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About the Office for National Statistics

The Office for National Statistics (ONS) is the government agency responsible for compiling, 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. It is also the agency that administers the statutory registration of births, marriages and deaths in England and Wales. The Director of ONS is also the National Statistician and the Registrar General for England and Wales.

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Economic Trends

No. 616, March 2005

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in brief

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

GDP growth

Gross Domestic product (GDP) is estimated to have grown by 0.7 per cent in 2004 quarter four compared to 0.5 per cent in the previous quarter.

Growth in the latest quarter is driven by a rise of 0.9 per cent in the service sector with strength across the transport, storage & communication and financial & business services.

The production industries declined by 0.1 per cent in the latest quarter as a rise of 0.2 per cent in manufacturing output was offset by a fall of 2.8 per cent in energy extraction.

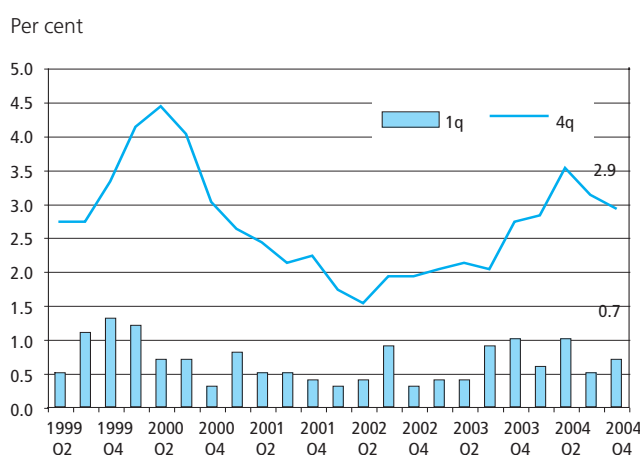
Construction output rose by 0.8 per cent in the latest quarter.

Household expenditure rose by 0.4 per cent, following on from 0.6 per cent in 2004 quarter three, as growth in expenditure on durable goods slowed.

Government final consumption expenditure rose by 0.8 per cent in the latest quarter and is now 3.5 per cent above the level seen in 2003 quarter four.

Exports of goods and services rose by 1.9 per cent over the quarter, within which exports of goods rose by 2.0 per cent

GDP quarterly growth



and exports of services rose by 1.9 per cent. Imports of goods and services rose by 2.0 per cent over the quarter with similar growth in imports of both goods and services.

Compensation of employees, measured at current prices, rose by 1.3 per cent, driven by increases in average earnings, with employment remaining at a similar level to 2004 quarter three.

Released: 25 February 2005

Retail sales

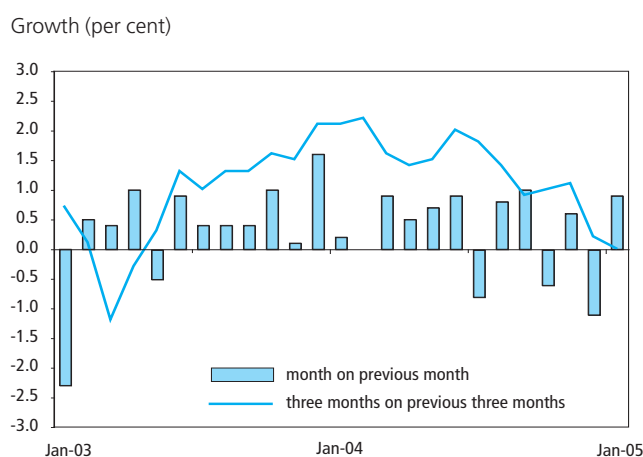
Latest results indicate that although sales recovered in January after a weak December, the relatively robust growth in evidence since mid-2003 appears to have come to a halt in recent months.

The volume of retail sales in the three months November to January 2005 was the same as in the previous three months. This follows growth of 0.2 per cent in the three months to December and is the lowest since April 2003.

Three-monthly growth in sales volume for food stores was 0.4 per cent compared to a 0.6 per cent decrease for non-food stores. Among non-food stores, three monthly growth was negative for all other sectors except household goods stores. The biggest three-monthly fall was 1.1 per cent for 'other' non-food stores. Non-store retailing showed positive growth of 1.6 per cent reflecting continued strong performance by internet retailers.

Annual comparisons show that sales volumes in the three months to January 2005 were 4.3 per cent higher than in the

Retail sales



same period in 2004, the lowest such growth since December 2003. Sectors showing strongest growth over the year were clothing stores at 5.6 per cent and non-store retailing at 8.0 per cent.

Analysis of monthly figures shows that the total sales volume grew by 0.9 per cent between December and January and by 3.9 per cent compared with January 2004. This follows a 1.1 per cent decrease last month and 0.6 per cent growth in November. There was an increase on the month for all sectors

apart from 'other' non-food stores which showed a decrease of 0.9 per cent. The biggest increase was for non-specialised stores at 2.7 per cent, with food stores at 1.5 per cent.

The unadjusted value of retail sales in January totalled £17.5 billion and average weekly sales were £4.4 billion. This was 2.2 per cent higher than a year ago and represents the lowest annual growth since November 2003. Annual growth in sales value for food stores was higher than that for non-food stores at 3.3 per cent compared to 1.5 per cent.

Released: 17 February 2005

UK government debt and deficit

Provisional estimates show that for the calendar year 2004 the UK recorded a government deficit of £35.8 billion, which was equivalent to 3.1 per cent of Gross Domestic Product (GDP). This exceeded the reference value in the Maastricht Treaty's Excessive Deficit Procedure, which sets deficit and debt targets of 3 per cent and 60 per cent respectively for all EU countries. However the UK operates on a financial year basis (April-March) and is assessed on the financial year, which is not yet complete.

At the end of 2004 general government debt was £481.4 billion, equivalent to 41.6 per cent of GDP. It remains substantially within the reference value for excessive debt.

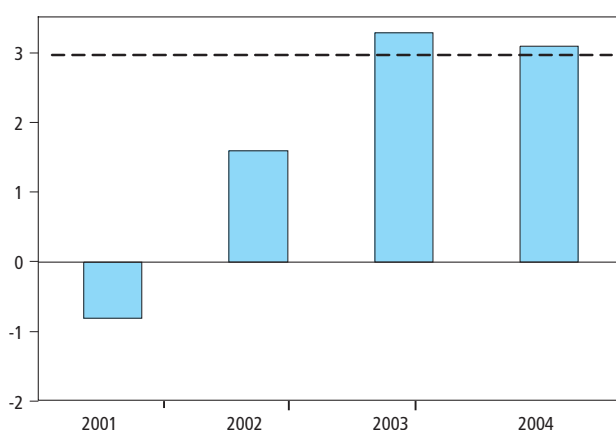
These data were reported to the European Commission at the end of February 2005. General government is the total of central government and local government.

The data on Government deficit and debt under the Maastricht Treaty are calculated according to the Office for National Statistics' (ONS) interpretation of the 1995 European System of Accounts (ESA95) and a United Nations Statistical Commission decision on the treatment of government receipts for use of the electro-magnetic spectrum. ONS also publishes a separate deficit figure consistent with a Eurostat decision which treats these receipts differently.

Released: 28 February 2005

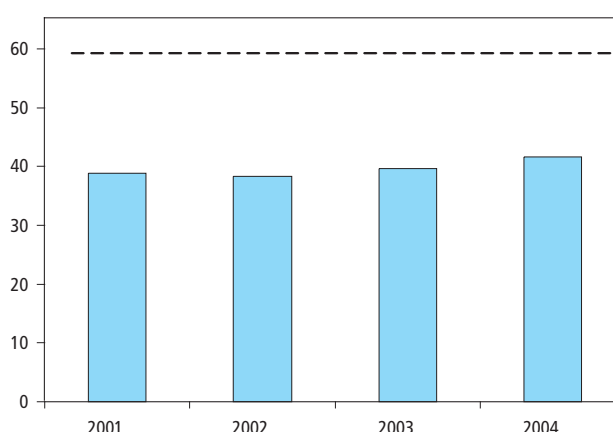
Government deficit as a percentage of GDP

Per cent



Government debt as a percentage of GDP

Per cent



International comparisons of productivity

After the periodic major benchmarking exercise of prices across all OECD countries, the UK's productivity performance continues to be lower than France and the USA.

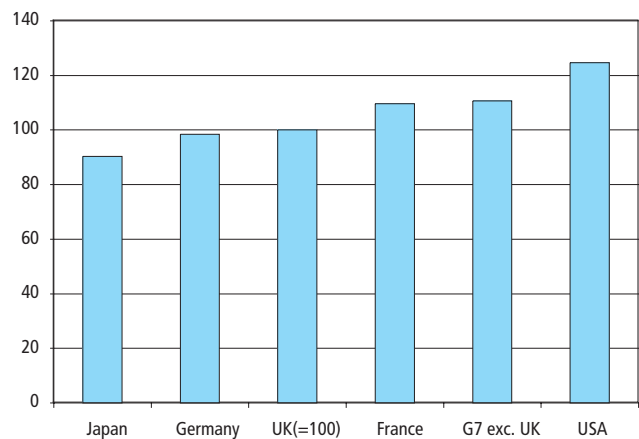
UK productivity in 2003, measured by Gross Domestic Product (GDP) per worker, was 11 per cent below that of the average of all other G7 countries. Before this revision, UK productivity was 13 per cent lower. UK GDP per worker remains similar to that of Germany, above that of Japan, but still below that of France and the USA.

Revisions in this release largely reflect new estimates of Purchasing Power Parities (PPPs). The impact is to lower the productivity levels of all other countries relative to the UK for the most recent years.

PPPs are rates of currency conversion that eliminate differences in price levels between countries and are used to convert individual countries current price GDP into a common currency. They are considered superior to exchange rates for this purpose. However, PPP estimates are subject to a margin of error, and have tended to be revised. In particular, for this release there has been a major benchmarking exercise with PPPs. Moreover there are uncertainties surrounding the international comparability of the other component series. Differences between productivity estimates for individual countries of a few percentage points should, therefore, be considered within the margin of error.

GDP per worker

Index (UK = 100)



Accompanying this release is a technical note which provides further detail about the international comparisons of productivity methodology, the compilation process and use of purchasing power parities. The note also provides a detailed analysis of past and present revisions to the international comparisons of productivity estimates since their first publication in October 2001.

Also published at the same time as this release are experimental international comparisons of GDP per hour worked. Revision to purchasing power parities has also improved the UK's productivity performance on this basis, but the ranking of the UK remains unchanged. The UK was only ahead of Japan (83.5) in 2003, but behind Germany, France and the USA, with France remaining the leader at 125.7.

Released: 23 February 2005

Economic update

March 2005

Anis Chowdhury

Office for National Statistics

Overview

- GDP growth in the fourth quarter is 0.7 per cent, up from 0.5 per cent in the previous quarter.
- The service sector continued to lead economic growth. Industrial production fell for the second successive quarter, but the contraction during quarter four was lower than that in quarter three.
- Consumer spending during the third quarter rose by 0.4 per cent, slowing slightly from the previous quarter. Retail sales had been rising faster than consumption as a whole, and rose in January following a decrease in December.
- Total fixed investment rose by 1.4 per cent in the fourth quarter, up from 0.9 per cent in quarter three.
- Government spending continues to add to economic growth. Public finances show an improvement in January.
- The labour market remains tight, with employment and unemployment edging slightly upwards. Average earnings picked up over the quarter, but stronger productivity growth has kept unit wage costs broadly flat during 2004.
- Producer output price inflation has grown more slowly in the last few months due mainly to a fall in petroleum prices.
- Consumer price inflation was unchanged in January from the previous month, but remains below the target set by the Chancellor of the Exchequer.

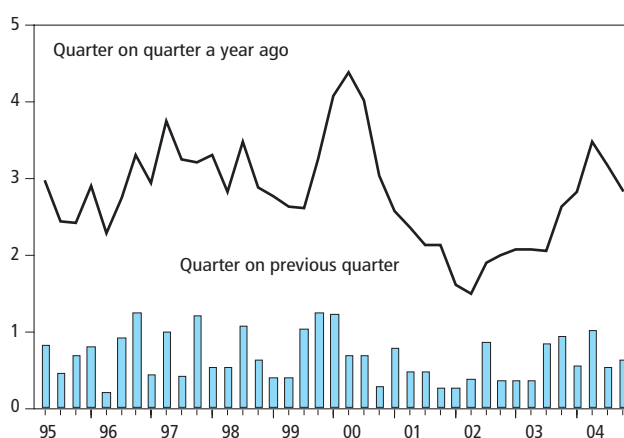
GDP activity – overview

The GDP growth for the final quarter of 2004 was left unchanged from the initial estimate of 0.7 per cent after the release of the UK output, income and expenditure figures for that quarter. This represents a pick up over the previous quarter when growth was 0.5 per cent. However, looking at the year on year figures, GDP growth actually fell to 2.7 per cent from 3.1 per cent. This indicates that GDP growth has slowed down from the high rates recorded during first half of 2004 (Figure 1). The general consensus view is that GDP is currently growing at about its trend rate. This latest release contains more information than that contained in the preliminary GDP one. It gives first estimates for the main expenditure categories and more complete information on the output side. It is still, however, based on as yet incomplete information.

At present, GDP figures for the third quarter of 2004 are available for the major OECD economies. These give a mixed picture of the current strength of the world economy.

Figure 1
GDP

Growth



The US continues to demonstrate strong economic performance with growth in the fourth quarter of 0.9 per cent, down from 1.0 per cent in quarter two. The slight deceleration was primarily due to an increase in the trade deficit. However, in Japan, gross domestic product fell by 0.1 per cent in quarter four but slightly up from the 0.3 per cent fall in quarter three. The fall reflected weak exports and a slowdown in consumer spending.

Growth in the three biggest euro area economies – Germany, France and Italy – shows a mixed picture. French economic growth accelerated in quarter four to 0.8 per cent, having been flat in quarter three. Growth was primarily due to an increase in consumer spending as well as a rebound in business investment. Germany and Italy continues to be weak and underpinned by low domestic demand. German GDP declined by 0.2 per cent in quarter four, the economy's first quarterly decline since the second quarter of 2003. The contraction was primarily due to lower government spending and to a lesser extent, lower business investment. In Italy, GDP growth shrank by 0.3 per cent, having grown by 0.4 per cent in quarter three. The decrease was mainly due to a fall in industrial production.

Financial market activity

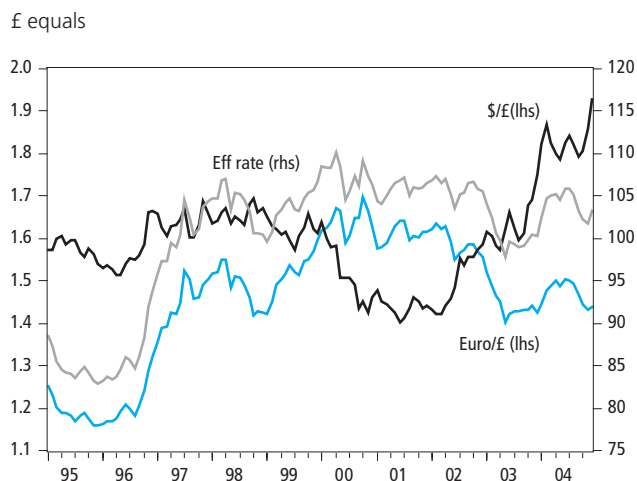
In the final quarter of 2004 growth in the stock market accelerated, rising by over six per cent compared to just under two per cent in the third quarter. Over 2004 as a whole the FTSE All-Share index gained just over 9 per cent. This compares to growth of over 16 per cent in 2003 and continues the recovery in equity prices following the large fall between 2000 and 2002. At the time this article was written the FTSE All-Share index had risen a further 4 per cent with the index in February standing at 2519.38.

In the currency markets, data from the final quarter of 2004 showed that sterling depreciated by approximately 3 per cent against the euro, but appreciated by over 6 per cent against the US dollar. This shows a continuation of the trends exhibited in quarter three (Figure 2). Taking 2004 as a whole, sterling fell by 0.5 per cent against the euro, with the depreciation in the second half of the year effectively cancelling out the appreciation in the first. Against the dollar, sterling appreciated by over 7 per cent during 2004. In effective terms sterling depreciated by 1.4 per cent during the final quarter of 2004, and if it had not been for the recent weakness of the dollar the depreciation would have been greater. This might be linked to the fact that markets view UK interest rates as having peaked in the short-term. In addition, the persistent deterioration in the UK's trade position could point to a longer-term depreciation in sterling. At the time this article was written, the euro-sterling and dollar-sterling exchange rates were 1.44 and 1.91 respectively. Sterling has appreciated by around 4 per cent against the euro but has depreciated around 1 per cent against the dollar since the beginning of 2005.

During the last quarter of 2004 there were no changes to official interest rates. These have now remained at 4.75 per cent since August. However there appears to be speculation about further upward movements in interest rates following the publication of relatively strong labour market figures,

suggesting a tight labour market. The issue is whether this will have any impact on wage rate pressures in the short and medium term, possibly leading to higher inflation. UK rates rose by 0.75 per cent during 2004 and are above the rates in the eurozone and the US. However, they are still at a relatively low level compared to historical values.

Figure 2
Exchange rates



Output

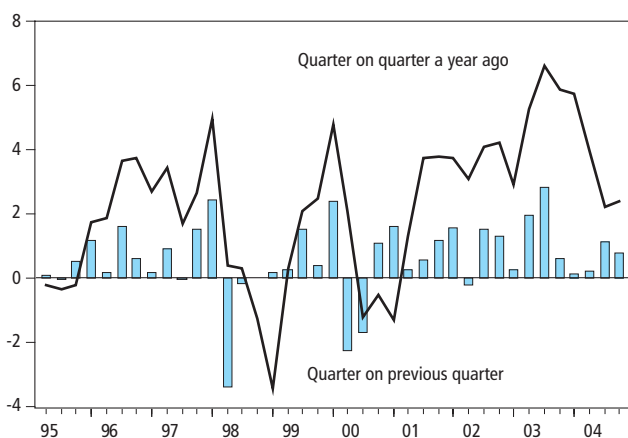
Gross domestic product (GDP) grew by 0.7 per cent in the fourth quarter, unchanged from the previous initial estimate. This is a slight acceleration from quarter three growth of 0.5 per cent. The annual growth rate in the fourth quarter was 2.7 per cent, down on the quarter three growth of 3.1 per cent.

The services sector continues to be the main driver of strong GDP growth figures in the UK and it has been over the last year and a half. The output of services accounts for over 70 per cent of GDP. In the fourth quarter of 2004 the total output of the services industries grew by 0.9 per cent, unchanged from the growth rate in quarter three. The slight acceleration of GDP in quarter four is because the fall in industrial production of 0.1 per cent was lower than the fall of 1.2 per cent recorded for the third quarter. The large fall in the third quarter appeared to be concentrated in the mining and quarrying sector, which includes oil and gas extraction. This fell by 5.7 per cent, mainly because the oil and gas producers delayed regular summer maintenance work until September to take advantage of high oil prices. This also accounts for, but to a lesser degree, the fall in production in the fourth quarter where the mining and quarrying sector contracted by 2.8 per cent. The less pronounced fall in the industrial production figures can also be partly explained by an upturn in manufacturing. In quarter four, manufacturing increased by 0.2 per cent having decreased by 0.8 per cent in quarter three. Finally, construction activity which represents around 5.7 per cent of the economy, is estimated to have grown by 0.8 per cent following growth of 1.1 per cent in quarter three which represents a marked increase on the low growth rates during the first two quarters of the year (Figure 3). The CIPS Report on Construction shows an increase in activity during the final quarter although the balance is lower than at the beginning of the year. This was mainly accounted for by an

increase in commercial activity – although residential activity also rose. According to the latest figures in January, indexes for both commercial and residential activity showed decreases.

Figure 3
Construction output

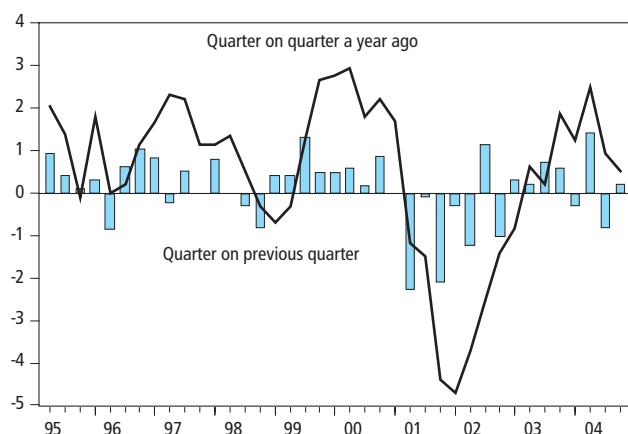
Growth



Manufacturing output in the fourth quarter increased by 0.2 per cent. This is a notable turn around considering that output had decreased by 0.8 per cent in quarter three. There were also upward revisions to some earlier quarters. Increases in output in the food, drink and tobacco industries, petrol & nuclear fuels and other industries contributed to the increase. Looking at the same quarter a year ago, annual growth in the fourth quarter was 0.5 per cent, lower than the previous quarter rate of 1.0 per cent (Figure 4).

Figure 4
Manufacturing output

Growth

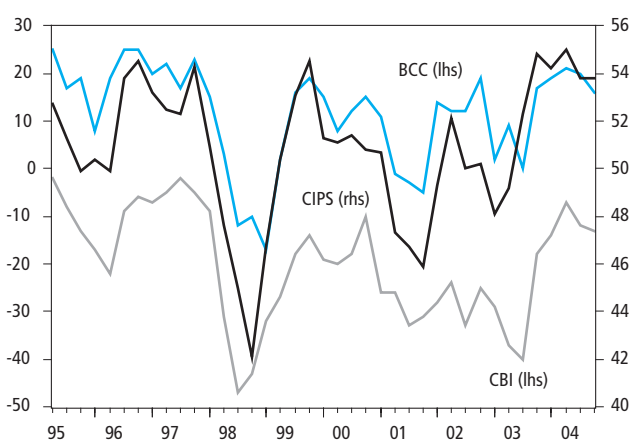


External surveys of manufacturing present a weaker outlook for growth in quarter four than in both the second and third quarters. However, despite a worsening trend they do not seem to have been as weak as the official figures suggest (Figure 5). The quarterly BCC manufacturing survey reports that home deliveries fell for the second consecutive month whilst orders remained constant, but both remain significantly in positive balance. The CIPS headline index also signalled an expansion in activity in the fourth quarter, but although the overall balance was mainly unchanged from the previous quarter it was down

on the same quarter a year ago. The latest figure in January however shows a decrease in the index. The latest quarterly CBI Industrial Trends survey shows that manufacturing output slowed almost to a halt in the final quarter, and also reported a modest decline in new orders. According to the latest figures in February, orders are still in negative balance but showing an improvement from the January position. It is not necessarily unusual for the path of business indicators and official data to diverge over the short term. These differences partly arise because the series are not measuring the same thing. External surveys are more qualitative, measuring the direction rather than the size of an output change and often enquire into expectations rather than actual activity.

Figure 5
External manufacturing

Balances

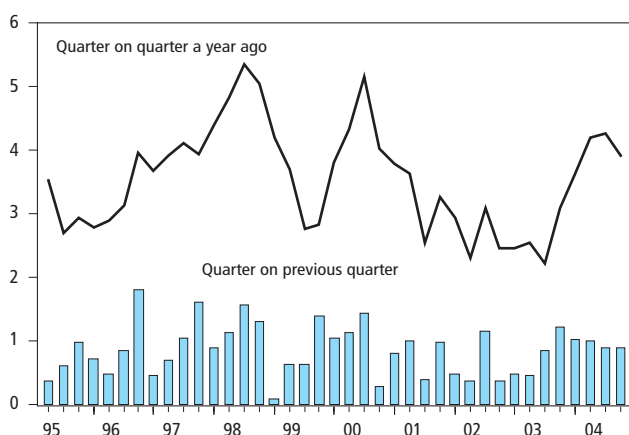


Overall service sector output is estimated to have grown by 0.9 per cent in the final quarter of 2004, unchanged from the previous quarter. Looking at the longer-term picture it is clear that this quarterly growth rate has been buoyant since the second half of 2003 (Figure 6). However, a disaggregated view of the figures demonstrates that although the total growth rate has been fairly constant, the components of service sector output have been more volatile. In the fourth quarter the output of the distribution, hotels and restaurants sector grew at 0.2 per cent compared to 0.7 per cent in quarter three, due to weaker growth in wholesaling and retailing. This though was offset by strong rises in output in the transport, storage and communication sector where growth was 1.3 per cent down from 1.8 per cent growth in quarter three; and also in the business services and finance sector where output growth increased from 1.1 per cent to 1.5 per cent.

The published monthly figures are the index of distribution and the experimental index of services. In the three months to December, the index of distribution was unchanged compared with the quarter to September, which grew by 0.8 per cent. An increase in motor trade output was offset by decreases in both the wholesaling and retail trades. The retail sales figures for December suggest that the retail sector had a very poor end to the year. The experimental index of services reports that in the three months to December, output grew by 0.9 per cent - unchanged from the growth rate on the previous three months. This confirms the strong and persistent growth in the service sector. Business services & finance was the most

Figure 6
Services output

Growth



significant contributor to the three-month increase.

The external surveys were unanimous in predicting rapid activity in the service sector, but differ somewhat in their recent trends. After declining throughout 2004 the balance on the CIPS index of services showed small increases in total activity and orders during the fourth quarter. In January there was a further pick up. This pattern was concurred by the CBI service sector survey, where the balances on the volume and value of business rebounded strongly in quarter four following a considerable fall in the third quarter. However, the BCC survey fell considerably for the second consecutive quarter, with the balances on both home deliveries and orders falling to their lowest levels for a year although they continue to remain strongly positive. It is worth bearing in mind though that surveys in December are usually based on smaller samples and are more heavily influenced by seasonal factors.

Household demand

In the fourth quarter of 2004 household final consumption rose by 0.4 per cent, slightly down from 0.6 per cent growth in quarter three but considerably lower than the first quarter when growth was 1.1 per cent. Growth compared with the same quarter a year ago was 2.7 per cent, compared to 2.9

per cent in the third quarter (Figure 7). The slowdown in household final consumption can be partly attributed to lower spending on certain durable goods.

Most of the fundamentals for consumer spending continue to be supportive. Real disposable income growth remains consistent with a moderate growth in spending. The labour market is tight, which might have a small upward effect on wages, and low unemployment generally ensures that consumers are unconcerned about their job prospects. Meanwhile consumer confidence remains reasonably high. The GfK confidence index shows an improvement in January compared to previous months. Recent evidence from the housing market has indicated that although house prices are still high, there has been a general slowdown in most areas in recent months. Finally, there have not been any increases in official interest rates since August, however there has been some recent speculation that this may change in the future.

Retail sales figures are published on a monthly basis and the latest available figures are for January 2005. Growth for consumption as a whole has been significantly weaker than retail sales in most recent quarters although that was not true of quarter four. It should be noted though that household consumption accounts for a much wider range of spending than retail sales. Latest results indicate that although sales recovered in January after a weak December, the relatively robust growth in evidence since mid 2003 appears to have come to a halt in recent months.

In January, retail sales volume grew by 0.9 per cent, and by 3.9 per cent compared with January 2004. This follows a 1.1 per cent decrease in December. There was an increase on the month for all sectors apart from 'other' non-food stores. In the three months to January (considered a better guide to the trend) growth slowed to zero per cent, from 0.2 per cent on the previous three months (Figure 8). Non-food sales were down 0.6 per cent, while food sales were up 0.4 per cent on the quarter. Among non-food stores, three monthly growth rate for all other sectors was negative for all other sectors except household goods stores. The biggest three monthly fall was 1.1 per cent for 'other' non-food stores. Non-store retailing showed positive growth of 1.6 per cent reflecting continued strong performance by Internet retailers. Annual comparisons

Figure 7
Household demand

Growth

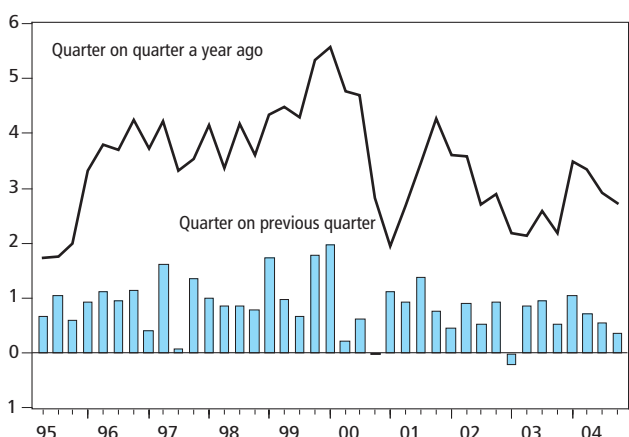
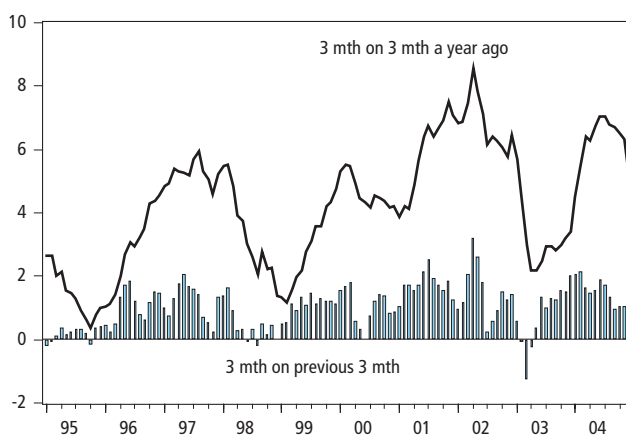


Figure 8
Retail sales

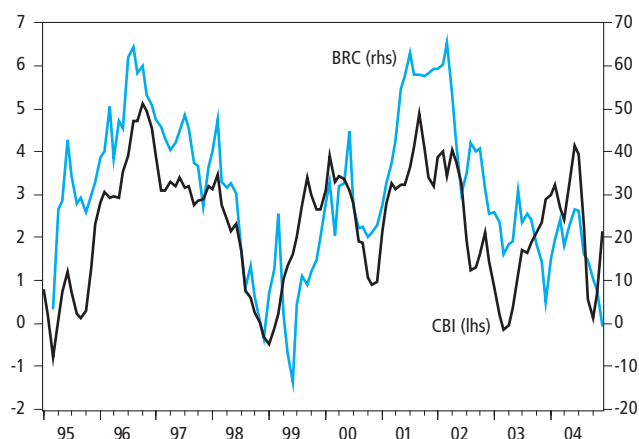
Growth



show that sales volumes in the three months to January 2005 were 4.3 per cent higher than in the same period in 2004, the lowest growth since 2003.

Figure 9
External retailing

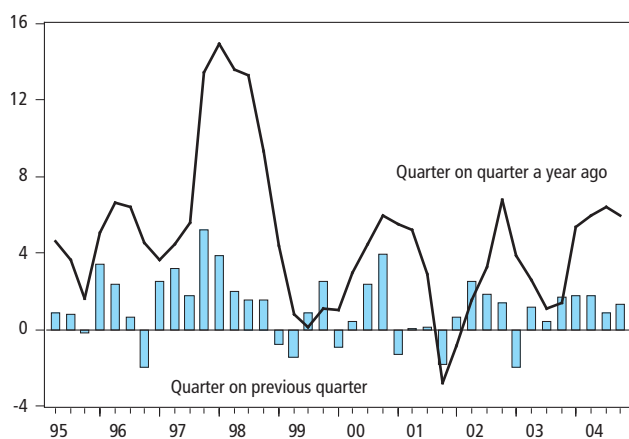
Balances, 3 month moving average



The slowdown in retail sales growth during the second half of 2004 is reflected in the external figures for retailing (Figure 9). The CBI distributive trades survey measuring the volume of sales had dropped substantially in quarter three. The rise in quarter four appears to reflect a correction to this sharp drop but the level remains below its level at the start of the year. In January retailers reported marginally weaker sales than a year ago. The negative balance of minus three is the weakest January balance since 1999 when it was minus nine. The British Retail Consortium like-for-like sales monitor also worsened in quarter four. In January however there was a pick up. Retail sales rose by 0.5 per cent on a like-for-like basis, and showed growth of 3.5 per cent on a total basis, compared with a year earlier, the highest since last September. However retailers generally reported a relatively weak January trading period.

Figure 10
Fixed investment

Growth



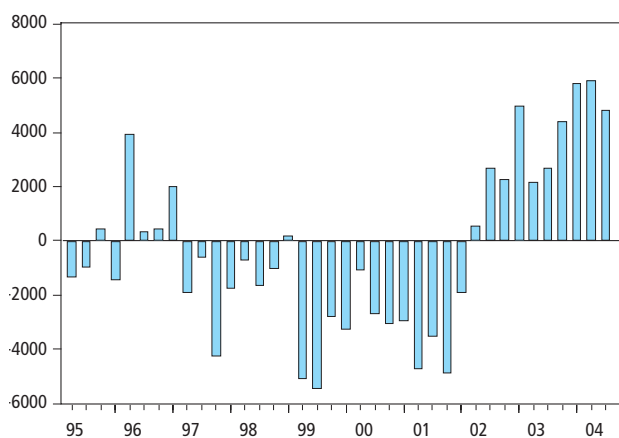
Business demand

Fixed investment for the economy as a whole grew by 1.4 per cent in quarter four, up from 0.9 per cent in quarter three. (Figure 10). All asset types registered increases, with particularly strong rises from investment in dwellings and other buildings and structures.

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 third quarter saw the non-financial corporate sector record another big quarterly net lending position of £4.2 billion, due to another rise in the gross operating surplus and a high return on investments (Figure 11). This is a fall from £5.3 billion in the second quarter. 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 £1,299 billion in the third quarter of 2004. In 2004 quarter four preliminary figures suggest that total gross operating surplus rose by 2.0 on the previous quarter and by 5.4 per cent on the corresponding quarter of the previous year.

Figure 11
Net lending by the non-financial corporate sector

£ million



Evidence on investment intentions from the latest BCC survey shows a weakening in manufacturing but a strengthening in services. The latest CBI Industrial Trends survey show firms reporting an increase in confidence about output in the coming months, but investment intentions appear relatively weak.

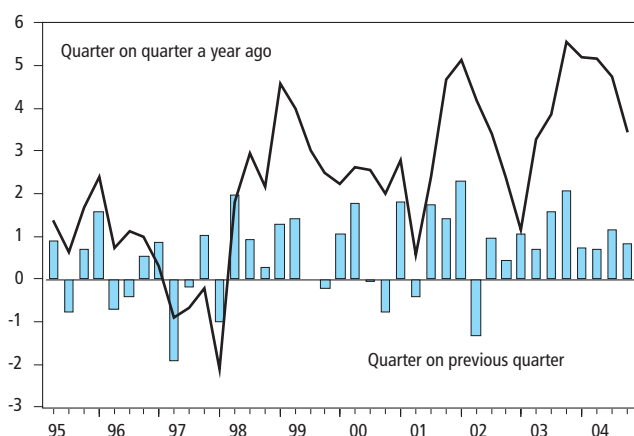
Government demand

Government final consumption expenditure rose by 0.8 per cent in the fourth quarter of 2004. This represents a slower pace of growth than in the third quarter when activity rose by 1.2 per cent (Figure 12). Growth compared with the same quarter a year ago was 4.5 per cent while for 2004 as a whole it was 4.6 per cent. It is worth recording that government output figures were recently revised in conjunction with the annual publication of the Blue Book, published 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.

Figure 12
Government spending

Growth



The combination of faster government spending with weaker revenues reflecting the more subdued economic activity has led to weak public finances throughout 2003 and 2004. The latest budget estimates for January show an improvement in public sector finances. Between April and January of the financial year 2004/05 (which provides a better overview), the public sector recorded a deficit of £19.2 billion compared to £21.7 billion recorded in the financial year 2003/04. Public sector net borrowing was £30.9 billion. This was £1.4 billion lower net borrowing than in the same period of 2003/04. The improvement reflects January being the biggest repayment month in terms of return of self-assessment tax forms and corporation tax receipts. At the end of January 2005, public sector net debt was £400.3 billion (equivalent to 33.4 per cent of GDP). This compares to £360.8 billion (31.8 per cent) as at the end of January 2004.

Trade and the balance of payments

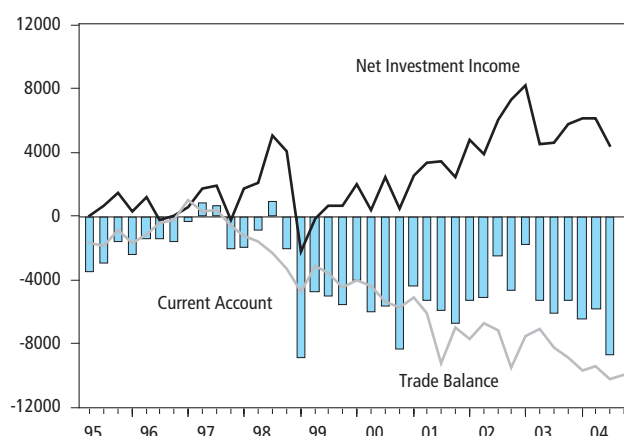
The UK current account remained in a substantial deficit in the third quarter of 2004. Figures for the third quarter recorded a deficit of £8.8 billion, compared to deficits of £5.8 and £6.5 billion for the second and first quarters respectively. The third quarter figure consisted of another large deficit on the trade in goods which increased by £0.2 billion to £14.7 billion over the quarter. This was partially offset by a surplus of £4.4 billion on the trade in services and by positive income flows. Both these components though declined during the third quarter, which also accounts for the increase in the current account deficit. The surplus on services dropped by £0.5 billion whereas there was a sharp fall of £1.7 billion on net investment income (Figure 13).

The UK's deficit on trade in goods and services is provisionally estimated to have improved in December to £3.0 billion from a revised deficit of £3.3 billion in November. In the fourth quarter the deficit on trade in goods and services improved to £9.9 billion from a £10.2 billion deficit in the previous quarter. The slight improvement within the quarter

is accounted for by a decrease in the deficit on trade in goods with non-EU countries.

Figure 13
Balance of payments

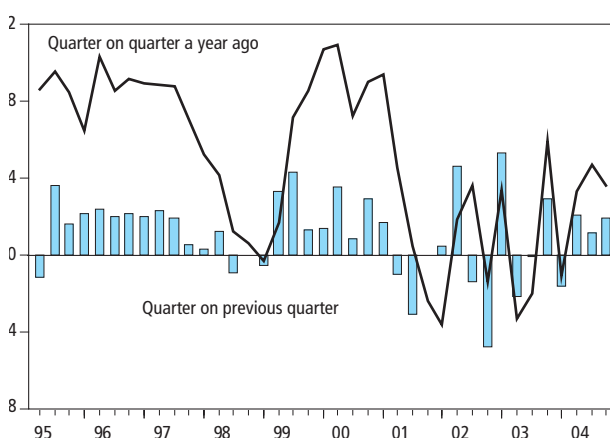
£ million



In volume terms both imports and exports rose in quarter four. Exports of goods and services rose by 1.9 per cent compared to 1.2 per cent in the previous quarter (Figure 14). This increase was partly due to a rise in the exports of services of 1.9 per cent reversing a decrease of 1.7 per cent in quarter three. Imports of goods and services rose by 2.0 per cent on the previous quarter, a slight increase from a 1.9 per cent increase in quarter three. Imports of services rose to 2.1 per cent in quarter four, from 1.0 per cent in quarter three, whilst imports of goods decreased to 2.0 per cent, from 2.1 per cent in quarter three.

