the internet and other networks) by comparing firm responses on the value of their transactions with their response in the previous year. Clearly the overlap excludes firms which ceased trading in the dot.com crash of 2000/01, and so our estimate understates the degree of change in the overall market.

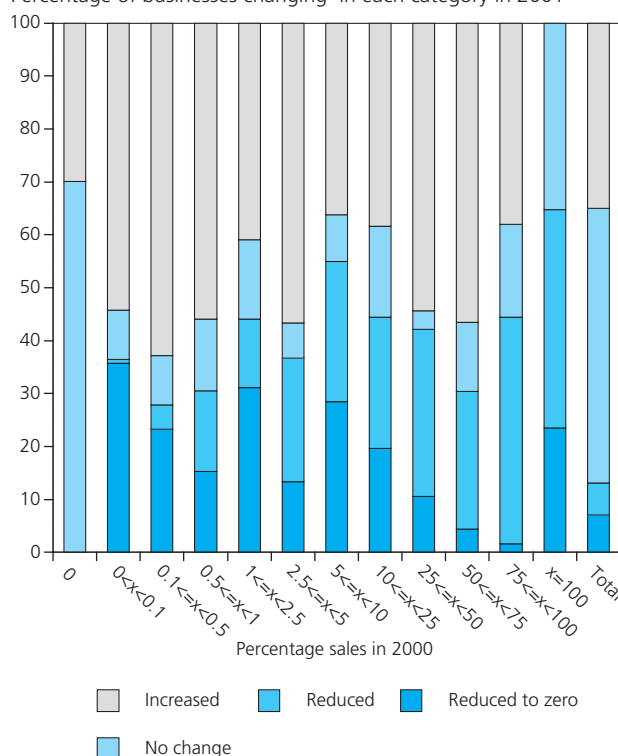
Figure 1 compares the 'percentage of firm sales via e-commerce' for each firm in the 2000–01 overlap to their response in the previous year and identifies whether it is in the same range, higher, lower but still positive, or if it has reduced to zero. The comparison shows relatively high numbers of firms – especially among those which had over 5 per cent sales from e-commerce in 2000, which had reduced their dependence on electronic trading by 2001.

Among firms that reported less than 2.5 per cent of sales via e-commerce in 2000, the proportion reporting ceasing e-trading altogether by 2001 is high. In the lowest category, over 30 per cent had ceased to be active in e-commerce selling.

Figure 1

Changes in values of e-commerce sales – all network, 2000–01

Percentage of businesses changing in each category in 2001

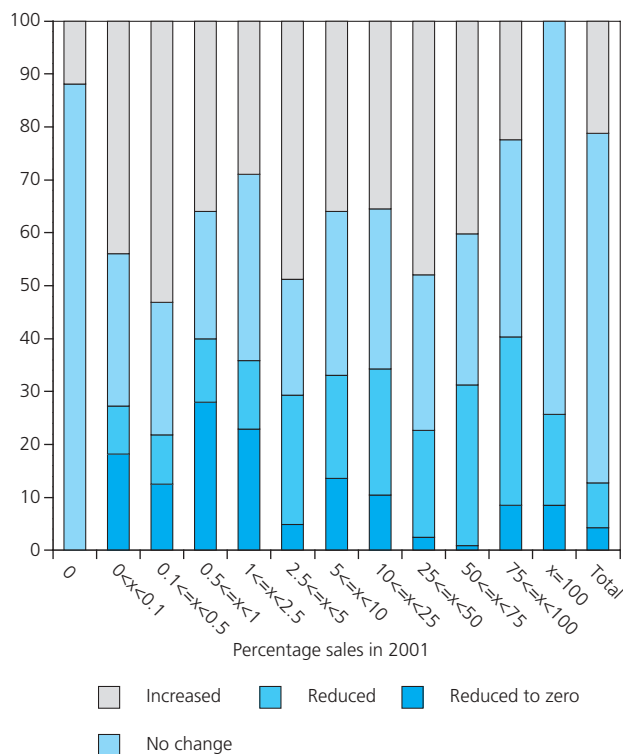


Source: E-commerce Inquiry 2000, 2001

Figure 2 below makes the same comparison between 2001 and 2002. There is certainly less flux between 2001 and 2002 than in the previous year. For instance, only 4 per cent of all responding firms exited e-commerce in 2001–02, compared to 7 per cent in 2000–01. The data shows that this is especially true of firms for which e-commerce represented a significant proportion of sales.

Figure 2
Changes in values of e-commerce sales – all networks, 2001–02

Percentage of businesses changing in each category in 2002



Source: E-commerce Inquiry 2001, 2002

It is also clear that in total more firms gave a 'no change' response in 2002 than in 2001 (66 per cent compared to 52 per cent), and fewer reported increased sales via e-commerce (22 per cent compared to 35 per cent). As well as reduced exit, there appears to be a decreasing rate of entry into e-commerce activity between the two periods. Of the firms reporting zero e-commerce activity in 2000, 30 per cent had started e-selling in 2001. The comparable figure for 2001–02 is 12 per cent.

The pattern for internet sales only (excluding EDI) is similar. Only 3 per cent of firms selling via internet ceased trading electronically and 82 per cent reported 'no change' in 2001 to 2002. The same figures for 2000 to 2001 were 11 per cent and 72 per cent respectively.

Internet purchasing is another activity with less turbulence in 2001 to 2002 than there had been previously. In particular fewer firms had stopped placing orders via the Internet (7.4 per cent in 2001–02 compared to 10.6 per cent in 2000–01). This was particularly notable among firms for which internet purchases were a relatively small part of overall procurement.

The pattern of evidence suggests that after a period of experimentation more firms are finding an equilibrium and trading electronically at a level suited to them. This is supported by electronic sales value data which has stabilised. If this is a correct interpretation of the data, it increases the likelihood that productivity advantages for firms employing e-commerce and e-business processes may also have stabilised, and that they may be more amenable to analysis.

Labour productivity and e-business use

This section examines whether labour productivity is related to the way firms use ICT to implement business processes. Data were produced by linked firm responses to the E-Commerce survey and Annual Business Inquiry (ABI) in 2001 and 2002. Labour productivity data is taken from the ABI and calculated using 'Gross Value Added at basic prices' (GVA), excluding firms for which GVA was either negative or zero. All firms are weighted equally and all analysis was conducted after trimming 5 per cent at each end of the GVA distribution in each broad industry classification (2 digit SIC).

Due to the size of the sample it only proved possible to separate firms according to whether they are in broad production or service sectors. However, given earlier comments on the applicability of the business process questions to the service sector, it was important to do this.

Results and Analysis

Figure 3 shows value added per employee for firms across all sectors related to use of linked e-business processes. It indicates that firms with automatic links between certain processes and their e-commerce activity have higher average labour productivity than firms without such links, and also higher than the average for the whole sample. The most productive firms have multiple linkages that include suppliers or customers.

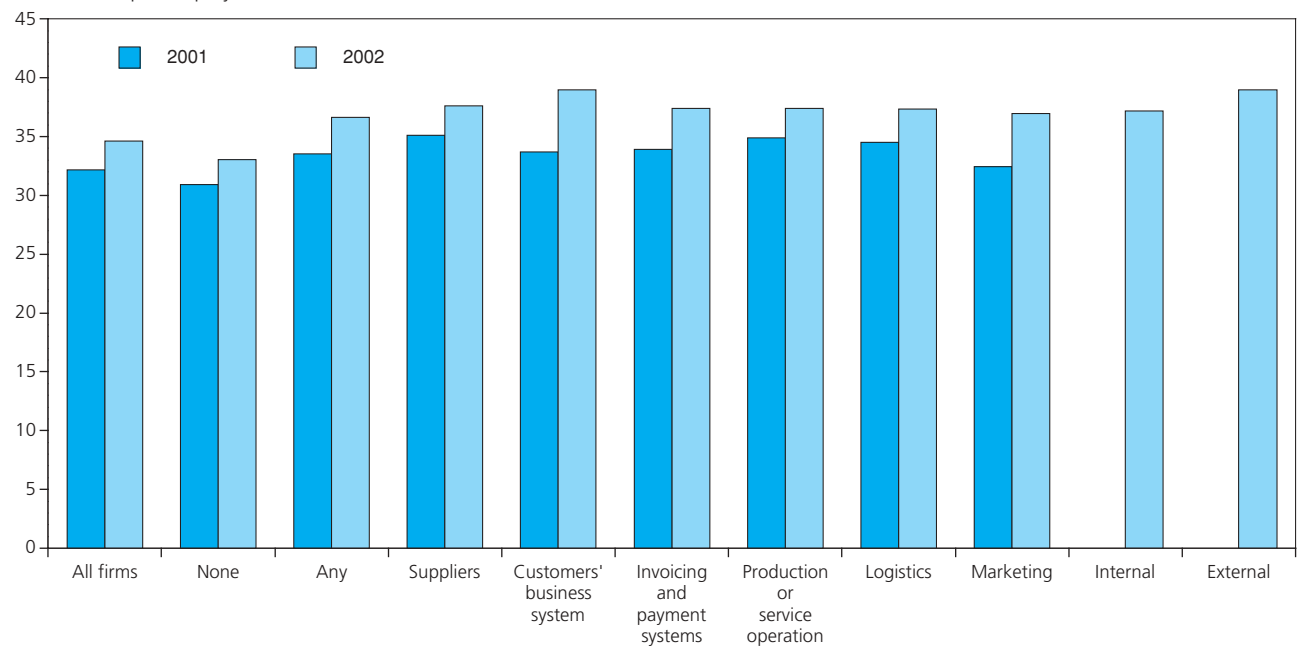
In general the presence of any of the links surveyed is associated with higher average labour productivity. (Questions on 'other Internal and External links' were not asked in 2001). However causation cannot be assumed, since successful integrated business processes are more common among large productive firms, with their greater resources and economies of scale.

Figure 4 shows a similar analysis, for firms in the production sectors only, but with a focus on firms that have at least four business processes linked electronically. The data suggests firms with any type of link have higher labour productivity than those without, and that firms with multiple links enjoy even greater benefits. The links that appear to be associated with highest productivity levels in production are those with suppliers or some other external system. This is consistent with previous analysis showing productivity gains for those manufacturing firms employing e-procurement (Crisuolo and Waldron, 2003).

Figure 3

Average labour productivity for all firms, by type of e-business link

Value added per employee (£000's)

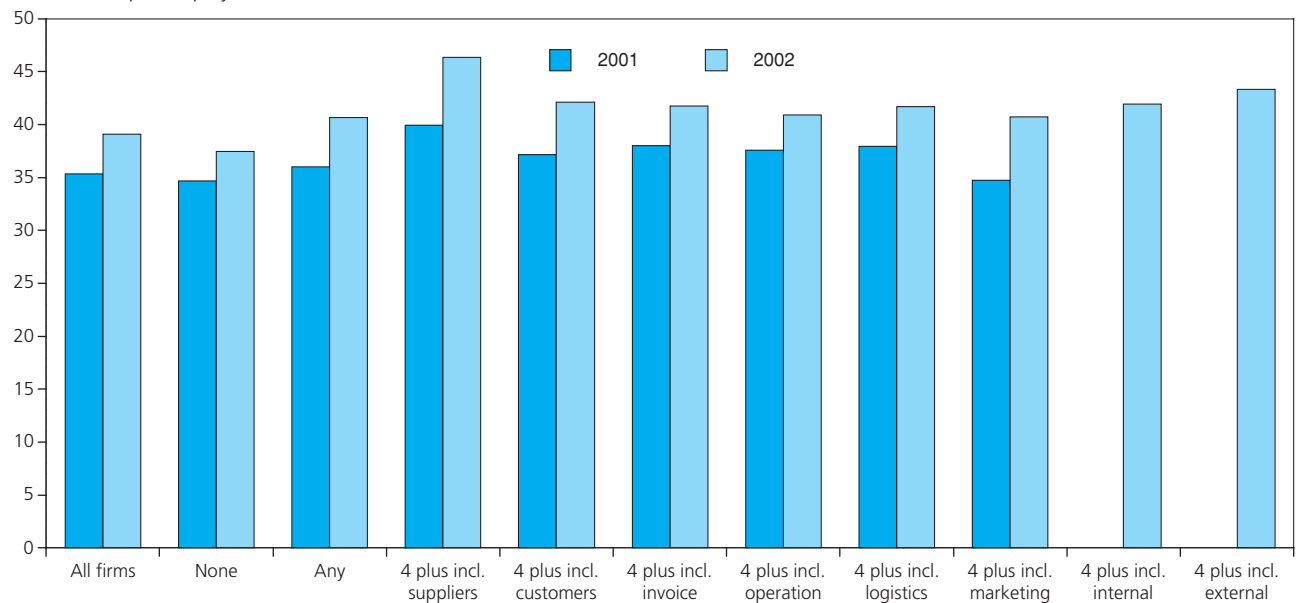


Source: E-commerce Inquiry and Annual Business Inquiry, 2001/02 (ABI 2002 provisional)

Figure 4

Average labour productivity in Production, by type of e-business link

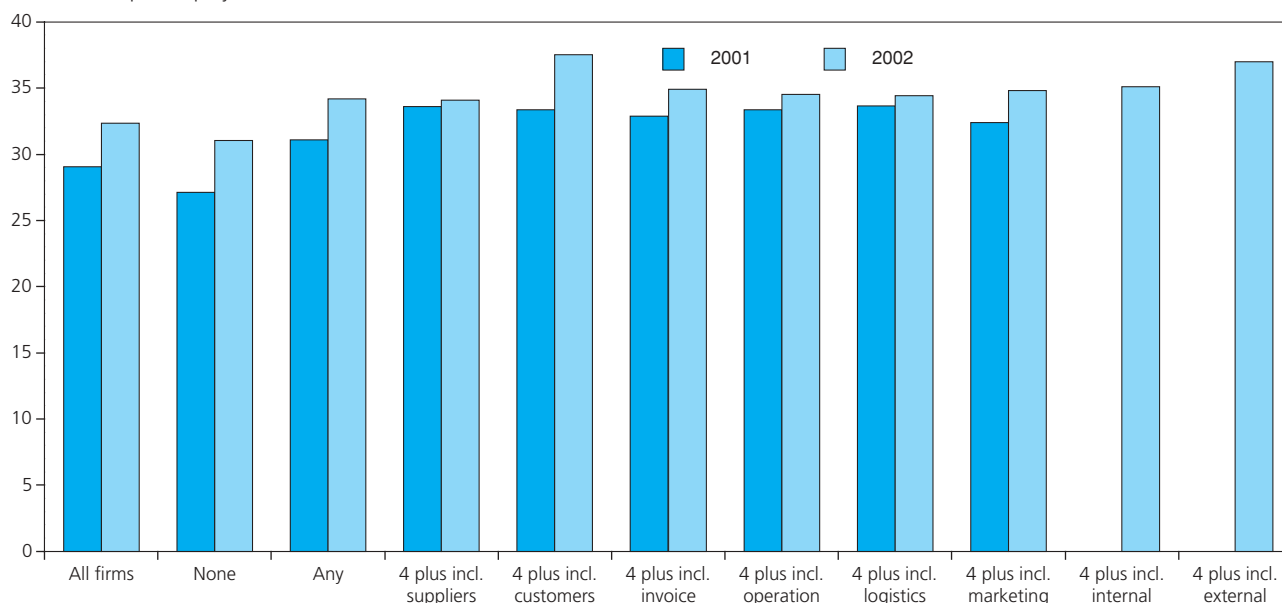
Value added per employee (£000's)



Source: E-commerce Inquiry and Annual Business Inquiry, 2001/02 (ABI 2002 provisional)

Figure 5
Average labour productivity in Services, by type of e-business link

Value added per employee (£000's)



Source: E-Commerce Inquiry and Annual Business Inquiry, 2001/02 (ABI 2002 provisional)

These results, and those for services in Figure 5, suggest firms in both sectors gain from the integration of business processes, particularly multiple integration. Despite difficulties in surveying such concepts for services, it appears firms in services have as much to gain from e-business as manufacturers.

Implications

One notable difference between the production and services results is that in services the most productive firms are those with multiple links including customers, logistics or external operations. In manufacturing, the most productive firms are those with supplier links. We have already related the manufacturing result to earlier work which showed procurement / supply chain management advantages from ICT. Is there a comparable rationale for the service-sector results?

In a recent OECD workshop, attention was drawn to the differences in value creation between manufacturing and services. In manufacturing it occurs at various points through the 'value chain,' and additional value can accrue to a firm either through greater internal efficiency, or via effective outsourcing. However in services value is often added at the point where customer needs and firm capability interact. ICT, on this view, can increase productivity in services by enabling firms to draw on their capabilities – often in the form of knowledge – to meet individual customer needs.

The labour productivity results obtained for production and services from linking the first two years of e-business survey data to the ABI are consistent with this view of different economic structures. These results also suggest the integration of marketing processes can have greater advantages in services; again this is consistent with the idea that in services value is added at the point of customer contact.

Taken together, the results indicate that:

- benefits from electronic integration of business processes at least partly depend on industry sector
- benefits depend on firms' choice of the processes integrated.

The data does also suggest that gains may be easier to achieve for larger firms but this is likely to be related to other causal factors discussed earlier. Larger and more productive firms are more likely to have invested earlier in integrated electronic processes, and to have undergone more 'learning' in their use.

The evidence shown here suggests that there is no general 'ICT productivity effect', and that in seeking to analyse ICT impacts on firm performance it is necessary to look both at the investments firms make, and how they are used. Firms that enjoy better performance will be those that select appropriate technology, integrate the processes most relevant to their operation and implement the organisational change necessary to make it work.

Work now under way is looking to integrate analysis of ICT investment, the use of electronic business processes, and other indicators of ICT use. The programme for this work is described briefly below.

ICT and Total factor productivity

ONS is currently co-ordinating a project to measure the impact of ICT on firm-level performance. This has four main elements:

- building an ICT capital stock at firm level using various capital expenditure surveys
- assessing the effects of ICT investment on firm level performance

- combining this with the type of ICT use analysis outlined in the earlier sections of this article
- drawing on other sources of data on inputs, including the data available on human capital input from E-commerce and other surveys.

The objective is to analyse total factor productivity, using newly available data on firm level capital stock for the services sector, now compiled in similar detail as for manufacturing, and building into the regressions:

- ICT capital for each firm
- employees' ICT use, and measures of employee skills
- the firm's use of electronic networks for trading and for process management
- the external labour market environment and communications infrastructure available to firms.

Among the ICT variables to be tested are:

- ICT firm capital stock produced using the Perpetual Inventory Method (PIM)
- ICT use/skills, proxied by the proportion of employees using the internet
- E-commerce networks will be analysed in the form of dummies using markers from either the E-commerce Inquiry or the ABI
- In terms of infrastructure this will be analysed in terms of broadband availability and, if possible, the quality of the local labour market.

Initial results suggest positive and significant results for three of the measures, while the fourth has yet to be analysed.

ICT capital in TFP analysis shows a stable excess return for hardware of approximately 5 per cent, over and above 'normal' return on capital. This is consistent with new results for the US (Atrostic and Nguyen, 2003).

An additional, and powerful, explanatory variable examined is the percentage of firm employees using access to the internet. Although there is colinearity between this variable and ICT capital stock, the term for employee ICT use appears to be picking up some additional effects not associated with the stock of ICT capital.

As well as the descriptive data shown earlier, econometric analysis shows positive and significant results associated with the use of e-business methods. In general it appears that integration does help improve productivity and that process integration is particularly beneficial in areas such as the operation, logistics or financial systems.

Further work will assess the impact on operational measures of firm performance including inventory turnover measured through stocks: sales or stocks: purchases ratios. In addition, we will draw on the recently published studies from the OECD (The Economic Impact of ICT, 2004) which explore ICT impact measures across a number of developed economies.

Conclusions

Electronic business process management is becoming an established practice for UK firms of all sizes. Firms using e-business integration tend to apply it in a number of areas introducing automation through the enterprise. These firms, on average, tend to be more productive than firms that do not apply ICT in this way.

There is further development work required to capture the use of e-business processes across the economy. However, the data available broadly supports the hypothesis that the integration of business processes can help increase labour productivity at firm level. However it is appropriate use in specific applications that is associated with this improvement and not simply ICT use.

Our next round of work, exploring the relationship between investment in ICT and its use, may need to take account of the possibility that e-business process measures are a proxy for forms of organisational investment in firms. Studies estimate that every dollar invested in ICT requires another nine dollars in organisational change (Brynjolfsson and Yang, 1999). Understanding such effects may advance understanding of wider intangibles measures being explored in the US (Corrado, Hulten and Sichel, 2002).

Acknowledgements

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Industrial analysis of environmental taxes

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This article provides a breakdown of environmental taxes paid by UK businesses and households in 2001. The article contains a detailed explanation of the different types of environmental tax and the methodology used in compiling the breakdown. The environmental taxes are broken down over four categories: taxes on energy, taxes on transport, tax on pollution and tax on resources. The breakdown of environmental taxes is based on information from the Environmental Accounts energy datasets, the Office for National Statistics (ONS) publication *Travel Trends* and unpublished data from ONS Input-Output branch.

Introduction

The Government is committed to promoting sustainable development, which is vital to ensure a better quality of life for everyone, today and for generations to come. Sustainable development is to be achieved by strong and stable economic growth and social progress balanced against action to protect and improve the environment. The Government believes that economic instruments, alongside other policy levers, have an important role to play in securing this objective. The Government's environmental tax strategy aims to increase incentives to reduce environmental damage.

The Treasury's approach to environmental taxation was set out in the *Statement of Intent on Environmental Taxation* in 1997 and developed further in *Tax and the Environment: using economic instruments*, published alongside the 2002 Pre-Budget Report. The latest steps in the Government's strategy are described in Chapter 7 of the Budget 2004 report.

An environmental tax is defined as a tax whose base is a physical unit (or a proxy for it) that has a proven negative impact on the environment. By convention, in addition to pollution related taxes, all energy and transport taxes are classified as environmental taxes.

Many of the environmental taxes are described by the government as 'revenue neutral' since the impact of new taxes is offset by reductions elsewhere. For example, revenues can be recycled to support specific environmental objectives such as investment in cleaner technologies or to reward better performers.

The Spring 2004 edition of the Environmental Accounts shows that total environmental taxes in 2003 amounted to £33.7 billion compared with £32.9 billion in the previous year, an increase of 2.5 per cent. The industry analysis of environmental taxes is primarily based on information compiled for the annual Input-Output Supply-Use tables. At the time of compiling this report the latest available Input-Output Supply-Use tables covered periods up to and including 2001:

- in 2001, total revenue from environmental taxes amounted to £32.0 billion, of which 69 per cent was from duty on hydrocarbon oils
- environmental taxes accounted for 8.6 per cent of total revenue and social contributions collected and 3.2 per cent of GDP in 2001
- UK households paid just over £17.2 billion on 2001, approximately 54 per cent of total environmental taxes.

Environmental taxes, 1994 to 2003

The Environmental Accounts currently identify eight environmental taxes which, for the purposes of this analysis, are aggregated into four main tax categories:

- energy products
- transport
- pollution
- resources

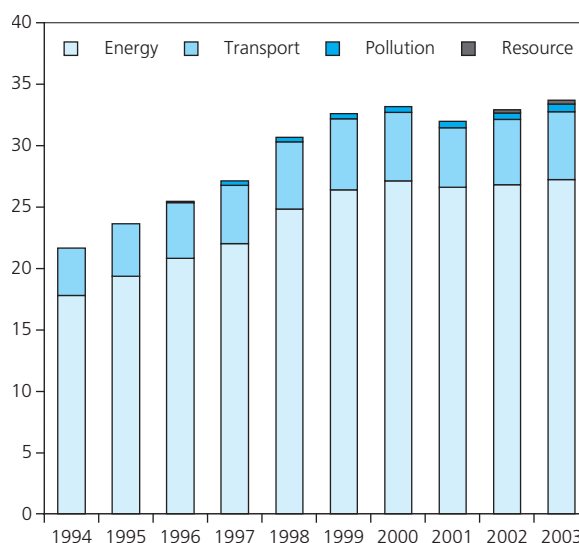
Figure 1 shows that the largest single source of environmental tax revenue were duties on energy products, which accounted for approximately 80 per cent of all environmental tax revenue. The main energy tax was duty on hydrocarbon oils, which raised £22.5 billion in 2003. The next highest revenue sources were the transport taxes such as Vehicle Excise Duty (VED) and Air Passenger Duty (APD). Taxes on pollution and resource use accounted for just 3 per cent of all environmental tax revenue in 2003.

Table 1 shows that between 1994 and 2003 environmental tax revenue increased from £21.7 billion to £33.7 billion, a rise of 56 per cent. Within that, taxes on energy products increased 53 per cent from £17.8 billion in 1994 to £27.2 billion in 2002. Transport taxes rose 41 per cent mainly driven by the increased revenue from APD, which rose from £33 million to just under £0.8 billion over the period. Three new environmental taxes were introduced during the period; the Landfill Tax in 1996, the Climate Change Levy in 2001 and the Aggregates Levy in 2002.

Figure 1

Environmental taxes by tax type

£ billion



Source: ONS, Environmental Accounts.

Industry analysis: 2001

New research by the Environmental Accounts team at ONS has resulted in the production of an industry analysis of environmental tax payments. The 13-industry analysis covers the main manufacturing and services industries as well as the household sector and the rest of the world. The breakdown is consistent with that used to present UK energy consumption and the generation of atmospheric emissions albeit with the

Table 1

Government revenues from environmental taxes, 1994–2003

£ million

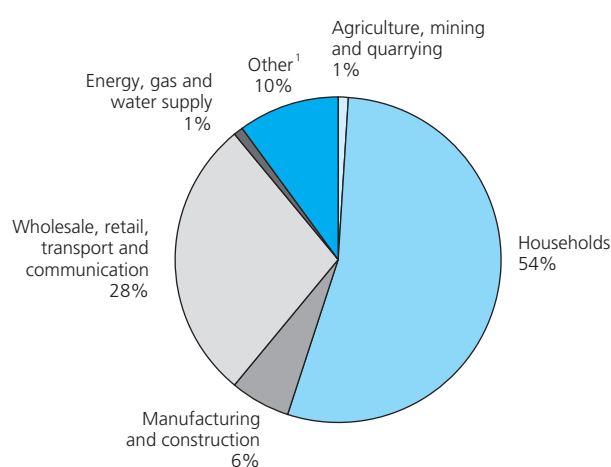
	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Energy										
Duty on hydrocarbon oil	13,984	15,360	16,895	18,357	20,996	22,391	23,041	22,046	22,070	22,476
VAT on duty	2,447	2,688	2,957	3,212	3,674	3,918	4,032	3,858	3,862	3,933
Fossil fuel levy	1,355	1,306	978	418	181	104	56	86	32	0
Climate change levy	-	-	-	-	-	-	-	585	825	828
Transport										
Vehicle excise duty	3,848	3,954	4,149	4,334	4,631	4,873	4,606	4,061	4,519	4,724
Air passenger duty	33	339	353	442	823	884	940	824	814	781
Pollution										
Landfill tax	-	-	113	361	333	430	461	502	541	614
Resources										
Aggregates levy	-	-	-	-	-	-	-	-	213	347
Total	21,667	23,647	25,445	27,124	30,638	32,600	33,136	31,962	32,876	33,703

Source: ONS, Environmental Accounts.

addition of the rest of the world sector to cover tax payments made by non-residents.

As can be seen from Figure 2, UK households contributed the most towards environmental tax revenue, paying just over half of all environmental taxes. Table 2 shows that in 2001, UK households are estimated to have paid over £17.2 billion compared to the next highest source, the transport and communication industries, who paid £6.6 billion. The high level of revenue payments by UK households reflects the fact that most of the environmental tax revenue comes from duty on hydrocarbon oils such as petrol and diesel.

Figure 2
Industry breakdown of environmental tax payments in 2001



Source: ONS, *Environmental Accounts*.

¹ Other includes rest of the world, financial intermediation, public administration, education, health and social work.

Table 2
Environmental taxes breakdown by 13 industries 2001

	£ million				
	Energy	Transport	Pollution	Resources	Total
Agriculture	251	63	2	0	316
Mining and quarrying	67	9	2	0	78
Manufacturing	1,386	112	90	0	1,589
Energy, gas and water supply	226	4	11	0	241
Construction	233	117	4	0	354
Wholesale and retail trade	1,925	355	37	0	2,316
Transport and communication	6,391	210	20	0	6,621
Financial intermediation	1,381	280	51	0	1,711
Public administration	176	2	190	0	368
Education, health and social work	255	10	58	0	324
Other services	399	44	35	0	419
Households	13,772	3,455	0	0	17,228
Rest of the World	172	224	0	0	396
Total	26,634	4,885	502	0	31,962

Source: ONS, *Environmental Accounts*.

Methodology for allocating environmental taxes

The methodology used to allocate the environmental taxes is primarily based on unpublished tax information contained in the *UK Input-Output Analyses* that in turn uses information from the annual Input-Output Supply-Use tables. Input-Output Supply-Use tables break the economy down to display transactions of all goods and services between industries and final consumers in the UK for one year. The main data sources used for the Input-Output Supply-Use tables are the ONS Annual Business Inquiry (ABI) and the ONS Purchases Inquiry (PI). Information on product use is generally used as a proxy for allocating the environmental tax payments. The Input-Output Supply-Use dataset is supplemented with information contained in the Environmental Accounts on energy consumption thus ensuring consistency between the energy accounts and the industry breakdown of environmental taxes.

Taxes on energy: sources and methods

Taxes on energy comprise the revenue collected from the Climate Change Levy, the Fossil Fuel Levy (FFL), taxes on hydrocarbon oils and VAT on duty.

The **Climate Change Levy** was introduced on 1 April 2001. The purpose of the levy was to encourage businesses to use energy more efficiently, which should in turn lead to the reduction of carbon dioxide emissions. The levy is imposed at the time of supply of taxable commodity, that is, electricity, coal, gas, and so on to industrial and commercial consumers rather than on the consumption made by end-users. It does not apply to taxable commodities used by consumers or charities for non-business use.

The levy is partly offset through a facility for business to get an average 0.3 per cent reduction in their employer National Insurance Contributions (NICs). Additionally, some of the energy intensive sectors can enter negotiated Climate Change Agreements in which they can get up to 80 per cent discounts on CCL if they meet the targets set in the agreement.

Rates of CCL as at April 2001 are listed below:

Taxable commodity supplied	Rate
Electricity	£0.0043 per kilowatt hour
Gas supplied by gas utilities	£0.0015 per kilowatt hour
Any petroleum gas or other gaseous hydrocarbon supplied in a liquid state	£0.0096 per kilogram
Any other taxable commodities	£0.0117 per kilogram

Source: HM Customs and Excise

The Fossil Fuel Levy is imposed on sales of electricity generated from fossil fuels. The purpose of the levy is to encourage electricity generation from renewable energy sources. The levy rate has been set to zero since April 2002 in England and Wales and since November 2002 in Scotland. The FFL did not extend to Northern Ireland.

The table below shows FFL's rate in England and Wales since April 1990:

Dates	Rates (per cent)
1 Apr 1990 to 31 Mar 1991	10.60
1 Apr 1991 to 31 Mar 1993	11.00
1 Apr 1993 to 30 Sep 1996	10.00
31 Oct 1996 to 31 Mar 1997	3.70
1 Apr 1997 to 31 Mar 1998	2.20
1 Apr 1998 to 31 Dec 1998	0.90
1 Jan 1999 to 30 Sep 1999	0.70
1 Oct 1999 to 31 Mar 2002	0.30

Source: Office of the Gas and Electricity Markets (Ofgem)

Duty on hydrocarbon oils includes various types of duty on different energy products such as ultra low sulphur diesel and ultra low sulphur petrol, fuel oils and gas oils. The most significant being the duty on ultra low sulphur petrol (ULSP) and ultra low sulphur diesel (ULSD).

The duties rate in 2001 on ULSP and ULSD:

Fuel	Rate (per litre)
ULSP	45.82 pence
ULSD	45.82 pence

Source: HM Customs and Excise

VAT on duty is calculated as a fixed proportion (in most cases 17.5 per cent) of the duty paid on hydrocarbon oils. In practice much of this VAT will be reclaimed by business, but it could be argued that the total would be paid eventually when the final product or service is purchased. For this reason VAT on duty has been included as an environmental tax. The inclusion of VAT on duty as an environmental tax is currently under review by ONS.

The breakdown of energy taxes is consistent with the Environmental Accounts energy consumption data. The distribution of energy tax payments is based on the Environmental Accounts energy consumption data for 93 economic sectors broken down by fuel type. Energy consumed by households is exempt from the climate change levy and is excluded.

Taxes on energy products amounted to £26.6 billion in 2001, approximately 83 per cent of the total revenue from environmental taxes. The majority of the tax revenue from energy products is from duty on hydrocarbon oils, which includes ultra low sulphur diesel and ultra low sulphur petrol. Taxes on hydrocarbon oils amount to £22.0 billion, approximately 69 per cent of the total revenue from energy products.

In 2001 households were the largest payers of energy taxes, paying nearly £14 billion, 52 per cent of total revenue collected from energy products. Taxes paid by household were mainly from duty on hydrocarbon oils and stem from the extensive use of private vehicles. The transport and communications industries were the second largest payer of taxes on energy products. Once again, most of the tax payments came from the duty on hydrocarbon oils. Wholesale and retail trade industries paid 7 per cent on taxes on energy products, about £2 billion.

Taxes on transport: sources and methods

Taxes on transport include the revenue collected from APD and VED. The breakdown of transport taxes is based on the information obtained from the Supply-Use tables and from the International Passenger Survey (IPS).

Air passenger duty is levied on the carriage, from UK airports, of chargeable passengers on chargeable aircraft. The allocation of APD uses a combination of information from the Supply-Use tables and information on non-residents' visits to the UK and UK residents' visits abroad, collected through the IPS and published in *Travel Trends 2001*. APD is allocated to three main categories of travel; UK residents travel (business), UK residents travel (non-business) and non-residents visiting the UK. The duty paid on business travel is allocated using the Supply-Use information while duty collected on non-business travel and non-resident travel are allocated using the IPS dataset.

The rates of APD since 1 April 2001 are listed below:

Destination	Standard rate	Reduced rate
EEA destinations ¹	£10 per person	£5 per person
Other destinations	£40 per person	£20 per person

¹ European Economic Area (EEA) destinations, certain dependent territories of EU member states, all EU applicant countries and Switzerland.

Source: HM Customs and Excise

The rates of APD that apply to connecting flights (varies between destinations):

Flight	Rate
Domestic to Domestic	£5/£10
International to Domestic	£0
Domestic to International	£5–£40
International to International	£0

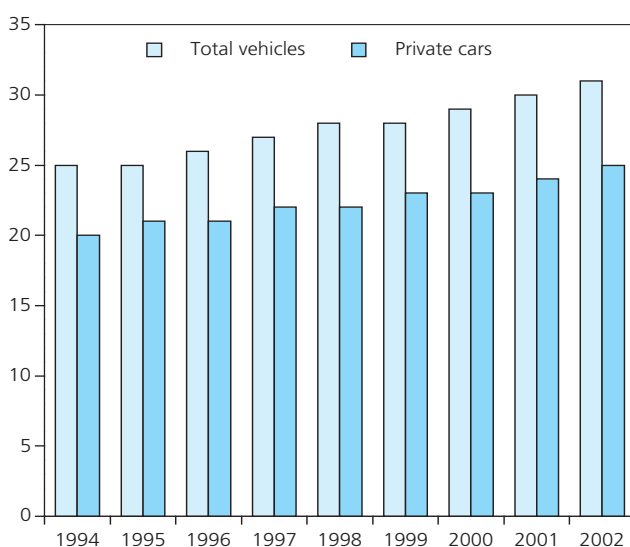
Source: HM Customs and Excise

Vehicle Excise Duty is the duty paid on vehicles by the vehicles owner or keeper. The allocation of VED is separated into VED paid by households and that paid by businesses. The distribution of VED payments is based on information collected through the ABI and the PI.

From 1 March 2001, any cars registered or licensed on or after this date qualified for the graduated Vehicle Excise Duty (GVED). This is the new version of VED, where the duty rate is based on the level of carbon dioxide emissions produced by the vehicle.

Figure 3
Motor vehicles licenses

Million vehicles



Source: Department for Transport, Transport Statistics

The aim of the GVED is to encourage people to buy more environmentally-friendly vehicles in order to reduce the level of pollution generated by vehicles.

The rate of GVED of cars as at March 2001 are listed below:

Vehicle registered on or after March 2001		Diesel car	Petrol car	Alternative fuel car
Bands	CO ₂ emission (g/km)	12 months rate	12 months rate	12 months rate
AAA	Up to 100	£75	£65	£55
AA	101 to 120	£85	£75	£65
A	121 to 150	£115	£105	£95
B	151 to 165	£135	£125	£115
C	166 to 185	£155	£145	£135
D	Over 185	£165	£160	£155

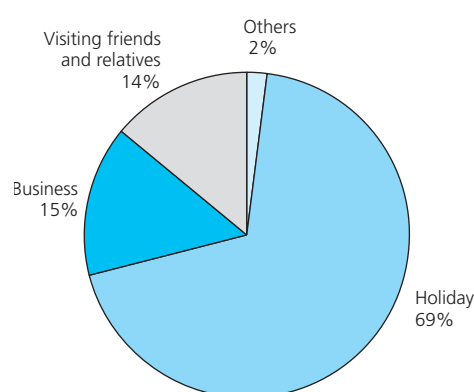
Source: Driver and Vehicle Licensing Agency (DVLA)

In 2001 taxes on transport amounted to £4.9 billion, 83 per cent of which was collected from VED and 17 per cent from APD. Figure 3 shows that in 2001, there were over 30 million vehicles licensed in the UK, of which over 80 per cent were privately owned cars.

UK households were the highest payers of transport taxes. UK households paid £3 billion, 71 per cent of all transport taxes, mainly in the form of VED. UK households were also the primary source of APD. Figure 4 shows that in 2001, 43 million UK residents travelled abroad, of which only 6 million were for business purposes.

Approximately 16 million non-residents visited the UK by air in 2001 generating £0.2 billion in APD, 5 per cent of the total revenue collected from taxes on transport.

Figure 4
UK residents' visits abroad by purpose, 2001



Source: ONS, Travel Trends 2001

Taxes on pollution: sources and methods

Taxes on pollution comprise the revenue collected from Landfill Tax.

The Landfill Tax applies to most types of waste disposed of by way of landfill at a licensed landfill site on or after 1 October 1996. The purpose of the tax is to encourage the generation of less waste. The tax is paid by landfill site operators, based on the weight of the waste deposited at their sites. The landfill site operators in turn charge those disposing waste at their site according to the type of waste dumped. There are two rates of Landfill Tax¹, the lower rate and the standard rate.

The standard rate of Landfill Tax is listed below:

Period	Rate
1 Oct 1996 to 31 Mar 1999	£7 per tonne
1 Apr 1999 to 31 Mar 2000	£10 per tonne
1 Apr 2000 to 31 Mar 2001	£11 per tonne
1 Apr 2001 to 31 Mar 2002	£12 per tonne
1 Apr 2002 to 31 Mar 2003	£13 per tonne
1 Apr 2003 to 31 Mar 2004	£14 per tonne
From 1 Apr 2004	£15 per tonne

Source: HM Customs and Excise

This rate will be increased by £3 to £18 per tonne in 2005–06 and will subsequently increase by at least £3 per tonne per year thereafter, until it reaches to the rate of £35 per tonne. A lower rate of £2 per tonne applies to inactive (or inert) wastes, such as naturally occurring rocks and soils, ceramic material and minerals.

The breakdown of the Landfill Tax is mainly based on information from Supply-Use tables. This is supplemented with information on Landfill Tax paid by the public administration sector using waste data compiled by the Department for Environment, Food and Rural Affairs (Defra).

As with many of these taxes, the likelihood is that much of the cost is passed on to the final consumer. In this instance local authority expenditure on the disposal of municipal waste is covered by local residents council tax payments.

In 2001, the Landfill Tax amounted to £5 billion, approximately 2 per cent of total revenue collected from environmental taxes. The public administration sector was the primary source of Landfill Tax revenues, contributing around 38 per cent of the total revenue collected, about £0.2 billion. This reflects the large volume of municipal waste collected by local authorities disposed of via landfill.

Taxes on resources: sources and methods

Taxes on resources comprise the revenue collected from the Aggregates Levy.

The **Aggregates Levy** is a tax on the commercial exploitation in the UK of rock, sand and gravel. It is charged at the rate of £1.60 per tonne and applies to anyone who is responsible for commercially exploiting aggregates in the UK, such as quarrying operators, mobile crusher operators, and operators of dredgers.

There is no industry analysis as the Aggregates Levy was only introduced in April 2002.

Development of future estimates

The industrial breakdown of environmental taxes is still in its early stages of development.

There is considerable scope for methodological improvement bearing in mind most of the industry allocations are based on proxy information from the Annual Business Inquiry and the Purchases Inquiry. The potential to source the breakdown from alternative sources, that is, revenue managers, needs further exploration.

The Environmental Accounts team intends to create time series for the industry breakdown of environmental tax payments and publish these results biannually.

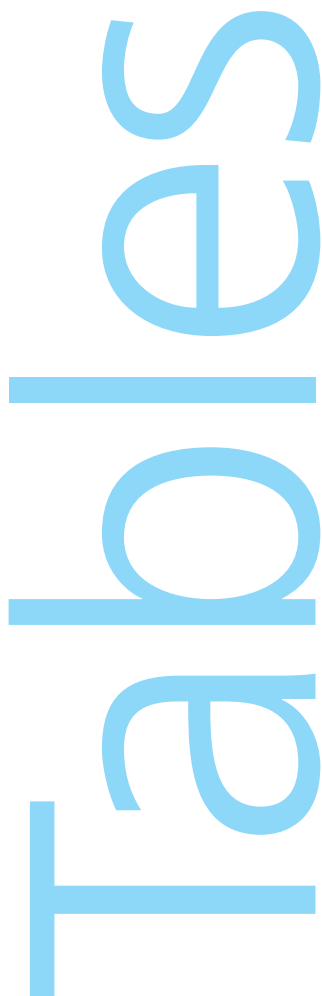
Note

1 Lower rate: A lower rate of £2 per tonne applies to inactive (or inert) wastes, such as naturally occurring rocks and soils, ceramic material and minerals. Standard rate: on all other taxable waste.

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Notes to tables

Identification codes

The four-letter identification code at the top of each data column is the ONS reference for this series of data on our database. Please quote the relevant code if you contact us requiring any further information about the data.

Currency of data

All data in the tables and accompanying charts are current, as far as possible, to 30 July 2004.

Some data, particularly for the latest time period, are provisional and may be subject to revision in later editions.

Geographic coverage

Statistics relate mainly to the United Kingdom. Where figures are for Great Britain only, this is shown on the table.

Seasonal adjustments

Almost all quarterly data are seasonally adjusted; those not seasonally adjusted are indicated by the abbreviation NSA.

Money

There is no single correct definition of money. The most widely used measures are:

M0

This is the narrowest measure and consists of notes and coins in circulation outside the Bank of England and bankers' operational deposits at the Bank.

M4

This comprises notes and coin in circulation with the public, together with all sterling deposits (including certificates of deposit) held with UK banks and building societies by the rest of the private sector.

The Bank of England also publish data for liquid assets outside M4.

Conventions

Rounding may lead to inconsistencies between the constituent parts and the total in some tables.

A horizontal line between two consecutive figures indicates that the figures above and below the line have been compiled on different bases and are not strictly comparable. Footnotes explain the differences.

Billion denotes one thousand million.

Symbols used

- .. not available
- nil or less than half the final digit shown
- + a series for which measures of variability are given on page 141
- † data have been revised since the last edition; the period marked is the earliest in the table to have been revised
- * average (or total) of five weeks

National Statistics Online

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Users can download time series, cross-sectional data and metadata from across the Government Statistical Service (GSS), using the site search and index functions from the homepage. Many datasets can be downloaded, in whole or in part, and directory information for all GSS statistical resources can be consulted, including censuses, surveys, journals and enquiry services. Information is posted as PDF electronic documents, or in XLS and CSV formats, compatible with most spreadsheet packages.

Time Series Data

The time series data facility on the website provide access to around 40,000 time series, of primarily macro-economic data, drawn from the main tables in our major economic and labour market publications. Users can download complete releases or view and download customised selections of individual time series.

Complete copies of *Economic Trends* can be downloaded from the following webpage:

<http://www.statistics.gov.uk/statbase/product.asp?vlnk=308>

1.1 Selected monthly indicators

seasonally adjusted unless otherwise stated

		2002	2003	2003 Q4	2004 Q1	2004 Q2	2004 Apr	2004 May	2004 Jun	%Change Latest 3 months avg over previous 3 months
Output -chained volume measures (CVM) (2001 = 100 unless otherwise stated)										
Gross value added at basic prices	CGCE	101.5	103.4	104.8	105.4	..	..	..	..	0.6
Industrial production	CKYW	97.5	97.4	97.6	97.1	98.0	97.8	98.3	..	0.6
Oil and gas extraction	CKZO	98.8	93.2	88.7	88.4	..	89.6	90.5	..	2.5
Manufacturing	CKYY	96.9	97.3	98.1	97.7	..	98.4	98.9	..	-0.4
Construction	GDQB	103.8	108.9	112.4	112.8	..	..	..	..	0.4
Car production (thousands)	FFAO	135.8	138.1	138.2	135.4	137.5	136.0	140.6	135.8	1.5
Domestic demand										
Retail sales volume (2000 = 100)	EAPS	112.7	116.4	119.3	121.6	123.9	122.8	123.7	125.0	1.9
GB new registrations of cars ('000s) ¹	BCGT	2 682.0	2 646.2	523.1	762.2	629.8	191.1	197.6	241.1	-17.4
Manufacturing: change in inventories (£m, CVM, reference year 2001)	DHBM	-924	-440	-939	363	..	..	..	..	..
Prices (12 monthly % change) and earnings (3 month average)										
Consumer prices index	CJYR	1.3	1.4	1.3	1.3	1.4	1.2	1.5	1.6	..
Retail prices index ¹	CZBH	1.7	2.9	2.6	2.6	2.8	2.5	2.8	3.0	..
Retail prices index ¹ (less MIPS) ²	CDKQ	2.2	2.8	2.6	2.3	2.2	2.0	2.3	2.3	..
Producer output prices (less FBTP) ³	EUAA	-0.1	1.3	1.4	1.4	1.4	1.3	1.4	1.4	..
Producer input prices ⁴	EUAB	-4.5	1.3	2.9	-0.3	3.8	2.8	5.3	3.4	..
GB average earnings - whole economy ⁵	LNNC	..	..	3.4	5.2	..	4.3	4.3	..	..
Foreign trade⁶ (2001 = 100 volumes unless otherwise stated)										
UK balance on trade in goods (£ million)	BOKI	-46 675	-47 290	-12 978	-13 947	..	-4 595	-4 621	..	..
Non EU balance on trade in goods (£ million)	LGDT	-25 010	-21 735	-5 478	-7 021	..	-2 174	-2 294	..	..
Non EU exports of goods (excl oil & erratics)	SHDJ	94.0	102.5	106.8	97.9	..	106.0	101.4	..	2.0
Non EU imports of goods (excl oil & erratics)	SHED	97.6	102.7	107.7	108.8	..	111.2	110.5	..	1.2
Non EU import & price index (excl oil) ⁷	LKWQ	94.3	91.1	90.1	87.7	..	89.2	89.9	..	..
Non EU export & price index (excl oil) ⁷	LKVX	99.8	96.8	96.1	95.1	..	96.0	96.0	..	..
Labour market and productivity (2001 = 100 unless otherwise stated)										
UK claimant unemployment (thousands)	BCJD	946.7	933.2	915.2	886.8	861.8	874.0	860.5	850.9	-2.8
UK employees in manufacturing (thousands)	YEJA	3 602	3 458	3 413	3 379	..	3 371	3 366	..	-0.8
Whole economy productivity ⁸	LNNN	101.1	102.7	103.8	104.3	..	..	..	..	0.5
Manufacturing productivity ⁸	LNXX	102.1	107.7	110.0	110.4	..	111.9	112.8	..	1.3
Unit wage costs - whole economy	LNKK	102.5	104.2	104.5	105.7	..	..	..	..	1.1
Unit wage costs - manufacturing	LNQK	101.4	99.6	98.6	99.7	..	99.0	98.5	..	0.3
Financial markets¹										
Sterling ERI (1990=100)	AGBG	106.0	100.2	100.2	104.1	105.2	105.2	104.6	105.8	1.1
Average exchange rate /US \$	AUSS	1.50	1.63	1.71	1.84	1.81	1.80	1.79	1.83	-1.8
Average exchange rate /Euro ⁹	THAP	1.59	1.45	1.43	1.47	1.50	1.50	1.49	1.51	2.0
3 month inter-bank rate ¹⁰	HSAJ	3.94	3.95	3.95	4.30	4.77	4.35	4.56	4.77	..
3 month interest on US Treasury bills ¹¹	LUST	1.20	0.93	0.93	0.93	1.36	0.96	1.06	1.36	..
Monetary conditions/government finances										
M0 (year on year percentage growth)	VQMX	7.9	7.3	7.5	7.2	5.8	5.7	5.3	6.4	..
M4 (year on year percentage growth)	VQJW	6.3	7.2	7.1	7.7	7.8	7.1	8.0	7.8	..
Public sector net borrowing (£ million) ^{1,12}	ANNX	-25 190	-33 999	-13 490	925	-13 944	-1 026	-7 223	-5 695	..
Net lending to consumers (£ million)(broader)	RLMH	21 088	18 697	3 948	5 375	5 026	1 307	1 557	2 051	-10.2

		2003 Jun	2003 Jul	2003 Aug	2003 Sep	2003 Oct	2003 Nov	2003 Dec	2004 Jan	2004 Feb	2004 Mar	2004 Apr	2004 May	2004 Jun	2004 Jul
Activity and expectations															
CBI output expectations balance ¹	ETCU	-6	-4	-3	-3	-4	-2	5	21	14	15	12	22	15	6
CBI optimism balance ¹	ETBV	..	-13	..	..	-7	..	..	17	..	..	12	..	..	7
CBI price expectations balance	ETDQ	-15	-14	-14	-9	-9	-10	-4	-1	-2	-3	-	1	5	5
New engineering orders (2000 = 100)	JIQH	76.8	83.9	79.5	78.3	84.1	88.8	73.9	85.2	68.1	82.0	73.6	82.4	..	..