Figure 14
Exports of goods and services

Growth



According to the BCC survey the export balances for both orders and deliveries in the manufacturing and service sectors improved in quarter four, reversing the falls recorded in quarter three. The CBI Industrial Trends Survey though records a pessimistic view for the future. In quarter four, new export orders declined at the fastest rate in fifteen months and export optimism also weakened. The latest figures published

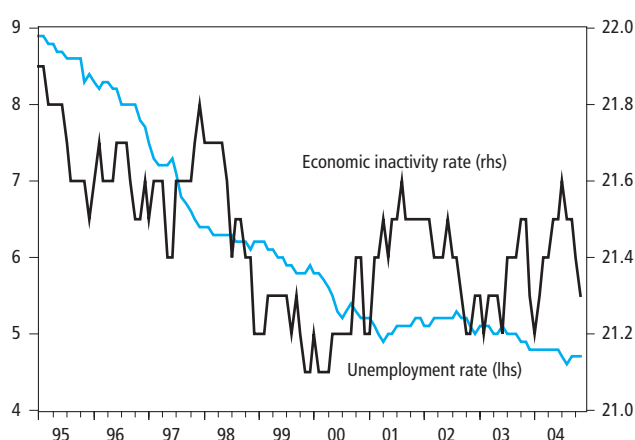
in February shows a further weakening in optimism. Overall, the UK's external position remains in deficit. Exports have recently grown at a slower rate than world trade as a whole, possibly due to the high value of sterling and weak demand in continental Europe. Imports on the other hand have risen sharply, buoyed by high domestic consumer spending.

Labour market

The labour market picture continues to be robust. The latest figures from the Labour Force Survey (LFS) for the three month period, October to December, indicates that the employment rate was 74.9 per cent, up 0.1 per cent from the previous quarter. For the same period, the estimate of unemployment was at 4.7 per cent, up 0.1 per cent from the previous quarter. The claimant count unemployment rate on the other hand was 2.6 per cent in January, and has been flat at this level for the past three quarters but down 0.3 per cent over the year (Figure 15). These figures point to a tight labour market. The working age inactivity rate was 21.3 per cent in the three months to December 2004, down 0.2 per cent from the three months to September 2004 and from a year earlier. This is due primarily to a decrease in the long-term sick and temporary sickness rate.

Figure 15
Unemployment & Economically Inactive

Per cent



According to the LFS, total employment increased by 90,000 over the quarter and by 296,000 over the year to reach 28.52 million. A disaggregated view of the figures shows that the number of employees increased by 23,000 over the quarter, with the number of self-employed increasing by 62,000. The number of full-time workers increased by 134,000 to 21.20 million, but the number of part-time workers actually fell by 43,000 to 7.32 million. This is consistent with previous trends suggesting that the UK labour market continuing to be buoyant. However, it seems in the latest quarter, job growth is being driven by an increase in self-employment, reversing the trend in the first half of the year of growth in total employment being generated by employee jobs.

The industry disaggregation from the 'workforce jobs' employers survey is only available for the three months up until September. According to the 'workforce jobs' survey of employers, 41,000 jobs were lost in 2004 quarter

three but they were up 88,000 on a year earlier. Industry disaggregation from this survey shows that in September 2004, compared with a year ago, there has been a substantial decrease in manufacturing jobs, of 124,000, followed by transport and communication of 34,000 and agriculture and fishing of 8,000. This was offset primarily by large increases in public administration, education and health of 156,000, followed by finance and business services of 57,000 and construction of 41,000.

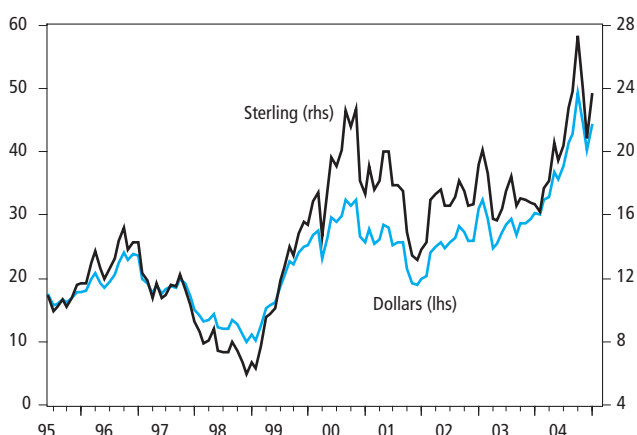
Headline average earnings (excluding) bonuses have been rising steadily since the beginning of the year and by December AEI inflation was 4.5 per cent, up 0.1 per cent from last month. Earnings growth (including bonuses) was 4.3 per cent in the three months to December, up 0.1 per cent from the November rate. Bonuses appeared to have a big effect on wages in the first quarter primarily due to high bonuses in the financial sector – but in subsequent periods they have had little impact on overall earnings growth. Wage growth in the public sector continues to outstrip that in the private sector. Annual wage growth (excluding bonuses) in December was 4.7 per cent, unchanged from the previous month. In the private sector average earnings rose by 0.1 per cent to 4.4 per cent. Despite wage growth being steady the evidence continues to imply that the tight labour market is not leading to a build up in inflationary wage pressures. A possible explanation lies in the reported strong growth in productivity during 2004. Consequentially, unit wage costs, which are based on the ratio of wage and productivity growth, have been flat for the past year.

Prices

The producer price index had been creeping upwards throughout 2004 mainly because of higher oil prices. However, this trend was reversed in December and the downward trend has continued. In the year to January the output price index dropped to 2.6 per cent from 2.9 per cent in December. This mainly reflected falls in petroleum and alcohol products being partially offset by rises in other manufactured and metal product prices. The effect of oil price rises has been most notable in the input PPI which in the year to January 2005 rose by 9.5 per cent, up from 4.4 per cent in the year to December.

Figure 16
Oil prices

Brent crude per barrel

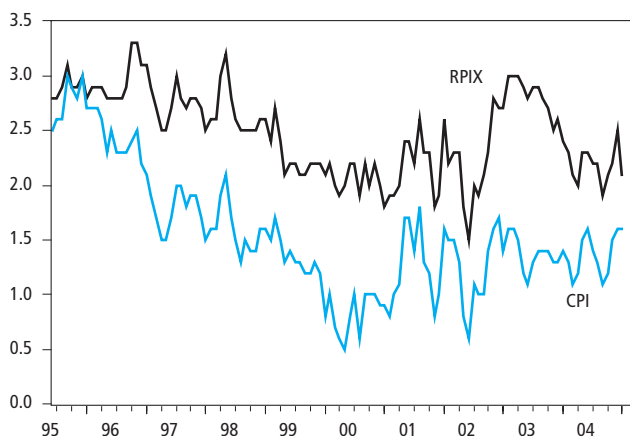


The rise in oil prices in 2004 year had been striking. The increase seems to have been driven by increased global demand and reinforced by various disruptions in oil supply in different parts of the world. There was a dip in oil prices in December. However, at the time this article was written, oil prices had resumed its upward trend and reached its highest level since November 2004 (Figure 16). Increased demand due to the severe weather conditions was responsible for the increase. Although below last year's peak of \$55.67 a barrel, which was reached in October, prices are now well above 2004's average of \$41.48.

Consumer price inflation has picked up over the last quarter, but still remains comfortably below the Bank of England's target of 2 per cent. In January, annual CPI inflation rose by 1.6 per cent unchanged from December (Figure 17). The latest increase has been driven by a combination of higher utility bills, seasonal food and financial services, particularly bank overdraft charges. The RPIX on the other hand rose by 2.1 per cent, down from 2.5 per cent in December. The RPI has also moved in a similar fashion. However, over the course of the year as a whole the RPI has risen by more than the RPIX and the CPI due to the three interest rate increases in the first half of the year leading to increases in mortgage interest payments.

Figure 17
Prices

Growth, month on month a year ago



Forecasts for the UK economy

A comparison of independent forecasts, February 2005

The tables below are extracted from HM Treasury's Forecasts for the UK Economy and summarise the average and range of independent forecasts for 2005 and 2006, updated monthly.

Independent forecasts for 2005

	Average	Lowest	Highest
GDP growth (per cent)	2.5	1.1	3.1
Inflation rate (Q4 per cent)			
CPI	1.8	1.5	3.0
RPI	2.5	1.7	3.6
Unemployment (Q4, million)	0.86	0.74	1.06
Current account (£ billion)	-29.5	-39.0	-20.0
Public Sector Net Borrowing (2004-05, £ billion)	37.6	30.0	45.0

Independent forecasts for 2006

	Average	Lowest	Highest
GDP growth (per cent)	2.4	0.3	2.9
Inflation rate (Q4 per cent)			
CPI	1.9	1.4	3.2
RPI	2.5	1.5	3.9
Unemployment (Q4, million)	0.90	0.70	1.25
Current account (£ billion)	-29.8	-45.6	-12.5
Public Sector Net Borrowing (2005-06, £ billion)	37.7	30.0	48.0

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'.

*PSNB: Public Sector Net Borrowing.

International economic indicators

March 2005

Richard Wild

Office for National Statistics

Overview

- The latest quarterly GDP growth estimates for 2004 quarter three indicate that the US saw the strongest growth, followed by the France, Japan, Germany and Italy.
- There is growing evidence of a lapse in the European recovery, with negative quarterly GDP growth of a 0.2¹ per cent in Germany and 0.3⁸ in Italy; however, France managed to recover from quarter three's flat posting to expand by a robust 0.8⁵ per cent. Based on new annually chain-linked data, Japan's economy also contracted in quarter four, by 0.1¹² per cent, while in the US growth of 0.9⁹ per cent was a little down on the rate recorded in quarter three.
- US growth in 2004 was led primarily by buoyant private consumption and strong additions from fixed investment. After a neutral impact on GDP growth from trade flows in quarter three, high import growth caused a worsening of the trade deficit, a movement that caused net trade to subtract from overall US growth in quarter four.
- The Japanese contraction in quarter four last year was caused by weak private consumption growth and a negative impact from net exports. New accounting methodology generally brought about downward revisions to recent GDP figures; new estimates of negative quarter-on-quarter growth in 2004 quarters two and three indicate that the economy is in recession.
- The German domestic economy remained sluggish in quarter four, with a large fall in stocks only partly offset by a positive GDP contribution from net trade. The French economy rebounded from quarter three, with growth led by private consumption and fixed investment. The contraction in Italy resulted from flat growth in the service sector and a contraction in production that outweighed gains in agricultural output.
- European industrial production expanded on a quarter-on-quarter measure in Germany in quarter three, but growth was negative in France and Italy. In quarter four, production growth was again negative in Japan, but in the US growth strengthened. External indicators of business confidence uncovered mixed expectations in Germany, while in the US confidence weakened but remained consistent with positive growth overall. Indices for manufacturing and services strengthened in France, but in Italy services weakened, while a rise in the manufacturing index brought about a level just consistent with positive growth in that sector.
- The unemployment rates in Germany and France have risen, to 10.0 per cent and 9.7 per cent respectively, while in Italy figures up to June indicate a rate of 7.7 per cent. Unemployment fell gradually in the US during 2004, and reached 5.2 per cent in January of this year. Falls were also recorded in Japan, with the December rate of 4.4 per cent the lowest since January 1999.
- Falls in oil prices towards the end of 2004 appear to have eased producer price pressures a little. Particularly strong PPI inflation is evident in Italy and the US, although rates in both countries fell back towards end-year. PPI growth has been positive in Japan in each of the last three quarters. CPI inflation picked up in most of the countries in quarter four, but looks to have broadly levelled off when looking at the monthly data.

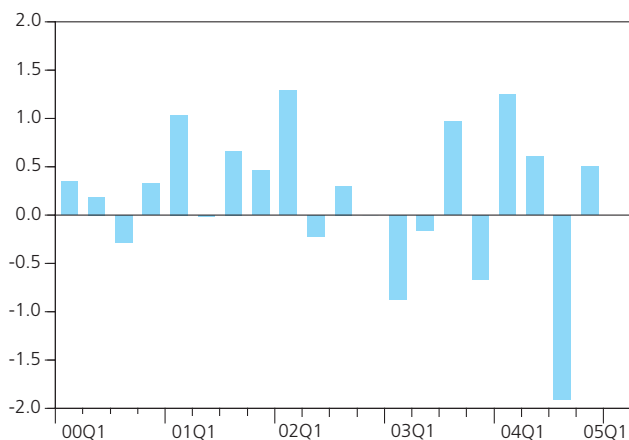
Germany

According to the latest official national accounts figures for quarter four of 2004, GDP contracted by 0.2¹ per cent on the previous quarter after remaining flat in quarter three (readers should note that these numbers supersede the figures presented in Table 1). The lack of growth in the latter half of last year contrasts with gains of 0.5¹ per cent and 0.4¹ per cent in quarters one and two respectively. Four-quarter GDP growth was some way below trend at 0.6¹ per cent.

As yet a complete set of seasonally and calendar-adjusted data has not been released, but figures consistent with those presented in the OECD-sourced tables are available on a quarter-on-quarter basis. Private consumption recovered a little in quarter four, adding 0.1¹ percentage points to GDP growth, although this was broadly offset by a decline in government expenditure¹. Fixed investment increased marginally but only made a flat contribution to overall growth;¹ this component was weak in all but quarter three of last year. An apparently large fall in stocks resulted in a deduction of 0.8¹ per cent from GDP, but as in the first half of the year, net exports boosted quarter four GDP growth by 0.5¹ percentage points (Figure 1).

Figure 1
Germany: Net trade

Percentage point contributions to quarterly GDP growth



External indicators of the German economy painted contrasting pictures of present opinions and future prospects. Despite some indications that Germany's economic performance in 2005 quarter one may see something of an improvement, news of the contraction may have increased levels of pessimism for those polled later in the month. The ZEW Indicator of Economic Sentiment (expectations)² fell heavily during November last year but has since made a full recovery to rest slightly above its historical average. An upsurge in incoming orders in December - particularly for investment goods - bolstered confidence, along with low interest rates and subdued oil and foreign exchange market movements. There was also a rise in optimism over the current situation, likely to be the result of a pick up in industrial production in February. In contrast, the February IFO Business Climate Survey,³ encompassing manufacturing, construction, wholesaling and retailing, fell after climbing in December and January. Opinions of both the current

situation and expectations for the next six months declined with falls in the manufacturing and retailing indices both being symptomatic of sluggish domestic demand.³

Industrial production was considerably stronger in 2004 quarter three than in the same period a year ago, with annual growth of 4.6 per cent, up 0.5 percentage points on the quarter two rate. Looking at the quarter-on-quarter figures, it is apparent that these relatively large gains stem from a robust 1.5 per cent increase in output made in quarter two, while a lesser 0.2 per cent rise in quarter three brought about the further increase in the annual rate. On a month-on-month basis, the outlook for growth in quarter four is uncertain due to the volatility of this measure. However, production growth of 0.4 per cent in October was outweighed by a 1.5 per cent contraction in November, implying that strong gains will need to be recorded for December to ensure positive growth for the quarter overall.

CPI inflation climbed reasonably rapidly during 2004 due to increases in oil and fuel costs, tobacco prices, and healthcare costs relating to structural reforms. For quarter four of this year, annual inflation reached 2.0 per cent, up 0.2 percentage points on quarter three. The monthly figure oscillated between 1.8 and 2.0 per cent from July to November, but after edging up to 2.1 per cent in December, the rate fell back to 1.6 per cent in January.³ PPI inflation was very subdued in the first quarter of 2004 - when it averaged 0.2 per cent - but picked up quite sharply to 1.3 per cent in the second quarter of the year. After climbing to 2.2 per cent in quarter three, PPI inflation reached 3.0 per cent in quarter four. Past increases in fuel costs, and also in other important raw materials and inputs served to elevate PPI inflation above CPI inflation. After evidence in November and December that these past price pressures were easing, the rate jumped to 3.9 per cent in January - the highest increase since June 2001.

The unemployment rate has been historically high for some months now, exceeding the previous peaks recorded in the latter half of 1997. The rate reached 10.0 per cent in December 2004, having remained flat at 9.9 per cent from August to November. At the start of 2004, the rate was only marginally lower at 9.6 per cent, having crept up from 7.9 per cent in 2001 and 8.7 per cent in 2002. Unsurprisingly, annual employment growth has been weak over the last few years, and fell in every quarter of 2002 and 2003 - but some upward revisions were made to the 2004 figures. In quarter one, growth declined by 0.1 per cent, but this was offset by positive growth in quarter two of 0.1 per cent. Further gains were made in quarter three, with the growth rate climbing to 0.3 per cent, following the introduction of a number of labour market reforms.

Average earnings growth has picked up slightly since the back end of 2003, although it remains low by historical standards. Wage inflation averaged 2.4 per cent in 2003, in which high growth in the first half of the year was followed by more subdued growth in the second. After exceeding two per cent in quarters one and two of this year, wage growth fell to 1.6 per cent in quarter three before picking up a little to 1.9 per cent in quarter four.

France

The latest GDP estimates, released in February, indicate that quarterly growth in quarter four last year was 0.8⁵ per cent, a marked upturn on quarter three, when growth was flat. In annual terms, growth reached 2.2⁵ per cent, 0.3 percentage points higher than the quarter three rate, but below the 2.8 per cent posted in quarter two. The quarterly rate is the highest recorded since 2003 quarter three, and it now places French growth above that of Italy and Germany.

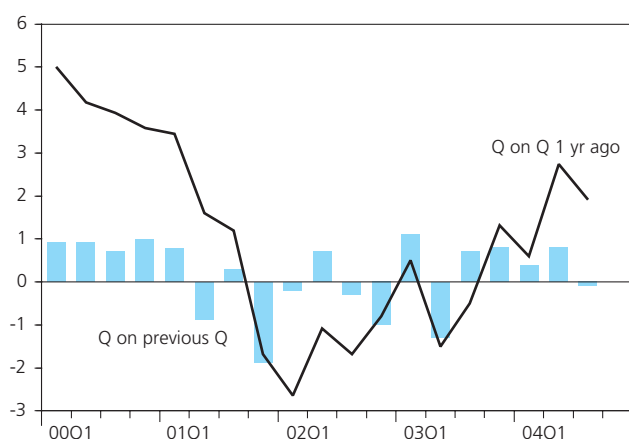
Private consumption growth rebounded in quarter four, after stagnating in quarter three, and added 0.7⁵ per cent to GDP. Government consumption again added a modest 0.1⁵ percentage points to the expansion, while fixed investment increased GDP by 0.2⁵ per cent. In contrast to quarter three, stocks cut back to reduce overall growth by 0.3⁵ percentage points. Finally, trade increased GDP by a modest 0.1⁵ per cent, with a rise in imports outweighed by a greater rise in exports.

In spite of the strong pick up in GDP growth since quarter three, recent external surveys suggest that manufacturing output is set to ease back while the service sector expands. According to the February INSEE monthly business survey (goods producing industries),⁶ the composite expectations indicator declined slightly after remaining broadly stable for the past year, and respondents expected production output to fall back over the next three months before recovering. Total and export order books were less full than they were last month, and own-firm prices were expected to rise.⁶ The PMI Manufacturing Index⁷ has indicated positive but weakening growth over the last few months but in February the index made a second consecutive marginal gain to reach 52.6⁷ points. However, the PMI Service Index⁶ has been growing consistently for the past few months, and climbed from 54.9⁷ points in January to reach a robust 56.6⁷ points in February.

After picking up pace from mid-2003, industrial production appears to have weakened in quarter three with negative quarter-on-quarter growth of 0.1 per cent (Figure 2). In 2003, the IOP grew by 0.7 per cent in the third quarter and 0.8 per cent in the fourth, and it increased by 0.4 and 0.8 per cent, respectively, in the first two quarters of 2004. The run of four consecutive quarterly expansions is the longest

Figure 2
France: Industrial production

Quarter-on-quarter and four-quarter growth



since 1999 quarter two. After growing by 1.1 per cent in 2001, the index fell by 1.6 per cent in 2002 but growth was flat in 2003. The seasonally adjusted month-on-month figures show that production declined in July and August, with strong September gains not quite offsetting the previous loss. Growth in October and November was -0.8 per cent and 0.1 per cent respectively, but growth for quarter four overall could be positive if reports of end-year output gains in the INSEE Monthly Business Report⁶ prove to be accurate.

There is growing evidence that CPI inflation is easing. Consumer price growth increased from 1.7 per cent in March to 2.2 per cent in April, and then reached 2.7 per cent in May. Since then CPI inflation has eased to average 2.2 per cent from September to December. The pickup in inflationary pressure during last year coincided with the rise in oil prices, although domestic factors may also have contributed to the acceleration. Producer prices, have inflated, although by less than in the other countries. Having started the year at 0.1 per cent, producer prices increased steadily to June. The pickup became pronounced in the third quarter, with inflation climbing from 1.4 per cent in July to reach 2.2 per cent in November and December. High oil and fuel costs underpinned this rise in PPI inflation to its highest level since February 2001.

The French unemployment rate has been high but stable since June of 2003, and lies a little below the German rate. The latest December data places unemployment at 9.7 per cent, 0.1 percentage points higher than the November figure. Unemployment has been rising since 2001 quarter three, and this trend coincided with below-trend GDP growth in 2002 and 2003. Unsurprisingly, employment growth has been moving in the opposite direction. Annual employment growth has been slowing since 2000 and was mildly negative in 2003. The figures for 2004 have so far been comparable to those recorded in the same period last year, offering no evidence of improvement. On a quarter-on-quarter measure, a decline of 0.2 per cent was recorded in quarter one followed by negative growth of 0.1 per cent in quarter two, and flat growth in quarter three.

Annual earnings growth has been easing since 2000. After a rise of 3.0 per cent in 2003 quarter three, the rate fell back to remain stable at 2.8 per cent for the next three quarters. The latest figure for 2004 quarter three, however, indicates that growth has risen back to 3.0 per cent. Earnings growth has fallen considerably since 2000 quarter two, when it peaked at 5.4 per cent.

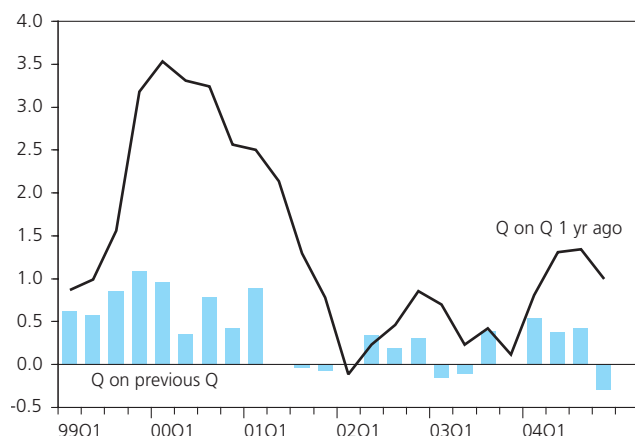
Italy

Estimates of quarter four GDP were released in mid-February (at this stage, however, these do not provide any component detail), and these show that GDP fell by 0.3⁸ per cent, with four-quarter growth at 1.0⁸ per cent (Figure 3). While agricultural output increased in quarter four, services output remained flat, and production fell back. Italy has suffered from a similar lack of domestic demand growth to Germany, and has been reliant in recent quarters on strong export sales.

In the third quarter of the year domestic demand was weak. Household expenditure added 0.2 per cent to quarterly

Figure 3
Italy: GDP

Quarter-on-quarter and four quarter growth



GDP after subtracting 0.3 per cent in the previous period. In contrast, government consumption subtracted 0.1 percentage points from the overall increase, offsetting the modest gain made in quarter two. After two quarters of solid growth, investment fell back by 0.8 per cent in quarter three cutting the overall GDP by 0.2 per cent. Finally, a third successive period of destocking resulted in a deduction of 0.5 per cent from quarterly GDP by this component. The negative domestic situation, however, was outweighed by net trade growth, which continued to improve in quarter three with export growth of 4.8⁸ per cent. With imports growing only by 1.2⁸ per cent, net trade made a 1.1 percentage points addition to the growth of the economy overall.

Recent business surveys suggest mixed movements in domestic activity but still point to positive growth overall. The Purchasing Managers' Index (PMI) for manufacturing⁷ showed a strong pick up in February, and the level is now just consistent with expansion in that sector; the index had fallen towards the end of last year to suggest a contraction in manufacturing output. The corollary PMI services index⁷ has moved downwards over the last three months, with a fall of 0.2 points recorded in February. However, the level still suggests that this sector is growing more strongly than the manufacturing sector.

The Index of Production fell from 2001 to 2003, and the data for 2004 so far indicate a continuation of this fall. Quarter-on-quarter output growth in the first half of the year was mildly negative, after a loss of 0.3 per cent in quarter one was partly offset by quarter two growth of 0.2 per cent. In quarter three, however, production contracted by 0.5 per cent. Annually, production was increasingly down on last year, with losses from July to November. The month-on-month figures paint a fairly volatile picture of alternating gains and losses in the latter half of last year, although production fell in both September and November, by 0.3 per cent and 0.7 per cent respectively.

Consumer price inflation continued to fall in the latter months of 2004, from 2.3 per cent in August to 1.9 per cent in November. Prices picked up a little in December, but pressures eased in January to leave inflation at 1.8 per cent. In contrast to France and Germany, consumer prices actually

declined from a peak reached in 2001, in spite of rising oil and fuel costs during most of last year. The quarter four inflation rate fell 0.3 percentage points on quarter two to 1.9 per cent. Producer price inflation peaked in 2000 at 6.0 per cent, fell to only 0.2 per cent in 2002 and picked up again the following year. In March 2004, producer prices began to increase quite rapidly, and PPI inflation reached a three-year high of 4.4 per cent in October before falling back to 4.2 per cent in December. The divergence of PPI and CPI inflation may relate to a squeezing of distributor margins; an alternative CPI-based explanation could be that service sector prices have been falling.

Unemployment was broadly flat at around nine per cent in 2002, but declined steadily in 2003, falling from 9.0 per cent in January to 8.5 per cent in September. Unemployment moved up to 8.6 per cent from January to March, only to fall back to 7.7 per cent from April to June. Data for later months are still unavailable due to the implementation of a new household survey in Italy, which has necessitated a re-estimation of historical data. Annual employment growth has been positive but declining over the last couple of years but there have been recent signs of an upturn, with the level reaching a record high in 2004 quarter two. Employment growth was 2.1, 1.4 and 1.1 per cent in 2001, 2002 and 2003 respectively. However, recent data for the second and third quarters of 2004 show annual employment growth of 1.7 per cent, followed by growth of 1.1 per cent, indicating a pick up in the labour market in comparison to those quarters last year. On a quarter-on-quarter basis, the most recent data for 2004 quarter three show employment growth of 0.2 per cent following a rapid gain of 1.8 per cent in quarter two.

Average earnings growth picked up steadily through 2004 and reached 3.7 per cent by May. Growth remained at this level in June but then fell quite sharply to 2.1 per cent in September. Growth picked up once again in October and November, and sharply in December to reach 3.1 per cent. Up to 2003, falling unemployment and rising earnings growth suggested that some tightening of the labour market had occurred; up to the limit of the unemployment figures in June of last year, the data appear to be consistent with this picture.

USA

The latest quarter four GDP estimates (not included in Table 4) place growth at 0.9⁹ per cent on a quarter-on-quarter measure, and at 3.9⁹ per cent compared with quarter four of 2003. These follow on from respective growth rates of 1.0 per cent and 4.0 per cent in the preceding quarter. The US economy grew by 3.0 per cent in 2003, outperforming all the other economies analysed here, and the current data indicate that growth was more rapid than it was in these other economies in quarter four of last year.

Quarterly growth in quarter four was again primarily driven by domestic demand, in particular by a robust rise in private consumption that added 0.7⁹ percentage points to the total expansion. While durable goods consumption increased only marginally, both non-durable goods and services consumption increased strongly. Investment spending was buoyant for the software and equipment and non-residential

construction subsectors, while residential investment grew modestly. Overall, this component boosted GDP by 0.4⁹ per cent. Government consumption now looks to have made a contribution of 0.1⁹ percentage points to the overall increase in GDP, while a fall in stocks added 0.2⁹ percentage points. Looking internationally, a strong rise in import growth outpaced a rise in import growth to make net trade subtract 0.4⁹ percentage points.

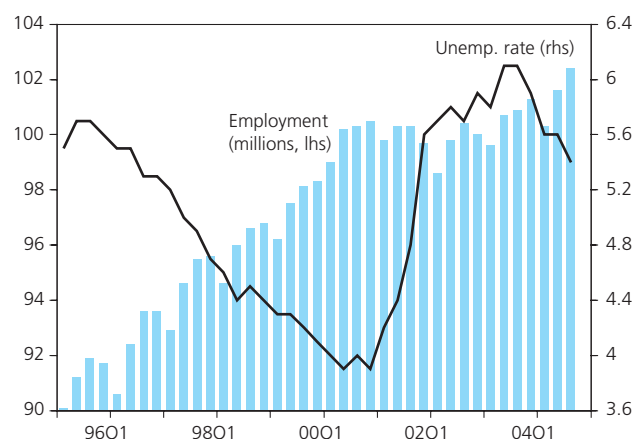
Surveys of business activity in December signal a continuation of the expansion. The Institute for Supply Management Manufacturing (diffusion) Index¹⁰ fell marginally to 56.4¹⁰ per cent in January from the December figure of 57.3¹⁰ points. This figure is still consistent with solid growth, and economic activity according to this measure has increased for twenty consecutive months. The corresponding Non-Manufacturing Index¹¹ fell from 63.9¹¹ per cent in December to 59.2¹¹ per cent in January. As with the manufacturing index, however, this figure is still consistent with robust growth, and the level has indicated expansion in this sector for the last twenty-two months.

After sizeable losses in 2001, followed by a poor performance in 2002 and the first half of 2003, the IOP regained some momentum in 2003 quarters three and four when the index was up 1.1 per cent and 1.4 per cent respectively. In 2004 the upward trend continued, with quarter four growth of 1.0 per cent following on from 0.7 per cent growth in quarter three.

Inflationary pressures picked up into the beginning of 2004 quarter four for both consumers and producers. CPI inflation climbed abruptly in the second quarter of 2004 reaching 3.3 per cent in June, 1.6 per cent higher than the March rate. After edging up in August and September, inflation quickened once again to stand at a year-high of 3.5 per cent in November. In December, the rate fell back slightly to 3.3 per cent. Producer price growth also increased from the second quarter of 2004 onwards, albeit more rapidly than consumer price growth. From a March rate of 1.2 per cent, PPI inflation climbed in most months to November to register 6.1 per cent, before falling back to 5.1 per cent in December. The recent easing of PPI inflation may relate in part to the fall in oil prices towards the end of last year.

Figure 4
USA: Labour market

Unemployment rate: employment level



The US unemployment rate has been declining slowly since mid-2003, after reaching a peak of 6.3 per cent in June of that year. In January 2005, the rate stood at 5.2 per cent, after posting a rate of 5.4 per cent in December (Figure 4). Recent falls suggest that output growth has been accompanied by some tightening in the labour market. Employment growth in 2004 was robust in comparison to recent years, and the level is now at a record high (Figure 4). The quarter four annual rate of 1.3 per cent was a little lower than the quarter three rate, but there was a clear pick up in growth over the first half of the year.

Average earnings growth has recently shown signs of a marginal pick up. Growth fell from 3.6 per cent in 2002 to 3.0 per cent in 2003, and fell further to 2.4 per cent in quarters two and three of 2004, on a four-quarter basis. However, in quarter four growth rebounded to 3.0 per cent, mainly as the result of particularly strong gains made in October. However, annual growth in January was fairly weak at 1.8 per cent.

Japan

GDP growth rates, based on the new chain-linking methodology, have in general been reduced in comparison to the old fixed-base calculations. As the old methodology employed fixed expenditure weights, the effect of sustained falls in hedonically-adjusted prices, notably in the ICT sector, was that some components of real GDP growth were overstated. In particular, private consumption and fixed investment – in which ICT expenditure is a significant factor – were increasing at unrealistically rapid rates. GDP now looks to have contracted by 0.1¹² per cent in quarter four of last year, on a quarter-on-quarter measure. Revisions to the data also now show that the economy contracted by 0.2¹² per cent in quarter two and by 0.3¹² per cent in quarter three, indicating that Japan was in recession for most of last year.

Private consumption subtracted 0.2¹² per cent from GDP on a quarter-on-quarter measure, while government consumption and fixed investment each added 0.1¹² per cent. An insignificant change in stocks¹² ensured that domestic consumption made a flat contribution to GDP growth overall. In terms of trade, imports grew more rapidly than exports, resulting in a reduction to GDP growth from net trade of 0.1¹² percentage points. Looking at the evolution of GDP from 2003 quarter four, growth is now estimated to have been 0.8¹² per cent. Growth came from increases in government expenditure, private consumption and net trade, while a fall in fixed investment caused a minor reduction in GDP growth.

Industrial production growth remained very strong up to August, when a rate of 7.7 per cent was posted, 0.1 percentage points below the July figure. However, growth cut back sharply, and in November and December growth was 2.2 per cent and 1.5 per cent respectively. Quarter-on-quarter industrial production grew by 0.7 per cent in quarter one of last year and accelerated sharply in quarter two when it gained 2.5 per cent. However, in the latter half of 2004, positive monthly growth was recorded only in July and November, resulting in contractions in both quarter three (0.6 per cent) and quarter four (0.9 per cent).

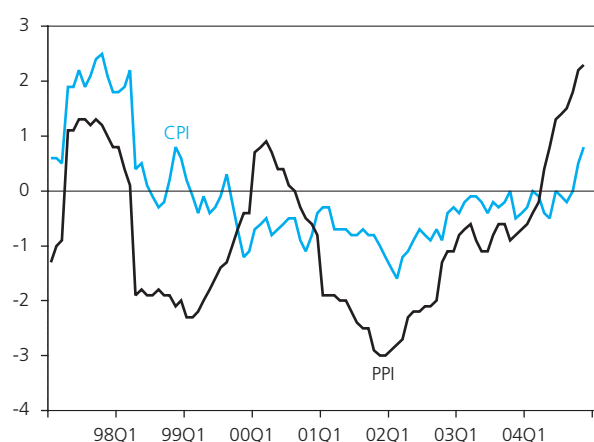
After over five years of flat or negative CPI inflation, positive price growth resumed in October of last year, at a modest

annual rate of 0.5 per cent (Figure 5). In November, inflation moved up to 0.8 per cent but the rate fell back to 0.2 per cent in December. Prices fell by 0.2 per cent in 2003, the lowest reduction in several years, and in the year to 2004 quarter three, deflation dwindled further. The resumption of positive CPI inflation may relate at least in part to recent increases in the rate of producer price growth. PPI inflation became positive in April 2004, at 0.4 per cent, for the first time in nearly four years (Figure 5). PPI growth edged up through to October when it reached 2.3 per cent, where it remained in November and December.

After reaching a historical high at the end of 2002 of 5.5

Figure 5
Japan:

Annual consumer and producer price inflation



per cent, the unemployment rate has been falling. The rate declined gradually in 2003 and settled at 4.6 per cent in May and June of 2004. The rate picked up to 4.9 per cent in July, and was a little erratic to December when it fell to a five-year low of 4.4 per cent. Employment growth was negative in each year from 1999 to 2003, although the data for 2004 now indicate that growth has turned weakly positive at 0.2 per cent. Annual gains of 0.2 per cent were made in quarters one and two of last year, while growth of 0.3 per cent in quarter three was followed by a flat posting in the final quarter. On the strength of these two measures, the labour market looks to have tightened somewhat since 2002, albeit relatively little in comparison to historical norms.

The latest average earnings data would seem to support this picture, although some caution should be exercised when interpreting the labour market figures, as each series relates to a separate degree of labour market inclusion. Annual earnings growth in September was 1.5 per cent and after cutting back to 0.3 per cent in October, the rate increased to 3.6 per cent in November. Looking at four-quarter growth, the quarter three figure of 2.1 per cent falls a little below the 2.3 per cent recorded for 2003 as a whole.

Notes

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

1. DESTATIS, <http://www.destatis.de/presse/englisch/pm2005/p0740121.htm>
2. Zentrum für Europäische Wirtschaftsforschung, http://www.zew.de/en/presse/presse.php?action=article_show&LFDNR=434
3. 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
4. DESTATIS, <http://www.destatis.de/indicators/e/pre110je.htm>
5. INSEE, http://www.insee.fr/fr/indicateur/indic_conj/donnees/doc_idconj_26.pdf; plus author's own calculations based on this data
6. INSEE, http://www.insee.fr/en/indicateur/indic_conj/indconj_frame.asp?ind_id=11
7. REUTERS, <http://www.reuters.com> (available on subscription)
8. ISTAT, <http://www.istat.it/Comunicati/In-calenda/Allegati/Economia/Stima-prel/0404fsh.pdf>
9. BEA, <http://www.bea.gov/bea/newsrelarchive/2005/gdp404p.pdf>; plus author's own estimates based on this data.
10. Institute for Supply Management, <http://www.ism.ws/ISMReport/ROB012005.cfm>
11. Institute for Supply Management, <http://www.ism.ws/ISMReport/NMROB012005.cfm>
12. ESRI, <http://www.esri.cao.go.jp/jp/sna/qe044/gaku-jk0441.csv>; plus author's own calculations based on this data.