1 Not seasonally adjusted

2 MIPS: mortgage interest payments

3 FBTP: food, beverages, tobacco and petroleum

4 See footnote 2 on Table 3.1.

5 See footnote 2 on Table 4.6

6 All Non EU figures exclude Austria, Finland & Sweden

7 12 monthly percentage change

8 Output per filled job.

9 Prior to January 1999, a synthetic Euro has been calculated by geometrically averaging the bilateral exchange rate of the 11 Euro-area countries using "internal weights" based on each country's share of the extra Euro-area trade

10 Last Friday of the period

11 Last working day

12 Annual figures are for the financial years 2002/03 and 2003/04.

2.1 National accounts aggregates

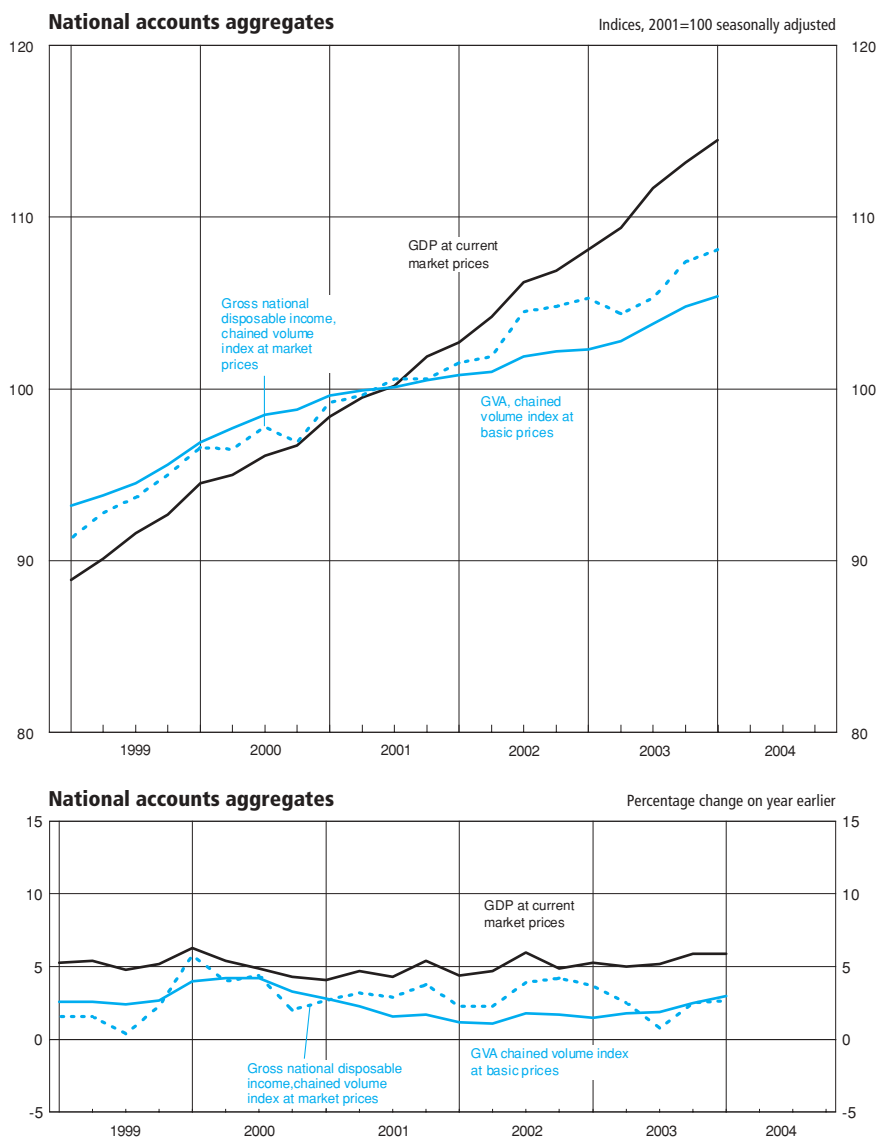
	£ million		Indices (2001 = 100)						
	At current prices		Value indices at current prices		Chained volume indices			Implied deflators ²	
	Gross domestic product at market prices	Gross value added (GVA) at basic prices	Gross domestic product at market prices ¹	Gross value added (GVA) at basic prices	Gross national disposable income at market prices	Gross domestic product at market prices	Gross value added (GVA) at basic prices+	GDP at market prices	GVA at basic prices
Annual									
	YBHA	ABML	YBEU	YBEX	YBFP	YBEZ	CGCE	YBGB	CGBV
1999	903 167	797 116	90.8	90.5	93.2	94.1	94.3	96.5	96.0
2000	950 561	838 490	95.6	95.2	96.9	97.8	98.0	97.8	97.1
2001	994 309	881 163	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2002	1 044 145	926 275	105.0	105.1	103.2	101.8	101.5	103.2	103.6
2003	1 099 896	976 148	110.6	110.8	105.6	104.1	103.4	106.3	107.1
Quarterly									
1999 Q1	220 923	195 097	88.9	88.6	91.3	93.0	93.2	95.6	95.0
Q2	224 058	198 308	90.1	90.0	92.8	93.4	93.8	96.5	96.0
Q3	227 712	200 887	91.6	91.2	93.7	94.4	94.5	97.0	96.5
Q4	230 474	202 824	92.7	92.1	95.0	95.6	95.6	96.9	96.4
2000 Q1	235 014	207 303	94.5	94.1	96.6	96.8	96.9	97.7	97.1
Q2	236 157	207 965	95.0	94.4	96.5	97.5	97.7	97.4	96.7
Q3	238 933	210 886	96.1	95.7	97.8	98.2	98.5	97.9	97.2
Q4	240 457	212 336	96.7	96.4	96.9	98.5	98.8	98.2	97.6
2001 Q1	244 608	216 540	98.4	98.3	99.2	99.3	99.6	99.1	98.7
Q2	247 391	219 070	99.5	99.4	99.6	99.8	99.9	99.7	99.6
Q3	249 071	220 704	100.2	100.2	100.6	100.3	100.1	99.9	100.1
Q4	253 239	224 849	101.9	102.1	100.6	100.6	100.5	101.2	101.6
2002 Q1	255 307	226 473	102.7	102.8	101.5	100.9	100.8	101.7	102.0
Q2	258 981	229 701	104.2	104.3	101.9	101.3	101.0	102.8	103.2
Q3	264 015	234 331	106.2	106.4	104.5	102.2	101.9	103.9	104.4
Q4	265 842	235 770	106.9	107.0	104.8	102.6	102.2	104.3	104.8
2003 Q1	268 739	238 633	108.1	108.3	105.3	102.8	102.3	105.2	105.8
Q2	272 003	241 386	109.4	109.6	104.4	103.5	102.8	105.8	106.6
Q3	277 662	246 366	111.7	111.8	105.3	104.4	103.8	107.0	107.8
Q4	281 492	249 763	113.2	113.4	107.4	105.5	104.8	107.3	108.2
2004 Q1	284 692	252 491	114.5	114.6	108.1	106.3	105.4	107.7	108.8
Q2	..	..	..	..	..	107.3	..	..	..
Percentage change, quarter on corresponding quarter of previous year ³									
Quarterly									
1999 Q1	5.4	4.8	5.4	4.8	1.6	2.8	2.7	2.6	2.0
Q2	5.4	5.0	5.4	5.0	1.6	2.6	2.6	2.7	2.3
Q3	4.9	4.3	4.9	4.3	0.4	2.6	2.4	2.1	1.9
Q4	5.2	4.5	5.2	4.5	2.3	3.2	2.7	1.8	1.8
2000 Q1	6.4	6.3	6.4	6.3	5.8	4.1	3.9	2.2	2.2
Q2	5.4	4.9	5.4	4.9	4.0	4.4	4.2	0.9	0.7
Q3	4.9	5.0	4.9	5.0	4.4	4.0	4.2	0.9	0.7
Q4	4.3	4.7	4.3	4.7	2.0	3.0	3.4	1.3	1.2
2001 Q1	4.1	4.5	4.1	4.5	2.7	2.6	2.8	1.4	1.6
Q2	4.8	5.3	4.8	5.3	3.2	2.4	2.2	2.4	3.0
Q3	4.2	4.7	4.2	4.7	2.9	2.1	1.6	2.0	3.0
Q4	5.3	5.9	5.3	5.9	3.8	2.1	1.7	3.1	4.1
2002 Q1	4.4	4.6	4.4	4.6	2.3	1.6	1.2	2.6	3.3
Q2	4.7	4.9	4.7	4.9	2.3	1.5	1.2	3.1	3.6
Q3	6.0	6.2	6.0	6.2	3.9	1.9	1.8	4.0	4.3
Q4	5.0	4.9	5.0	4.9	4.2	2.0	1.7	3.1	3.1
2003 Q1	5.3	5.4	5.3	5.4	3.7	1.9	1.5	3.4	3.7
Q2	5.0	5.1	5.0	5.1	2.5	2.2	1.8	2.9	3.3
Q3	5.2	5.1	5.2	5.1	0.8	2.2	1.8	3.0	3.3
Q4	5.9	5.9	5.9	5.9	2.5	2.8	2.5	2.9	3.2
2004 Q1	5.9	5.8	5.9	5.8	2.7	3.4	3.0	2.4	2.8
Q2	..	..	..	..	..	3.7	..	..	..

1 "Money GDP."

2 Based on chained volume measures and current price estimates of expenditure components of GDP.

3 These estimates of change are based in some cases on less rounded figures than in the table.

Source: Office for National Statistics; Enquiries 020 7533 6031



2.2 Gross domestic product : by category of expenditure

Chained volume measures

Reference year 2001, £ million

Domestic expenditure on goods and services at market prices												
	Final consumption expenditure			Gross capital formation				Exports of goods and services+	Gross final expenditure	Imports of goods and services+ less	Statistical discrepancy (expenditure)	Gross domestic product at market prices
	Households	Non-profit institutions ²	General government	Gross fixed capital formation+	Changes in inventories ³	Acquisitions less disposals of valuables	Total					
Annual	ABJR	HAYO	NMRY	NPQT	CAFU	NPJR	YBIM	IKBK	ABMG	IKBL	GIXS	ABMI
1999	590 275	23 095	180 683	155 631	6 416	28	955 837	241 978	1 197 551	261 942	—	935 818
2000	616 515	24 875	184 929	161 267	5 262	3	992 822	264 810	1 257 636	285 837	—	971 937
2001	635 583	24 345	189 724	165 504	6 189	396	1 021 741	272 369	1 294 110	299 801	—	994 309
2002	655 865	25 818	196 862	169 928	2 513	226	1 051 212	272 635	1 323 847	311 955	—	1 011 892
2003	671 013	26 593	203 674	173 623	2 467	9	1 077 379	272 949	1 350 328	315 911	201	1 034 618
Quarterly												
1999 Q1	145 317	5 816	44 724	38 921	2 570	5	237 008	57 566	294 410	63 356	—	231 135
Q2	146 761	5 717	45 357	38 345	555	24	236 623	59 480	296 012	63 864	—	232 242
Q3	147 771	5 741	45 353	38 688	1 706	—15	239 115	62 065	301 186	66 511	—	234 698
Q4	150 426	5 821	45 249	39 677	1 585	14	243 091	62 867	305 943	68 211	—	237 743
2000 Q1	153 400	6 074	45 726	39 312	753	1	245 348	63 738	309 063	68 489	—	240 609
Q2	153 749	6 186	46 540	39 485	1 329	—	247 229	65 997	313 231	70 889	—	242 381
Q3	154 701	6 286	46 513	40 431	1 906	—3	249 778	66 551	316 321	72 284	—	244 077
Q4	154 665	6 329	46 150	42 039	1 274	5	250 467	68 524	319 021	74 175	—	244 870
2001 Q1	156 398	6 172	46 996	41 493	1 080	—19	252 091	69 713	321 845	75 041	—	246 817
Q2	157 861	6 066	46 800	41 535	1 579	230	254 109	68 978	323 110	75 031	—	248 080
Q3	160 046	6 037	47 621	41 617	1 989	41	257 365	66 823	324 152	74 879	—	249 268
Q4	161 278	6 070	48 307	40 859	1 541	144	258 176	66 855	325 003	74 850	—	250 144
2002 Q1	162 043	6 366	49 414	41 138	994	66	260 021	67 177	327 198	76 265	—	250 933
Q2	163 505	6 399	48 756	42 179	—624	58	260 273	70 272	330 545	78 700	—	251 846
Q3	164 392	6 485	49 236	42 991	696	85	263 885	69 257	333 142	79 019	—	254 123
Q4	165 925	6 568	49 456	43 620	1 447	17	267 033	65 929	332 962	77 971	—	254 990
2003 Q1	165 680	6 656	49 986	42 675	1 212	6	266 215	69 030	335 244	79 801	39	255 482
Q2	167 189	6 629	50 345	43 054	—514	104	266 807	67 503	334 310	77 154	48	257 204
Q3	168 531	6 647	51 137	43 528	371	—54	270 159	67 658	337 817	78 258	55	259 615
Q4	169 613	6 661	52 206	44 366	1 398	—47	274 198	68 758	342 957	80 698	59	262 317
2004 Q1	170 665	6 710	52 840	45 105	659	42	276 021	68 163	344 184	80 014	51	264 222
Q2	..	..	..	..	..	..	..	..	..	..	..	266 600
Percentage change, latest quarter on corresponding quarter of previous year												
1999 Q1	4.3	0.9	4.6	4.4			4.9	—0.3	3.8	7.4		2.7
Q2	4.5	—1.9	4.0	0.8			3.7	1.7	3.2	5.2		2.7
Q3	4.3	—2.3	3.0	0.1			3.1	7.1	4.0	8.6		2.7
Q4	5.3	—0.2	2.5	1.1			3.8	8.6	4.8	10.3		3.3
2000 Q1	5.6	4.4	2.2	1.0			3.5	10.7	5.0	8.1		4.1
Q2	4.8	8.2	2.6	3.0			4.5	11.0	5.8	11.0		4.4
Q3	4.7	9.5	2.6	4.5			4.5	7.2	5.0	8.7		4.0
Q4	2.8	8.7	2.0	6.0			3.0	9.0	4.3	8.7		3.0
2001 Q1	2.0	1.6	2.8	5.5			2.7	9.4	4.1	9.6		2.6
Q2	2.7	—1.9	0.6	5.2			2.8	4.5	3.2	5.8		2.4
Q3	3.5	—4.0	2.4	2.9			3.0	0.4	2.5	3.6		2.1
Q4	4.3	—4.1	4.7	—2.8			3.1	—2.4	1.9	0.9		2.2
2002 Q1	3.6	3.1	5.1	—0.9			3.1	—3.6	1.7	1.6		1.7
Q2	3.6	5.5	4.2	1.6			2.4	1.9	2.3	4.9		1.5
Q3	2.7	7.4	3.4	3.3			2.5	3.6	2.8	5.5		1.9
Q4	2.9	8.2	2.4	6.8			3.4	—1.4	2.4	4.2		1.9
2003 Q1	2.2	4.6	1.2	3.7			2.4	2.8	2.5	4.6		1.8
Q2	2.3	3.6	3.3	2.1			2.5	—3.9	1.1	—2.0		2.1
Q3	2.5	2.5	3.9	1.2			2.4	—2.3	1.4	—1.0		2.2
Q4	2.2	1.4	5.6	1.7			2.7	4.3	3.0	3.5		2.9
2004 Q1	3.0	0.8	5.7	5.7			3.7	—1.3	2.7	0.3		3.4
Q2	..	..	..	..			..	..	..	..		3.7

1 Estimates given to nearest million but cannot be regarded as accurate to the degree.

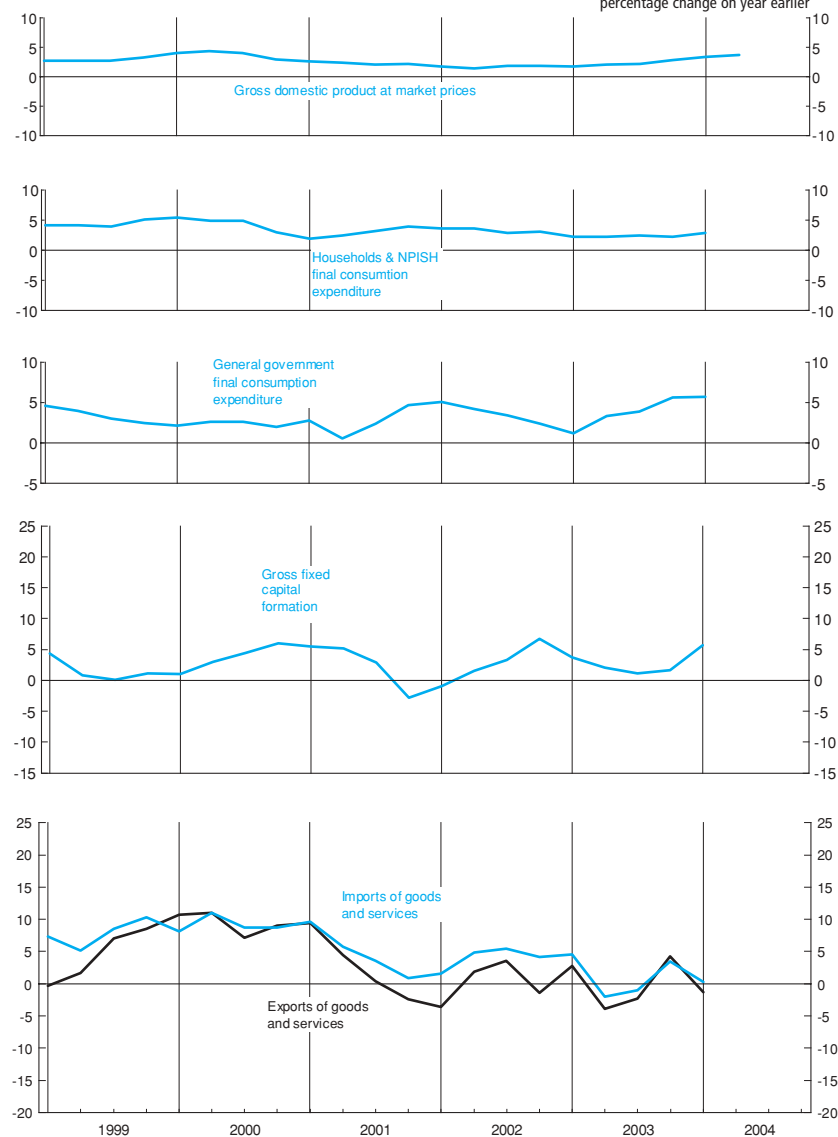
2 Non-profit making institutions serving households (NPISH).

3 Quarterly alignment adjustment included in this series.

Source: Office for National Statistics; Enquiries 020 7533 6031

Gross Domestic Product : by category of expenditure

chained volume measures
reference year 2001
percentage change on year earlier



2.3 Gross domestic product and shares of income and expenditure

	Percentage share of gross final expenditure						Percentage share of GDP by category of income				
	Gross domestic product at market prices	Gross final expenditure	Final consumption expenditure		Gross capital formation	Exports of goods and services	Gross operating surplus				Taxes on production and imports
			Household and NPISH	General government			Corporations ¹	Other ²	Compensation of employees	Mixed income	
Annual	YBHA	ABMF	IHXI	IHXJ	IHXK	IHXL	IHXM	IHXO	IHXP	IHXQ	IHXR
2000	950 561	1 237 118	50.6	14.3	13.5	21.6	21.3	3.2	56.0	6.0	13.5
2001	994 309	1 294 110	51.0	14.6	13.3	21.1	20.4	3.6	56.8	6.1	13.1
2002	1 044 145	1 348 963	51.3	15.5	12.9	20.3	21.2	3.2	56.5	6.2	12.9
2003	1 099 896	1 409 894	51.2	16.3	12.9	19.7	22.1	3.0	55.9	6.2	12.7
Quarterly											
2000 Q1	235 014	302 321	51.3	14.2	13.6	20.9	22.6	3.1	54.8	6.0	13.5
Q2	236 157	306 622	50.8	14.3	13.3	21.6	21.7	3.1	55.7	5.9	13.6
Q3	238 933	311 938	50.4	14.4	13.5	21.7	20.8	3.3	56.3	6.1	13.4
Q4	240 457	316 237	50.0	14.3	13.5	22.1	20.1	3.4	57.1	6.0	13.4
2001 Q1	244 608	320 862	50.2	14.3	13.3	22.2	20.0	3.6	57.2	6.1	13.1
Q2	247 391	323 583	50.6	14.4	13.4	21.7	19.7	4.3	56.8	6.1	13.1
Q3	249 071	323 475	51.5	14.7	13.6	20.1	20.6	3.3	56.8	6.2	13.1
Q4	253 239	326 190	51.6	15.2	13.0	20.2	21.1	3.3	56.6	6.2	12.9
2002 Q1	255 307	330 346	51.5	15.4	12.7	20.4	20.9	3.0	56.9	6.3	13.0
Q2	258 981	336 321	51.2	15.3	12.5	21.0	20.5	3.7	56.7	6.2	12.9
Q3	264 015	340 800	50.9	15.5	13.1	20.4	21.6	3.1	56.3	6.2	12.8
Q4	265 842	341 496	51.6	15.7	13.4	19.4	21.8	2.9	56.2	6.2	12.9
2003 Q1	268 739	346 642	51.0	16.0	12.7	20.2	22.1	2.7	56.2	6.2	12.8
Q2	272 003	347 750	51.5	16.3	12.5	19.7	21.8	3.0	56.2	6.3	12.7
Q3	277 662	354 920	51.2	16.3	13.0	19.5	22.4	2.9	55.7	6.2	12.7
Q4	281 492	360 582	50.9	16.6	13.2	19.3	22.0	3.4	55.6	6.2	12.7
2004 Q1	284 692	362 021	51.2	16.6	13.3	18.8	21.4	3.4	56.2	6.3	12.7

1 Non-financial and financial corporations.

2 Gross operating surplus of General government, and Households and NPISH plus the adjustment for financial services.

Source: Office for National Statistics; Enquiries 020 7533 6031

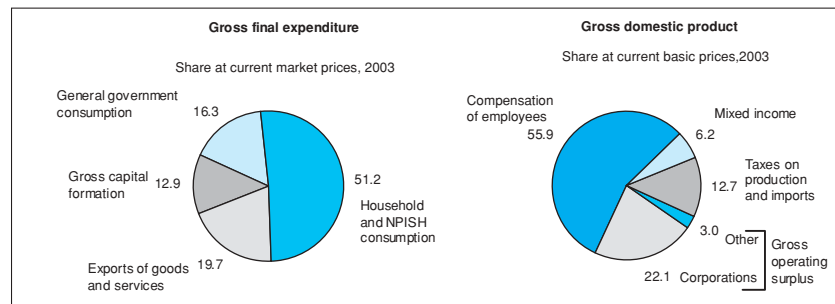
2.4 Income, product and spending per head

£

	At current prices				Chained volume measures (reference year 2001)		
	Gross national income at market prices	Gross domestic product at market prices	Household and NPISH final consumption expenditure	Households' gross disposable income	Gross domestic product at market prices	Household and NPISH final consumption expenditure	Real households' disposable income
Annual	IHXS	IHXT	IHXU	IHXV	IHXW	IHXX	IHXZ
2000	16 239	16 210	10 683	11 164	16 574	10 938	11 427
2001	16 981	16 837	11 175	11 901	16 839	11 176	11 900
2002	17 960	17 628	11 687	12 228	17 084	11 509	12 042
2003	18 868	18 524	12 146	12 676	17 426	11 750	12 262
Quarterly							
2000 Q1	4 033	4 014	2 649	2 724	4 109	2 724	2 801
Q2	4 027	4 031	2 661	2 775	4 137	2 730	2 846
Q3	4 096	4 073	2 682	2 820	4 161	2 744	2 885
Q4	4 083	4 092	2 691	2 845	4 167	2 740	2 895
2001 Q1	4 181	4 153	2 735	2 929	4 191	2 760	2 955
Q2	4 232	4 192	2 775	2 941	4 204	2 778	2 944
Q3	4 262	4 213	2 820	2 988	4 217	2 810	2 976
Q4	4 306	4 279	2 845	3 043	4 227	2 828	3 025
2002 Q1	4 361	4 311	2 875	2 999	4 237	2 844	2 967
Q2	4 420	4 372	2 908	3 078	4 252	2 868	3 036
Q3	4 571	4 457	2 931	3 070	4 290	2 885	3 022
Q4	4 608	4 488	2 973	3 081	4 305	2 912	3 017
2003 Q1	4 648	4 526	2 978	3 103	4 303	2 903	3 024
Q2	4 642	4 581	3 018	3 162	4 332	2 928	3 067
Q3	4 733	4 676	3 059	3 184	4 373	2 950	3 071
Q4	4 845	4 741	3 091	3 227	4 418	2 969	3 100
2004 Q1	4 903	4 795	3 121	3 239	4 450	2 987	3 100

Source: Office for National Statistics; Enquiries 020 7533 6031

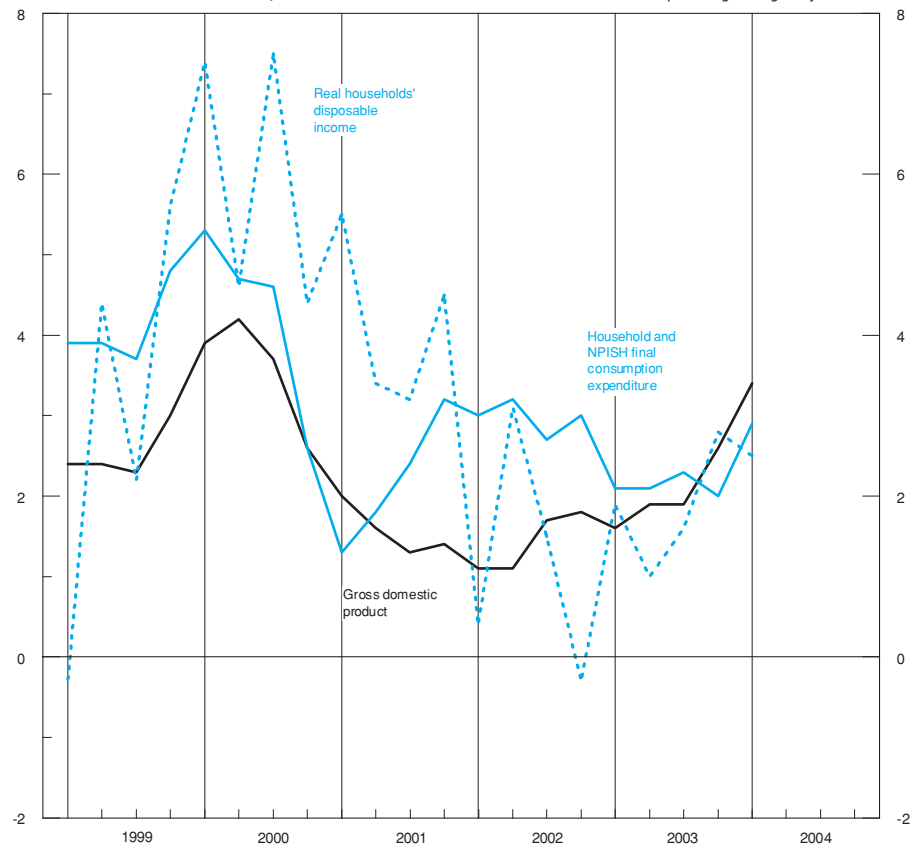
Shares of income and expenditure



Income, product and spending per capita

chained volume measures, reference year 2001

percentage change on year earlier



2.5 Households' disposable income and consumption

	£ million, current prices					£ million, chained volume measures, reference year 2001				
	Households' income before tax		Adjustment for the change in net equity of households in pension funds		Households' Total resources	Households' final consumption expenditure	Households' saving ratio ³ (percentage)+	Real households' disposable income+ ⁴	Household final consumption expenditure+	Real households' disposable income (index 2001=100)
	Total	of which: Wages and salaries	Gross households' disposable income ²							
Annual	RPHP	ROYJ	RPHQ	RPQJ	RPQK	RPQM	NRJS	NRJR	NPSP	OSXS
2001	1 016 062	486 302	702 774	6 606	709 380	659 928	7.0	702 774	659 928	100.0
2002	1 051 382	505 659	724 296	10 871	735 167	692 255	5.8	713 235	681 683	101.5
2003	1 096 890	523 192	752 592	14 276	766 868	721 083	6.0	728 089	697 606	103.6
Quarterly										
2001 Q1	251 642	119 880	172 476	2 220	174 696	161 094	7.8	174 047	162 563	99.1
Q2	251 594	121 030	173 553	1 469	175 022	163 740	6.4	173 749	163 926	98.9
Q3	253 384	122 127	176 628	1 280	177 908	166 724	6.3	175 952	166 087	100.1
Q4	259 442	123 265	180 117	1 637	181 754	168 370	7.4	179 026	167 352	101.9
2002 Q1	258 628	124 658	177 621	2 950	180 571	170 240	5.7	175 708	168 409	100.0
Q2	263 224	126 270	182 312	1 935	184 247	172 263	6.5	179 813	169 904	102.3
Q3	264 769	126 629	181 881	3 133	185 014	173 634	6.2	178 990	170 877	101.9
Q4	264 761	128 102	182 482	2 853	185 335	176 118	5.0	178 724	172 493	101.7
2003 Q1	269 097	128 951	184 211	4 142	188 353	176 789	6.1	179 571	172 336	102.2
Q2	272 305	129 852	187 711	2 310	190 021	179 187	5.7	182 087	173 818	103.6
Q3	276 192	131 476	189 063	3 463	192 526	181 611	5.7	182 366	175 178	103.8
Q4	279 296	132 913	191 607	4 361	195 968	183 496	6.4	184 065	176 274	104.8
2004 Q1	282 061	135 426	192 299	5 133	197 432	185 303	6.1	184 072	177 375	104.8

1 All households series include also Non-Profit Institutions Serving Households (NPISH).

2 Total household income less payments of income tax and other taxes, social contributions and other current transfers.

3 Households saving as a percentage of Total resources; this is the sum

of Gross household disposable income and the Adjustment for the change in net equity of households in pension funds (D.8).

4 Gross household disposable income revalued by the implied Household and NPISH final consumption expenditure deflator (2000 = 100).

Sources: Office for National Statistics; Enquiries Column 1 020 7533 6005; Columns 2-5, 7, 8, 10 020 7533 6027; Columns 6, 9 020 7533 5999

2.6 Household final consumption expenditure^{1,2}

Chained volume measures

Reference year 2001, £ million

	UK National ⁴														
	UK Domestic ⁵														
	Total	Net tourism	Total	Food & drink	Alcohol & tobacco	Clothing & footwear	Housing	House- hold goods & services	Health	Trans- port	Communi- cation	Recreat- ion & culture	Educat- ion	Restaur- ants & hotels	Miscell- aneous
COICOP ³	-	-	0	01	02	03	04	05	06	07	08	09	10	11	12
Annual	ABJR	ABTH	ZAKW	ZWUN	ZAKY	ZALA	ZAVO	ZAVW	ZAWC	ZAWM	ZAWW	ZAXA	ZWUT	ZAXS	ZAYG
2001	635 583	9 524	626 059	59 974	25 158	37 042	113 467	37 974	9 786	92 560	14 157	76 005	9 239	71 493	79 204
2002	655 865	10 764	645 101	60 724	25 517	41 316	114 710	39 768	10 232	94 145	14 501	81 183	8 167	73 656	81 182
2003	671 013	10 993	660 020	61 777	25 978	43 979	116 657	38 812	11 135	95 934	15 168	84 466	8 482	76 116	81 516
Quarters															
2001 Q1	156 398	1 828	154 567	15 140	6 239	8 822	28 187	9 365	2 465	22 902	3 483	18 274	2 391	17 982	19 374
Q2	157 861	2 431	155 430	14 661	6 329	9 128	28 356	9 441	2 411	22 957	3 517	18 842	2 345	17 805	19 644
Q3	160 046	2 686	157 361	14 856	6 325	9 444	28 517	9 600	2 427	23 337	3 556	19 238	2 287	17 906	19 846
Q4	161 278	2 579	158 701	15 317	6 265	9 648	28 407	9 568	2 483	23 364	3 601	19 651	2 216	17 800	20 340
2002 Q1	162 043	2 763	159 280	14 908	6 322	10 051	28 523	9 790	2 491	23 368	3 582	20 066	2 116	18 167	19 896
Q2	163 505	2 629	160 876	14 899	6 380	10 241	28 652	10 028	2 538	23 690	3 631	20 177	2 049	18 331	20 260
Q3	164 392	2 679	161 713	15 202	6 385	10 430	28 744	10 022	2 572	23 545	3 645	20 257	2 027	18 563	20 321
Q4	165 925	2 693	163 232	15 715	6 430	10 594	28 791	9 928	2 631	23 542	3 643	20 683	1 975	18 595	20 705
2003 Q1	165 680	3 156	162 524	15 224	6 443	10 639	29 031	9 421	2 682	23 937	3 692	20 480	2 014	18 617	20 344
Q2	167 189	2 716	164 473	15 686	6 463	10 967	28 984	9 992	2 756	23 895	3 760	20 912	2 078	18 758	20 222
Q3	168 531	2 607	165 924	15 396	6 518	11 061	29 159	9 730	2 822	23 971	3 841	21 455	2 160	19 282	20 529
Q4	169 613	2 514	167 099	15 471	6 554	11 312	29 483	9 669	2 875	24 131	3 875	21 619	2 230	19 459	20 421
2004 Q1	170 665	2 264	168 401	15 886	6 571	11 700	29 532	9 650	2 844	23 932	3 965	22 457	2 290	18 977	20 597

1 Estimates are given to the nearest £million but cannot be regarded as accurate to this degree.

2 More detailed estimates of Household Final Consumption Expenditure, expressed in both current prices and chained volume measures

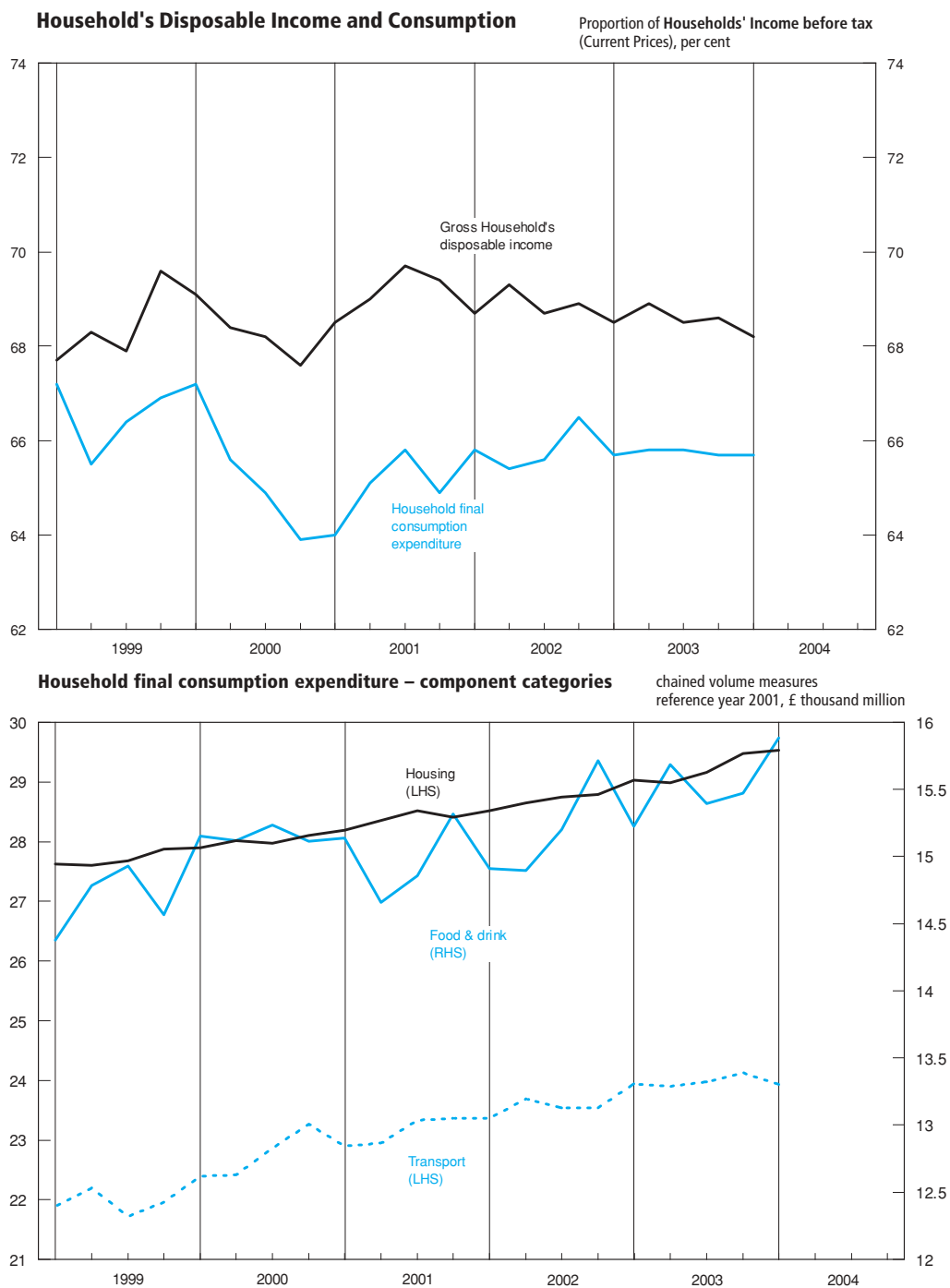
and both unadjusted and seasonally adjusted appear in the ONS publication *Consumer Trends*.

3 ESA 95 Classification of Individual Consumption by Purpose

4 Final consumption expenditure by UK households in the UK & abroad

5 Final consumption expenditure in the UK by UK & foreign households

Source: Office for National Statistics; Enquiries 020 7533 5999



2.7 Gross fixed capital formation

Chained volume measures

Reference year 2001, £ million

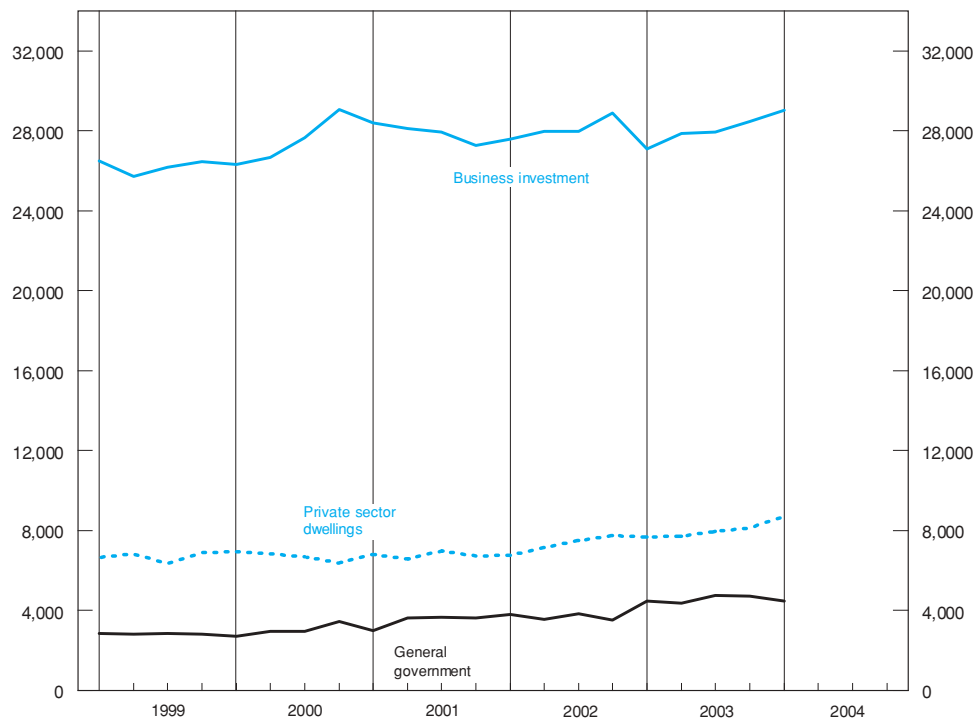
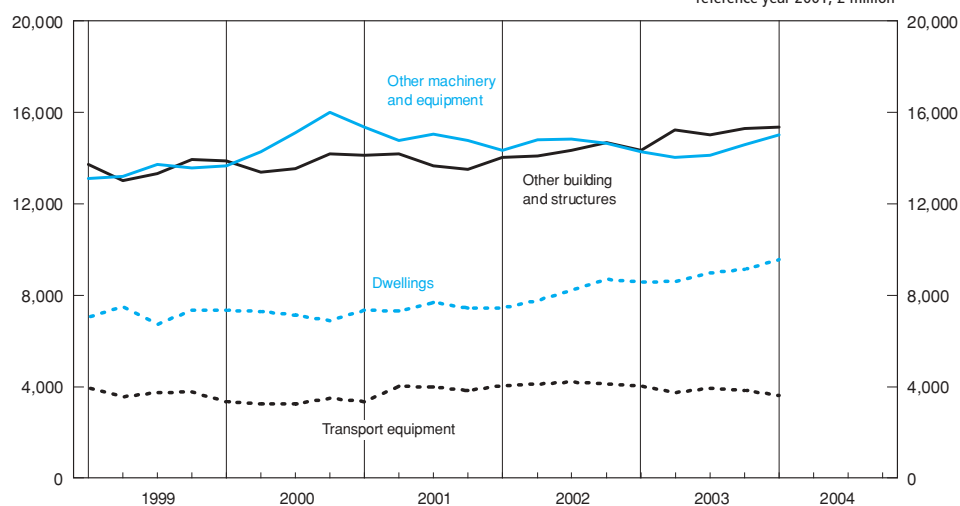
	Analysis by sector						Analysis by asset					
	Business investment ¹	General government	Public corporations ²	Private sector		Total+	Transport equipment	Other machinery and equipment	Dwellings	Other building and structures ³	Intangible fixed assets	
			Transfer costs of non-produced assets	Dwellings	Transfer costs of non-produced assets							
Annual	NPEL	DLWF	DLWH	DFEA	DLWI	NPQT	DLWL	DLWO	DFEG	DLWT	EQDO	
1999	104 865	11 332	4	26 729	13 133	155 631	15 020	53 617	28 649	54 062	4 846	
2000	109 693	12 051	6	26 830	12 814	161 267	13 348	59 133	28 672	55 052	5 058	
2001	111 739	13 925	59	27 085	12 696	165 504	15 194	59 975	29 806	55 513	5 016	
2002	112 435	14 711	-37	29 176	13 643	169 928	16 487	58 623	32 139	57 176	5 503	
2003	111 376	18 297	-186	31 477	12 659	173 623	15 552	57 067	35 324	59 912	5 768	
Quarterly												
1999 Q1	26 515	2 864	-10	6 649	2 837	38 921	3 958	13 118	7 049	13 747	1 173	
Q2	25 724	2 826	2	6 849	3 044	38 345	3 566	13 195	7 516	13 032	1 205	
Q3	26 163	2 835	5	6 343	3 452	38 688	3 736	13 730	6 723	13 331	1 218	
Q4	26 463	2 807	7	6 888	3 800	39 677	3 760	13 574	7 361	13 952	1 250	
2000 Q1	26 305	2 694	6	6 956	3 575	39 312	3 340	13 683	7 343	13 893	1 225	
Q2	26 665	2 961	2	6 823	3 069	39 485	3 253	14 301	7 295	13 396	1 276	
Q3	27 659	2 954	-1	6 695	3 113	40 431	3 267	15 126	7 137	13 562	1 269	
Q4	29 064	3 442	-1	6 356	3 057	42 039	3 488	16 023	6 897	14 201	1 288	
2001 Q1	28 407	2 988	-6	6 787	3 262	41 493	3 354	15 347	7 365	14 143	1 253	
Q2	28 109	3 640	30	6 597	3 150	41 535	4 035	14 785	7 305	14 182	1 244	
Q3	27 946	3 666	30	6 968	3 030	41 617	3 971	15 053	7 680	13 662	1 257	
Q4	27 277	3 631	5	6 733	3 254	40 859	3 834	14 790	7 456	13 526	1 262	
2002 Q1	27 574	3 810	11	6 759	2 984	41 138	4 054	14 334	7 435	14 030	1 285	
Q2	27 974	3 541	13	7 153	3 498	42 179	4 105	14 808	7 781	14 104	1 381	
Q3	27 983	3 843	-30	7 506	3 689	42 991	4 201	14 826	8 222	14 353	1 389	
Q4	28 904	3 517	-31	7 758	3 472	43 620	4 127	14 655	8 701	14 689	1 448	
2003 Q1	27 082	4 470	-13	7 666	3 470	42 675	4 034	14 291	8 588	14 351	1 411	
Q2	27 869	4 353	-32	7 721	3 143	43 054	3 751	14 035	8 615	15 228	1 425	
Q3	27 936	4 744	-81	7 942	2 987	43 528	3 924	14 143	8 983	15 028	1 450	
Q4	28 489	4 730	-60	8 148	3 059	44 366	3 843	14 598	9 138	15 305	1 482	
2004 Q1	29 019	4 486	-38	8 688	2 950	45 105	3 611	15 036	9 567	15 380	1 511	
Percentage change, latest quarter on corresponding quarter of previous year												
1999 Q1	7.9	-1.4		-3.5	1.4	4.4	-1.2	8.6	-4.9	5.1	4.5	
Q2	2.6	6.0		-4.2	-9.9	0.8	-10.6	7.7	-2.6	-2.4	0.4	
Q3	1.6	-2.8		-7.3	8.9	0.1	-9.0	9.0	-9.8	-1.0	-5.4	
Q4	-0.4	-8.7		2.0	42.3	1.1	-11.2	0.3	1.8	6.9	-0.9	
2000 Q1	-0.8	-5.9		4.6	26.0	1.0	-15.6	4.3	4.2	1.1	4.4	
Q2	3.7	4.8		-0.4	0.8	3.0	-8.8	8.4	-2.9	2.8	5.9	
Q3	5.7	4.2		5.5	-9.8	4.5	-12.6	10.2	6.2	1.7	4.2	
Q4	9.8	22.6		-7.7	-19.6	6.0	-7.2	18.0	-6.3	1.8	3.0	
2001 Q1	8.0	10.9		-2.4	-8.8	5.5	0.4	12.2	0.3	1.8	2.3	
Q2	5.4	22.9		-3.3	2.6	5.2	24.0	3.4	0.1	5.9	-2.5	
Q3	1.0	24.1		4.1	-2.7	2.9	21.5	-0.5	7.6	0.7	-0.9	
Q4	-6.1	5.5		5.9	6.4	-2.8	9.9	-7.7	8.1	-4.8	-2.0	
2002 Q1	-2.9	27.5		-0.4	-8.5	-0.9	20.9	-6.6	1.0	-0.8	2.6	
Q2	-0.5	-2.7		8.4	11.0	1.6	1.7	0.2	6.5	-0.5	11.0	
Q3	0.1	4.8		7.7	21.7	3.3	5.8	-1.5	7.1	5.1	10.5	
Q4	6.0	-3.1		15.2	6.7	6.8	7.6	-0.9	16.7	8.6	14.7	
2003 Q1	-1.8	17.3		13.4	16.3	3.7	-0.5	-0.3	15.5	2.3	9.8	
Q2	-0.4	22.9		7.9	-10.1	2.1	-8.6	-5.2	10.7	8.0	3.2	
Q3	-0.2	23.4		5.8	-19.0	1.2	-6.6	-4.6	9.3	4.7	4.4	
Q4	-1.4	34.5		5.0	-11.9	1.7	-6.9	-0.4	5.0	4.2	2.3	
2004 Q1	7.2	0.4		13.3	-15.0	5.7	-10.5	5.2	11.4	7.2	7.1	

1 Not including dwellings and costs associated with the transfer of ownership of non-produced assets.

2 Remaining investment by public non-financial corporations is included within business investment.

3 Including costs associated with transfer of ownership of non-produced assets.

Source: Office for National Statistics; Enquiries 020 7533 6010

Gross fixed capital formation-by sectorChained volume measures,
reference year 2001, £ million**Gross fixed capital formation – by asset**Chained volume measures,
reference year 2001, £ million

2.8 Gross value added, chained volume indices at basic prices, by category of output^{1,3}

2001 = 100

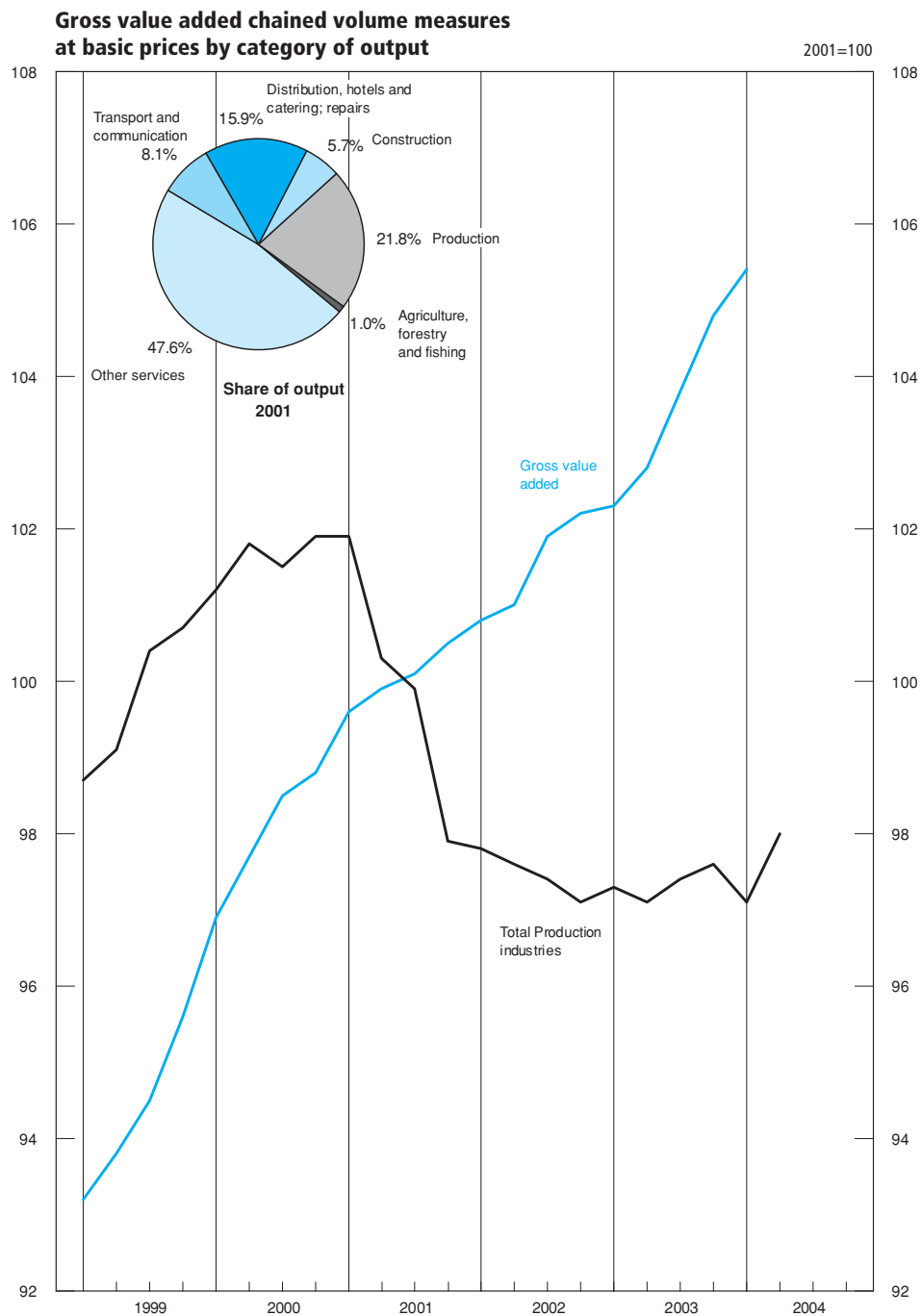
	Production						Service industries						Gross value added at basic prices	Gross value added excluding oil
	Agriculture, forestry, and fishing	Mining and quarrying including oil and gas extraction	Manufacturing	Electricity gas and water supply	Total	Construction	Distribution hotels and catering; repairs	Transport storage and communication	Business services and finance	Government and other services	Total			
2001 Weights ¹	10	28	172	18	218	57	159	81	249	227	716	1000	975	
	GDQA	CKYX	CKYY	CKYZ	CKYW	GDQB	GDQE	GDQH	GDQN	GDQU	GDQS	CGCE	JUNT	
1999	110.7	109.3	98.9	95.6	99.7	97.0	95.1	87.8	91.4	94.7	92.8	94.3	93.9	
2000	110.0	105.8	101.4	97.7	101.6	98.2	97.7	96.2	95.6	97.7	96.8	98.0	97.8	
2001	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
2002	111.9	99.7	96.9	99.5	97.5	103.8	104.7	101.3	102.0	102.6	102.7	101.5	101.5	
2003	109.0	94.3	97.3	101.7	97.4	108.9	107.7	102.8	105.6	104.1	105.3	103.4	103.7	
Quarterly														
1999 Q1	111.4	108.2	97.9	94.7	98.7	95.9	94.1	85.7	90.7	93.5	91.7	93.2	92.9	
Q2	110.2	109.3	98.3	94.8	99.1	96.2	94.6	87.1	90.8	94.5	92.3	93.8	93.4	
Q3	110.0	110.6	99.6	96.1	100.4	97.7	95.4	87.9	91.0	95.2	92.9	94.5	94.2	
Q4	111.2	109.0	100.1	96.9	100.7	98.1	96.1	90.4	93.0	95.6	94.2	95.6	95.2	
2000 Q1	110.8	109.9	100.6	96.4	101.2	100.5	96.8	93.3	93.7	96.6	95.2	96.9	96.6	
Q2	110.1	108.3	101.2	98.7	101.8	98.2	97.4	95.4	94.8	97.6	96.3	97.7	97.4	
Q3	111.5	104.6	101.4	97.6	101.5	96.5	98.6	97.6	96.5	98.4	97.7	98.5	98.3	
Q4	107.6	100.4	102.3	98.0	101.9	97.6	98.3	98.5	97.4	98.2	98.0	98.8	98.7	
2001 Q1	100.8	99.0	102.3	101.7	101.9	99.2	99.1	99.9	98.3	98.9	98.8	99.6	99.6	
Q2	99.1	101.6	100.0	100.6	100.3	99.5	99.4	100.2	100.0	99.6	99.8	99.9	99.8	
Q3	98.8	100.5	99.9	99.4	99.9	100.1	100.1	99.6	100.3	100.3	100.2	100.1	100.1	
Q4	101.3	98.8	97.8	98.3	97.9	101.3	101.4	100.2	101.5	101.2	101.2	100.5	100.6	
2002 Q1	110.4	99.5	97.5	98.0	97.8	102.9	103.1	100.8	101.0	102.0	101.7	100.8	100.9	
Q2	112.9	104.7	96.3	98.9	97.6	102.6	104.1	100.2	101.4	102.3	102.1	101.0	100.9	
Q3	112.8	95.2	97.4	100.8	97.4	104.2	105.3	101.5	102.8	103.0	103.3	101.9	102.1	
Q4	111.4	99.3	96.4	100.4	97.1	105.6	106.4	102.5	102.9	103.2	103.7	102.2	102.3	
2003 Q1	108.5	98.9	96.7	100.2	97.3	104.4	105.7	102.3	104.3	103.4	104.1	102.3	102.5	
Q2	108.6	95.5	97.0	100.4	97.1	108.0	107.1	102.6	104.2	103.9	104.6	102.8	103.1	
Q3	109.3	93.0	97.6	102.5	97.4	111.0	108.3	102.7	105.8	104.4	105.5	103.8	104.1	
Q4	109.6	90.0	98.1	103.8	97.6	112.4	109.5	103.4	107.9	104.9	106.8	104.8	105.2	
2004 Q1	108.4	89.3	97.7	102.5	97.1	112.8	111.4	103.7	109.1	105.4	107.8	105.4	105.9	
Q2	..	..	..	..	98.0	..	112.5	..	..	..	108.8	..	..
Percentage change, latest quarter on corresponding quarter of last year														
1999 Q1	4.8	4.4	-0.7	3.5	0.2	-3.4	3.2	7.9	5.7	2.1	4.2	2.6	2.7	
Q2	1.5	4.4	-0.3	1.9	0.3	0.3	3.4	7.1	4.5	2.2	3.7	2.6	2.5	
Q3	2.9	5.3	1.3	2.7	1.8	2.1	3.0	5.4	2.4	2.1	2.8	2.4	2.4	
Q4	4.4	2.5	2.7	2.6	2.5	2.5	2.3	6.0	2.3	2.4	2.8	2.7	2.6	
2000 Q1	-0.5	1.6	2.8	1.8	2.5	4.8	2.9	8.9	3.3	3.3	3.8	4.0	4.0	
Q2	-0.1	-0.9	3.0	4.1	2.7	2.1	3.0	9.5	4.4	3.3	4.3	4.2	4.3	
Q3	1.4	-5.4	1.8	1.6	1.1	-1.2	3.4	11.0	6.0	3.4	5.2	4.2	4.4	
Q4	-3.2	-7.9	2.2	1.1	1.2	-0.5	2.3	9.0	4.7	2.7	4.0	3.3	3.7	
2001 Q1	-9.0	-9.9	1.7	5.5	0.7	-1.3	2.4	7.1	4.9	2.4	3.8	2.8	3.1	
Q2	-10.0	-6.2	-1.2	1.9	-1.5	1.3	2.1	5.0	5.5	2.0	3.6	2.3	2.5	
Q3	-11.4	-3.9	-1.5	1.8	-1.6	3.7	1.5	2.0	3.9	1.9	2.6	1.6	1.8	
Q4	-5.9	-1.6	-4.4	0.3	-3.9	3.8	3.2	1.7	4.2	3.1	3.3	1.7	1.9	
2002 Q1	9.5	0.5	-4.7	-3.6	-4.0	3.7	4.0	0.9	2.7	3.1	2.9	1.2	1.3	
Q2	13.9	3.1	-3.7	-1.7	-2.7	3.1	4.7	0.0	1.4	2.7	2.3	1.1	1.1	
Q3	14.2	-5.3	-2.5	1.4	-2.5	4.1	5.2	1.9	2.5	2.7	3.1	1.8	2.0	
Q4	10.0	0.5	-1.4	2.1	-0.8	4.2	4.9	2.3	1.4	2.0	2.5	1.7	1.7	
2003 Q1	-1.7	-0.6	-0.8	2.2	-0.5	1.5	2.5	1.5	3.3	1.4	2.4	1.5	1.6	
Q2	-3.8	-8.8	0.7	1.5	-0.5	5.3	2.9	2.4	2.8	1.6	2.4	1.8	2.2	
Q3	-3.1	-2.3	0.2	1.7	0.0	6.5	2.8	1.2	2.9	1.4	2.1	1.9	2.0	
Q4	-1.6	-9.4	1.8	3.4	0.5	6.4	2.9	0.9	4.9	1.6	3.0	2.5	2.8	
2004 Q1	-0.1	-9.7	1.0	2.3	-0.2	8.0	5.4	1.4	4.6	1.9	3.6	3.0	3.3	
Q2	..	..	..	..	0.9	..	5.0	..	..	..	4.0	..	..

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

2 Weights may not sum to the totals due to rounding. The weights shown are in proportion to total gross value added (GVA) in 2001, and are used to combine the industry output indices to calculate the totals for 2002 and 2003. For 2001 and earlier, totals are calculated using the equivalent weights for the previous year (e.g. totals for 2001 use 2000 weights).

3 Components of output are valued at basic prices, which excludes taxes and subsidies on production

Sources: Office for National Statistics;
Enquiries Columns 1-11 020 7533 5969;
Column 12 020 7533 6031



2.9 Gross value added chained volume indices at basic prices, by category of output: Service industries

2001 = 100

	Distribution hotels and catering; repairs		Transport, storage and communication		Business services and finance			Government and other services					
	Motor trades; wholesale and retail trade; repairs	Hotels and restaurants	Transport and storage	Post and telecommunication	Financial intermediation ³	Real estate, renting and business activities	Lettings of dwellings	PAD ¹	Education	Health and social work	Other services ²	Adjustment for financial services ⁴	Total services
2001 weights	125	33	50	31	48	160	78	56	59	62	51	-38	716
Annual	GDQC	GDQD	GDQF	GDQG	GDQI	GDQK	GDQL	GDQO	GDQP	GDQQ	GDQR	GDQJ	GDQS
1999	94.0	99.2	92.3	81.0	90.2	88.0	98.3	96.1	97.9	92.0	93.2	88.6	92.8
2000	97.0	100.5	98.3	93.1	94.9	94.8	97.7	98.3	99.5	96.4	96.7	95.4	96.8
2001	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2002	105.0	103.7	101.3	101.2	98.8	103.3	101.7	102.7	101.2	103.8	102.8	102.9	102.7
2003	107.3	109.2	100.8	105.9	100.6	110.2	103.3	104.8	101.6	107.7	101.9	114.1	105.3
Quarterly													
1999 Q1	93.3	97.4	91.9	76.7	88.4	87.2	98.7	95.5	96.8	90.5	91.5	87.6	91.7
Q2	93.6	98.8	91.5	80.4	90.5	86.6	99.2	95.9	97.8	92.0	92.5	89.0	92.3
Q3	94.3	99.8	91.7	82.0	89.6	87.8	98.3	96.4	98.9	92.1	93.7	89.3	92.9
Q4	94.9	100.8	93.9	85.0	92.1	90.4	96.9	96.4	98.1	93.4	95.0	88.8	94.2
2000 Q1	95.4	102.1	96.5	88.5	93.7	91.7	96.9	97.6	98.7	94.4	95.9	91.8	95.2
Q2	96.6	100.2	98.6	90.8	94.7	94.1	96.6	98.2	99.7	96.4	96.2	95.5	96.3
Q3	98.0	100.9	99.9	94.2	95.3	96.1	97.9	98.8	100.1	97.3	97.4	95.9	97.7
Q4	98.0	99.0	98.4	98.8	96.1	97.1	99.5	98.7	99.5	97.6	97.2	98.2	98.0
2001 Q1	98.9	99.5	99.5	100.6	98.3	98.2	99.5	99.2	99.5	98.4	98.6	100.6	98.8
Q2	99.3	99.6	100.3	100.2	100.3	99.8	99.8	99.7	99.7	99.9	99.9	99.3	99.8
Q3	100.0	100.5	100.1	98.9	99.8	100.4	100.2	100.2	100.2	100.3	100.7	99.9	100.2
Q4	101.7	100.4	100.2	100.3	101.5	101.5	100.6	100.9	100.7	101.3	101.8	100.3	101.2
2002 Q1	103.7	101.1	100.8	100.8	98.4	101.4	101.3	101.5	101.1	102.0	103.6	100.0	101.7
Q2	104.6	102.2	100.8	99.2	97.1	102.8	101.3	102.4	101.2	103.3	102.2	101.8	102.1
Q3	105.6	104.3	101.7	101.3	99.7	104.3	102.0	103.0	101.2	104.7	103.0	103.4	103.3
Q4	106.2	107.1	102.0	103.4	100.2	104.8	102.2	103.9	101.4	105.0	102.5	106.4	103.7
2003 Q1	105.1	107.8	100.6	105.1	99.2	107.6	102.8	104.3	101.4	106.4	101.1	108.4	104.1
Q2	106.5	109.4	100.1	106.5	99.7	108.3	103.0	104.7	101.7	106.9	101.7	113.4	104.6
Q3	108.0	109.4	100.9	105.6	100.8	110.7	103.4	104.9	101.8	108.1	102.3	115.3	105.5
Q4	109.4	110.1	101.6	106.4	102.8	114.1	104.1	105.2	101.7	109.5	102.7	119.2	106.8
2004 Q1	111.2	112.5	103.0	104.6	105.0	115.7	104.4	105.5	101.7	110.8	102.8	122.5	107.8
Q2	..	..	..	..	..	..	..	..	..	..	..	..	108.8
Percentage change, quarter on corresponding quarter of previous year													
Quarterly													
1999 Q1	3.6	1.9	2.6	17.5	1.7	7.7	5.4	0.2	3.6	1.8	3.0	5.7	4.2
Q2	3.2	4.3	0.5	18.6	3.9	4.3	4.9	-0.2	4.2	2.4	2.4	4.2	3.7
Q3	2.4	5.8	-1.1	16.5	1.5	2.1	2.5	-0.2	4.0	2.7	2.1	0.3	2.8
Q4	1.9	3.9	0.8	14.7	6.4	1.8	-0.9	0.4	2.1	3.9	3.1	0.5	2.8
2000 Q1	2.3	4.8	5.0	15.4	6.0	5.2	-1.8	2.2	2.0	4.3	4.8	4.8	3.8
Q2	3.2	1.4	7.8	12.9	4.6	8.7	-2.6	2.4	1.9	4.8	4.0	7.3	4.3
Q3	3.9	1.1	8.9	14.9	6.4	9.5	-0.4	2.5	1.2	5.6	3.9	7.4	5.2
Q4	3.3	-1.8	4.8	16.2	4.3	7.4	2.7	2.4	1.4	4.5	2.3	10.6	4.0
2001 Q1	3.7	-2.5	3.1	13.7	4.9	7.1	2.7	1.6	0.8	4.2	2.8	9.6	3.8
Q2	2.8	-0.6	1.7	10.4	5.9	6.1	3.3	1.5	0.0	3.6	2.8	4.0	3.6
Q3	2.0	-0.4	0.2	5.0	4.7	4.5	2.3	1.4	0.1	3.1	3.4	4.2	2.6
Q4	3.8	1.4	1.8	1.5	5.6	4.5	1.1	2.2	1.2	3.8	4.7	2.1	3.3
2002 Q1	4.9	1.6	1.3	0.2	0.1	3.3	1.8	2.3	1.6	3.7	5.1	-0.6	2.9
Q2	5.3	2.6	0.5	-1.0	-3.2	3.0	1.5	2.7	1.5	3.4	3.3	2.5	2.3
Q3	5.6	3.8	1.6	2.4	-0.1	3.9	1.8	2.8	1.0	4.4	2.3	3.5	3.1
Q4	4.4	6.7	1.8	3.1	-1.3	3.3	1.6	3.0	0.7	3.7	0.7	6.1	2.5
2003 Q1	1.4	6.6	-0.2	4.3	0.8	6.1	1.5	2.8	0.3	4.3	-2.4	8.4	2.4
Q2	1.8	7.0	-0.7	7.4	2.7	5.4	1.7	2.2	0.5	3.5	-0.5	11.4	2.4
Q3	2.3	4.9	-0.8	4.2	1.1	6.1	1.4	1.8	0.6	3.2	-0.7	11.5	2.1
Q4	3.0	2.8	-0.4	2.9	2.6	8.9	1.9	1.3	0.3	4.3	0.2	12.0	3.0
2004 Q1	5.8	4.4	2.4	-0.5	5.8	7.5	1.6	1.2	0.3	4.1	1.7	13.0	3.6
Q2	..	..	..	..	..	..	..	..	..	..	..	..	4.0

1 Public administration and national defence; compulsory social security.

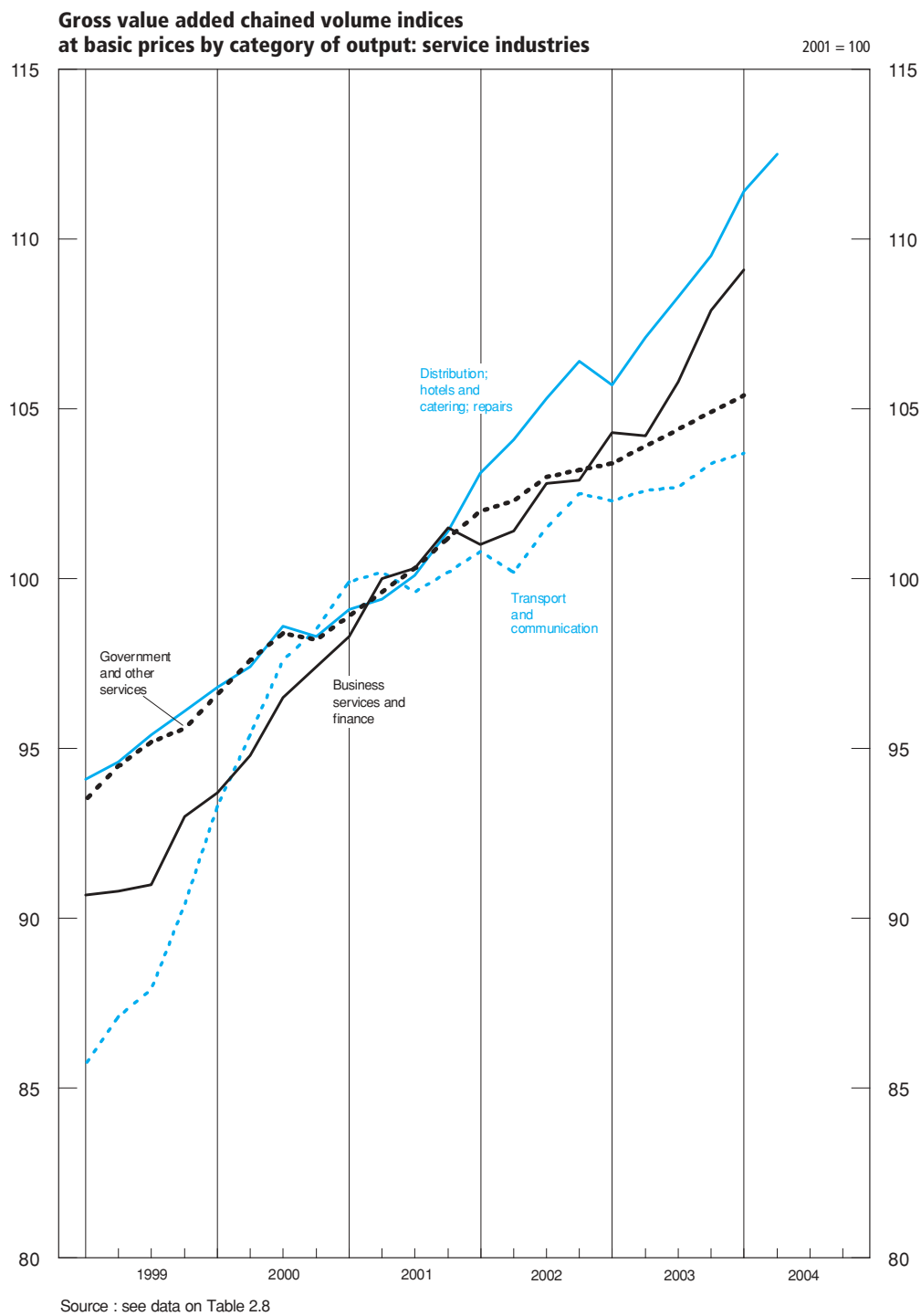
2 Comprising sections O, and P of the SIC(92).

3 Comprises section J of the SIC(92). This covers activities of institutions such as banks, building societies, securities dealers, insurance companies and pension funds. It also covers institutions whose activities are closely related to financial intermediation : for example fund managers and insurance brokers.

4 The weight and proxy series for financial intermediation are calculated before the deduction of interest receipts and payments to provide a better indication of the underlying activity for this section (see note 3). However, this overstates the contribution to GDP because interest flows should be treated as transfer payments rather than final consumption. The financial services adjustment, which has a negative weight, corrects for this.

5 See footnote 2 on Table 2.8

Source: Office for National Statistics: Enquiries 020 7522 5060



2.10

Summary capital accounts and net lending/net borrowing

£ million

	Non-financial corporations				Financial corporations				General Government			
	Gross saving ¹	Capital transfers (net receipts)	Gross capital formation ²	Net acquisition of non-financial assets	Gross saving ¹	Capital transfers (net receipts)	Gross capital formation ²	Net acquisition of non-financial assets	Gross saving ¹	Capital transfers (net receipts)	Gross capital formation ²	Net acquisition of non-financial assets
Annual												
2000	RPJV	GZQW	RQBZ	RQAX	RPPS	GZQE	RPYP	RPYO	RPQC	GZQU	RPZF	RPZE
2000	94 282	1 638	101 766	856	-16 357	-	10 739	-37	27 728	-2 204	11 965	-776
2001	89 361	2 661	103 892	1 139	-14 072	-	7 232	25	24 957	-4 081	13 929	-915
2002	101 297	3 277	99 072	1 431	10 189	-	6 837	-36	1 502	-5 076	14 781	-1 087
2003	113 668	4 608	98 950	1 300	14 375	-	6 022	-9	-13 157	-7 052	18 448	-957
Quarterly												
2000 Q1	22 589	588	25 277	208	185	-	2 151	-16	7 599	-922	2 611	-185
Q2	24 275	324	24 744	185	-4 952	-	2 416	-13	7 716	-139	2 917	-189
Q3	23 606	359	25 612	185	-4 063	-	3 170	-7	6 647	-575	2 974	-196
Q4	23 812	367	26 133	278	-7 527	-	3 002	-1	5 766	-568	3 463	-206
2001 Q1	23 181	599	25 610	255	-6 805	-	2 363	5	8 217	-768	2 923	-220
Q2	21 798	627	26 143	285	-1 983	-	2 203	8	6 833	-1 204	3 700	-220
Q3	23 440	719	26 573	314	-3 222	-	1 306	8	6 593	-1 140	3 682	-236
Q4	20 942	716	25 566	285	-2 062	-	1 360	4	3 314	-969	3 624	-239
2002 Q1	22 211	747	24 751	368	1 786	-	914	-3	1 498	-1 241	3 807	-281
Q2	23 155	631	23 601	329	748	-	1 136	-9	630	-1 010	3 689	-233
Q3	27 580	814	24 879	363	2 651	-	3 090	-12	789	-1 336	3 832	-240
Q4	28 351	1 085	25 841	371	5 004	-	1 697	-12	-1 415	-1 489	3 453	-333
2003 Q1	27 815	1 133	23 344	285	4 623	-	2 132	-8	-2 408	-1 926	4 222	-197
Q2	25 482	2 374	23 808	343	2 992	-	884	-3	-1 860	-3 008	4 548	-259
Q3	28 003	631	25 403	362	3 503	-	1 178	1	-3 100	-1 167	4 819	-255
Q4	32 368	470	26 395	310	3 257	-	1 828	1	-5 789	-951	4 859	-246
2004 Q1	33 541	1 134	26 666	331	705	-	1 365	3	-3 513	-1 488	4 295	-236
Households & NPISH				Net lending(+)/net borrowing(-) ³								
	Gross saving ¹	Capital transfers (net receipts)	Gross capital formation ²	Net acquisition of non-financial assets	Non-financial corporations	Financial corporations	General government	Households & NPISH	Rest of the world ⁴	Statistical Discrepancy		
Annual												
2000	RPQL	GZQI	RPZV	RPZU	RQAW	RPYN	RPZD	RPZT	RQCH	RVFE		
2000	36 737	2 300	39 249	-67	-9 698	-27 059	14 335	-145	22 567	-		
2001	49 452	3 023	43 985	-152	-16 360	-21 329	7 862	8 642	21 185	-		
2002	42 912	3 099	49 958	-176	297	3 388	-17 268	-3 771	17 354	-		
2003	45 785	4 111	54 838	-210	14 604	8 362	-37 700	-4 732	19 187	279		
Quarterly												
2000 Q1	6 608	553	10 410	-24	-2 913	-1 950	4 251	-3 225	3 837	-1 988		
Q2	7 620	473	9 842	-16	-1 152	-7 355	4 849	-1 733	5 391	-2 588		
Q3	10 215	616	9 585	-12	-2 619	-7 226	3 294	1 258	5 293	1 811		
Q4	12 294	658	9 412	-15	-3 014	-10 528	1 941	3 555	8 046	2 765		
2001 Q1	13 602	418	10 891	-25	-3 021	-9 173	4 746	3 154	4 294	-5 248		
Q2	11 282	1 266	10 380	-36	-4 859	-4 194	2 149	2 204	4 700	-3 324		
Q3	11 184	747	11 672	-44	-3 476	-4 536	2 007	303	5 702	1 888		
Q4	13 384	592	11 042	-47	-5 004	-3 426	-1 040	2 981	6 489	6 684		
2002 Q1	10 331	720	11 832	-47	-2 924	875	-3 269	-734	6 052	-6 300		
Q2	11 984	664	12 809	-45	-876	-379	-3 836	-116	5 207	-3 098		
Q3	11 380	823	12 204	-43	2 486	-427	-4 139	42	2 038	6 212		
Q4	9 217	892	13 113	-41	1 611	3 319	-6 024	-2 963	4 057	3 186		
2003 Q1	11 564	1 085	13 239	-46	4 034	2 499	-8 359	-544	2 317	-3 527		
Q2	10 834	921	13 373	-49	2 920	2 111	-9 157	-1 569	5 629	-3 483		
Q3	10 915	964	14 160	-55	2 169	2 324	-8 831	-2 226	6 487	3 868		
Q4	12 472	1 141	14 066	-60	5 481	1 428	-11 353	-393	4 754	3 421		
2004 Q1	12 129	1 125	15 283	-65	6 958	-663	-9 060	-1 964	4 657	-8 194		

1 Before providing for depreciation, inventory holding gains.

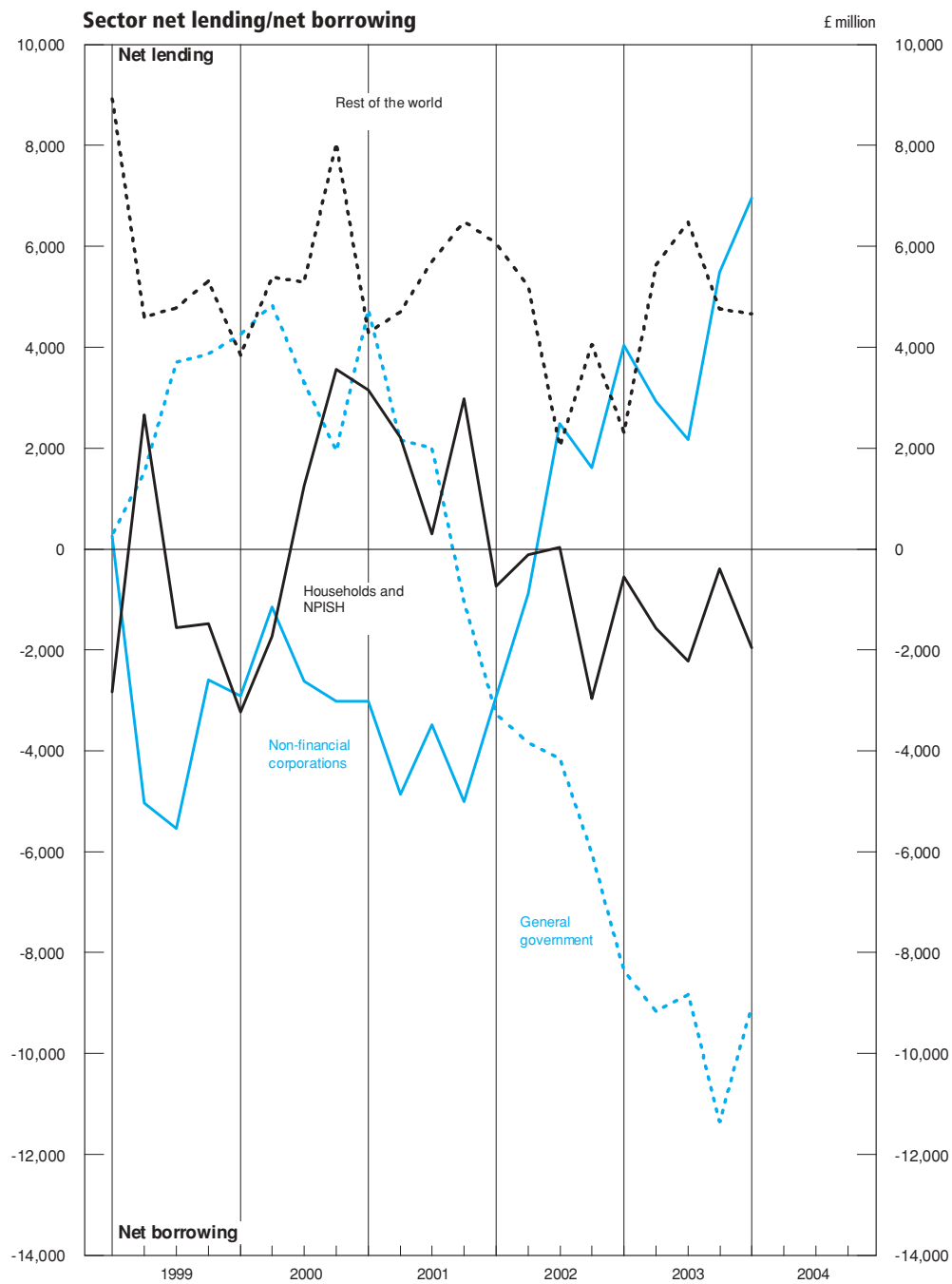
2 Comprises gross fixed capital formation and changes in inventories and acquisitions less disposals of valuables.

3 This balance is equal to gross saving plus capital transfers

less gross fixed capital formation, less Net acquisition of non-financial assets, less changes in inventories.

4 Equals, the current balance of payments accounts, plus capital transfers.

Sources: Office for National Statistics;
Enquiries Part 1 (Upper) Columns 1,3-5,7-9,11,12 020 7533 6031;
Columns 2,6,10 020 7533 5985;
Part2 (Lower) Columns 1, 3-10 020 7533 6031; Column 2 020 7533 5985



2.11 Private Non-Financial Corporations : Allocation of Primary Income Account

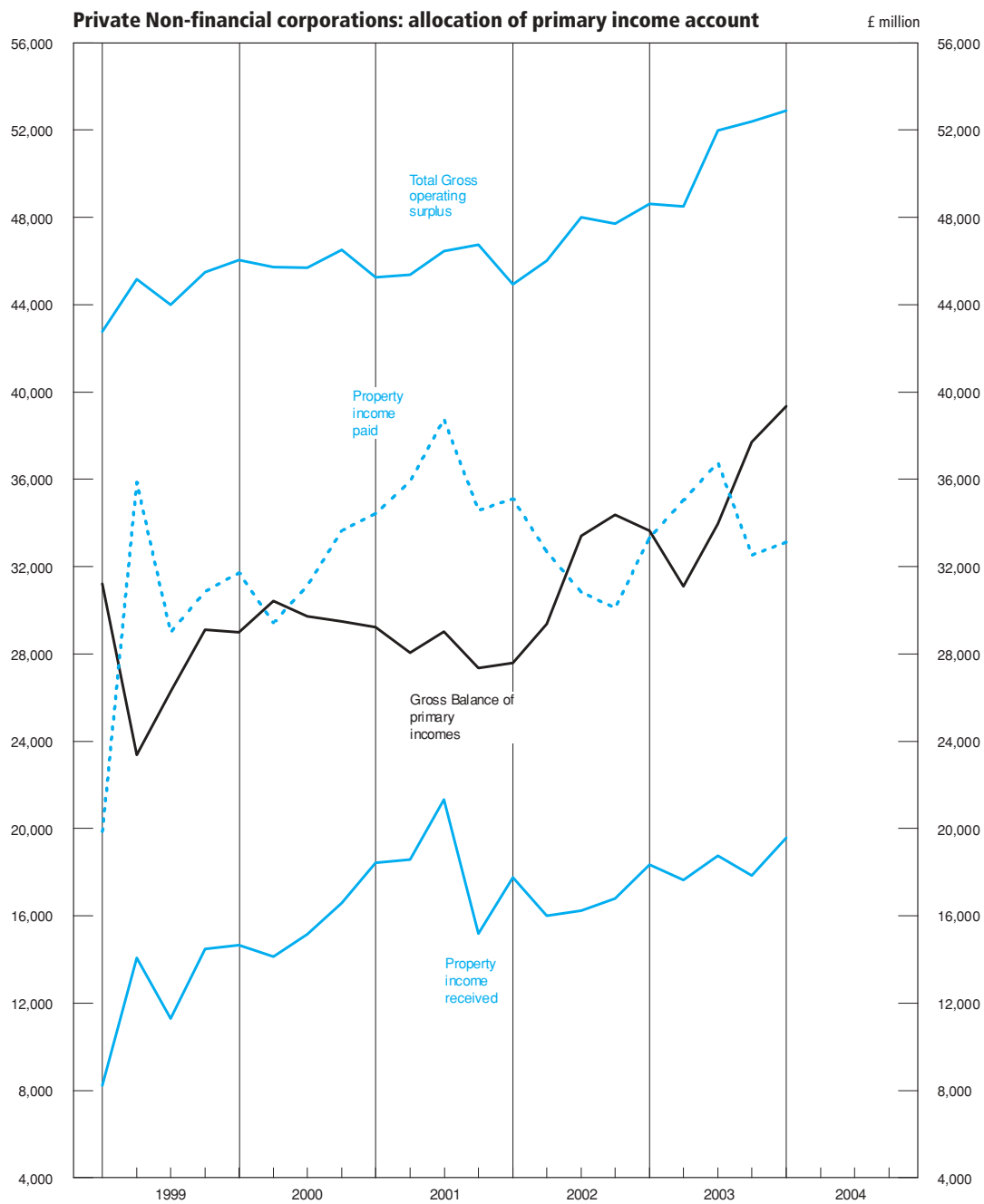
£ million

	Resources							Uses					
	Gross operating surplus							Property income payments					
	Gross trading profits												
	Continental shelf companies	Others ¹	Rental of buildings	Inventory holding gains	less Gross operating surplus ¹	Property income receipts	Total resources ^{1,2}	Total payments	of which Dividends	of which Interest	Gross balance of primary incomes ¹	Share of gross national income ¹ (%)	
Annual													
1994	CAGD	CAED	FCBW	-DLRA	CAER	RPBM	RPBN	RPBP	RVFT	ROCG	RPBO	NRJL	
1994	10 776	117 450	8 641	-3 830	133 037	36 090	169 127	80 872	36 365	21 057	88 255	12.9	
1995	12 124	125 151	9 379	-4 489	142 165	42 948	185 113	95 631	46 218	24 098	89 482	12.5	
1996	15 702	133 508	9 493	-958	157 745	45 708	203 453	101 133	51 595	23 512	102 320	13.4	
1997	13 978	145 693	9 561	-361	168 871	47 988	216 859	107 605	56 274	25 783	109 254	13.5	
1998	11 696	150 975	10 837	753	174 261	49 714	223 975	107 276	51 588	30 659	116 699	13.4	
1999	13 864	153 954	11 435	-1 801	177 452	48 100	225 552	115 547	61 104	30 673	110 005	12.3	
2000	21 333	153 342	12 271	-2 941	184 005	60 555	244 560	125 894	55 846	37 355	118 666	12.5	
2001	20 287	149 885	13 263	434	183 869	73 508	257 377	143 696	77 516	39 724	113 681	11.3	
2002	19 260	156 800	13 904	-3 295	186 669	66 820	253 489	128 730	62 591	36 253	124 759	11.7	
2003	18 956	169 657	14 539	-1 630	201 522	72 611	274 133	137 679	70 564	37 404	136 454	12.2	
Quarterly													
1994 Q1	2 292	28 014	2 201	-443	32 064	9 242	41 306	19 077	8 562	5 275	22 229	13.3	
Q2	3 050	29 521	2 148	-919	33 800	8 769	42 569	19 994	8 202	5 301	22 575	13.4	
Q3	2 701	29 218	2 132	-1 109	32 942	8 426	41 368	20 986	9 433	5 162	20 382	11.9	
Q4	2 733	30 697	2 160	-1 359	34 231	9 653	43 884	20 815	10 168	5 319	23 069	13.2	
1995 Q1	2 966	31 353	2 264	-1 738	34 845	9 360	44 205	22 432	9 993	5 663	21 773	12.4	
Q2	3 113	30 798	2 336	-1 588	34 659	9 952	44 611	22 152	9 218	6 054	22 459	12.7	
Q3	2 934	31 504	2 379	-1 181	35 636	11 012	46 648	25 003	12 614	6 062	21 645	12.0	
Q4	3 111	31 496	2 400	18	37 025	12 624	49 649	26 044	14 393	6 319	23 605	12.9	
1996 Q1	3 523	32 928	2 386	-800	38 037	11 194	49 231	25 831	13 265	5 962	23 400	12.5	
Q2	3 929	32 984	2 366	-102	39 177	12 410	51 587	23 965	12 121	5 760	27 622	14.5	
Q3	4 081	33 737	2 362	-208	39 972	10 611	50 583	25 148	12 567	5 885	25 435	13.5	
Q4	4 169	33 859	2 379	152	40 559	11 493	52 052	26 189	13 642	5 905	25 863	13.4	
1997 Q1	3 885	37 026	2 337	-23	43 225	11 014	54 239	24 925	12 504	5 962	29 314	14.8	
Q2	3 288	36 781	2 381	239	42 689	11 908	54 597	27 586	15 390	6 380	27 011	13.3	
Q3	3 448	36 040	2 414	-506	41 396	14 048	55 444	27 612	15 469	6 487	27 832	13.6	
Q4	3 357	35 846	2 429	-71	41 561	11 018	52 579	27 482	12 911	6 954	25 097	12.2	
1998 Q1	3 160	36 848	2 629	107	42 744	13 996	56 740	29 484	15 369	7 405	27 256	13.0	
Q2	3 103	36 707	2 670	53	42 533	11 758	54 291	25 862	11 859	7 509	28 429	13.3	
Q3	2 779	39 052	2 727	315	44 873	11 677	56 550	25 945	11 550	7 919	30 605	13.8	
Q4	2 654	38 368	2 811	278	44 111	12 283	56 394	25 985	12 810	7 826	30 409	13.7	
1999 Q1	2 519	37 733	2 819	-302	42 769	8 229	50 998	19 787	8 977	7 484	31 211	14.4	
Q2	3 293	39 498	2 832	-440	45 183	14 083	59 266	35 876	23 055	7 288	32 390	10.5	
Q3	4 056	37 724	2 865	-645	44 000	11 296	55 296	29 007	14 340	7 718	26 289	11.6	
Q4	3 996	38 999	2 919	-414	45 500	14 492	59 992	30 877	14 732	8 183	29 115	12.6	
2000 Q1	4 695	39 150	2 914	-702	46 057	14 660	60 717	31 720	15 242	8 703	28 997	12.3	
Q2	5 252	38 289	3 015	-830	45 726	14 136	59 862	29 424	12 044	9 242	30 438	12.9	
Q3	5 580	37 775	3 135	-799	45 691	15 154	60 845	31 120	12 757	9 502	29 725	12.4	
Q4	5 806	38 128	3 207	-610	46 531	16 605	63 136	33 630	15 803	9 908	29 506	12.3	
2001 Q1	5 531	36 259	3 154	329	45 273	18 417	63 690	34 447	16 090	10 239	29 243	11.9	
Q2	5 548	36 566	3 270	5	45 389	18 565	63 954	35 895	19 285	10 047	28 059	11.2	
Q3	4 927	38 200	3 379	-52	46 454	21 332	67 786	38 760	22 112	10 138	29 026	11.5	
Q4	4 281	38 860	3 460	152	46 753	15 194	61 947	34 594	20 029	9 300	27 353	10.7	
2002 Q1	4 387	37 777	3 499	-735	44 928	17 773	62 701	35 104	18 644	8 962	27 597	10.7	
Q2	4 786	38 487	3 506	-763	46 016	16 020	62 036	32 669	16 052	9 105	29 367	11.2	
Q3	4 793	40 568	3 480	-822	48 019	16 228	64 247	30 838	14 965	9 005	33 409	12.3	
Q4	5 294	39 968	3 419	-975	47 706	16 799	64 505	30 119	12 930	9 181	34 386	12.6	
2003 Q1	5 299	40 503	3 567	-750	48 619	18 361	66 980	33 318	16 598	9 485	33 662	12.2	
Q2	4 013	41 220	3 614	-350	48 497	17 645	66 142	35 049	17 968	9 295	31 093	11.3	
Q3	5 049	43 646	3 659	-350	52 004	18 746	70 750	36 768	19 972	9 307	33 982	12.1	
Q4	4 595	44 288	3 699	-180	52 402	17 859	70 261	32 544	16 026	9 317	37 717	13.1	
2004 Q1	4 719	44 614	3 737	-165	52 905	19 568	72 473	33 106	17 047	9 395	39 367	13.5	

1 Quarterly alignment adjustment included in this series.

2 Total resources equals total uses.

Source: Office for National Statistics; Enquiries 020 7533 6014



2.12 Private Non-financial Corporations : Secondary Distribution of Income Account and Capital Account

£ million

	Secondary Distribution of Income Account						Capital Account					
	Resources			Uses			Changes in liabilities & net worth		Changes in assets			
	Gross balance of primary incomes ¹	Other resources ²	Total ^{1,3}	Taxes on income	Other uses ⁴	Gross disposable income ^{1,5}	Net capital transfer receipts	Total ¹	Gross fixed capital formation	Changes in inventories ¹	Other changes in assets ⁶	Net lending (+) or borrowing (-) ^{1,7}
Annual												
	RPBO	NROQ	RPKY	RPLA	NROO	RPKZ	NROP	RPXH	ROAW	DLQY	NRON	RQBV
1994	88 255	6 553	94 808	15 085	6 917	72 806	409	73 215	55 867	3 904	530	12 914
1995	89 482	7 704	97 186	18 953	8 104	70 129	433	70 562	64 444	4 542	388	1 188
1996	102 320	8 420	110 740	23 080	9 938	77 722	428	78 150	72 854	1 672	263	3 361
1997	109 254	7 097	116 351	28 558	7 576	80 217	671	80 888	81 317	3 949	401	-4 779
1998	116 699	8 390	125 089	26 877	8 834	89 378	1 081	90 459	89 848	4 533	1 287	-5 209
1999	110 005	7 875	117 880	22 608	8 444	86 828	958	87 786	93 756	6 174	1 036	-13 180
2000	118 666	9 990	128 656	26 188	10 403	92 065	405	92 470	96 329	5 512	768	-10 139
2001	113 681	9 229	122 910	26 061	9 640	87 209	1 621	88 830	97 951	5 941	1 069	-16 131
2002	124 759	10 428	135 187	24 487	10 850	99 850	1 718	101 568	97 108	2 007	1 212	1 241
2003	136 454	10 764	147 218	24 089	11 194	111 935	3 009	114 944	96 659	2 388	921	14 976
Quarterly												
1994 Q1	22 229	1 673	23 902	3 206	1 759	18 937	82	19 019	13 699	157	136	5 027
Q2	22 575	1 686	24 261	3 887	1 778	18 596	96	18 692	13 120	2 009	119	3 444
Q3	20 382	1 498	21 880	4 076	1 591	16 213	120	16 333	14 130	191	124	1 888
Q4	23 069	1 696	24 765	3 916	1 789	19 060	111	19 171	14 918	1 547	151	2 555
1995 Q1	21 773	1 825	23 598	4 252	1 922	17 424	127	17 551	14 794	-428	121	3 064
Q2	22 459	1 936	24 395	5 420	2 032	16 943	98	17 041	16 117	2 164	125	-1 365
Q3	21 645	1 953	23 598	4 368	2 049	17 181	102	17 283	16 460	1 713	87	-977
Q4	23 605	1 990	25 595	4 913	2 101	18 581	106	18 687	17 073	1 093	55	466
1996 Q1	23 400	2 238	25 638	5 419	3 336	16 883	125	17 008	17 261	1 115	63	-1 431
Q2	27 622	2 219	29 841	5 148	2 369	22 324	102	22 426	17 599	794	71	3 962
Q3	25 435	1 994	27 429	6 334	2 124	18 971	96	19 067	18 566	82	57	362
Q4	25 863	1 969	27 832	6 179	2 109	19 544	105	19 649	19 428	-319	72	468
1997 Q1	29 314	1 771	31 085	6 642	1 888	22 555	233	22 788	19 359	1 330	64	2 035
Q2	27 011	1 757	28 768	7 363	1 901	19 504	164	19 668	20 439	1 045	94	-1 910
Q3	27 832	1 739	29 571	7 240	1 848	20 483	131	20 614	20 133	1 005	103	-627
Q4	25 097	1 830	26 927	7 313	1 939	17 675	143	17 818	21 386	569	140	-4 277
1998 Q1	27 256	2 225	29 481	6 607	2 336	20 538	343	20 881	22 016	377	256	-1 768
Q2	28 429	2 166	30 595	6 715	2 277	21 603	220	21 823	22 319	-158	380	-718
Q3	30 605	1 959	32 564	6 847	2 070	23 647	248	23 895	23 218	1 985	379	-1 687
Q4	30 409	2 040	32 449	6 708	2 151	23 590	270	23 860	22 295	2 329	272	-1 036
1999 Q1	31 211	2 037	33 248	5 484	2 264	25 500	344	25 844	23 139	2 181	301	223
Q2	23 390	1 925	25 315	4 846	2 038	18 431	199	18 630	22 928	505	314	-5 117
Q3	26 289	1 608	27 897	5 938	1 722	20 237	216	20 453	23 882	1 867	191	-5 487
Q4	29 115	2 305	31 420	6 340	2 420	22 660	199	22 859	23 807	1 621	230	-2 799
2000 Q1	28 997	2 474	31 471	6 998	2 591	21 882	315	22 197	23 685	1 597	193	-3 278
Q2	30 438	2 426	32 864	6 508	2 523	23 833	20	23 853	23 494	1 273	158	-1 072
Q3	29 725	2 733	32 458	6 572	2 832	23 054	34	23 088	24 044	1 597	156	-2 709
Q4	29 506	2 357	31 863	6 110	2 457	23 296	36	23 332	25 106	1 045	261	-3 080
2001 Q1	29 243	2 255	31 498	6 449	2 356	22 693	200	22 893	24 876	762	222	-2 967
Q2	28 059	2 378	30 437	6 713	2 481	21 243	439	21 682	24 481	1 628	306	-4 733
Q3	29 026	2 262	31 288	6 077	2 365	22 846	485	23 331	24 647	1 938	280	-3 534
Q4	27 353	2 334	29 687	6 822	2 438	20 427	497	20 924	23 947	1 613	261	-4 897
2002 Q1	27 597	2 601	30 198	5 741	2 705	21 752	577	22 329	24 073	686	325	-2 755
Q2	29 367	2 520	31 887	6 446	2 625	22 816	441	23 257	24 192	-584	281	-632
Q3	33 409	2 658	36 067	6 085	2 764	27 218	504	27 722	24 230	654	311	2 527
Q4	34 386	2 649	37 035	6 215	2 756	28 064	196	28 260	24 613	1 251	295	2 101
2003 Q1	33 662	2 564	36 226	6 134	2 671	27 421	619	28 040	22 595	772	201	4 472
Q2	31 093	2 682	33 775	5 916	2 789	25 070	1 509	26 579	24 683	-875	275	2 496
Q3	33 982	2 730	36 712	6 338	2 838	27 536	474	28 010	24 496	944	251	2 319
Q4	37 717	2 788	40 505	5 701	2 896	31 908	407	32 315	24 885	1 547	194	5 689
2004 Q1	39 367	2 617	41 984	6 015	2 725	33 244	959	34 203	25 616	1 067	232	7 288

1 Quarterly alignment adjustment included in this series.

2 Social contributions and other current transfers.

3 Total resources equals total uses.

4 Social benefits and other current transfers.

5 Also known as gross saving.

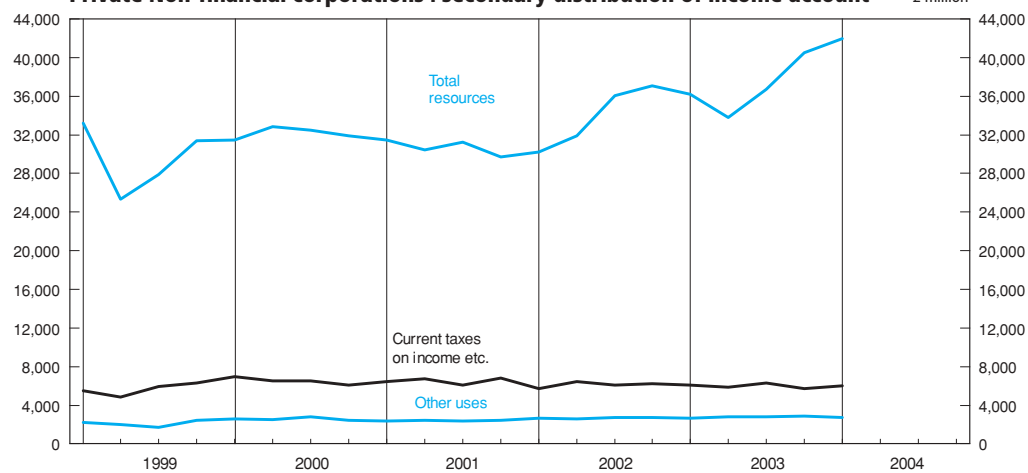
6 Acquisitions less disposals of valuables and non-produced non-financial assets.

7 Gross of fixed capital consumption.

Source: Office for National Statistics; Enquiries 020 7533 6014

Private Non-financial corporations : secondary distribution of income account

£ million

**Private Non-financial corporations : capital account**

£ million



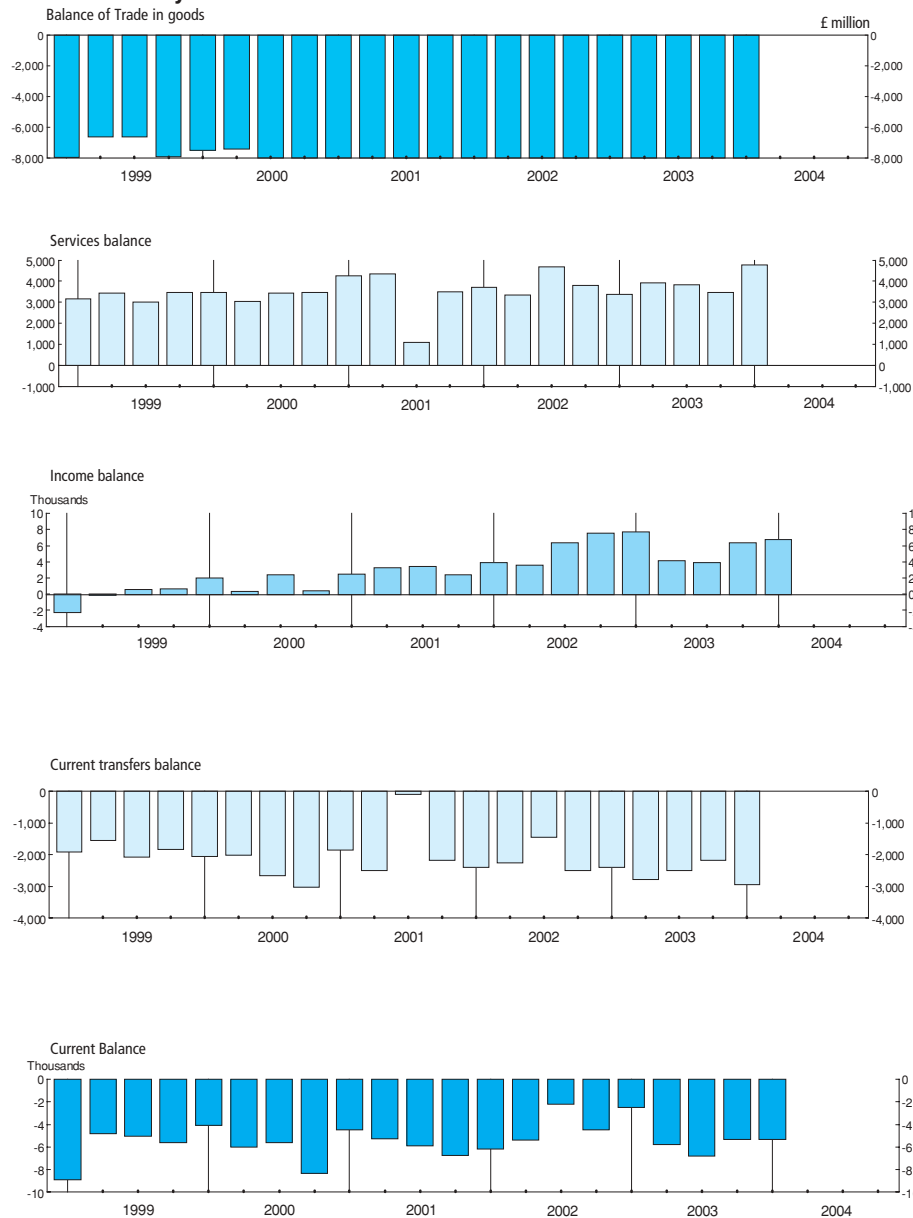
2.13

Balance of payments: current account

£ million

	Trade in goods and services						Income balance	Current transfers balance	Current balance
	Exports of goods+	Imports of goods+	Balance of trade in goods	Exports of services	Imports of services	Services balance			
Annual	BOKG	BOKH	BOKI	IKBB	IKBC	IKBD	HBOJ	IKBP	HBOP
1999	166 166	195 217	-29 051	72 628	59 494	13 134	-1 116	-7 383	-24 416
2000	187 936	220 912	-32 976	79 071	65 645	13 426	5 208	-9 752	-24 094
2001	190 055	230 703	-40 648	82 314	69 098	13 216	11 652	-6 611	-22 391
2002	186 517	233 192	-46 675	87 203	71 626	15 577	21 475	-8 599	-18 222
2003	187 846	235 136	-47 290	89 693	75 076	14 617	22 097	-9 854	-20 430
Quarterly									
1999 Q1	38 959	46 893	-7 934	17 769	14 590	3 179	-2 256	-1 916	-8 927
Q2	40 378	46 976	-6 598	18 229	14 770	3 459	-155	-1 538	-4 832
Q3	43 582	50 180	-6 598	17 586	14 572	3 014	626	-2 087	-5 045
Q4	43 247	51 168	-7 921	19 044	15 562	3 482	669	-1 842	-5 612
2000 Q1	44 374	51 854	-7 480	18 914	15 453	3 461	1 983	-2 049	-4 085
Q2	46 851	54 256	-7 405	19 257	16 209	3 048	370	-2 020	-6 007
Q3	47 445	56 289	-8 844	20 166	16 716	3 450	2 410	-2 662	-5 646
Q4	49 266	58 513	-9 247	20 734	17 267	3 467	445	-3 021	-8 356
2001 Q1	49 523	58 884	-9 361	21 623	17 370	4 253	2 504	-1 847	-4 451
Q2	48 329	58 774	-10 445	21 765	17 418	4 347	3 313	-2 496	-5 281
Q3	46 561	56 911	-10 350	18 597	17 493	1 104	3 431	-95	-5 910
Q4	45 642	56 134	-10 492	20 329	16 817	3 512	2 404	-2 173	-6 749
2002 Q1	45 873	57 274	-11 401	21 476	17 765	3 711	3 920	-2 395	-6 165
Q2	49 416	59 495	-10 079	21 189	17 845	3 344	3 614	-2 255	-5 376
Q3	46 862	58 706	-11 844	22 784	18 079	4 705	6 396	-1 452	-2 195
Q4	44 366	57 717	-13 351	21 754	17 937	3 817	7 545	-2 497	-4 486
2003 Q1	48 084	59 285	-11 201	22 033	18 659	3 374	7 728	-2 403	-2 502
Q2	46 406	57 493	-11 087	22 235	18 305	3 930	4 131	-2 782	-5 808
Q3	46 377	58 401	-12 024	22 750	18 916	3 834	3 894	-2 490	-6 786
Q4	46 979	59 957	-12 978	22 675	19 196	3 479	6 344	-2 179	-5 334
2004 Q1	44 715	58 662	-13 947	23 505	18 722	4 783	6 783	-2 942	-5 323
Monthly									
2001 Jul	15 617	19 037	-3 420	6 932 [†]	5 805 [†]	1 127 [†]
Aug	15 412	19 461	-4 049	6 978	5 952	1 026	..	..	..
Sep	15 532	18 413	-2 881	4 687	5 736	-1 049	..	..	..
Oct	15 791	18 900	-3 109	6 312	5 597	715	..	..	..
Nov	15 215	18 532	-3 317	6 888	5 650	1 238	..	..	..
Dec	14 636	18 702	-4 066	7 129	5 570	1 559	..	..	..
2002 Jan	15 393	19 138	-3 745	7 354	5 809	1 545	..	..	..
Feb	15 268	19 018	-3 750	7 184	5 975	1 209	..	..	..
Mar	15 212	19 118	-3 906	6 938	5 981	957	..	..	..
Apr	16 341	19 964	-3 623	6 946	6 047	899	..	..	..
May	17 423	20 279	-2 856	7 000	5 827	1 173	..	..	..
Jun	15 652	19 252	-3 600	7 243	5 971	1 272	..	..	..
Jul	16 302	20 314	-4 012	7 507	5 971	1 536	..	..	..
Aug	14 880	19 076	-4 196	7 638	6 067	1 571	..	..	..
Sep	15 680	19 316	-3 636	7 639	6 041	1 598	..	..	..
Oct	15 121	19 516	-4 395	7 359	6 067	1 292	..	..	..
Nov	14 402	19 484	-5 082	7 167	5 802	1 365	..	..	..
Dec	14 843	18 717	-3 874	7 228	6 068	1 160	..	..	..
2003 Jan	16 137	19 836	-3 699	7 235	6 223	1 012	..	..	..
Feb	16 243	19 571	-3 328	7 365	6 239	1 126	..	..	..
Mar	15 704	19 878	-4 174	7 433	6 197	1 236	..	..	..
Apr	16 388	18 995	-2 607	7 339	6 045	1 294	..	..	..
May	15 435	19 300	-3 865	7 441	6 134	1 307	..	..	..
Jun	14 583	19 198	-4 615	7 455	6 126	1 329	..	..	..
Jul	15 781	19 319	-3 538	7 533	6 292	1 241	..	..	..
Aug	15 411	19 099	-3 688	7 655	6 324	1 331	..	..	..
Sep	15 185	19 983	-4 798	7 562	6 300	1 262	..	..	..
Oct	15 750	20 093	-4 343	7 456	6 326	1 130	..	..	..
Nov	15 251	19 805	-4 554	7 501	6 288	1 213	..	..	..
Dec	15 978	20 059	-4 081	7 718	6 582	1 136	..	..	..
2004 Jan	14 520	20 129	-5 609	7 803	6 358	1 445	..	..	..
Feb	14 970	19 157	-4 187	7 917	6 284	1 633	..	..	..
Mar	15 225	19 376	-4 151	7 785	6 080	1 705	..	..	..
Apr	15 127 [†]	19 722 [†]	-4 595 [†]	7 625	6 162	1 463	..	..	..
May	15 283	19 904	-4 621	7 302	6 099	1 203	..	..	..