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 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	1.2	0.2	0.5	-1.0	2.6	-0.1	8.4
2000	3.1	1.3	0.2	0.8	-0.1	4.3	3.3	5.5	1.4	1.5	3.1	2.8	0.6	7.8
2001	1.0	1.0	0.2	-0.9	-1.0	2.1	0.4	0.2	1.2	2.0	3.0	1.6	0.3	7.9
2002	0.1	-0.4	0.4	-1.3	-0.4	1.4	-0.5	-1.0	-2.2	1.4	-0.6	1.7	-0.8	8.7
2003	-0.1	-	-	-0.4	0.9	0.6	1.2	0.4	-0.5	1.1	1.7	2.4	-0.8	9.6
2001 Q3	0.7	1.2	0.2	-1.3	-1.3	2.0	-	-1.5	1.5	2.2	2.6	1.2	0.1	7.9
Q4	0.5	0.9	0.3	-1.4	-1.3	0.2	-1.9	-4.3	0.4	1.6	0.3	1.0	-0.3	8.2
2002 Q1	-0.3	-0.4	0.2	-1.4	-1.1	0.5	-1.9	-3.8	-3.7	2.0	-0.4	1.1	-0.6	8.3
Q2	-0.1	-0.6	0.4	-1.6	-0.4	1.3	-0.9	-1.7	-2.6	1.3	-1.3	1.1	-0.7	8.5
Q3	0.4	-0.5	0.5	-1.3	-0.1	1.8	-0.1	-0.2	-1.1	1.1	-1.1	2.1	-0.8	8.8
Q4	0.5	-0.1	0.4	-1.0	-0.1	2.2	0.8	1.8	-1.3	1.2	0.3	2.5	-1.0	9.1
2003 Q1	0.1	0.4	-	-0.9	1.4	1.7	2.5	1.4	0.4	1.2	1.7	2.8	-1.2	9.5
Q2	-0.3	0.3	0.1	-0.5	0.5	-	0.8	-0.3	0.4	0.9	1.5	2.8	-1.0	9.7
Q3	-0.3	-0.2	0.1	-0.3	0.2	0.6	0.7	-1.2	-2.0	1.1	1.9	2.1	-0.8	9.7
Q4	-	-0.5	-0.1	-	1.4	0.3	1.0	1.7	-0.8	1.2	1.8	2.0	-0.5	9.7
2004 Q1	0.8	-0.6	0.1	-0.5	0.4	2.1	0.7	1.4	-1.9	1.0	0.2	2.2	-0.1	9.6
Q2	1.4	-0.6	-	-0.4	0.4	4.5	2.3	4.1	-2.8	1.7	1.3	2.4	0.1	9.7
Q3	1.3	-0.4	-	-0.1	2.6	2.7	3.4	4.6	-1.8	1.8	2.2	1.6	0.3	9.9
Q4	..	..	..	..	..	..	..	..	-1.9	2.0	3.0	1.9	..	9.9
2003 Dec	..	..	..	..	..	..	..	2.7	-0.6	1.1	1.8	..	..	9.6
2004 Jan	..	..	..	..	..	..	..	1.9	-1.7	1.2	0.2	..	..	9.6
Feb	..	..	..	..	..	..	..	1.5	-2.5	0.9	-0.1	..	..	9.6
Mar	..	..	..	..	..	..	..	1.0	-1.4	1.1	0.3	..	..	9.7
Apr	..	..	..	..	..	..	..	3.2	-2.2	1.6	0.9	..	..	9.7
May	..	..	..	..	..	..	..	4.9	-3.2	2.0	1.6	..	..	9.7
Jun	..	..	..	..	..	..	..	4.3	-3.0	1.7	1.5	..	..	9.8
Jul	..	..	..	..	..	..	..	3.5	-2.1	1.8	1.9	..	..	9.8
Aug	..	..	..	..	..	..	..	5.0	-0.7	2.0	2.2	..	..	9.9
Sep	..	..	..	..	..	..	..	5.2	-2.6	1.8	2.3	..	..	9.9
Oct	..	..	..	..	..	..	..	3.0	-2.3	2.0	3.3	..	..	9.9
Nov	..	..	..	..	..	..	..	0.1	-2.6	1.8	2.8	..	..	9.9
Dec	..	..	..	..	..	..	..	..	-0.9	2.1	2.9	..	..	10.0
Percentage change on previous quarter														
	ILGI	HUCC	HUCD	HUCE	HUCF	HUCG	HUCH	ILHC	ILHW				ILIQ	
2001 Q3	-0.2	0.1	-	-0.4	-0.5	0.3	-0.3	-0.8	-0.1				0.2	
Q4	-0.1	-0.4	0.3	-0.4	-0.1	0.1	-0.4	-2.4	-1.0				0.5	
2002 Q1	-	-0.4	0.1	-0.2	-0.6	0.2	-1.1	1.0	-2.0				-2.2	
Q2	0.2	0.1	0.1	-0.5	0.8	0.7	0.9	0.5	0.5				0.8	
Q3	0.3	0.3	0.1	-0.2	-0.2	0.8	0.5	0.7	1.4				0.1	
Q4	-	-	0.2	-0.1	-0.1	0.5	0.5	-0.4	-1.2				0.3	
2003 Q1	-0.4	0.1	-0.3	-0.1	0.9	-0.3	0.6	0.6	-0.2				-2.4	
Q2	-0.2	-0.1	0.1	-0.1	-	-1.0	-0.9	-1.2	0.4				1.0	
Q3	0.3	-0.2	0.1	-	-0.5	1.3	0.4	-0.2	-1.0				0.3	
Q4	0.3	-0.3	-0.1	0.3	1.1	0.2	0.9	2.5	-				0.6	
2004 Q1	0.4	-	-	-0.6	-0.2	1.6	0.3	0.3	-1.4				-2.0	
Q2	0.4	-0.1	-	-0.1	-	1.3	0.7	1.5	-0.5				1.2	
Q3	0.1	-	0.1	0.2	1.7	-0.5	1.5	0.2	-				0.5	
Q4	..	..	..	..	..	..	..	..	-0.1				..	
Percentage change on previous month														
								ILKC	ILKM					
2003 Dec								-0.5	0.3					
2004 Jan								0.6	-0.8					
Feb								-0.4	-0.6					
Mar								-0.3	0.4					
Apr								1.5	0.2					
May								0.9	-2.2					
Jun								-1.0	2.1					
Jul								1.1	-1.0					
Aug								-0.7	0.7					
Sep								-	-0.4					
Oct								0.4	0.4					
Nov								-1.5	-1.7					
Dec								..	2.0					

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 Earnings (manufacturing), definitions of coverage and treatment vary among countries
Empl = Total Employment not seasonally adjusted
Unempl = Standardised Unemployment rates: percentage of total workforce
Source: OECD - SNA93

1 Excludes members of armed forces

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	2.2	4.9	0.5	-1.6	2.6	2.1	10.5
2000	4.2	1.6	0.7	1.6	0.5	3.6	3.8	4.2	3.1	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	1.1	2.6	1.6	1.2	4.2	1.6	8.4
2002	1.1	1.0	1.1	-0.4	-0.2	0.5	0.9	-1.6	1.8	2.0	-0.2	3.6	0.7	8.9
2003	0.6	0.9	0.6	-	-0.2	-0.8	0.1	-	1.0	2.0	0.3	2.8	-0.1	9.5
2001 Q3	2.4	1.7	0.9	0.4	-1.1	0.2	-0.2	1.2	3.4	1.8	0.7	4.2	1.3	8.3
Q4	0.5	1.5	0.7	-0.3	-1.3	-1.5	-1.3	-1.7	2.0	1.4	-	4.0	1.1	8.4
2002 Q1	0.8	1.0	1.0	-0.3	-0.1	-0.7	0.1	-2.6	2.0	2.1	-0.7	3.9	0.8	8.6
Q2	1.3	1.0	1.2	-0.3	-0.6	0.8	0.8	-1.1	2.0	1.7	-0.5	3.9	0.7	8.9
Q3	0.9	0.9	0.9	-0.5	0.1	0.7	1.3	-1.7	1.5	1.8	0.1	3.4	0.7	9.1
Q4	1.4	1.0	1.1	-0.3	-0.1	1.1	1.3	-0.8	1.7	2.3	0.2	3.4	0.5	9.1
2003 Q1	0.7	1.2	0.7	-0.4	-0.3	-0.2	0.4	0.5	1.3	2.4	0.6	2.8	0.2	9.2
Q2	-0.3	0.7	0.5	-0.2	-0.1	-1.4	-0.2	-1.5	1.0	1.8	0.6	2.7	-	9.4
Q3	0.5	0.9	0.5	0.1	-0.4	-1.1	-0.5	-0.5	1.0	1.9	-	3.0	-0.3	9.5
Q4	1.3	0.9	0.5	0.5	0.2	-0.4	0.5	1.3	0.6	2.1	0.1	2.8	-0.3	9.7
2004 Q1	1.8	1.1	0.6	0.6	-	0.5	1.0	0.6	1.8	1.8	0.2	2.8	-0.2	9.6
Q2	2.9	1.5	0.7	0.9	0.9	1.1	2.2	2.7	1.8	2.5	0.6	2.8	-0.1	9.6
Q3	1.9	0.9	0.6	0.5	1.8	1.1	3.0	1.9	1.7	2.3	1.7	3.0	-	9.7
Q4	..	..	..	..	..	..	..	..	1.9	2.2	2.2	..	..	9.6
2003 Dec	..	..	..	..	..	..	..	1.4	1.4	2.1	0.1	..	..	9.7
2004 Jan	..	..	..	..	..	..	..	-0.3	2.0	1.9	0.1	..	..	9.7
Feb	..	..	..	..	..	..	..	0.7	2.1	1.8	0.2	..	..	9.6
Mar	..	..	..	..	..	..	..	1.5	1.3	1.7	0.3	..	..	9.6
Apr	..	..	..	..	..	..	..	0.9	1.1	2.2	0.4	..	..	9.6
May	..	..	..	..	..	..	..	3.6	0.5	2.7	0.6	..	..	9.6
Jun	..	..	..	..	..	..	..	3.8	3.9	2.5	0.8	..	..	9.6
Jul	..	..	..	..	..	..	..	2.4	1.9	2.4	1.4	..	..	9.6
Aug	..	..	..	..	..	..	..	0.4	2.3	2.5	1.7	..	..	9.7
Sep	..	..	..	..	..	..	..	2.9	1.0	2.2	1.9	..	..	9.7
Oct	..	..	..	..	..	..	..	1.3	1.6	2.2	2.1	..	..	9.6
Nov	..	..	..	..	..	..	..	2.1	1.8	2.1	2.2	..	..	9.6
Dec	..	..	..	..	..	..	..	..	2.2	2.2	2.2	..	..	9.7
Percentage change on previous quarter														
	ILGJ	HUBQ	HUBR	HUBS	HUBT	HUBU	HUBV	ILHD	ILHX				ILIR	
2001 Q3	0.6	0.5	0.5	0.1	-0.8	0.1	-0.3	0.3	1.0				0.2	
Q4	-0.7	0.1	-	-0.3	-	-0.7	-0.2	-1.9	0.2				0.3	
2002 Q1	0.9	0.2	0.4	-	0.4	0.6	0.8	-0.2	0.1				0.1	
Q2	0.5	0.3	0.3	-0.1	-0.3	0.8	0.5	0.7	0.7				0.1	
Q3	0.2	0.3	0.1	-0.1	-	-	0.2	-0.3	0.5				0.2	
Q4	-0.2	0.2	0.2	-0.1	-0.3	-0.3	-0.2	-1.0	0.5				0.1	
2003 Q1	0.2	0.4	0.1	-	0.3	-0.7	-0.1	1.1	-0.4				-0.2	
Q2	-0.5	-0.2	0.1	0.1	-0.1	-0.4	-0.1	-1.3	0.4				-0.1	
Q3	1.0	0.5	0.2	0.2	-0.2	0.2	-0.1	0.7	0.5				-0.1	
Q4	0.6	0.2	0.2	0.3	0.3	0.4	0.8	0.8	0.1				0.1	
2004 Q1	0.6	0.5	0.1	0.1	0.1	0.2	0.3	0.4	0.9				-0.1	
Q2	0.6	0.3	0.2	0.3	0.7	0.3	1.1	0.8	0.4				-	
Q3	-	-0.1	0.1	-0.1	0.7	0.2	0.7	-0.1	0.4				-	
Q4	..	..	..	..	..	..	..	..	0.3				..	
Percentage change on previous month														
								ILKD	ILKN					
2003 Dec								0.3	0.1					
2004 Jan								-0.5	1.1					
Feb								1.1	-0.3					
Mar								0.5	-0.4					
Apr								-0.5	0.5					
May								0.5	-0.5					
Jun								0.7	1.8					
Jul								-0.4	-0.7					
Aug								-2.1	0.4					
Sep								3.2	-0.4					
Oct								-0.8	0.2					
Nov								0.1	-					
Dec								..	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 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
2 Excludes members of armed forces

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	0.8	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	-0.7	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	-0.9	-0.3	2.8	1.9	1.9	2.1	9.5
2002	0.3	0.3	0.3	0.2	0.4	-1.0	—	-1.6	-0.6	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	-0.6	-0.7	2.7	1.6	2.6	1.1	8.6
2001 Q3	1.3	0.1	0.7	-0.1	1.0	-0.7	-0.4	-1.7	-1.0	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	-4.8	-0.9	2.4	-1.1	2.3	1.2	9.2
2002 Q1	-0.1	-0.5	0.4	-0.5	1.4	-2.2	-1.3	-4.4	-0.2	2.4	-1.0	2.4	1.7	9.0
Q2	0.2	—	0.3	-0.3	0.8	-1.3	-0.7	-2.1	-1.1	2.3	-0.6	3.4	1.9	9.0
Q3	0.5	0.6	0.3	0.4	-0.5	-0.2	0.2	-0.6	-1.2	2.4	0.6	2.3	1.3	9.0
Q4	0.9	1.1	0.3	1.4	—	-0.3	1.6	0.7	0.2	2.8	1.7	2.7	1.0	8.9
2003 Q1	0.7	1.0	0.3	0.2	0.7	-1.8	-0.2	0.1	-0.4	2.7	2.7	2.6	0.9	8.9
Q2	0.2	0.8	0.3	0.1	0.5	-1.7	-0.2	-1.7	0.5	2.7	1.7	1.7	1.3	8.7
Q3	0.4	0.8	0.4	-0.5	0.2	—	0.6	-0.4	-1.1	2.7	1.3	3.2	1.0	8.5
Q4	0.1	0.3	0.5	-1.5	1.0	-1.0	-1.0	-0.2	-1.9	2.5	0.9	2.7	0.9	8.5
2004 Q1	0.8	1.1	0.2	0.3	-0.6	0.4	0.6	-0.1	-2.5	2.3	0.4	3.0	0.9	8.6
Q2	1.3	0.6	0.2	0.6	-0.7	1.3	0.8	1.2	-2.6	2.3	2.6	3.7	1.7	7.7
Q3	1.3	0.4	—	0.5	—	0.9	0.4	-0.7	-3.4	2.2	3.5	2.2	1.1	..
Q4	..	..	..	..	..	..	..	..	..	1.9	4.3	2.6	..	..
2004 Jan	..	..	..	..	..	..	..	-0.4	0.6	2.2	0.4	2.5	..	8.6
Feb	..	..	..	..	..	..	..	—	-5.5	2.3	0.1	3.3	..	8.6
Mar	..	..	..	..	..	..	..	—	-2.5	2.3	0.7	3.5	..	8.6
Apr	..	..	..	..	..	..	..	0.9	-2.9	2.3	1.7	3.6	..	7.7
May	..	..	..	..	..	..	..	2.1	-3.6	2.3	2.9	3.7	..	7.7
Jun	..	..	..	..	..	..	..	0.7	-1.3	2.3	3.2	3.7	..	7.7
Jul	..	..	..	..	..	..	..	-0.6	-3.6	2.3	3.3	2.2	..	..
Aug	..	..	..	..	..	..	..	-1.2	-2.4	2.3	3.5	2.2	..	..
Sep	..	..	..	..	..	..	..	-0.3	-4.2	2.1	3.8	2.1	..	..
Oct	..	..	..	..	..	..	..	-0.8	-3.2	2.0	4.4	2.3	..	..
Nov	..	..	..	..	..	..	..	-1.8	-1.4	1.9	4.3	2.4	..	..
Dec	..	..	..	..	..	..	..	..	..	2.0	4.2	3.1	..	..
2005 Jan	..	..	..	..	..	..	..	..	..	1.8	..	..	..	..
Percentage change on previous quarter														
	ILGK	HUCO	HUCP	HUCQ	HUCR	HUCS	HUCT	ILHE	ILHY				ILIS	
2001 Q3	—	-0.3	0.1	-0.1	0.3	-1.0	-1.0	-1.4	0.4				1.7	
Q4	-0.1	-0.1	0.1	-0.1	-0.4	—	-0.3	-1.6	-0.7				—	
2002 Q1	—	-0.1	—	—	0.7	-0.3	0.3	0.2	0.1				-0.4	
Q2	0.3	0.4	0.1	-0.1	0.2	—	0.3	0.7	-0.9				0.6	
Q3	0.2	0.4	0.1	0.6	-0.9	0.1	—	0.1	0.3				1.1	
Q4	0.3	0.4	0.1	1.0	0.1	-0.1	1.1	-0.3	0.6				-0.3	
2003 Q1	-0.2	-0.1	0.1	-1.3	1.4	-1.8	-1.5	-0.4	-0.4				-0.5	
Q2	-0.1	0.2	0.1	-0.1	-0.1	0.1	0.3	-1.1	0.1				1.0	
Q3	0.4	0.3	0.2	—	-1.2	1.8	0.7	1.5	-1.4				0.8	
Q4	—	-0.2	0.1	—	0.8	-1.2	-0.5	-0.1	-0.2				-0.4	
2004 Q1	0.5	0.7	-0.2	0.5	-0.1	-0.3	0.1	-0.3	-1.0				-0.5	
Q2	0.4	-0.3	0.1	0.2	-0.2	1.0	0.5	0.2	-0.1				1.8	
Q3	0.4	0.2	-0.1	-0.2	-0.5	1.4	0.3	-0.5	-2.1				0.2	
Q4	..	..	..	..	..	..	..	..	..				..
Percentage change on previous month														
								ILKE	ILKO					
2003 Nov								0.3	-0.2					
Dec								—	0.6					
2004 Jan								-0.5	1.6					
Feb								0.2	-5.3					
Mar								-0.2	2.0					
Apr								0.5	1.2					
May								—	-1.9					
Jun								-0.7	1.4					
Jul								0.3	-2.2					
Aug								-0.6	0.2					
Sep								0.2	-1.2					
Oct								-0.3	0.6					
Nov								-0.7	1.6					

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
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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

4 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	4.5	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	0.8	1.7	0.4	-0.4	-0.9	-0.6	-0.4	-3.6	2.8	2.8	0.8	3.0	—	4.8
2002	1.9	2.2	0.6	-0.6	0.4	-0.2	0.5	-0.2	2.3	1.7	-0.7	3.6	-0.3	5.8
2003	3.0	2.3	0.4	0.8	-0.1	0.2	0.7	-0.1	5.2	2.2	2.5	3.0	0.9	6.0
2001 Q3	0.4	1.3	0.5	-0.6	-0.9	-1.1	-1.1	-4.5	1.3	2.7	0.6	3.0	—	4.8
Q4	0.2	1.9	0.6	-0.9	-1.3	-1.3	-1.2	-5.1	4.4	1.9	-1.5	3.3	-0.8	5.5
2002 Q1	1.2	2.0	0.6	-0.9	—	-1.1	-0.6	-2.9	2.1	1.3	-1.9	3.9	-1.2	5.7
Q2	1.5	2.3	0.6	-0.9	0.1	-0.4	0.3	-0.6	2.0	1.3	-1.7	3.6	-0.5	5.8
Q3	2.5	2.5	0.6	-0.5	0.5	0.2	0.9	1.0	4.1	1.6	-0.6	3.6	0.1	5.7
Q4	2.3	1.8	0.6	-0.2	1.1	0.3	1.4	1.5	1.1	2.2	1.5	3.2	0.3	5.9
2003 Q1	1.9	1.9	0.4	—	0.2	0.2	0.9	0.7	3.9	2.9	3.9	3.2	1.0	5.8
Q2	2.3	2.1	0.6	0.5	-0.3	-0.1	0.6	-1.3	4.3	2.2	1.9	3.1	0.9	6.1
Q3	3.5	2.5	0.4	1.2	-0.3	0.1	0.5	-0.7	6.0	2.2	2.1	3.1	0.5	6.1
Q4	4.4	2.7	0.3	1.7	-0.1	0.6	0.7	1.2	6.5	1.9	2.3	2.5	1.3	5.9
2004 Q1	5.0	3.0	0.4	1.8	0.3	0.8	1.2	2.8	7.9	1.7	1.6	2.8	0.7	5.7
Q2	4.8	2.5	0.1	2.0	0.7	1.1	1.6	4.9	8.2	2.8	4.7	2.4	0.9	5.6
Q3	4.0	2.5	0.3	1.5	0.4	0.9	1.6	4.6	6.8	2.7	5.0	2.4	1.5	5.4
Q4	3.7	2.7	0.2	1.4	0.3	0.4	1.4	4.2	8.4	3.4	5.8	3.0	1.3	5.4
2004 Jan	..	..	..	..	..	..	..	2.1	6.2	1.9	2.4	2.8	0.7	5.7
Feb	..	..	..	..	..	..	..	3.1	8.6	1.7	1.2	2.8	0.7	5.6
Mar	..	..	..	..	..	..	..	3.2	9.0	1.7	1.2	2.8	0.7	5.7
Apr	..	..	..	..	..	..	..	4.7	7.7	2.3	4.0	2.8	0.7	5.5
May	..	..	..	..	..	..	..	5.4	9.8	3.0	5.5	2.8	0.9	5.6
Jun	..	..	..	..	..	..	..	4.7	7.2	3.3	4.8	1.8	1.0	5.6
Jul	..	..	..	..	..	..	..	4.8	7.1	3.0	5.0	1.8	1.6	5.5
Aug	..	..	..	..	..	..	..	5.0	5.7	2.6	4.9	2.7	1.5	5.4
Sep	..	..	..	..	..	..	..	3.9	7.7	2.6	5.1	2.7	1.4	5.4
Oct	..	..	..	..	..	..	..	4.4	8.9	3.3	6.0	3.6	1.3	5.5
Nov	..	..	..	..	..	..	..	3.8	7.6	3.5	6.1	2.7	1.4	5.4
Dec	..	..	..	..	..	..	..	4.4	8.6	3.3	5.1	2.7	1.3	5.4
2005 Jan	..	..	..	..	..	..	..	..	..	..	..	1.8	1.3	5.2
Percentage change on previous quarter														
	ILGM	HUDM	HUDN	HUDO	HUDP	HUDQ	HUDR	ILHG	ILIA				ILIU	
2001 Q3	-0.4	0.3	0.1	-0.4	-0.3	-0.5	-0.4	-1.2	-1.0				—	
Q4	0.4	1.2	0.2	-0.3	-0.6	-0.3	-0.1	-1.0	3.4				-0.6	
2002 Q1	0.8	0.3	0.1	-0.1	0.8	0.1	0.4	0.5	-1.5				-1.1	
Q2	0.6	0.5	0.2	-0.1	0.2	0.3	0.4	1.2	1.2				1.2	
Q3	0.6	0.5	0.1	—	0.1	0.1	0.2	0.4	1.0				0.6	
Q4	0.2	0.4	0.2	-0.1	—	-0.1	0.3	-0.6	0.5				-0.4	
2003 Q1	0.5	0.5	—	0.1	-0.1	—	-0.1	-0.2	1.2				-0.4	
Q2	1.0	0.7	0.3	0.4	-0.3	—	0.1	-0.9	1.5				1.1	
Q3	1.8	0.9	—	0.7	0.1	0.3	0.1	1.1	2.7				0.2	
Q4	1.0	0.6	0.1	0.4	0.1	0.4	0.6	1.4	1.0				0.4	
2004 Q1	1.1	0.7	0.1	0.2	0.3	0.2	0.4	1.3	2.5				-1.0	
Q2	0.8	0.3	—	0.6	0.2	0.2	0.5	1.1	1.8				1.3	
Q3	1.0	0.9	0.1	0.3	-0.2	0.2	0.2	0.7	1.4				0.8	
Q4	0.8	0.8	—	0.3	0.1	-0.1	0.3	1.0	2.5				0.2	
Percentage change on previous month														
								ILKG	ILKQ				ILLA	
2004 Jan								0.3	0.4				-1.2	
Feb								1.1	1.0				0.4	
Mar								-0.3	2.4				0.2	
Apr								0.5	-0.9				0.5	
May								0.7	1.5				0.3	
Jun								-0.3	-0.8				0.8	
Jul								0.7	1.0				0.6	
Aug								0.1	-0.3				-0.4	
Sep								-0.3	1.7				-0.4	
Oct								0.7	1.0				0.6	
Nov								0.3	0.1				0.1	
Dec								0.8	1.2				-0.2	
2005 Jan								..	..				-1.2	

GDP = Gross Domestic Product at constant market prices
PFC = Private Final Consumption at constant market prices
GFC = Government Final Consumption at constant market prices
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Earnings = Average Earnings (manufacturing), definitions of coverage and treatment vary among countries
Empl = Total Employment not seasonally adjusted
Unempl = Standardised Unemployment rates: percentage of total workforce
Source: OECD - SNA93

1 Excludes members of armed forces

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	—	—	0.7	-0.2	-0.5	0.2	0.3	0.6	-2.7	-0.3	-1.5	-0.7	-0.8	4.7
2000	2.4	0.3	0.8	0.5	0.3	1.2	0.7	4.9	-0.8	-0.7	0.2	1.7	-0.2	4.7
2001	0.2	0.6	0.5	-0.4	0.1	-0.6	-0.1	-6.1	-1.1	-0.7	-2.3	—	-0.5	5.0
2002	-0.3	0.3	0.4	-1.5	-0.2	0.7	0.1	-1.2	-3.4	-1.0	-2.1	-1.1	-1.3	5.4
2003	1.3	0.1	0.2	0.2	0.2	1.0	0.4	3.1	-1.4	-0.2	-0.8	2.3	-0.2	5.3
2001 Q3	-0.4	0.7	0.4	-0.3	-0.5	-1.0	-0.2	-8.9	-2.0	-0.8	-2.5	-0.3	-0.9	5.1
Q4	-2.0	0.5	0.5	-2.2	-0.5	-1.2	-0.8	-12.1	-2.7	-1.0	-3.0	-0.5	-1.3	5.4
2002 Q1	-2.7	—	0.5	-2.2	-1.4	-0.3	-0.6	-8.9	-4.9	-1.4	-2.8	-1.6	-1.4	5.3
Q2	-0.5	0.3	0.4	-1.7	-0.3	0.7	-0.1	-3.4	-2.8	-0.9	-2.2	-0.7	-1.5	5.4
Q3	0.7	0.7	0.5	-1.5	0.4	1.0	0.4	2.7	-3.1	-0.8	-2.1	-2.1	-0.9	5.4
Q4	1.4	0.2	0.3	-0.4	0.5	1.6	0.8	5.7	-2.7	-0.5	-1.2	0.1	-1.1	5.4
2003 Q1	1.4	0.4	0.3	-0.4	0.7	1.2	0.8	5.5	-0.6	-0.2	-0.7	1.8	-0.8	5.4
Q2	1.0	—	0.2	0.3	0.2	0.6	0.2	2.0	-2.3	-0.3	-1.1	2.5	0.1	5.4
Q3	1.0	-0.3	0.2	0.2	0.1	1.0	0.2	1.0	-2.0	-0.2	-0.6	2.3	-0.1	5.2
Q4	2.0	0.5	0.2	0.8	-0.3	1.2	0.3	4.1	-0.9	-0.3	-0.8	2.3	-0.1	5.1
2004 Q1	4.0	1.0	0.3	1.1	0.4	1.7	0.6	4.5	-0.6	-0.1	-0.4	1.8	0.2	4.9
Q2	3.0	1.2	0.5	0.3	—	2.0	1.0	7.9	-1.7	-0.3	0.8	1.4	0.2	4.6
Q3	2.5	1.2	0.4	0.4	-0.2	1.7	0.9	6.3	-0.3	-0.1	1.5	2.1	0.3	4.8
Q4	..	..	..	..	..	..	..	1.7	-0.9	0.5	2.3	..	—	4.5
2003 Dec	..	..	..	..	..	..	..	4.0	0.2	-0.4	-0.7	4.1	0.2	4.9
2004 Jan	..	..	..	..	..	..	..	6.1	1.3	-0.3	-0.6	1.7	0.3	5.0
Feb	..	..	..	..	..	..	..	3.4	-1.8	—	-0.4	2.0	0.2	5.0
Mar	..	..	..	..	..	..	..	4.0	-1.2	-0.1	-0.2	1.7	0.2	4.7
Apr	..	..	..	..	..	..	..	8.1	-0.6	-0.4	0.4	1.1	0.8	4.7
May	..	..	..	..	..	..	..	8.0	-2.1	-0.5	0.8	2.1	0.4	4.6
Jun	..	..	..	..	..	..	..	7.4	-2.4	—	1.3	1.1	-0.6	4.6
Jul	..	..	..	..	..	..	..	7.8	0.9	-0.1	1.4	2.0	-0.1	4.9
Aug	..	..	..	..	..	..	..	7.7	-1.3	-0.2	1.5	2.9	0.5	4.8
Sep	..	..	..	..	..	..	..	3.6	-0.4	—	1.8	1.5	0.4	4.6
Oct	..	..	..	..	..	..	..	1.4	-1.8	0.5	2.3	0.3	0.2	4.7
Nov	..	..	..	..	..	..	..	2.2	0.2	0.8	2.3	3.6	—	4.5
Dec	..	..	..	..	..	..	..	1.5	-1.0	0.2	2.3	..	—	4.4
Percentage change on previous quarter														
	ILGN	HUDA	HUDB	HUDD	HUDE	HUDD	HUDD	ILHH	ILIB				ILIV	
2001 Q3	-0.6	—	—	-0.2	-0.6	-0.3	-0.2	-4.2	-0.7				-0.4	
Q4	-0.7	—	0.2	-1.2	0.1	-0.2	-0.3	-2.4	-1.0				-0.4	
2002 Q1	-0.4	-0.1	—	-0.3	-0.4	0.5	0.1	0.6	-1.3				-2.0	
Q2	1.2	0.4	0.1	-0.2	0.5	0.7	0.3	2.8	0.1				1.3	
Q3	0.6	0.5	0.2	—	0.2	—	0.3	1.8	-0.9				0.2	
Q4	-0.1	-0.5	—	—	0.2	0.4	0.1	0.4	-0.6				-0.6	
2003 Q1	-0.3	—	—	-0.2	-0.1	0.1	0.1	0.3	0.8				-1.7	
Q2	0.8	—	-0.1	0.6	—	0.1	-0.2	-0.6	-1.5				2.3	
Q3	0.6	0.2	0.2	-0.1	0.1	0.4	0.2	0.9	-0.6				—	
Q4	0.9	0.3	—	0.5	-0.3	0.6	0.3	3.6	0.5				-0.6	
2004 Q1	1.7	0.5	0.2	0.1	0.6	0.6	0.3	0.7	1.1				-1.4	
Q2	-0.1	0.1	0.1	-0.3	-0.4	0.4	0.2	2.5	-2.7				2.3	
Q3	0.1	0.1	0.1	0.1	-0.1	0.1	0.2	-0.6	0.8				0.1	
Q4	..	..	..	..	..	..	..	-0.9	-0.1				-0.9	
Percentage change on previous month														
								ILKH	ILKR				ILLB	
2003 Dec								-0.7	1.2				-0.3	
2004 Jan								3.4	2.6				-1.3	
Feb								-3.9	-1.9				-0.2	
Mar								0.8	-0.2				1.1	
Apr								3.1	-1.2				1.2	
May								1.0	-1.0				0.5	
Jun								-1.2	-0.3				-0.2	
Jul								0.1	1.1				—	
Aug								-0.2	0.1				0.3	
Sep								-0.2	0.6				-0.4	
Oct								-1.3	-0.2				-0.3	
Nov								1.6	-0.5				-0.4	
Dec								-1.4	—				-0.3	

GDP = Gross Domestic Product at constant market prices
PFC = Private Final Consumption at constant market prices
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Earnings = Average Earnings (manufacturing), definitions of coverage and treatment vary among countries
Empl = Total Employment not seasonally adjusted
Unempl = Standardised Unemployment rates: percentage of total workforce
IoP = Index of Production

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

Source: OECD - SNA93

Corporate services price index (experimental)

Quarter 4 2004

What is the CSPI?

The experimental Corporate Services Price Index (CSPI) measures movements in prices charged for services supplied by businesses to other businesses, local and national government. The data produced are used internally by the Office for National Statistics (ONS) as a deflator for the Index of Services and the quarterly measurement of Gross Domestic Product (GDP). It is also used by the Treasury and Bank of England to help monitor inflation in the economy.

Results for Quarter 4, 2004

Prices of business-to-business services rose by 2.2 per cent in the year to the fourth quarter 2004. This is based on a comparison of the change in the top-level CSPI on the *net* sector basis.

Figure 1 shows how the percentage change for the top-level CSPI (net sector) compares with the Retail Price Index (RPI) and the Producer Price Index (PPI) for all manufactured goods (net sector).

The top-level results, on both gross and net sector bases, are shown in Table 1. In Q4 2004, the top-level CSPI (net sector) rose by 0.5 per cent compared to the previous quarter.

Figure 2 depicts the CSPI annual growths for both the net and gross sector time series. The net CSPI growth shows a slight decline to 2.2 per cent for Q4 2004 from 2.3 per cent in Q3 2004. The annual growth for the CSPI gross series shows a slight increase from a value of 2.0 per cent in Q3 2004 to a value of 2.1 per cent in Q4 2004. The difference in annual growth between the gross sector and net sector CSPI is 0.2 per cent this quarter.

Industry-specific indices

The tables attached at the end of this article contain the data for the thirty-two industries for which indices of corporate services prices are currently available. The weights for each industry index are shown at both gross and net sector levels. Some key points to note are:

- *sea & coastal water freight* rose by 2.6 per cent on the previous quarter due to strong current market conditions
- *real estate agency activities* rose by 2.5 per cent on the previous quarter with strong activity across the board particularly in the office market sector
- *courier services* rose by 1.1 per cent on the previous quarter attributed to an increase in the cost of fuel
- *waste disposal* rose by 1.1 per cent on the previous quarter, reportedly due to an increase in landfill charges throughout the industry

Figure 1

Experimental top-level CSPI compared with the Retail Price Index (RPI) for services and the Producer Price Index (PPI)

Percentage change on the same quarter a year ago

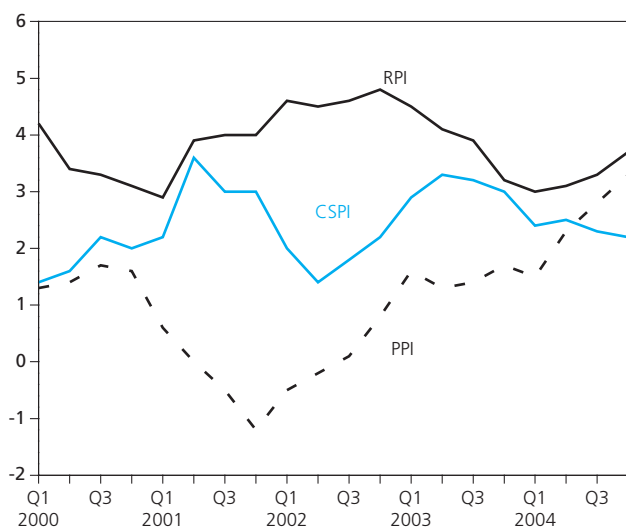


Figure 2

Experimental top-level CSPI (Gross and net sector):

Percentage change on the same quarter in previous year

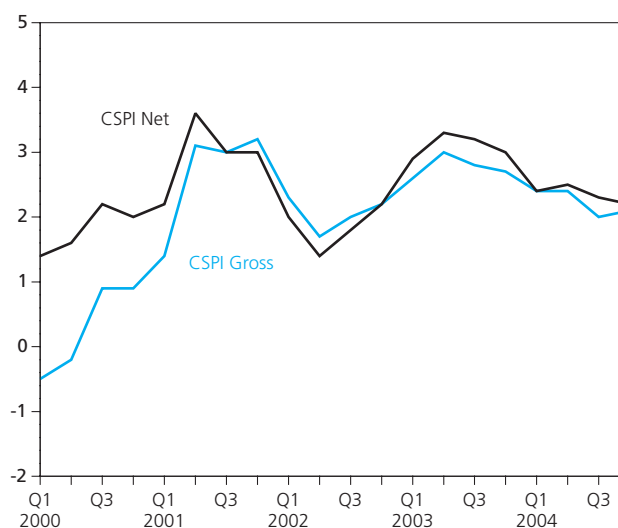


Table 1

CSPI Results

CSPI Quarterly Index Values 2000=100			Percentage change on same quarter in previous year (per cent)	
		Gross sector	Net sector	
2000	Q1	99.8	99.5	-0.5
	Q2	99.6	99.5	-0.2
	Q3	100.2	100.3	0.9
	Q4	100.3	100.7	0.9
2001	Q1	101.3	101.6	1.4
	Q2	102.7	103.1	3.1
	Q3	103.2	103.3	3.0
	Q4	103.5	103.7	3.2
2002	Q1	103.6	103.7	2.3
	Q2	104.5	104.6	1.7
	Q3	105.3	105.2	2.0
	Q4	105.8	106.0	2.2
2003	Q1	106.3	106.8	2.6
	Q2	107.6	108.0	3.0
	Q3	108.2	108.6	2.8
	Q4	108.6	109.2	2.7
2004	Q1	108.8	109.4	2.4
	Q2	110.2	110.7	2.4
	Q3	110.4	111.1	2.0
	Q4	110.9	111.6	2.1

- *employment agencies* rose by 0.8 per cent on the previous quarter attributed to a combination of wage increases and market forces
- *market research* rose by 0.7 per cent on the previous quarter reportedly due to increases in overheads
- *business airfares* rose by 0.6 per cent on the previous quarter, which is potentially due to the cost of additional security checks, required by the CAA, being passed on to passengers
- *business telecoms* fell by 0.8 per cent on the previous quarter as reported by Ofcom.

Background notes

1. The experimental Corporate Services Price Index (CSPI) has been recently rebased to the year 2000 and released on 20 February 2004. Many aspects of the methods and sources used to compile the CSPI have been reviewed and updated in the rebasing. For more information on the methodology and associated impact of the rebasing see http://www.statistics.gov.uk/downloads/experimental/CSPI_Rebasing_Methodology_and_Impact.pdf.
2. The February 2004 release of the rebased CSPI also introduced a redeveloped business telecommunications index and new banking (loans and interest bearing deposits) index. The introduction of the new index has increased the number of published, industry-level CSPIs to 32, providing coverage of an estimated 55 per cent of net corporate service activity in the UK. ONS has also expanded substantially the survey of businesses on which the CSPI is based. We now survey 1,500 businesses, seeking price quotes for 5,000 service-products. For further information on the redeveloped business telecommunications CSPI see http://www.statistics.gov.uk/downloads/experimental/Redeveloped_Business_Telecommunications.pdf. For further information on the new banking CSPI see http://www.statistics.gov.uk/downloads/experimental/New_Banking_CSPI.pdf.
3. The CSPI is shown in this release as both net and gross sector time series, aligning with the PPI release format. The net series is scoped to monitor the corporate-service activity provided to other businesses and government organisations, outside the corporate services sector. The gross series is scoped to monitor the provision of corporate services to all businesses and government organisations.
4. Indices relate to average prices for a quarter. The full effect of a price change, occurring partway through any quarter, will only be reflected in the following quarter's index. All index numbers exclude VAT.
5. Some back data for a few industry specific indices have been revised. The figures previously published are now found to have included transcription errors. Many of the revisions are very small, either 0.1 or 0.2 index points, although some are larger. The largest revisions are to the 2003 index number level and growth rate for hotels and technical testing (around one index point). The largest revisions to quarterly growth rates are for bus and coach hire growth in quarter 3 2000 (revision of one index point) and to banking services in quarter 3 2002 (revision of two

index points). There were no errors in the top-level CSPI index number levels or growth rates. The index numbers in this publication have now been subject to a further quality assessment and improvements to operational procedures are being put in place as a result.