Sources: Office for National Statistics;
Enquiries Columns 1-3 020 7533 6064; Columns 4-6 & 8 020 7533 6090;
Columns 7 & 9 020 7533 6078.

Balance of Payments : Current account

2.14 Trade in goods (on a balance of payments basis)

2001 = 100

	Volume indices (SA)		Price indices (NSA)		
	Exports	Imports	Exports	Imports	Terms of trade ¹
Annual	BQKU	BQKV	BQKR	BQKS	BQKT
1999	86.8	86.7	100.5	97.7	102.9
2000	97.4	94.8	101.7	100.9	100.8
2001	100.0	100.0	100.0	100.0	100.0
2002	98.3	104.1	100.0	97.5	102.6
2003	97.8	105.6	101.6	96.8	105.0
Quarterly					
1999 Q1	81.3	83.7	100.5	96.7	103.9
Q2	84.4	84.1	100.5	96.9	103.7
Q3	91.2	89.0	100.7	98.5	102.2
Q4	90.5	90.1	100.4	98.7	101.7
2000 Q1	93.0	90.8	100.4	98.7	101.7
Q2	97.7	93.9	101.0	100.1	100.9
Q3	97.7	96.1	102.7	102.2	100.5
Q4	101.2	98.7	102.7	102.4	100.3
2001 Q1	102.5	100.0	101.6	102.0	99.6
Q2	100.1	100.0	101.8	101.9	99.9
Q3	99.2	99.5	99.3	99.1	100.2
Q4	98.3	100.5	97.4	96.9	100.5
2002 Q1	96.8	100.9	100.1	98.3	101.8
Q2	103.6	105.5	101.1	98.2	103.0
Q3	99.1	105.6	99.9	96.9	103.1
Q4	93.7	104.4	98.8	96.4	102.5
2003 Q1	99.8	106.6	101.7	97.2	104.6
Q2	96.7	103.2	101.9	96.6	105.5
Q3	96.5	104.6	101.9	97.1	104.9
Q4	98.3	108.1	100.9	96.4	104.7
2004 Q1	95.0	107.7	99.7 [†]	94.4	105.6 [†]
Monthly					
2001 Jul	98.7	98.9	100.2	100.1	100.1
Aug	98.4	102.2	99.5	99.0	100.5
Sep	100.4	97.3	98.1	98.2	99.9
Oct	102.8	101.5	97.1	97.2	99.9
Nov	99.0	99.7	96.7	97.2	99.5
Dec	93.1	100.4	98.5	96.4	102.2
2002 Jan	97.5	101.0	98.9	98.0	100.9
Feb	97.0	100.7	99.9	98.0	101.9
Mar	95.8	101.1	101.5	98.8	102.7
Apr	102.3	106.1	101.8	98.5	103.4
May	109.8	107.9	100.8	98.1	102.8
Jun	98.8	102.5	100.6	98.1	102.5
Jul	103.4	109.7	100.1	96.8	103.4
Aug	93.9	103.0	100.4	97.0	103.5
Sep	100.0	104.2	99.2	97.0	102.3
Oct	95.7	105.5	98.9	96.8	102.2
Nov	91.6	106.2	98.3	96.1	102.3
Dec	93.7	101.4	99.3	96.4	103.0
2003 Jan	101.8	107.2	100.5	96.4	104.3
Feb	100.7	106.1	101.6	96.9	104.9
Mar	96.9	106.5	103.0	98.2	104.9
Apr	102.4	101.6	101.7	97.2	104.6
May	96.2	104.1	102.6	96.7	106.1
Jun	91.6	103.9	101.5	96.0	105.7
Jul	98.8	103.8	101.6	96.6	105.2
Aug	95.9	102.6	102.5	97.4	105.2
Sep	94.9	107.4	101.7	97.2	104.6
Oct	98.8	108.0	101.4	96.8	104.8
Nov	95.6	107.3	100.7	96.5	104.4
Dec	100.5	109.1	100.6	95.8	105.0
2004 Jan	92.3	110.7	99.8	94.6	105.5
Feb	95.7	106.0	98.8	93.5	105.7
Mar	97.1	106.5	100.4 [†]	95.2	105.5 [†]
Apr	95.7 [†]	108.5 [†]	100.8	95.4	105.7
May	96.3	107.9	101.7	96.4	105.5

¹ Price index for exports expressed as a percentage of price index for imports.

Source: Office for National Statistics; Enquiries 020 7533 6064



2.15 Measures of UK competitiveness in trade in manufactures

1995=100

	Summary measures						Export unit value index ^{1,6}				
	Relative export prices ⁶	Relative wholesale prices ⁵ (1990=100)	IMF index of relative unit labour costs ⁶		Import price competitiveness ^{2,4}	Relative profitability of exports ^{2,4}	United Kingdom	United States	Japan	France	Germany ³
			Actual	Normalised							
	CTPC	CTPD	CTPE	CTPF	BBKM	BBKN	CTPI	CTPJ	CTPK	CTPL	CTPM
1997	111.4	114.7	130.4	123.6	105.9	97.4	98.7	101.2	83.8	86.0	80.3
1998	111.4	..	141.2	131.5	109.2	95.8	97.7	101.2	78.1	86.0	80.5
1999	114.2	..	141.7	133.9	109.7	94.4	97.4	101.1	82.7	81.4	76.7
2000	118.2	..	147.8	141.6	106.9	93.7	94.9	102.3	86.5	71.3	66.7
2001	117.0	..	143.9	141.4	105.6	95.8	90.7	102.3	78.3	69.5	64.7
2002	..	..	..	..	109.0	96.0	..	..	..	..	..
2000 Q1	119.4	..	149.4	142.1	108.7	92.0	99.3	102.1	86.2	76.0	71.5
Q2	118.2	..	148.9	141.2	108.6	93.2	95.8	102.5	86.2	72.1	67.5
Q3	116.7	..	146.2	140.2	107.0	94.6	93.0	102.6	87.2	70.1	65.4
Q4	117.9	..	146.8	142.7	105.4	94.9	91.4	102.3	86.5	67.6	62.8
2001 Q1	115.5	..	142.2	138.8	105.0	95.3	92.6	102.0	84.4	72.2	66.7
Q2	117.4	..	144.3	141.9	104.8	95.5	90.7	101.9	82.4	68.5	63.0
Q3	117.6	..	144.2	142.1	107.1	95.6	92.3	101.8	84.2	70.1	64.2
Q4	117.7	..	144.8	142.7	108.0	94.8	92.9	101.7	84.2	70.8	64.7
2002 Q1	..	..	..	..	109.2	95.9	..	..	..	..	..
Q2	..	..	..	..	109.4	96.8	..	..	..	..	..
Q3	..	..	..	..	108.0	95.7	..	..	..	..	..
Q4	..	..	..	..	109.3	94.6	..	..	..	..	..
2003 Q1	..	..	..	..	109.4	96.7	..	..	..	..	..
Percentage change, quarter on corresponding quarter of previous year											
2001 Q2	-0.7	..	-3.1	0.5	-3.5	2.5	-5.3	-0.6	-4.4	-5.0	-6.7
Q3	0.8	..	-1.4	1.4	0.1	1.1	-0.8	-0.8	-3.4	0.0	-1.8
Q4	-0.2	..	-1.4	0.0	2.5	-0.1	1.6	-0.6	-2.7	4.7	3.0
2002 Q1	..	..	..	..	4.0	0.6	..	..	..	..	..
Q2	..	..	..	..	4.4	1.4	..	..	..	..	..
Q3	..	..	..	..	0.8	0.1	..	..	..	..	..
Q4	..	..	..	..	1.2	-0.2	..	..	..	..	..
2003 Q1	..	..	..	..	0.2	0.8	..	..	..	..	..
Wholesale price index ¹ (1990=100)											
	United Kingdom	United States	Japan	France	Germany ³	Unit labour costs index ^{1,6}					
	CTPN	CTPO	CTPP	CTPQ	CTPR	United Kingdom	United States	Japan	France	Germany ³	
	CTPS	CTPT	CTPU	CTPV	CTPW						
1998	116.5	106.8	102.7	..	..	118.6	95.6	70.5	82.8	77.1	
1999	115.1	108.4	114.1	..	..	116.2	95.1	77.9	79.3	73.7	
2000	..	..	..	..	..	108.0	94.9	77.5	68.2	61.6	
2001	..	..	..	..	..	103.3	100.8	71.1	66.4	59.5	
1999 Q4	116.8	109.7	123.4	..	..	116.8	94.6	82.2	77.1	70.5	
2000 Q1	..	..	..	..	..	115.6	94.0	81.3	73.1	67.2	
Q2	..	..	..	..	..	109.8	94.1	78.8	69.0	62.9	
Q3	..	..	..	..	..	104.6	94.9	76.1	66.8	59.5	
Q4	..	..	..	..	..	102.2	96.5	74.0	64.3	57.5	
2001 Q1	..	..	..	..	..	104.3	99.2	72.5	68.5	61.5	
Q2	..	..	..	..	..	101.6	100.8	70.7	64.8	58.0	
Q3	..	..	..	..	..	103.2	101.4	71.3	66.1	59.1	
Q4	..	..	..	..	..	104.2	101.7	70.1	66.4	59.5	
Percentage change, quarter on corresponding quarter of previous year											
1999 Q4	-0.6	2.7	12.2	..	..	-3.6	-1.0	5.8	-12.0	-15.3	
2000 Q1	..	..	..	..	..	-2.3	-1.1	3.4	-12.6	-14.8	
Q2	..	..	..	..	..	-5.3	-1.3	5.8	-12.3	-17.2	
Q3	..	..	..	..	..	-8.3	-0.7	-0.8	-14.4	-16.8	
Q4	..	..	..	..	..	-12.5	2.0	-10.0	-16.6	-18.4	
2001 Q1	..	..	..	..	..	-9.8	5.5	-10.8	-6.3	-8.5	
Q2	..	..	..	..	..	-7.5	7.1	-10.3	-6.1	-7.8	
Q3	..	..	..	..	..	-1.3	6.8	-6.3	-1.0	-0.7	
Q4	..	..	..	..	..	2.0	5.4	-5.3	3.3	3.5	

1 All the indices are based on data expressed in US dollars.

2 Excludes erratics (ships, North sea installations, aircraft, precious stones and silver bullion).

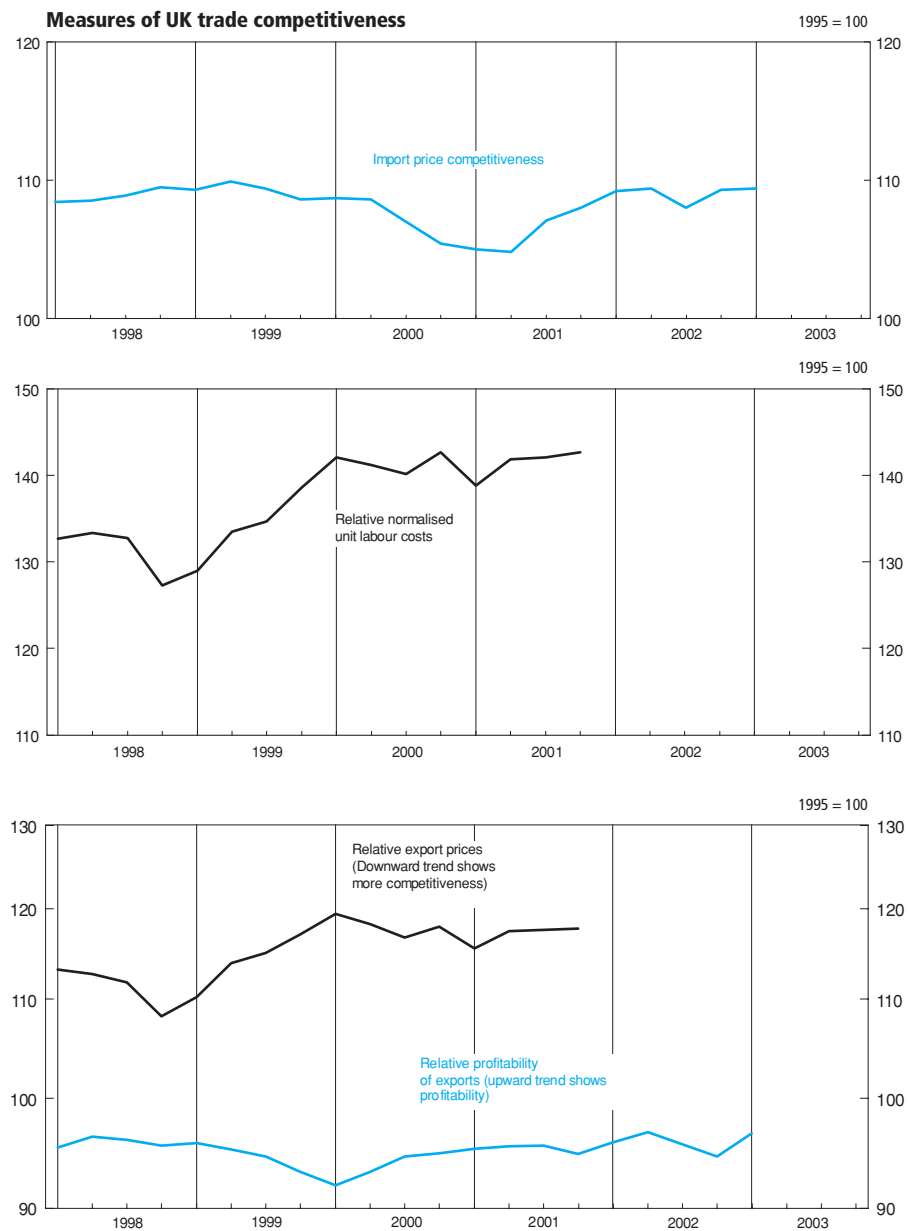
3 Includes the former German Democratic Republic as from 1991 Q1.

4 These series are on a SIC 92 basis.

5 This series is calculated using UK producer prices. All other country indices are wholesale price indices.

6 Quarterly data have been obtained by interpolating the annuals.

Sources: International Monetary Fund;
Office for National Statistics; Enquiries 020 7533 5914



3.1 Prices

Not seasonally adjusted except series RNPE

	Producer price index (2000=100)		Consumer prices index ^{3,4} (1996=100)		Retail prices index (January 13, 1987=100)						Pensioner price index ⁶ (January 13, 1987=100)		Purchasing power of the pound ⁷ (NSA) (1985=100)
	Materials and fuel purchased by manu- facturing industry (SA) ^{1,2}	Output: all manufact- ured products: home sales	All items		All items (RPI)		All items excluding mortgage interest payments (RPIX)		All items excluding mortgage interest payments & indirect taxes (RPIY) ⁵		1-person household	2-person household	
			Index	Percentage change on a year earlier	Index	Percentage change on a year earlier	Index	Percentage change on a year earlier	Index	Percentage change on a year earlier			
Annual	RNPE	PLLU	CHVJ	CJYR	CHAW	CZBH	CHMK	CDKQ	CBZW	CBZX	CZIF	CZIU	FJAK
2000	100.0	100.0	105.6	0.8	170.3	3.0	167.7	2.1	159.9	1.8	150.8	156.1	56
2001	98.8	99.7	106.9	1.2	173.3	1.8	171.3	2.1	163.7	2.4	152.7	158.5	55
2002	94.4	99.8	108.3	1.3	176.2	1.7	175.1	2.2	167.5	2.3	155.3	160.9	54
2003	95.6	101.3	109.8	1.4	181.3	2.9	180.0	2.8	172.0	2.7	158.1	163.8	52
Quarterly													
2000 Q1	97.1	99.2	104.8	0.8	167.5	2.3	165.8	2.1	158.6	1.9	150.0	154.9	57
Q2	97.9	100.1	105.7	0.6	170.6	3.1	168.0	2.1	159.9	1.7	151.0	156.2	55
Q3	101.9	100.3	105.7	0.8	170.9	3.2	168.1	2.1	160.1	1.8	151.1	156.5	56
Q4	103.2	100.4	106.3	0.9	172.0	3.1	169.1	2.1	161.1	1.8	151.2	156.9	55
2001 Q1	100.8	99.7	105.7	0.9	171.8	2.6	168.9	1.9	161.1	1.6	150.6	156.5	55
Q2	101.6	100.1	107.3	1.5	173.9	1.9	171.8	2.3	164.1	2.6	153.3	159.3	54
Q3	98.3	99.8	107.3	1.5	174.0	1.8	172.1	2.4	164.6	2.8	153.0	158.9	54
Q4	94.4	99.3	107.4	1.0	173.8	1.0	172.4	2.0	165.0	2.4	153.9	159.3	55
2002 Q1	94.1	99.2	107.4	1.5	173.9	1.2	172.9	2.4	165.5	2.7	154.7	160.1	54
Q2	94.8	99.8	108.3	0.9	176.0	1.2	175.0	1.9	167.1	1.8	155.3	161.0	54
Q3	94.4	99.9	108.4	1.1	176.6	1.5	175.5	2.0	167.8	1.9	155.0	160.7	54
Q4	94.3	100.1	109.0	1.6	178.2	2.5	176.9	2.6	169.5	2.7	156.1	161.7	53
2003 Q1	95.8	100.9	109.0	1.5	179.2	3.0	177.9	2.9	170.6	3.1	156.7	162.6	53
Q2	94.2	101.1	109.7	1.3	181.3	3.0	180.1	2.9	171.8	2.8	157.9	163.7	52
Q3	95.5	101.3	109.9	1.4	181.8	2.9	180.5	2.8	172.3	2.7	158.3	164.0	52
Q4	97.0	101.7	110.5	1.3	182.9	2.6	181.5	2.6	173.2	2.2	159.4	165.0	52
2004 Q1	95.5r [†]	102.4	110.4	1.3	183.8	2.6	182.0	2.3	173.8	1.9	159.7	165.4	51
Q2	97.8p	103.4p	111.2	1.4	186.3	2.8	184.0	2.2	175.4	2.1	160.9	166.6	51
Monthly													
2002 Jul	94.4	99.9	108.1	1.1	175.9	1.5	174.8	2.0	167.0	1.9	..	..	54
Aug	94.5	99.9	108.4	1.0	176.4	1.4	175.3	1.9	167.6	1.8	..	..	54
Sep	94.4	100.0	108.7	1.0	177.6	1.7	176.4	2.1	168.7	2.0	..	..	53
Oct	94.9	100.1	108.9	1.4	177.9	2.1	176.6	2.3	169.1	2.4	..	..	53
Nov	93.0	100.0	108.9	1.6	178.2	2.6	177.0	2.8	169.6	2.9	..	..	53
Dec	94.9	100.1	109.3	1.7	178.5	2.9	177.2	2.7	169.8	2.9	..	..	53
2003 Jan	95.7	100.5	108.6	1.4	178.4	2.9	177.1	2.7	169.8	2.9	..	..	53
Feb	96.0	100.7	109.0	1.6	179.3	3.2	177.9	3.0	170.6	3.1	..	..	53
Mar	95.6	101.4	109.4	1.6	179.9	3.1	178.7	3.0	171.4	3.2	..	..	53
Apr	94.3	101.3	109.7	1.5	181.2	3.1	180.0	3.0	171.8	2.9	..	..	52
May	94.0	101.0	109.7	1.2	181.5	3.0	180.2	2.9	171.9	2.7	..	..	52
Jun	94.2	101.0	109.6	1.1	181.3	2.9	180.0	2.8	171.7	2.7	..	..	52
Jul	95.3	101.2	109.5	1.3	181.3	3.1	179.9	2.9	171.6	2.8	..	..	52
Aug	96.2	101.4	109.9	1.4	181.6	2.9	180.4	2.9	172.2	2.7	..	..	52
Sep	95.1	101.4	110.2	1.4	182.5	2.8	181.3	2.8	173.2	2.7	..	..	52
Oct	96.9	101.6	110.4	1.4	182.6	2.6	181.3	2.7	173.1	2.4	..	..	52
Nov	97.1	101.7	110.3	1.3	182.7	2.5	181.4	2.5	173.1	2.1	..	..	52
Dec	96.9	101.9	110.7	1.3	183.5	2.8	181.8	2.6	173.5	2.2	..	..	52
2004 Jan	95.6	102.1	110.1	1.4	183.1	2.6	181.4	2.4	173.2	2.0	..	..	52
Feb	94.6r [†]	102.3	110.4	1.3	183.8	2.5	182.0	2.3	173.9	1.9	..	..	51
Mar	96.3r	102.8	110.6	1.1	184.6	2.6	182.5	2.1	174.3	1.7	..	..	51
Apr	96.9	103.1	111.0	1.2	185.7	2.5	183.6	2.0	174.9	1.8	..	..	51
May	99.0p	103.5p [†]	111.4	1.5	186.5	2.8	184.3	2.3	175.6	2.2	..	..	51
Jun	97.4p	103.6p	111.3	1.6	186.8	3.0	184.2	2.3	175.6	2.3	..	..	51

Note: Figures marked with a 'p' are provisional.

1 Minor revisions have been made to seasonally adjusted figures previously published. These reflect the routine updating of the seasonal adjustment factor.

2 Data now include the Climate Change Levy introduced in April 2001 and the Aggregates Levy introduced in April 2002.

3 Inflation rates prior to 1997 and index levels prior to 1996 are estimated. Further details are given in *Economic Trends* No.541 December 1998.

4 Prior to 10 December 2003, the consumer prices index (CPI) was published in the UK as the harmonised index of consumer prices (HICP).

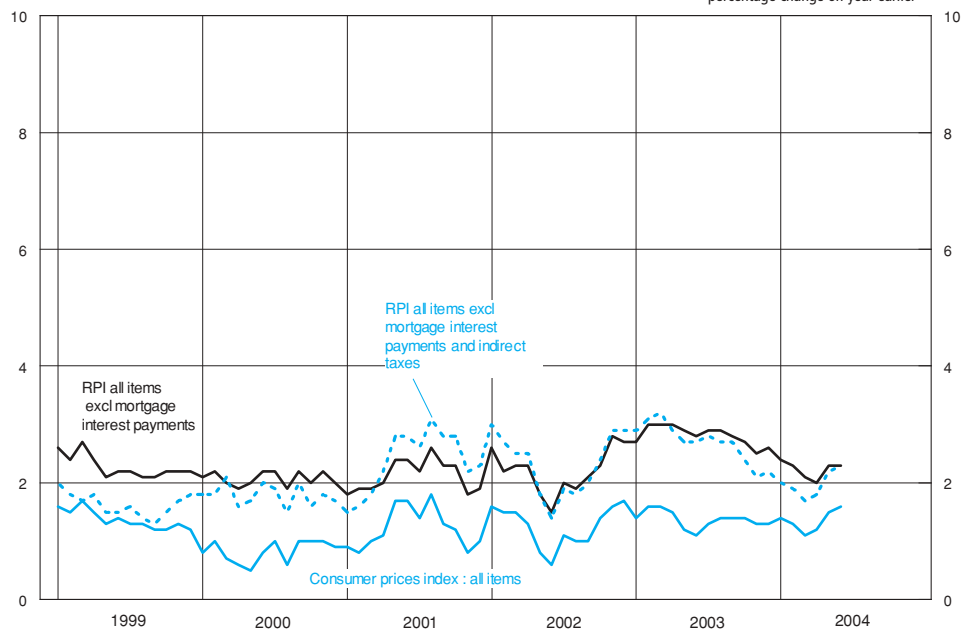
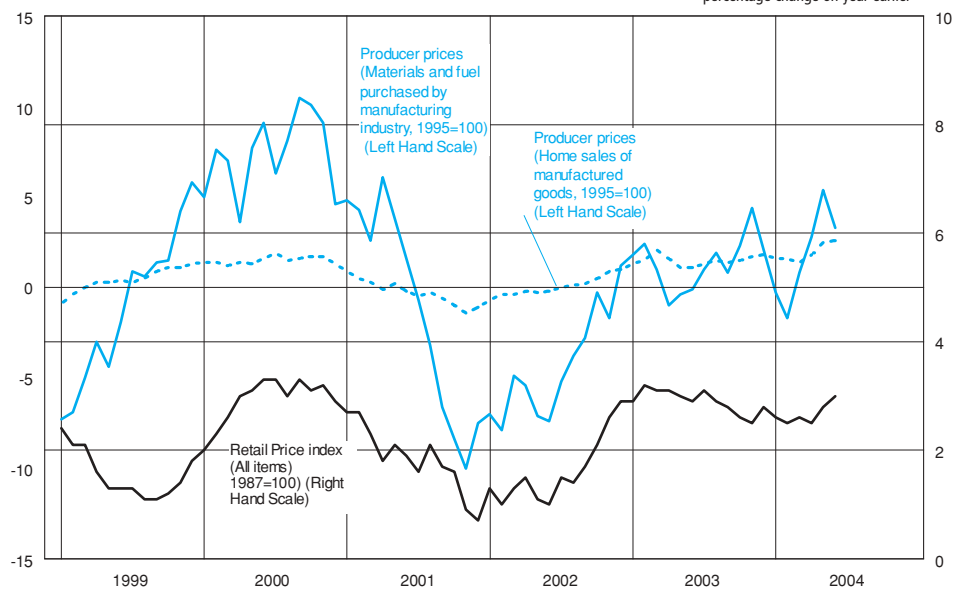
5 The taxes excluded are council tax, VAT, duties, car purchase tax and vehicle excise duty, insurance tax and airport tax.

6 Pensioner price indices exclude housing costs, as these are often atypical for a pensioner household, based on RPI.

7 Movements in the purchasing power of the pound are based on movements in the retail prices index.

Sources: Office for National Statistics;
Enquiries Columns 1-2 01633 812106; Columns 3-13 020 7533 5853.

Prices

1987 = 100 Not seasonally adjusted
percentage change on year earlierNot seasonally adjusted
percentage change on year earlier

4.1 Labour Market Activity^{1,2}

United Kingdom

Thousands, seasonally adjusted³

	Employment categories					Unemployment	Total economically active	Economically inactive	Total aged 16 and over	Employment rate: age 16-59/64 ⁴
	Employees	Self - employed	Unpaid family workers	Government training and employment programmes	Total employment					
TOTAL										
2001 Q3	MGRN	MGRQ	MGRU	MGRW	MGRZ	MGSC	MGSF	MGSI	MGSL	MGSU
Q4	24 146	3 308	95	122	27 670	1 480	29 150	17 301	46 451	74.4
	24 190	3 325	103	118	27 735	1 520	29 256	17 262	46 517	74.4
2002 Q1	24 237	3 317	99	112	27 765	1 497	29 262	17 321	46 584	74.4
Q2	24 318	3 329	98	105	27 850	1 522	29 373	17 277	46 650	74.5
Q3	24 314	3 343	91	98	27 846	1 550	29 396	17 321	46 717	74.4
Q4	24 448	3 366	92	95	28 000	1 517	29 518	17 269	46 787	74.7
2003 Q1	24 440	3 428	87	94	28 049	1 504	29 554	17 303	46 857	74.7
Q2	24 388	3 543	90	91	28 112	1 473	29 586	17 341	46 927	74.7
Q3	24 290	3 628	104	108	28 130	1 484	29 614	17 383	46 997	74.6
Q4	24 291	3 659	96	105	28 152	1 462	29 613	17 454	47 067	74.5
2004 Q1	24 507	3 619	107	113	28 346	1 413	29 760	17 378	47 137	74.9
Percentage change on quarter										
2003q4 to 2004q1	0.9	-1.1	10.7	7.6	0.7	-3.3	0.5	-0.4	0.1	
Percentage change on year										
2003q1 to 2004q1	0.3	5.6	22.5	20.5	1.1	-6.1	0.7	0.4	0.6	
MALE										
	MGRO	MGRR	MGRU	MGRX	MGSA	MGSD	MGSG	MGSI	MGSM	MGSV
2001 Q3	12 476	2 436	29	81	15 022	895	15 917	6 496	22 414	79.3
Q4	12 470	2 453	33	72	15 029	912	15 941	6 509	22 450	79.1
2002 Q1	12 463	2 445	32	70	15 009	910	15 919	6 567	22 487	79.0
Q2	12 506	2 437	32	61	15 036	912	15 948	6 575	22 523	79.0
Q3	12 487	2 449	35	61	15 032	940	15 971	6 589	22 560	78.8
Q4	12 628	2 462	32	60	15 182	894	16 076	6 522	22 598	79.5
2003 Q1	12 581	2 496	28	56	15 162	913	16 075	6 561	22 636	79.2
Q2	12 552	2 596	33	54	15 235	889	16 124	6 550	22 674	79.4
Q3	12 463	2 658	39	61	15 221	887	16 108	6 603	22 711	79.3
Q4	12 417	2 679	36	59	15 192	883	16 075	6 675	22 750	79.0
2004 Q1	12 549	2 645	44	65	15 304	829	16 133	6 655	22 788	79.5
Percentage change on quarter										
2003q4 to 2004q1	1.1	-1.3	22.5	9.8	0.7	-6.1	0.4	-0.3	0.2	
Percentage change on year										
2003q1 to 2004q1	-0.3	6.0	55.2	16.8	0.9	-9.2	0.4	1.4	0.7	
FEMALE										
	MGRP	MGRS	MGRV	MGRY	MGSB	MGSE	MGSH	MGSK	MGSN	MGSW
2001 Q3	11 670	872	66	41	12 648	585	13 233	10 805	24 038	69.2
Q4	11 720	871	70	45	12 707	608	13 315	10 753	24 067	69.3
2002 Q1	11 774	872	67	42	12 756	587	13 343	10 754	24 097	69.5
Q2	11 812	892	66	44	12 814	610	13 424	10 702	24 126	69.7
Q3	11 826	894	56	37	12 814	610	13 425	10 732	24 157	69.6
Q4	11 820	903	60	34	12 818	624	13 441	10 747	24 189	69.6
2003 Q1	11 859	932	59	38	12 887	591	13 479	10 742	24 221	69.9
Q2	11 836	948	57	38	12 878	584	13 462	10 791	24 253	69.7
Q3	11 827	971	65	46	12 909	597	13 505	10 780	24 285	69.6
Q4	11 874	980	60	46	12 960	578	13 538	10 779	24 317	69.8
2004 Q1	11 958	974	62	48	13 043	584	13 627	10 723	24 350	70.1
Percentage change on quarter										
2003q4 to 2004q1	0.7	-0.6	3.6	4.7	0.6	1.0	0.7	-0.5	0.1	
Percentage change on year										
2003q1 to 2004q1	0.8	4.5	6.6	25.8	1.2	-1.2	1.1	-0.2	0.5	

1 The data in this table have been adjusted to reflect the 2001 Census population data.

2 Data are from the Labour Force Survey which uses the definitions recommended by the International Labour Organisation (ILO), an agency of the United Nations. For details see the *Guide to Labour Market Statistics Releases*.

3 Seasonally adjusted estimates are revised in April each year.

4 The employment rate equals those in employment aged 16-64 (male) and 16-59 (female), as a percentage of all in these age groups. The underlying data are available on request.

Source: Office for National Statistics; Enquiries 020 7533 6094

4.2 Labour Market Activity^{1,2}

United Kingdom

Thousands, not seasonally adjusted

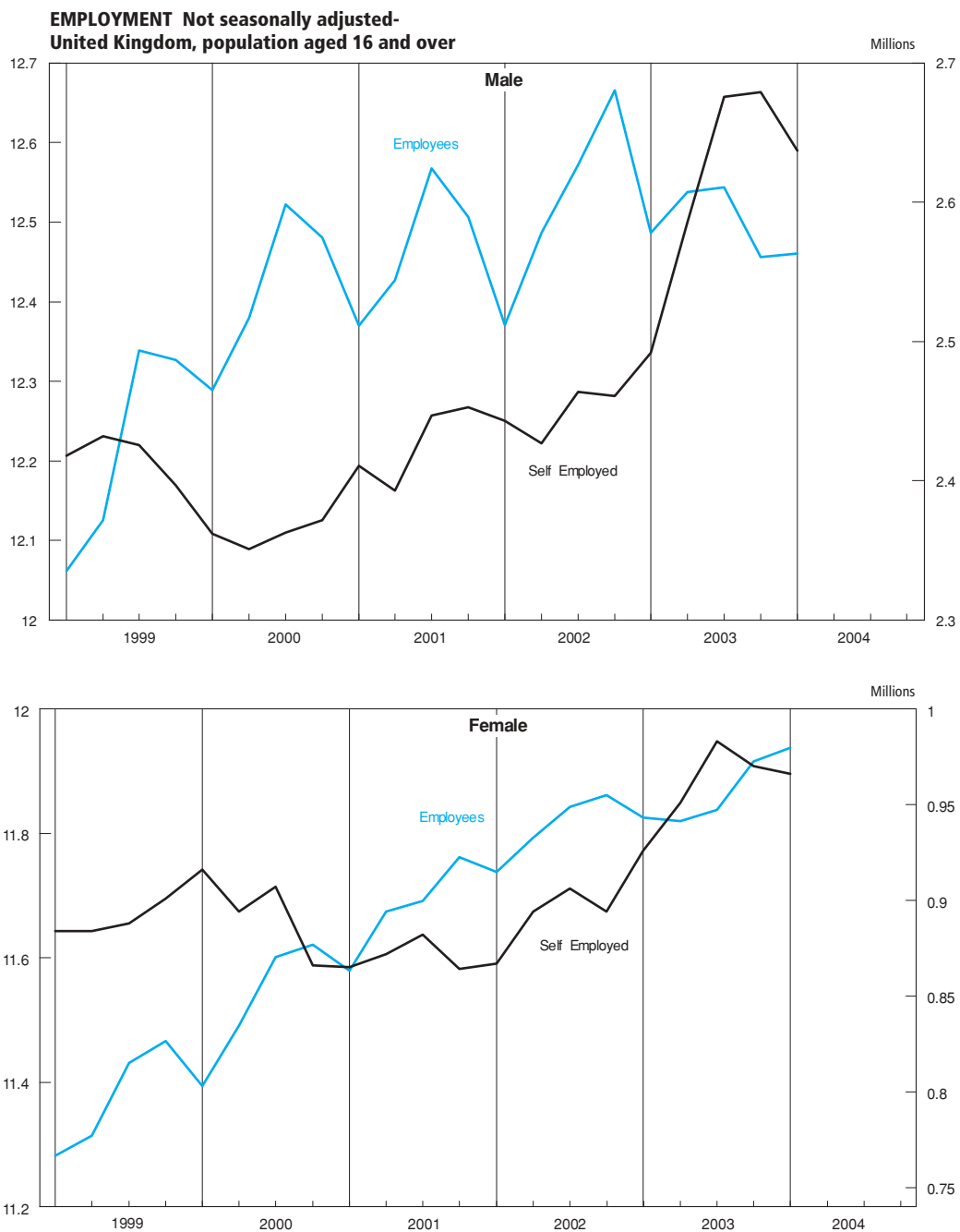
	Employment categories					Unemployment	Total economically active	Economically inactive	Total aged 16 and over	Employment rate: age 16-59/64 ³
	Employees	Self-employed	Unpaid family workers	Government training and employment programmes	Total employment					
TOTAL										
	MGTA	MGTD	MG TG	MG TJ	MG TM	MG TP	MG TS	MG TV	MG SL	MG UH
2001 Q3	24 259	3 329	100	113	27 802	1 556	29 357	17 094	46 451	74.7
Q4	24 268	3 317	105	122	27 812	1 473	29 285	17 232	46 517	74.6
2002 Q1	24 109	3 310	95	116	27 630	1 513	29 144	17 440	46 584	74.0
Q2	24 280	3 321	95	105	27 801	1 465	29 266	17 384	46 650	74.4
Q3	24 414	3 370	96	90	27 971	1 630	29 601	17 116	46 717	74.7
Q4	24 527	3 356	95	99	28 077	1 472	29 549	17 238	46 787	74.9
2003 Q1	24 312	3 418	83	99	27 912	1 521	29 432	17 424	46 857	74.3
Q2	24 357	3 536	86	90	28 069	1 412	29 481	17 445	46 927	74.6
Q3	24 381	3 659	110	100	28 250	1 566	29 817	17 180	46 997	74.9
Q4	24 371	3 649	100	110	28 229	1 416	29 645	17 422	47 067	74.7
2004 Q1	24 397	3 603	104	120	28 224	1 423	29 647	17 490	47 137	74.6
Percentage change on year 2003q1 to 2004q1	0.3	5.4	25.3	21.2	1.1	-6.4	0.7	0.4	0.6	
MALE										
	MGTB	MGTE	MG TH	MG TK	MG TN	MG TQ	MG TT	MG TW	MG SM	MG UI
2001 Q3	12 568	2 447	30	76	15 122	923	16 045	6 369	22 414	79.8
Q4	12 507	2 453	34	75	15 069	881	15 950	6 500	22 450	79.4
2002 Q1	12 371	2 443	31	73	14 917	930	15 847	6 640	22 487	78.5
Q2	12 487	2 427	30	60	15 004	886	15 891	6 633	22 523	78.8
Q3	12 572	2 464	36	57	15 130	968	16 098	6 462	22 560	79.4
Q4	12 666	2 461	34	63	15 224	864	16 088	6 510	22 598	79.7
2003 Q1	12 487	2 492	27	59	15 066	935	16 001	6 635	22 636	78.7
Q2	12 538	2 586	31	52	15 206	860	16 066	6 607	22 674	79.3
Q3	12 544	2 676	41	58	15 318	917	16 235	6 477	22 711	79.8
Q4	12 456	2 679	38	62	15 234	851	16 085	6 664	22 750	79.2
2004 Q1	12 461	2 637	44	70	15 211	846	16 057	6 730	22 788	79.0
Percentage change on year 2003q1 to 2004q1	-0.2	5.8	63.0	18.6	1.0	-9.5	0.3	1.4	0.7	
FEMALE										
	MGTC	MGTF	MG TI	MG TL	MG TO	MG TR	MG TU	MG TX	MG SN	MG UJ
2001 Q3	11 691	882	70	37	12 680	633	13 312	10 725	24 038	69.3
Q4	11 762	864	70	48	12 743	591	13 334	10 733	24 067	69.5
2002 Q1	11 738	867	64	44	12 713	584	13 296	10 800	24 097	69.2
Q2	11 793	894	64	45	12 797	579	13 375	10 751	24 126	69.6
Q3	11 842	906	60	33	12 841	661	13 503	10 654	24 157	69.8
Q4	11 861	894	61	36	12 853	608	13 461	10 728	24 189	69.8
2003 Q1	11 825	926	55	40	12 846	586	13 432	10 789	24 221	69.6
Q2	11 819	951	55	39	12 863	552	13 415	10 838	24 253	69.6
Q3	11 838	983	69	43	12 932	649	13 582	10 703	24 285	69.7
Q4	11 915	970	62	48	12 994	566	13 560	10 757	24 317	70.0
2004 Q1	11 937	966	60	50	13 013	577	13 590	10 760	24 350	69.9
Percentage change on year 2003q1 to 2004q1	0.9	4.3	9.1	25.0	1.3	-1.5	1.2	-0.3	0.5	

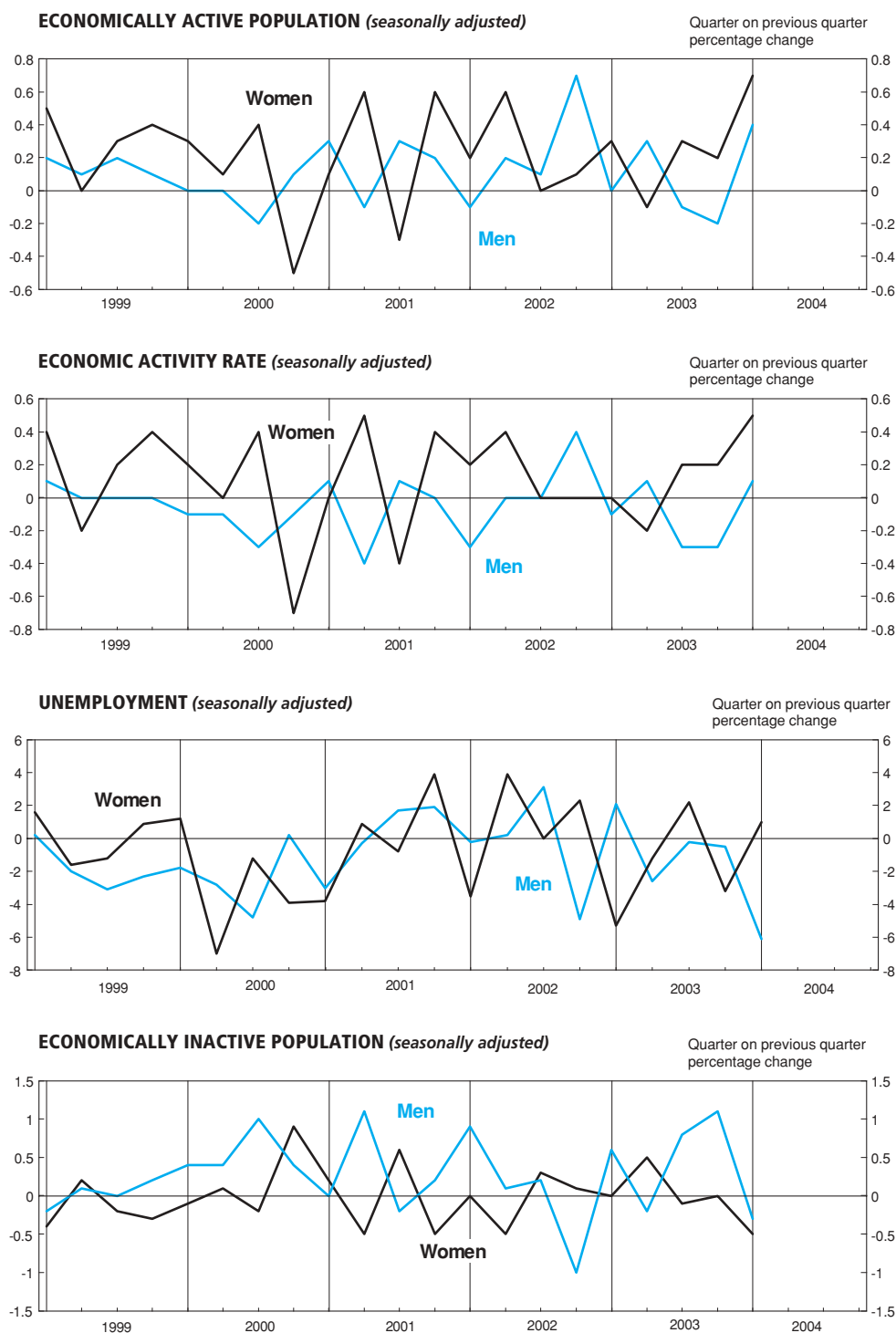
1 The data in this table have been adjusted to reflect the 2001 Census population data.

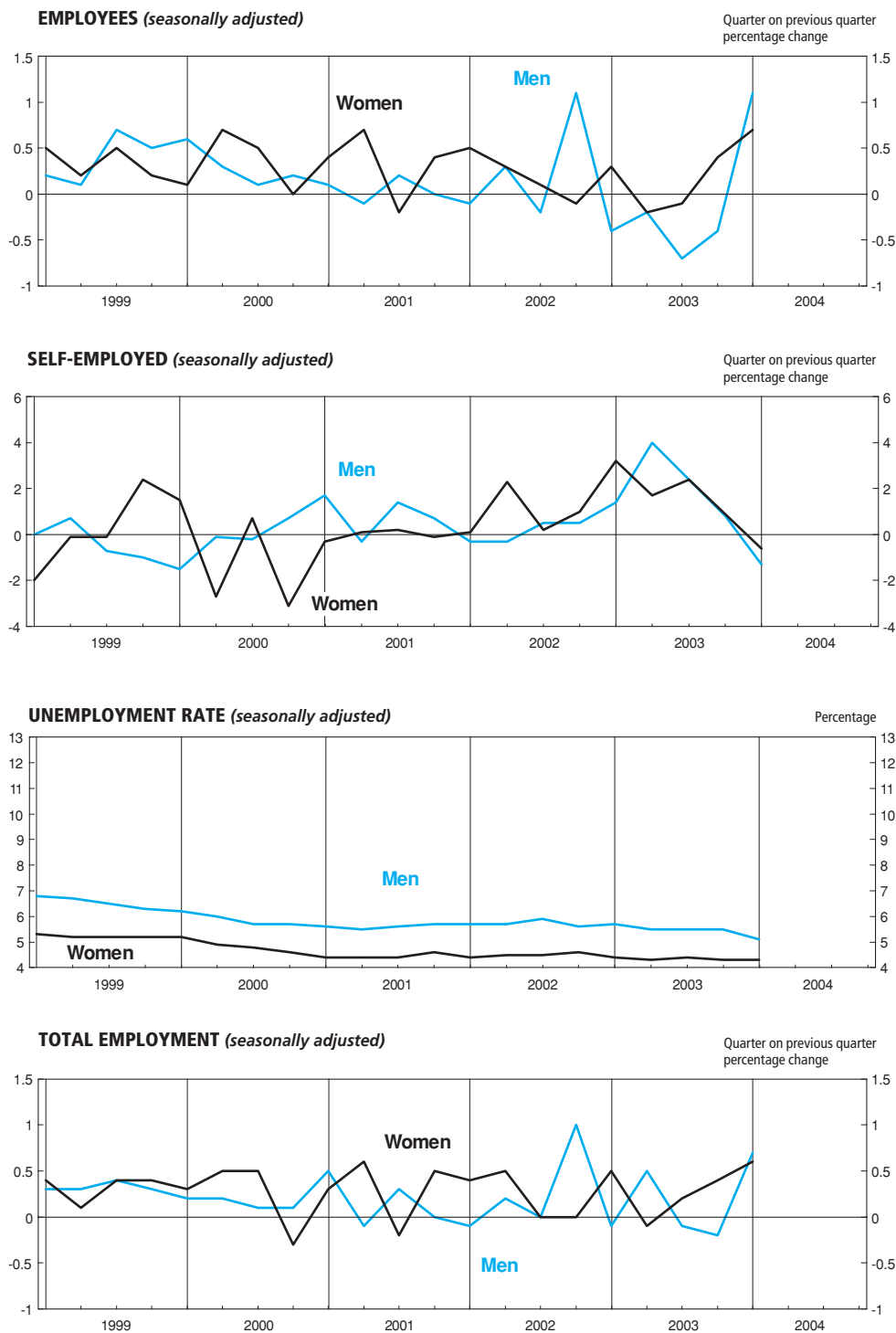
2 Data are from the Labour Force Survey which uses the definitions recommended by the International Labour Organisation (ILO), an agency of the United Nations. For details see the *Guide to Labour market Statistics Releases*.

3 The employment rate equals those in employment aged 16-64 (male) and 16-59 (female), as a percentage of all in these age groups. The underlying data are available on request.

Source: Office for National Statistics; Enquiries 020 7533 6094







4.3 Labour Market Activity by age^{1,2}

United Kingdom

Thousands, seasonally adjusted³

	Total aged 16 and over			Age groups ⁴							
	Total	Male	Female	16 - 24		25 - 49		50 - 59/64		60/65 and over	
				Male	Female	Male	Female	Male	Female	Male	Female
In employment											
	MGRZ	MGSA	MGSB	MGUR	MGUS	MGUU	MGUV	MGUX	MGUY	MGVA	MGVB
2002 Q1	27 765	15 009	12 756	2 066	1 929	9 117	7 797	3 542	2 437	284	593
Q2	27 850	15 036	12 814	2 071	1 942	9 123	7 821	3 550	2 459	292	591
Q3	27 846	15 032	12 814	2 050	1 953	9 104	7 794	3 578	2 481	300	586
Q4	28 000	15 182	12 818	2 099	1 945	9 139	7 796	3 633	2 496	312	581
2003 Q1	28 049	15 162	12 887	2 083	1 947	9 101	7 828	3 649	2 521	329	592
Q2	28 112	15 235	12 878	2 088	1 924	9 117	7 810	3 698	2 542	331	601
Q3	28 130	15 221	12 909	2 097	1 934	9 113	7 791	3 677	2 556	334	628
Q4	28 152	15 192	12 960	2 097	1 973	9 076	7 816	3 687	2 535	331	635
2004 Q1	28 346	15 304	13 043	2 126	2 004	9 120	7 824	3 721	2 561	336	654
Unemployed											
	MGSC	MGSD	MGSE	MGVG	MGVH	MGVJ	MGVK	MGVM	MGVN	MGVP	MGVQ
2002 Q1	1 497	910	587	332	220	432	293	136	66	..	..
Q2	1 522	912	610	333	216	419	312	151	70	..	12
Q3	1 550	940	610	338	222	428	308	165	68	10	12
Q4	1 517	894	624	341	228	396	311	151	72	..	14
2003 Q1	1 504	913	591	346	232	402	285	158	65	..	..
Q2	1 473	889	584	340	237	394	272	147	67	..	..
Q3	1 484	887	597	339	238	398	282	142	70	..	..
Q4	1 462	883	578	331	221	402	282	139	66	11	10
2004 Q1	1 413	829	584	322	229	365	282	132	64	10	..
Economically inactive											
	MGSI	MGSJ	MGSK	MGVV	MGVW	MGVY	MGVZ	MGWB	MGWC	MGWE	MGWF
2002 Q1	17 321	6 567	10 754	824	1 058	798	2 461	1 391	1 248	3 554	5 987
Q2	17 277	6 575	10 702	838	1 062	799	2 416	1 380	1 234	3 558	5 989
Q3	17 321	6 589	10 732	873	1 061	802	2 446	1 351	1 226	3 563	6 000
Q4	17 269	6 522	10 747	840	1 078	792	2 441	1 321	1 213	3 568	6 015
2003 Q1	17 303	6 561	10 742	869	1 088	817	2 433	1 310	1 201	3 565	6 019
Q2	17 341	6 550	10 791	889	1 121	801	2 463	1 284	1 185	3 575	6 022
Q3	17 383	6 603	10 780	900	1 125	795	2 473	1 321	1 173	3 586	6 008
Q4	17 454	6 675	10 779	924	1 116	825	2 450	1 326	1 202	3 599	6 011
2004 Q1	17 378	6 655	10 723	920	1 088	816	2 446	1 312	1 183	3 607	6 006
Economic activity rate (per cent) ⁵											
	MGWG	MGWH	MGWI	MGWK	MGWL	MGWN	MGWO	MGWQ	MGWR	MGWT	MGWU
2002 Q1	62.8	70.8	55.4	74.4	67.0	92.3	76.7	72.6	66.7	7.6	9.1
Q2	63.0	70.8	55.6	74.2	67.0	92.3	77.1	72.8	67.2	7.8	9.2
Q3	62.9	70.8	55.6	73.2	67.2	92.2	76.8	73.5	67.5	8.0	9.1
Q4	63.1	71.1	55.6	74.4	66.8	92.3	76.9	74.1	67.9	8.2	9.0
2003 Q1	63.1	71.0	55.6	73.7	66.7	92.1	76.9	74.4	68.3	8.6	9.1
Q2	63.0	71.1	55.5	73.2	65.8	92.2	76.6	75.0	68.8	8.7	9.2
Q3	63.0	70.9	55.6	73.0	65.9	92.3	76.6	74.3	69.1	8.7	9.5
Q4	62.9	70.7	55.7	72.4	66.3	92.0	76.8	74.3	68.4	8.7	9.7
2004 Q1	63.1	70.8	56.0	72.7	67.3	92.1	76.8	74.6	68.9	8.8	9.9
Unemployment rate (per cent) ⁶											
	MGSX	MGSY	MGSZ	MGWZ	MGXA	MGXC	MGXD	MGXF	MGXG	MGXI	MGXJ
2002 Q1	5.1	5.7	4.4	13.8	10.2	4.5	3.6	3.7	2.6	..	..
Q2	5.2	5.7	4.5	13.8	10.0	4.4	3.8	4.1	2.8	..	2.0
Q3	5.3	5.9	4.5	14.1	10.2	4.5	3.8	4.4	2.7	3.2	2.1
Q4	5.1	5.6	4.6	14.0	10.5	4.1	3.8	4.0	2.8	..	2.3
2003 Q1	5.1	5.7	4.4	14.2	10.6	4.2	3.5	4.2	2.5	..	..
Q2	5.0	5.5	4.3	14.0	10.9	4.1	3.4	3.8	2.6	..	..
Q3	5.0	5.5	4.4	13.9	11.0	4.2	3.5	3.7	2.7	..	..
Q4	4.9	5.5	4.3	13.6	10.1	4.2	3.5	3.6	2.5	3.2	1.6
2004 Q1	4.7	5.1	4.3	13.2	10.3	3.8	3.5	3.4	2.4	2.8	..

1 The data in this table have been adjusted to reflect the 2001 Census population data.

2 Data are from the Labour Force Survey which uses the definitions recommended by the International Labour Organisation (ILO), an agency of the United Nations. For details see the *Guide to Labour Market Statistics Releases*.

3 Seasonally adjusted estimates are revised in April each year.

4 Data for more detailed age groups are published in *Labour Market Trends*.

5 The activity rate is the percentage of people in each age group who are economically active.

6 Unemployment rate is the percentage of economically active people who are unemployed on the ILO measure.

Source: Office for National Statistics; Enquiries 020 7533 6094

4.4 Jobs and claimant count

United Kingdom

Thousands

	Jobs ¹					Claimant count ^{5,6,9}			
	Workforce jobs ^{2,3,4}	Employee jobs ^{3,4}				Total	Percentage of workforce jobs and claimant count ⁷	Total Not seasonally adjusted	Job Centre vacancies ^{8,10}
		All industries	Manufacturing industry	Production industry	Service industries				
Annual	DYDC	BCAJ	YEJA	YEJF	YEJC	BCJD	BCJE	BCJA	DPCB
2000	29 428	25 588	3 951	4 152	19 932	1 088.4	4	1 102.3	358.3
2001	29 728	25 905	3 803	4 012	20 441	969.9	3	983.0	..
2002	29 847	25 975	3 602	3 806	20 756	946.7	3	958.8	..
2003	30 125	26 033	3 458	3 655	20 957	933.2	3	945.9	..
Quarterly									
2000 Q1	29 290	25 438	3 988	4 185	19 767	1 153.0	3.8	1 219.2	342.2
Q2	29 428	25 588	3 951	4 152	19 932	1 103.9	3.6	1 109.2	355.7
Q3	29 497	25 683	3 923	4 124	20 094	1 060.0	3.5	1 073.6	363.4
Q4	29 600	25 781	3 891	4 098	20 236	1 036.7	3.4	1 007.1	371.8
2001 Q1	29 640	25 817	3 858	4 065	20 322	999.7	3.3	1 064.1	394.1
Q2	29 728	25 905	3 803	4 012	20 441	970.7	3.2	978.4	..
Q3	29 717	25 914	3 753	3 960	20 502	949.7	3.1	958.5	..
Q4	29 829	25 999	3 700	3 906	20 643	959.7	3.1	931.0	..
2002 Q1	29 831	26 018	3 649	3 856	20 714	952.9	3.1	1 014.6	..
Q2	29 847	25 975	3 602	3 806	20 756	950.9	3.1	958.1	..
Q3	29 850	25 942	3 555	3 754	20 794	945.0	3.1	951.8	..
Q4	29 939	26 003	3 514	3 709	20 893	937.8	3.0	910.6	..
2003 Q1	30 006	25 984	3 489	3 684	20 891	939.7	3.0	1 001.1	..
Q2	30 125	26 033	3 458	3 655	20 957	945.6	3.0	954.3	..
Q3	30 192	26 008	3 431	3 625	20 931	932.3	3.0	939.0	..
Q4	30 310	26 115	3 413	3 605	21 040	915.2	2.9	889.2	..
2004 Q1	30 325	26 138	3 379	3 572	21 085	886.8	2.9	947.2	..
Q2	..	..	..	..	..	861.8	2.8	871.8	..
Monthly									
2002 Jul	..	..	3 584	3 786	..	947.8	3.1	956.4	..
Aug	..	..	3 572	3 772	..	943.6	3.1	962.7	..
Sep	..	25 942	3 555	3 754	20 794	943.5	3.1	936.2	..
Oct	..	..	3 541	3 741	..	940.4	3.1	907.2	..
Nov	..	..	3 528	3 726	..	937.6	3.0	905.6	..
Dec	..	26 003	3 514	3 709	20 893	935.5	3.0	919.1	..
2003 Jan	..	..	3 506	3 702	..	935.9	3.0	998.0	..
Feb	..	..	3 498	3 693	..	940.9	3.0	1 012.8	..
Mar	..	25 984	3 489	3 684	20 891	942.3	3.0	992.3	..
Apr	..	..	3 477	3 671	..	939.9	3.0	966.1	..
May	..	..	3 468	3 663	..	948.5	3.1	957.8	..
Jun	..	26 033	3 458	3 655	20 957	948.4	3.1	939.2	..
Jul	..	..	3 442	3 637	..	937.6	3.0	946.3	..
Aug	..	..	3 435	3 630	..	930.2	3.0	948.6	..
Sep	..	26 008	3 431	3 625	20 931	929.1	3.0	922.1	..
Oct	..	..	3 427	3 620	..	924.6	3.0	893.2	..
Nov	..	..	3 418	3 611	..	915.5	2.9	884.6	..
Dec	..	26 115	3 413	3 605	21 040	905.5	2.9	889.7	..
2004 Jan	..	..	3 396	3 589	..	891.7	2.9	952.4	..
Feb	..	..	3 388	3 581	..	886.4	2.9	957.0	..
Mar	..	26 138	3 379	3 572	21 085	882.3	2.8	932.0	..
Apr	..	..	3 371	3 563	..	874.0	2.8	905.2	..
May	..	..	3 366	3 558	..	860.5	2.8	869.7	..
Jun	..	..	..	..	..	850.9	2.7	840.5	..

1 Estimates of employee jobs and workforce jobs for Great Britain now use the Annual Business Inquiry as a benchmark on which quarterly movements are based. For further information see Labour Market Statistics First Release, April 2001 which is held on the National Statistics website www.statistics.gov.uk. The Northern Ireland component of workforce jobs and employee jobs has not changed.

2 Workforce jobs comprise employee jobs, self-employed jobs, HM Forces and participants in work-related government supported training, which includes the Project Work Plan.

3 For all dates, individuals with two jobs as employees of different employers are counted twice.

4 Annual estimates relate to mid-year. Figures for the four quarters relate to March, June, September and December. For claimant count, unlike employment and workforce figures, the annual figure is an annual average.

5 Unadjusted claimant count figures have been affected by changes in the coverage. The seasonally adjusted figures however, as given in this table are estimated on the current basis, allowing for the discontinuities, except for the effect of the Jobseeker's Allowance introduced in October 1996 (see also below).

The seasonally adjusted figures now relate only to claimants aged 18 or over in order to maintain the consistent series, available back to 1971 (1974 for the regions), allowing for the effect of the change in benefit regulations for under 18 year olds from September 1988. (See pages 398-400 of November 1995 *Labour Market Trends*.)

6 Claimant count figures do not include students claiming benefit during a vacation who intend to return to full-time education.

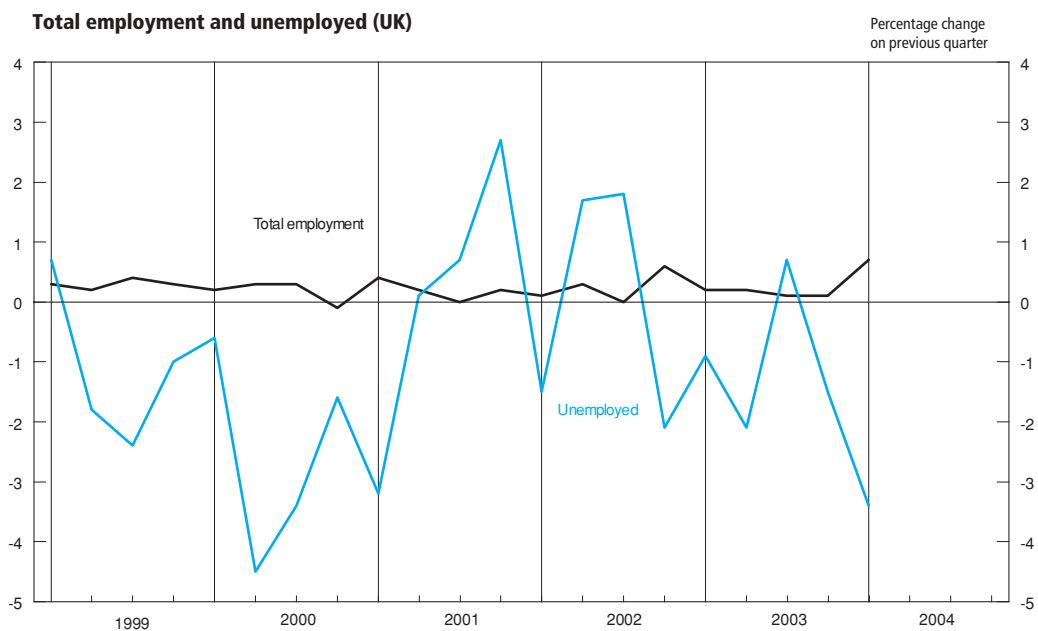
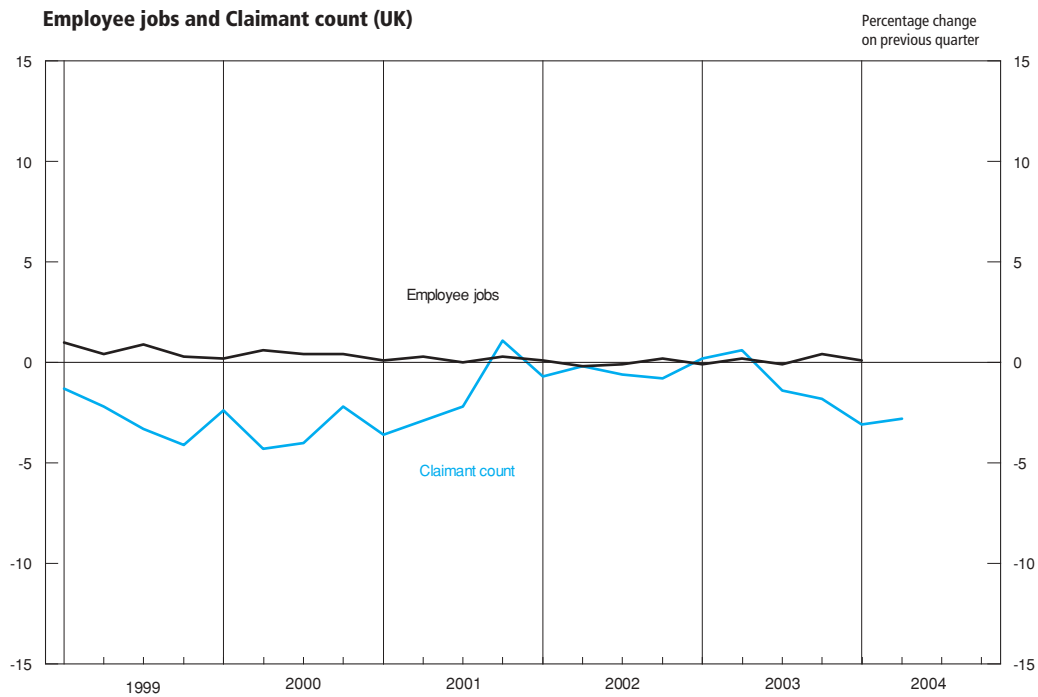
7 The denominator used to calculate claimant count unemployment rates is comprised of the workforce jobs plus the claimant count.

8 Vacancies notified to Jobcentres and remaining unfilled. Jobcentre vacancies only account for approximately one third of all vacancies in the economy. Note: Quarter figures relate to the average for the three months in the quarter.

9 Quarterly and annual values are now the mean of the monthly and quarterly data respectively.

10 Publication of the job centre vacancy statistics has been deferred. Figures from May 2001 are affected by the introduction of Employer Direct. This major change involves transferring the vacancy taking process from job centres to regional Customer Service Centres, as part of Modernising the Employment Service. ONS and the Employment Service will continue to monitor and review the data with the aim of publishing the series fairly soon, as it is possible to produce a consistent measure.

Sources: Office for National Statistics;
Enquiries Columns 1-5 01633 812079; Columns 6,9 020 7533 6094;
also 24 hour recorded headline service on 020 7533 6176



4.5 Regional claimant count rates^{1,2} by Government Office Region

Percentages

	North East	North West ³	Yorkshire and the Humber	East Midlands	West Midlands	East	London	South East
Quarterly								
	DPDM	IBWC	DPBI	DPBJ	DPBN	DPDP	DPDQ	DPDR
1998 Q1	7.3	5.2	5.5	4.0	4.6	3.3	5.3	2.7
Q2	7.0	5.1	5.4	3.9	4.5	3.2	5.2	2.6
Q3	6.9	5.0	5.4	3.9	4.5	3.2	5.1	2.5
Q4	7.0	5.0	5.3	3.9	4.5	3.1	4.9	2.5
1999 Q1	7.3	4.7	5.3	3.8	4.6	3.0	4.7	2.4
Q2	7.2	4.7	5.1	3.7	4.5	3.0	4.6	2.3
Q3	7.0	4.6	5.0	3.6	4.4	2.9	4.4	2.2
Q4	6.7	4.4	4.8	3.5	4.2	2.7	4.3	2.1
2000 Q1	6.6	4.4	4.6	3.5	4.1	2.6	4.0	2.0
Q2	6.4	4.2	4.4	3.4	4.0	2.4	3.8	1.9
Q3	6.2	4.0	4.2	3.3	4.0	2.3	3.6	1.8
Q4	6.0	3.9	4.1	3.3	3.9	2.2	3.5	1.7
2001 Q1	5.9	3.8	4.1	3.2	3.9	2.1	3.3	1.6
Q2	5.6	3.7	4.0	3.1	3.8	2.0	3.2	1.5
Q3	5.5	3.6	3.9	3.0	3.6	2.0	3.2	1.5
Q4	5.5	3.6	3.8	3.0	3.6	2.0	3.4	1.6
2002 Q1	5.3	3.5	3.7	2.9	3.5	2.0	3.5	1.6
Q2	5.2	3.5	3.6	2.8	3.5	2.1	3.6	1.6
Q3	5.1	3.5	3.6	2.8	3.5	2.1	3.6	1.6
Q4	4.9	3.4	3.6	2.8	3.5	2.1	3.6	1.7
2003 Q1	4.7	3.3	3.5	2.8	3.5	2.1	3.6	1.7
Q2	4.6	3.3	3.4	2.9	3.5	2.2	3.7	1.7
Q3	4.5	3.2	3.3	2.9	3.5	2.1	3.6	1.7
Q4	4.4	3.1	3.2	2.8	3.5	2.1	3.6	1.7
2004 Q1	4.2	3.0	3.1	2.6	3.4	2.1	3.5	1.7
Q2	4.0	2.9	3.0	2.5	3.3	2.0	3.5	1.6
	South West	England	Wales	Scotland	Great Britain	Northern Ireland	United Kingdom	
Quarterly								
	DPBM	VASQ	DPBP	DPBQ	DPAJ	DPBR	BCJE	
1998 Q1	3.5	4.4	5.5	5.4	4.5	7.6	4.6	
Q2	3.4	4.3	5.4	5.4	4.4	7.4	4.5	
Q3	3.3	4.2	5.4	5.4	4.4	7.3	4.5	
Q4	3.3	4.2	5.4	5.3	4.3	7.2	4.4	
1999 Q1	3.2	4.1	5.3	5.2	4.2	7.0	4.3	
Q2	3.1	4.0	5.1	5.2	4.1	6.7	4.2	
Q3	2.9	3.9	4.9	5.0	4.0	6.2	4.1	
Q4	2.8	3.7	4.7	4.8	3.9	5.8	3.9	
2000 Q1	2.7	3.6	4.5	4.8	3.7	5.5	3.8	
Q2	2.5	3.4	4.4	4.6	3.6	5.3	3.6	
Q3	2.4	3.3	4.3	4.4	3.4	5.2	3.5	
Q4	2.3	3.2	4.3	4.3	3.4	5.3	3.4	
2001 Q1	2.1	3.1	4.2	4.1	3.2	5.1	3.3	
Q2	2.1	3.0	4.0	4.0	3.1	5.0	3.2	
Q3	2.0	2.9	3.8	3.9	3.1	4.9	3.1	
Q4	2.0	3.0	3.8	4.0	3.1	4.8	3.1	
2002 Q1	2.0	2.9	3.7	3.9	3.1	4.7	3.1	
Q2	2.0	2.9	3.6	3.9	3.0	4.6	3.1	
Q3	1.9	2.9	3.6	3.9	3.0	4.4	3.1	
Q4	1.9	2.9	3.6	3.8	3.0	4.3	3.0	
2003 Q1	1.9	2.9	3.5	3.8	3.0	4.3	3.0	
Q2	1.9	2.9	3.4	3.8	3.0	4.3	3.0	
Q3	1.9	2.9	3.4	3.8	3.0	4.2	3.0	
Q4	1.8	2.8	3.2	3.8	2.9	4.2	2.9	
2004 Q1	1.7	2.7	3.1	3.7	2.8	4.0	2.9	
Q2	1.6	2.7	3.1	3.5	2.7	3.9	2.8	

Note: Quarterly claimant count figures relate to the average of the three months in each quarter.

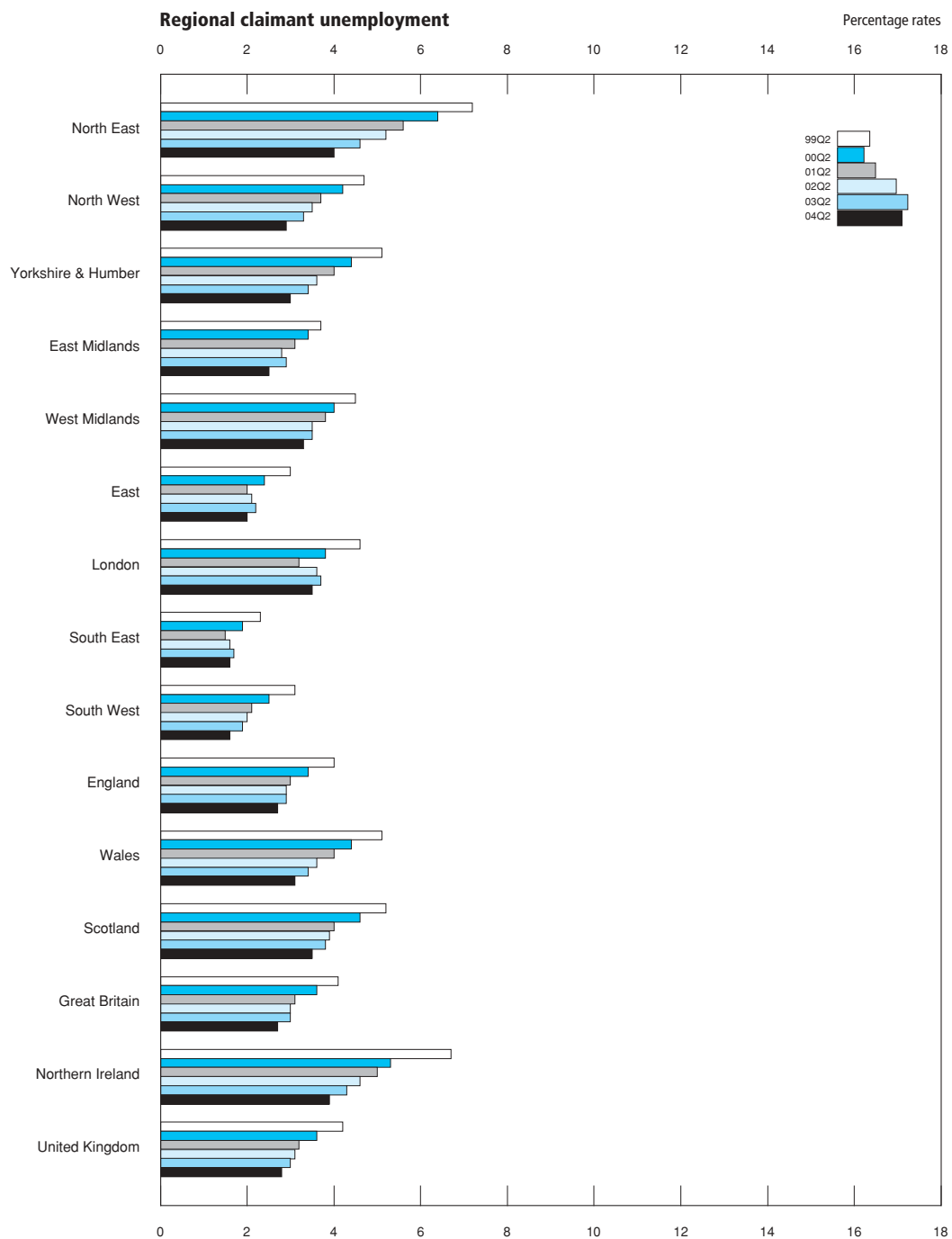
1 Government Office Regions came into effect in April 1994. It was decided that from May 1997 sub-national data should be published for these areas rather than standard statistical regions (SSRs). Data by standard statistical regions are available on request.

2 The seasonally adjusted figures now relate only to claimants aged 18 or over in order to maintain the consistent series, available back to 1971 for Great Britain, Northern Ireland and the United Kingdom (1974 for Wales and Scotland; 1986 for the Government Office Regions), allowing for

the effect of the change in benefit regulations for under 18 year olds from September 1988. (See pages 398 - 400 of the November 1995 *Labour Market Trends*.) The denominators used to calculate claimant count rates are the sum of the appropriate mid-year estimates of employee jobs, the self-employed, Government-supported trainees, HM Forces and claimants of unemployment-related benefits. The 2002 and 2003 rates are based on mid-2002 estimates and earlier years are based on the corresponding mid-year estimates.

3 Includes Merseyside.

Source: Office for National Statistics; Enquiries 020 7533 6094



4.5A Unemployment rates^{1,2} by Government Office Region

Percentages, seasonally adjusted ⁴

	North East	North West ³	Yorkshire and the Humber	East Midlands	West Midlands	East	London	South East
Quarterly								
	YCNC	YCND	YCNE	YCNF	YCNG	YCNH	YCNI	YCNJ
1998 Q1	8.4	6.7	7.1	5.2	6.2	5.4	8.2	4.4
Q2	8.2	6.9	7.3	4.9	5.9	4.9	8.5	4.4
Q3	8.3	6.6	7.1	5.4	6.0	4.5	7.7	4.5
Q4	9.6	7.0	7.0	4.8	6.5	4.3	7.6	3.9
1999 Q1	9.5	6.6	6.7	5.1	7.0	4.2	7.6	3.9
Q2	9.5	6.2	6.3	5.3	6.9	4.3	7.4	4.0
Q3	9.7	6.2	6.0	5.6	6.3	3.9	7.4	3.9
Q4	8.4	6.0	6.0	5.4	6.7	4.2	7.0	4.0
2000 Q1	8.8	6.0	6.4	5.1	6.1	3.9	7.6	3.5
Q2	8.9	5.3	6.1	4.8	6.1	3.7	7.3	3.3
Q3	8.9	5.4	5.9	4.8	5.7	3.7	6.8	3.1
Q4	7.7	5.3	6.1	4.7	6.0	3.6	6.8	3.4
2001 Q1	7.6	5.2	5.4	4.7	5.6	3.5	6.5	3.4
Q2	7.4	5.3	5.5	5.0	5.5	3.6	6.2	3.2
Q3	7.1	5.1	5.3	4.6	5.4	4.0	6.6	3.4
Q4	7.2	5.4	5.1	4.5	5.5	3.9	7.3	3.4
2002 Q1	7.2	5.4	5.0	4.8	5.6	3.6	6.9	3.6
Q2	6.5	5.5	5.3	4.6	5.7	3.7	6.8	3.9
Q3	6.2	5.5	5.6	4.6	5.9	3.8	7.0	4.0
Q4	7.5	5.0	5.1	4.7	5.7	4.1	6.6	4.0
2003 Q1	6.4	5.0	5.2	4.1	6.0	4.6	7.0	3.9
Q2	6.0	4.9	5.1	4.4	5.6	4.0	7.2	4.0
Q3	6.7	4.8	4.9	4.5	5.9	3.9	7.2	3.9
Q4	6.4	4.8	5.1	4.4	5.8	3.5	7.1	3.8
2004 Q1	5.3	4.6	4.7	4.7	5.5	3.4	6.9	3.9
	South West	England	Wales	Scotland	Great Britain	Northern Ireland	United Kingdom	
Quarterly								
	YCNK	YCNL	YCNM	YCNN	YCNO	ZSFB	MGSX	
1998 Q1	4.6	6.1	7.2	7.6	6.3	8.5	6.3	
Q2	4.7	6.1	7.0	7.4	6.2	6.9	6.3	
Q3	4.9	6.0	7.4	7.6	6.2	7.9	6.2	
Q4	4.5	5.9	7.1	7.7	6.1	6.9	6.1	
1999 Q1	4.9	5.9	7.2	7.4	6.1	7.2	6.1	
Q2	4.5	5.8	7.5	7.1	6.0	7.6	6.0	
Q3	4.4	5.7	7.2	6.9	5.8	7.1	5.9	
Q4	4.1	5.6	7.2	7.1	5.8	6.7	5.8	
2000 Q1	4.3	5.5	6.7	7.5	5.7	6.5	5.8	
Q2	4.3	5.3	6.1	7.1	5.5	6.7	5.5	
Q3	4.0	5.1	6.7	6.6	5.3	5.6	5.3	
Q4	3.9	5.1	5.8	6.2	5.2	6.1	5.2	
2001 Q1	3.9	4.9	6.0	5.9	5.0	6.2	5.1	
Q2	3.6	4.8	6.1	6.3	5.0	6.1	5.0	
Q3	3.6	4.9	5.5	6.6	5.0	6.0	5.1	
Q4	3.6	5.0	5.8	6.7	5.2	5.9	5.2	
2002 Q1	3.4	4.9	5.7	6.5	5.1	6.1	5.1	
Q2	3.7	5.0	5.7	6.5	5.2	5.6	5.2	
Q3	4.0	5.1	5.2	6.3	5.3	6.2	5.3	
Q4	4.1	5.0	5.1	6.1	5.1	5.5	5.1	
2003 Q1	3.7	5.0	4.8	5.8	5.1	5.2	5.1	
Q2	3.5	4.9	4.6	5.6	5.0	5.2	5.0	
Q3	3.2	4.9	4.7	5.8	5.0	5.6	5.0	
Q4	3.1	4.8	4.8	5.8	4.9	6.3	4.9	
2004 Q1	2.9	4.7	4.5	5.7	4.7	5.2	4.7	

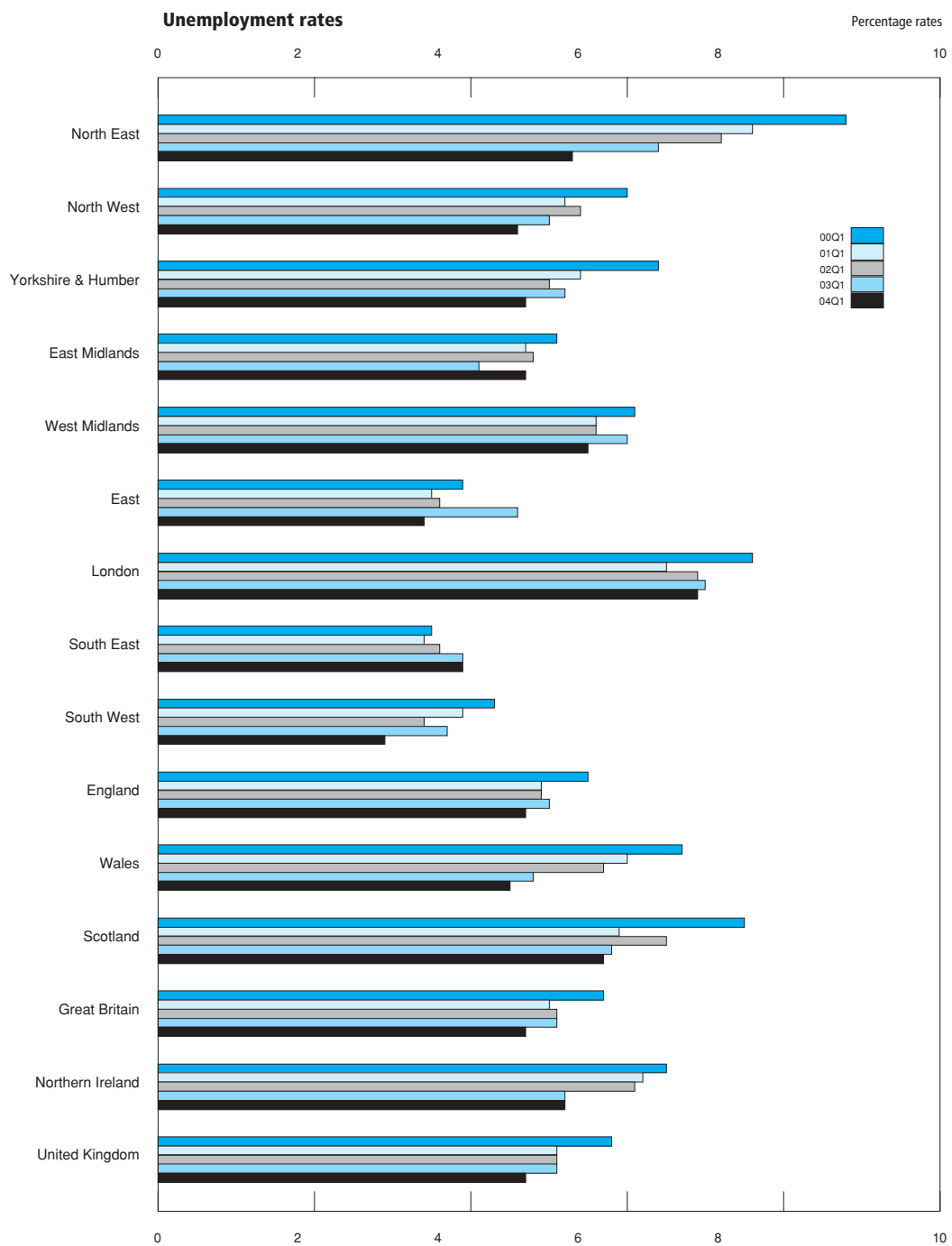
1 The data in this table have been adjusted to reflect the 2001 Census population data.

2 Data are from the Labour Force Survey. Unemployment rate is the percentage of economically active people who are unemployed on the ILO measure.

3 Includes Merseyside.

4 Seasonally adjusted estimates are revised in April each year.

Source: Office for National Statistics; Enquiries 020 7533 6094



4.6 Average earnings (including bonuses)

Great Britain

2000 = 100

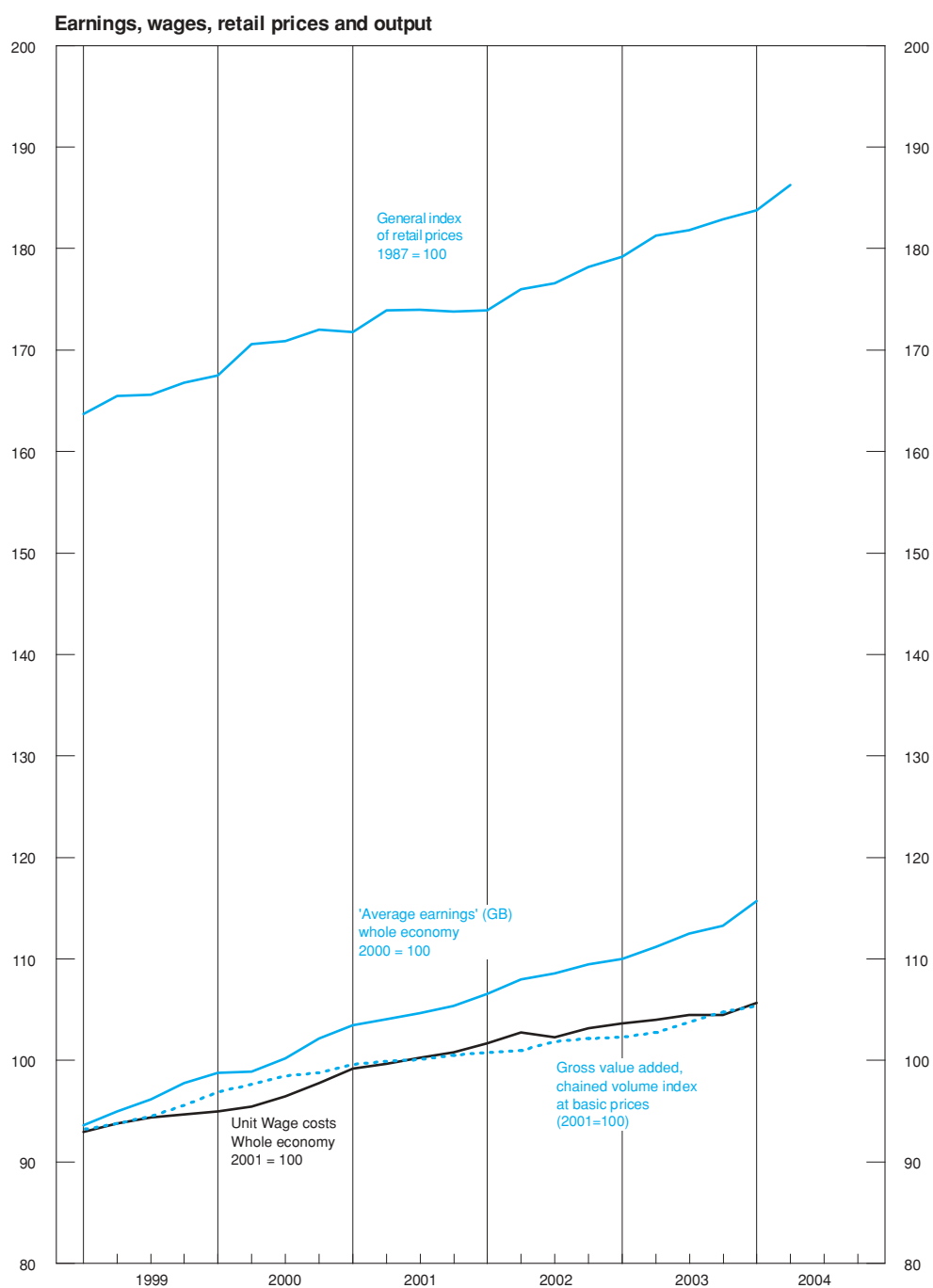
	Whole economy ¹	3 month average ²	Private sector	3 month average ²	Public sector	3 month average ²	Manufacturing industries ³	3 month average ^{2,3}	Production industries	3 month average ²	Service industries	3 month average ²	Private sector services	3 month average ²
Annual	LNMQ		LNKY		LNNJ		LNMR		LNMS		LNMT		JJGH	
2000	100.0		100.0		100.0		100.0		100.0		100.0		100.0	
2001	104.4		104.3		105.0		104.3		104.2		104.4		104.2	
2002	108.2		107.9		109.3		108.0		107.9		108.2		107.8	
2003	111.8		111.0		114.8		111.8		111.7		111.8		110.7	
Monthly		LNNC		LNNB		LNNF		LNNH		LNNI		LNNJ		JJGJ
2000 Jan	98.8	5.8	98.8	6.3	98.9	4.0	98.9	5.4	99.2	5.1	98.9	6.1	99.0	6.7
Feb	98.7	5.9	98.7	6.3	99.5	4.3	98.2	5.3	98.5	5.1	98.9	6.1	98.9	6.8
Mar	98.9	5.5	98.9	5.9	98.9	4.2	98.4	4.9	98.4	4.7	98.9	5.7	99.0	6.3
Apr	98.7	5.0	98.5	5.2	99.2	4.1	98.7	4.5	98.6	4.1	98.6	5.1	98.4	5.4
May	98.8	4.5	98.6	4.7	99.2	3.7	99.5	4.6	99.5	4.2	98.6	4.4	98.4	4.7
Jun	99.2	4.1	99.0	4.2	100.0	3.6	99.3	4.6	99.3	4.2	99.0	3.9	98.8	4.0
Jul	99.5	3.9	99.4	4.0	99.8	3.4	99.9	4.6	99.8	4.3	99.4	3.5	99.2	3.6
Aug	100.3	4.0	100.3	4.1	100.1	3.4	100.1	4.3	100.1	4.0	100.4	3.8	100.4	3.9
Sep	100.7	4.1	100.8	4.3	100.4	3.4	100.9	4.3	100.8	4.0	100.7	4.0	100.7	4.3
Oct	101.3	4.2	101.4	4.4	100.8	3.4	101.3	4.3	101.2	4.0	101.4	4.2	101.4	4.5
Nov	101.9	4.3	101.9	4.4	101.4	3.6	102.2	4.6	102.1	4.3	101.9	4.2	101.9	4.4
Dec	103.3	4.5	103.7	4.6	101.7	3.9	102.7	4.7	102.6	4.4	103.4	4.5	103.9	4.7
2001 Jan	103.2	4.6	103.4	4.7	102.2	3.8	102.7	4.5	102.7	4.2	103.3	4.6	103.6	4.7
Feb	103.6	4.8	103.7	4.9	102.6	3.6	103.4	4.7	103.7	4.5	103.8	4.8	104.0	5.0
Mar	103.7	4.8	103.7	4.8	103.3	3.6	103.5	4.8	103.3	4.6	103.8	4.8	103.8	4.9
Apr	103.9	5.1	103.9	5.1	104.6	4.3	103.9	5.2	103.7	5.1	103.9	5.1	103.8	5.1
May	104.0	5.2	103.8	5.2	105.0	5.2	104.1	5.0	104.0	4.9	103.9	5.2	103.6	5.2
Jun	104.3	5.3	104.1	5.3	105.3	5.5	104.3	5.0	104.1	4.8	104.2	5.3	103.9	5.3
Jul	104.4	5.1	104.2	5.1	105.6	5.6	104.4	4.7	104.3	4.6	104.3	5.2	103.9	5.1
Aug	104.8	4.9	104.6	4.8	106.0	5.6	104.8	4.7	104.6	4.6	104.8	4.9	104.4	4.6
Sep	105.0	4.6	104.8	4.4	106.0	5.7	105.2	4.5	105.0	4.4	104.9	4.5	104.5	4.2
Oct	105.1	4.2	104.9	3.9	106.4	5.7	105.2	4.3	105.1	4.2	105.0	4.1	104.7	3.6
Nov	105.2	3.8	105.0	3.5	106.4	5.4	105.2	3.7	105.0	3.6	105.1	3.7	104.7	3.2
Dec	105.8	3.1	105.6	2.8	106.8	5.2	105.4	3.1	105.2	3.1	105.7	3.0	105.3	2.4
2002 Jan	106.3	2.9	106.1	2.5	107.0	4.9	105.9	2.9	105.8	2.8	106.3	2.7	106.0	2.1
Feb	106.9	2.8	106.7	2.4	107.2	4.7	106.0	2.8	106.0	2.6	107.1	2.8	107.0	2.2
Mar	106.7	3.0	106.4	2.7	107.9	4.5	106.4	2.8	106.5	2.8	106.6	2.9	105.9	2.4
Apr	108.0	3.3	108.1	3.2	108.3	4.1	107.4	2.9	107.2	2.9	108.0	3.3	108.1	3.0
May	107.9	3.5	107.8	3.5	108.7	3.8	107.7	3.2	107.6	3.3	107.9	3.5	107.7	3.4
Jun	108.2	3.8	108.0	3.9	109.0	3.5	108.1	3.5	108.0	3.5	108.2	3.9	108.0	4.0
Jul	108.4	3.8	108.2	3.8	109.6	3.6	108.3	3.6	108.2	3.7	108.3	3.9	108.0	3.9
Aug	108.6	3.7	108.5	3.8	109.1	3.4	108.8	3.7	108.7	3.8	108.5	3.7	108.2	3.8
Sep	108.8	3.7	108.5	3.7	110.1	3.5	108.8	3.6	108.7	3.7	108.7	3.7	108.2	3.7
Oct	109.0	3.6	108.6	3.6	110.9	3.7	109.3	3.7	109.2	3.8	108.9	3.6	108.3	3.5
Nov	110.0	4.0	109.6	3.8	111.7	4.4	109.4	3.8	109.3	3.9	110.2	4.0	109.6	3.9
Dec	109.5	3.9	108.9	3.7	112.1	4.7	109.9	4.1	109.8	4.1	109.2	3.9	108.3	3.6
2003 Jan	109.1	3.6	108.4	3.2	112.6	5.1	110.1	4.1	110.1	4.2	109.4	3.7	107.5	3.0
Feb	110.0	3.0	109.3	2.6	112.8	5.1	110.7	4.2	110.4	4.2	109.7	2.9	108.7	1.9
Mar	110.9 [†]	3.2	110.2 [†]	2.7 [†]	113.3	5.2	112.4	4.7	112.3	4.5	110.4 [†]	3.0	109.4 [†]	2.1
Apr	110.7	3.1 [†]	110.1	2.6	113.9	5.1	110.3 [†]	4.2 [†]	110.2 [†]	4.1 [†]	110.8	2.9	109.8	2.1 [†]
May	111.4	3.2	110.9	2.8	113.7	4.9	111.1	3.8	111.0	3.8	111.6	3.2	110.9	2.6
Jun	111.6	3.0	110.9	2.4	114.8	5.1	111.3	2.9	111.3	3.0	111.8	3.1	110.8	2.3
Jul	112.3	3.3	111.7	2.9	115.4	5.1	111.8	3.1	111.6	3.1	112.5	3.5	111.6	2.9
Aug	112.4	3.4	111.5	2.9	115.6	5.6	111.9	3.0	111.8	3.0	112.6	3.7	111.5	3.0
Sep	112.8	3.6	112.0	3.1	116.1	5.6	112.5	3.2	112.3	3.1	112.9	3.8	111.8	3.2
Oct	113.0	3.6	112.3	3.2	116.1	5.4	112.8	3.2	112.6	3.1	113.0	3.8	111.9	3.2
Nov	113.7	3.6	113.0	3.2	116.4	4.8	113.3	3.4	113.1	3.3	113.8	3.6	112.7	3.2
Dec	113.2	3.4	112.3	3.2	116.9	4.4	113.6	3.4	113.4	3.3	112.7	3.4	111.4	3.0
2004 Jan	117.1	4.7	117.2	4.8	117.1	4.2	114.0	3.5	114.0	3.4	118.8	5.0	118.2	5.2
Feb	114.3	4.9	113.6	5.0	117.8	4.3	114.7	3.5	114.8	3.6	113.7	5.2	112.5	5.4
Mar	115.7	5.2	115.1	5.5	118.2	4.3	116.1	3.5	115.8	3.5	115.7	5.7	114.9	6.1
Apr	115.8	4.3	115.2	4.3	118.5	4.3	115.5	3.9	115.5	3.9	115.7	4.3	114.7	4.3
May ¹	116.0	4.3	115.3	4.4	118.9	4.3	115.9	4.1	115.7	4.0	115.8	4.3	114.7	4.3

1 Provisional.

2 The 3 month average is the change in the average seasonally adjusted index values for the last 3 months compared with the same period a year ago.

3 ONS regrets that the series have been withdrawn for the period 1963-1982, owing to an irregularity.

Source: Office for National Statistics; Enquiries 01633 816024



4.7 Productivity and Unit Wage costs¹

United Kingdom

2001 = 100

	Productivity jobs			Output per filled job ²			Output per hour worked ³			Unit wage costs	
	Whole economy	Total production industries	Manufacturing industries	Whole economy	Total production industries	Manufacturing industries	Whole economy	Total production industries	Manufacturing industries	Whole economy	Manufacturing industries
Annual											
	LNNM	LNOJ	LNOK	LNNN	LNNW	LNNX	LZVB	LZVK	LZVF	LNNK	LNNQ
2000	99.1	104.3	104.7	98.8	97.4	96.8	98.9	97.0	96.5	96.2	99.0
2001	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2002	100.4	95.0	94.9	101.1	102.6	102.1	101.8	102.0	101.7	102.5	101.4
2003	100.7	90.7	90.4	102.7	107.4	107.7	103.5	106.2	106.5	104.2	99.6
Quarterly											
2000 Q1	98.5	105.7	106.2	98.3	95.7	94.7	98.8	95.2	94.3	95.0	99.7
Q2	99.0	104.7	105.2	98.7	97.2	96.2	98.5	96.1	95.3	95.5	98.8
Q3	99.3	103.8	104.1	99.1	97.8	97.4	99.3	97.3	96.9	96.5	98.7
Q4	99.6	102.9	103.2	99.2	99.0	99.1	98.9	99.3	99.4	97.8	98.7
2001 Q1	99.8	101.9	101.9	99.8	100.0	100.3	99.7	100.5	100.8	99.2	98.6
Q2	100.0	100.8	100.8	99.9	99.5	99.2	99.5	98.9	98.6	99.7	100.6
Q3	100.0	99.4	99.3	100.1	100.5	100.6	100.0	99.9	99.9	100.3	99.9
Q4	100.2	98.0	97.9	100.3	99.9	99.9	100.7	100.8	100.7	100.8	101.0
2002 Q1	100.4	96.8	96.9	100.4	101.0	100.7	100.9	100.6	100.6	101.7	101.0
Q2	100.3	95.8	95.7	100.7	101.9	100.6	101.8	102.3	101.2	102.8	102.7
Q3	100.3	94.4	94.2	101.6	103.2	103.5	102.1	103.1	103.3	102.3	100.6
Q4	100.4	93.1	92.9	101.7	104.3	103.8	102.4	102.0	101.6	103.2	101.2
2003 Q1	100.6	92.0	91.9	101.8	105.7	105.3	102.3	103.1	102.8	103.7	101.1
Q2	100.7	91.1	90.8 [†]	102.1	106.6	106.8	102.7	105.9	106.0	104.0	99.5 [†]
Q3	100.8	90.2	89.9	103.0	108.1	108.5	103.6	106.6	107.3	104.5	99.0
Q4	100.9	89.3	89.2	103.8	109.3	110.0	105.2	109.0	109.9	104.5	98.6
2004 Q1	101.1	88.5	88.5	104.3	109.7	110.4	104.8	109.3	110.2	105.7	99.7
Monthly											
2003 Jan	..	..	92.3	..	..	104.4	..	..	..	..	101.1
Feb	..	..	91.8	..	..	105.5	..	..	..	..	100.6
Mar	..	..	91.5	..	..	106.0	..	..	..	..	101.7
Apr	..	..	91.1	..	..	106.4	..	..	..	..	99.3 [†]
May	..	..	90.8 [†]	106.7	..	..	..	..	99.8
Jun	..	..	90.6	..	..	107.2	..	..	..	..	99.5
Jul	..	..	90.3	..	..	108.3	..	..	..	..	98.9
Aug	..	..	89.8	..	..	108.3	..	..	..	..	99.1
Sep	..	..	89.6	..	..	109.0	..	..	..	..	98.9
Oct	..	..	89.4	..	..	110.0	..	..	..	..	98.3
Nov	..	..	89.1	..	..	109.8	..	..	..	..	98.9
Dec	..	..	88.9	..	..	110.2	..	..	..	..	98.7
2004 Jan	..	..	88.7	..	..	110.6	..	..	..	..	98.8
Feb	..	..	88.5	..	..	110.2	..	..	..	..	99.8
Mar	..	..	88.3	..	..	110.6	..	..	..	..	100.6
Apr	..	..	87.9	..	..	111.9 [†]	99.0
May	..	..	87.7	..	..	112.8	..	..	..	..	98.5

Percentage change, quarter on corresponding quarter of previous year

Quarterly	LNNO	LNNR	LNNs	LNNP	LNNT	LNNU	LZVD	LZVM	LZVH	LOJE	LOJF
2001 Q1	1.2	-3.6	-4.1	1.5	4.5	6.0	0.9	5.6	7.0	4.4	-1.2
Q2	1.0	-3.8	-4.1	1.2	2.4	3.1	1.1	2.8	3.4	4.4	1.8
Q3	0.7	-4.2	-4.6	0.9	2.7	3.3	0.7	2.7	3.0	3.9	1.2
Q4	0.6	-4.8	-5.1	1.1	1.0	0.8	1.9	1.5	1.3	3.1	2.3
2002 Q1	0.6	-4.9	-4.9	0.6	1.0	0.3	1.2	0.1	-0.2	2.5	2.5
Q2	0.3	-4.9	-5.1	0.8	2.4	1.4	2.3	3.5	2.7	3.1	2.1
Q3	0.2	-5.1	-5.2	1.5	2.8	2.9	2.1	3.2	3.4	2.0	0.7
Q4	0.2	-5.0	-5.1	1.5	4.4	3.9	1.6	1.2	0.9	2.4	0.2
2003 Q1	0.2	-5.0	-5.2	1.3	4.6	4.6	1.4	2.5	2.2	2.1	0.1
Q2	0.4	-4.9	-5.1	1.4	4.6	6.1	0.8	3.5	4.7	1.2	-3.1 [†]
Q3	0.5	-4.5	-4.5	1.3	4.7	4.9	1.5	3.4	3.9	2.1	-1.6
Q4	0.5	-4.0	-4.1	2.1	4.7	6.0	2.8	6.9	8.2	1.2	-2.5
2004 Q1	0.5	-3.8	-3.7	2.5	3.8	4.9	2.4	6.0	7.2	1.9	-1.4

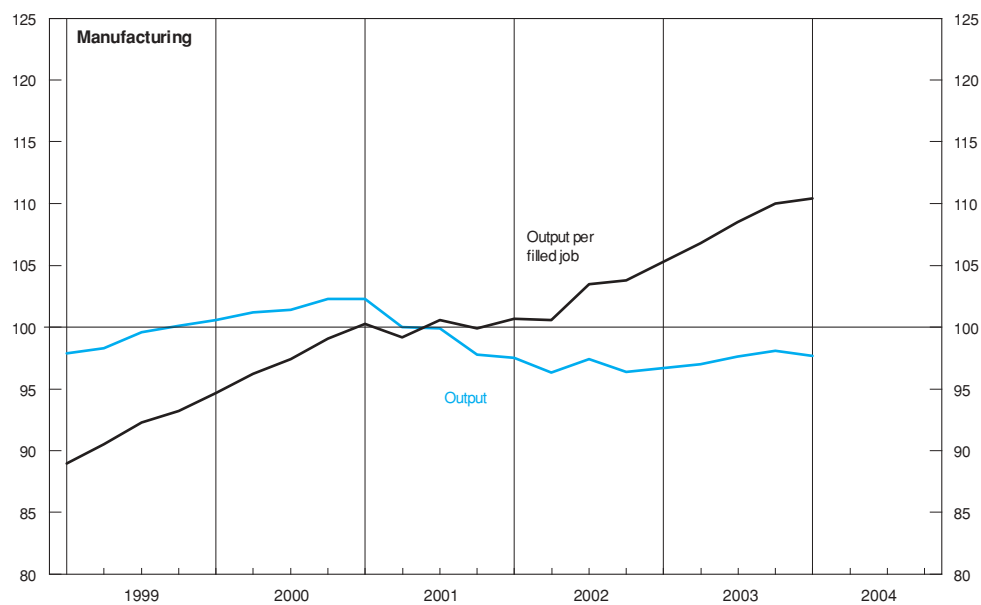
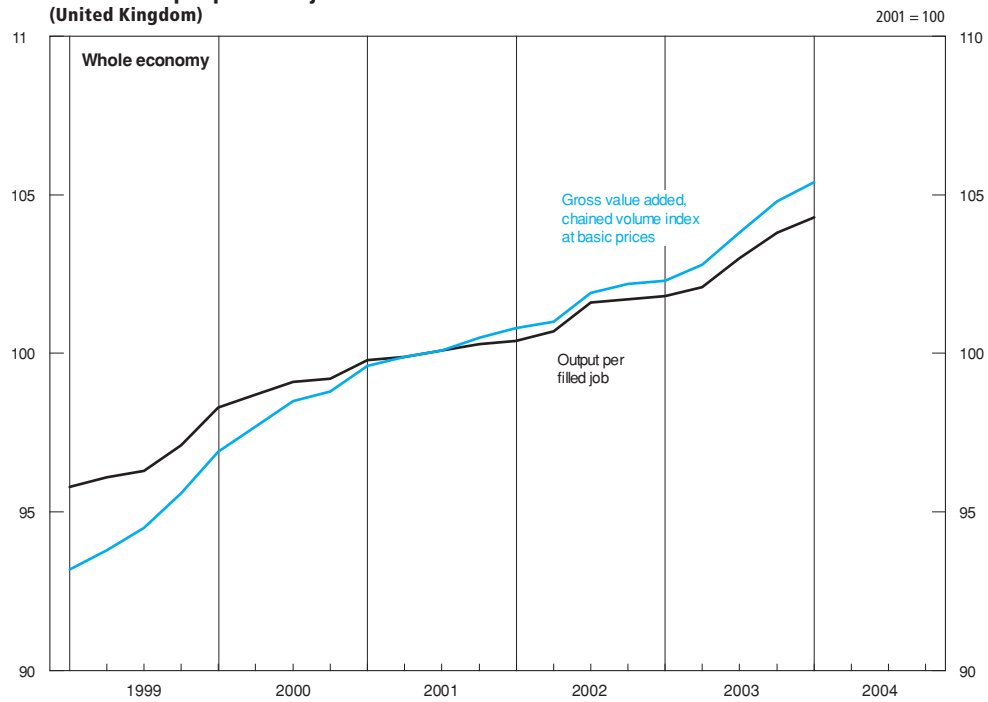
¹ The full productivity and unit wage costs data sets with associated articles can be found on the National Statistics web site at www.statistics.gov.uk/productivity
Contact the Labour Market Statistics helpline (020 7533 6094) for further information.