Note: Measurement of service sector prices is inherently difficult and challenging. When viewing the results, *it should be borne in mind that the indices shown are regarded as experimental*. This is particularly true of those that have been added to the series most recently. Therefore, some of the results will be subject to revision before the completion of the CSPI development project. The top-level index should also be viewed as experimental.

Next results

The next set of CSPI results will be issued on 13 May 2005 via the National Statistics website <http://www.statistics.gov.uk/cspi>.

Further information

- Articles on the methodology and impact of rebasing the CSPI, the re-development of an index for business telecommunications and the introduction of an index for banking services (together with more general information on the CSPI) are available at <http://www.statistics.gov.uk/cspi>
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Note to the main table:

There are external sources for the indices denoted by an asterisk, as follows:

Index	Source
Banking Services	Bank of England
Property rental payments	Investment Property Databank (IPD)
Car contract hire and	
Maintenance and repair of motor vehicles	Yewtree.com Ltd
Construction plant hire	Construction Plant-hire Association (CPA) up to Quarter 2 of 2002
Business telecommunications	Ofcom (Office of Communications)
Sewerage services	Ofwat (Office of Water Services)
National post parcels	Parcelforce
Business rail fares	Strategic Rail Authority (SRA)

Table 2

Corporate Services Price Indices (Experimental) (2000=100)

	Maintenance and repair of motor vehicles*	Hotels	Canteens and catering	Business rail fares*	Rail Freight	Bus and coach hire	Freight transport by road	
							Total	International component
SIC(2003)	50.2	55.1	55.5	60.10/1	60.10/9	60.23/1	60.24/9	
2000 weights per cent								
Gross sector	2.93	3.69	3.03	0.32	0.62	0.12	12.72	
Net sector	2.08	4.08	3.36	0.16	1.03	0.20	21.15	
Annual								
2000	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2001	102.9	104.3	104.2	103.1	100.5	106.8	102.9	100.3
2002	106.1	104.3	105.4	106.1	102.1	114.7	103.9	99.3
2003	110.2	108.6	106.6	109.8	103.5	120.8	106.2	99.3
2004	115.2	111.8	107.6	114.4	104.1	123.7	108.2	100.0
Percentage change, latest year on previous year								
2000	2.3	2.3	0.1	4.5	-1.0	6.5	4.6	2.6
2001	2.9	4.3	4.2	3.1	0.5	6.8	2.9	0.3
2002	3.1	0.0	1.1	2.9	1.6	7.4	1.0	-1.0
2003	3.9	4.2	1.1	3.5	1.4	5.3	2.2	0.1
2004	4.5	2.9	1.0	4.2	0.6	2.4	1.9	0.7
Quarterly results (not seasonally adjusted)								
2000 Q1	99.1	98.8	99.1	100.0	101.8	98.1	98.9	99.5
Q2	99.6	100.1	100.1	100.0	99.4	99.9	99.3	99.5
Q3	100.2	100.7	100.1	100.0	99.4	100.6	100.2	100.0
Q4	101.2	100.5	100.7	100.0	99.4	101.4	101.6	101.0
2001 Q1	102.0	102.9	103.2	103.1	100.3	103.4	102.5	100.9
Q2	102.8	104.7	104.4	103.1	101.1	105.1	103.0	100.2
Q3	103.5	104.5	104.5	103.1	100.5	108.1	103.1	99.8
Q4	103.3	104.9	104.6	103.1	100.1	110.8	103.0	100.1
2002 Q1	104.9	103.7	104.7	106.1	101.3	111.7	102.9	99.6
Q2	105.5	103.4	105.3	106.1	102.1	113.3	103.6	99.4
Q3	106.6	104.0	105.7	106.1	102.4	116.4	104.3	99.7
Q4	107.4	106.0	105.7	106.1	102.5	117.4	104.9	98.3
2003 Q1	108.9	107.2	106.1	109.8	102.7	119.2	105.6	99.3
Q2	109.8	107.2	106.4	109.8	103.4	120.8	106.1	99.3
Q3	110.4	109.1	106.7	109.8	103.6	121.6	106.3	99.5
Q4	111.7	110.9	107.0	109.8	104.2	121.7	106.8	99.2
2004 Q1	113.3	110.5	107.2	114.4	103.7	122.4	107.1	99.0
Q2	114.6	112.3	107.4	114.4	104.1	123.4	107.8	99.1
Q3	115.9	112.0	107.6	114.4	104.3	124.6	108.7	100.5
Q4	116.8	112.4	107.9	114.4	104.5	124.4	109.4	101.6

Table 2 – continued

	Maintenance and repair of motor vehicles*	Hotels	Canteens and catering	Business rail fares*	Rail Freight	Bus and coach hire	Freight transport by road	
							Total	International component
SIC(2003)	50.2	55.1	55.5	60.10/1	60.10/9	60.23/1	60.24/9	
Percentage change, latest quarter on previous quarter								
2000 Q1	0.3	1.7	-0.4	4.5	0.5	1.6	1.3	2.2
Q2	0.5	1.3	1.1	0.0	-2.3	1.9	0.5	0.0
Q3	0.6	0.6	0.0	0.0	0.0	0.7	0.9	0.5
Q4	1.0	-0.2	0.5	0.0	0.0	0.8	1.4	0.9
2001 Q1	0.8	2.4	2.5	3.1	0.9	1.9	0.9	-0.1
Q2	0.8	1.8	1.2	0.0	0.8	1.7	0.5	-0.6
Q3	0.6	-0.2	0.1	0.0	-0.6	2.8	0.1	-0.4
Q4	-0.2	0.3	0.1	0.0	-0.4	2.5	0.0	0.3
2002 Q1	1.5	-1.1	0.0	2.9	1.2	0.9	-0.1	-0.5
Q2	0.6	-0.3	0.6	0.0	0.8	1.4	0.7	-0.2
Q3	1.0	0.6	0.4	0.0	0.2	2.8	0.6	0.3
Q4	0.8	1.9	0.0	0.0	0.1	0.9	0.5	-1.4
2003 Q1	1.5	1.2	0.4	3.5	0.2	1.5	0.7	1.0
Q2	0.8	0.0	0.2	0.0	0.7	1.3	0.5	0.0
Q3	0.6	1.8	0.3	0.0	0.2	0.6	0.2	0.1
Q4	1.2	1.6	0.2	0.0	0.5	0.1	0.5	-0.3
2004 Q1	1.4	-0.4	0.2	4.2	-0.5	0.6	0.3	-0.2
Q2	1.1	1.6	0.2	0.0	0.4	0.8	0.6	0.1
Q3	1.2	-0.3	0.5	0.0	0.2	0.9	0.8	1.3
Q4	0.7	0.4	0.0	0.0	0.2	-0.1	0.6	1.2
Percentage change, latest quarter on corresponding quarter of previous year								
2000 Q1	2.5	-1.3	-0.8	4.5	1.3	6.3	5.2	1.9
Q2	2.0	3.3	-0.2	4.5	-1.7	7.3	4.3	2.2
Q3	2.2	4.0	0.4	4.5	-1.8	7.2	4.6	2.7
Q4	2.5	3.4	1.2	4.5	-1.8	5.1	4.1	3.7
2001 Q1	2.9	4.2	4.2	3.1	-1.4	5.4	3.7	1.4
Q2	3.2	4.7	4.3	3.1	1.6	5.3	3.7	0.7
Q3	3.3	3.8	4.3	3.1	1.1	7.4	2.8	-0.2
Q4	2.1	4.4	4.0	3.1	0.7	9.2	1.4	-0.9
2002 Q1	2.8	0.7	1.4	2.9	1.0	8.1	0.4	-1.2
Q2	2.6	-1.3	0.9	2.9	1.0	7.7	0.6	-0.8
Q3	3.0	-0.5	1.2	2.9	1.9	7.7	1.2	-0.2
Q4	3.9	1.0	1.0	2.9	2.4	6.0	1.8	-1.8
2003 Q1	3.9	3.3	1.4	3.5	1.3	6.7	2.6	-0.3
Q2	4.0	3.7	1.0	3.5	1.3	6.7	2.3	-0.1
Q3	3.6	5.0	1.0	3.5	1.2	4.4	1.9	-0.2
Q4	4.1	4.7	1.2	3.5	1.6	3.6	1.9	0.9
2004 Q1	4.0	3.1	1.0	4.2	0.9	2.7	1.5	-0.4
Q2	4.4	4.8	0.9	4.2	0.7	2.1	1.6	-0.3
Q3	5.0	2.6	1.1	4.2	0.6	2.5	2.2	0.9
Q4	4.5	1.3	0.9	4.2	0.3	2.3	2.4	2.4

Table 2 – continued

Corporate Services Price Indices (Experimental) (2000=100)

	Commercial vehicle ferries	Sea and coastal water freight	Business air fares	Freight forwarding	National post parcels*	Courier services	Business telecoms services*	Banking services*
SIC(2003)	61.10/1	61.10/2	62.10/1	63.4	64.11	64.12	64.2	65.12/1
2000 weights per cent								
Gross sector	0.29	0.73	3.28	7.48	3.48	2.42	11.84	2.90
Net sector	0.37	0.92	1.59	6.20	1.81	1.26	5.39	3.23
Annual								
2000	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2001	98.7	100.7	115.1	100.4	103.1	102.7	92.6	108.2
2002	100.6	95.0	122.8	99.8	107.1	107.1	90.6	116.5
2003	102.8	96.1	127.1	104.3	113.3	109.2	87.8	125.6
2004	102.6	94.9	129.7	108.0	119.5	112.8	85.2	126.2
Percentage change, latest year on previous year								
2000	1.9	2.8	5.6	0.9	4.1	0.2	-16.0	10.2
2001	-1.3	0.7	15.1	0.4	3.1	2.7	-7.4	8.2
2002	2.0	-5.7	6.7	-0.6	3.9	4.2	-2.2	7.7
2003	2.1	1.1	3.5	4.4	5.9	2.0	-3.0	7.8
2004	-0.2	-1.2	2.0	3.6	5.4	3.3	-2.9	0.5
Quarterly results (not seasonally adjusted)								
2000 Q1	100.9	96.8	96.2	98.9	96.5	98.6	107.0	94.9
Q2	99.8	98.8	98.0	99.3	101.2	99.2	99.6	99.3
Q3	100.4	101.7	100.0	100.5	101.2	100.0	99.1	103.8
Q4	98.9	102.7	105.8	101.2	101.2	102.2	94.3	102.0
2001 Q1	101.5	103.9	111.9	102.2	101.2	100.4	93.1	101.4
Q2	99.0	101.6	113.1	100.6	103.7	101.5	92.8	109.0
Q3	97.0	99.9	116.8	99.4	103.7	104.2	93.7	106.7
Q4	97.3	97.5	118.5	99.4	103.7	104.8	90.8	115.7
2002 Q1	101.8	96.4	120.7	98.5	103.7	106.0	88.3	113.6
Q2	100.5	94.1	122.2	99.5	108.2	106.6	89.5	117.8
Q3	100.6	94.1	123.3	100.4	108.2	107.7	93.0	113.4
Q4	99.6	95.4	124.8	100.9	108.2	107.9	91.4	121.3
2003 Q1	102.6	98.8	124.9	102.2	108.2	108.6	88.2	122.5
Q2	102.8	97.0	127.1	104.4	115.0	109.4	87.3	125.8
Q3	102.8	94.5	128.1	105.0	115.0	109.3	88.2	125.7
Q4	102.8	94.0	128.2	105.5	115.0	109.4	87.6	128.4
2004 Q1	102.6	95.4	129.1	104.9	115.0	110.9	86.1	127.3
Q2	102.5	94.1	129.5	107.9	121.0	112.1	86.1	128.3
Q3	102.6	93.9	129.6	109.5	121.0	113.4	84.7	124.7
Q4	102.7	96.3	130.4	109.8	121.0	114.7	84.0	124.7

Table 2 – continued

	Commercial vehicle ferries	Sea and coastal water freight	Business air fares	Freight forwarding	National post parcels*	Courier services	Business telecoms services*	Banking services*
SIC(2003)	61.10/1	61.10/2	62.10/1	63.4	64.11	64.12	64.2	65.12/1
Percentage change, latest quarter on previous quarter								
2000 Q1	5.6	2.1	0.8	0.7	0.0	-0.9	-3.2	3.2
Q2	-1.0	2.1	2.0	0.4	4.8	0.6	-6.9	4.7
Q3	0.6	2.9	2.0	1.2	0.0	0.8	-0.6	4.5
Q4	-1.4	1.0	5.8	0.7	0.0	2.1	-4.8	-1.7
2001 Q1	2.6	1.2	5.8	1.0	0.0	-1.8	-1.3	-0.5
Q2	-2.5	-2.2	1.1	-1.6	2.5	1.1	-0.3	7.4
Q3	-2.0	-1.7	3.3	-1.2	0.0	2.6	1.0	-2.1
Q4	0.3	-2.4	1.4	-0.1	0.0	0.6	-3.2	8.5
2002 Q1	4.6	-1.1	1.9	-0.9	0.0	1.2	-2.7	-1.8
Q2	-1.3	-2.4	1.2	1.0	4.4	0.6	1.3	3.6
Q3	0.1	0.1	0.9	0.9	0.0	0.9	4.0	-3.7
Q4	-1.0	1.3	1.2	0.5	0.0	0.2	-1.8	6.9
2003 Q1	3.0	3.6	0.1	1.3	0.0	0.6	-3.5	1.0
Q2	0.2	-1.8	1.7	2.2	6.3	0.7	-1.0	2.7
Q3	0.0	-2.6	0.8	0.5	0.0	-0.1	1.0	-0.1
Q4	0.0	-0.5	0.1	0.5	0.0	0.1	-0.6	2.2
2004 Q1	-0.2	1.5	0.7	-0.6	0.0	1.3	-1.7	-0.9
Q2	-0.1	-1.3	0.3	2.9	5.1	1.1	0.0	0.8
Q3	0.0	-0.2	0.1	1.5	0.0	1.2	-1.6	-2.8
Q4	0.1	2.6	0.6	0.2	0.0	1.1	-0.8	0.0
Percentage change, latest quarter on corresponding quarter of previous year								
2000 Q1	0.2	-3.1	2.5	-2.6	2.0	-0.7	-17.5	5.3
Q2	1.2	0.2	3.4	0.2	4.8	-0.7	-17.8	11.6
Q3	2.8	6.1	5.5	3.0	4.8	-0.2	-13.8	12.7
Q4	3.6	8.3	10.9	3.0	4.8	2.6	-14.7	10.9
2001 Q1	0.6	7.3	16.4	3.4	4.8	1.7	-13.0	6.9
Q2	-0.9	2.8	15.4	1.3	2.5	2.3	-6.9	9.7
Q3	-3.4	-1.8	16.8	-1.1	2.5	4.1	-5.4	2.8
Q4	-1.6	-5.1	12.0	-1.8	2.5	2.6	-3.8	13.5
2002 Q1	0.3	-7.2	7.8	-3.6	2.5	5.7	-5.1	12.0
Q2	1.5	-7.5	8.0	-1.1	4.4	5.1	-3.6	8.1
Q3	3.7	-5.8	5.6	0.9	4.4	3.3	-0.7	6.3
Q4	2.4	-2.1	5.3	1.5	4.4	3.0	0.7	4.8
2003 Q1	0.8	2.5	3.5	3.7	4.4	2.4	-0.1	7.8
Q2	2.3	3.1	4.0	4.9	6.3	2.6	-2.4	6.8
Q3	2.2	0.3	3.9	4.6	6.3	1.5	-5.2	10.8
Q4	3.2	-1.5	2.8	4.6	6.3	1.4	-4.1	5.9
2004 Q1	0.0	-3.4	3.4	2.6	6.3	2.1	-2.4	3.9
Q2	-0.3	-3.0	1.9	3.3	5.1	2.5	-1.4	2.0
Q3	-0.3	-0.6	1.2	4.3	5.1	3.8	-3.9	-0.8
Q4	-0.1	2.5	1.7	4.1	5.1	4.8	-4.1	-2.9

Table 2 – continued

Corporate Services Price Indices (Experimental) (2000=100)

	Property rentals*	Real estate agency activities	Car contract hire*	Construction plant hire*	Market research	Technical testing	Employment agencies
SIC(2003)	70.2	70.3	71.1	71.32	74.13	74.3	74.5
2000 weights per cent							
Gross sector	7.88	3.71	2.54	2.38	1.15	0.77	14.39
Net sector	12.33	1.56	3.56	5.69	0.98	0.97	6.59
Annual							
2000	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2001	106.5	101.9	94.9	104.2	102.6	103.8	107.1
2002	111.0	102.6	94.6	102.0	107.0	107.2	112.0
2003	115.6	105.8	89.8	108.2	109.8	111.0	115.5
2004	120.2	114.6	91.6	106.8	111.4	112.2	117.2
Percentage change, latest year on previous year							
2000	5.7	6.5	3.0	5.1	2.4	1.3	2.3
2001	6.5	1.9	-5.1	4.2	2.6	3.8	7.1
2002	4.3	0.7	-0.3	-2.1	4.3	3.3	4.6
2003	4.1	3.1	-5.1	6.1	2.6	3.6	3.1
2004	4.0	8.3	2.0	-1.3	1.4	1.1	1.5
Quarterly results (not seasonally adjusted)							
2000 Q1	98.0	98.5	100.1	96.6	99.7	99.3	99.3
Q2	99.3	99.7	100.5	100.8	100.0	99.6	99.9
Q3	100.6	100.6	100.0	101.7	100.5	100.0	100.1
Q4	102.2	101.3	99.4	100.9	99.8	101.1	100.7
2001 Q1	104.1	101.9	97.3	101.8	102.3	101.7	102.7
Q2	105.7	101.9	94.5	108.0	102.6	104.2	106.8
Q3	107.2	101.9	94.1	105.0	102.7	104.3	108.7
Q4	108.8	101.8	93.7	101.9	103.0	104.9	110.0
2002 Q1	109.6	101.5	94.1	100.3	106.4	106.0	111.6
Q2	110.7	102.0	94.3	101.4	106.5	106.3	111.9
Q3	111.3	103.0	94.5	102.9	106.9	107.6	112.4
Q4	112.5	103.8	95.5	103.3	108.3	108.9	112.2
2003 Q1	113.4	103.9	94.4	106.5	109.1	109.9	113.4
Q2	115.5	104.9	87.6	108.4	109.3	110.5	116.0
Q3	116.3	106.7	88.1	108.8	110.3	111.7	116.4
Q4	117.1	107.5	89.0	109.1	110.6	111.9	116.2
2004 Q1	118.3	110.0	90.9	107.0	110.8	112.0	116.1
Q2	119.4	113.4	91.1	107.8	111.1	111.9	117.3
Q3	120.9	116.0	92.2	106.2	111.4	112.3	117.2
Q4	122.2	118.8	92.2	106.1	112.2	112.7	118.2

Table 2 – continued

	Property rentals*	Real estate agency activities	Car contract hire*	Construction plant hire*	Market research	Technical testing	Employment agencies
SIC(2003)	70.2	70.3	71.10	71.32	74.13	74.3	74.5
Percentage change, latest quarter on previous quarter							
2000 Q1	1.2	2.6	0.9	0.7	1.4	0.4	0.9
Q2	1.3	1.2	0.4	4.3	0.3	0.2	0.6
Q3	1.3	0.9	-0.5	0.8	0.5	0.5	0.2
Q4	1.6	0.7	-0.6	-0.7	-0.7	1.1	0.6
2001 Q1	1.9	0.6	-2.1	0.9	2.5	0.6	2.0
Q2	1.5	0.0	-2.9	6.1	0.3	2.5	4.0
Q3	1.4	0.0	-0.4	-2.7	0.0	0.1	1.8
Q4	1.5	-0.1	-0.5	-3.0	0.4	0.6	1.2
2002 Q1	0.8	-0.3	0.5	-1.5	3.2	1.0	1.4
Q2	1.0	0.5	0.2	1.0	0.1	0.3	0.3
Q3	0.5	0.9	0.2	1.5	0.4	1.2	0.4
Q4	1.1	0.8	1.1	0.4	1.2	1.3	-0.2
2003 Q1	0.8	0.1	-1.1	3.1	0.8	0.9	1.1
Q2	1.8	1.0	-7.3	1.9	0.2	0.6	2.3
Q3	0.7	1.7	0.6	0.3	0.9	1.1	0.3
Q4	0.7	0.8	1.1	0.3	0.2	0.2	-0.1
2004 Q1	1.0	2.3	2.0	-1.9	0.2	0.0	-0.1
Q2	1.0	3.1	0.2	0.8	0.3	-0.1	1.1
Q3	1.3	2.2	1.2	-1.5	0.2	0.4	-0.1
Q4	1.1	2.5	0.0	-0.1	0.7	0.3	0.8
Percentage change, latest quarter on corresponding quarter of previous year							
2000 Q1	5.9	8.3	4.7	0.3	2.6	0.7	2.5
Q2	5.9	6.5	4.8	7.4	2.8	1.0	2.1
Q3	5.4	5.7	2.6	7.8	2.7	1.3	2.2
Q4	5.5	5.6	0.2	5.1	1.5	2.1	2.4
2001 Q1	6.3	3.5	-2.8	5.4	2.6	2.4	3.5
Q2	6.5	2.3	-6.0	7.1	2.6	4.7	7.0
Q3	6.6	1.4	-5.8	3.3	2.1	4.3	8.6
Q4	6.5	0.5	-5.8	1.0	3.3	3.8	9.3
2002 Q1	5.3	-0.4	-3.2	-1.4	4.0	4.2	8.6
Q2	4.7	0.1	-0.2	-6.1	3.8	2.0	4.8
Q3	3.8	1.0	0.3	-2.0	4.2	3.1	3.4
Q4	3.4	2.0	1.9	1.4	5.1	3.8	1.9
2003 Q1	3.5	2.4	0.3	6.1	2.6	3.7	1.6
Q2	4.3	2.8	-7.2	7.0	2.6	4.0	3.7
Q3	4.6	3.6	-6.8	5.7	3.2	3.8	3.6
Q4	4.1	3.6	-6.7	5.6	2.2	2.8	3.6
2004 Q1	4.3	5.9	-3.8	0.5	1.5	1.9	2.3
Q2	3.4	8.1	4.0	-0.5	1.7	1.2	1.1
Q3	3.9	8.7	4.7	-2.3	0.9	0.6	0.7
Q4	4.4	10.5	3.6	-2.7	1.4	0.7	1.7

Table 2 – continued

Corporate Services Price Indices (Experimental) (2000=100)

	Security services	Industrial cleaning	Commercial film processing	Contract packaging	Direct marketing & secretarial services	Translation & interpretation services
SIC(2003)	74.60/2	74.7	74.81/9	74.82	74.83(pt)	74.83(pt)
2000 weights per cent						
Gross sector	1.97	2.35	0.16	0.59	0.33	0.05
Net sector	2.48	2.36	0.20	1.33	0.34	0.05
Annual						
2000	100.0	100.0	100.0	100.0	100.0	100.0
2001	104.4	101.1	99.9	101.8	101.2	99.6
2002	108.2	104.0	99.9	103.1	99.7	101.5
2003	113.8	106.9	103.4	109.3	100.4	102.6
2004	117.7	109.4	107.7	111.4	101.5	107.1
Percentage change, latest year on previous year						
2000	2.1	0.7	0.2	1.2	1.3	-0.2
2001	4.4	1.1	-0.1	1.8	1.2	-0.4
2002	3.6	2.9	0.0	1.3	-1.5	1.9
2003	5.2	2.7	3.5	6.0	0.7	1.1
2004	3.5	2.3	4.1	1.9	1.0	4.4
Quarterly results (not seasonally adjusted)						
2000 Q1	99.0	99.9	99.9	99.6	99.9	100.2
Q2	99.7	100.0	100.0	99.4	99.9	100.2
Q3	100.4	100.0	100.0	100.7	100.3	99.9
Q4	100.9	100.1	100.0	100.3	99.9	99.6
2001 Q1	102.1	99.9	100.0	101.1	100.6	99.7
Q2	103.8	100.6	100.1	101.3	101.5	99.7
Q3	105.4	100.9	99.8	102.3	101.3	99.4
Q4	106.3	103.1	99.8	102.4	101.5	99.5
2002 Q1	107.4	103.5	99.9	102.5	100.9	101.4
Q2	107.7	103.9	99.9	102.4	99.3	101.5
Q3	108.3	104.0	99.9	103.2	99.3	101.4
Q4	109.3	104.8	99.9	104.2	99.3	101.6
2003 Q1	111.8	105.6	100.1	105.0	99.7	102.3
Q2	113.0	105.8	99.5	109.7	99.6	102.7
Q3	114.2	107.8	105.4	110.9	100.9	102.7
Q4	116.2	108.3	108.8	111.6	101.5	102.7
2004 Q1	117.2	108.3	109.3	112.0	101.5	108.0
Q2	117.7	109.4	107.1	110.8	101.4	108.0
Q3	117.8	109.6	107.1	111.3	101.5	106.2
Q4	118.2	110.0	107.1	111.5	101.5	106.2

Table 2 – continued

	Security services	Industrial cleaning	Commercial film processing	Contract packaging	Direct marketing & secretarial services	Translation & interpretation services
SIC(2003)	74.60/2	74.7	74.81/9	74.82	74.83(pt)	74.83(pt)
Percentage change, latest quarter on previous quarter						
2000 Q1	0.4	0.2	0.1	0.8	1.1	0.0
Q2	0.7	0.2	0.1	-0.2	0.0	0.0
Q3	0.7	0.0	0.0	1.3	0.5	-0.4
Q4	0.5	0.1	0.0	-0.4	-0.4	-0.2
2001 Q1	1.2	-0.2	0.0	0.8	0.7	0.0
Q2	1.7	0.7	0.0	0.2	0.9	0.0
Q3	1.5	0.3	-0.3	1.0	-0.2	-0.3
Q4	0.9	2.2	0.0	0.1	0.2	0.2
2002 Q1	1.0	0.4	0.2	0.1	-0.6	1.8
Q2	0.3	0.4	0.0	0.0	-1.6	0.1
Q3	0.5	0.1	0.0	0.8	-0.1	0.0
Q4	0.9	0.8	0.0	0.9	0.0	0.2
2003 Q1	2.3	0.8	0.1	0.8	0.4	0.6
Q2	1.0	0.2	-0.6	4.5	-0.1	0.5
Q3	1.1	1.8	6.0	1.0	1.3	0.0
Q4	1.8	0.5	3.2	0.6	0.6	0.0
2004 Q1	0.8	0.0	0.5	0.4	0.0	5.2
Q2	0.4	1.0	-2.0	-1.0	-0.1	0.0
Q3	0.1	0.2	0.0	0.5	0.0	-1.7
Q4	0.3	0.3	0.0	0.2	0.0	0.0
Percentage change, latest quarter on corresponding quarter of previous year						
2000 Q1	1.7	1.0	0.1	0.7	2.2	0.1
Q2	2.1	0.9	0.1	0.6	0.4	0.0
Q3	2.3	0.5	0.2	1.9	1.5	-0.3
Q4	2.3	0.4	0.2	1.5	1.1	-0.6
2001 Q1	3.1	0.0	0.1	1.5	0.7	-0.6
Q2	4.2	0.5	0.1	1.9	1.7	-0.6
Q3	5.0	0.8	-0.3	1.6	1.0	-0.5
Q4	5.3	3.0	-0.3	2.1	1.6	-0.1
2002 Q1	5.2	3.6	-0.1	1.4	0.3	1.7
Q2	3.8	3.3	-0.1	1.1	-2.1	1.8
Q3	2.8	3.1	0.2	0.9	-2.0	2.1
Q4	2.9	1.7	0.2	1.7	-2.2	2.1
2003 Q1	4.1	2.1	0.1	2.5	-1.2	0.9
Q2	4.8	1.9	-0.5	7.1	0.3	1.3
Q3	5.4	3.7	5.4	7.4	1.7	1.3
Q4	6.3	3.3	8.8	7.1	2.3	1.1
2004 Q1	4.8	2.6	9.2	6.6	1.8	5.6
Q2	4.2	3.4	7.7	1.0	1.8	5.2
Q3	3.2	1.7	1.6	0.4	0.5	3.3
Q4	1.7	1.5	-1.6	0.0	-0.1	3.3

Table 2 – continued

Corporate Services Price Indices (Experimental) (2000=100)

		Adult education	Sewerage services*	Waste disposal	Commercial washing & dry cleaning	TOP –LEVEL CSPI	
						Gross sector	Net sector
SIC(2003)		80.42	90.00/1	90.00/2	93.01		
2000 weights per cent							
Gross sector		1.53	2.27	1.43	0.67	100	
Net sector		1.54	3.99	2.52	0.68		100
Annual							
	2000	100.0	100.0	100.0	100.0	100.0	100.0
	2001	103.9	98.3	105.3	101.2	102.7	102.9
	2002	106.8	99.1	111.3	102.0	104.8	104.9
	2003	111.5	102.7	118.6	102.4	107.7	108.1
	2004	117.4	108.8	124.1	104.7	110.0	110.7
Percentage change, latest year on previous year							
	2000	2.3	–8.7	4.9	–0.3	0.3	1.8
	2001	3.9	–1.7	5.3	1.2	2.7	2.9
	2002	2.7	0.8	5.7	0.9	2.1	1.9
	2003	4.5	3.7	6.5	0.3	2.8	3.1
	2004	5.2	5.9	4.7	2.3	2.2	2.3
Quarterly results (not seasonally adjusted)							
	2000 Q1	99.5	110.4	99.2	99.7	99.8	99.5
	Q2	99.5	96.5	100.4	100.2	99.6	99.5
	Q3	100.3	96.5	100.2	100.4	100.2	100.3
	Q4	100.8	96.5	100.2	99.8	100.3	100.7
	2001 Q1	101.4	96.5	101.8	100.3	101.3	101.6
	Q2	104.6	98.9	104.7	101.1	102.7	103.1
	Q3	104.6	98.9	106.8	101.2	103.2	103.3
	Q4	105.1	98.9	107.9	102.0	103.5	103.7
	2002 Q1	106.0	98.9	108.0	102.4	103.6	103.7
	Q2	106.3	99.1	110.9	102.1	104.5	104.6
	Q3	107.3	99.1	111.3	102.5	105.3	105.2
	Q4	107.4	99.1	115.0	101.1	105.8	106.0
	2003 Q1	108.1	99.1	115.7	102.4	106.3	106.8
	Q2	110.3	104.0	119.8	102.2	107.6	108.0
	Q3	112.9	104.0	119.4	102.2	108.2	108.6
	Q4	114.8	104.0	119.5	102.7	108.6	109.2
	2004 Q1	117.3	104.0	120.0	105.0	108.8	109.4
	Q2	117.3	110.4	124.8	104.9	110.2	110.7
	Q3	117.5	110.4	125.1	104.3	110.4	111.1
	Q4	117.4	110.4	126.5	104.7	110.9	111.6

Table 2 – continued

	Adult education	Sewerage services*	Waste disposal	Commercial washing & dry cleaning	TOP –LEVEL CSPI	
					Gross sector	Net sector
SIC(2003)	80.42	90.00/1	90.00/2	93.01		
Percentage change, latest quarter on previous quarter						
2000 Q1	1.2	0.0	3.0	0.6	0.4	0.8
Q2	0.1	–12.5	1.2	0.5	–0.2	0.1
Q3	0.8	0.0	–0.2	0.2	0.6	0.8
Q4	0.5	0.0	–0.1	–0.6	0.1	0.4
2001 Q1	0.7	0.0	1.6	0.5	0.9	1.0
Q2	3.1	2.5	2.9	0.8	1.4	1.4
Q3	0.0	0.0	2.0	0.1	0.5	0.2
Q4	0.5	0.0	1.0	0.8	0.3	0.4
2002 Q1	0.8	0.0	0.1	0.4	0.1	0.0
Q2	0.3	0.2	2.7	–0.2	0.9	0.8
Q3	0.9	0.0	0.3	0.4	0.8	0.6
Q4	0.1	0.0	3.3	–1.4	0.5	0.8
2003 Q1	0.6	0.0	0.6	1.3	0.4	0.7
Q2	2.1	4.9	3.6	–0.2	1.2	1.2
Q3	2.4	0.0	–0.3	0.0	0.6	0.5
Q4	1.6	0.0	0.0	0.5	0.4	0.5
2004 Q1	2.2	0.0	0.4	2.2	0.1	0.2
Q2	0.0	6.2	4.0	0.0	1.2	1.2
Q3	0.1	0.0	0.2	–0.6	0.2	0.3
Q4	–0.1	0.0	1.1	0.4	0.5	0.5
Percentage change, latest quarter on corresponding quarter of previous year						
2000 Q1	2.2	3.0	6.5	–0.3	–0.5	1.4
Q2	2.0	–12.5	5.1	–0.8	–0.2	1.6
Q3	2.5	–12.5	4.1	–0.7	0.9	2.2
Q4	2.5	–12.5	4.0	0.7	0.9	2.0
2001 Q1	2.0	–12.5	2.6	0.6	1.4	2.2
Q2	5.1	2.5	4.3	0.9	3.1	3.6
Q3	4.3	2.5	6.6	0.9	3.0	3.0
Q4	4.3	2.5	7.7	2.2	3.2	3.0
2002 Q1	4.5	2.5	6.1	2.1	2.3	2.0
Q2	1.7	0.2	5.9	1.0	1.7	1.4
Q3	2.6	0.2	4.2	1.3	2.0	1.8
Q4	2.2	0.2	6.6	–0.9	2.2	2.2
2003 Q1	2.0	0.2	7.1	0.0	2.6	2.9
Q2	3.8	4.9	7.9	0.1	3.0	3.3
Q3	5.3	4.9	7.3	–0.3	2.8	3.2
Q4	6.8	4.9	3.9	1.5	2.7	3.0
2004 Q1	8.6	4.9	3.8	2.5	2.4	2.4
Q2	6.3	6.2	4.2	2.7	2.4	2.5
Q3	4.0	6.2	4.7	2.0	2.0	2.3
Q4	2.2	6.2	5.9	2.0	2.1	2.2



Regional Gross Value Added

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This article presents estimates for regional gross value added (GVA) at current basic prices for 1989 to 2002/03, published in December 2004. Data are published at the NUTS1¹ level for the time period 1989–2003 and at the NUTS2 and NUTS3 level for the time period 1995–2002. The headline estimates presented are a moving average based trend of the unadjusted estimates for each region. These adjusted series remove some year to year volatility in the unadjusted series.

Introduction

In brief (NUTS1 2003 estimates, NUTS2&3 2002 estimates)

GVA by Region

- In 2003 the region with the largest GVA was London with 16.3 per cent of total UK GVA, excluding Extra-regio.
- Northern Ireland had the smallest share at 2.3 per cent.
- GVA by NUTS2 and 3:
 - In 2002 the NUTS2 area with the largest GVA was Inner London with £106bn.
 - The area with the smallest GVA was Highlands & Islands with £4bn.
 - In 2002 the NUTS3 area of Inner London West has the highest share of GVA with 7.7 per cent of UK GVA. The next highest area was Inner London East which contributes four per cent to the UK GVA. The highest contribution to the UK GVA outside London was Greater Manchester South with 2.6 per cent.

Growth in total GVA

- In 2003 UK total GVA grew by 5.4 per cent compared with 2002; UK total GVA excluding Extra-regio grew by 5.0 per cent.
 - Total GVA increased in all the UK regions, although there was variation in the rate of increase.
 - The largest growth rate was in the East Midlands; 6.3 per cent in 2003.
 - London had the smallest growth rate; up by 2.6 per cent from 2003.
 - The growth in total GVA in NUTS2 areas between 2001 and 2002 was highest in Inner London (8.6 per cent), Surrey, East and West Sussex and Cheshire (both 6.2 per cent).
 - NUTS2 areas with the lowest growth between 2001 and 2002 were Cumbria (2.4 per cent), Highlands & Islands (2.9 per cent), and Outer London (3.3 per cent).

GVA per head of population

- In 2003, GVA per head was £15,980 for the UK as a whole (excluding Extra-regio).
 - London had the largest GVA per head £20,990.

- Wales had the lowest GVA per head £12,629.
- London, the South East and East of England were the only regions with a GVA per head of population above the average for UK.
- At the NUTS2 level for 2002, Inner London had the highest GVA per head of £36,717, more than double the UK average of £15,273. The next highest were Berkshire, Buckinghamshire & Oxfordshire £21,460 and North East Scotland £20,234.
- Cornwall & the Isles of Scilly had the lowest GVA per head £9,525. The next lowest were West Wales & the Valleys £9,985 and Highlands & Islands £10,524.

The regional GVA estimates published in this article are calculated according to the income approach. They include revisions for 1989 to 2002 (NUTS1), 1995 to 2001 (NUTS2 & 3), and first estimates for 2003 (NUTS1) and 2002 (NUTS2 & 3).

The current basic price estimates for 1989 to 2002 (NUTS1) were first published by the Office for National Statistics (ONS) on 30 April 2004; 1995 to 2001 (NUTS2) on 30 October 2003; and 1995 to 2001 (NUTS3) on 11 December 2003.

Blue Book national controls

The regional GVA estimates NUTS1 (1989–2003) and NUTS2 & 3 (1995–2002) estimates are consistent with estimates of UK GVA published in *UK National Accounts: the Blue Book* 2004.

Wages and salaries data from Inland Revenue

Inland Revenue (IR) data has been incorporated in the estimates for the first time since 1998 (reference period 1996) after the successful conclusion to the work, highlighted in the April 2004 ONS publication *Regional Gross Value Added*, in assessing the suitability of IR regional information for use in the estimation of NUTS1 GVA.

Earnings estimates

ONS produced earnings estimates under the new Annual Survey of Hours and Earnings (ASHE) methodology for the first time in 2004. It was expected that the earnings estimates produced under these new methodologies would be used within this publication. This has not been possible as these data were not available at either the required geographic breakdown or industry level. Therefore, New Earnings Survey (NES) estimates have again been used in the calculation of regional GVA estimates. The existing NES dataset, including that for 2003, was quality assured and used in the calculation of GVA.

Employment

These estimates use employment data (Annual Business Inquiry 1 [ABI/1], Short Term Earnings Survey [STES]) consistent with that published in December 2003, as data published on 15 December 2004 was not available in time to be considered for this publication.

Allsopp Review

In March 2004, the final report of Christopher Allsopp's review of statistics for monetary and wider economic policymaking was published. Its remit was to examine the provision of data required for regional economic policy making and to assess how well the provision of economic statistics captures structural change in the economy. The use of Inland Revenue data addresses recommendation one of the report. ONS's response to the review can be found at <http://www.statistics.gov.uk/about/data/development/default.asp>

Commuting patterns

Information on commuting patterns is used to derive the workplace-based estimates of regional GVA. Longstanding plans have been in place to investigate the commuting patterns between regions. The investigations will show if and how commuting patterns have changed and determine which regions experience a significant degree of net commuting.

An initial assessment suggests the current assumption that the only significant net commuting between NUTS1 regions is between London, the South East and East of England still stands, however, further work needs to be carried out.

Developments

Regional Accounts have made a number of improvements to the processes used to calculate these regional economic data. These include the introduction of a quality system to improve the quality assurance processes; the move from a complex spreadsheet based system to a more stable database processing system; and some data input changes as a result of data analyses carried out. These include the following:

Quality adjustments of data inputs

In addition to quality assurance of processes, regional GVA estimates are produced following extensive quality assurance of the underlying raw data, in line with practices in place for National Accounts estimates. As part of this process a number of discrepancies were found in the raw data, which have had some impact at the regional level. The following examples show how some of the arising issues have been resolved.

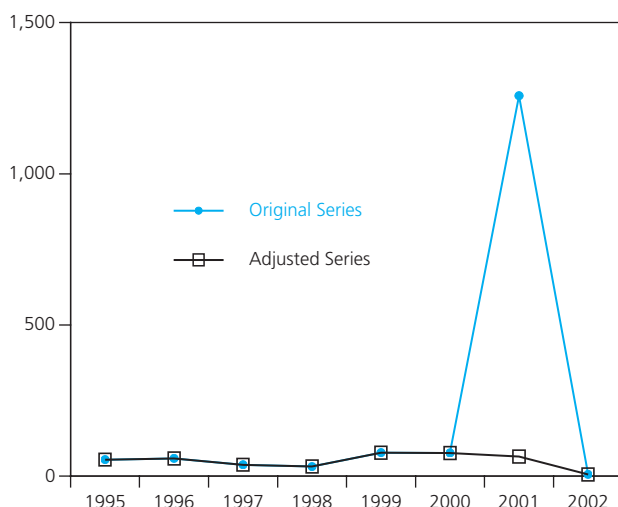
Employment: ABI/1 and STES

ABI/1 employment data are used in the estimation of GVA at NUTS2 and NUTS3 only whilst STES data is used at NUTS 1. Adjustments are considered for all series where there are obvious outliers that are not supported by additional evidence. Examples of these, with adjustments, are shown below.

The following examples are based on ABI/1 data. Full time employment in the NUTS2 area of Inner London, which includes the boroughs of Tower Hamlets, Westminster, City of London, Islington, etc, recorded an increase in the fishing industry between 2000 and 2001 of over 1,100 (1,534 per cent) and then a decrease of over 1200 (99 per cent) in 2002. Figure 1 shows the original series and the adjustment made.

Figure 1
Employment (ABI/1) Inner London (Industry B)

Full Time Employment (numbers)



Similarly, Figure 2 shows an employment level increasing by over 50 per cent in industry E (electricity, gas and water supply), in Bedfordshire and Hertfordshire in 2001; followed by a decrease of 25 per cent the following year. The employment level changes over the two years were considered inconsistent with the rest of the time series where movements were not of the same magnitude.

Business financial information: ABI/2

ABI/2 data analysis

ABI/2 data are used to estimate the regional allocation of Compensation of Employees (CoE) and Gross Operating Surplus (GOS) for manufacturing industries.

The dataset used in the production of NUTS 1 GVA 1989–2003 is the ABI/2, 2001 and 2002 results, consistent with the UK figures published in September 2004. ABI/2 data used from 1998–2000, NUTS1 only, remains unchanged from that used in the April 2004 publication of regional GVA. There are some notable exceptions, where new information has become available and some small adjustments have been made (see example discussed below).

As in previous years, the ABI/2 dataset was subject to thorough quality assurance procedures at all published NUTS levels. As part of this process a number of discrepancies were found in the raw data, which have an impact on a regional level. Discussed below are examples of investigations made at NUTS 1 level, and a number of issues that have been resolved.

Information from the ABI/2 team concerning a manufacturing sector in London revealed that data had been imputed for a business that had not responded to the survey. The imputed estimate was based on the best estimates available at the time, however a subsequent response from this business revealed that GVA was lower than had been originally imputed. This issue occurred in 1999 and is not open to revisions for the latest ABI/2 publication. Therefore, an adjustment was made in order to more accurately reflect the level of GVA (see Figure 3).

Issues such as the impact of toll processing² can distort national ABI/2 figures, which can, in turn, filter through into regional figures. As an example, a manufacturing sector in Scotland featured a range of volatile movements. Having consulted a number of further data sources it was apparent that issues at a national level were responsible, causing levels of GVA to be spread inconsistently between years. Adjustments have been made to produce a more consistent series (see Figure 4).

Figure 2
Employment (ABI/1) Bedfordshire and Hertfordshire (Industry E)

Full Time Employment (numbers)

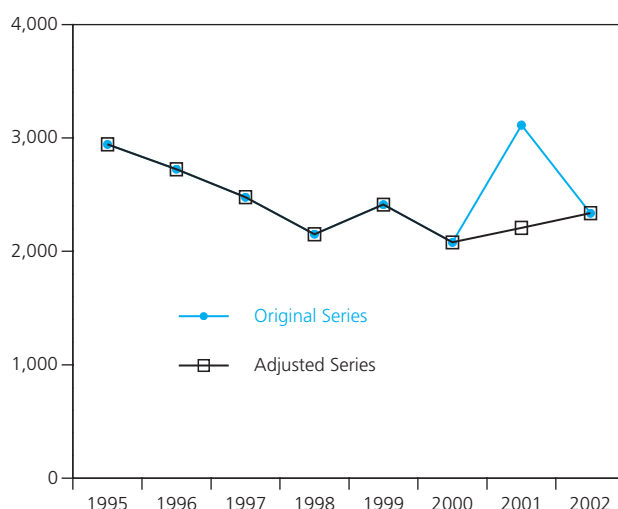


Figure 3
London manufacturing subsection (Approximate GVA AB1/2)

£ million

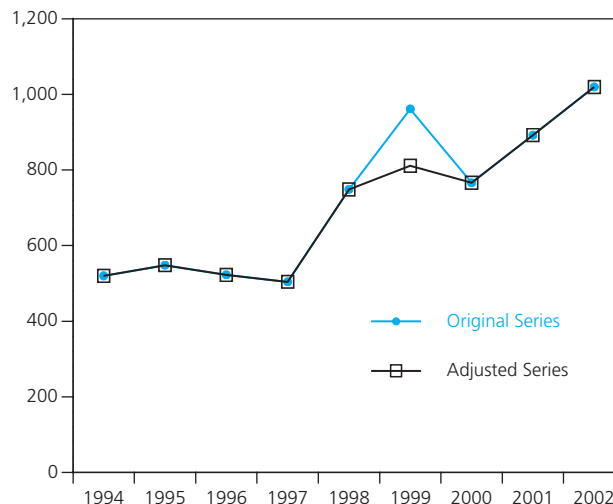
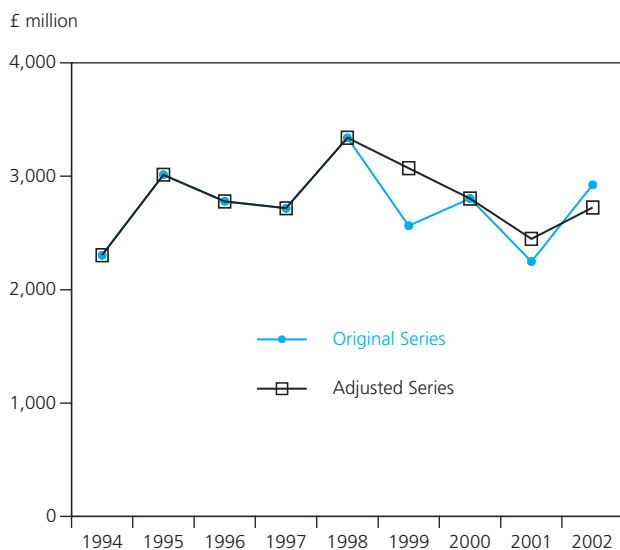


Figure 4
Scotland manufacturing subsection (Approximate GVA AB1/2)



Quality Assurance of ABI/2 data at NUTS2 & 3 level

ABI/2 estimates take a 'top-down' approach to producing figures at lower geographical levels. That is the UK estimates are produced first, then NUTS 1 estimates, then NUTS 2 estimates and finally the NUTS 3 estimates.

Therefore when assessing the NUTS 2 and 3 ABI/2 estimates, any quality adjustments made at NUTS 1 were applied to the appropriate NUTS 2 and 3 areas.

Inland Revenue

Due to quality issues IR Pay-As-You-Earn (PAYE) data has not been used in the compilation of regional (NUTS1) estimates since 1998 as mentioned above. Over the last 12

months considerable resources have been put into improving the quality of the IR data used at a regional level. This included assessing the reliability of individual addresses by comparing the IR data against the NES data; both use the same sample based on national insurance numbers. The assessment took the form of matching IR data against the NES data; the latter used as the control. The NES data was assumed to be correct for 2002, the only year matched, as from that point the survey includes comprehensive information on resident addresses.

Analysis of the results suggests IR regional data have no serious data quality issues at any of the NUTS levels. Between 85 and 95 per cent of the IR residence addresses are assessed as correct at these geographic levels; and the regional distribution of IR total annual pay is, at each NUTS level, close to what it should be if all the IR addresses were corrected (based on the NES information). Figure 5 shows a summary of the results.

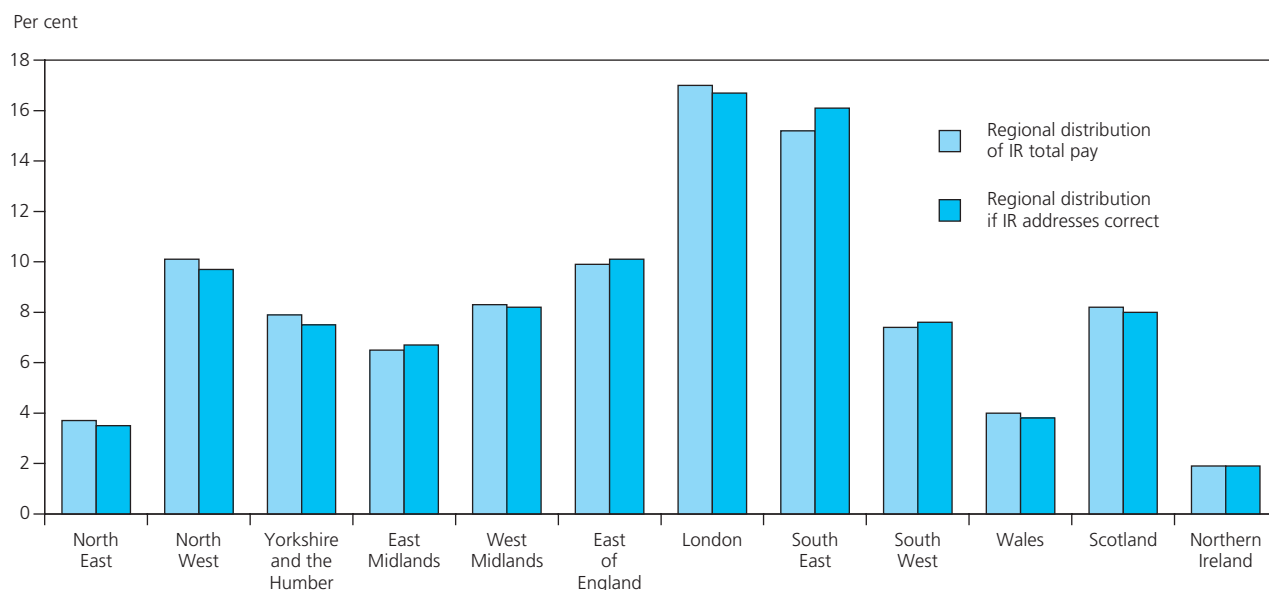
Following the outcome of this exercise, ONS directors have concluded that on current evidence IR (PAYE) data is of high enough quality to use in the compilation of regional GVA estimates.

In addition, they also concluded that because of the reliance at a national level, with minimal adjustment, the continued exclusion of IR data at a regional level could not be supported.

Revisions

This part of the article compares the current regional GVA estimates for 1989 to 2002 at the NUTS1 level to the previous dataset that was published in April 2004 and subsequently in the July 2004 edition of *Economic Trends*. A detailed analysis can be found at Appendix A.

Figure 5
Regional distribution of total pay



NUTS 1

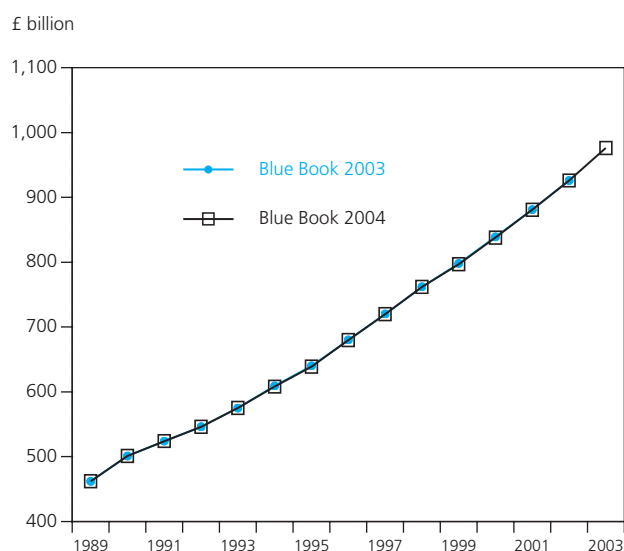
The main reasons for revisions since the April 2004 NUTS1 regional publication are:

- revisions to national controls (Blue Book 2004)
- the introduction of the Inland Revenue data going back to 1997.

Revisions to national controls

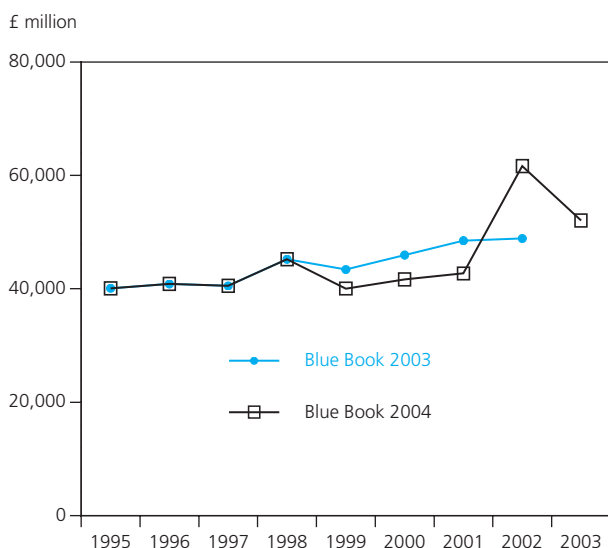
The *UK National Accounts: the Blue Book* publication for 2004 included revisions for the period 1992–2002. National GVA only had small revisions as shown in Figure 6.

Figure 6
Comparison of UK GVA between Blue Book 2003 and Blue Book 2004



However, at an industry level there are a number of large revisions, which impact on the regional allocation of GVA. This is particularly evident for industry J (Financial Intermediation) 2002 where the previously unbalanced figure

Figure 7
Comparison of Financial Intermediation GVA between Blue Book 2003 and Blue Book 2004

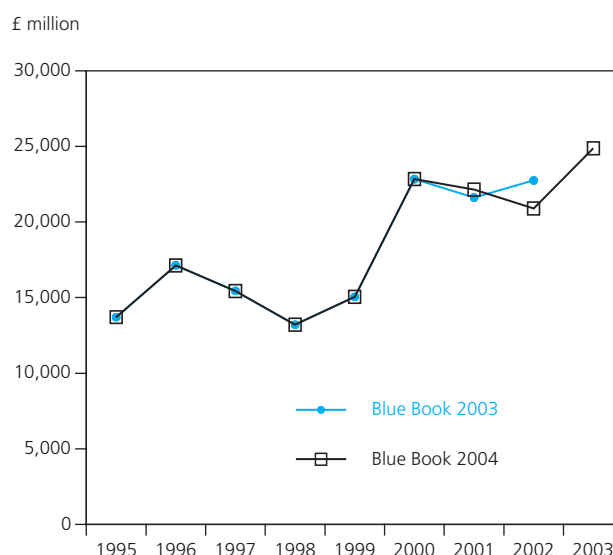


of £48.9bn (Blue Book, 2003) was revised to £61.7bn (Blue Book, 2004) (see Figure 7).

The largest revision, because of this, at a regional level was to London in 2002. London's GVA was revised upwards by £5.2bn. London receives the largest share of financial intermediation in the UK and therefore was revised upwards accordingly.

Extra-Region data was revised downwards by £1.8bn in 2002. This was caused by the change to the national control for 'extraction of mineral oil and natural gas', the majority of which is not allocated to any region because much of oil and gas extraction take place 'off shore'. The downward 2002 revision was from £22.7bn (Blue Book, 2003) to £20.9bn (Blue Book, 2004) (see Figure 8).

Figure 8
Comparison of Oil/Gas Extraction GVA between Blue Book 2003 and Blue Book 2004



The overall impact on regional GVA of revised national controls for 2002 is shown in Figure 9.

Revisions to Inland Revenue data

As has been mentioned above, ONS carried out a quality assurance data matching exercise and assessed that the quality of the IR (PAYE) data from 1997 to date is sufficient for use in the calculation of regional GVA.

Figure 10 shows the revisions caused by the introduction of the new Inland Revenue data.

The region affected most by the inclusion of IR (PAYE) data from the 1997 reference year is the South East where GVA has been revised downwards for all years from 1997 with the largest revisions being in 2001 (£5.7bn) and 2002 (£7.2bn) (see Figure 11).

The biggest increases were in London (£3.3bn in 2000), the South West (£2.5bn in 2000) and Yorkshire and the Humber (2.64bn in 2001).

Figure 9

Impact analysis of revised national controls on 2002 regional GVA

Revisions, £ million

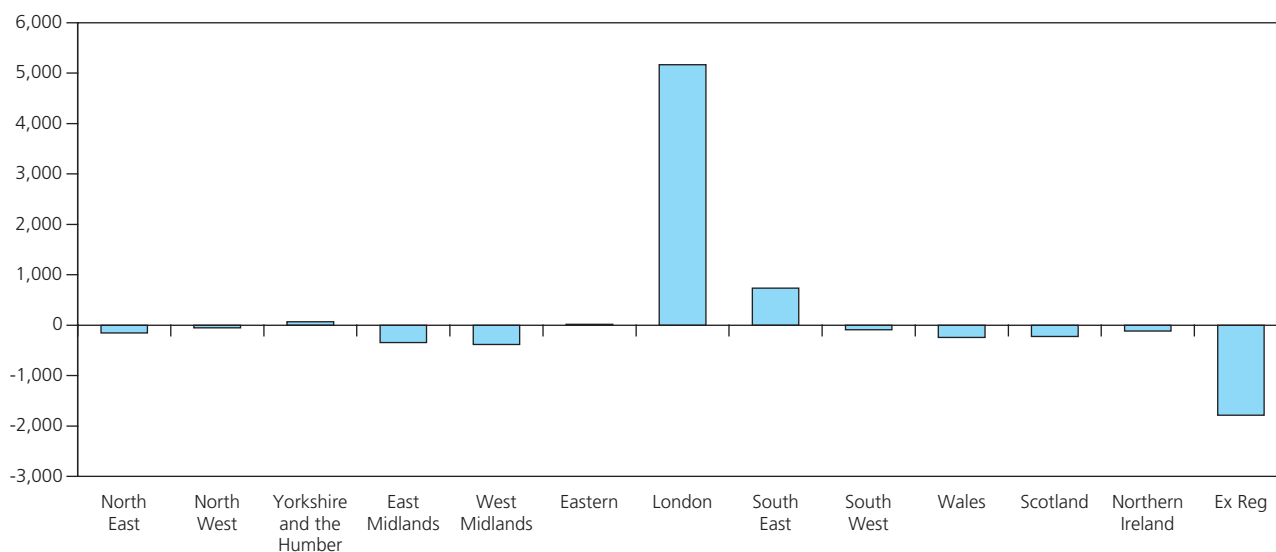
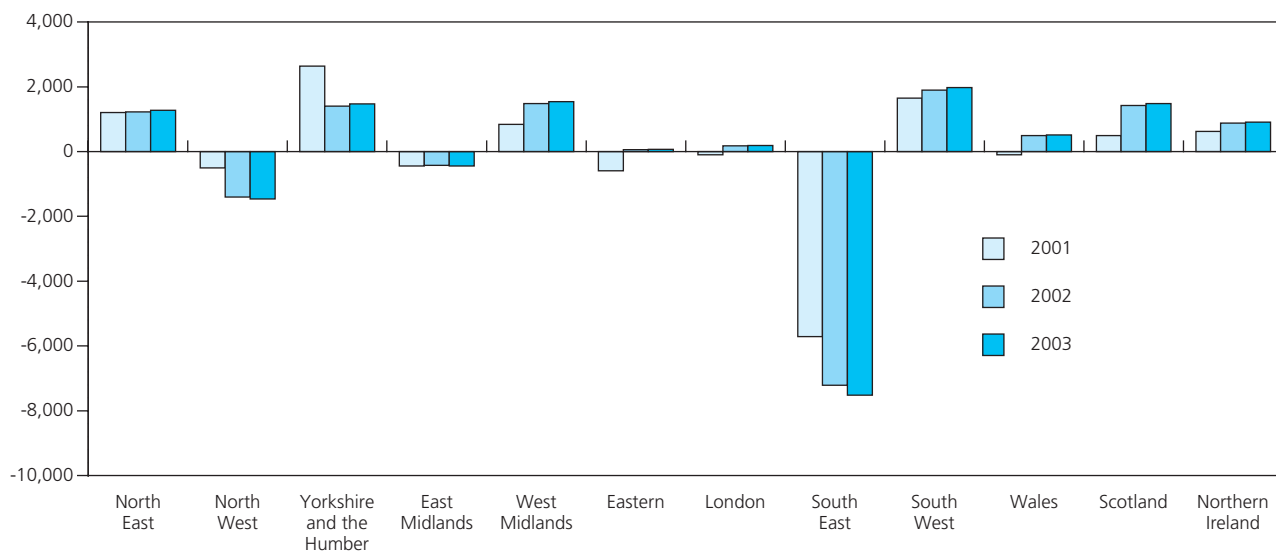


Figure 10

Inland Revenue Data Impact Analysis

Revisions, £ million

**Growth rate changes**

The impact of the revisions can be seen in the GVA year on year growth rates in Figure 12. Overall the growth rate for UK GVA is unchanged.

However, as a result of revisions in the industrial GVA totals, London's 2002 growth rate had changed for the current dataset in comparison with the growth rate for the April 2004 publication consistent with Blue Book 2003. (see Figure 13).

The impact of the revisions to Financial Intermediation can be shown in the changes to London's growth rate for 2002. The upward revision for financial intermediation has caused the London growth rate to change from 4.4 per cent to 6.8 per cent.

Figure 14 shows the impact of the Inland Revenue data on the GVA growth rate for South East. The growth rates have been revised downwards for the years 1997–2002 by about half a percentage point.

NUTS 2 and 3

The methodology for estimation of NUTS 2 and 3 regional GVA estimates are reliant on the availability of accurate estimates of NUTS1 GVA. Therefore many revisions at NUTS 2 and 3 are a direct result of the NUTS 1 GVA estimates.

The main revisions at NUTS 2, compared to the October 2003 data are due to:

Figure 11
South East Headline GVA 1989–2003, comparison with April 2004 publication

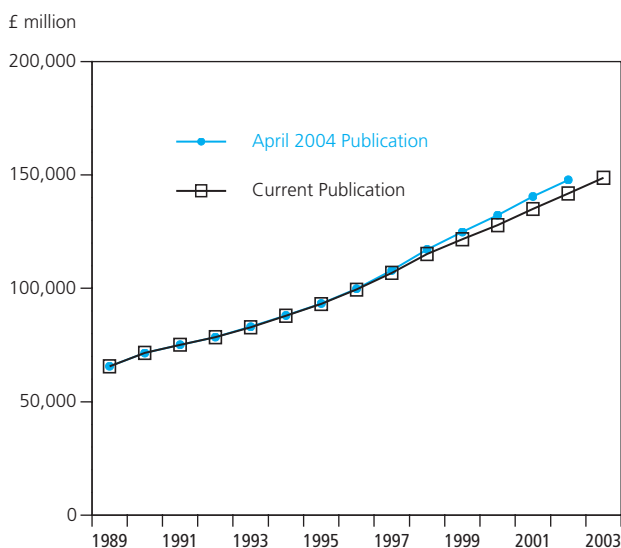
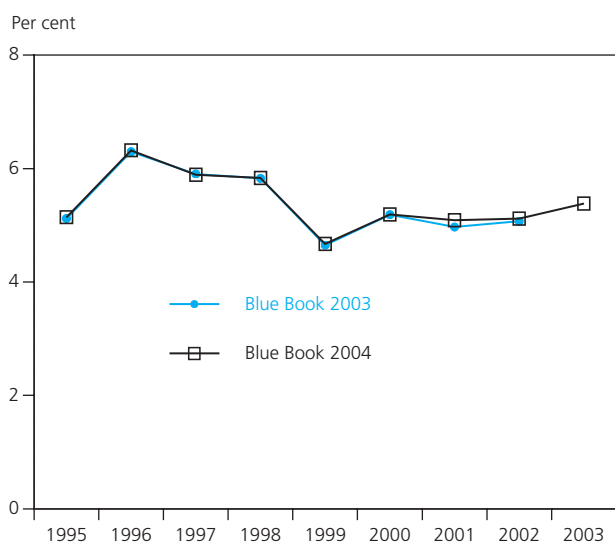


Figure 12
Comparison of GVA Growth Rate between Blue Book 2003 and Blue Book 2004



- revisions to Blue Book 2003 and Blue Book 2004
- revisions to ABI/2 data 1998 to 2001
- corrected survey of personal income (SPI) data for 1999, published by the Inland Revenue
- revisions to employment data from the ABI/1 1998 to 2001.

However, the main cause of revisions at NUTS 2 and 3 levels are due to the revised national controls from Blue Book 2004 and incorporating the revisions from the NUTS 1 GVA estimates due to the use of IR data. Examples of these can be observed in the NUTS 2 area Derbyshire and Nottinghamshire where 1998 and 1999 were revised downwards by 2.3 and 2 per cent respectively (see Figure 15).

Figure 13
Comparison of London GVA growth rate with blue Book 2003 controls and Blue Book 2004 controls

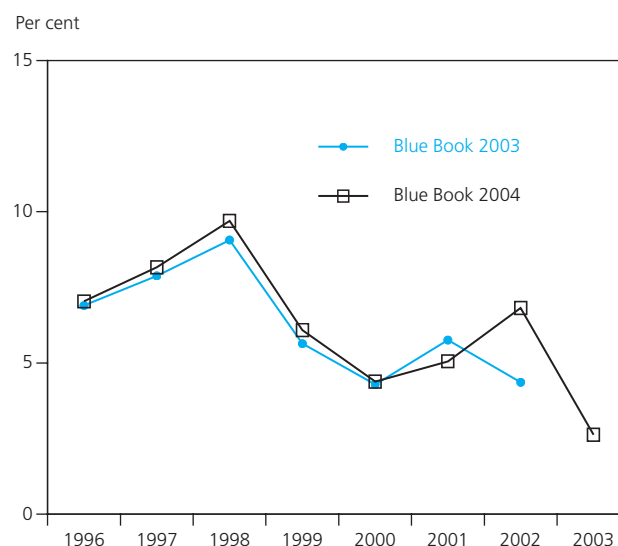
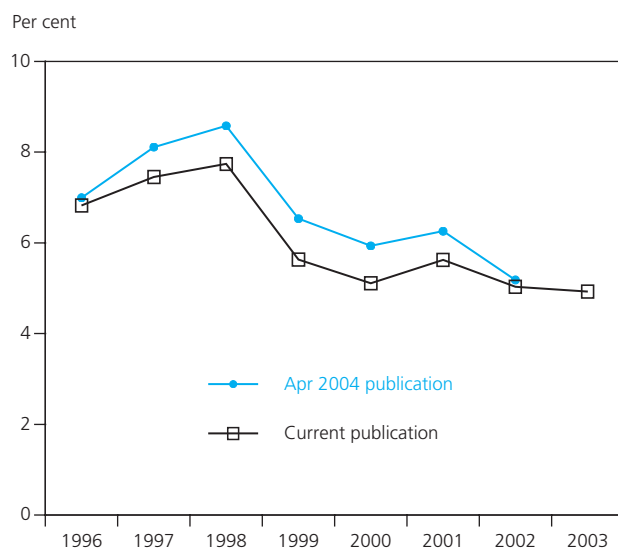


Figure 14
Comparison between South East GVA current growth and previously published growth rates



At the NUTS 3 level this effect can be seen in Nottinghamshire (see Figure 16).

Other examples of revisions at NUTS 2 and 3 include Cornwall and the Isles of Scilly where the 1999, 2000 and 2001 figures have been revised upwards by 5 per cent [£192m], 7 per cent [£295m] and 11 per cent [£446m] respectively. The main cause of the revision is the change due to Blue Book 2004, and additionally a revision to the SPI data used to allocate certain elements of profits data to sole traders and partners (see Figure 17).

Figure 15
NUTS2 revisions analysis (Derbyshire and Nottinghamshire)

Total GVA, £ million

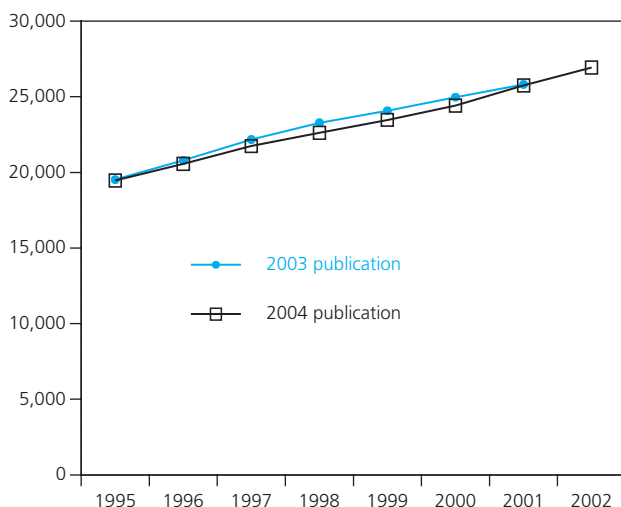
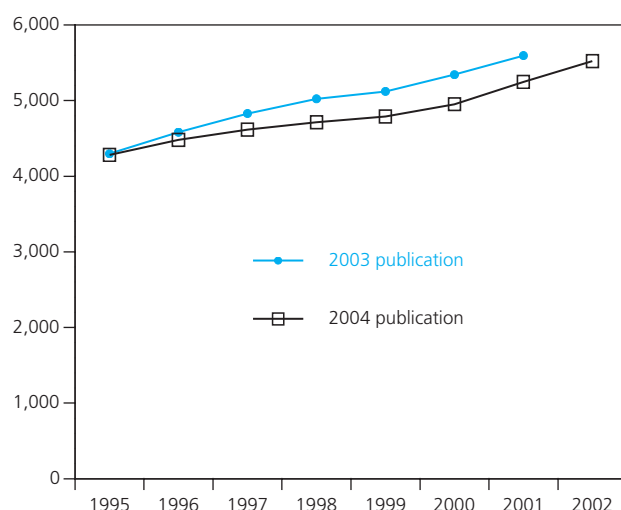


Figure 16
NUTS3 revisions analysis (Nottinghamshire)

Total GVA, £ million



Latest year estimates

This part of the article looks at the estimates being released for the first time. At NUTS 1 this is information for 2003 and at NUTS 2 and 3 it is for 2002.

NUTS 1

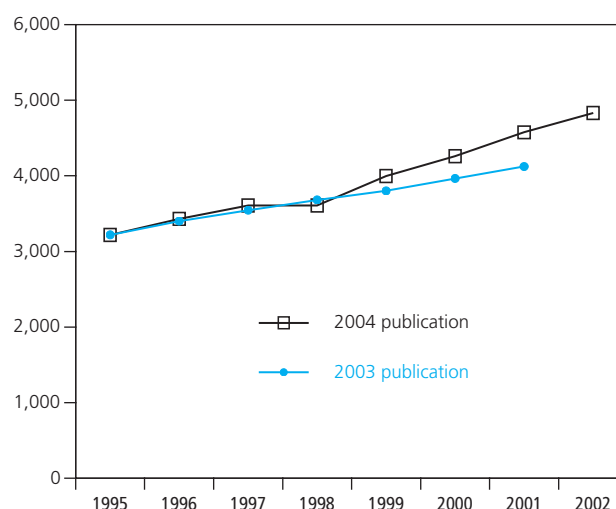
Employment – STES

These regional estimates of GVA incorporate some minor revisions to STES for 2002 and the provisional 2003 data, published in July 2004. There were no other revisions.

As Figure 18 shows, there were a number of notable changes in employment levels between 2002 and 2003. Examples include London where full-time employment in industry K (real estate, renting and business activities) decreased by around 23,000. Additionally full time employment in industry G (wholesale and retail trade)

Figure 17
NUTS3 revisions analysis (Cornwall and Isles of Scilly)

Total GVA, £ million



decreased by over 12,000. The impact of these two combined contributed to a change in the GVA estimate of £1.6bn.

Other examples include; North West full-time employment in industry K increased by around 12,000 and Yorkshire and the Humber where full time employment in industry F (construction) increased by around 15,000. The impact of these contributed to GVA increases of £0.9bn to North and Yorkshire and the Humber respectively.

Earnings – NES

The 2003 NES data had the greatest impact on London and the South East. London GVA fell by £1.2bn and South East GVA by £0.8bn.

In London, one of the main contributing factors was the growth in average weekly earnings for male-full timers in industry K (real estate, renting and business activities); between 2001 and 2002 an increase of 9 per cent (£765 [2001] to £832 [2002]) was identified. However, in 2003 this decreased by 1 per cent (£823). Similarly, South East male-full time average weekly earnings followed a similar pattern, with an increase of 8.6 per cent between 2001 (£627) and 2002 (£681) followed by a 1 per cent decrease in 2003 (£670).

Earnings data had the largest positive impact on the East of England and South West; both increased by £0.6bn. In the East of England one of the main contributing factors was an increase in average earnings in industry M (education) of 6.9 per cent between 2002 (£509) and 2003 (£544). One of the major contributing factors to the increase in the South West, because of earnings data, was a 6.9 per cent increase in female full-time earnings between 2002 (£350) and 2003 (£374) in industry K.

NUTS 2 and 3

Of the NUTS2 areas, the latest estimates show that Inner London had the highest growth rate of 8.6 per cent between 2001 and 2002 and Cumbria had the lowest growth rate of

Figure 18
Impact of STES dataset on 2003, regional GVA

Revisions, £ million

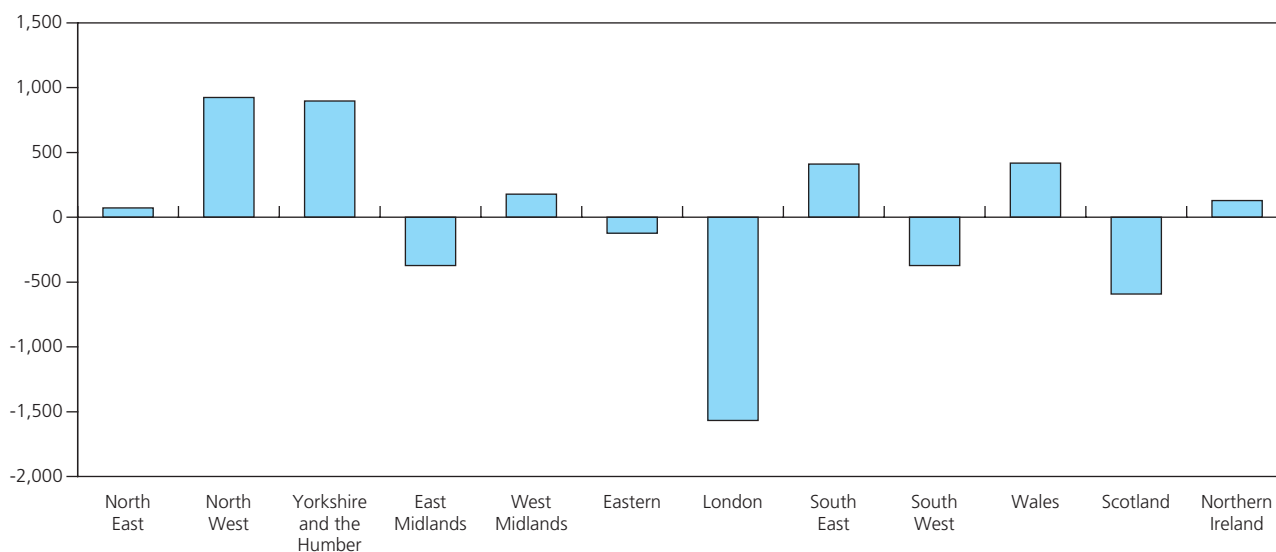
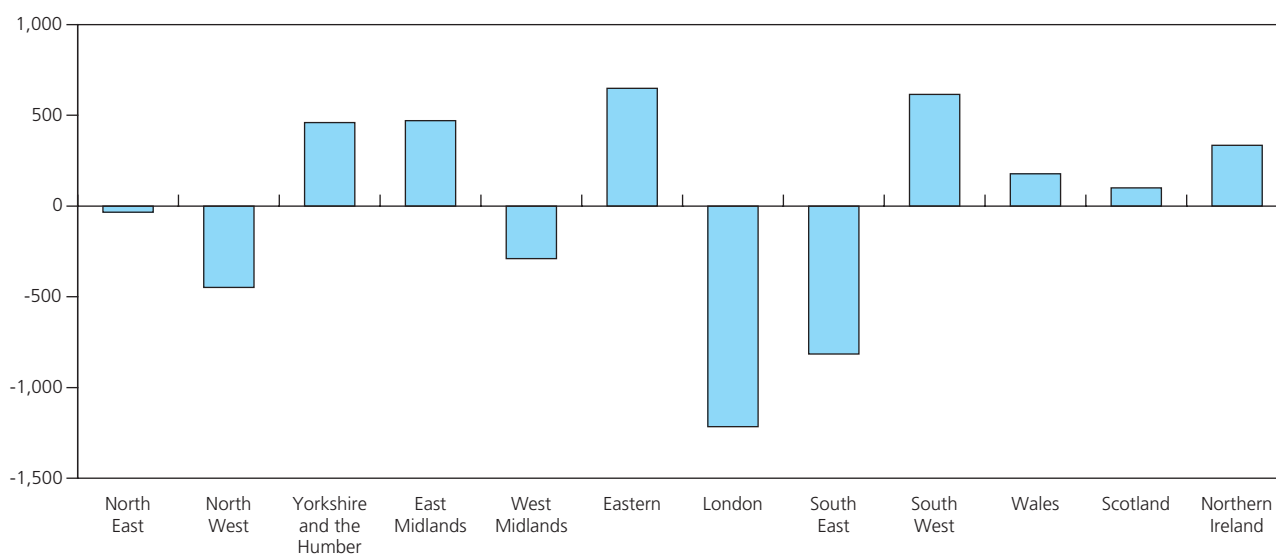


Figure 19
Impact of NES data on 2003 regional GVA

Revisions, £ million



2.3 per cent over the same period. Outside London and the South East, the areas with the highest growth between 2001 and 2002 were Cheshire (6.22 per cent), West Yorkshire (6.17 per cent) and Merseyside (6.0 per cent).