² Output per filled job is the ratio of Gross value added at basic prices to productivity jobs.

³ Output per hour worked is the ratio of Gross value added at basic prices to productivity hours.

Source: Office for National Statistics; Enquiries 01633 812766

**Index of Output per filled job
(United Kingdom)**



5.1 Output of production industries¹

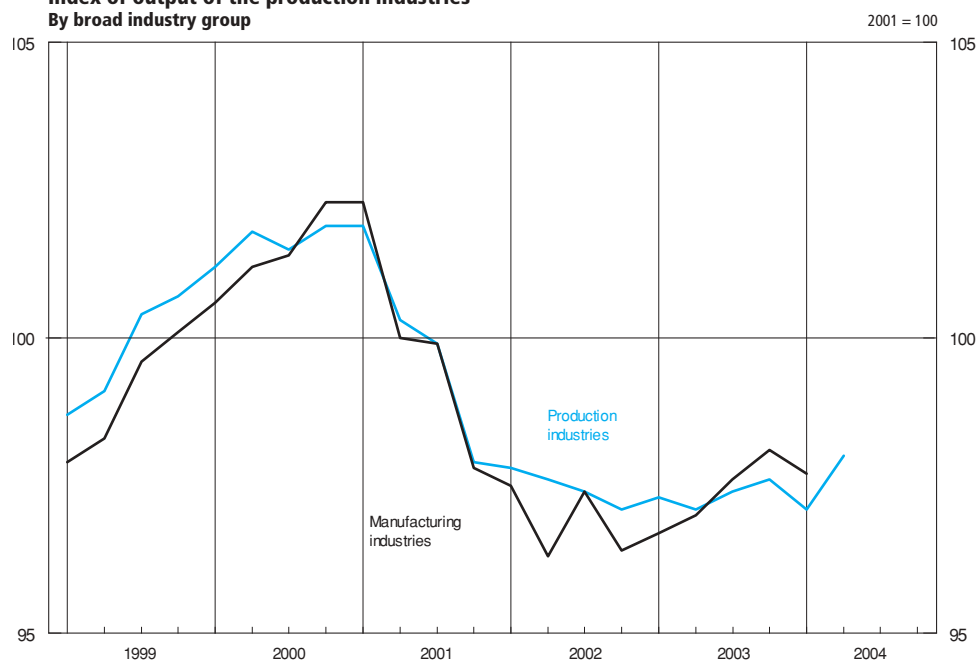
2001 = 100

	Broad industry groups				By main industrial groupings			
	Total production industries+	Mining and quarrying	Electricity, gas and water supply	Total manufacturing industries+	Consumer durables	Consumer non-durables	Capital goods	Intermediate goods and energy
<i>2001 weights</i>	<i>1 000</i>	<i>122</i>	<i>87</i>	<i>791</i>	<i>37</i>	<i>274</i>	<i>211</i>	<i>478</i>
Annual	CKYW	CKYX	CKYZ	CKYY	UFIU	UFJS	UFIL	JMOH
1999	99.7	109.3	95.6	98.9	96.0	98.4	98.1	101.6
2000	101.6	105.8	97.7	101.4	97.5	98.8	101.6	103.5
2001	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2002	97.5	99.7	99.5	96.9	101.3	100.0	92.2	98.1
2003	97.4	94.3	101.7	97.3	99.6	100.0	95.0	96.7
Quarterly								
1999 Q1	98.7	108.2	94.7	97.9	93.9	97.3	96.2	101.1
Q2	99.1	109.3	94.8	98.3	94.9	98.2	96.9	101.0
Q3	100.4	110.6	96.1	99.6	97.1	99.0	99.2	102.0
Q4	100.7	109.0	96.9	100.1	98.0	99.1	99.9	102.2
2000 Q1	101.2	109.9	96.4	100.6	97.9	99.1	99.8	103.3
Q2	101.8	108.3	98.7	101.2	97.5	99.2	101.1	103.9
Q3	101.5	104.6	97.6	101.4	97.3	98.6	101.7	103.5
Q4	101.9	100.4	98.0	102.3	97.5	98.3	103.9	103.3
2001 Q1	101.9	99.0	101.7	102.3	100.9	100.0	105.0	101.6
Q2	100.3	101.6	100.6	100.0	99.5	99.6	100.0	100.8
Q3	99.9	100.5	99.4	99.9	99.3	100.3	99.6	99.8
Q4	97.9	98.8	98.3	97.8	100.2	100.1	95.4	97.8
2002 Q1	97.8	99.5	98.0	97.5	102.5	100.6	92.8	98.1
Q2	97.6	104.7	98.9	96.3	100.8	100.0	91.5	98.7
Q3	97.4	95.2	100.8	97.4	100.5	100.7	92.7	97.4
Q4	97.1	99.3	100.4	96.4	101.4	98.8	92.0	98.1
2003 Q1	97.3	98.9	100.2	96.7	98.5	99.4	93.3	97.7
Q2	97.1	95.5	100.4	97.0	99.2	99.6	94.7	96.6
Q3	97.4	93.0	102.5	97.6	100.2	100.5	95.5	96.3
Q4	97.6	90.0	103.8	98.1	100.3	100.5	96.4	96.3
2004 Q1	97.1	89.3	102.5	97.7	100.8	100.0	94.6	96.3
Q2	98.0	..	..	..	..	..	..	..
Monthly								
2002 Jan	97.9	101.3	99.8	97.2	101.9	99.3	93.0	98.9
Feb	97.7	98.4	95.0	97.8	102.3	101.7	92.4	97.3
Mar	97.9	98.9	99.1	97.6	103.3	100.6	93.1	98.0
Apr	98.3	101.1	97.4	98.0	103.9	101.3	93.0	98.6
May	99.6	106.9	100.7	98.4	102.7	100.9	94.9	100.7
Jun	94.8	106.0	98.8	92.6	95.7	97.7	86.6	96.7
Jul	97.1	93.1	103.0	97.0	99.1	100.7	91.5	97.3
Aug	97.6	92.6	101.4	98.0	101.4	100.9	94.4	96.9
Sep	97.7	100.0	98.1	97.2	101.0	100.6	92.1	98.1
Oct	96.7	99.9	99.3	95.9	100.4	98.7	90.9	97.9
Nov	97.1	98.6	98.6	96.7	102.1	99.1	91.9	97.8
Dec	97.6	99.4	103.1	96.7	101.8	98.6	93.2	98.7
2003 Jan	96.9	98.2	100.0	96.3	100.0	98.7	92.7	97.4
Feb	97.7	99.9	102.1	96.9	98.0	99.6	93.6	98.4
Mar	97.2	98.5	98.4	96.9	97.4	100.0	93.5	97.3
Apr	96.9	95.0	99.2	97.0	98.9	98.9	95.7	96.2
May	97.1	95.4	100.2	97.0	98.4	100.2	93.9	96.6
Jun	97.4	96.1	101.9	97.1	100.2	99.5	94.6	97.2
Jul	97.9	96.4	101.2	97.8	101.4	100.5	95.8	97.1
Aug	97.1	92.0	102.6	97.3	99.4	100.5	94.4	96.2
Sep	97.3	90.5	103.6	97.6	99.9	100.4	96.2	95.7
Oct	98.1	91.3	105.3	98.3	100.1	101.3	96.5	96.8
Nov	97.3	89.9	102.6	97.9	101.4	99.8	96.6	95.9
Dec	97.4	89.0	103.5	98.1	99.5	100.3	96.2	96.2
2004 Jan	97.3	89.6	101.7	98.1	100.2	100.1	95.1	96.5
Feb	96.8	88.0	103.0	97.5	101.1	99.7	94.3	95.9
Mar	97.1	90.4	102.8	97.6	100.9	100.1	94.6	96.3
Apr	97.8	90.6 [†]	102.8 [†]	98.4 [†]	102.9 [†]	100.3 [†]	95.8 [†]	96.8 [†]
May	98.3	91.6	102.7	98.9	103.2	99.4	98.1	97.5

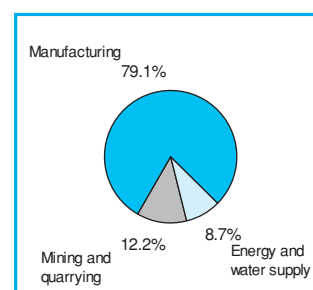
1 The figures contain, where appropriate, an adjustment for stock changes.

Source: Office for National Statistics; Enquiries 01633 812059

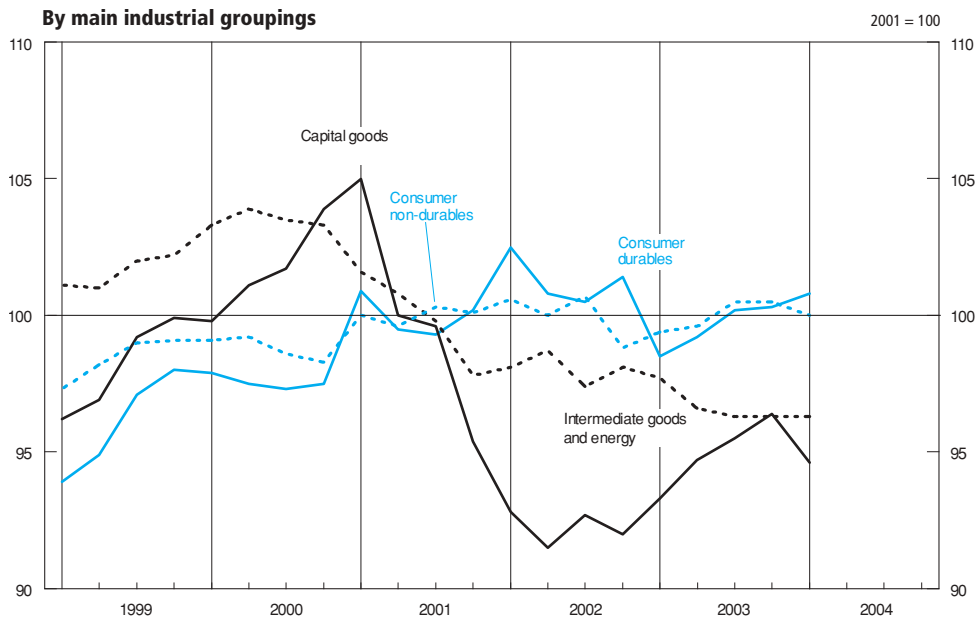
Index of output of the production industries
By broad industry group



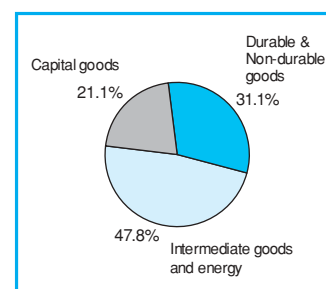
Share of output in 2001



By main industrial groupings



Share of output in 2001



5.2 Engineering and construction : output and orders

Seasonally adjusted Index numbers at constant prices¹

	Engineering (2000 =100)									Construction(GB) ⁵ (2000=100)	
	Total			Home			Export			Gross output+ ⁴	Orders received
	Orders ² on Hand	New ³ Orders	Turnover	Orders ² on Hand	New ³ Orders	Turnover	Orders ² on Hand	New ³ Orders	Turnover		
Annual											
	JIQI	JIQH	JIQJ	JIQC	JIQB	JIQD	JIQF	JIQE	JIQG	SFZX	SGAA
1999	92.0	91.8	91.9	92.8	94.2	93.5	90.8	88.6	89.9	99.5	98.4
2000	103.4	100.0	100.0	104.9	100.0	100.0	100.8	100.0	100.0	100.0	100.0
2001	94.4	89.5	95.3	104.6	94.5	98.4	77.2	82.9	91.2	102.0	99.5
2002	91.7	80.4	84.1	104.2	87.3	91.1	70.5	71.2	74.8	106.3	102.5
2003	92.4	80.8	83.5	109.2	91.2	93.7	63.9	66.7	70.1	111.0	97.8
Quarterly											
1999 Q1	83.1	88.6	90.2	79.9	88.5	91.1	88.5	88.6	89.0	99.5	100.8
Q2	82.4	86.8	90.6	80.6	88.7	91.3	85.3	84.2	89.8	97.9	100.4
Q3	86.8	95.0	93.0	85.3	98.1	95.9	89.3	90.8	89.0	100.3	95.9
Q4	92.0	96.9	93.9	92.8	101.5	95.6	90.8	90.8	91.7	100.1	96.4
2000 Q1	96.2	95.9	94.1	96.6	96.2	95.1	95.7	95.5	92.8	102.4	97.5
Q2	100.6	101.6	99.9	100.2	101.0	100.3	101.3	102.4	99.3	99.4	106.9
Q3	102.7	100.7	101.5	101.8	99.2	101.0	104.4	102.8	102.2	98.3	102.1
Q4	103.4	101.8	104.5	104.9	103.6	103.6	100.8	99.4	105.7	99.9	93.5
2001 Q1	104.4	102.1	104.4	106.2	102.2	104.7	101.3	102.0	104.2	101.2	108.4
Q2	102.0	91.0	97.1	108.2	97.8	99.0	91.3	81.9	94.5	101.3	95.6
Q3	99.9	86.6	92.0	107.6	91.5	96.0	86.9	79.9	86.6	102.1	103.6
Q4	94.4	78.5	87.8	104.6	86.4	93.9	77.2	67.8	79.6	103.5	90.5
2002 Q1	95.1	82.1	84.4	105.5	87.9	90.8	77.4	74.2	76.0	105.3	107.6
Q2	93.9	80.2	84.4	105.8	88.1	91.3	73.8	69.6	75.1	104.7	90.7
Q3	93.7	81.5	84.6	106.2	88.5	91.7	72.6	72.2	75.2	106.8	109.2
Q4	91.7	77.9	83.0	104.2	84.5	90.7	70.5	69.0	72.9	108.5	102.5
2003 Q1	90.4	77.9	82.9	102.8	87.3	94.1	69.4	65.4	68.1	105.6	104.7
Q2	91.7	82.2	83.5	104.8	92.4	93.5	69.5	68.5	70.2	110.4	95.8
Q3	91.6	80.6	83.5	105.9	90.9	93.3	67.4	66.6	70.5	113.3	98.0
Q4	92.4	82.3	84.2	109.2	94.1	93.7	63.9	66.3	71.7	114.9	92.7
2004 Q1	92.5	78.4	81.0	108.4	84.0	88.2	65.5	71.1	71.4	115.1	107.5 [†]
Monthly											
2002 Jan	94.7	81.5	84.1	104.3	84.2	90.0	78.5	78.0	76.3	..	94.1
Feb	95.9	85.7	84.3	105.6	92.1	90.7	79.5	77.2	75.9	..	104.3
Mar	95.1	79.0	84.8	105.5	87.5	91.6	77.4	67.5	75.7	..	124.4
Apr	94.7	81.4	85.6	105.4	89.1	93.3	76.7	71.2	75.3	..	82.5
May	94.3	82.5	87.0	105.9	92.5	94.1	74.6	69.2	77.5	..	96.0
Jun	93.9	76.6	80.6	105.8	82.8	86.6	73.8	68.3	72.6	..	93.6
Jul	94.4	83.8	84.8	106.0	88.3	91.0	74.8	77.8	76.6	..	113.1
Aug	94.8	81.9	83.6	107.9	95.2	91.6	72.5	64.1	73.0	..	100.2
Sep	93.7	78.8	85.4	106.2	82.0	92.4	72.6	74.6	76.1	..	114.4
Oct	93.9	80.5	82.5	105.5	83.5	89.8	74.4	76.5	72.9	..	93.2
Nov	91.3	71.1	83.0	102.7	76.1	90.2	71.9	64.4	73.6	..	92.5
Dec	91.7	82.0	83.4	104.2	94.0	92.0	70.5	66.0	72.1	..	121.9
2003 Jan	91.6	78.8	84.0	102.5	81.9	95.9	73.1	74.5	68.3	..	110.6
Feb	91.2	79.1	83.3	103.1	93.9	95.2	70.9	59.3	67.5	..	112.9
Mar	90.4	75.9	81.5	102.8	86.1	91.2	69.4	62.4	68.6	..	90.5
Apr	93.9	93.4	83.9	108.0	110.5	94.2	70.0	70.4	70.4	..	111.7
May	92.6	76.5	83.9	106.0	83.4	95.0	69.9	67.3	69.3	..	89.5
Jun	91.7	76.8	82.6	104.8	83.4	91.4	69.5	67.8	70.9	..	86.2
Jul	92.3	83.9	84.8	104.8	90.9	95.1	71.1	74.4	71.3	..	111.1
Aug	92.2	79.5	82.3	106.4	94.2	91.8	68.3	59.7	69.8	..	80.7
Sep	91.6	78.3	83.3	105.9	87.5	93.0	67.4	65.8	70.4	..	102.3
Oct	92.2	84.1	85.1	106.9	95.7	95.6	67.1	68.5	71.1	..	87.3
Nov	94.5	88.8	83.5	111.0	105.4	93.5	66.4	66.4	70.2	..	102.7
Dec	92.4	73.9	84.1	109.2	81.2	91.9	63.9	64.1	73.8	..	88.2
2004 Jan	94.1	85.2	81.6	109.8	89.2	89.5	67.4	79.9	71.1	..	90.2 [†]
Feb	91.3	68.1	80.7	106.9	72.6	87.2	64.8	62.1	72.1	..	122.4
Mar	92.5	82.0	80.6	108.4	90.1	87.9	65.5	71.3	71.0	..	109.8
Apr	90.7 [†]	73.6 [†]	82.1 [†]	104.7 [†]	72.4 [†]	88.2 [†]	67.1 [†]	75.2 [†]	74.0 [†]	..	104.8
May	91.4	82.4	83.0	104.4	85.3	89.9	69.2	78.5	74.0	..	114.6

1 The figures shown represent the output of United Kingdom based manufacturers classified to Subsections DK and DL of the Standard Industrial Classification (2003).

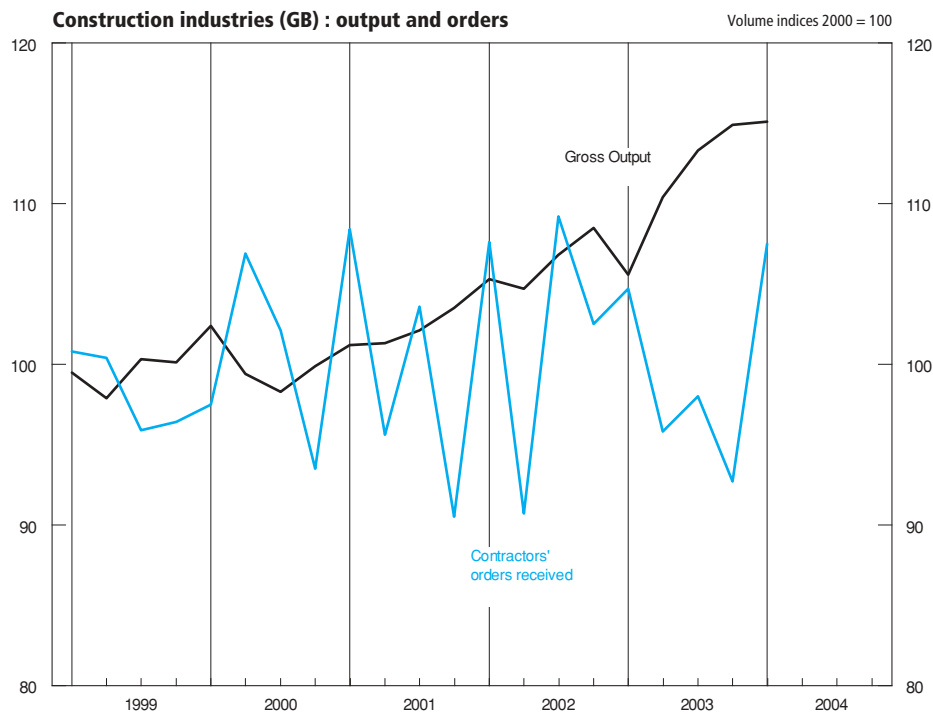
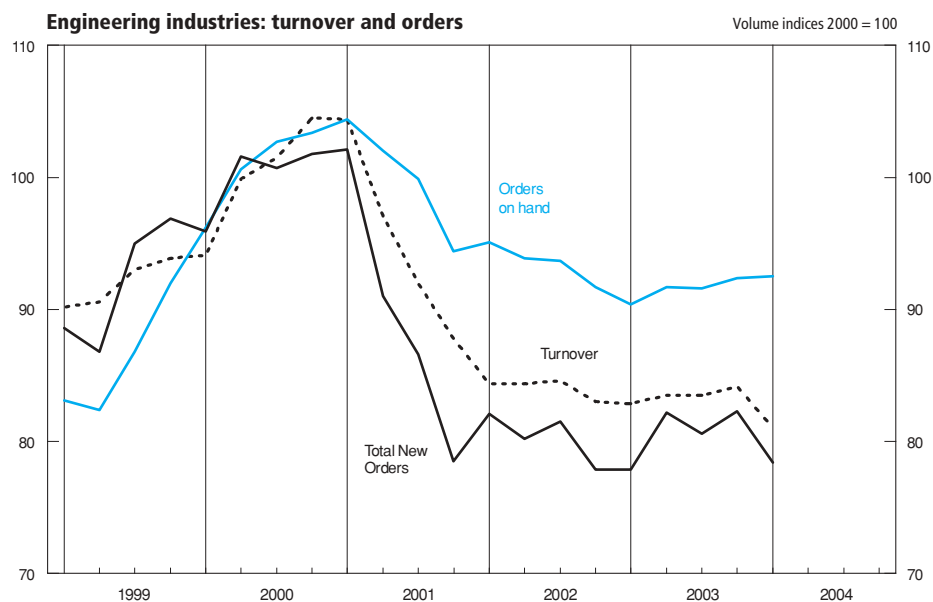
2 For Orders on Hand, the annual and quarterly index values represent the value at the end of the period in question, rather than the average value for that period, so the annual value shown for 2000 may not equal 100.

3 Net of cancellations.

4 This index is based upon a gross output series which includes repair and maintenance estimates, unrecorded output by self-employed workers and small firms and output by the direct labour departments of the public sector.

5 Data are subject to revisions following changes to the deflation methodology.

Sources: Office for National Statistics; Enquiries Columns 1-9 01633 812540; Department of Trade and Industry; Enquiries Columns 10-11 020 7944 5583



5.3 Motor vehicle and steel production

	Passenger cars ¹				Commercial vehicles ¹				Crude steel production (NSA) ² (thousand tonnes)
	Not seasonally adjusted		Seasonally adjusted ⁴		Not seasonally adjusted		Seasonally adjusted ⁴		
	Total production (thousands)	of which for export (thousands)	Total production (thousands)	of which for export (thousands)	Total production (thousands)	of which for export (thousands)	Total production (thousands)	of which for export (thousands)	
Annual	FFAA	FFAB	FFAO	FFAP	FFAC	FFAD	FFAQ	FFAR	BCBS
1999	148.9	94.9	148.9	94.9	15.5	6.2	15.5	6.2	16 283.8
2000	136.8	88.6	136.8	88.6	14.3	6.3	14.4	6.3	15 154.6
2001	124.4	74.5	124.4	74.5	16.1	8.0	16.1	8.0	13 542.7
2002	135.7	87.3	135.8	87.3	15.9	9.5	15.9	9.5	11 667.1
2003	138.1	95.3	138.1	95.3	15.7	8.6	15.7	8.6	13 128.4
Quarterly									
1999 Q1	153.5	97.6	142.8	93.6	17.8	7.5	16.7	6.9	4 126.5
Q2	149.6	97.7	144.8	91.7	16.8	6.6	16.0	6.3	4 376.9
Q3	135.9	76.7	149.7	94.6	12.1	4.4	14.3	5.5	4 054.9
Q4	156.5	107.5	158.3	99.6	15.3	6.4	15.0	6.2	3 725.5
2000 Q1	164.8	105.0	151.8	100.4	16.7	8.4	15.3	7.8	4 442.5
Q2	144.4	97.6	140.9	91.5	17.3	8.2	16.7	7.9	4 019.8
Q3	111.7	63.2	126.2	79.1	9.5	3.5	11.9	4.6	3 288.7
Q4	126.3	88.6	128.2	83.3	13.7	5.2	13.6	5.0	3 403.6
2001 Q1	129.0	75.5	119.8	73.0	17.2	6.6	15.6	6.0	3 651.7
Q2	124.1	76.5	119.5	70.9	16.6	7.7	15.4	7.2	3 729.6
Q3	111.9	61.0	125.2	75.3	14.5	7.4	17.9	9.3	3 205.5
Q4	132.4	85.1	133.0	78.9	16.1	10.3	15.4	9.5	2 955.9
2002 Q1	149.9	85.0	138.8	82.0	16.7	8.4	15.2	7.9	3 046.3
Q2	133.5	94.0	128.3	85.4	14.8	9.4	14.2	9.0	3 060.0
Q3	130.6	80.7	146.8	98.2	14.9	9.3	17.6	11.1	2 801.9
Q4	128.7	89.3	129.4	83.5	17.3	10.9	16.8	10.1	2 758.9
2003 Q1	141.4	91.5	131.7	88.3	16.5	9.3	15.1	8.9	3 081.0
Q2	144.4	101.3	138.9	93.5	15.5	8.3	14.8	8.0	3 258.7
Q3	130.4	85.8	143.6	102.0	13.4	6.9	15.6	8.1	3 264.3
Q4	136.2	102.7	138.2	97.4	17.6	9.7	17.4	9.2	3 524.4
2004 Q1	148.5	101.2	135.4	96.5	19.3	10.4	17.8	9.9	3 380.7
Q2	142.7	102.3	137.5	95.1	16.9	11.2	16.6	10.9	3 668.2
Monthly									
2002 Jan	154.4	84.9	144.5	83.2	16.7	8.4	15.0	8.4	1 119.7
Feb	147.6	81.8	140.5	84.4	17.4	7.4	15.9	7.0	960.5
Mar	147.8	88.4	131.3	78.4	15.9	9.5	14.6	8.3	966.1
Apr	129.5	93.6	136.7	90.7	16.5	11.1	16.2	10.3	1 003.4
May	158.2	109.5	145.0	90.6	15.8	9.9	15.8	9.9	1 204.9
Jun	112.8	78.9	103.2	74.8	12.2	7.3	10.5	6.7	851.7
Jul	134.5	84.9	134.9	89.9	15.2	9.9	16.2	10.7	1 082.0
Aug	112.8	67.0	170.4	118.5	9.8	6.1	17.8	11.1	805.4
Sep	144.5	90.3	135.1	86.3	19.8	11.9	18.7	11.5	914.5
Oct	149.7	98.0	133.8	84.4	19.8	12.5	17.9	11.2	1 116.5
Nov	138.8	98.7	129.3	84.0	18.8	11.2	17.0	9.7	846.0
Dec	97.5	71.2	125.2	82.2	13.4	9.0	15.6	9.4	796.4
2003 Jan	136.1	85.8	127.4	82.2	15.8	8.3	14.8	8.7	1 095.5
Feb	136.3	86.2	130.6	89.4	16.3	8.9	15.0	8.8	983.0
Mar	151.9	102.4	137.1	93.2	17.3	10.7	15.5	9.2	1 002.5
Apr	144.8	100.8	148.9	96.3	14.6	8.0	14.7	8.1	1 218.8
May	133.1	97.6	127.8	86.8	14.0	7.5	14.4	7.6	1 023.3
Jun	155.4	105.6	140.1	97.3	18.0	9.5	15.4	8.4	1 016.6
Jul	146.3	93.1	144.5	100.7	15.2	7.6	16.1	8.6	1 245.8
Aug	91.4	57.5	143.9	103.6	7.8	3.8	15.2	7.3	977.8
Sep	153.5	106.8	142.4	101.8	17.1	9.2	15.6	8.5	1 040.7
Oct	153.4	113.8	137.0	96.6	16.8	9.5	15.6	8.6	1 198.0
Nov	142.9	110.5	137.9	100.7	19.0	9.8	17.6	9.0	1 117.8
Dec	112.4	83.8	139.7	94.8	17.0	9.9	18.9	10.1	1 208.6
2004 Jan	141.3	96.4	134.6	97.2	20.5	9.6	19.7	9.8	1 009.3
Feb	141.1	93.0	132.3	94.8	17.3	10.0	16.2	9.7	1 024.9
Mar	163.1	114.3	139.3	97.4	20.2	11.7	17.5	10.1	1 346.5
Apr	129.6	95.7	136.0 [†]	93.1 [†]	15.7	10.1	16.2 [†]	10.5 [†]	1 155.5 [†]
May	143.1	102.3	140.6	94.8	16.9	11.9	17.7	11.7	1 160.7
Jun	155.5	109.0	135.8	97.3	18.2	11.6	15.9	10.6	1 352.0 ^{*3}

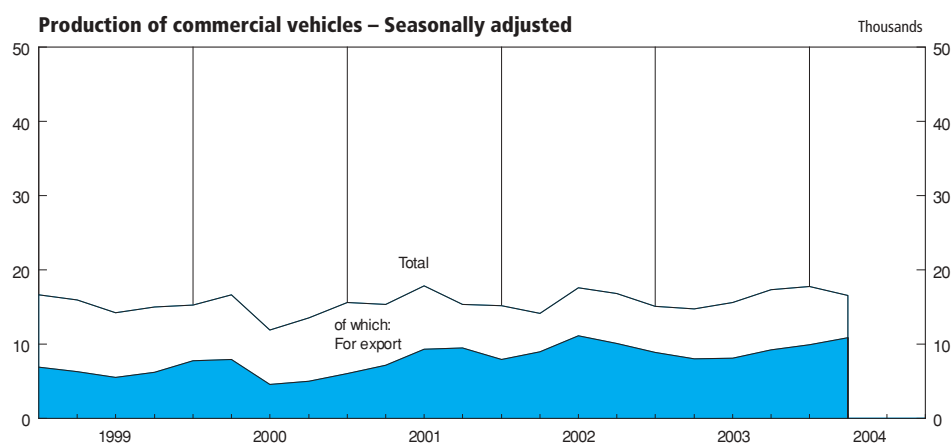
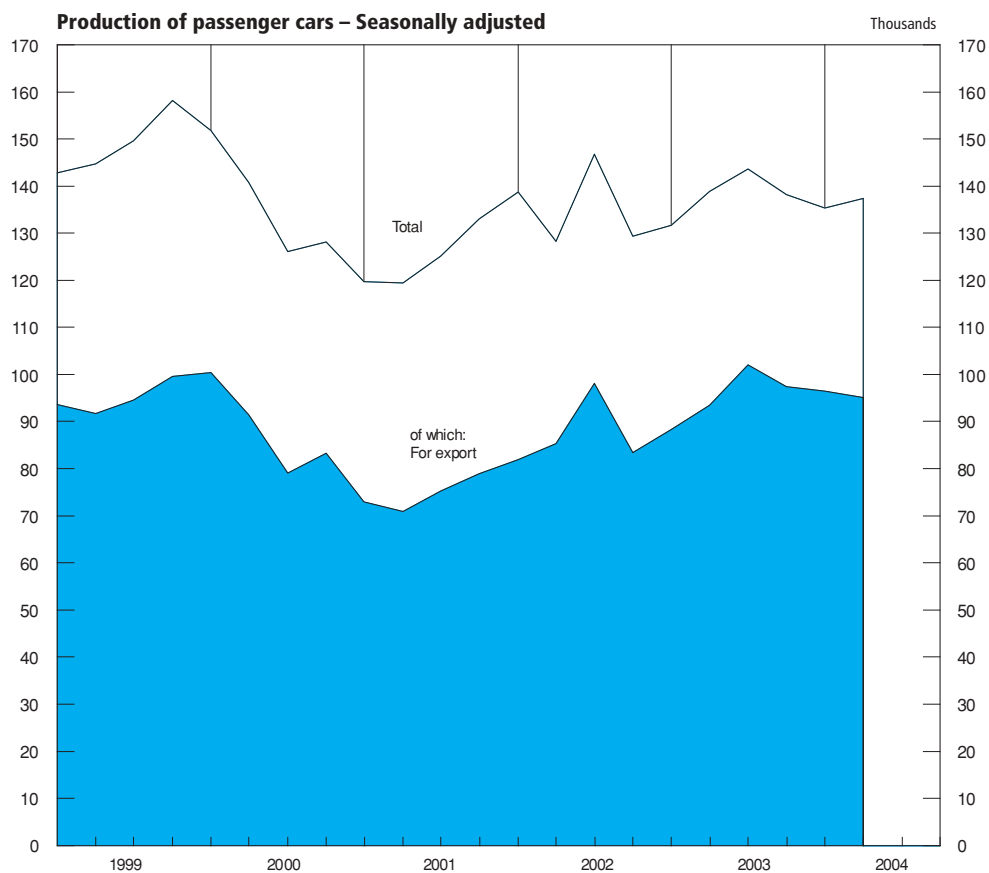
1 Annual and quarterly figures are monthly averages.

2 The totals are for 'usable steel' in accordance with the system used by the EC and the ISI, but in a change from previous publications, figures are actual production totals based on a four or five week period (not seasonally adjusted).

3 Provisional.

4 A seasonally adjusted series, based on the seasonal patterns of production from January 1999, has now been re-introduced. This affects the series from January 1999 only. Earlier data is based on previous production patterns.

Sources: Office for National Statistics; Enquiries Columns 1-8 01633 812810; ISSB Ltd; Enquiries Column 9 020 7343 3900



5.4 Indicators of fixed investment in dwellings

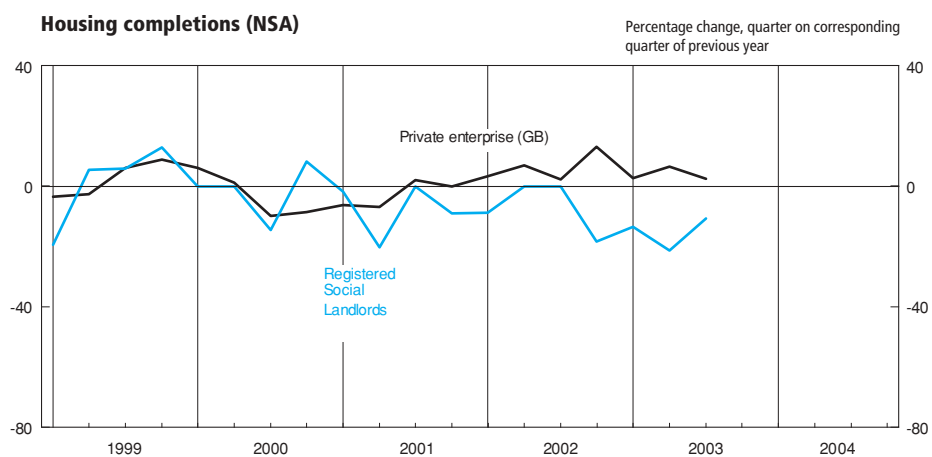
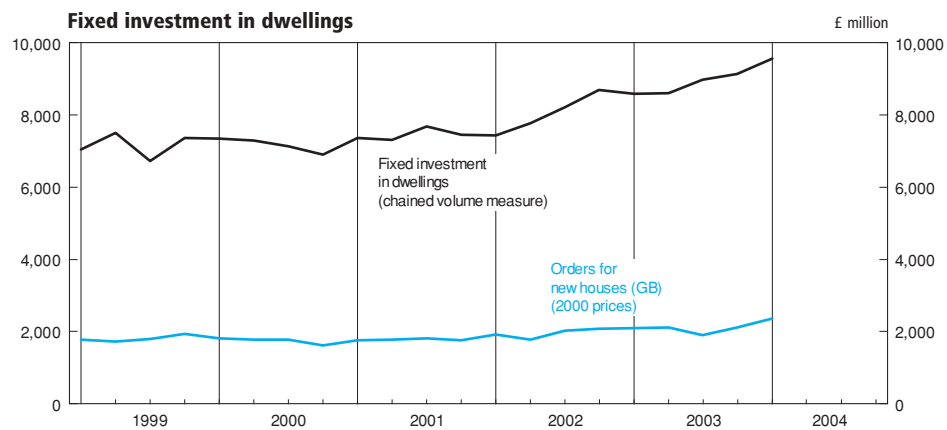
	Fixed investment in dwellings (£ million, chained volume measures, reference year 2001)	Orders received by contractors for new houses (GB) (£ million, 2000 prices)	Housing starts (NSA) ¹ (GB)+			Housing completions (NSA) ¹ (GB)+			Mix-adjusted price of new dwellings at mortgage completion stage (NSA) ³ (£)
			Private enterprise (thousands)	Registered Social Landlords ² (thousands)	Local Authorities (thousands)	Private enterprise (thousands)	Registered Social Landlords ² (thousands)	Local Authorities (thousands)	
Annual	DFEG	SGAB	FCAB	CTOR	CTOV	FCAD	CTOT	CTOX	WMPS
1999	28 649	7 247	156.8	21.5	0.4	149.2	23.3	0.2	114 279
2000	28 672	6 995	158.3	18.9	0.3	144.3	22.9	0.3	127 728
2001	29 806	7 122	162.7	16.9	0.3	140.4	21.1	0.5	134 234
2002	32 139	7 805	164.8	16.3	0.2	149.5	19.5	0.3	161 533
2003	35 324	8 219	..	..	..	..	..	..	186 485
Quarterly									
1999 Q1	7 049	1 787	40.4	5.7	0.1	32.7	5.8	—	107 241
Q2	7 516	1 734	41.2	5.8	0.1	36.6	5.9	0.1	112 711
Q3	6 723	1 792	39.7	5.4	0.1	38.9	5.5	—	115 789
Q4	7 361	1 933	35.4	4.7	0.1	41.0	6.1	0.1	118 699
2000 Q1	7 343	1 822	43.2	5.2	0.1	34.7	5.8	—	118 944
Q2	7 295	1 787	42.8	4.9	0.1	37.0	5.9	0.1	125 917
Q3	7 137	1 773	41.2	4.3	0.1	35.1	4.7	0.1	130 215
Q4	6 897	1 614	31.1	4.5	0.1	37.5	6.6	0.1	135 936
2001 Q1	7 365	1 767	39.2	5.7	0.2	32.5	5.7	0.3	130 771
Q2	7 305	1 772	43.8	4.3	—	34.5	4.7	0.1	130 774
Q3	7 680	1 822	43.4	3.3	—	35.8	4.7	0.1	135 507
Q4	7 456	1 761	36.3	3.7	0.1	37.5	6.0	0.1	137 368
2002 Q1	7 435	1 916	41.7	5.5	0.1	33.6	5.2	—	143 996
Q2	7 781	1 782	42.6	3.8	0.1	36.9	4.7	0.2	157 646
Q3	8 222	2 031	44.0	3.4	—	36.6	4.7	—	164 293
Q4	8 701	2 075	36.4	3.6	—	42.4	4.9	—	173 254
2003 Q1	8 588	2 095	44.1	5.0	0.1	34.5	4.5	0.1	175 947
Q2	8 615	2 108	46.7	4.2	0.1	39.3	3.7	0.1	187 676
Q3	8 983	1 894	44.7	3.8	—	37.5	4.2	—	193 373
Q4	9 138	2 123	..	..	..	..	..	..	194 276
2004 Q1	9 567	2 357 [†]	195 426
Monthly									
2002 Jul	..	684	..	..	..	..	..	..	156 787
Aug	..	725	..	..	..	..	..	..	165 201
Sep	..	623	..	..	..	..	..	..	170 891
Oct	..	669	..	..	..	..	..	..	168 194
Nov	..	671	..	..	..	..	..	..	171 984
Dec	..	735	..	..	..	..	..	..	179 585
2003 Jan	..	789	..	..	..	..	..	..	175 758
Feb	..	650	..	..	..	..	..	..	174 039
Mar	..	655	..	..	..	..	..	..	178 045
Apr	..	757	..	..	..	..	..	..	188 126
May	..	698	..	..	..	..	..	..	187 498
Jun	..	653	..	..	..	..	..	..	187 403
Jul	..	692	..	..	..	..	..	..	186 807
Aug	..	597	..	..	..	..	..	..	191 100
Sep	..	605	..	..	..	..	..	..	188 227
Oct	..	724	..	..	..	..	..	..	195 551
Nov	..	743	..	..	..	..	..	..	189 913
Dec	..	656	..	..	..	..	..	..	194 655
2004 Jan	..	800 [†]	195 238
Feb	..	757	..	..	..	..	..	..	192 165
Mar	..	801	..	..	..	..	..	..	195 426
Apr	..	855	..	..	..	..	..	..	201 796
May	..	693	..	..	..	..	..	..	203 015

1 Monthly data collection ceased after March 2003. Great Britain seasonally adjusted data are no longer updated. Seasonally adjusted data for England are available from the website of the Office of the Deputy Prime Minister: www.odpm.gov.uk

2 Includes registered and non-registered social landlords.

3 Series based on mortgage lending by all financial institutions rather than building societies only, as previously published. This change has been made necessary because of the mergers, takeovers and conversions to plc status affecting the building society sector. The series is based on the Office of the Deputy Prime Ministers' 5% Survey of Mortgage Lenders (at completion stage) up to 2003q2. From 2003q3, quarterly data are based on monthly data from the significantly enlarged Survey of Mortgage Lenders.

Sources: Office for National Statistics; Enquiries Column 1 01633 812537; Department of Trade and Industry; Column 2 020 7944 5583; Office of the Deputy Prime Minister; Columns 3-8 0117 372 8055; Column 9 020 7944 3325



5.5 Number of property transactions¹

Thousands

	Number of property transactions				Number of property transactions		
	Not seasonally adjusted England & Wales	Seasonally adjusted England & Wales ^{4,5}	Not seasonally adjusted England, Wales & N. Ireland		Not seasonally adjusted England & Wales	Seasonally adjusted England & Wales ^{4,5}	Not seasonally adjusted England, Wales & N. Ireland
	FTAP		FTAR				
1999	1 469		1 511	Jul	127	117	130
2000	1 433		1 471	Aug	134	117	137
2001	1 458		1 497	Sep	117	112	121
2002	1 586		1 627	Oct	123	112	127
2003	1 345		1 397	Nov	117	111	121
				Dec	98	114	101
		FTAQ					
1999 Q1	316	345	325	2001 Jan	123	113	127
Q2	342	358	354	Feb	99	117	102
Q3	414	379	425	Mar	105	116	108
Q4	397	388	407	Apr	101	115	105
				May	121	122	126
2000 Q1	367	392	379	Jun	125	125	128
Q2	348	356	356				
Q3	379	346	388	Jul	132	120	135
Q4	339	338	349	Aug	140	125	143
				Sep	124	124	127
2001 Q1	327	346	337	Oct	140	125	143
Q2	347	363	360	Nov	137	131	141
Q3	396	369	405	Dec	110	123	112
Q4	387	379	396				
				2002 Jan	131	120	134
2002 Q1	342	374	351	Feb	108	127	110
Q2	395	410	404	Mar	104	127	106
Q3	457	417	468	Apr	129	135	132
Q4	392	385	404	May	137	140	140
				Jun	129	135	132
2003 Q1	340	361	359				
Q2	306	323	320	Jul	152	134	154
Q3	358	327	369	Aug	166	149	171
Q4	340	333	349	Sep	139	134	144
				Oct	147	131	151
2004 Q1	447	448	457	Nov	127	124	131
Q2	442	456	452	Dec	118	131	122
1999 Jan	112	115	116	2003 Jan	131	121	137
Feb	96	116	99	Feb	103	120	109
Mar	108	115	110	Mar	106	119	113
Apr	110	122	114	Apr	101	113	108
May	106	117	110	May	101	106	105
Jun	126	119	130	Jun	103	105	107
Jul	140	129	144	Jul	132	115	135
Aug	134	125	137	Aug	112	106	116
Sep	140	125	145	Sep	114	106	118
Oct	134	130	137	Oct	120	108	124
Nov	141	129	144	Nov	110	109	113
Dec	122	128	125	Dec	111	116	113
2000 Jan	137	136	140	2004 Jan	157	142	160
Feb	112	128	116	Feb	148	164	152
Mar	118	128	122	Mar	142	142	145
Apr	97	114	100	Apr	140	150	143
May	122	120	126	May	145	152	148
Jun	129	122	130	Jun	157	155	161

1 The figures are based on counts of the relevant administrative forms successfully processed each month. For completions up to and including November 2003 the relevant form was the Particulars Delivered form. Since December 2003 the relevant form is the Land Transaction Return associated with the introduction of Stamp Duty Land Tax (although in December 2003 most forms processed were still Particulars Delivered forms). The count of Land Transaction Return forms is based on the month when the Stamp Duty Land Tax certificate is issued. The figures for the latest two months include estimates for returns where a certificate has been issued but the form was not captured on the database at the time the count was taken. The figures are therefore subject to revision next month.

2 Because of the change in administrative arrangements associated with the introduction of Stamp Duty Land Tax, the figures from December 2003 onwards may not be comparable with the earlier series. In particular Land Transaction Returns in respect of transactions subject to Stamp Duty Land Tax are being submitted more promptly by conveyancers than Particulars Delivered forms in respect of transactions subject to stamp duty. The overhang of particulars delivered forms into the first quarter of 2004 has boosted the total property transactions processed figures in that quarter.

Other reasons for higher figures since the introduction of Stamp Duty Land Tax include (1) there are some types of transaction which require a Land Transaction Return which did not require a Particulars Delivered form and (2) there are higher numbers of registering commercial transactions.

3 Because of the time lags involved, the series above should be lagged by one month to give a broad representation of transactions completed in the month. However this relationship was weaker in the second quarter of 2002, because of the operational pressures in the network of Stamp Offices which delayed the processing of a proportion of property transactions.

4 The Jubilee celebrations meant that the late May bank holiday was taken in June 2002. Seasonal features in the data arising from the May Bank holiday will therefore not automatically be removed by the process of seasonal adjustment. Caution should therefore be taken when interpreting monthly movements involving May or June 2002 data.

5 The sum of seasonally adjusted components does not exactly match the unadjusted (definitive) annual total.

Source: Board of Inland Revenue; Enquiries 020 7438 6314

5.6 Change in inventories

Chained volume measures¹

Reference year 2001, £ million

	Mining and quarrying	Manufacturing industries				Electricity, gas and water supply	Distributive trades			Change in inventories
		Materials and fuel	Work in progress	Finished goods	Total		Wholesale ²	Retail ²	Other industries ³	
Level of inventories at end-December 2003	1115	18 779	16 768	18 827	54 374	754	26 989	25 075	43 256	151 563
Quarterly	FAEA	FBNF	FBNG	FBNH	DHBM	FAEB	FAJX	FBYX	DLWX	CAFU
2000 Q1	-52	123	387	92	586	58	573	651	-549	753
Q2	2	332	-88	103	365	31	407	395	-106	1 329
Q3	-49	259	-77	61	258	64	694	348	364	1 906
Q4	-155	-66	281	169	367	82	86	-14	601	1 274
2001 Q1	63	-651	325	-133	-459	-214	565	-130	1 255	1 080
Q2	-45	-200	330	224	354	190	-76	-160	1 316	1 579
Q3	93	352	271	32	655	88	519	229	405	1 989
Q4	-15	93	-413	45	-275	-15	-299	1 075	1 070	1 541
2002 Q1	19	84	-92	17	9	-65	-119	316	834	994
Q2	-50	2	-323	-41	-362	111	625	414	-1 362	-624
Q3	14	22	274	-75	221	-77	290	471	-223	696
Q4	-13	-203	-181	-408	-792	-192	-133	393	2 184	1 447
2003 Q1	-41	-68	-78	44	-102	2	98	224	1 031	1 212
Q2	42	-74	-62	178	42	-42	-28	630	-1 158	-514
Q3	-95	44	12	503	559	-51	139	499	-680	371
Q4	-19	-209	-415	-315	-939	-2	260	238	1 860	1 398
2004 Q1	36	30	517	-184	363	162	-228	459	-133	659

1 Estimates are given to the nearest £ million but cannot be regarded as accurate to this degree.

2 Wholesaling and retailing estimates exclude the motor trades.

3 Quarterly alignment adjustment included in this series. For description see notes to the *Economic Trends Annual Supplement*. For details of adjustments, see notes section in the Sector and Financial Accounts article in *UK Economic Accounts*.

Sources: Office for National Statistics; Enquiries Columns 1-8 01633 812351; Columns 9-10 020 7533 5949

5.7 Inventory ratios

	Manufacturers' inventories ¹ to manufacturing production				Retail inventories ¹ to retail sales ²	Total inventories ^{1,3} to gross value added
	Materials and fuel	Work in progress	Finished goods	Total inventories		
Quarterly	FAPG	FAPH	FAPI	FAPF	FAPC	FDCA
2000 Q1	100.0	100.0	100.0	100.0	100.0	99
Q2	101.1	98.9	100.0	100.0	101.9	99
Q3	102.3	98.2	100.1	100.3	102.1	99
Q4	101.0	99.0	100.1	100.1	101.2	100
2001 Q1	97.8	101.0	99.5	99.3	98.9	100
Q2	98.8	105.1	102.8	102.1	96.0	101
Q3	100.7	106.8	103.1	103.4	95.3	101
Q4	103.3	106.5	105.5	105.0	99.0	102
2002 Q1	104.7	106.8	106.5	105.9	98.5	103
Q2	106.0	106.2	107.6	106.6	98.5	102
Q3	105.1	106.9	106.1	106.0	99.5	101
Q4	105.1	106.9	104.9	105.6	99.8	102
2003 Q1	104.6	106.3	105.1	105.3	101.9	103
Q2	103.6	105.2	105.4	104.7	103.2	102
Q3	103.5	105.0	107.9	105.4	104.0	101
Q4	102.1	102.2	105.9	103.4	103.3	101
2004 Q1	102.5	105.6	105.1	104.3	103.2	101

1 Chained volume measure: reference year 2001.

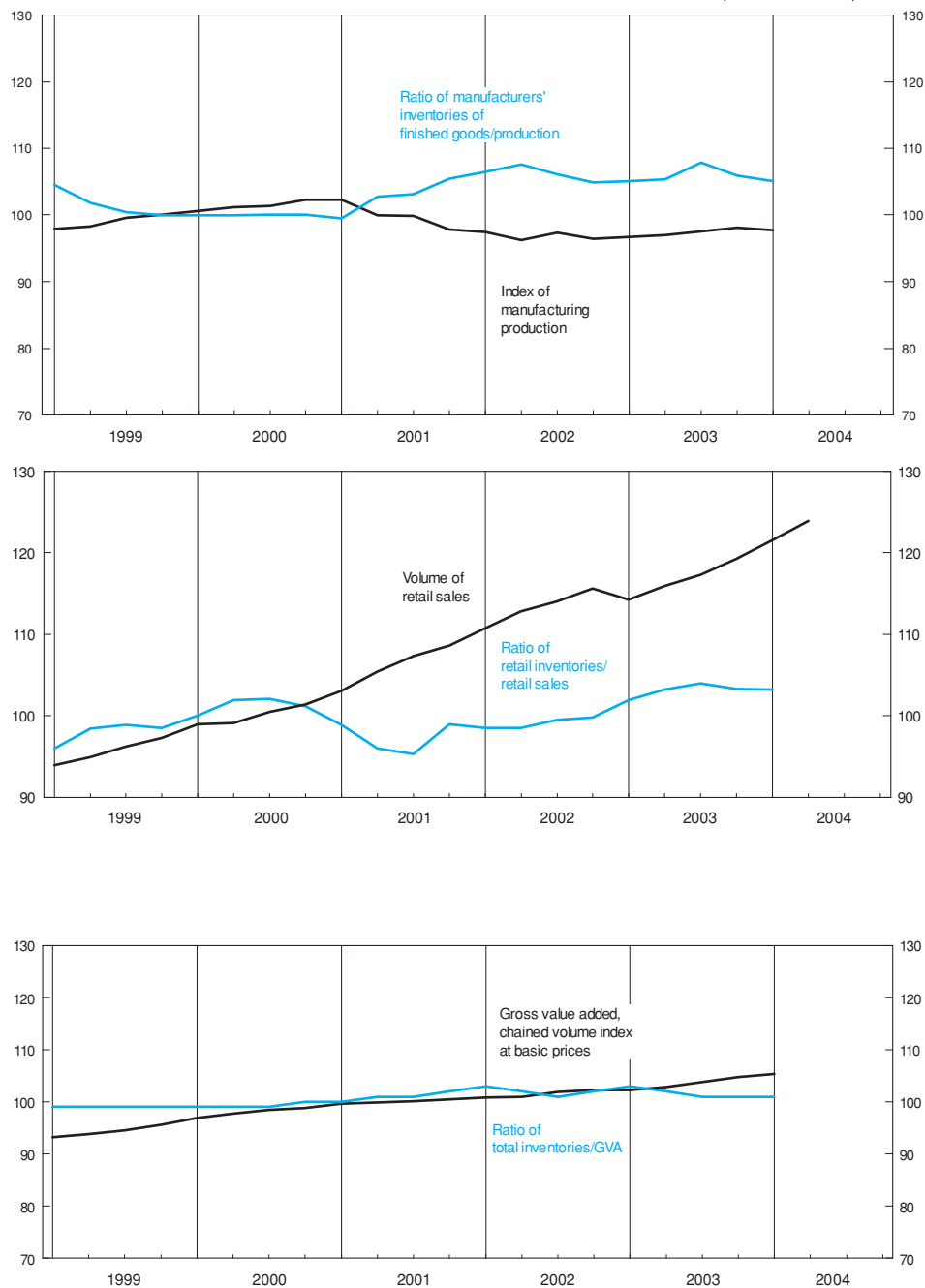
2 Classes 64-65 excluding activity headings 6510 and 6520, retail distribution of motor vehicles and parts, and filling stations.

3 Including quarterly alignment adjustment. For details of adjustments see notes section in the Sector and Financial Accounts article in *UK Economic Accounts*.

Source: Office for National Statistics; Enquiries Columns 1-6 01633 812351

Inventory ratios

chained volume measures,
seasonally adjusted
(reference 2001 = 100)



5.8 Retail sales, new registrations of cars and credit business (Great Britain)

	Volume of retail sales per week+(average 2000=100) ^{1,2}									New regi- strations of cars (NSA, thousands) ⁵	Total consumer credit: Net lending (£ million) ^{3,4}	of which	
	Value of retail sales per week: total (average 2000=100) ^{1,2}	All retailers	Predomin- antly food stores	Predominantly non-food stores					Credit cards ⁶			Other ⁶	
				Total	Non- specialist stores	Textile, clothing and footwear	Household goods stores	Other stores					Non-store and repair
<i>Sales in 2000 £ million</i>	207 149	207 149	89 041	106 359	18 781	27 880	27 699	31 999	11 749				
Annual	EAQV	EAPS	EAPT	EAPV	EAPU	EAPX	EAPY	EAPW	EAPZ	BCGT	RLMH	VZQX	VZQY
2000	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	2 337.3	14 164 [†]	6 621	7 538 [†]
2001	105.9	106.1	104.1	107.7	105.9	109.4	110.9	104.6	106.1	2 577.5	17 640	6 252	11 469
2002	111.1	112.7	108.1	116.5	110.8	120.9	120.8	112.1	113.4	2 682.0	21 088	7 577 [†]	13 561
2003	113.8	116.4	111.8	121.2	113.6	129.0	126.2	114.5	107.8	2 646.2	18 697	8 179	10 524
Quarterly													
2000 Q1	99.0	99.0	99.3	98.6	100.6	96.1	99.6	98.8	100.3	682.4	4 118	1 742	2 529 [†]
Q2	99.1	99.1	99.4	98.8	98.4	98.3	99.0	99.5	99.2	581.4	3 513 [†]	1 797 [†]	1 709
Q3	100.3	100.5	100.3	100.8	99.4	101.5	100.5	101.1	99.5	612.5	2 942	1 539	1 411
Q4	101.6	101.4	101.0	101.8	101.7	104.1	100.9	100.6	101.0	461.0	3 591	1 543	1 889
2001 Q1	102.9	103.1	102.9	103.8	105.2	104.4	107.4	99.2	99.0	704.2	3 294	1 351	2 119
Q2	105.6	105.4	104.0	106.7	107.2	106.7	110.9	102.8	104.7	617.7	4 591	1 745	2 822
Q3	107.2	107.3	104.8	109.3	108.1	110.6	111.7	106.7	108.3	725.6	4 181	1 221	2 947
Q4	108.1	108.6	105.7	111.2	107.9	113.6	114.2	108.4	106.9	530.0	5 574	1 935	3 581
2002 Q1	110.1	110.8	106.9	114.7	110.2	117.5	118.0	112.2	104.1	758.7	5 061	1 987	3 146
Q2	111.3	112.8	108.3	116.8	110.8	120.3	120.0	114.6	110.7	650.0	4 776	1 748	3 043
Q3	112.1	114.0	109.3	117.6	113.5	122.1	121.9	112.4	116.4	744.6	6 013	2 001	3 925
Q4	113.5	115.6	110.9	119.2	114.6	123.2	124.6	113.9	118.6	528.7	5 238	1 841	3 447
2003 Q1	112.3	114.3	110.0	118.7	112.7	125.8	121.9	113.1	106.9	737.6	4 862	2 211	2 680
Q2	113.3	115.9	112.0	120.2	113.4	127.7	125.6	113.0	106.2	642.7	5 180	2 360	2 821
Q3	114.7	117.3	112.8	122.4	115.5	130.3	127.7	115.0	105.0	742.8	4 707	2 012	2 582
Q4	116.2	119.3	113.7	125.2	117.6	131.5	130.8	119.3	107.9	523.1	3 948	1 596	2 441
2004 Q1	118.1	121.6	114.9	128.1	117.6	136.6	132.2	123.3	113.9	762.2	5 375	2 236	3 172
Q2	119.9	123.9	116.2	131.0	119.8	140.2	134.7	126.3	118.8	629.8	5 026	2 028	2 984
Monthly													
2002 Jul	112.0	113.6	109.3	117.4	114.4	121.7	121.1	112.2	112.6	204.7	1 950 [†]	662 [†]	1 288 [†]
Aug	112.3	114.3	109.2	118.0	112.5	125.7	120.8	112.0	120.3	93.0	1 995	760	1 235
Sep	112.0	113.9	109.3	117.5	113.6	119.4	123.4	112.9	116.2	446.9	1 903	713	1 190
Oct	113.1	115.0	110.2	118.8	114.2	122.8	124.1	113.5	117.3	193.0	2 085	487	1 599
Nov	113.2	115.4	110.7	119.3	115.1	119.9	127.2	114.6	114.7	182.9	1 280	611	669
Dec	114.1	116.3	111.6	119.5	114.6	126.1	123.0	113.7	122.7	152.8	1 699	600	1 099
2003 Jan	111.5	113.7	108.7	118.5	113.1	124.6	121.8	113.5	108.6	193.4	1 525	813	712
Feb	112.4	114.3	110.2	118.6	112.0	125.8	122.2	113.2	106.5	92.2	1 749	811	938
Mar	112.8	114.7	110.9	118.8	113.0	126.7	121.8	112.8	105.9	452.0	1 695	659	1 036
Apr	113.4	115.8	112.3	119.5	112.3	126.9	125.0	112.7	108.5	196.3	1 512	694	819
May	112.6	115.1	111.4	119.3	112.7	124.8	126.2	112.4	104.9	202.6	2 046	859	1 187
Jun	113.7	116.6	112.2	121.5	114.8	130.8	125.6	113.8	105.3	243.8	1 557	711	846
Jul	114.0	116.6	112.2	121.4	114.9	129.2	126.7	113.8	105.7	201.1	1 759	674	1 084
Aug	114.8	117.2	113.3	121.9	115.6	128.6	127.6	114.8	104.2	94.2	1 467	708	759
Sep	115.2	118.0	113.0	123.6	116.0	132.4	128.7	116.1	105.0	447.5	1 585	820	765
Oct	115.8	118.7	113.4	124.5	118.4	132.0	129.2	117.3	106.3	186.6	1 601	681	920
Nov	115.9	119.0	113.4	124.8	116.6	131.0	130.4	119.5	108.8	175.7	1 418	499	919
Dec	116.6	119.9	114.2	126.0	117.6	131.4	132.5	120.6	108.5	160.8	834	203	630
2004 Jan	118.1	121.2	114.6	127.7	117.0	135.5	132.6	123.0	112.9	199.6	2 015	770	1 246
Feb	117.8	121.2	114.9	127.3	117.7	135.8	131.4	122.1	113.7	92.3	1 680	554	1 126
Mar	118.3	122.2	115.1	129.0	118.0	138.2	132.5	124.4	114.9	470.3	1 779	1 015	764
Apr	119.0 [†]	122.8 [†]	115.3	129.7 [†]	118.9 [†]	139.5 [†]	132.9 [†]	124.9 [†]	116.7 [†]	191.1	1 307	450	857
May	119.7	123.7	116.1 [†]	130.6	120.3	140.8	133.9	124.8	118.9	197.6	1 557	745	812
Jun	120.8	125.0	116.9	132.3	120.2	140.2	136.9	128.6	120.3	241.1	2 051	727	1 324

1 Great Britain only. The motor trades are excluded. Information for periods earlier than those shown is available from ONS Newport (tel 01633 812509).

2 The retail sales index has been rebased using detailed information from the 2000 Annual Business Inquiry. Further information is available via the National Statistics website: www.statistics.gov.uk

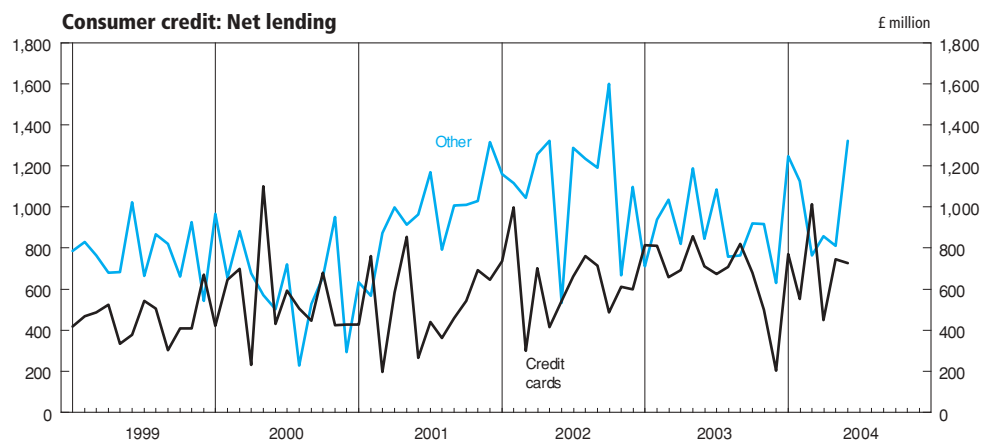
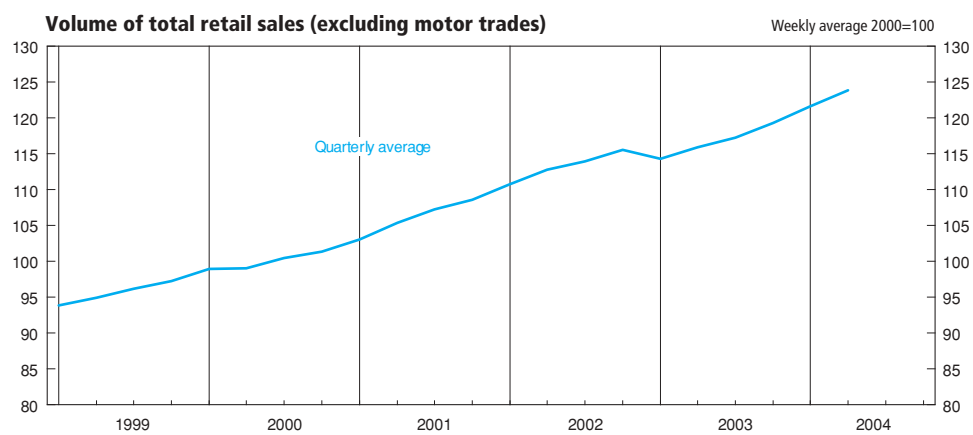
3 Net lending equals changes in amounts outstanding adjusted to remove distortions arising from revaluations of debt such as write-offs.

4 Covers all institutions providing finance for consumers; including loans by banks on personal accounts and on bank credit cards and charge cards, by insurance companies, retailers and other specialist lenders, but excluding loans for house purchase.

5 Seasonally adjusted data are not published in *Economic Trends* at present. Series DKBY ends in 1998 because seasonal adjustment has ceased; the existing model is not applicable to the new bi-annual registration system. It is published in the *Economic Trends Annual Supplement*.

6 See Table 6.6, note 2.

Sources: Office for National Statistics;
Enquiries Columns 1-9 01633 812713; Columns 12-14 01633 812782;
Department of Transport;
Enquiries Column 10, 11 020 7944 3077.



5.9 Inland energy consumption: primary fuel input basis

Million tonnes of oil equivalent

Seasonally adjusted and temperature corrected ⁷ (annualised rates)							
	Coal ¹	Petroleum ²	Natural gas ³	Nuclear	Primary electricity ⁵		Total
					Natural flow Hydro ⁴	Net imports ⁶	
Annual	FDAI	FDAJ	FDAK	FDAL	FDAM	FDAW	FDAH
1998	43.6	76.8	90.4	23.4	0.5	1.1	235.8
1999	38.2	77.8	95.8	22.3	0.5	1.2	235.7
2000	40.0	77.8	98.7	19.7	0.5	1.2	237.9
2001	43.1	76.7	96.8	20.8 [†]	0.4	0.9	238.7
2002	40.0	75.4 [†]	99.3	20.0	0.5	0.7	236.0 [†]
2003	43.1 [†]	74.9	97.7 [†]	20.5	0.4	0.2	236.2
Quarterly							
1999 Q1	37.4	81.5	105.1	23.3	0.5	1.2	249.1
Q2	37.7	78.3	90.4	23.2	0.6	1.3	231.5
Q3	38.3	75.2	84.3	21.5	0.5	1.1	220.9
Q4	39.2	76.1	103.3	21.0	0.5	1.2	241.4
2000 Q1	38.9	81.3	110.8	20.1	0.6	1.1	252.9
Q2	40.6	74.4	95.3	19.8	0.4	1.3	231.9
Q3	40.2	77.8	85.4	19.4	0.5	1.3	224.5
Q4	40.5	77.6	103.1	19.4	0.5	1.2	242.3
2001 Q1	45.6 [†]	75.9 [†]	108.7 [†]	19.9	0.3	1.1	251.5 [†]
Q2	44.6	73.3	93.1	19.0	0.4	0.9	231.3
Q3	42.5	79.5	84.7	21.8 [†]	0.5	0.9	229.8
Q4	39.8	78.1	100.5	22.6	0.5	0.7	242.0
2002 Q1	42.1	78.0	108.6	21.2	0.6	0.6	251.2
Q2	35.8	76.4	96.5	20.0	0.7	1.0	230.4
Q3	38.4	76.3	89.0	19.9	0.5	0.2	224.3
Q4	43.6	71.0	103.1	18.9	0.4	1.1	238.1
2003 Q1	43.0	72.6	108.1	21.0	0.3	0.3	245.4
Q2	45.0	78.5	92.6	20.6	0.5	0.1	237.4
Q3	41.9	73.7	85.6	19.7	0.5 [†]	-0.1	221.5
Q4	42.3	74.6	104.4	18.6	0.4	0.4	240.9
2004 Q1	43.2	75.4	110.9	20.1	0.5	0.6	250.6
Percentage change, quarter on corresponding quarter of previous year							
Quarterly	FDAP	FDAQ	FDAR	FDAS	FDAT	FDAX	FDAO
1999 Q1	-14.3	8.6	7.6	-0.3	0.5	-14.1	3.0
Q2	-18.2	-1.3	2.7	3.7	21.5	-6.8	-2.6
Q3	-14.4	-0.7	6.0	-6.6	-10.6	-	-1.3
Q4	1.1	0.3	7.1	-15.3	4.6	5.6	1.6
2000 Q1	3.9	-0.2	5.5	-13.8	12.1	-10.6	1.5
Q2	7.7	-5.0	5.5	-14.6	-25.9	1.9	0.2
Q3	5.1	3.5	1.4	-9.9	-12.3	12.9	1.6
Q4	3.1	2.0	-0.2	-7.7	6.2	-5.1	0.4
2001 Q1	17.2 [†]	-6.7	-1.9	-1.0 [†]	-43.8	-	-0.5
Q2	9.9	-1.5	-2.3 [†]	-4.2	-9.6	-30.3	-0.2 [†]
Q3	5.7	2.1	-0.9	12.8	4.7	-29.0	2.4
Q4	-1.6	0.3 [†]	-2.5	16.6	6.1	-45.0	-0.1
2002 Q1	-7.7	2.9	-0.1	6.8	73.8 [†]	-43.7	-0.4
Q2	-19.8	4.3	3.6	5.6	73.5	5.5	-2.4
Q3	-9.6	-4.0	5.1	-8.8	11.4	-75.5	-1.6
Q4	9.4	-8.8	2.6	-16.3	-32.7	67.6	-2.3
2003 Q1	2.4	-6.9	-0.5	-1.3	-42.4	-56.2	3.1
Q2	26.0	2.7	-4.0	2.9	-29.6	-89.0	-1.3
Q3	9.5	-3.3	-3.8	-0.9	-13.6	-	1.2
Q4	-2.6	5.1	1.3	-1.6	-2.7	-59.6	2.1
2004 Q1	0.3	3.8	2.6	-4.3	42.8	-	2.1

1 Includes solid renewable sources (wood, straw, waste), and net foreign trade and stock changes in other solid fuels.

2 Excludes non-energy use.

3 Includes gas used during production, colliery methane, landfill gas and sewage gas. Excludes gas flared or re-injected and non energy-use of gas.

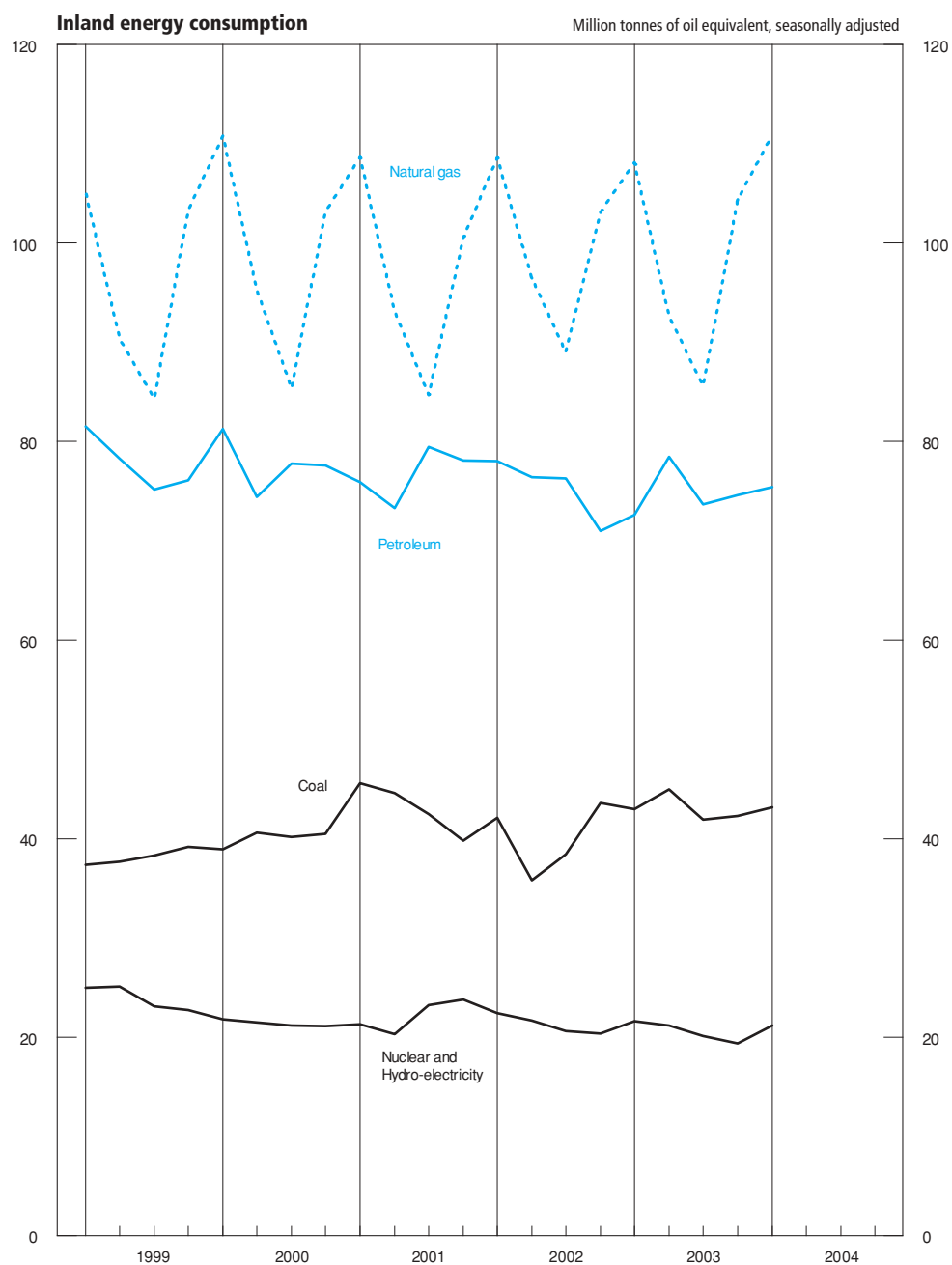
4 Includes generations at wind stations. Excludes generation from pumped storage stations.

5 Not temperature corrected.

6 Not seasonally adjusted.

7 For details of temperature correction see DTI energy statistics website at www.dti.gov.uk/energy/inform/dukes/dukes2002/01longterm.pdf

Source: Department of Trade and Industry; Enquiries 020 7215 2698



6.1 Sterling exchange rates and UK reserves⁴

Not seasonally adjusted

	Sterling exchange rate against major currencies ¹								UK inter- national reserves ³ at end of period (£ million)	Sterling exchange rate index 1990 = 100
	Japanese yen	US dollar	Swiss franc	Euro ²	Danish kroner	Norwegian kroner	Swedish kronor	Hong Kong dollar		
Annual	AJFO	AUSS	AJFD	THAP	AJFK	AJFJ	AJFI	AJFU	THFE	AGBG
1999	184.01	1.6183	2.430	1.5192	11.296	12.619	13.373	12.5541	25 938	103.8
2000	163.40	1.5162	2.558	1.6422	12.240	13.324	13.870	11.8057	32 227	107.5
2001	174.90	1.4400	2.430	1.6087	11.987	12.944	14.886	11.2312	27 773	105.8
2002	187.84	1.5026	2.334	1.5909	11.821	11.953	14.570	11.7265	26 566	106.0
2003	189.34	1.6346	2.197	1.4456	10.742	11.562	13.189	12.7337	25 677	100.2
Quarterly										
1999 Q1	190.19	1.6335	2.328	1.4574	10.8368	12.514	13.059	12.6531	..	101.1
Q2	194.13	1.6070	2.432	1.5209	11.3044	12.527	13.539	12.4547	..	104.1
Q3	181.35	1.6021	2.446	1.5271	11.3547	12.561	13.304	12.4369	21 447	103.8
Q4	170.35	1.6306	2.515	1.5712	11.6851	12.874	13.588	12.6721	25 938	105.9
2000 Q1	171.99	1.6067	2.617	1.6286	12.1257	13.206	13.835	12.4926	22 090	108.4
Q2	163.52	1.5334	2.568	1.6398	12.2271	13.466	13.584	11.9236	26 898	107.7
Q3	159.19	1.4784	2.522	1.6336	12.1862	13.232	13.726	11.5304	28 818	106.4
Q4	158.89	1.4464	2.523	1.6670	12.4250	13.394	14.333	11.2735	32 227	107.6
2001 Q1	172.26	1.4584	2.424	1.5814	11.7988	12.965	14.230	11.3765	30 457	104.5
Q2	174.19	1.4208	2.487	1.6280	12.1436	13.039	14.847	11.0866	30 632	106.4
Q3	174.67	1.4380	2.432	1.6152	12.0231	12.928	15.203	11.2092	29 662	106.1
Q4	178.45	1.4428	2.375	1.6111	11.9887	12.845	15.264	11.2548	27 773	106.1
2002 Q1	188.79	1.4260	2.396	1.6263	12.0863	12.700	14.895	11.1230	28 053	106.9
Q2	185.29	1.4630	2.329	1.5923	11.8379	11.956	14.564	11.4015	28 623	105.3
Q3	184.85	1.5495	2.305	1.5747	11.6973	11.662	14.538	12.0871	27 950	105.7
Q4	192.42	1.5720	2.304	1.5716	11.6733	11.494	14.285	12.2547	26 566	106.0
2003 Q1	190.67	1.6017	2.189	1.4937	11.0987	11.313	13.709	12.5030	26 349	102.3
Q2	191.90	1.6194	2.163	1.4256	10.5851	11.344	13.032	12.6352	25 147	99.1
Q3	189.14	1.6114 [†]	2.209	1.4300	10.6264	11.794	13.103	12.5605	26 909	99.2
Q4	185.64	1.7059	2.228	1.4334	10.6591	11.796	12.913	13.2305	25 677	100.2
2004 Q1	197.07	1.8383	2.306	1.4708	10.9571	12.703	13.507	14.2983	25 231	104.1
Q2	198.21	1.8062	2.305	1.4992	11.1529	12.387	13.712	14.0831	..	105.2
Monthly										
2002 Jan	190.01	1.4323	2.392	1.6222	12.057	12.844	14.972	11.1705	27 089	106.9
Feb	190.11	1.4231	2.415	1.6348	12.146	12.731	15.013	11.0993	27 940	107.4
Mar	186.26	1.4225	2.381	1.6224	12.059	12.525	14.700	11.0946	28 053	106.5
Apr	188.50	1.4434	2.386	1.6282	12.104	12.415	14.878	11.2581	28 191	107.1
May	184.26	1.4593	2.318	1.5914	11.833	11.963	14.676	11.3814	28 055	105.3
Jun	183.10	1.4863	2.284	1.5515	11.532	11.491	14.137	11.5934	28 623	103.6
Jul	183.50	1.5546	2.290	1.5665	11.640	11.615	14.528	12.1261	27 649	105.3
Aug	182.97	1.5377	2.302	1.5723	11.677	11.698	14.550	11.9944	28 208	105.4
Sep	188.07	1.5561	2.323	1.5861	11.780	11.672	14.537	12.1370	27 950	106.5
Oct	192.90	1.5574	2.325	1.5868	11.790	11.645	14.450	12.1464	28 322	106.7
Nov	190.99	1.5723	2.303	1.5694	11.654	11.484	14.237	12.2624	28 972	105.9
Dec	193.36	1.5863	2.284	1.5566	11.560	11.354	14.167	12.3711	26 566	105.5
2003 Jan	192.07	1.6169	2.226	1.5222	11.314	11.172	13.964	12.6105	24 708	104.0
Feb	192.12	1.6046	2.189	1.4893	11.091	11.262	13.652	12.5450	26 140	102.4
Mar	187.82	1.5836	2.152	1.4649	10.880	11.506	13.511	12.3503	26 349	100.6
Apr	188.79	1.5747	2.170	1.4505	10.771	11.347	13.279	12.2817	25 232	99.8
May	190.42	1.6230	2.125	1.4030	10.417	11.047	12.840	12.6579	25 371	97.9
Jun	196.49	1.6606	2.193	1.4234	10.569	11.638	12.978	12.9502	25 147	99.6
Jul	192.72	1.6242	2.209	1.4277	10.613	11.828	13.130	12.6671	25 736	99.4
Aug	189.42	1.5950	2.200	1.4286	10.617	11.800	13.186	12.4395	26 511	99.0
Sep	185.29	1.6131	2.219	1.4338	10.649	11.755	12.994	12.5590	26 909	99.2
Oct	183.76	1.6787	2.220	1.4334	10.651	11.807	12.917	12.9962	26 092	99.8
Nov	184.47	1.6901	2.250	1.4426	10.729	11.832	12.973	13.1201	26 572	100.4
Dec	188.70	1.7507	2.214	1.4246	10.602	11.749	12.850	13.5923	25 677	100.3
2004 Jan	193.82	1.8234	2.262	1.4447	10.760	12.425	13.203	14.1598	25 288	102.4
Feb	199.16	1.8673	2.324	1.4774	11.008	12.983	13.566	14.5165	24 645	104.8
Mar	198.22	1.8267	2.332	1.4890	11.092	12.701	13.752	14.2349	25 231	105.0
Apr	194.04	1.8005	2.337	1.5022	11.182	12.458	13.775	14.0381	25 339	105.2
May	200.69	1.7876	2.293	1.4894	11.082	12.222	13.594	13.9374	24 779	104.6
Jun	199.91	1.8275	2.285	1.5050	11.189	12.482	13.767	14.2499	..	105.8

1 Average of daily Telegraphic Transfer rates in London.

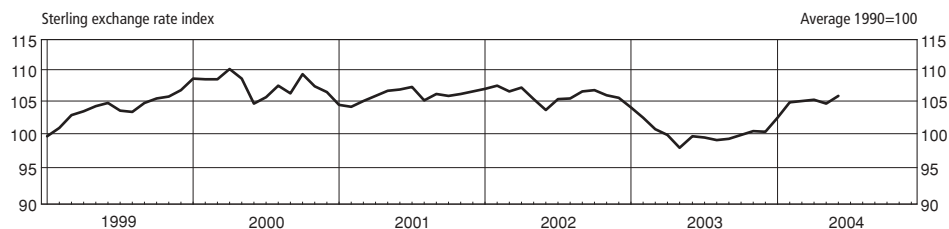
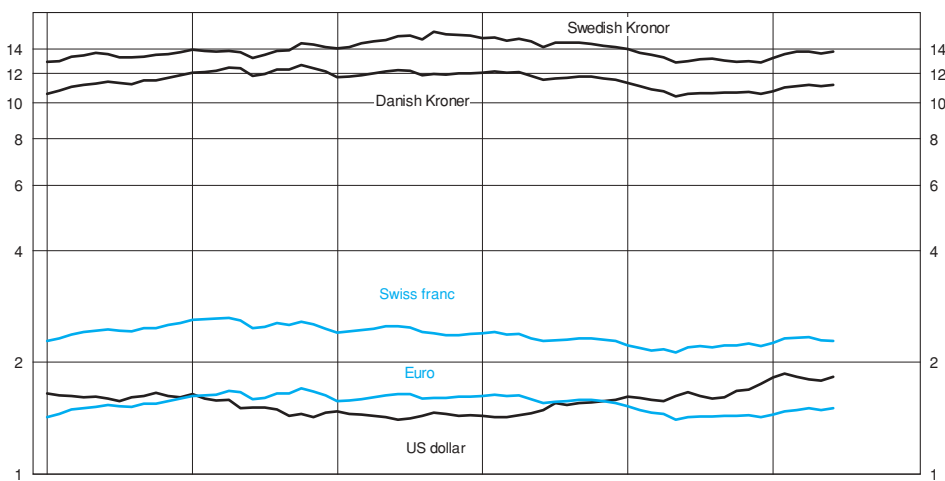
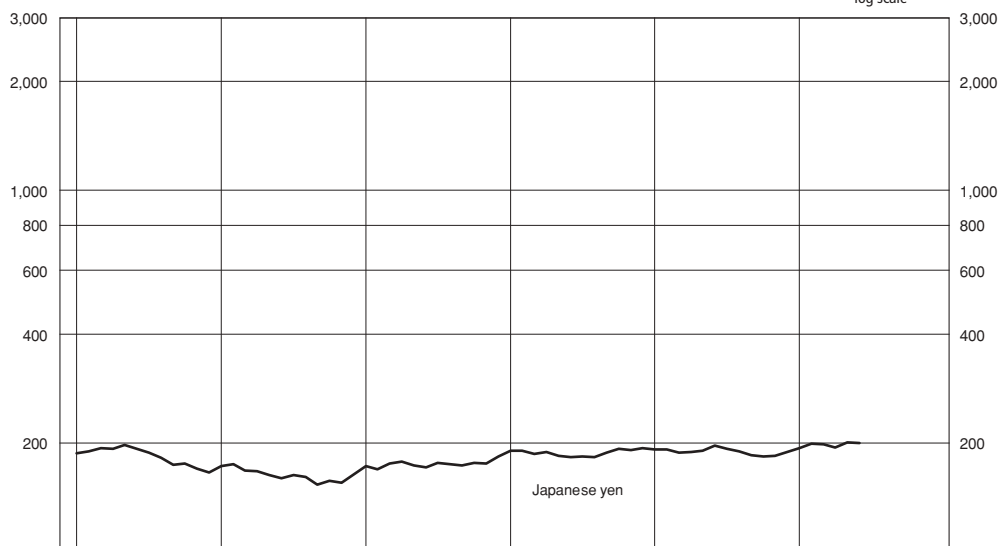
2 Prior to January 1999, a synthetic Euro has been calculated by geometrically averaging the bilateral exchange rates of the 11 Euro-area countries using "internal weights" based on each country's share of the extra Euro-area trade.

3 International reserves data are all valued at end-period market prices and exchange rates. They additionally include other reserve assets such as repos (sale and purchase agreements) and derivatives. Full details are shown in Table 1.21 of *Financial Statistics*.

4 These figures fall outside the scope of National Statistics.

Source: Bank of England: Enquiries 020 7601 4342

Sterling exchange rates

Relates to the £
log scale

6.2 Monetary aggregates^{1,3}

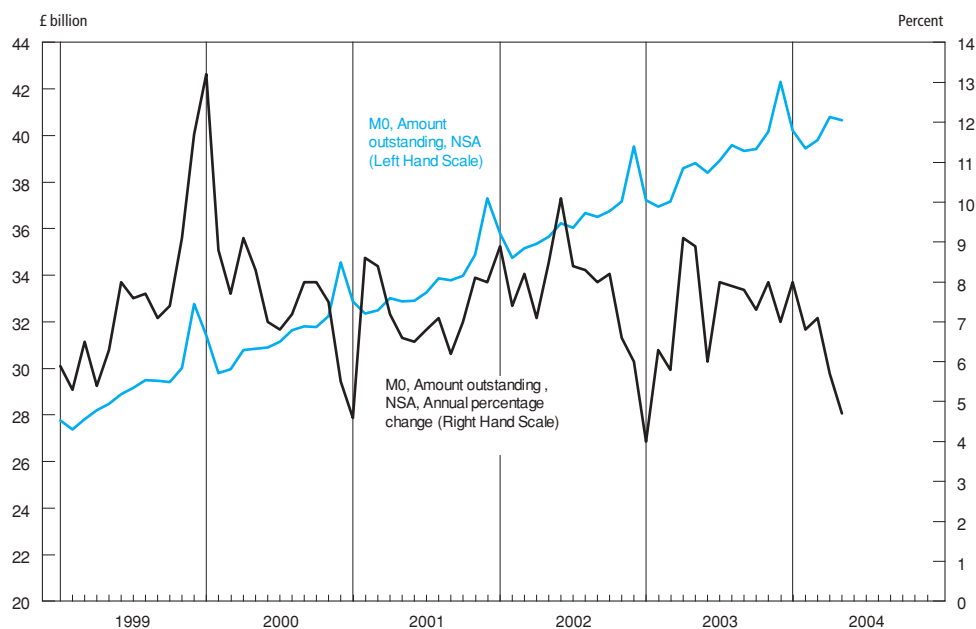
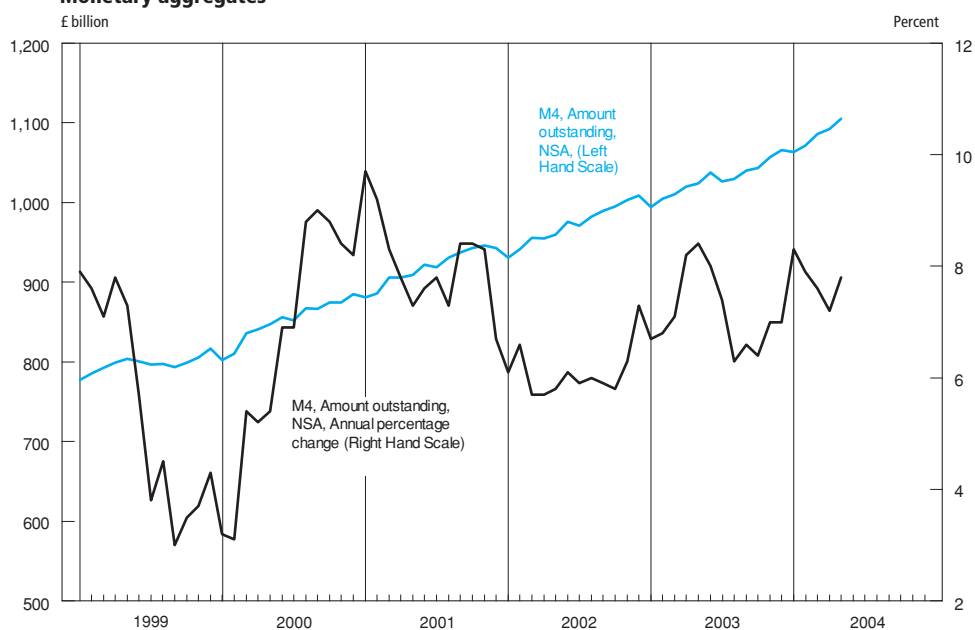
	M0				M4			
	Amount outstanding ² (NSA)		Amount outstanding (£ million) +	Velocity of circulation: ratio	Amount outstanding (NSA)		Amount outstanding (£ million) +	Velocity of circulation: ratio
	£ million	Annual percentage change			£ million	Annual percentage change		
Annual	AVAD	VQNB	AVAE	AVAM	AUYM	VQLC	AUYN	AUYU
1999	32 768	11.7	31 097	31.20 [†]	816 545	4.3	817 549 [†]	1.13
2000	34 566	5.5	32 488	30.34	884 839	8.2	885 801	1.12
2001	37 319	8.0	35 093	29.67	942 433	6.7	943 369	1.09 [†]
2002	39 540	6.0	37 216 [†]	28.86	1 008 683	7.3	1 009 541	1.08
2003	42 317	7.0	39 900	28.34	1 065 584	6.8	1 066 321	1.07
Quarterly								
1999 Q1	27 830	6.5	28 178 [†]	31.61 [†]	792 903	7.1	791 252 [†]	1.12
Q2	28 884	8.0	29 007	31.36	800 698	5.7	798 430	1.13
Q3	29 477	7.1	29 483	31.10	793 684	3.0	796 406	1.14
Q4	32 768	11.7	31 097	30.75	816 545	4.3	817 549	1.15
2000 Q1	29 968	7.7	30 560	30.46	836 240	5.4	835 036	1.15
Q2	30 896	7.0	31 220	30.59	856 220	6.9	853 624	1.12
Q3	31 821	8.0	31 891	30.39	866 379	9.0	869 018	1.11
Q4	34 566	5.5	32 488	29.93	884 839	8.2	885 801	1.10
2001 Q1	32 489	8.4	33 112	29.79	905 800	8.3	905 219	1.10
Q2	32 896	6.5	33 285	29.92	921 571	7.6	918 484	1.09
Q3	33 797	6.2	33 955	29.65	937 071	8.4	939 613	1.08 [†]
Q4	37 319	8.0	35 093	29.34	942 433	6.7	943 369	1.08
2002 Q1	35 157	8.2	35 544	28.87	955 196	5.7	955 235	1.08
Q2	36 225	10.1	36 648	28.90	975 696	6.0	972 156	1.08
Q3	36 511	8.0	36 685	28.93	989 473	5.8	991 910	1.08
Q4	39 540	6.0	37 216	28.74	1 008 683	7.3	1 009 541	1.07
2003 Q1	37 184	5.8	37 890	28.64	1 010 269	7.1	1 010 925	1.07
Q2	38 403	6.0	38 914	28.16	1 037 549 [†]	8.1	1 033 545	1.07
Q3	39 348	7.8	39 528	28.27	1 039 947	6.6	1 042 336	1.08
Q4	42 317	7.0	39 900	28.29	1 065 584	6.8	1 066 321	1.07
2004 Q1	39 812	7.1	40 578	28.30	1 086 069	..	1 087 268	1.06
Monthly								
2002 Feb	34 750	7.4	35 458 [†]	..	941 288	6.6	948 978 [†]	..
Mar	35 157	8.2	35 544	..	955 196	5.7	950 834	..
Apr	35 369	7.1	35 643	..	955 049	5.7	953 861	..
May	35 661	8.5	35 814	..	959 171	5.8	956 264	..
Jun	36 225	10.1	36 648	..	975 696	6.1	966 703	..
Jul	36 052	8.4	36 306	..	970 925	5.9	974 448	..
Aug	36 690	8.3	36 532	..	982 365	6.0	981 862	..
Sep	36 511	8.0	36 685	..	989 473	5.9	988 554	..
Oct	36 751	8.2	37 054	..	994 696	5.8	994 100	..
Nov	37 167	6.6	37 013	..	1 002 660	6.3	999 384	..
Dec	39 540	6.0	37 216	..	1 008 683	7.3	1 006 704	..
2003 Jan	37 230	4.0	37 356	..	994 385	6.7	1 005 112	..
Feb	36 946	6.3	37 709	..	1 004 797	6.8	1 012 095	..
Mar	37 184	5.8	37 890	..	1 010 269	7.1	1 008 048	..
Apr	38 590	9.1	38 572	..	1 019 654 [†]	8.2	1 019 294	..
May	38 827	8.9	38 933	..	1 024 161	8.4	1 021 724	..
Jun	38 403	6.0	38 914	..	1 037 549	8.0	1 028 584	..
Jul	38 938	8.0	39 226	..	1 026 161	7.4	1 028 901	..
Aug	39 579	7.9	39 418	..	1 029 483	6.3	1 029 702	..
Sep	39 348	7.8	39 528	..	1 039 947	6.6	1 038 058	..
Oct	39 416	7.3	39 717	..	1 042 841	6.4	1 041 095	..
Nov	40 149	8.0	39 969	..	1 056 479	7.0 [†]	1 052 941	..
Dec	42 317	7.0	39 900	..	1 065 584	7.0	1 063 566	..
2004 Jan	40 222	8.0	40 203	..	1 063 398	8.3	1 075 063	..
Feb	39 448	6.8	40 280	..	1 071 034	7.9	1 079 809	..
Mar	39 812	7.1	40 578	..	1 086 069	7.6	1 084 687	..
Apr	40 799	5.7	40 759	..	1 092 534	7.2	1 090 049	..
May	40 668	4.7	40 970	..	1 104 961	7.8	1 102 780	..

1 A fuller range of monetary aggregates is published monthly in the ONS publication *Financial Statistics*.

2 The monthly figures for M0 give the average of the amounts outstanding each Wednesday during the calendar month.

3 These figures fall outside the scope of National Statistics.

Source: Bank of England; Enquiries 020 7601 5467

Monetary aggregates

6.3 Counterparts to changes in money stock M4^{1,4}

£ million, not seasonally adjusted

Annual, Net Cash Requirement												
	Public Sector Net Cash Requirement ³	Purchases by the M4 ² private sector of:		External and foreign currency financing of public sector		Banks' and Building Societies' sterling lending to the M4 private sector	External and foreign currency transactions of UK banks and building societies	Net non-deposit sterling liabilities of UK banks and building societies	Domestic counterparts	External and foreign currency counterparts	M4	
		Central government debt			Purchase of British government stocks by overseas sector	Other						
		British government stocks	Other	Other public sector debt								
	1	2	3	4	5	6	7	8	9	10	11	12
Annual												
	RURQ	AVBY	AVBU	AVBV	AVBZ	AQGA	AVBS	AVBW	AVBX	AVBN	VQLP	AUZI
2000	-37 525 [†]	11 388	1 825	375	4 040	7 657	111 230	7 073	-30 950	87 480	10 689	67 220
2001	-2 891	10 009	-2 422	191	318	4 195	82 446	-21 637	-10 786	87 414	-17 761	58 868
2002	18 734	-8 383	932	-581	-897	1 588	107 654	-24 962	-25 293	116 711	-22 477	68 941
2003	39 230	-22 409	-8 969	-704 [†]	10 377	-3 066 [†]	125 700 [†]	-27 349 [†]	-21 465 [†]	132 039 [†]	-40 788 [†]	69 786 [†]
Quarterly												
2000 Q1	-12 877 [†]	5 013	-1 257	-336	2 141	2 577	36 677	-2 568	-5 927	27 432	-2 133	19 372
Q2	-11 822	-4 104	6 729	147	-1 017	3 301	25 254	278	-1 472	16 198	4 596	19 323
Q3	-16 489	5 653	-177	269	540	1 281	27 255	5 374	-13 189	16 491	6 115	9 417
Q4	3 663	4 826	-3 470	295	2 376	498	22 044	3 989	-10 362	27 359	2 111	19 108
2001 Q1	-12 566	4 488	-1 093	-268	-2 356	3 734	31 075	-7 737	1 271	21 643	-1 647	21 267
Q2	6 325	3 472	-474	233	4 549	1 000	21 194	-7 294	-4 293	30 821	-10 843	15 685
Q3	-6 128	1 046	3 408	95	-2 931	1 288	15 710	7 254	-8 869	14 140	11 472	16 744
Q4	9 478	1 003	-4 263	131	1 056	-1 827	14 467	-13 860	1 105	20 810	-16 743	5 172
2002 Q1	-6 323	-679	3 710	-260	-1 045	2 398	24 732	-7 112	-3 149	21 165	-3 669	14 347
Q2	7 069	-1 330	-2 950	101	-266	-1 001	24 507	1 722	-8 180	27 429	987	20 236
Q3	678	-2 432	355	-175	-1 960	208	34 214	-8 565	-11 055	32 586	-6 397	15 134
Q4	17 310	-3 942	-183	-247	2 374	-17	24 201	-11 007	-2 909	35 531	-13 398	19 224
2003 Q1	-268	-3 092	-322	-110	1 934	431	21 283	2 871	-4 480	16 747	1 369	13 636
Q2	16 244	-4 087	-4 369	-152 [†]	2 855	-2 099 [†]	34 559 [†]	-714 [†]	-7 011 [†]	42 188 [†]	-5 667 [†]	29 510 [†]
Q3	6 018	-11 653	1 093	-280	979	-1 222	30 345	-2 496	-18 042	25 491	-4 696	2 753
Q4	17 236	-3 577	-5 371	-162	4 609	-176	39 513	-27 010	8 068	47 613	-31 794	23 887
2004 Q1	171	-10 790	-984	-560	978	1 670	35 373	28 903	-32 604	23 160	29 594	20 150
Q2	11 365	..	..	..	..	..	..	..	..	..	..	..
Monthly												
2002 Jan	-11 994 [†]	-1 443	1 204	-295	-2 433	2 210	9 432	-1 145	-8 736	-3 101	3 498	-8 339
Feb	-2 107	105	2 863	-116	60	897	5 446	1 920	330	6 188	2 757	9 275
Mar	7 778	659	-357	151	1 328	-709	9 854	-7 887	5 257	18 078	-9 924	13 410
Apr	-3 035	725	-372	102	-1 098	-560	-1 380	2 453	857	-3 989	2 992	-141
May	2 749	-1 438	-397	21	573	-49	14 719	-9 707	-1 235	15 691	-10 329	4 126
Jun	7 355	-617	-2 181	-21	259	-392	11 168	8 976	-7 802	15 727	8 325	16 250
Jul	-6 804	-3 287	2 774	-63	-460	-267	-1 554	13 250	-9 461	-8 964	13 443	-4 982
Aug	2 136	3 647	-843	58	902	548	14 719	-11 247	5 200	19 699	-11 601	13 298
Sep	5 346	-2 793	-1 576	-170	-2 402	-73	21 049	-10 568	-6 794	21 851	-8 239	6 818
Oct	-1 820	-1 713	2 503	-178	339	-154	14 738	-8 666	1 515	12 873	-9 159	5 228
Nov	7 063	-2 217	-563	24	570	731	10 941	-1 257	-5 692	14 757	-1 096	7 269
Dec	12 067	-12	-2 123	-94	1 465	-594	-1 477	-1 084	1 269	7 901	-3 143	6 027
2003 Jan	-11 607	-4 053	1 866	-199	1 138	761	4 743	10 449	-15 026	-9 529	10 072	-14 483
Feb	76	-870	529	189	-1 402	-245	11 024	-12 274	10 831	10 674	-11 117	10 389
Mar	11 263	1 831	-2 717	-99	2 198	-85	5 515	4 696	-285	15 602	2 414	17 730
Apr	263	-5 478	1 608	-217 [†]	-1 322	-939	10 969 [†]	2 233 [†]	-23 [†]	7 152 [†]	2 616 [†]	9 744 [†]
May	5 825	4 670	-4 981	122	4 784	-233	10 537	5 673	-10 802	16 155	657	6 010
Jun	10 156	-3 279	-996	-57	-607	-926	13 053	-8 620	3 814	18 881	-8 939	13 756
Jul	-6 155	-5 674	3 288	-232	-1 339	880	7 477	-603	-11 414	-1 296	1 616	-11 095
Aug	3 634	-4 140	-1 654	22	227	-771	5 312	-10 071	11 254	3 144	-11 069	3 329
Sep	8 539	-1 839	-541	-71	2 091	-1 331	17 556	8 179	-17 881	23 643	4 757	10 519
Oct	-1 643	-7 308	2 059	-89	-1 161	3 016	23 106	-22 657	5 494	16 153	-18 480	3 167
Nov	5 809	6 269	-5 420	-61	7 050	-49	9 431	8 472	-3 188	15 979	1 373	14 165
Dec	13 070	-2 537	-2 010	-11	-1 280	-3 143	6 977	-12 826	5 763	15 481	-14 688	6 555
2004 Jan	-14 451	-3 206	3 791	-301	-786	3 019	21 086	5 670	-18 993	6 910	9 475	-2 608
Feb	-138	-4 064	-541	228	1 267	225	4 600	12 197	-3 618	103	11 155	7 640
Mar	14 760	-3 521	-4 234	-487	497	-1 574	9 688	11 035	-9 993	16 147	8 964	15 118
Apr	-2 320	-5 096	2 975 [†]	-108	-1 907	84	9 849	6 487	-7 341	5 337	8 478	6 474
May	3 066	-2 475	941	72	1 170	-63	8 313	3 694	200	9 882	2 462	12 543
Jun	10 619	..	..	..	..	..	..	..	..	..	..	..

For most periods the relationships between the columns are as follows:

11 = 5 + 6 + 8; 12 = 9 + 10 + 11. Due to the inclusion of Public Sector Net Cash Requirement (PSNCR) information on a ESA95 basis, 10 = 1 + 2 + 3 + 4 + 7 from 1994/95 only. Because the latest available PSNCR information is included figures for more recent periods may not add exactly.