For London the overall growth of 8.6 per cent equates to an increase of £7.2bn between 2001 and 2002. The majority of this growth is due to the increase in industry J (financial intermediation) which increased by £7.7bn between 2001 and 2002, and this reflects the movement in the UK and London as a whole.

The growth in Cumbria (2.4 per cent), which is less than half that of the UK (5.4 per cent) is due mainly to the negative growth in manufacturing sector (industry D) of 5.5 per cent.

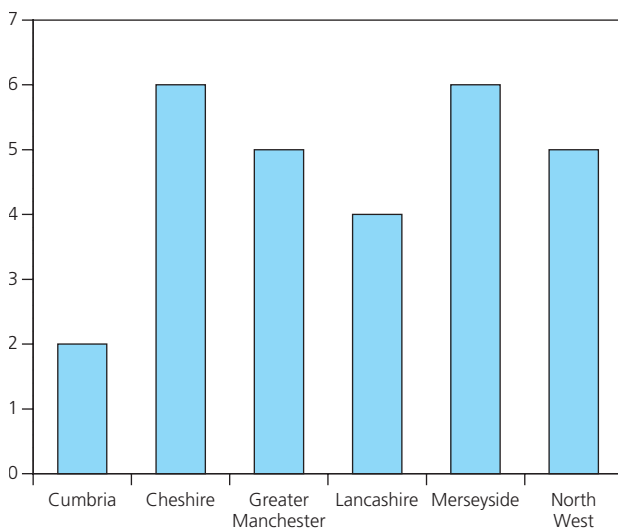
Whereas, within the same NUTS 1 region of the North West, the Cheshire manufacturing sector increased by over 4 per cent compared with the decrease at a national level of 2.5 per cent. This, plus above average increases in industry K, is contributing to the largest growth outside London between 2001 and 2002 (see Figure 20).

Within a NUTS1 region, the GVA of the NUTS2 and NUTS3 areas can vary considerably. For example, the GVA per head of the NUTS1 region of London in 2002 was £23,000; the GVA per head for Inner London was £36,700 and for Outer London was £14,300. Further variation was apparent at NUTS3 level where GVA per head in 2002 for Inner London – West was £66,700 while Outer London – East and North East was £10,300.

Figure 20

Comparison of growth rates in North West NUTS2 areas in 2002

Per cent

**Future work plans**

Current plans are for the regional GVA estimates for 2004 to be published in December 2005, and will take on board the revisions outlined below. Publication of regional GVA is linked to the production of the annual *UK National Accounts: the Blue Book*. The Blue Book is generally published six months after the end of the period to which it relates, although the latest year will not be balanced through the supply-use framework. Regional GVA data consistent with the Blue Book national control totals are then published a further six months after the Blue Book publication. Blue Book 2005 consistent data (that is, with annual data up to 2004) is due to be published at the end of June 2005.

Estimates of sub-regional GVA for 1995 to 2003, with figures for the UK broken down into the 37 NUTS2 and 133 NUTS3 areas, are also due to be published in December 2005.

Estimates of regional gross domestic household income (GDHI), for 1995 to 2003, are planned for publication in April 2005, consistent with the national household income estimates published in Blue Book 2004. Estimates of regional gross fixed capital formation (GFCF), for 1995 to 2003, are planned for publication at the end of June 2005, consistent with the national fixed capital formation estimates published in Blue Book 2004.

Further work for the 2004 GVA dataset

The following revised datasets will become available between publication of the current regional GVA estimates and the 2004 regional GVA dataset:

- the annual Blue Book dataset will be published at the end of June 2005 – this will contain revisions to UK control totals for the income components of GVA

- revised ABI/2 data will be published in July 2005 and will be consistent with the data underlying the Blue Book publication
- new and revised estimates of earnings from ASHE, along with employment estimates from STES and ABI/1 will be published during 2005.

Wages and salaries data from Inland Revenue

As mentioned above the quality assessment of the IR (PAYE) data provided a successful conclusion. It is planned that this exercise will be carried out again in 2005, matching IR (PAYE) data for 2002/03 against the NES data for 2003. Part of the conclusion of the original exercise was the necessity to repeat the work on a regular basis to ensure the validity of the results over time.

Plans for further methods and data source improvements**Further use of ABI/1 and ABI/2 data**

Annual Census of Production (ACOP) data have been used to regionally allocate wages and salaries, and gross operating surplus (GOS), for the production industries up to 1997. Service industry national control totals for both of these components were allocated for these years using estimates of wages and salaries derived from the NES and STES, as there was no equivalent to ACOP for the service industries. The ABI/2 now provides regional data on CoE and proxies for profits for both the production and most service industries from 1998. The regional GVA production team plan to assess the ABI/2 regional service industries data as a possible replacement for the current data sources. It is likely that the ABI/2 results for service industries will need extensive quality assurance before use.

During 2004 ONS introduced a new methodology to produce earnings estimates. The Annual Survey of Hours and Earnings (ASHE) methodology was used, and as mentioned above it was expected that these results would be used in this publication. However, the ASHE estimates were not available in time at either the right geographic or industrial level. Over the coming twelve months the regional GVA production team will be assessing the impact of the new ASHE based earnings estimates and the next set of regional GVA estimates will use these estimates. It is expected that the impact will be most marked in London and the South East, with revision to all years from 1992.

Commuting patterns

Information on commuting patterns is used to derive the workplace-based estimates of regional GVA. When 2001 Census travel-to-work data becomes available, it is planned to investigate the commuting patterns between regions. The purpose of this proposed work is to test, and if necessary update, the current assumption that the only significant net commuting between NUTS1 regions is between London,

the South East and the East of England. The investigations will show if and how commuting patterns have changed and determine which regions now experience a significant degree of net commuting.

Diversity of the NUTS1 Regions

Scotland, Wales, Northern Ireland and the regions of England are all different in character, industrial structure and economic performance. The table below shows some of the differences. Scotland has the largest area, but a small population; London has by far the smallest area, but the second largest population – over 12 million. At the other extreme, Northern Ireland has a population of nearly three million. These large variations in the regions' populations are reflected in the size of regional GVA and incomes.

The wide variation in the size of the regions makes it difficult to compare the regions' economic performance using cash totals; comparisons are therefore usually expressed in terms of amounts per head of the population. However, it is important to note that the growth in totals may be quite different to the growth per head in regions where the population has increased or decreased. Furthermore, the level per head is determined both by the average amount of cash of the working population and by the proportion of dependants. In Northern Ireland, for example, households have a high proportion of children (25 per cent of the population were aged 16 or under in 2002 compared with 19 to 21 per cent in other regions). This will tend to depress

amounts per head. Ideally the age structure of the population should therefore be taken into account when comparing figures on a per head basis.

Conclusions

The main conclusions to be drawn from this article are:

- The major drivers behind the majority of the changes or growth rates are due to the latest UK GVA estimates and the use of IR (PAYE). The IR (PAYE) data being used for the first time in the 1997 reference year and beyond.
- At an industry level 'Financial Intermediation' (industry J) has had the greatest effect on revisions at NUTS 1 and the greatest impact at NUTS 2 and 3 for the 2002 reference year.

Notes

1 The Nomenclature of Units for Territorial Statistics (NUTS) provides a single uniform breakdown for the production of regional statistics for the European Union. These are:

NUTS 1 – Government Office Regions and Scotland, Wales and Northern Ireland

NUTS 2 – 37 areas within the United Kingdom

NUTS 3 – 133 areas, generally groups of unitary authorities or districts, also known as local areas.

Key regional statistics – percentages of the UK

Region	Area 2002	Population ³ 2003	Total Economically Active June 2002	Gross Value Added ¹ 2003	Individual Consumption Expenditure 1999	Total Household Income ² 1999
United Kingdom (=100 per cent)	243,820 Sq km	59.6 million	29.4 million	£952 bn	£586.9 bn	£929.3 bn
North East	3.5	4.3	3.9	3.4	3.5	3.7
North West	5.8	11.4	10.9	10.3	10.9	10.5
Yorkshire and the Humber	6.4	8.4	8.2	7.5	7.7	7.5
East Midlands	6.4	7.1	7.2	6.5	6.5	6.5
West Midlands	5.3	8.9	8.9	8.1	8.4	8.3
East	7.8	9.2	9.5	10.0	9.3	9.8
London	0.6	12.4	12.9	16.3	15.2	15.4
South East	7.8	13.6	14.4	15.6	15.7	15.5
South West	9.8	8.4	8.5	7.9	8.1	8.1
England	53.4	83.7	84.4	85.6	85.3	85.4
Wales	8.5	4.9	4.5	3.9	4.1	4.1
Scotland	32.0	8.5	8.6	8.1	8.3	8.2
Northern Ireland	5.8	2.9	2.6	2.3	2.4	2.3

1. Excluding Extra-Region and the statistical discrepancy.

2. Excluding Extra-Region.

3. Revised mid-year 2003 population estimates.

2 Toll processing is the performing of a service on a customers' product for a fee. The issue is complicated in this instance because it has been happening increasingly across the UK/Rest of World boundary, for example when companies have moved production functions overseas but retain ownership of the goods. Therefore, as the ABI questionnaire does not cover companies registered overseas with a UK VAT reference, this process is missed.

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Glossary of abbreviations

ABI/1	Annual Business Inquiry 1 - business survey of numbers of people employed
ABI/2	Annual Business Inquiry 2 - business survey of accounting data
ACOP	Annual Census of Production
CoE	Compensation of Employees
FISIM	Financial Intermediation Services Indirectly Measured
GDP	Gross Domestic Product
GOS	Gross Operating Surplus
GVA	Gross Value Added
NES	New Earnings Survey
NUTS	Nomenclature of Units for Territorial Statistics
ONS	Office for National Statistics
PSA	Public Service Agreement
STES	Short-Term Employment Survey

Regional GVA Tables

Index of Tables:

- 1: NUTS1 Headline Gross Value Added (GVA) at current basic prices by region, 1991 to 2003
- 2: NUTS1 Headline Workplace based Gross Value Added (GVA) at current basic prices by region, 1991 to 2003
- 3: NUTS2 Headline Gross Value Added (GVA) by NUTS2 area at current basic prices, 1995 to 2002
- 4: NUTS3 Headline Gross Value Added (GVA) by NUTS3 area at current basic prices, 1995 to 2002

The complete set of Regional Gross Value Added tables can be found at:

<http://www.statistics.gov.uk/StatBase/Product.asp?vlnk=7359>

1: NUTS1

Headline¹ Gross Value Added^{2,3} (GVA) at current basic prices by region, 1991 to 2003

		1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003 ⁴
Total GVA (£ million)														
United Kingdom	ABML	523,786	546,142	574,825	607,854	639,115	679,526	719,565	761,539	797,116	838,490	881,163	926,275	976,148
North East	IFZR	19,545	20,459	21,339	22,341	23,282	24,210	25,253	26,219	26,959	27,910	29,287	30,655	32,340
North West	IFZS	55,666	57,999	60,820	64,042	66,848	69,962	73,555	77,291	80,317	83,270	87,720	92,251	97,618
Yorkshire and the Humber	IFZT	39,954	41,482	43,294	45,504	48,009	50,871	53,783	56,438	58,256	60,457	63,804	67,447	71,245
East Midlands	IFZU	34,119	35,578	37,320	39,473	41,666	44,214	46,833	48,950	50,712	52,638	55,414	58,048	61,681
West Midlands	IFZV	43,027	44,798	47,237	50,199	52,902	55,827	59,245	62,361	64,558	67,009	70,153	73,215	77,343
East of England	IFZW	50,210	52,230	54,767	57,788	60,768	64,373	68,474	73,102	76,912	81,183	86,125	90,641	95,340
London	IFZX	79,327	83,059	87,940	92,424	95,753	102,488	110,854	121,604	129,002	134,658	141,464	151,107	155,069
South East	IFZY	75,144	78,509	82,857	87,902	93,080	99,429	106,840	115,107	121,592	127,804	134,990	141,780	148,762
South West	IFZZ	38,994	40,615	42,779	45,190	47,650	50,992	54,394	57,730	60,547	63,439	67,276	70,964	75,177
England	IGAA	435,984	454,729	478,351	504,864	529,959	562,368	599,231	638,802	668,857	698,369	736,233	776,107	814,575
Wales	IGAB	21,420	22,336	23,384	24,765	26,087	27,203	28,395	29,475	30,418	31,595	33,294	34,997	37,103
Scotland	IGAC	45,370	47,460	49,879	52,975	55,555	58,196	60,898	63,344	65,340	67,670	70,440	74,058	77,929
Northern Ireland	IGAD	11,011	11,736	12,573	13,343	14,255	15,311	16,220	17,251	18,067	18,915	19,828	20,838	22,085
United Kingdom less Extra-Region ⁵ and statistical discrepancy	IGAE	513,784	536,261	564,186	595,947	625,856	663,078	704,744	748,872	782,682	816,549	859,795	906,000	951,692
Extra-Region ⁵	IGAF	10,001	9,881	10,639	11,908	13,260	16,449	14,822	12,671	14,434	21,942	21,368	20,275	23,967
Statistical discrepancy (income adjusted)	IGAG	-	-	-	-	-	-	-	-	-	-	-	-	493
GVA per head (£)														
United Kingdom	IGAH	9,119	9,484	9,960	10,505	11,015	11,683	12,339	13,023	13,583	14,239	14,906	15,614	16,383
North East	IGAI	7,555	7,895	8,226	8,630	9,015	9,397	9,834	10,238	10,571	10,974	11,530	12,078	12,736
North West	IGAJ	8,135	8,478	8,883	9,364	9,790	10,274	10,826	11,379	11,858	12,292	12,952	13,599	14,346
Yorkshire and the Humber	IGAK	8,094	8,382	8,739	9,174	9,678	10,254	10,849	11,384	11,754	12,192	12,821	13,508	14,222
East Midlands	IGAL	8,505	8,814	9,201	9,694	10,183	10,763	11,366	11,845	12,213	12,629	13,226	13,746	14,505
West Midlands	IGAM	8,227	8,554	9,004	9,563	10,063	10,607	11,258	11,830	12,246	12,716	13,285	13,803	14,538
East of England	IGAN	9,805	10,156	10,625	11,161	11,673	12,302	13,001	13,788	14,406	15,104	15,948	16,716	17,452
London	IGAO	11,616	12,162	12,848	13,446	13,851	14,695	15,803	17,211	18,032	18,608	19,319	20,500	20,990
South East	IGAP	9,850	10,254	10,798	11,399	11,990	12,747	13,605	14,591	15,285	15,994	16,824	17,626	18,411
South West	IGAQ	8,317	8,616	9,037	9,500	9,965	10,639	11,268	11,904	12,405	12,902	13,609	14,286	15,038
England	IGAR	9,107	9,474	9,944	10,468	10,953	11,591	12,313	13,085	13,641	14,185	14,889	15,633	16,339
Wales	IGAS	7,455	7,762	8,109	8,577	9,031	9,409	9,809	10,166	10,487	10,869	11,440	11,971	12,629
Scotland	IGAT	8,925	9,332	9,795	10,383	10,885	11,428	11,980	12,476	12,883	13,366	13,909	14,651	15,409
Northern Ireland	IGAU	6,851	7,230	7,687	8,118	8,644	9,214	9,705	10,282	10,761	11,239	11,737	12,282	12,971
United Kingdom less Extra-Region ⁵	IGAV	8,945	9,313	9,776	10,299	10,786	11,400	12,085	12,807	13,337	13,867	14,545	15,273	15,980
GVA per head; Indices (UK less Extra-Region=100)														
United Kingdom	IGAW	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
North East	IGAX	84.5	84.8	84.2	83.8	83.6	82.4	81.4	79.9	79.3	79.1	79.3	79.1	79.7
North West	IGAY	90.9	91.0	90.9	90.9	90.8	90.1	89.6	88.9	88.9	88.6	89.0	89.0	89.8
Yorkshire and the Humber	IGAZ	90.5	90.0	89.4	89.1	89.7	89.9	89.8	88.9	88.1	87.9	88.1	88.4	89.0
East Midlands	IGBA	95.1	94.6	94.1	94.1	94.4	94.4	94.1	92.5	91.6	91.1	90.9	90.0	90.8
West Midlands	IGBB	92.0	91.8	92.1	92.9	93.3	93.0	93.2	92.4	91.8	91.7	91.3	90.4	91.0
East of England	IGBC	109.6	109.1	108.7	108.4	108.2	107.9	107.6	107.7	108.0	108.9	109.6	109.5	109.2
London	IGBD	129.9	130.6	131.4	130.6	128.4	128.9	130.8	134.4	135.2	134.2	132.8	134.2	131.3
South East	IGBE	110.1	110.1	110.5	110.7	111.2	111.8	112.6	113.9	114.6	115.3	115.7	115.4	115.2
South West	IGBF	93.0	92.5	92.4	92.2	92.4	93.3	93.2	93.0	93.0	93.0	93.6	93.5	94.1
England	IGBG	101.8	101.7	101.7	101.6	101.6	101.7	101.9	102.2	102.3	102.3	102.4	102.4	102.2
Wales	IGBH	83.3	83.3	83.0	83.3	83.7	82.5	81.2	79.4	78.6	78.4	78.7	78.4	79.0
Scotland	IGBI	99.8	100.2	100.2	100.8	100.9	100.2	99.1	97.4	96.6	96.4	95.6	95.9	96.4
Northern Ireland	IGBJ	76.6	77.6	78.6	78.8	80.1	80.8	80.3	80.3	80.7	81.1	80.7	80.4	81.2

1 The headline regional GVA series for this publication have been calculated using a five-period moving average.

2 Estimates of regional GVA in this table are on a residence basis, where the income of commuters is allocated to where they live rather than their place of work.

3 Components may not sum to totals as a result of rounding.

4 Provisional

5 The GVA for Extra-Region comprises compensation of employees and gross operating surplus which cannot be assigned to regions.

2: NUTS1

Headline¹ Workplace based Gross Value Added^{2,3} (GVA) at current basic prices, 1991–2003

		1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003 ⁴
Total GVA (£million)														
United Kingdom	ABML	523,786	546,142	574,825	607,854	639,115	679,526	719,565	761,539	797,116	838,490	881,163	926,275	976,148
North East	IFZR	19,545	20,459	21,339	22,341	23,282	24,210	25,253	26,219	26,959	27,910	29,287	30,655	32,340
North West	IFZS	55,666	57,999	60,820	64,042	66,848	69,962	73,555	77,291	80,317	83,270	87,720	92,251	97,618
Yorkshire and the Humber	IFZT	39,954	41,482	43,294	45,504	48,009	50,871	53,783	56,438	58,256	60,457	63,804	67,447	71,245
East Midlands	IFZU	34,119	35,578	37,320	39,473	41,666	44,214	46,833	48,950	50,712	52,638	55,414	58,048	61,681
West Midlands	IFZV	43,027	44,798	47,237	50,199	52,902	55,827	59,245	62,361	64,558	67,009	70,153	73,215	77,343
East of England	IGLF	44,075	46,130	48,615	51,513	54,356	57,659	61,254	65,177	68,114	71,261	75,032	78,692	83,043
London	IGLG	91,336	94,942	99,880	104,734	108,655	116,118	125,215	136,600	144,642	151,519	159,576	170,036	174,201
South East	IGLH	69,270	72,725	77,068	81,868	86,590	92,514	99,698	108,036	114,750	120,866	127,971	134,800	141,928
South West	IFZZ	38,994	40,615	42,779	45,190	47,650	50,992	54,394	57,730	60,547	63,439	67,276	70,964	75,177
England	IGAA	435,984	454,729	478,351	504,864	529,959	562,368	599,231	638,802	668,857	698,369	736,233	776,107	814,575
Wales	IGAB	21,420	22,336	23,384	24,765	26,087	27,203	28,395	29,475	30,418	31,595	33,294	34,997	37,103
Scotland	IGAC	45,370	47,460	49,879	52,975	55,555	58,196	60,898	63,344	65,340	67,670	70,440	74,058	77,929
Northern Ireland	IGAD	11,011	11,736	12,573	13,343	14,255	15,311	16,220	17,251	18,067	18,915	19,828	20,838	22,085
United Kingdom less Extra-Region ⁵ and statistical discrepancy	IGAE	513,784	536,261	564,186	595,947	625,856	663,078	704,744	748,872	782,682	816,549	859,795	906,000	951,692
Extra-Region ⁵	IGAF	10,001	9,881	10,639	11,908	13,260	16,449	14,822	12,671	14,434	21,942	21,368	20,275	23,967
Statistical discrepancy (income adjusted)	IGAG	-	-	-	-	-	-	-	-	-	-	-	-	493
GVA per head (£)														
United Kingdom	IGAH	9,119	9,484	9,960	10,505	11,015	11,683	12,339	13,023	13,583	14,239	14,906	15,614	16,383
North East	IGAI	7,555	7,895	8,226	8,630	9,015	9,397	9,834	10,238	10,571	10,974	11,530	12,078	12,736
North West	IGAJ	8,135	8,478	8,883	9,364	9,790	10,274	10,826	11,379	11,858	12,292	12,952	13,599	14,346
Yorkshire and the Humber	IGAK	8,094	8,382	8,739	9,174	9,678	10,254	10,849	11,384	11,754	12,192	12,821	13,508	14,222
East Midlands	IGAL	8,505	8,814	9,201	9,694	10,183	10,763	11,366	11,845	12,213	12,629	13,226	13,746	14,505
West Midlands	IGAM	8,227	8,554	9,004	9,563	10,063	10,607	11,258	11,830	12,246	12,716	13,285	13,803	14,538
East of England	IGLI	8,607	8,970	9,432	9,949	10,442	11,019	11,630	12,293	12,759	13,258	13,894	14,512	15,201
London	IGLJ	13,374	13,902	14,593	15,237	15,717	16,649	17,850	19,333	20,219	20,937	21,793	23,068	23,579
South East	IGLK	9,080	9,498	10,044	10,616	11,154	11,860	12,695	13,695	14,425	15,126	15,950	16,758	17,565
South West	IGAQ	8,317	8,616	9,037	9,500	9,965	10,639	11,268	11,904	12,405	12,902	13,609	14,286	15,038
England	IGAR	9,107	9,474	9,944	10,468	10,953	11,591	12,313	13,085	13,641	14,185	14,889	15,633	16,339
Wales	IGAS	7,455	7,762	8,109	8,577	9,031	9,409	9,809	10,166	10,487	10,869	11,440	11,971	12,629
Scotland	IGAT	8,925	9,332	9,795	10,383	10,885	11,428	11,980	12,476	12,883	13,366	13,909	14,651	15,409
Northern Ireland	IGAU	6,851	7,230	7,687	8,118	8,644	9,214	9,705	10,282	10,761	11,239	11,737	12,282	12,971
United Kingdom less Extra-Region ⁵	IGAV	8,945	9,313	9,776	10,299	10,786	11,400	12,085	12,807	13,337	13,867	14,545	15,273	15,980
GVA per head; Indices (UK less Extra-Region=100)														
United Kingdom	IGAW	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
North East	IGAX	84.5	84.8	84.2	83.8	83.6	82.4	81.4	79.9	79.3	79.1	79.3	79.1	79.7
North West	IGAY	90.9	91.0	90.9	90.9	90.8	90.1	89.6	88.9	88.9	88.6	89.0	89.0	89.8
Yorkshire and the Humber	IGAZ	90.5	90.0	89.4	89.1	89.7	89.9	89.8	88.9	88.1	87.9	88.1	88.4	89.0
East Midlands	IGBA	95.1	94.6	94.1	94.1	94.4	94.4	94.1	92.5	91.6	91.1	90.9	90.0	90.8
West Midlands	IGBB	92.0	91.8	92.1	92.9	93.3	93.0	93.2	92.4	91.8	91.7	91.3	90.4	91.0
East of England	IGLL	96.2	96.3	96.5	96.6	96.8	96.7	96.2	96.0	95.7	95.6	95.5	95.0	95.1
London	IGLM	149.5	149.3	149.3	147.9	145.7	146.0	147.7	151.0	151.6	151.0	149.8	151.0	147.6
South East	IGLN	101.5	102.0	102.7	103.1	103.4	104.0	105.1	106.9	108.2	109.1	109.7	109.7	109.9
South West	IGBF	93.0	92.5	92.4	92.2	92.4	93.3	93.2	93.0	93.0	93.0	93.6	93.5	94.1
England	IGBG	101.8	101.7	101.7	101.6	101.6	101.7	101.9	102.2	102.3	102.3	102.4	102.4	102.2
Wales	IGBH	83.3	83.3	83.0	83.3	83.7	82.5	81.2	79.4	78.6	78.4	78.7	78.4	79.0
Scotland	IGBI	99.8	100.2	100.2	100.8	100.9	100.2	99.1	97.4	96.6	96.4	95.6	95.9	96.4
Northern Ireland	IGBJ	76.6	77.6	78.6	78.8	80.1	80.8	80.3	80.3	80.7	81.1	80.7	80.4	81.2

¹ The headline regional GVA series for this publication have been calculated using a five-period moving average.

² Estimates of workplace based GVA allocate income to the region in which commuters work.

³ Components may not sum to totals as a result of rounding.

⁴ Provisional.

⁵ The GVA for Extra-Region comprises compensation of employees and gross operating surplus which cannot be assigned to regions.

3: NUTS2

Headline¹ gross value added (GVA)^{2,3} by NUTS2 area at current basic prices, 1995 to 2002

		£ million							
		1995	1996	1997	1998	1999	2000	2001	2002
NUTS Level 1									
NUTS Level 2									
UNITED KINGDOM	ABML	639,115	679,526	719,565	761,539	797,116	838,490	881,163	926,275
England	IGAA	529,959	562,368	599,231	638,802	668,857	698,369	736,233	776,107
North East	IFZR	23,282	24,210	25,253	26,219	26,959	27,910	29,287	30,655
Tees Valley and Durham	AIM6	10,402	10,736	11,102	11,388	11,649	11,939	12,381	12,816
Northumberland and Tyne and Wear	AIM7	12,880	13,474	14,151	14,831	15,310	15,971	16,906	17,839
North West	IFZS	66,848	69,962	73,555	77,291	80,317	83,270	87,720	92,251
Cumbria	AIM8	4,853	5,033	5,171	5,254	5,114	5,261	5,367	5,495
Cheshire	AIM9	11,993	12,623	13,381	13,990	14,474	15,034	15,962	16,953
Greater Manchester	AIN2	25,554	26,814	28,410	30,157	31,763	32,802	34,650	36,470
Lancashire	AIN3	13,700	14,207	14,681	15,250	15,984	16,500	17,347	18,075
Merseyside	AIN4	10,748	11,285	11,913	12,640	12,982	13,673	14,394	15,258
Yorkshire and the Humber	IFZT	48,009	50,871	53,783	56,438	58,256	60,457	63,804	67,447
East Riding and North Lincolnshire	AIN5	9,000	9,493	9,843	9,987	9,995	10,213	10,720	11,178
North Yorkshire	AIN6	7,436	7,815	8,230	8,637	8,990	9,451	10,069	10,664
South Yorkshire	AIN7	10,336	11,044	11,730	12,397	12,751	13,271	14,037	14,838
West Yorkshire	AIN8	21,237	22,519	23,979	25,416	26,520	27,522	28,978	30,767
East Midlands	IFZU	41,666	44,214	46,833	48,950	50,712	52,638	55,414	58,048
Derbyshire and Nottinghamshire	AIN9	19,466	20,561	21,738	22,620	23,471	24,413	25,742	26,928
Leicestershire, Rutland and Northamptonshire	AIO2	16,475	17,614	18,879	20,018	20,813	21,590	22,645	23,707
Lincolnshire	AIO3	5,725	6,039	6,217	6,312	6,429	6,635	7,027	7,413
West Midlands	IFZV	52,902	55,827	59,245	62,361	64,558	67,009	70,153	73,215
Herefordshire, Worcestershire and Warwickshire	AIO4	11,814	12,461	13,224	14,082	14,843	15,588	16,363	17,022
Shropshire and Staffordshire	AIO5	13,286	14,075	14,926	15,635	16,013	16,466	17,083	17,753
West Midlands	AIO6	27,802	29,291	31,094	32,644	33,702	34,955	36,707	38,439
East of England	IGLF	54,356	57,659	61,254	65,177	68,114	71,261	75,032	78,692
East Anglia	AIO7	22,097	23,228	24,218	25,323	26,178	27,309	28,797	30,204
Bedfordshire and Hertfordshire	AIO8	18,006	19,297	20,946	22,858	24,251	25,536	26,907	28,133
Essex	AIO9	14,253	15,134	16,090	16,996	17,686	18,416	19,328	20,355
London	IGLG	108,655	116,118	125,215	136,600	144,642	151,519	159,576	170,036
Inner London	AIP2	64,455	69,180	74,759	82,113	87,226	91,593	97,762	106,180
Outer London	AIP3	44,200	46,938	50,456	54,487	57,417	59,926	61,813	63,856
South East	IGLH	86,590	92,514	99,698	108,036	114,750	120,866	127,971	134,800
Berkshire, Buckinghamshire and Oxfordshire	AIP4	27,145	29,116	31,914	35,618	38,482	40,831	43,149	45,147
Surrey, East and West Sussex	AIP5	27,780	29,521	31,886	34,096	36,151	38,204	40,762	43,297
Hampshire and Isle of Wight	AIP6	17,854	19,350	20,517	22,013	22,997	23,986	25,321	26,684
Kent	AIP7	13,810	14,526	15,381	16,308	17,120	17,845	18,739	19,671
South West	IFZZ	47,650	50,992	54,394	57,730	60,547	63,439	67,276	70,964
Gloucestershire, Wiltshire and North Somerset	AIP8	24,443	26,456	28,606	30,410	32,144	33,573	35,602	37,703
Dorset and Somerset	AIP9	10,281	10,927	11,626	12,787	13,221	13,908	14,636	15,305
Cornwall and Isles of Scilly	AIQ2	3,223	3,433	3,607	3,608	3,993	4,260	4,569	4,840
Devon	AIQ3	9,703	10,177	10,555	10,926	11,189	11,699	12,468	13,117
Wales	IGAB	26,087	27,203	28,395	29,475	30,418	31,595	33,294	34,997
West Wales and the Valleys	AIQ4	14,853	15,404	15,884	16,197	16,468	16,972	17,766	18,576
East Wales	AIQ5	11,234	11,800	12,510	13,278	13,949	14,623	15,528	16,421
Scotland	IGAC	55,555	58,196	60,898	63,344	65,340	67,670	70,440	74,058
North Eastern Scotland	AIQ6	7,724	8,114	8,433	8,728	8,973	9,461	9,781	10,130
Eastern Scotland	AIQ7	21,359	22,357	23,422	24,320	24,946	25,632	26,662	28,243
South Western Scotland	AIQ8	23,413	24,560	25,789	26,900	27,872	28,906	30,234	31,811
Highlands and Islands	AIQ9	3,059	3,165	3,255	3,395	3,550	3,672	3,763	3,874
Northern Ireland	IGAD	14,255	15,311	16,220	17,251	18,067	18,915	19,828	20,838
UK less Extra-Regio ⁴	IGAE	625,856	663,078	704,744	748,872	782,682	816,549	859,795	906,000
Extra-Regio ⁴	IGAF	13,260	16,449	14,822	12,671	14,434	21,942	21,368	20,275

1 The headline GVA series for this publication have been calculated using a five-period moving average.

2 Estimates of workplace based on GVA allocate income to the region in which commuters work.

3 Components may not sum to totals as a result of rounding.

4 The GVA for Extra -Regio comprises compensation of employees and gross operating surplus which cannot be assigned to regions.

4: NUTS3

Headline¹ gross value added (GVA)^{2,3} by NUTS3 area at current basic prices, 1995 to 2002

		£ million							
		1995.	1996	1997	1998	1999	2000	2001	2002
NUTS Level 1									
NUTS Level 2									
NUTS Level 3									
UNITED KINGDOM	ABML	639,115	679,526	719,565	761,539	797,116	838,490	881,163	926,275
England	IGAA	529,959	562,368	599,231	638,802	668,857	698,369	736,233	776,107
North East	IFZR	23,282	24,210	25,253	26,219	26,959	27,910	29,287	30,655
Tees Valley and Durham	AIM6	10,402	10,736	11,102	11,388	11,649	11,939	12,381	12,816
Hartlepool and Stockton-on-Tees	AZW4	2,834	2,886	2,984	3,043	3,075	3,224	3,290	3,311
South Teesside	AZW5	2,446	2,549	2,684	2,787	2,798	2,816	2,823	2,888
Darlington	AZW6	1,087	1,135	1,181	1,201	1,241	1,303	1,425	1,488
Durham CC	AZW7	4,034	4,166	4,253	4,357	4,535	4,596	4,842	5,129
Northumberland and Tyne and Wear	AIM7	12,880	13,474	14,151	14,831	15,310	15,971	16,906	17,839
Northumberland	AZW8	2,518	2,590	2,629	2,697	2,666	2,786	2,924	3,077
Tyneside	AZW9	7,793	8,191	8,680	9,181	9,568	9,982	10,625	11,211
Sunderland	AZX2	2,569	2,693	2,841	2,953	3,076	3,203	3,358	3,551
North West	IFZS	66,848	69,962	73,555	77,291	80,317	83,270	87,720	92,251
Cumbria	AIM8	4,853	5,033	5,171	5,254	5,114	5,261	5,367	5,495
West Cumbria	AZX3	2,254	2,349	2,429	2,478	2,379	2,408	2,421	2,414
East Cumbria	AZX4	2,599	2,684	2,742	2,777	2,735	2,853	2,946	3,081
Cheshire	AIM9	11,993	12,623	13,381	13,990	14,474	15,034	15,962	16,953
Halton and Warrington	AZX5	3,715	3,917	4,199	4,410	4,558	4,753	5,019	5,330
Cheshire CC	AZX6	8,277	8,706	9,182	9,579	9,916	10,281	10,943	11,623
Greater Manchester	AIN2	25,554	26,814	28,410	30,157	31,763	32,802	34,650	36,470
Greater Manchester South	AZX7	15,318	16,272	17,557	19,004	20,367	21,313	22,633	23,884
Greater Manchester North	AZX8	10,235	10,541	10,853	11,153	11,396	11,489	12,017	12,586
Lancashire	AIN3	13,700	14,207	14,681	15,250	15,984	16,500	17,347	18,075
Blackburn with Darwen	AZX9	1,451	1,488	1,511	1,547	1,577	1,581	1,629	1,693
Blackpool	AZY2	1,245	1,284	1,302	1,349	1,396	1,418	1,489	1,556
Lancashire CC	AZY3	11,005	11,435	11,868	12,353	13,011	13,501	14,229	14,826
Merseyside	AIN4	10,748	11,285	11,913	12,640	12,982	13,673	14,394	15,258
East Merseyside	AZY4	2,354	2,419	2,554	2,679	2,748	2,946	3,279	3,411
Liverpool	AZY5	4,252	4,492	4,796	5,149	5,341	5,602	5,676	6,085
Sefton	AZY6	2,064	2,176	2,228	2,331	2,362	2,524	2,696	2,861
Wirral	AZY7	2,079	2,199	2,335	2,482	2,531	2,602	2,744	2,902
Yorkshire and the Humber	IFZT	48,009	50,871	53,783	56,438	58,256	60,457	63,804	67,447
East Riding and North Lincolnshire	AIN5	9,000	9,493	9,843	9,987	9,995	10,213	10,720	11,178
Kingston upon Hull, City of	AZY8	2,710	2,804	2,867	2,949	3,027	3,168	3,361	3,461
East Riding of Yorkshire	AZY9	2,756	2,915	2,965	2,996	2,968	3,064	3,278	3,423
North and North East Lincolnshire	AZZ2	3,535	3,774	4,011	4,042	4,000	3,981	4,081	4,294
North Yorkshire	AIN6	7,436	7,815	8,230	8,637	8,990	9,451	10,069	10,664
York	AZZ3	2,117	2,306	2,462	2,630	2,790	2,892	3,096	3,255
North Yorkshire CC	AZZ4	5,319	5,509	5,769	6,007	6,200	6,559	6,973	7,410
South Yorkshire	AIN7	10,336	11,044	11,730	12,397	12,751	13,271	14,037	14,838
Barnsley, Doncaster and Rotherham	AZZ5	5,452	5,834	6,189	6,528	6,672	6,974	7,268	7,744
Sheffield	AZZ6	4,884	5,210	5,541	5,869	6,079	6,297	6,769	7,094
West Yorkshire	AIN8	21,237	22,519	23,979	25,416	26,520	27,522	28,978	30,767
Bradford	AZZ7	4,375	4,629	4,900	5,182	5,335	5,629	5,839	6,083
Leeds	AZZ8	8,712	9,222	9,897	10,530	11,114	11,520	12,258	13,114
Calderdale, Kirklees and Wakefield	AZZ9	8,151	8,668	9,181	9,704	10,071	10,373	10,881	11,569
East Midlands	IFZU	41,666	44,214	46,833	48,950	50,712	52,638	55,414	58,048
Derbyshire and Nottinghamshire	AIN9	19,466	20,561	21,738	22,620	23,471	24,413	25,742	26,928
Derby	DMRI	2,536	2,765	3,113	3,598	3,954	4,043	4,255	4,458
East Derbyshire	DMTE	1,942	2,047	2,174	2,328	2,408	2,558	2,773	2,944
South and West Derbyshire	DMTF	4,693	4,868	5,129	5,152	5,165	5,229	5,509	5,681
Nottingham	DMTG	4,268	4,547	4,714	4,567	4,759	4,987	5,257	5,454
North Nottinghamshire	DMXA	3,675	3,867	4,013	4,204	4,264	4,435	4,632	4,870
South Nottinghamshire	DMXB	2,353	2,468	2,594	2,770	2,920	3,161	3,316	3,522
Leicestershire, Rutland and Northamptonshire	AIO2	16,475	17,614	18,879	20,018	20,813	21,590	22,645	23,707
Leicester	DMXC	3,514	3,727	3,927	4,135	4,261	4,419	4,601	4,797
Leicestershire CC and Rutland	DMXD	6,624	7,060	7,444	7,628	7,644	7,833	8,216	8,584
Northamptonshire	DMXE	6,336	6,827	7,508	8,255	8,908	9,339	9,828	10,326
Lincolnshire	AIO3	5,725	6,039	6,217	6,312	6,429	6,635	7,027	7,413

4: NUTS3 - continued

Headline¹ gross value added (GVA)^{2,3} by NUTS3 area at current basic prices, 1995 to 2002