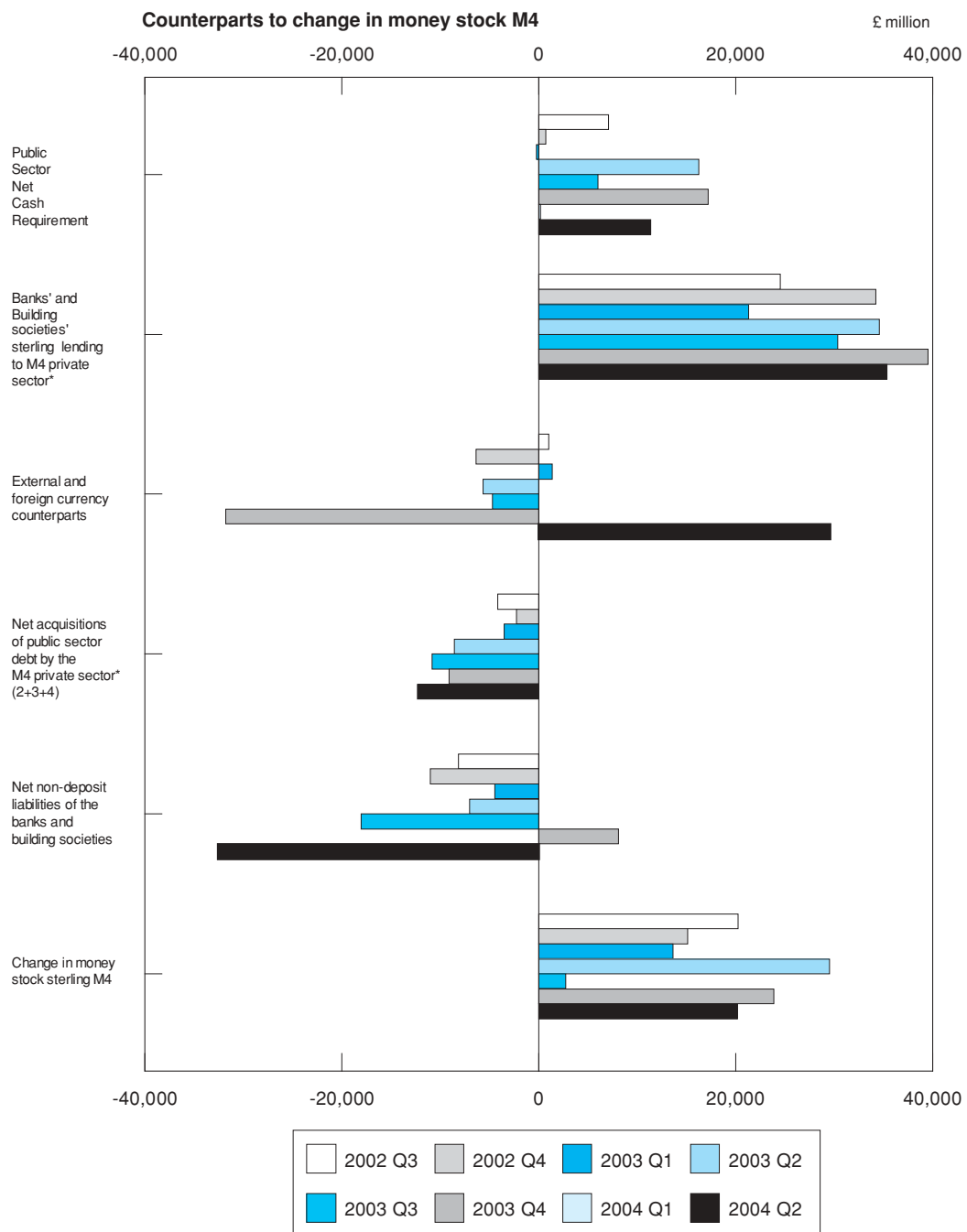
1 A wider range of figures is published monthly in *Financial Statistics*.

2 The M4 private sector comprises all UK residents other than the public sector, banks and building societies.

3 Formerly called the Public Sector Borrowing Requirement.

4 Columns 2-12 do not contain National Statistics data.

Sources: Office for National Statistics; Enquiries Column 1 020 7533 5984; Bank of England; Columns 2-12 020 7601 5467



6.4 Public sector receipts and expenditure

£ million, not seasonally adjusted

	Public sector current expenditure										Public sector current receipts							
	Current expenditure on goods and services	Subsidies	Net current Social Benefits	Net current grants abroad	Other current grants	Interest paid to private sector and RoW	Total current expenditure	Operating surplus	Taxes on production	Taxes on income and wealth	Taxes on capital	Other Current taxes	Compulsory social contributions	Interest/divide from private-/RoW	Rent and other current transfers	Total current receipts		
Annual	GZSN	NMRL	ANLY	GZSI	NNAI	ANLO	ANLT	ANBP	NMYE	ANSO	NMGI	NVCM	ANBO	ANBQ	ANBS	ANBT		
2001	189 191 [†]	5 787	123 865	-2 134	18 749	23 599	359 057 [†]	17 135 [†]	132 195	147 575	2 396	19 626	62 887	5 390	2 260	388 562 [†]		
2002	208 582	5 760	127 395	-539	22 793	21 417 [†]	385 408	16 857	138 513	142 402	2 381	21 236	63 520	4 409	2 199	390 641		
2003	228 955	7 377	133 599 [†]	-855	26 484 [†]	22 604	418 164	17 550	145 883	145 616 [†]	2 416	23 428	70 920 [†]	4 352	1 798	411 121		
Quarterly																		
2001 Q1	45 649 [†]	1 305	29 293	-261	4 785	6 313	87 084 [†]	4 088 [†]	31 498	47 192	569	4 504	17 957	1 700	753	108 046 [†]		
Q2	46 761	1 511	30 011	-259	4 761	5 991	88 776	4 201	32 820	29 131	612	5 099	14 518	1 283	406	87 841		
Q3	47 615	1 543	31 164	-1 294	4 314	5 328	88 670	4 222	33 815	35 513	617	5 068	15 064	1 275	698	96 043		
Q4	49 166	1 428	33 397	-320	4 889	5 967	94 527	4 624	34 062	35 739	598	4 955	15 348	1 132	403	96 632		
2002 Q1	50 534	1 177	30 325	12	5 520	5 214	92 782	4 279	32 710	44 764	556	5 043	18 231	1 027	654	107 033		
Q2	52 154	1 468	31 292	-126	5 622	5 423	95 833	4 130	33 954	28 730	607	5 387	14 624	1 085	442	88 744		
Q3	52 672	1 476	31 939	-375	6 253	4 617	96 582	4 231	35 840	35 760	619	5 436	14 972	1 126	672	98 441		
Q4	53 222	1 639	33 839	-50	5 398	6 163 [†]	100 211	4 217	36 009	33 148	599	5 370	15 693	1 171	431	96 423		
2003 Q1	55 550	1 734	31 892	-75	6 021	5 284	100 406	4 260	34 082	45 523	545	5 416	18 239	1 127	598	109 578		
Q2	57 556	1 902	32 499 [†]	-185	7 075 [†]	5 808	104 655	4 254	36 472	30 139 [†]	607	5 901	17 087 [†]	1 045	397	95 692		
Q3	56 944	1 928	33 412	-295	6 324	5 343	103 656	4 360	36 527	36 944	631	6 046	17 508	1 054	403	103 263		
Q4	58 905	1 813	35 796	-300	7 064	6 169	109 447	4 676	38 802	33 010	633	6 065	18 086	1 126	400	102 588		
2004 Q1	59 488	1 566 [†]	33 494	-137	7 802	5 424	107 637	4 253	37 029 [†]	45 881	647	6 075	22 629	1 154	396	117 854		

Sources: Office for National Statistics; Enquiries 020 7533 5987

6.5 Public sector key fiscal indicators¹

£ million⁵, not seasonally adjusted

	Surplus on current budget ²		Net investment ³		Net borrowing ⁴		Net cash requirement		Public sector net debt	
	General Government	Public Sector	General Government	Public Sector	General Government	Public Sector	General Government	Public Sector	£ billion ⁶	% of GDP ⁷
Annual	ANLW	ANMU	-ANNV	-ANNW	NNBK	ANNX	RUUS	RURQ	RUTN	RUTO
2001	17 699 [†]	16 267 [†]	9 837 [†]	8 634 [†]	7 862	7 633	-3 768 [†]	-2 891 [†]	319.1 [†]	31.4
2002	-6 190	-8 640	11 078	9 669	-17 268	-18 309 [†]	16 821	18 734	344.4	32.2 [†]
2003	-19 080	-21 352	16 060	14 257	-35 140 [†]	-35 609	37 794	39 230	375.1	33.1
Quarterly										
2001 Q1	18 287 [†]	17 693 [†]	3 747 [†]	3 403 [†]	14 540	14 290	-13 094 [†]	-12 566 [†]	307.2 [†]	31.3
Q2	-3 848	-4 227	1 195	952	-5 043	-5 179	6 246	6 325	314.7	31.6
Q3	4 385	4 052	2 100	1 731	2 285	2 321	-6 322	-6 128	308.5	30.7
Q4	-1 125	-1 251	2 795	2 548	-3 920	-3 799	9 402	9 478	319.1	31.4
2002 Q1	11 449	10 856	4 861	4 660	6 588	6 196	-6 383	-6 323	311.6	30.2
Q2	-9 938	-10 523	1 279	885	-11 217	-11 408	7 126	7 069	318.6	30.5
Q3	-1 164	-1 611	2 430	1 846	-3 594	-3 457	82	678	320.7	30.3
Q4	-6 537	-7 362	2 508	2 278	-9 045	-9 640 [†]	15 996	17 310	344.4	32.2 [†]
2003 Q1	6 517	5 570	6 193	6 255	324	-685	-1 705	-268	341.7	31.5
Q2	-11 915	-12 513	3 456	2 380	-15 371 [†]	-14 893	16 402	16 244	350.2	31.8
Q3	-3 508	-3 962	3 039	2 579	-6 547	-6 541	6 121	6 018	355.5	31.9
Q4	-10 174	-10 447	3 372	3 043	-13 546	-13 490	16 976	17 236	375.1	33.1
2004 Q1	7 440	6 584	5 937	5 659	1 503	925	494	171	375.2	32.7
Q2	..	-12 065	..	1 879	-13 933	-13 944	..	11 365	387.0	33.3

1 National accounts entities as defined under the European System of Accounts 1995 (ESA95).

2 Net saving, plus capital taxes.

3 Gross capital formation, plus payments less receipts, of investment grants less depreciation.

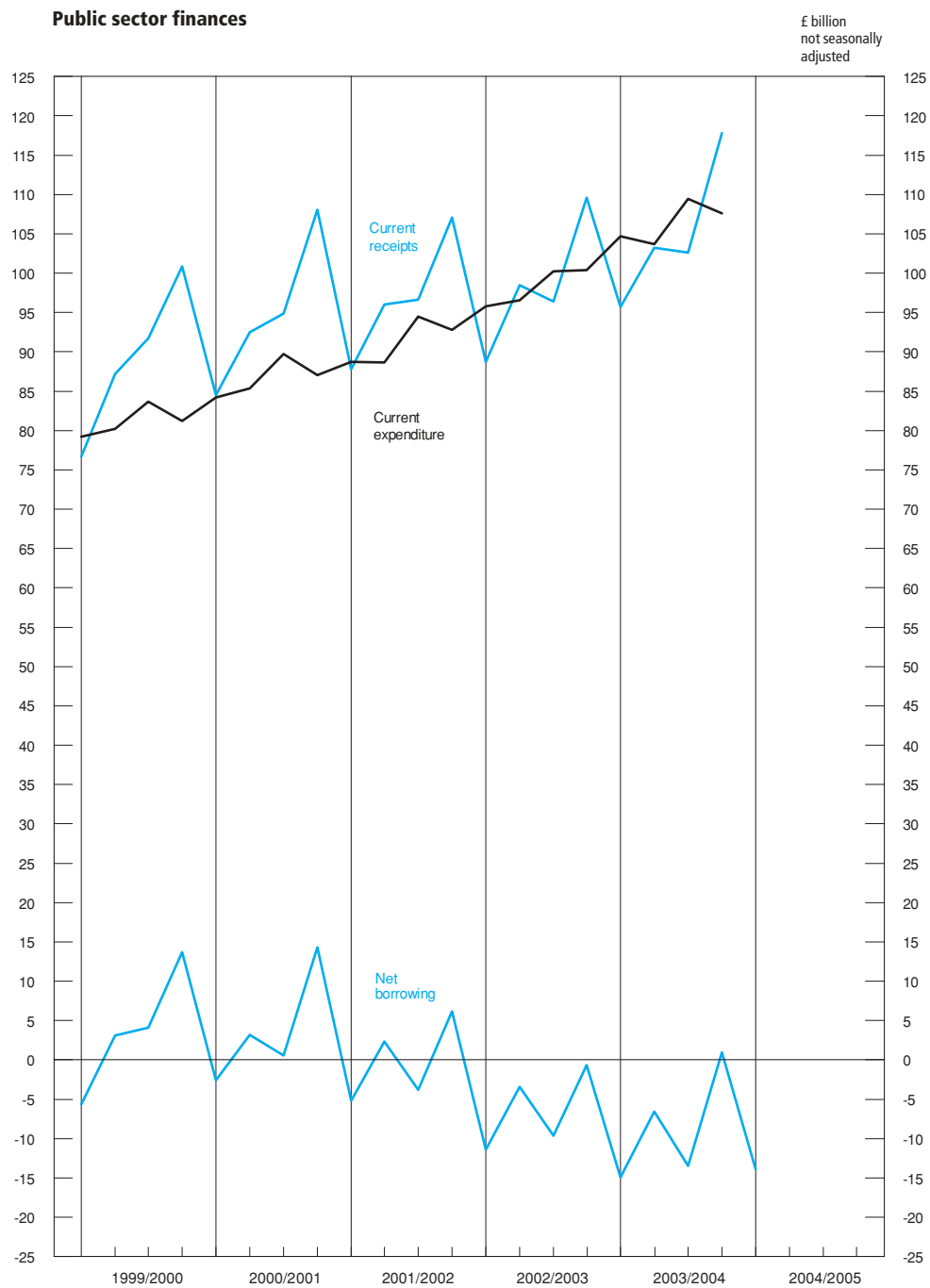
4 Net borrowing = surplus on current budget minus net investment.

5 Unless otherwise stated

6 Net amount outstanding at end of period.

7 Net debt at end of the month, Gross domestic product at market prices for 12 months centred on the end of the month.

Sources: Office for National Statistics; Enquiries 020 7533 5984



6.6 Consumer credit and other household sector borrowing

£ million

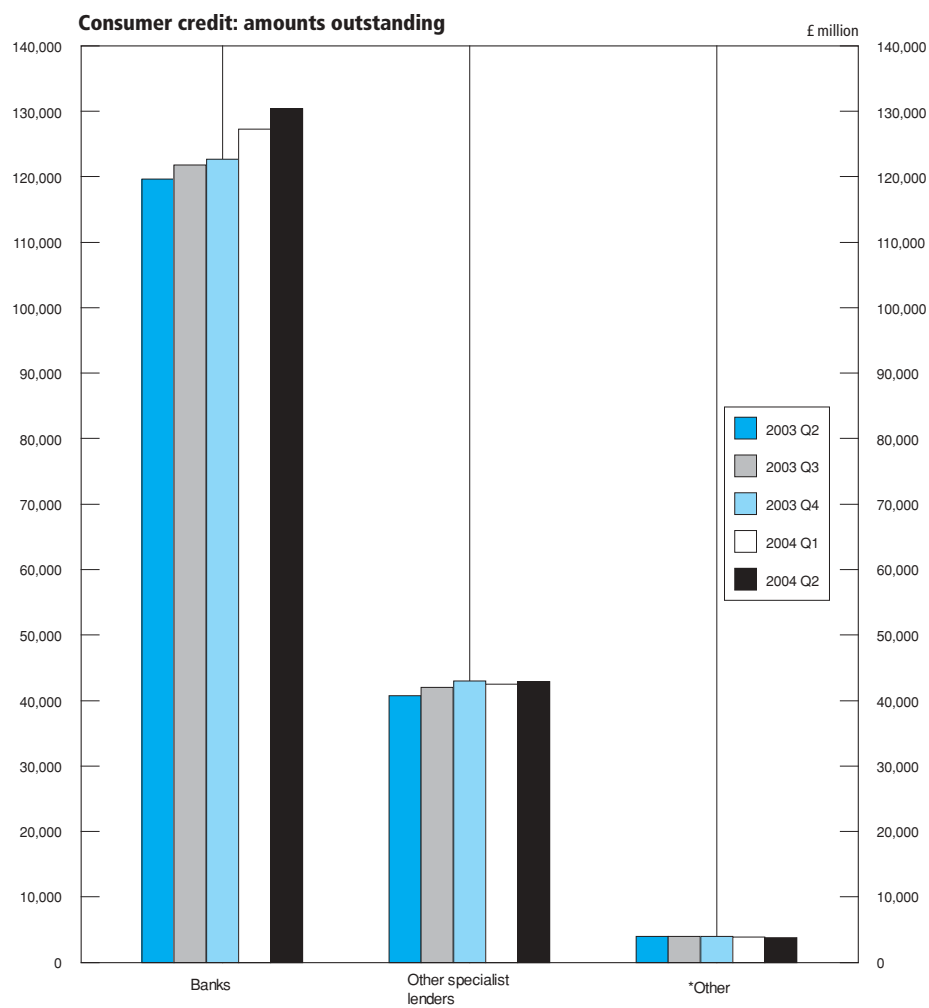
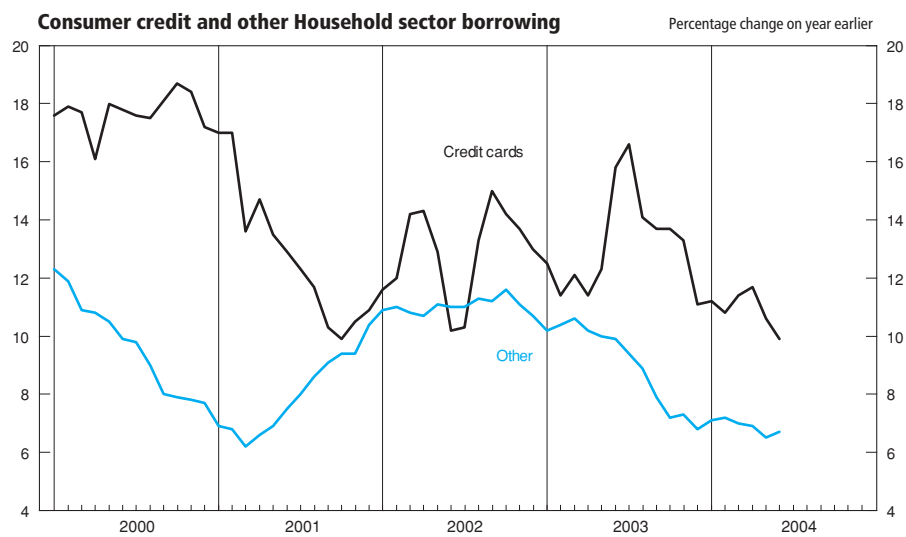
		Consumer credit							Loans secured on dwellings (NSA [†])	
		Total consumer credit ¹	of which		Banks ¹	Building Societies' Class 3 Loans ¹	Other specialist lenders	Retailers		Insurance companies
			credit cards ^{1,2}	other ^{1,2}						
Amounts outstanding: quarterly										
	VZRI	VZRJ	VZRK	VRVV	VZRG	VZRH	RLBO	VZQZ	AMWT	
1998 Q1	92 268	19 416 [†]	72 803	66 896 [†]	213	21 240	2 660 [†]	1 246	435 546	
Q2	95 641 [†]	20 581	75 065	69 740	185	21 718 [†]	2 688	1 240	442 028	
Q3	98 748	21 553	77 199 [†]	72 359	176	22 347	2 683	1 242	449 691	
Q4	101 618	22 468	79 201	73 137	295	24 305	2 669	1 238	456 803	
1999 Q1	105 891	28 431	77 501	75 724	298	25 846	2 698	1 319	463 305 [†]	
Q2	109 037	29 671	79 396	77 794	312	26 773	2 692	1 383	472 731	
Q3	112 318	30 759	81 602	80 468	329	27 496	2 655	1 400	484 271	
Q4	115 477	32 085	83 282	82 698	297	28 304	2 775	1 462	494 201	
2000 Q1	119 261	33 442	85 856	86 054	315	28 832	2 664	1 415	503 561	
Q2	122 020	34 941	87 109	88 719	315	28 944	2 612	1 310	514 841	
Q3	124 342	36 304	88 075	91 036	349	29 145	2 554	1 273	525 844	
Q4	127 294	37 603	89 572	94 272	392	29 011	2 503	1 197	535 753	
2001 Q1	129 056	37 990	91 113	95 871	412	29 081	2 524	1 229	546 467	
Q2	132 974	39 445	93 552	100 284	424	28 354	2 508	1 221	561 434	
Q3	136 065	40 023	96 051	103 436	447	28 495	2 520	1 206	577 456	
Q4	140 887	41 711	99 128	107 761	436	29 106	2 480	1 178	591 573	
2002 Q1	144 282	43 384	100 925	111 109	463	29 106	2 506	1 183	606 729	
Q2	147 273	43 486	103 823	113 144	460	29 702	2 572	1 193	626 121	
Q3	153 013	45 968	106 995	118 336	523	30 448	2 559	1 196	653 083	
Q4	156 942	47 155	109 793	120 863	610	31 816	2 535	1 182	675 769	
2003 Q1	160 453	48 632	111 850	116 922	625	39 319	2 522	1 120	696 146	
Q2	164 691	50 376	114 343	119 690	672	40 802	2 219	1 107	718 817	
Q3	167 787	52 218	115 484	121 863	736	41 990	2 165	1 085	746 874	
Q4	169 608	52 431	117 196	122 701	766	43 035	2 147	1 053 [†]	775 155	
2004 Q1	173 702	54 173	119 579	127 340	751	42 539	2 071	1 043	799 408	
Q2	177 310	55 355	121 990	130 420	777	42 895	2 038	1 024	..	
Amounts outstanding: monthly										
2002 Jan	142 129 [†]	42 168 [†]	99 961 [†]	109 025 [†]	428	29 232	2 482 [†]	1 174	..	
Feb	143 561	43 092	100 469	110 174	438	29 198	2 482	1 177	..	
Mar	144 242	43 272	100 971	111 242	469 [†]	29 037	2 494	1 183	..	
Apr	145 753	43 867	101 886	112 496	471	29 213	2 493	1 188	..	
May	147 231	44 170	103 061	113 409	471	29 217	2 548	1 191	..	
Jun	147 233	43 294	103 939	113 449	470	29 672	2 567	1 193	..	
Jul	148 737	43 727	105 010	114 572	483	29 732	2 549	1 194	..	
Aug	151 215	45 185	106 029	116 995	497	29 701	2 527	1 195	..	
Sep	152 805	45 906	106 898	118 154	517	30 408	2 546	1 196	..	
Oct	154 424	46 132	108 292	118 693	532	31 684	2 538	1 196	..	
Nov	155 366	46 614	108 752	119 470	539	31 795	2 545	1 192	..	
Dec	156 560	46 942	109 618	120 813	587	31 938	2 536	1 182	..	
2003 Jan	157 604	47 457	110 147	121 108	601	32 033	2 543	1 163	..	
Feb	158 892	48 002	110 889	119 630	616	34 501	2 541	1 140	..	
Mar	160 183	48 501	111 681	116 632	633	39 261	2 509	1 120	..	
Apr	161 169	48 846	112 323	116 880	655	40 034	2 483	1 109	..	
May	162 956	49 623	113 333	118 452	659	40 039	2 471	1 106	..	
Jun	164 354	50 150	114 204	119 540	688	40 748	2 216	1 107	..	
Jul	165 848	50 991	114 857	120 832	702	41 016	2 199	1 104	..	
Aug	167 010	51 551	115 459	121 704	716	40 972	2 265	1 096	..	
Sep	167 554	52 183	115 370	121 833	725	41 979	2 155	1 085	..	
Oct	168 562	52 463	116 099	121 823	730	42 720	2 158	1 072	..	
Nov	169 476	52 806	116 670	122 557	730	43 344	2 155	1 061 [†]	..	
Dec	169 288	52 175	117 113	122 622	736	43 139	2 145	1 053	..	
2004 Jan	170 719	52 771	117 948	125 244	747	41 500	2 091	1 048	..	
Feb	172 059	53 168	118 891	126 543	752	41 419	2 041	1 045	..	
Mar	173 485	54 026	119 458	127 156	758	42 516	2 059	1 043	..	
Apr	174 695	54 571	120 123	128 501	765	42 222 [†]	2 055	1 039	..	
May	175 649	54 906	120 743	128 971	784	42 550	2 038	1 033	..	
Jun	176 981	55 103	121 878	130 339	793	42 811	2 036	1 024	..	

1 These figures fall outside the scope of National Statistics.

2 From January 1999 onwards, a more accurate breakdown between credit card and 'other lending' is available.

Credit card lending by other specialist lenders can now be separately identified and is included for the first time within the credit card component. Hence, data from January 1999 onwards are not directly comparable with earlier periods.

Sources: Bank of England; Enquiries Columns 1-5, 9 020 7601 5468; Office for National Statistics; Enquiries Columns 6-8 020 7 533 6046



*Other is the sum of Retailers, Insurance companies and Building society class 3 loans

6.7 Analysis of bank lending to UK residents^{1,2,4,5,6}

Amounts outstanding

£ million, not seasonally adjusted

	Manufacturing ³	Other production	Financial	Services	Persons	Total loans, advances and acceptances
Total Loans, Advances, Acceptances and Sterling Commercial paper						
	TBSF	BCFX	BCFH	BCFR	TBTW	TBSA
2003 Q1	50 875	35 255	360 572	240 309	573 875	1 260 887
Q2	49 483	35 355	359 648	248 530	588 463	1 281 479
Q3	47 320	34 662	382 613	247 501	606 819	1 318 915 [†]
Q4	43 055	32 944	398 423	251 748	620 815	1 346 985
2004 Q1	43 291 [†]	34 438	441 771	251 273	631 534 [†]	1 402 307
Of which in sterling						
	TBUF	BCEY	BCFI	BCFS	TBVW	TBUA
2003 Q1	32 532	31 752	181 467	219 366	573 342	1 038 460
Q2	32 436	31 862	181 888	226 681	587 926	1 060 794
Q3	30 839	31 411	192 855	226 445	606 197	1 087 748 [†]
Q4	29 850	30 197	195 501	233 124	620 255	1 108 927
2004 Q1	30 487	32 176	204 538	234 922	630 968 [†]	1 133 091
Changes in total lending (sterling)						
	TBWF	BCEZ	BCFJ	BCFT	TBXW	TBWA
2003 Q1	-1 451	371	2 337	4 425	5 002	10 684
Q2	-61	224	2 543	7 110	16 380	26 195
Q3	-1 589	-444	10 991	330	21 899	31 188 [†]
Q4	-989	-1 215	3 008	7 318	17 532	25 655
2004 Q1	637	1 979	9 957	1 830	10 300 [†]	24 702
Changes in total lending (foreign currencies)						
	TBYF	BCFA	BCFK	BCFU	TBZW	TBYA
2003 Q1	214	-134	10 434	116	22	10 652
Q2	-967	76	12 243	1 356	21	12 729
Q3	-649	-253	10 714	193	86	10 091
Q4	-2 808	-381	4 685	-1 763	-36	-304
2004 Q1	98 [†]	-391	42 495	-1 669	31	40 565 [†]
Facilities granted						
	TCAF	BCFB	BCFL	BCFV	TCBW	TCAA
2003 Q1	97 860	64 422	407 913	337 951	639 426	1 547 572
Q2	93 241	65 964	406 835	343 473	661 318	1 570 830
Q3	91 556	65 423	431 330	345 907	681 360	1 615 575 [†]
Q4	84 990	63 718	447 144	350 413	700 354	1 646 620
2004 Q1	86 661 [†]	65 631	495 438	356 274	715 332 [†]	1 719 337
Of which in sterling						
	TCCF	BCFC	BCFM	BCFW	TCDW	TCCA
2003 Q1	56 944	49 334	212 148	294 815	638 662	1 251 904
Q2	54 711	50 685	214 104	301 435	660 540	1 281 475
Q3	54 779	50 738	226 632	303 029	680 456	1 315 633 [†]
Q4	52 609	50 157	230 711	311 499	699 570	1 344 545
2004 Q1	54 540	52 571	241 377	318 442	714 560 [†]	1 381 489
Changes in sterling (facilities granted)						
	TCEF	BCFD	BCFN	BCFX	TCFW	TCEA
2003 Q1	-657	82	2 228	8 670	15 074	25 398
Q2	-2 183	1 474	4 099	6 461	23 685	33 536
Q3	75 [†]	59	12 551	2 161	23 545	38 391 [†]
Q4	-2 170	-581	4 441	9 110	22 588	33 388
2004 Q1	1 941	2 412	11 615	6 969	14 576 [†]	37 514
Changes in foreign currencies (facilities granted)						
	TCGF	BCFE	BCFO	BCFY	TCHW	TCGA
2003 Q1	575	287	11 309	-1 513	39	10 697
Q2	-1 321	697	11 051	100	37	10 565
Q3	-1 891	-636	10 643	1 820	128	10 064
Q4	-2 837	-341	4 000	-2 090	-85	-1 353
2004 Q1	868 [†]	-158	47 412	105	22	48 250 [†]

1 Comprises loans advances (including under reverse repos), finance leasing, acceptances, facilities and holdings of sterling commercial paper issued by UK residents, provided by reporting banks to their UK resident non-bank and non-building society customers. This analysis is based on Standard Industrial Classification of 1992 and excludes lending to residents in the Channel Islands and the Isle of Man which are classified as non-residents for statistical purposes from end-September 1997. Holdings of investments and bills and adjustments for transit items are no longer included. For a more detailed breakdown of these data, see *Financial Statistics* Table 4.5B.

2 Changes in the reporting population in the quarter to end-December 1997, including the entry of Northern rock plc, account for an increase of £12.8bn in total sterling lending. Other currency lending was unchanged.

Changes data have been adjusted to reflect only the new business undertaken by Northern Rock plc during the quarter.

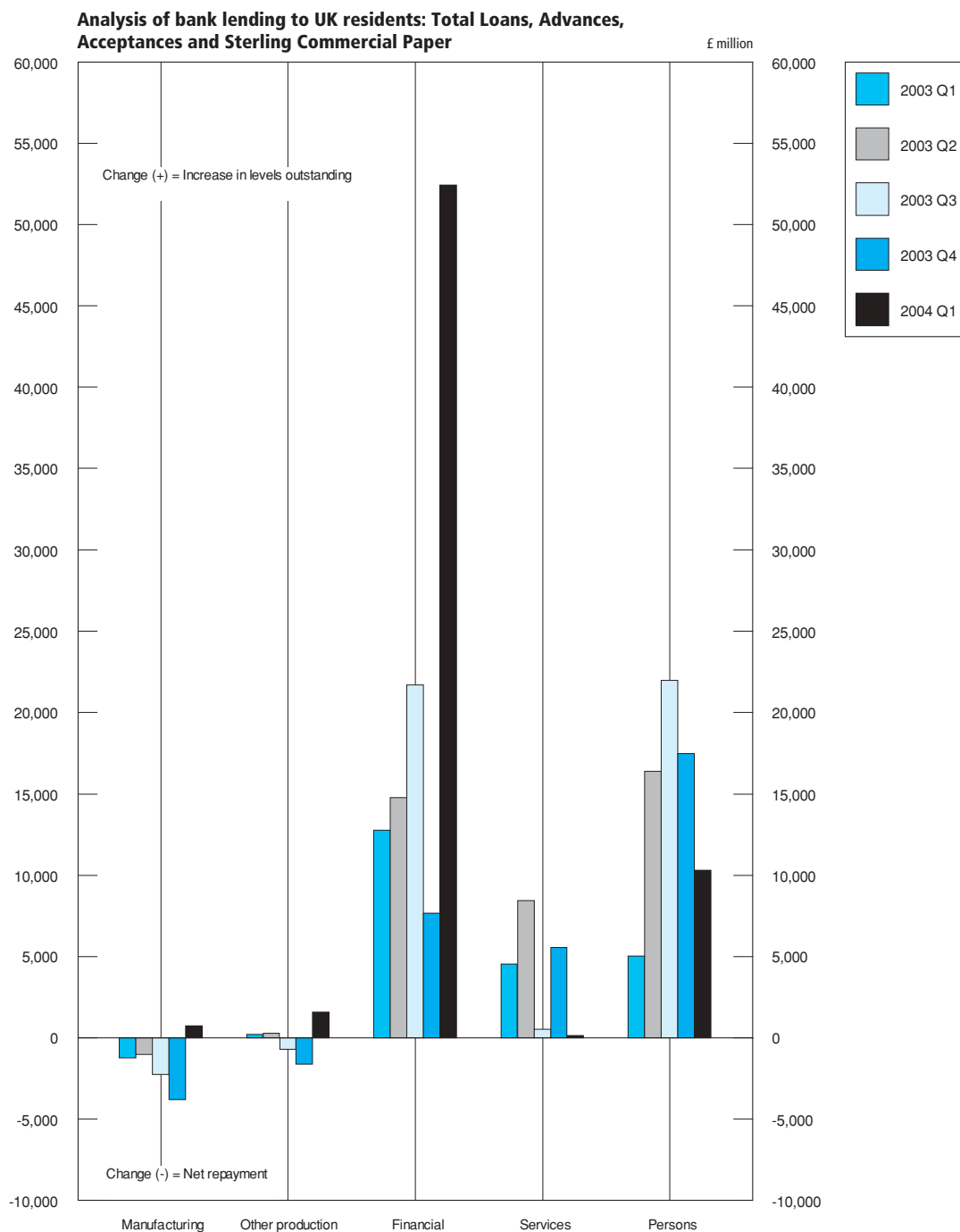
3 Includes lending under DTI special scheme for domestic shipbuilding.

4 In the quarter to end-June 1999, Halifax plc acquired Birmingham Midshires Building Society; adjustments have been applied so that only the growth in the latter's business in the quarter is included in the aggregate flows.

5 Data for amounts outstanding to end-Q4, 2000 reflect the entry of Bradford and Bingley plc to the banking sector in December 2000. Changes data have been adjusted to reflect only the net business undertaken by Bradford and Bingley plc during December.

6 These figures fall outside the scope of National Statistics.

Source: Bank of England; Enquiries 020 7601 5360



6.8 Interest rates, security prices and yields⁵

Percentage rate

	Last Friday						Last working day	Average of working days	
	Treasury bill yield ¹	Deposits with local authorities - 3 months ²	Inter-bank 3 months bid rate ³	Inter-bank 3 months offer rate ³	Sterling certificates of deposit 3 months bid rate	Sterling certificates of deposit 3 months offer rate		Euro-dollar 3 month rate	British government securities: long dated ⁴ - 20 years
Annual									
	AJRP	AJOI	HSAJ	HSAB	HSAL	HSAM	ZCMG	AJIB	AJLX
2000	5.69	5.84	5.81	5.84	5.75	5.81	..	6.35	4.68
2001	3.87	4.00	4.03	4.06	3.98	4.02	..	1.83	4.78
2002	3.92	..	3.94	3.96	3.90	3.94	..	1.35	4.83
2003	3.90	..	3.95	3.98	3.95	3.98	..	1.10	4.64
Monthly									
2000 Jan	5.85	6.25	6.09	6.16	6.03	6.09	5.75	6.05	4.82
Feb	5.93	6.06	6.16	6.22	6.09	6.16	6.00	6.08	4.71
Mar	5.93	6.13	6.16	6.22	6.13	6.16	6.00	6.29	4.56
Apr	6.05	6.22	6.25	6.31	6.22	6.25	6.00	6.44	4.63
May	6.04	6.13	6.19	6.22	6.13	6.16	6.00	6.82	4.69
Jun	5.93	6.06	6.13	6.16	6.06	6.13	6.00	6.76	4.63
Jul	5.93	6.03	6.16	6.19	6.13	6.16	6.00	6.71	4.64
Aug	5.95	6.06	6.16	6.19	6.09	6.13	6.00	6.64	4.74
Sep	5.85	6.03	6.09	6.13	6.03	6.09	6.00	6.74	4.86
Oct	5.81	6.00	6.03	6.06	6.00	6.03	6.00	6.71	4.81
Nov	5.72	5.88	5.94	5.97	5.91	5.97	6.00	6.64	4.59
Dec	5.69	5.84	5.81	5.84	5.75	5.81	6.00	6.35	4.49
2001 Jan	5.57	5.63	5.69	5.72	5.66	5.72	6.00	5.35	4.51
Feb	5.46	5.53	5.53	5.56	5.50	5.53	5.75	5.01	4.57
Mar	5.29	5.38	5.44	5.47	5.40	5.43	5.75	4.86	4.56
Apr	5.11	5.13	5.25	5.28	5.23	5.25	5.50	4.27	4.86
May	5.02	5.13	5.16	5.19	5.16	5.17	5.25	3.95	4.99
Jun	5.10	5.06	5.19	5.25	5.18	5.18	5.25	3.80	5.07
Jul	5.04	5.13	5.16	5.22	5.16	5.17	5.25	3.60	5.03
Aug	4.71	4.75	4.84	4.88	4.83	4.84	5.00	3.43	4.81
Sep	4.33	4.38	4.41	4.47	4.41	4.51	4.75	2.52	4.93
Oct	4.16	4.06	4.13	4.19	4.10	4.13	4.50	2.15	4.80
Nov	3.81	3.94	3.94	4.00	3.92	3.96	4.00	2.00	4.51
Dec	3.87	4.00	4.03	4.06	3.98	4.02	4.00	1.83	4.75
2002 Jan	3.90	3.94	3.97	4.03	3.97	3.99	4.00	1.86	4.81
Feb	3.91	3.88	3.97	4.00	3.91	3.95	4.00	1.85	4.83
Mar	4.04	4.09	4.09	4.16	4.09	4.11	4.00	2.00	5.11
Apr	3.98	4.00	4.06	4.13	4.05	4.06	4.00	1.86	5.13
May	4.04	4.03	4.09	4.13	4.09	4.11	4.00	1.82	5.18
Jun	3.97	4.03	4.06	4.09	4.05	4.07	4.00	1.83	5.02
Jul	3.75	..	3.94	3.97	3.92	3.94	4.00	1.75	4.90
Aug	3.86	..	3.91	3.97	3.91	3.93	4.00	1.80	4.64
Sep	3.81	..	3.88	3.91	3.85	3.86	4.00	1.74	4.45
Oct	3.73	..	3.88	3.91	3.85	3.87	4.00	1.64	4.59
Nov	3.86	..	3.94	3.98	3.94	3.95	4.00	1.42	4.64
Dec	3.92	..	3.94	3.96	3.90	3.94	4.00	1.35	4.62
2003 Jan	3.79	..	3.88	3.91	3.88	3.89	4.00	1.29	4.44
Feb	3.49	..	3.59	3.64	3.60	3.62	3.75	1.30	4.39
Mar	3.51	..	3.57	3.61	3.57	3.59	3.75	1.25	4.54
Apr	3.47	..	3.55	3.58	3.54	3.56	3.75	1.28	4.67
May	3.44	..	3.54	3.57	3.55	3.55	3.75	1.22	4.46
Jun	3.50	..	3.55	3.59	3.55	3.56	3.75	1.09	4.39
Jul	3.32	..	3.36	3.40	3.36	3.38	3.50	1.06	4.65
Aug	3.53	..	3.54	3.57	3.54	3.56	3.50	1.11	4.68
Sep	3.59	..	3.66	3.67	3.63	3.65	3.50	1.13	4.76
Oct	3.81	..	3.86	3.90	3.85	3.87	3.50	1.13	4.88
Nov	3.86	..	3.90	3.94	3.90	3.92	3.75	1.12	4.95
Dec	3.90	..	3.95	3.98	3.95	3.98	3.75	1.10	4.83
2004 Jan	4.00	..	4.05	4.10	4.06	4.08	3.75	1.08	4.75
Feb	4.11	..	4.11	4.16	4.12	4.14	4.00	1.07	4.78
Mar	4.24	..	4.30	4.33	4.30	4.32	4.00	1.05	4.67
Apr	4.31	..	4.35	4.39	4.35	4.37	4.00	1.11	4.87
May	4.54 [†]	..	4.56	4.59	4.55	4.59	4.25	1.24	4.98
Jun	4.67	..	4.77	4.79	4.74	4.78	4.50	1.56	5.00

1 Average discount rate expressed as the rate at which interest is earned during the life of the bills.

2 For a minimum term of 3 months and thereafter at 7 days' notice.

3 Spread of rates over the day in the inter-bank sterling market; from June 1982 rates are the spread at 10.30 am.

4 Averages of Wednesdays until February 1980; from March 1980 figures are the average of all observations (3 a week); from January 1982 average of working days. Calculated gross redemption yields - see *Financial Statistics Explanatory Handbook*.

5 These figures fall outside the scope of National Statistics.

Sources: Bank of England; Enquiries 020 7601 4342.



6.9 A selection of asset prices

	Producer price indices (NSA) (2000 = 100)		Housing:ODPM all lenders mix adjusted house price index (NSA) (2002 = 100)			Average price of agricultural land in England (NSA) (1995 = 100) ²
	Plant and machinery bought as fixed assets by	Manufactured output	New dwellings ¹	Secondhand dwellings ¹	All dwellings ¹	
Annual	PVJL	PQIR	WMPN	WMPP	WMPQ	BAJI
2000	100.0	100.0	84.6	88.0	87.7	..
2001	102.0	95.4	90.3	95.7	95.1	..
2002	100.2	95.2	108.7	111.6	111.2	..
2003	99.5	94.6	126.4	129.0	128.7	..
Quarterly						
2000 Q1	99.0	102.0	81.3	83.9	83.6	142 ³
Q2	99.4	101.8	86.0	88.5	88.2	143 ³
Q3	100.1	99.9	89.0	89.9	89.9	159 ³
Q4	101.4	96.3	92.9	92.3	92.5	146 ³
2001 Q1	102.9	95.4	90.8	92.1	92.1	155 ³
Q2	103.1	95.5	90.8	96.0	95.4	148 ³
Q3	101.2	95.4	94.1	99.4	98.8	162 ³
Q4	101.1	95.4	95.4	96.9	96.8	154 ³
2002 Q1	101.0	95.6	100.0	100.0	100.0	129 ³
Q2	100.5	95.5	106.5	108.4	108.2	139 ³
Q3	100.0	94.9	111.0	116.1	115.5	150 ³
Q4	99.2	94.9	117.1	121.8	121.3	150 ³
2003 Q1	99.1	94.6	119.3	124.0	123.4	131 ³
Q2	99.7	94.1	127.2	127.3	127.2	147 ³
Q3	99.9	94.5	127.9	131.1	130.7	167 ³
Q4	99.5	95.1	131.8	133.7	133.4	..
2004 Q1	99.2p	95.5	130.8	135.2	134.6	..
Q2	99.9p	96.2p	..	..	..	..
Monthly						
2002 Jul	100.2	94.9	105.9	113.8	112.9	..
Aug	100.4	94.9	111.6	115.9	115.4	..
Sep	99.4	94.9	115.5	118.6	118.2	..
Oct	99.2	94.9	113.7	119.9	119.1	..
Nov	99.2	95.0	116.2	120.9	120.3	..
Dec	99.1	94.9	121.4	124.7	124.3	..
2003 Jan	98.5	94.7	119.2	124.0	123.4	..
Feb	99.0	94.6	118.0	122.7	122.1	..
Mar	99.7	94.6	120.7	125.2	124.7	..
Apr	99.9	94.2	127.5	127.8	127.7	..
May	99.9	93.9	127.1	126.8	126.8	..
Jun	99.4	94.2	127.1	127.2	127.1	..
Jul	99.7	94.2	126.6	129.7	129.3	..
Aug	100.0	94.5	129.6	131.9	131.6	..
Sep	100.0	94.7	127.6	131.7	131.2	..
Oct	99.6	95.1	132.6	133.7	133.5	..
Nov	99.6	95.1	128.8	132.4	132.0	..
Dec	99.3	95.1	132.0	135.0	134.6	..
2004 Jan	99.2	95.0	131.5	136.0	135.4	..
Feb	98.6	95.4	129.4	134.7	134.1	..
Mar	99.7p	96.2	131.6	134.8	134.4	..
Apr	99.6p [†]	96.3	135.9	141.1	140.5	..
May	100.0p	96.3p	136.7	142.9	142.2	..
Jun	100.1p	95.9p	..	..	..	..

¹ Series based on mortgage lending by all financial institutions rather than building societies only, as previously published. This change has been made necessary because of the mergers, takeovers and conversions to plc status affecting the building society sector. The series is based on the Office of the Deputy Prime Ministers' 5% survey of mortgage lenders (at completion stage), but now includes all mortgage lenders rather than building societies only. From February 2002, monthly data has been obtained from the enlarged survey and quarterly data from 2002q2 are based on monthly indices.

² Please note that because of some changes in coverage, the revised series from Q1 1993 is not directly comparable with the old series. From Q1 1993 prices of all sales of agricultural land exclude some transfers in order to come closer to estimates of market determined prices. However the new series does not represent exactly competitive open market values. Sales are now analysed and recorded on the basis of when the transactions actually took place. Further information is available on the DEFRA Website (www.defra.gov.uk/esg/default.htm) accessible through the Internet. Data prior to 1993 remains on the previous basis.

³ Provisional estimates.

Sources: Office for National Statistics, Enquiries Columns 1-2 01633 812106 or 813390;
Office of the Deputy Prime Minister, Enquiries Columns 3-5 020 7944 3325;
Department of Environment, Food and Rural Affairs;
Enquiries Column 6 01904 455083

Measures of variability of selected economic series¹

			Average percentage changes				MCD or QCD	I / C for MCD (or QCD) span
Table	Period covered	C	I	C	I / C			
Quarterly series								
National income and components: chained volume measures, reference year 2001								
Gross Value Added (GVA) at Basic Prices	2.1	Q1 1985 to Q1 2004	0.7	0.2	0.7	0.3	1	0.3
Households' Final Consumption Expenditure	2.5	Q1 1985 to Q1 2004	0.9	0.3	0.9	0.4	1	0.4
Gross fixed capital formation	2.2, 2.7	Q1 1985 to Q1 2004	2.1	1.2	1.5	0.8	1	0.8
Exports: goods and services	2.2	Q1 1985 to Q1 2004	2.0	1.2	1.4	0.8	1	0.8
Imports: goods and services	2.2	Q1 1985 to Q1 2004	2.1	1.0	1.8	0.6	1	0.6
Real Households' disposable income	2.5	Q1 1985 to Q1 2004	1.1	0.9	0.8	1.1	2	0.3
Gross operating surplus of private non-financial corporations	2.11	Q1 1985 to Q1 2004	3.2	2.2	2.1	1.1	2	0.4
Other quarterly series								
Households' saving ratio ³	2.5	Q1 1985 to Q1 2004	1.0	0.9	0.4	2.2	2	0.7
Monthly series								
Retail sales (volume per week)								
Predominantly food stores	5.8	Jan 1986 to Mar 2004	0.6	0.6	0.2	2.4	3	0.8
Predominantly non-food stores	5.8	Jan 1986 to Mar 2004	1.1	1.0	0.4	2.4	3	0.7
Non-store and repair	5.8	Jan 1986 to Mar 2004	1.8	1.7	0.5	3.5	4	0.9
Index of industrial production								
Production industries	5.1	Jan 1985 to Mar 2004	0.7	0.7	0.2	3.1	4	0.8
Manufacturing industries	5.1	Jan 1985 to Mar 2004	0.7	0.6	0.3	2.5	3	0.8
Average earnings: whole economy	4.6	Jan 1990 to Mar 2004	0.5	0.3	0.4	0.8	1	0.8
Exports: value, f.o.b. ⁴	2.13	Jan 1985 to Mar 2004	2.9	2.7	0.8	3.5	4	0.8
Imports: value, f.o.b. ⁴	2.13	Jan 1985 to Mar 2004	2.3	2.1	0.8	2.8	3	0.8
Money stock - M0 ⁵	6.2	Jan 1985 to Mar 2004	0.6	0.3	0.5	0.7	1	0.7
Money stock - M4 ⁵	6.2	Jan 1985 to Mar 2004	0.8	0.3	0.7	0.4	1	0.4

1 For a fuller description of these measures see article 'Measuring variability in economic time series' in *Economic Trends*, No 226, August 1972.

The following are brief definitions of the measures.

CI is the average month to month (quarter to quarter for quarterly series) percentage change without regard to sign in the seasonally adjusted series.

\overline{C} is the same for the trend component.

\overline{I} is the same for the irregular component, obtained by dividing the trend component into the seasonally adjusted series, except for those series which are seasonally adjusted using an additive model, see footnotes 3 and 5.

$\overline{I/C}$ is therefore a measure of the size of the relative irregularity of the seasonally adjusted series.

The average changes \overline{I} and \overline{C} can also be computed successively over spans of increasing numbers of months (quarters). MCD (QCD), months (quarters) for cyclical dominance, is the shortest span of months (quarters) for which $\overline{I/C}$ is less than 1 and therefore represents the minimum period over which changes in the trend, on average, exceed the irregular movement.

MCD cannot exceed 6 even if $\overline{I/C}$ exceeds 1 for 6-month periods.

2 Series relate to Great Britain.

3 The figures in the tables were obtained from an additive analysis of the households' saving ratio so CI, \overline{I} and \overline{C} are differences in percentage points.

4 The figures have been updated as described in an article in *Economic Trends*, No 320, June 1980.

5 As the irregular component for M0 and M4 is obtained by subtraction of the trend rather than by division, the figures for CI, \overline{I} and \overline{C} are expressed as percentages of the trend level in the preceding month.

Source: Office for National Statistics: Enquiries 020 7533 6243

Index of sources

Abbreviations

DEFRA – Department for Environment, Food and Rural Affairs.

ODPM – Office of the Deputy Prime Minister.

	Table	Source	Further statistics (where available)
Asset prices	6.9	Office for National Statistics DEFRA ODPM Bank of England	Financial Statistics (for financial assets)
Average earnings	1.1, 4.6	Office for National Statistics	First Release Labour Market Trends Monthly Digest of Statistics
Balance of payments (current account)	2.13	Office for National Statistics	First Release Financial Statistics UK Economic Accounts
Banking		Bank of England	Financial Statistics
Banking loans, advances and acceptances	6.7		
British government securities (long dated) 20 years yield	6.8	Bank of England	
Building societies			Financial Statistics
Advances on new dwellings	5.4	Building Societies Association	
Average prices of new dwellings on mortgage completion (see also Housing)	5.4	ODPM Housing Statistics	
Commitments on new dwellings	5.4	Building Societies Association	
Capital account summary, analysis by sector	2.10	Office for National Statistics	
Cars (see also Motor Vehicles)			
Production	1.1, 5.3	Office for National Statistics	News Release
Registration	5.8	Department of Transport	
Change in inventories			
By industry	5.6	Office for National Statistics	First Release
Manufacturing	1.1		Monthly Digest of Statistics
Ratios	5.7		
Total	2.2		
Claimant count (see Unemployment)			
Coal (see also Energy)	5.9	Department of Trade and Industry	Energy Trends
Consumer prices index	1.1, 3.1	Office for National Statistics	First Release Focus on consumer price indices Labour Market Trends
Commercial vehicles, production (see also Motor vehicles)	5.3	Office for National Statistics	News Release
Construction industry			
Index of output (see also)			
Industrial production)	1.1, 2.8	Office for National Statistics	
Orders received	5.2, 5.4	Department of Trade and Industry	Construction Statistics
Output	5.2	Department of Trade and Industry	
Corporations		Office for National Statistics	
Financial corporations			Financial Statistics UK Economic Accounts
Capital transfers	2.10		
Gross saving	2.10		
In relation to gross domestic product	2.3		Monthly Digest of Statistics
Non-financial corporations			First Release
Allocation of primary income account	2.11		Financial Statistics
Capital account, net lending/net borrowing	2.12		UK Economic Accounts
Gross operating surplus	2.11		
Gross saving	2.10		
Property income received/paid	2.11		
Resources	2.11, 2.12		
Secondary distribution of income account	2.12		
Uses	2.11, 2.12	Office for National Statistics	

Consumer credit	5.8, 6.6	Office for National Statistics	Consumer Trends Financial Statistics
Counterparts to changes in money stock M4	6.3	Bank of England	Financial Statistics Press Notice
Credit business (see also Hire purchase)	5.8	Office for National Statistics	Financial Statistics
Current balance (see also Balance of payments)	2.13	Office for National Statistics	First Release Financial Statistics UK Economic Accounts
Dwellings (see also Housing)	5.4	Office for National Statistics ODPM	
Earnings (average)	1.1, 4.6	Office for National Statistics	First Release Labour Market Trends Monthly Digest of Statistics
Economic activity (Labour Force Survey)	4.1, 4.2, 4.3	Office for National Statistics	First Release Labour Market Trends
Electricity (see also Energy)	5.9	Department of Trade and Industry	Energy Trends
Employees in employment	4.1, 4.2, 4.3, 4.4	Office for National Statistics	First Release Labour Market Trends Monthly Digest of Statistics
Energy	5.9	Department of Trade and Industry	Energy Trends UK Energy Statistics
Household final consumption expenditure on energy products	2.6	Office for National Statistics	Monthly Digest of Statistics
Output index for energy and water supply	5.1		Monthly Digest of Statistics
Primary fuel input: total, coal, petroleum, natural gas and primary electricity	5.9	Department of Trade and Industry	Energy Trends
Engineering industries		Office for National Statistics	News Release
Sales and orders: total, home market and export	1.1, 5.2		Monthly Digest of Statistics
Eurodollar-3-month rate (see also Interest rates)	6.8	Bank of England	Financial Statistics
Exchange rates	1.1, 6.1	Bank of England	First Release Financial Statistics
Expenditure (see also Total final expenditure)	2.2, 2.3	Office for National Statistics	Monthly Digest of Statistics UK Economic Accounts
Exports		Office for National Statistics	
Of goods	1.1, 2.13		First Release Monthly Digest of Statistics
Price index	1.1, 2.14		First Release UK Economic Accounts
Volume indices	2.14		First Release UK Economic Accounts
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