		1995.	1996	1997	1998	1999	2000	2001	2002
West Midlands	IFZV	52,902	55,827	59,245	62,361	64,558	67,009	70,153	73,215
Herefordshire, Worcestershire and Warwickshire	AIO4	11,814	12,461	13,224	14,082	14,843	15,588	16,363	17,022
Herefordshire County of	DMXG	1,614	1,692	1,722	1,746	1,828	1,912	1,998	2,089
Worcestershire	DMXH	4,950	5,148	5,338	5,654	6,049	6,420	6,593	6,780
Warwickshire	DMXI	5,250	5,620	6,164	6,682	6,965	7,256	7,772	8,154
Shropshire and Staffordshire	AIO5	13,286	14,075	14,926	15,635	16,013	16,466	17,083	17,753
Telford and Wrekin	DMXJ	1,771	1,859	1,972	2,077	2,114	2,151	2,204	2,294
Shropshire CC	DMXK	2,337	2,469	2,575	2,704	2,810	2,908	3,072	3,237
Stoke-on-Trent	DMXL	2,578	2,712	2,804	2,842	2,780	2,789	2,846	2,911
Staffordshire CC	DMXM	6,600	7,035	7,575	8,012	8,309	8,618	8,961	9,310
West Midlands	AIO6	27,802	29,291	31,094	32,644	33,702	34,955	36,707	38,439
Birmingham	DMXN	11,044	11,696	12,528	13,258	13,966	14,439	15,496	16,300
Solihull	DMXO	1,986	2,159	2,332	2,546	2,641	3,076	3,213	3,460
Coventry	DMXP	3,496	3,698	4,115	4,394	4,651	4,656	4,640	4,745
Dudley and Sandwell	DMXQ	6,100	6,374	6,546	6,702	6,705	6,869	7,196	7,526
Walsall and Wolverhampton	DMXR	5,176	5,363	5,572	5,743	5,740	5,915	6,162	6,409
East of England	IGLF	54,356	57,659	61,254	65,177	68,114	71,261	75,032	78,692
East Anglia	AIO7	22,097	23,228	24,218	25,323	26,178	27,309	28,797	30,204
Peterborough	HFTS	1,871	1,980	2,135	2,284	2,383	2,393	2,541	2,670
Cambridgeshire CC	HFTT	5,950	6,324	6,758	7,240	7,594	8,033	8,577	9,063
Norfolk	HFTU	7,345	7,716	7,962	8,290	8,531	8,834	9,141	9,521
Suffolk	HFTV	6,931	7,209	7,363	7,509	7,670	8,049	8,538	8,951
Bedfordshire and Hertfordshire	AIO8	18,006	19,297	20,946	22,858	24,251	25,536	26,907	28,133
Luton	HFTW	2,043	2,174	2,327	2,477	2,599	2,682	2,752	2,868
Bedfordshire CC	HFTX	3,967	4,121	4,282	4,485	4,558	4,726	4,872	5,099
Hertfordshire	HFTY	11,996	13,001	14,337	15,896	17,094	18,128	19,282	20,166
Essex	AIO9	14,253	15,134	16,090	16,996	17,686	18,416	19,328	20,355
Southend-on-Sea	HFTZ	1,344	1,432	1,543	1,637	1,724	1,813	1,916	2,039
Thurrock	HFUA	1,438	1,523	1,641	1,764	1,798	1,761	1,765	1,788
Essex CC	HFUB	11,471	12,179	12,906	13,596	14,164	14,841	15,648	16,528
London	IGLG	108,655	116,118	125,215	136,600	144,642	151,519	159,576	170,036
Inner London	AIP2	64,455	69,180	74,759	82,113	87,226	91,593	97,762	106,180
Inner London - West	HFUC	42,193	45,503	49,573	54,699	57,867	60,382	64,171	69,643
Inner London - East	HFUD	22,262	23,677	25,185	27,413	29,359	31,210	33,591	36,537
Outer London	AIP3	44,200	46,938	50,456	54,487	57,417	59,926	61,813	63,856
Outer London - East and North East	HFUE	12,462	13,041	13,634	14,642	14,966	15,435	15,744	16,144
Outer London - South	HFUF	11,656	12,104	12,616	13,242	13,707	14,211	14,640	15,189
Outer London - West and North West	HFUG	20,082	21,793	24,206	26,603	28,744	30,280	31,429	32,523
South East	IGLH	86,590	92,514	99,698	108,036	114,750	120,866	127,971	134,800
Berkshire, Buckinghamshire and Oxfordshire	AIP4	27,145	29,116	31,914	35,618	38,482	40,831	43,149	45,147
Berkshire	HFUH	11,052	12,043	13,530	15,479	17,062	18,139	19,267	20,192
Milton Keynes	HFUI	2,881	3,103	3,392	3,712	3,960	4,193	4,502	4,741
Buckinghamshire CC	HFUJ	5,971	6,299	6,720	7,282	7,629	8,028	8,391	8,674
Oxfordshire	HFUK	7,241	7,671	8,271	9,144	9,831	10,471	10,989	11,541
Surrey, East and West Sussex	AIP5	27,780	29,521	31,886	34,096	36,151	38,204	40,762	43,297
Brighton and Hove	HFUL	2,543	2,640	2,722	2,791	2,908	3,135	3,440	3,723
East Sussex CC	HFUM	4,163	4,306	4,386	4,448	4,560	4,729	5,025	5,320
Surrey	HFUN	12,652	13,670	15,276	16,858	18,280	19,405	20,735	21,957
West Sussex	HFUO	8,421	8,906	9,503	9,998	10,403	10,936	11,563	12,298
Hampshire and Isle of Wight	AIP6	17,854	19,350	20,517	22,013	22,997	23,986	25,321	26,684
Portsmouth	HFUP	2,117	2,302	2,445	2,617	2,725	2,883	3,049	3,285
Southampton	HFUQ	2,657	2,864	3,005	3,123	3,399	3,275	3,420	3,686
Hampshire CC	HFUR	12,237	13,282	14,144	15,290	15,821	16,661	17,598	18,431
Isle of Wight	HFUS	843	902	923	983	1,052	1,167	1,255	1,281
Kent	AIP7	13,810	14,526	15,381	16,308	17,120	17,845	18,739	19,671
Medway	C22Q	1,704	1,819	1,941	2,106	2,258	2,363	2,469	2,586
Kent CC	C22R	12,107	12,708	13,440	14,202	14,862	15,482	16,270	17,085

4: NUTS3 - continued

Headline¹ gross value added (GVA)^{2,3} by NUTS3 area at current basic prices, 1995 to 2002

		1995.	1996	1997	1998	1999	2000	2001	2002
South West	IFZZ	47,650	50,992	54,394	57,730	60,547	63,439	67,276	70,964
Gloucestershire, Wiltshire and North Somerset	AIP8	24,443	26,456	28,606	30,410	32,144	33,573	35,602	37,703
Bristol City of	C22S	5,408	5,892	6,472	6,903	7,129	7,456	7,928	8,383
North and North East Somerset, South Gloucestershire	C22T	6,153	6,695	7,221	7,753	8,200	8,614	9,250	9,902
Gloucestershire	C22U	5,761	6,222	6,686	7,126	7,696	8,137	8,683	9,020
Swindon	C22V	2,762	3,030	3,405	3,657	3,927	4,029	4,010	4,351
Wiltshire CC	C22W	4,360	4,617	4,822	4,971	5,192	5,336	5,730	6,047
Dorset and Somerset	AIP9	10,281	10,927	11,626	12,787	13,221	13,908	14,636	15,305
Bournemouth and Poole	C22X	2,709	2,964	3,279	3,676	3,850	4,098	4,285	4,558
Dorset CC	C22Y	3,166	3,327	3,465	3,733	3,827	4,063	4,278	4,445
Somerset	C22Z	4,407	4,636	4,882	5,378	5,544	5,747	6,072	6,301
Cornwall and Isles of Scilly	AIQ2	3,223	3,433	3,607	3,608	3,993	4,260	4,569	4,840
Devon	AIQ3	9,703	10,177	10,555	10,926	11,189	11,699	12,468	13,117
Plymouth	C233	2,517	2,588	2,724	2,765	2,790	2,837	3,115	3,333
Torbay	C234	1,107	1,154	1,190	1,216	1,234	1,290	1,275	1,343
Devon CC	C235	6,079	6,435	6,640	6,945	7,166	7,572	8,078	8,441
Wales	IGAB	26,087	27,203	28,395	29,475	30,418	31,595	33,294	34,997
West Wales and the Valleys	AIQ4	14,853	15,404	15,884	16,197	16,468	16,972	17,766	18,576
Isle of Anglesey	C236	400	416	432	450	454	485	535	553
Gwynedd	C237	1,025	1,054	1,044	1,040	1,034	1,065	1,147	1,222
Conwy and Denbighshire	C238	1,543	1,591	1,643	1,681	1,704	1,785	1,915	2,043
South West Wales	C239	2,764	2,799	2,848	2,886	2,919	3,057	3,224	3,315
Central Valleys	C23A	2,234	2,337	2,408	2,497	2,488	2,577	2,676	2,848
Gwent Valleys	C23B	2,474	2,560	2,630	2,741	2,842	2,873	2,926	3,012
Bridgend and Neath Port Talbot	C23C	2,416	2,583	2,717	2,623	2,639	2,598	2,678	2,758
Swansea	C23D	1,996	2,063	2,162	2,281	2,389	2,533	2,665	2,824
East Wales	AIQ5	11,234	11,800	12,510	13,278	13,949	14,623	15,528	16,421
Monmouthshire and Newport	C23E	2,165	2,287	2,434	2,691	2,912	3,090	3,195	3,336
Cardiff and Vale of Glamorgan	C23F	4,757	5,012	5,362	5,665	6,086	6,530	7,096	7,574
Flintshire and Wrexham	C23G	3,196	3,339	3,525	3,659	3,678	3,697	3,874	4,074
Powys	C23H	1,117	1,161	1,189	1,262	1,274	1,306	1,363	1,438
Scotland	IGAC	55,555	58,196	60,898	63,344	65,340	67,670	70,440	74,058
North Eastern Scotland	AIQ6	7,724	8,114	8,433	8,728	8,973	9,461	9,781	10,130
Aberdeen City, Aberdeenshire and North East Moray	C23I	7,724	8,114	8,433	8,728	8,973	9,461	9,781	10,130
Eastern Scotland	AIQ7	21,359	22,357	23,422	24,320	24,946	25,632	26,662	28,243
Angus and Dundee City	C23J	2,767	2,883	2,924	3,025	3,039	3,047	3,109	3,214
Clackmannanshire and Fife	C23K	3,367	3,486	3,631	3,714	3,814	3,964	4,145	4,339
East Lothian and Midlothian	C23L	1,262	1,299	1,348	1,407	1,456	1,492	1,595	1,630
Scottish Borders	C23M	983	1,003	1,009	1,007	1,022	1,037	1,067	1,111
Edinburgh, City of	C23N	7,322	7,667	8,157	8,684	9,008	9,459	10,005	10,761
Falkirk	C23O	1,546	1,640	1,755	1,688	1,704	1,690	1,798	1,908
Perth & Kinross and Stirling	C23P	2,240	2,340	2,430	2,531	2,551	2,589	2,657	2,833
West Lothian	C23Q	1,872	2,041	2,168	2,263	2,352	2,352	2,285	2,448
South Western Scotland	AIQ8	23,413	24,560	25,789	26,900	27,872	28,906	30,234	31,811
East and West Dunbartonshire and Helensburgh & Lomond	C23R	1,645	1,719	1,790	1,835	1,892	1,981	2,017	2,105
Dumfries and Galloway	C23S	1,360	1,388	1,383	1,402	1,480	1,528	1,639	1,690
East Ayrshire and North Ayrshire Mainland	C23T	2,224	2,310	2,376	2,408	2,493	2,415	2,559	2,500
Glasgow City	C23U	8,024	8,490	9,095	9,663	10,199	10,630	11,258	11,879
Inverclyde, East Renfrewshire and Renfrewshire	C23V	3,813	3,990	4,165	4,313	4,117	4,192	4,270	4,703
North Lanarkshire	C23W	2,540	2,688	2,784	2,832	2,968	3,177	3,350	3,563
South Ayrshire	C23X	1,143	1,187	1,265	1,293	1,337	1,417	1,485	1,594
South Lanarkshire	C23Y	2,663	2,789	2,931	3,154	3,386	3,566	3,656	3,776
Highlands and Islands	AIQ9	3,059	3,165	3,255	3,395	3,550	3,672	3,763	3,874
Caithness & Sutherland and Ross & Cromarty	C23Z	626	636	644	673	713	717	783	795
Inverness & Nairn and Moray, Badenoch & Strathspey	C242	945	992	1,029	1,073	1,142	1,212	1,243	1,320
Lochaber, Skye & Lochalsh and Argyll and the Islands	C243	834	858	874	903	948	985	986	1,002
Eilean Siar (Western Isles)	C244	201	211	224	243	246	257	257	261
Orkney Islands	C245	205	206	217	219	208	210	206	206
Shetland Islands	C246	248	261	267	285	292	291	289	290
Northern Ireland	IGAD	14,255	15,311	16,220	17,251	18,067	18,915	19,828	20,838
Belfast	C247	3,849	4,172	4,583	4,957	5,331	5,510	5,759	6,064
Outer Belfast	C248	2,442	2,628	2,807	2,990	3,200	3,363	3,590	3,846
East of Northern Ireland	C249	3,343	3,574	3,700	3,883	4,023	4,285	4,451	4,651
North of Northern Ireland	C24A	1,953	2,092	2,217	2,356	2,428	2,535	2,655	2,722
West and South of Northern Ireland	C24B	2,667	2,845	2,913	3,064	3,085	3,222	3,372	3,554
UK less Extra-Regio ⁴	IGAE	625,856	663,078	704,744	748,872	782,682	816,549	859,795	906,000
Extra-Regio ⁴	IGAF	13,260	16,449	14,822	12,671	14,434	21,942	21,368	20,275

1 The headline GVA series for this publication have been calculated using a five-period moving average.

2 Estimates of workplace based GVA allocate income to the region in which commuters work.

3 Components may not sum to totals as a result of rounding.

4 The GVA for Extra-Regio comprises compensation of employees and gross operating surplus which cannot be assigned to regions.

Appendix A

Revisions to NUTS 1 gross value (GVA) at current basic prices by region – April 2004 to December 2004 publications

	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
April 2004 dataset														
Total GVA (£ million)														
United Kingdom	461,522	501,438	523,935	546,434	575,461	608,740	639,908	680,206	720,371	762,359	797,814	839,194	880,904	925,584
North East	17,243	18,411	19,573	20,631	21,716	22,314	23,279	24,227	24,874	25,485	25,539	26,770	27,939	29,632
North West	49,490	53,362	55,895	58,078	61,063	64,640	66,830	69,812	73,653	76,958	81,108	83,966	87,762	93,913
Yorkshire and the Humber	35,168	38,209	40,215	41,447	43,426	45,342	47,775	50,877	53,967	56,267	58,028	59,987	62,235	65,811
East Midlands	30,364	32,667	34,162	35,544	37,341	39,392	41,441	44,704	48,042	50,105	51,782	53,803	55,931	59,159
West Midlands	38,144	41,518	42,990	45,039	47,316	50,152	53,089	55,731	58,934	62,302	64,048	66,982	69,233	72,779
East of England	44,201	48,202	49,966	52,405	54,466	57,985	60,870	64,476	69,597	74,527	76,358	81,919	86,966	90,641
London	70,042	76,028	79,217	83,088	88,040	92,924	95,968	101,980	110,293	120,549	127,608	134,540	141,768	144,693
South East	65,487	71,888	75,035	77,944	82,965	88,162	92,579	100,125	107,388	116,296	126,560	131,693	140,383	148,801
South West	34,401	37,375	38,740	40,636	42,727	44,885	47,776	50,786	54,278	56,704	58,598	60,362	65,828	70,011
England	384,540	417,660	435,793	454,812	479,060	505,796	529,607	562,718	601,026	639,193	669,629	700,022	738,045	775,440
Wales	19,166	20,507	21,655	22,346	23,393	24,688	26,304	27,447	28,611	29,594	30,574	31,958	33,311	35,039
Scotland	38,930	42,861	45,527	47,714	49,818	52,849	56,329	58,533	59,793	64,049	65,500	66,387	69,391	72,938
Northern Ireland	9,402	10,104	11,005	11,705	12,592	13,465	14,427	15,050	16,140	16,991	17,805	18,713	19,381	20,421
United Kingdom less Extra-region & statistical discrepancy	452,038	491,132	513,980	536,577	564,863	596,798	626,667	663,748	705,570	749,827	783,508	817,080	860,128	903,839
Extra-region	9,484	10,303	9,957	9,855	10,599	11,942	13,241	16,459	14,800	12,537	14,307	22,116	20,776	21,892
Statistical discrepancy (income adjusted)	–	–	–	–	–	–	–	–	–	–	–	–	–	–147
Blue Book 2004 national controls														
Total GVA (£ million)														
United Kingdom	0	0	–152	–290	–637	–885	–795	–682	–756	–775	–655	–664	329	692
North East	0	0	–15	–7	–23	–38	–33	–26	–36	–36	–34	–33	–23	–192
North West	0	–1	15	–28	–73	–112	–113	–103	–107	–99	–96	–90	–13	–229
Yorkshire and the Humber	0	0	27	–12	–37	–64	–53	–42	–58	–59	–65	–76	7	–56
East Midlands	0	0	40	–10	–31	–54	–50	–43	–45	–47	–44	–70	–123	–469
West Midlands	0	0	43	–15	–51	–73	–64	–50	–59	–68	–70	–81	–197	–533
East of England	0	1	–23	–16	–38	–58	–51	–45	–52	–56	–41	–65	–20	–190
London	0	1	–177	–119	–164	–200	–182	–185	–144	–167	–111	–196	85	4,693
South East	0	0	–59	–52	–88	–128	–118	–100	–116	–117	–84	–92	177	395
South West	0	0	41	–17	–41	–67	–59	–41	–57	–53	–36	–30	–73	–247
England	0	1	–108	–276	–546	–794	–723	–635	–674	–702	–581	–733	–180	3,172
Wales	0	0	3	–2	–20	–29	–24	–19	–31	–28	–22	–8	83	–304
Scotland	0	–1	–46	–2	–16	–27	–16	–7	–24	–25	–31	90	–27	–370
Northern Ireland	0	0	–1	–10	–55	–35	–32	–21	–27	–20	–21	–13	–61	–164
United Kingdom less Extra-region and statistical discrepancy	0	0	–152	–290	–637	–885	–795	–682	–756	–775	–655	–664	–185	2,334
Extra-region	0	0	0	0	0	0	0	0	0	0	0	0	514	–1,789
Statistical discrepancy (income adjusted)	–	–	–	–	–	–	–	–	–	–	–	–	–	147
Inland Revenue (PAYE) data														
Total GVA (£ million)														
United Kingdom	0	0	0	0	0	0	0	0	–46	–46	–44	–42	–70	1
North East	0	0	0	0	0	0	0	0	513	712	1,372	1,037	1,238	1,209
North West	0	0	0	0	0	0	0	0	234	–358	–504	–1,079	–381	–1,417
Yorkshire and the Humber	0	0	0	0	0	0	0	0	34	624	–316	92	1,283	1,386
East Midlands	0	0	0	0	0	0	0	0	–1,010	–1,106	–948	–1,815	–353	–431
West Midlands	0	0	0	0	0	0	0	0	511	–228	64	379	958	1,469
East of England	0	0	0	0	0	0	0	0	–1,153	–1,202	293	–820	–442	79
London	0	0	0	0	0	0	0	0	370	1,867	1,952	3,318	157	264
South East	0	0	0	0	0	0	0	0	–412	–1,546	–4,092	–3,740	–5,438	–7,151
South West	0	0	0	0	0	0	0	0	403	1,085	1,766	2,518	1,768	1,900
England	0	0	0	0	0	0	0	0	–510	–152	–413	–110	–1,210	–2,692
Wales	0	0	0	0	0	0	0	0	–265	–203	–101	–440	–57	474
Scotland	0	0	0	0	0	0	0	0	414	58	108	148	578	1,372
Northern Ireland	0	0	0	0	0	0	0	0	315	251	362	360	619	847
United Kingdom less Extra-region & statistical discrepancy	0	0	0	0	0	0	0	0	–46	–46	–44	–42	–70	1
Extra-region	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Statistical discrepancy (income adjusted)	–	–	–	–	–	–	–	–	–	–	–	–	–	–

Appendix A

Revisions to NUTS 1 gross value (GVA) at current basic prices by region – April 2004 to December 2004 publications

	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Revisions to ABI/2 data for manufacturing profits														
Total GVA (£ million)														
United Kingdom	0	0	0	0	0	0	0	0	0	- 1	- 1	0	1	- 1
North East	0	0	0	0	0	0	0	0	0	5	- 36	- 4	- 34	- 43
North West	0	0	0	0	0	0	0	0	0	7	- 8	90	- 84	685
Yorkshire & the Humber	0	0	0	0	0	0	0	0	0	2	15	36	151	274
East Midlands	0	0	0	0	0	0	0	0	0	3	18	- 33	- 1	24
West Midlands	0	0	0	0	0	0	0	0	0	2	18	- 101	- 61	- 275
East of England	0	0	0	0	0	0	0	0	0	0	- 17	25	- 2	- 129
London	0	0	0	0	0	0	0	0	0	- 55	3	- 3	- 202	- 532
South East	0	0	0	0	0	0	0	0	0	25	26	- 5	6	- 626
South West	0	0	0	0	0	0	0	0	0	1	- 52	- 1	- 10	- 1
England	0	0	0	0	0	0	0	0	0	- 10	- 33	4	- 237	- 623
Wales	0	0	0	0	0	0	0	0	0	3	17	- 50	- 105	53
Scotland	0	0	0	0	0	0	0	0	0	5	11	30	332	588
Northern Ireland	0	0	0	0	0	0	0	0	0	1	4	16	11	- 19
United Kingdom less Extra-region & statistical discrepancy	0	0	0	0	0	0	0	0	0	- 1	- 1	0	1	- 1
Extra-region	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Statistical discrepancy (income adjusted)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revisions due changes in national methodology for calculating non-domestic rates														
Total GVA (£million)														
United Kingdom	- 1	1	1	- 1	- 1	- 1	3	0	1	0	1	- 1	- 1	- 1
North East	0	0	0	0	0	0	0	48	69	46	- 30	7	21	31
North West	0	- 1	- 1	- 1	- 1	- 1	0	15	124	236	52	- 87	53	36
Yorkshire & the Humber	0	0	0	- 1	- 1	- 1	0	119	257	98	74	28	- 121	- 137
East Midlands	0	0	0	- 1	0	- 1	0	- 37	- 92	74	24	- 27	- 58	- 76
West Midlands	0	0	0	- 1	- 1	- 1	0	25	135	156	0	- 111	27	51
East of England	0	0	0	- 1	- 1	- 1	0	- 12	- 29	- 80	40	- 82	- 74	- 94
London	0	- 1	- 1	- 2	- 1	- 1	0	32	- 470	- 706	- 171	37	287	269
South East	0	- 1	- 1	- 1	- 1	- 1	0	- 103	- 45	112	107	192	83	48
South West	0	0	0	- 1	- 1	- 1	0	- 36	32	77	16	- 12	- 106	- 84
England	0	- 3	- 3	- 9	- 7	- 8	0	51	- 19	13	112	- 55	112	44
Wales	0	0	0	- 1	0	- 1	0	10	- 18	- 5	28	- 115	- 41	6
Scotland	0	5	6	8	8	12	0	- 51	41	3	- 132	178	- 54	- 39
Northern Ireland	- 1	- 1	- 2	1	- 2	- 4	3	- 10	- 3	- 11	- 7	- 9	- 18	- 12
United Kingdom less Extra-region & statistical discrepancy	- 1	1	1	- 1	- 1	- 1	3	0	1	0	1	- 1	- 1	- 1
Extra-region	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Statistical discrepancy (income adjusted)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revisions due changes in Labour Market statistics on earnings and employment														
Total GVA (£million)														
United Kingdom	0	0	0	0	0	0	0	0	0	0	0	0	0	1
North East	0	0	0	0	0	0	0	0	0	0	0	0	0	0
North West	0	0	0	0	0	0	0	0	0	0	0	0	0	17
Yorkshire & the Humber	0	0	0	0	0	0	0	0	0	0	0	0	0	- 54
East Midlands	0	0	0	0	0	0	0	0	0	0	0	0	0	1
West Midlands	0	0	0	0	0	0	0	0	0	0	0	0	0	2
East of England	0	0	0	0	0	0	0	0	0	0	0	0	0	1
London	0	0	0	0	0	0	0	0	0	0	0	0	0	31
South East	0	0	0	0	0	0	0	0	0	0	0	0	0	7
South West	0	0	0	0	0	0	0	0	0	0	0	0	0	0
England	0	0	0	0	0	0	0	0	0	0	0	0	0	5
Wales	0	0	0	0	0	0	0	0	0	0	0	0	0	- 21
Scotland	0	0	0	0	0	0	0	0	0	0	0	0	0	16
Northern Ireland	0	0	0	0	0	0	0	0	0	0	0	0	0	1
United Kingdom less Extra-region & statistical discrepancy	0	0	0	0	0	0	0	0	0	0	0	0	0	1
Extra-region	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Statistical discrepancy (income adjusted)	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Appendix A

Revisions to NUTS 1 gross value (GVA) at current basic prices by region – April 2004 to December 2004 publications

	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Other revisions to minor dataset (e.g. Agriculture, house price index) and quality assurance														
Total GVA (£million)														
United Kingdom	0	0	0	- 1	1	1	0	1	- 2	1	0	0	0	1
North East	0	0	0	1	1	1	2	2	2	- 19	- 38	- 21	31	111
North West	0	1	2	0	5	2	5	4	3	42	93	57	- 57	- 273
Yorkshire & the Humber	0	2	- 1	2	2	2	1	1	1	- 28	- 47	- 27	47	164
East Midlands	0	- 1	0	2	2	2	- 1	0	0	11	34	3	- 6	163
West Midlands	0	1	- 1	1	3	1	10	8	5	96	206	118	11	- 94
East of England	0	- 2	3	2	1	4	- 4	- 2	0	1	13	27	16	8
London	0	2	2	- 3	6	4	1	12	1	- 26	- 106	- 46	1	242
South East	0	- 1	0	5	1	7	8	3	12	- 126	- 273	- 127	72	34
South West	0	- 1	0	3	2	3	17	12	15	98	174	92	- 56	- 194
England	0	1	5	13	23	26	39	40	39	49	56	76	59	161
Wales	0	0	1	1	2	2	1	0	1	- 55	- 96	- 54	- 19	- 126
Scotland	0	0	0	1	2	2	- 2	0	1	23	21	- 27	- 24	82
Northern Ireland	0	- 1	- 6	- 16	- 26	- 29	- 38	- 39	- 43	- 16	19	5	- 140	- 246
United Kingdom less Extra-region & statistical discrepancy	0	0	0	- 1	1	1	0	1	- 2	1	0	0	- 124	- 129
Extra-region	0	0	0	0	0	0	0	0	0	0	0	0	124	130
Statistical discrepancy (income adjusted)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Final residence-based GVA estimates¹														
Total GVA (£million)														
United Kingdom	461,521	501,439	523,786	546,142	574,825	607,854	639,115	679,526	719,565	761,539	797,116	838,490	881,163	926,275
North East	17,243	18,411	19,558	20,625	21,694	22,277	23,248	24,251	25,422	26,193	26,773	27,756	29,172	30,748
North West	49,490	53,361	55,911	58,049	60,994	64,529	66,722	69,728	73,907	76,786	80,645	82,857	87,280	92,732
Yorkshire & the Humber	35,168	38,211	40,241	41,436	43,390	45,279	47,723	50,955	54,201	56,904	57,689	60,040	63,602	67,388
East Midlands	30,364	32,666	34,202	35,535	37,312	39,339	41,390	44,624	46,895	49,040	50,866	51,861	55,390	58,371
West Midlands	38,144	41,519	43,032	45,024	47,267	50,079	53,035	55,714	59,526	62,260	64,266	67,186	69,971	73,399
East of England	44,201	48,201	49,946	52,390	54,428	57,930	60,815	64,417	68,363	73,190	76,646	81,004	86,444	90,316
London	70,042	76,030	79,041	82,964	87,881	92,727	95,787	101,839	110,050	121,462	129,175	137,650	142,096	149,660
South East	65,487	71,886	74,975	77,896	82,877	88,040	92,469	99,925	106,827	114,644	122,244	127,921	135,283	141,508
South West	34,401	37,374	38,781	40,621	42,687	44,820	47,734	50,721	54,671	57,912	60,466	62,929	67,351	71,385
England	384,540	417,659	435,686	454,541	478,530	505,020	528,923	562,175	599,861	638,391	668,769	699,205	736,591	775,507
Wales	19,166	20,507	21,659	22,344	23,375	24,660	26,281	27,438	28,298	29,306	30,400	31,291	33,172	35,121
Scotland	38,930	42,865	45,487	47,721	49,812	52,836	56,311	58,475	60,225	64,113	65,477	66,806	70,196	74,587
Northern Ireland	9,401	10,102	10,996	11,680	12,509	13,397	14,360	14,980	16,382	17,196	18,162	19,072	19,792	20,828
United Kingdom less Extra-region & statistical discrepancy	452,037	491,133	513,828	536,287	564,226	595,913	625,874	663,068	704,766	749,006	782,809	816,375	859,750	906,043
Extra-region	9,484	10,303	9,957	9,855	10,599	11,942	13,241	16,459	14,800	12,537	14,307	22,116	21,413	20,232
Statistical discrepancy (income adjusted)	-	-	-	-	-	-	-	-	-	-	-	-	-	-

¹ Components may not sum to total as a result of rounding

Appendix B – Background notes

European System of Accounts 1995 (ESA95)

The estimates of GVA published in this article are consistent with the *European System of Accounts 1995* (ESA95). ESA95 is based on the *System of National Accounts 1993* (SNA93) which was sponsored by all major international organisations and is being adopted world-wide. The European system, which is being adopted by European Member States, is consistent with SNA93 but is more specific and prescriptive in certain parts. Introducing the *European System of Accounts 1995*, *National Accounts Concepts, Sources and Methods* (1998), and *Regional Accounts Methods* give more detail of the changed system of accounts, and the particular effects on the UK.

Regional GVA at basic prices

The NUTS2 & 3 1995 to 2002 final estimates published in this article are consistent with estimates of UK GVA published in *UK National Accounts: the Blue Book 2004*, NUTS1 1989 to 2002 GVA estimates with *Blue Book 2004*, and NUTS1 2003 provisional GVA estimates with *Blue Book 2004*. The Blue Book also defines the terms used.

Under ESA95, the term gross value added (GVA) is used to denote estimates that were previously known as gross domestic product (GDP) at basic prices. Under ESA95 the term GDP denotes GVA plus taxes (less subsidies) on products, that is, at market prices. Regional accounts are currently only published at basic prices, so the figures are referred to as GVA rather than GDP.

Geography

The Nomenclature of Units for Territorial Statistics (NUTS) provides a single uniform breakdown for the production of regional statistics for the European Union. These are:

NUTS1 - Government Office Regions and Scotland, Wales and Northern Ireland

NUTS2 - 37 areas within the United Kingdom

NUTS3 - 133 areas, generally groups of unitary authorities or districts, also known as local areas.

Some areas appear at more than one level, for example, Northern Ireland appears at NUTS levels 1 and 2.

The GVA estimates relate to the nine Government Office Regions of England, as well as totals for Scotland, Wales and Northern Ireland. These form level 1 of the NUTS geography described above.

Regional GVA – concepts and definitions

In this article GVA is measured as the sum of incomes earned from the production of goods and services in the region. Insufficient information is available to estimate GVA for all regions of the UK using either the production or the expenditure approaches. Estimates of GDP for Scotland only, based on the production approach, and measured in terms of

constant (real) prices are published quarterly by the Scottish Executive. An article detailing the methodologies can be found in *Scottish Economic Statistics*, 2001 edition.

As described above, the estimates of regional GVA in this article are calculated as the sum of incomes earned from productive activity in the region. The income (referred to CoE under ESA95) of commuters should therefore be included in the region where they work. Historically, however, the estimates of regional GVA have not been compiled on this basis; but have instead been compiled using regional estimates of CoE on a residence basis, because this was the basis of the most reliable data source (the one per cent sample of Inland Revenue national insurance records). This has a significant effect on the estimates for London, the South East and the East of England regions, but is assumed not to introduce any significant distortion of the other regions. Headline estimates of GVA on a residence basis are given in Table 1 of this article.

Figures allocating the CoE to employee's workplace (the preferred GVA approach) are also included in the publication, in Table 2. The workplace-based CoE figures for London, the South East and the East of England are based on regional data from the STES and the NES. There is, however, no industry breakdown currently available on a workplace basis.

Unless otherwise stated, all references in this article to regional GVA refer to residence-based figures.

Methodology

Sampling and non-sampling errors in the raw data sources used for regional accounts at a regional level give rise to the volatility in the regional GVA data. The regional GVA series headlined in this publication have been calculated using a five point moving average. These adjusted series remove some year to year volatility in the unadjusted series.

The underlying raw regional GVA estimates were produced using the same methodology as previously.

The methodology used to produce the raw regional GVA estimates was published in the December 2000 edition of *Economic Trends*.

Extra-Regio

The contribution to GVA of UK embassies abroad and UK forces stationed overseas is included in Extra-Regio, along with the element of GVA relating to activities taking place on the continental shelf. As these cannot be assigned to specific regions they are assigned as 'Extra-Regio GVA'.

Treatment of commuting in regional GVA estimates

Regional GVA can be calculated both on a residence and a workplace basis. Residence-based GVA allocates the incomes of commuters to where they live, whereas workplace GVA allocates their incomes to where they work. The GVA estimates presented here are on a residence basis; and the breakdown of the totals by components of income and by industry

are currently only available on a residence basis. However, workplace estimates are also provided in Table 2. The residence and workplace estimates are different from each other only in the regions of London, the South East and East of England. For all other regions it has been previously been determined from the Census of Population that net commuting between the regions is not significant.

General

All the items in the regional accounts are measured in current prices, which means that the increases over time reflect inflation as well as growth. Trends in total GVA per head of population cannot be analysed easily without deflating the data. However, there are no regional price indices that could be used to remove the effect of inflation from the figures. Comparisons of trends can be based either on the difference between regional increases at current prices or on movements in the amount relative to the UK average. Both approaches would be misleading if the rate of inflation in any region were different from the national average.

In the regional accounts it is usual to look at changes per head relative to the UK average over time. However, this obscures the effect of changes to the population size. In areas where the population is increasing most rapidly, growth in total GVA would be expected to grow relatively strongly; conversely, areas with a low or negative population growth would be expected to grow more slowly.

1989 to 2003 regional GVA per head of population figures will feed into the regional growth baselines calculated for the regional baselines calculated for the regional economic performance public service agreement (PSA) target, jointly shared by DTI, HMT and ODPM. However, the regional GVA figures do not take account of the impact of price inflation at either the national or regional level. Due to this, the growth rates in this current price GVA per head of population series will not necessarily be comparable with any forthcoming regional growth baselines that will be set for this PSA target. The latter will be adjusted by statisticians in the DTI to take account of the impact of inflation at the regional level.

Accuracy

Although calculated as reliably as possible, estimates of regional GVA will not be as reliable as those for national GVA.

The regional GVA estimates are partly based on sample surveys and the quality of the results therefore varies according to sample size. This means that the results for smaller regions may be subject to a greater degree of uncertainty than those for larger regions.

This article contains only a summary of the information available. A more detailed breakdown of manufacturing, and total regional CoE information are available on request from: Customer Contact Centre, Office for National Statistics, room 1015, Government Buildings, Cardiff Road, Newport NP10 8XG, tel: 0845 601 3034, fax: 01633 652747, e-mail: info@statistics.gsi.gov.uk

Details of the policy governing the release of new data are available from the ONS Press Office, tel: 020 7533 5725.

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UK Balance of Payments Current Account asymmetries with the European Union

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Current account asymmetries occur when one country's data does not correspond to the same data for the same transaction reported by its partner countries. The following analysis looks at asymmetries between the UK current account and the rest of the European Union (EU) based on data published in the *United Kingdom Balance of Payments Pink Book 2004*. The UK consistently reported lower current account credits and debits with the EU than were reported by EU countries with the UK. Asymmetries are not confined to countries within the EU. Some additional data is also presented regarding asymmetries between the UK and the US. The analysis explores asymmetries within components of the current account and looks at some of the reasons why asymmetries occur.

Background

This article is the first in a series of annual reports on what are known as current account asymmetries. Trade and current account transactions are (in principle) reported twice, by both countries which are a party to the transactions. Asymmetries occur when one country's data does not correspond to the same data for the same transaction reported by its partner countries. For example, credits and debits reported by one country to and from another should, in theory, correspond with the debits and credits of that counterpart country. In reality, however, this is rarely, if ever, the case and in practice there exists a global current account asymmetry in that the sum of all countries' debits exceeds the sum of all countries' credits.

Asymmetries may be caused by a number of different factors including differences in the classification of items within the accounts, discrepancies in the time of recording transactions or may be a symptom of more serious problems such as the VAT Missing Trader Intra-Community fraud recently identified in goods statistics (Caplan, Ruffles, *et al.*, 2003).

International guidelines and standards exist to provide a common framework for the compilation of balance of payment statistics. Such publications include the International Monetary Fund's (IMF) Balance of Payments Manual (BPM5), Eurostat's European System of Accounts (ESA95) and the System of National Accounts (SNA93). The implementation of these standards across different countries aims to minimise asymmetries due to basic methodological differences. These guidelines, however, are still open to a certain degree of interpretation and it is likely that an element of systematic mis-reporting remains.

As guardian of the BPM5, the IMF tries to ensure that the guidance should result in symmetric balance of payments (BoP) reporting by all countries. They also take various initiatives to improve consistent reporting in specific areas; for example over 60 countries now participate annually in the global Co-ordinated Portfolio Investment Survey. The IMF collects data from all member countries and analyses the global aggregates for the main components of the balance of payments accounts. Total global credits for each component should equal total global debits. The IMF analyses the asymmetries by the global imbalance as a percentage of the gross transactions for each component. For 2002 the global current account asymmetry was about -0.5 per cent (debits higher than credits) – since 1997 it has fluctuated between 0.1 per cent to -0.7 per cent. The global goods asymmetry was around 0.2 per cent for 2002, fluctuating between 1.1 per cent and less than 0.1 per cent since 1997. The corresponding figures for the EU in 2002 are 0.8 per cent for the current account and 2.5 per cent for goods.

The following analysis looks at asymmetries between the UK current account and the rest of the European Union (EU). Credits and debits are analysed separately. Analysis is based on figures printed in the *United Kingdom Balance of Payments*

Pink Book 2004. Some additional data is also presented regarding asymmetries between the UK and the US. It will also summarise the work undertaken by HM Customs and Excise in recent years to investigate and address possible causes for asymmetries of trade in goods with the EU. Bilateral meetings with our European partners are often held to discuss potential causes of asymmetries in other BoP components.

Data

Data for the European Union has been supplied by Eurostat and relates to data for 1999–2002 reported by member states as of January 2004. Data for the USA cover the same period reported as of September 2004 and have been supplied by the Bureau of Economic Affairs. Tables 3 and 4 contain details of the UK's asymmetries with the US. All UK figures include the major revisions made to UK trade in goods figures to account for the impact of VAT Missing Trader Intra-Community Fraud. No other member states' estimates include any adjustments for VAT fraud.

Throughout this analysis, asymmetries are calculated as data reported by the UK less data reported by the rest of the EU (or US). The percentages shown represent the asymmetry (calculated as above) relative to the average of the two reported figures. All figures are in € millions.

Current Account Overview

Asymmetries with the European Union

For total current account credit and debits, the UK had a negative asymmetry in each of the four years with the rest of the EU. In other words, the UK consistently reported lower

credits and debits than the corresponding countries in the EU. The size of the asymmetries fluctuated somewhat over the period, from a low of –€15.5bn to –€31.5bn for credits and –€27.4bn to –€48.9bn for debits. In percentage terms, however, the largest discrepancies were equivalent to 9 per cent and 13 per cent of the average of the two reported figures for credits and debits, respectively. It should be noted that a large asymmetry in cash terms does not necessarily correspond to a high asymmetry in percentage terms.

Trade in goods had consistently relatively small asymmetries for all years for both credits and debits. For exports of goods, the UK figure was continually higher than the rest of the EU, resulting in an increasing positive asymmetry for all years. In contrast, the UK always reported lower imports of goods compared with the data reported from the rest of the EU, with the asymmetry increasing for the first three years before falling to its lowest level in 2002. Despite these asymmetries, the same patterns over time present in the UK data were mirrored in the EU counterpart data.

Of current account components, trade in services had one of the largest asymmetries, with the asymmetry for service credits increasing each year between 1999 and 2002. In 2002 the asymmetry was equivalent to 40 per cent of the underlying data. Service debits had equally large asymmetries, increasing from 1999 to 2001 before narrowing slightly in 2002. In one sense this is not surprising, as services are more difficult to measure than goods.

Asymmetries for income were mixed over time. In 1999, the asymmetry for income credits was equivalent to 20 per cent of the average reported figures whilst for the following three years it fell to around 5 per cent.

Table 1
UK asymmetries with the EU, by current account component¹

	UK Asymmetry (€ million)				UK Asymmetry (per cent)			
	1999	2000	2001	2002	1999	2000	2001	2002
Current Account								
Credits	–26,323	–20,575	–15,549	–31,467	–9	–6	–4	–9
Debits	–36,427	–27,418	–48,860	–46,658	–12	–8	–13	–13
Goods								
Credits	6,621	6,355	8,861	11,836	5	4	5	7
Debits	–10,214	–14,738	–15,015	–9,548	–6	–8	–7	–5
Services								
Credits	–16,046	–17,042	–22,527	–25,610	–32	–28	–35	–40
Debits	–18,257	–20,028	–27,943	–26,611	–33	–31	–40	–37
Income								
Credits	–14,044	–4,741	5,382	–4,202	–20	–5	5	–5
Debits	–3,711	12,583	2,000	8,433	–6	17	3	14
Current Transfers								
Credits	–2,854	–5,148	–7,267	–9,713	–20	–35	–39	–55
Debits	–4,245	–5,235	–7,905	–11,831	–20	–23	–36	–47

Figure 1
Asymmetries of current account component credits

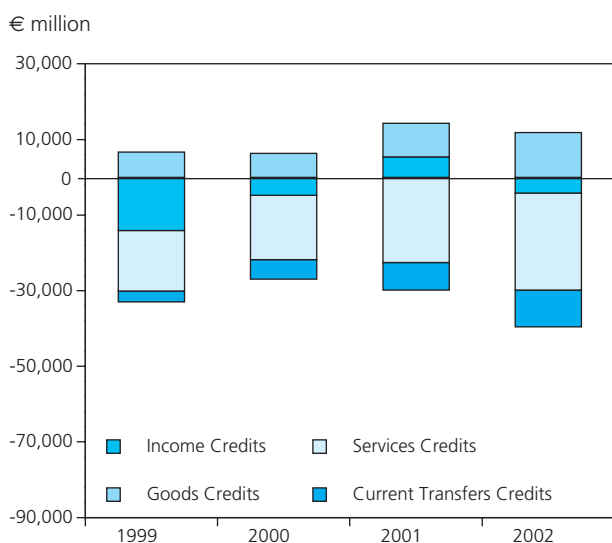
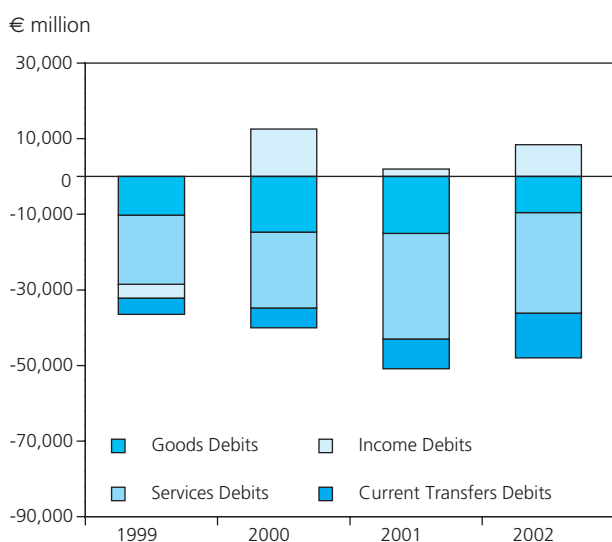


Figure 2
Asymmetries of current account component debits



For all years except 2001, the UK underestimated income credits in comparison with EU reported figures, giving a negative asymmetry three years out of four. In contrast, asymmetries for income debits were negative in 1999 and positive for the remaining three years.

As with service credits, UK/EU current transfers were subject to an ever-increasing asymmetry across the period. For both credits and debits, the UK consistently reported figures lower than the corresponding data from the EU. In 1999, the asymmetry was equivalent to 20 per cent of the underlying data for both credits and debits whilst by 2002 this had risen to 55 and 47 per cent, respectively.

Table 2 shows the balance, as reported by the UK and the rest of the EU, for each component from 1999 to 2002. In all four years, the UK reported a much lower current account deficit with the EU than the rest of the EU reported with the UK. The magnitude of the asymmetry fluctuated substantially from €6.8bn in 2000 to €33.3bn in 2001 where the UK reported a current account surplus of €1.7bn with the EU compared to a counterpart deficit of €31.6bn.

Table 2
Reported balances, by current account component¹

€ million

	Balance and UK Asymmetry			
	1999	2000	2001	2002
Current Account				
UK balance	-13,200	-7,723	1,677	-24,646
EU counterpart	-23,304	-14,565	-31,634	-39,837
Asymmetry	10,104	6,842	33,311	15,191
Goods				
UK balance	-12,735	-8,645	-18,774	-32,198
EU counterpart	-29,570	-29,738	-42,650	-53,582
Asymmetry	16,835	21,093	23,876	21,384
Services				
UK balance	-2,947	-3,260	-3,258	-6,875
EU counterpart	-5,157	-6,246	-8,675	-7,875
Asymmetry	2,210	2,985	5,417	1,001
Income				
UK balance	8,308	12,634	27,020	20,532
EU counterpart	18,642	29,957	23,638	33,167
Asymmetry	-10,333	-17,323	3,382	-12,635
Current Transfers				
UK balance	-5,826	-8,452	-3,311	-6,105
EU counterpart	-7,217	-8,538	-3,949	-8,223
Asymmetry	1,391	87	638	2,118

Whilst the asymmetries for goods credits and debits were consistently small, the interaction of positive and negative asymmetries meant that, as with the total current account, net goods data from the rest of the EU showed the UK to have a much larger deficit than the UK data implied. The asymmetry was largest in 2001 when there was a discrepancy of €23.9bn.

In contrast to trade in goods, despite large differences in both credits and debits, the trade in services balance displayed relatively small asymmetries. EU data again suggested higher deficits for each of the four years with the largest difference again being present in 2001.

For net income, in three of the four years the EU reported a larger surplus for the UK than did the UK. Only in 2001 was the UK reported surplus larger than its EU counterpart. In all four years, UK estimates for net current transfer with the EU showed a smaller deficit than that reported by EU countries with the UK. The asymmetry was largest in 2002, totalling €2.1bn. This compared with just €0.1bn in 2000.

Asymmetries with the US

For comparison, the UK had positive asymmetries with the US on both goods credit and debits that increased over time, from €0.1bn in 1999 to €2.0bn in 2002 for credits and from €1.6bn in 1999 to €5.7bn in 2002 for debits (Tables 3 and 4). For service credits, the UK had both positive and negative asymmetries with the US, but of a much smaller magnitude than those recorded with the EU. On debits, asymmetries with

Table 3
UK current account with the US, by component

€ million

	Reported by the US				Reported by the UK			
	1999	2000	2001	2002	1999	2000	2001	2002
Current Account								
UK Credits	-	-	-	-	101,225	129,935	133,431	126,080
UK Debits	-	-	-	-	95,103	113,221	119,913	102,586
UK Balance	16,981	19,575	22,487	31,667	6,122	16,714	13,519	23,494
Goods								
UK Credits	36,394	46,977	45,759	42,792	36,494	48,034	47,537	44,833
UK Debits	35,332	44,094	44,329	33,931	36,980	46,623	47,581	39,602
UK Balance	1,062	2,883	1,430	8,861	-486	1,411	-43	5,230
Services								
UK Credits	25,525	31,317	31,309	29,462	26,335	31,035	29,690	34,278
UK Debits	28,491	35,031	34,855	34,560	19,056	20,947	21,260	20,700
UK Balance	-2,966	-3,715	-3,546	-5,098	7,279	10,087	8,429	13,578
Income								
UK Credits	61,104	82,703	74,262	64,959	35,563	48,884	52,222	44,673
UK Debits	40,223	61,075	45,878	35,818	35,882	43,276	46,827	39,628
UK Balance	20,881	21,627	28,384	29,141	-319	5,608	5,395	5,046
Current Transfers								
UK Credits	-	-	-	-	2,833	1,982	3,983	2,296
UK Debits	-	-	-	-	3,185	2,374	4,245	2,656
UK Balance	-1,997	-1,221	-3,782	-1,237	-352	-392	-262	-359

the US were also less than those with the EU, but still ranged from -€9.4bn to -€13.9bn. The largest asymmetries between the UK and the US were present in income credits, with the US reporting much higher payments to the UK than the UK reported as receipts from the US.

The US only publishes net current transfers and, as such, total current account is also available on a net basis only. For net current account the UK consistently reported a lower surplus with the US than the US figures suggested, offsetting, to some extent, the asymmetry with the EU. On a component basis, however, only the net goods asymmetry with US had a minor offsetting effect on the UK/EU asymmetry, while the asymmetries between the UK and the US on net service and income compounded the UK's asymmetries with the EU.

Current Account by EU country

Figure 3 shows the current account credit asymmetries between the UK and each country in the EU. There was no clear trend or pattern across all countries. Holland had the largest positive asymmetry in each of the four years, growing steadily from 1999 to 2001 before falling in 2002. The UK had a negative credit asymmetry with most countries (that is, the UK reported lower receipts from a country than the payments recorded by that country to the UK). For three out of the four years the largest of these was with Italy (-€13.7bn in 2002) followed by Germany (-€10.6bn also in 2002). The countries with the smallest asymmetries were Portugal and Sweden.

Figure 4 shows the UK's current account debit asymmetries by country. As with credits, there is a relatively mixed picture with no apparent trend over time.

Table 4
UK current account asymmetries with the US, by component

€ million

	UK Asymmetry with the US			
	1999	2000	2001	2002
Current Account				
Credits	-	-	-	-
Debits	-	-	-	-
Balance	-10,858	-2,860	-8,968	-8,172
Goods				
Credits	100	1,057	1,778	2,041
Debits	1,648	2,530	3,252	5,671
Balance	-1,548	-1,472	-1,474	-3,631
Services				
Credits	810	-282	-1,619	4,816
Debits	-9,435	-14,084	-13,595	-13,860
Balance	10,245	13,802	11,976	18,676
Income				
Credits	-25,541	-33,818	-22,040	-20,285
Debits	-4,341	-17,799	949	3,810
Balance	-21,200	-16,019	-22,989	-24,095
Current Transfers				
Credits	-	-	-	-
Debits	-	-	-	-
Balance	1,644	829	3,520	878

Figure 3
Asymmetries of current account credits, by EU country

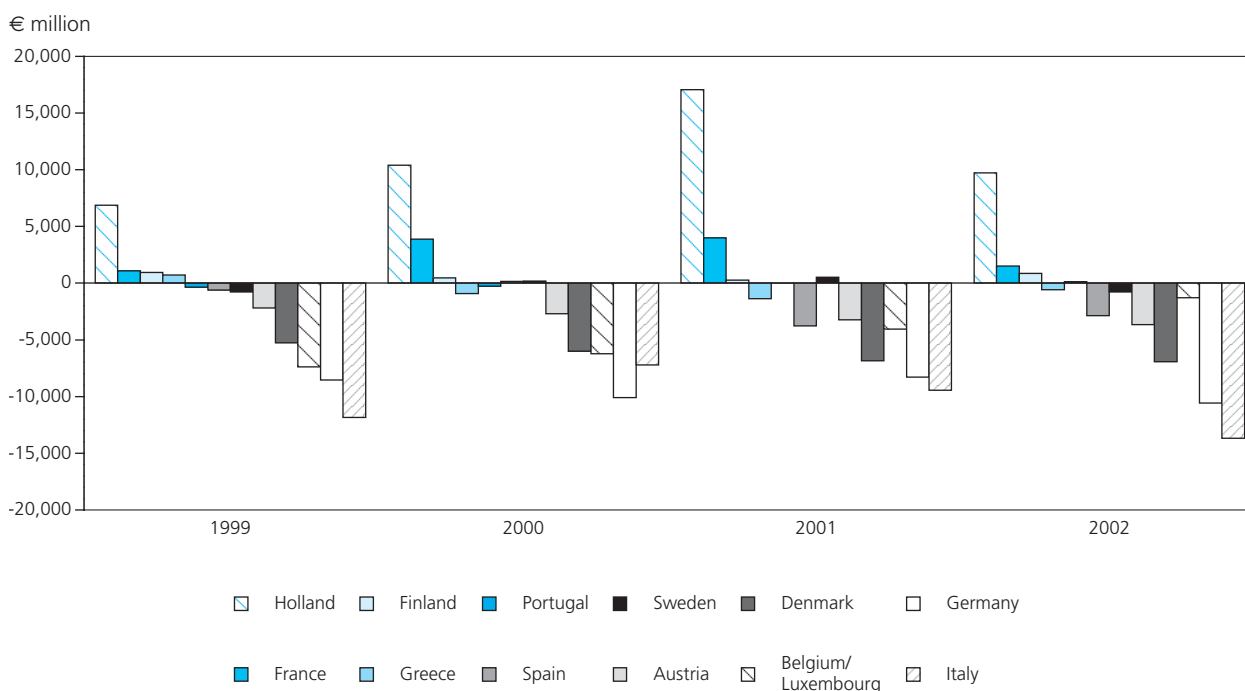
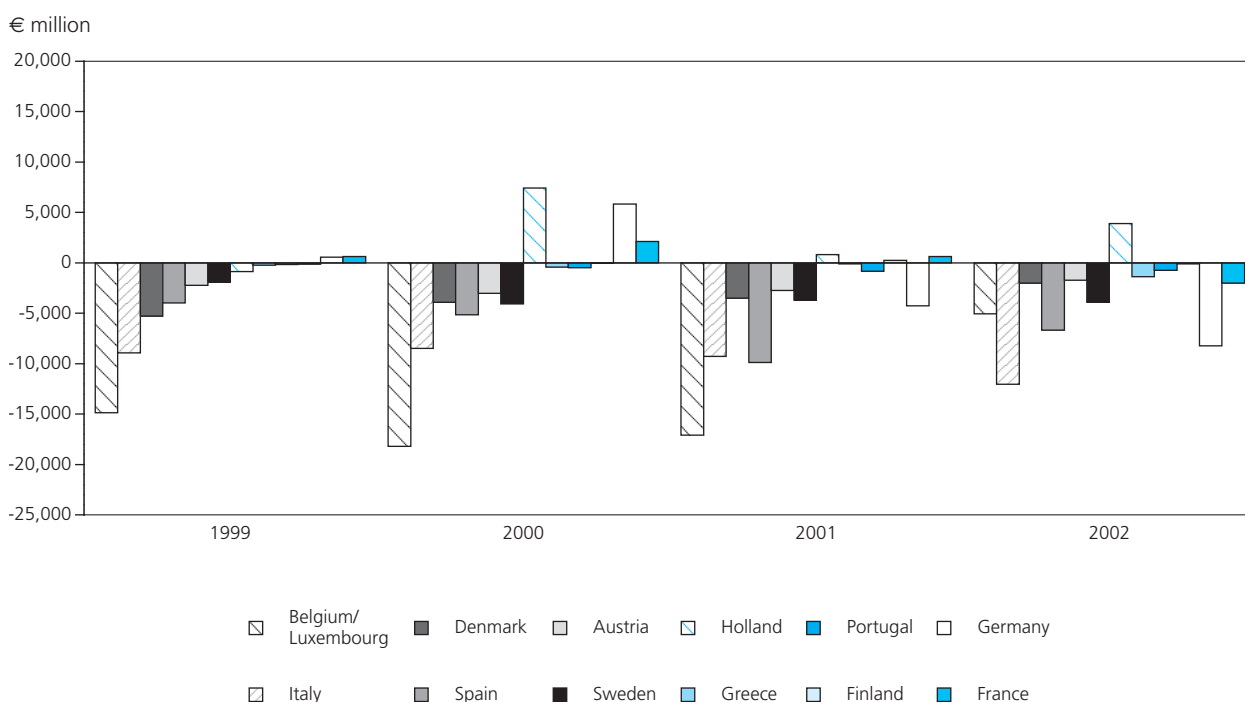


Figure 4
Asymmetries of current account debits, by EU country



UK debit asymmetries are predominately negative with the largest asymmetry generally being with Belgium/Luxembourg (in 2002 this fell sharply leaving the UK/Italian asymmetry as the largest.)

Trade in Goods

In order to establish a more complete picture, the goods asymmetries were looked at by country. Figure 5 shows the

goods credit asymmetries between the UK and each country in the EU. The UK/Dutch asymmetry was the largest for three of the four years, growing from €2.7bn in 1999 to €4.3bn in 2001 before falling in 2002.

Part of this discrepancy may be explained by what is known as the Rotterdam-Antwerp effect. Export figures from country (A) to a country (B) may overestimate the value of goods actually consumed in that country if the importer forwards

Figure 5
Asymmetries of goods credits, by EU country

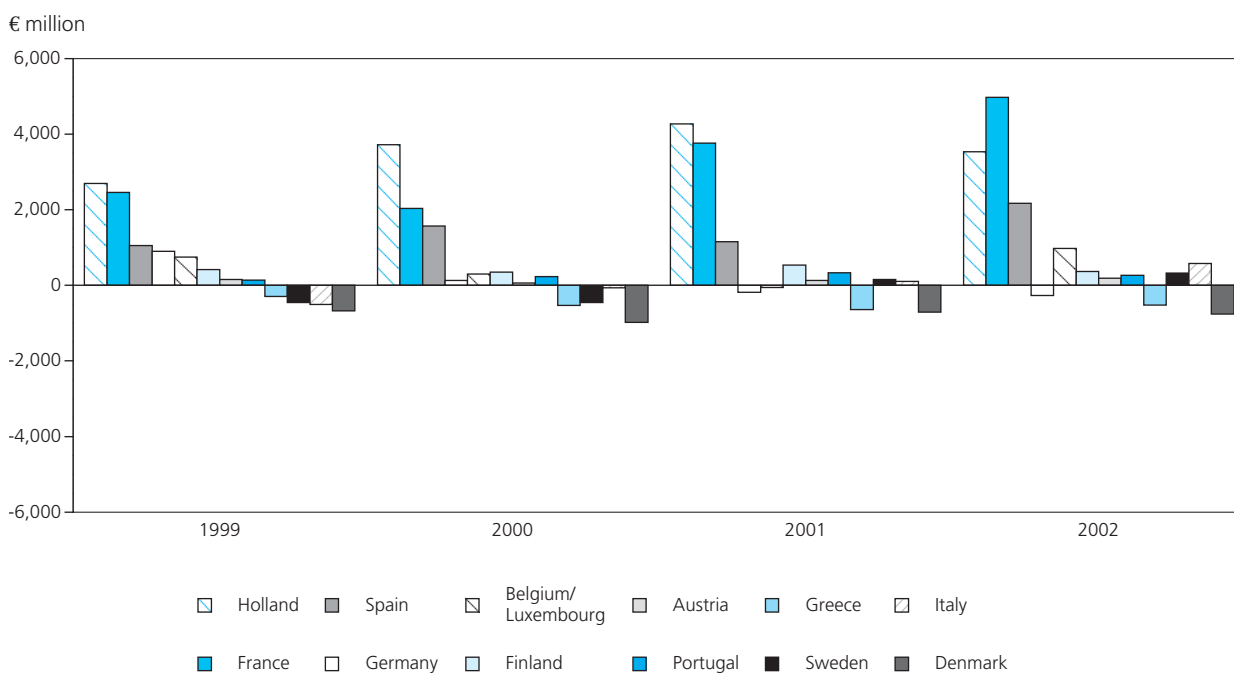
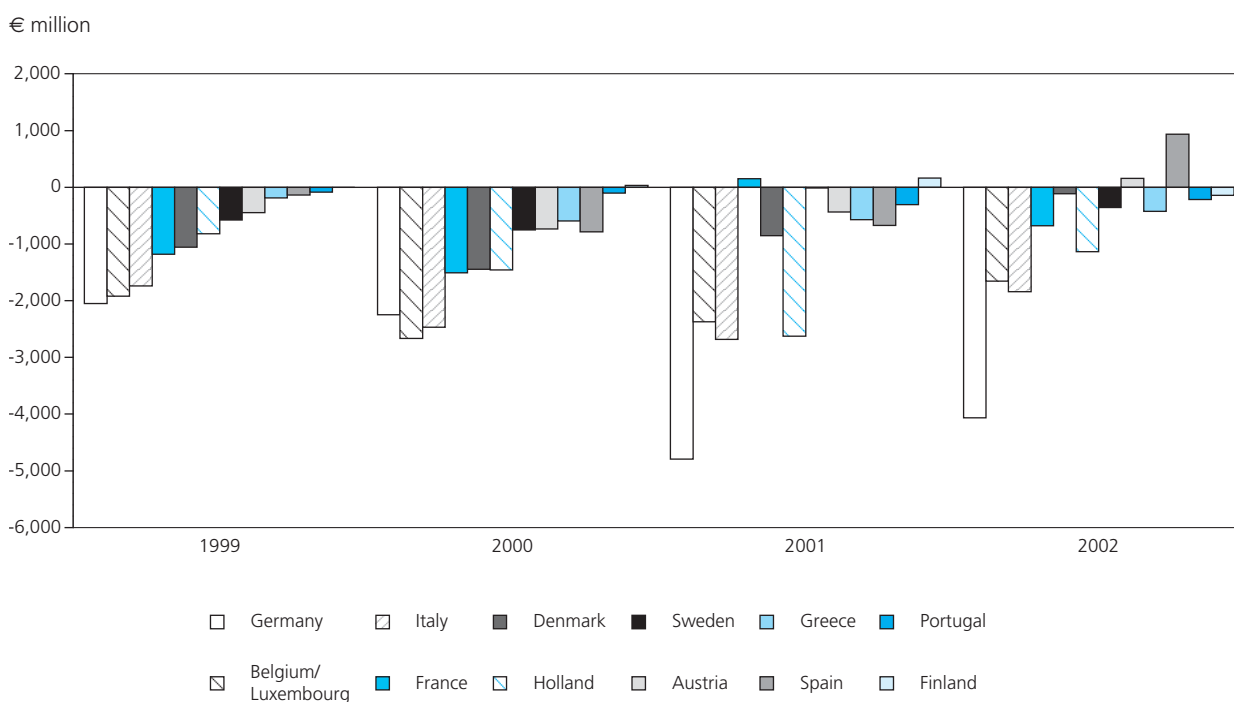


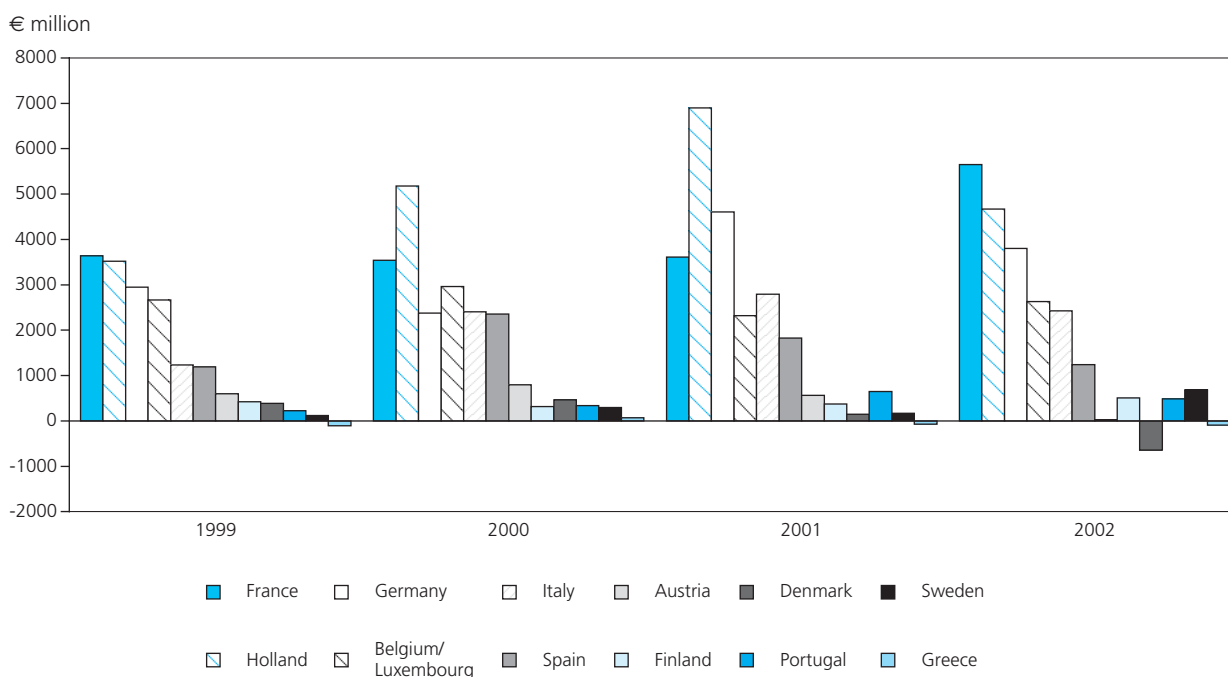
Figure 6
Asymmetries of goods debits, by EU country



the goods on to another country (C). The goods may or may not cross the customs boundary. If they do, then country (A) will record an export to country (B), country (B) will record an import from country (A) and an export to country (C), while country (C) will record an import from country (B). If they do not, then country (B) should not record either the import or export. The original exporter in country (A) may not know this arrangement and will legitimately record

exports to the country (B). Meanwhile country (C) would record an import from country (B). There will then be an asymmetry between countries (A) and (B) and between countries (B) and (C), even though the export and import forms have been completed properly in all three countries. This is a particular issue with UK exports to Holland and Belgium. No information is available on the value of UK exports that are subsequently shipped on to other countries.

Figure 7
Asymmetries of goods balances, by EU country



In 2002 the largest asymmetry was with France, with the UK reporting €5.0bn more exports to France than France recorded as having imported from the UK. The UK/French asymmetry was also relatively large in the preceding three years. This may be due to differences between the two countries in the recording of trade in one particular commodity, namely large civil aircraft.

Figure 6 shows the UK's goods debit asymmetry with the EU broken down by country. The UK had a negative asymmetry with almost all countries across the time period. In three of the four years the UK had the largest asymmetry with Germany. At its peak in 2001 the UK reported €4.8bn less imports from Germany than Germany reported having exported to the UK. The UK also had notable asymmetries with Belgium/Luxembourg and Italy for all four years.

Figure 7 shows the asymmetries for the UK goods balance by EU country. Overall, the UK generally had a positive asymmetry with all EU countries, that is, the UK had a lower deficit or higher surplus than reported by the counterpart country; the only exceptions being with Greece and Denmark. Consistently large asymmetries were present with France, Holland, Germany and Belgium/Luxembourg, and to a lesser extent, Italy. The largest asymmetry was in 2001 with Holland, totalling €6.9bn.

Trade in Services

Using the data supplied by Eurostat it was possible to breakdown the service account into three separate components: transportation, travel and other.² Figure 8 and Figure 9 show the cash value of asymmetries for both credits and debits of each component for the four years 1999–2002, while Table 5 shows the asymmetries both in cash terms and as a percentage of the average of the two reported estimates.

Overall, service credit asymmetries saw a year-on-year increase, with the UK consistently reporting lower service credits than its EU counterparts. Looking at the component breakdown it can be seen that this was predominately due to increases in other credit asymmetries. For all years, excluding 2000, other credits accounted for the majority of the total service credit asymmetry. In 1999 and 2000 asymmetries for transportation and other credits were similar in magnitude, but in 2001 and 2002 other credit asymmetries increased significantly while asymmetries for transportation credits remained relatively stable over the period. Travel credit asymmetries were relatively small in comparison, accounting for between 5 and 12 per cent of the total services asymmetry.

Figure 8
Asymmetries of service component credits

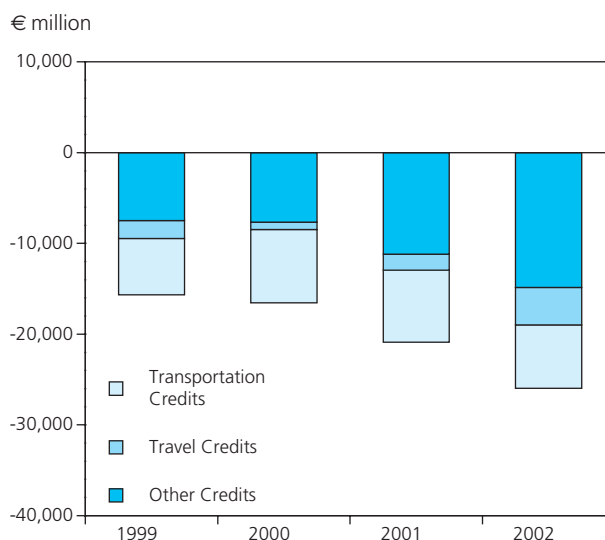
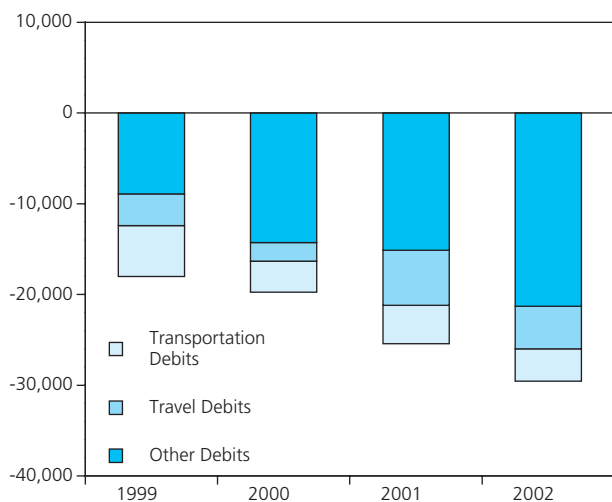


Figure 9
Asymmetries of service component debits

€ million



Whilst in cash terms other services' credit asymmetries were generally the largest, in percentage terms the transportation asymmetry was the largest. Even at their greatest, other service asymmetries were equivalent to only 34 per cent of the two reported estimates, while the transportation asymmetry ranged between 60 and 67 per cent of the underlying estimates. For travel, whilst in cash terms the credits asymmetry was relatively small, percentage-wise it fluctuated from nine per cent of the reported data in 2000 to 51 per cent in 2002.

As with the service credits components, one of the main drivers behind increases in service debits asymmetries appeared to be other services asymmetries. The other services asymmetry again grew every year from –€8.9bn in 1999 to –€21.3bn in 2002 – equivalent to 73 per cent of the average of the two reported estimates. The travel debit asymmetries were generally larger than the corresponding credit asymmetries, though percentage-wise, with the exception of

2002, they were similar in size. In contrast, transportation debit asymmetries were much smaller than the asymmetries present in transportation credits; this was also reflected in the percentage figures.

To gain a better understanding of the source of service asymmetries, transportation and travel asymmetries were split down by country. Figure 10 and Figure 11 show the six countries with the largest asymmetries with the UK for transportation credit and travel debits respectively. (Note: the scales are different for the two figures).

Looking at transportation credits, of the six reporting countries with the largest asymmetries all had negative asymmetries with the UK – that is, they reported higher imports of transportation services from the UK than the UK figures for exporting the same services to those countries. In fact, all countries had negative asymmetries with the UK for all four years with the exception of Spain with whom the UK had a positive asymmetry in 2002. In contrast, for travel debits the picture was more mixed with several countries having both positive and negative asymmetries with the UK and just five consistently having negative asymmetries – that is, those EU countries reported higher imports from the UK than the UK estimates for exports to those countries.

For transportation credits, in 1999 the largest asymmetry was between the UK and Holland, closely followed by Denmark. Over the next three years the UK/Dutch asymmetry systematically decreased while the UK/Danish asymmetry increased sharply in 2000 before falling slightly in both 2001 and 2002. At its height in 2001, Denmark reported €2.9bn more of imports from the UK than the UK reported having exported to Denmark.

For travel debits, by far the country with the largest asymmetry with the UK for all four years was Spain. The Spanish/UK travel asymmetry was particularly large in 2001, with Spain reporting €6.7bn more of travel service exports to the UK than the UK recorded as having imported from Spain.

Table 5
UK asymmetries with the EU, by service component

	UK Asymmetry (€ million)				UK Asymmetry (per cent)			
	1999	2000	2001	2002	1999	2000	2001	2002
Services								
Credits	–16,046	–17,042	–22,527	–25,610	–32	–28	–35	–40
Debits	–18,257	–20,028	–27,943	–26,611	–33	–31	–40	–37
Transportation								
Credits	–6,207	–8,068	–7,958	–6,963	–62	–66	–67	–60
Debits	–5,594	–3,441	–4,204	–3,580	–42	–23	–28	–23
Travel								
Credits	–1,999	–821	–1,743	–4,137	–22	–9	–21	–51
Debits	–3,488	–2,047	–6,066	–4,688	–16	–8	–23	–17
Other								
Credits	–7,473	–7,652	–11,195	–14,862	–24	–20	–26	–34
Debits	–8,934	–14,265	–15,145	–21,288	–44	–56	–56	–73

Figure 10

Asymmetries of transportation credits, by country

€ million

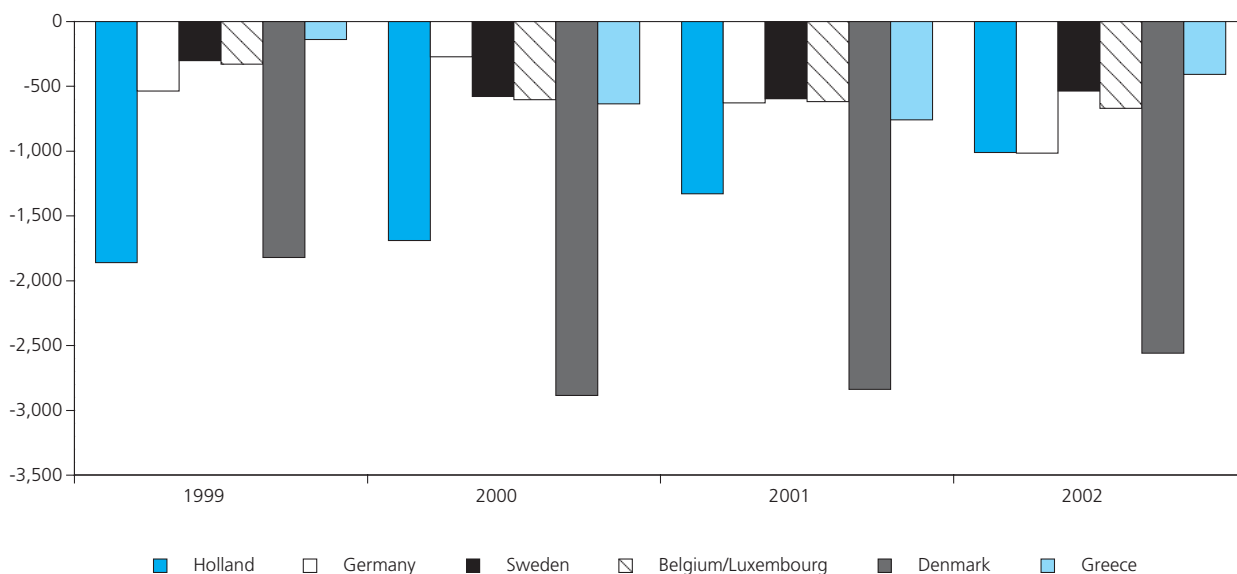
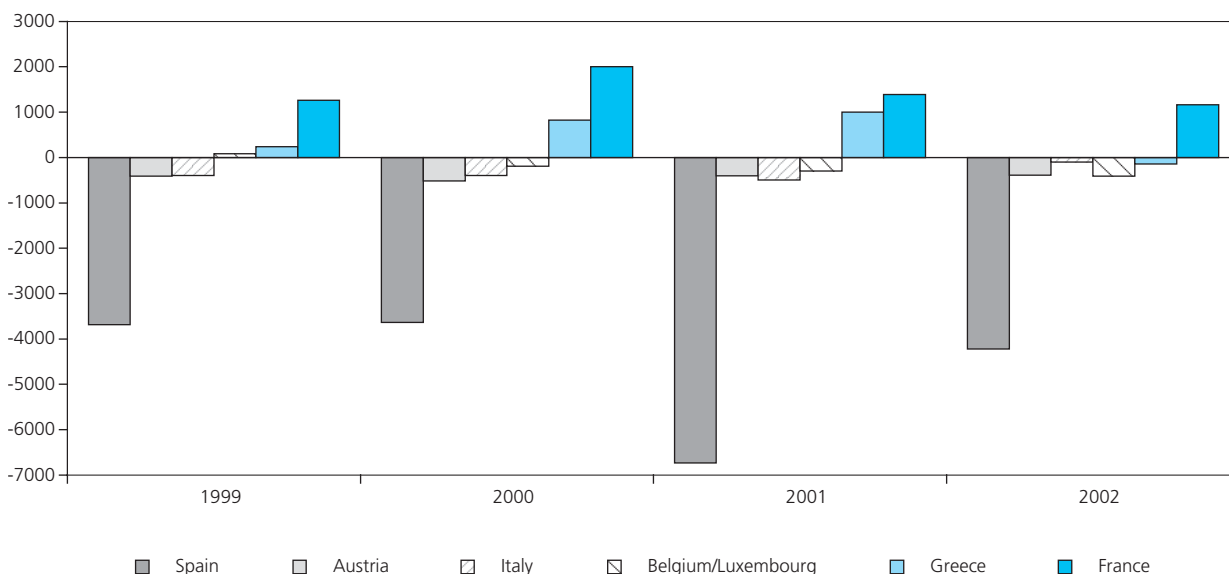


Figure 11

Asymmetries of travel debits, by country

€ million



This was almost five times the magnitude of the French/UK asymmetry – the second largest asymmetry that year. Whilst the French/UK asymmetry was small in comparison to the Spanish/UK one, it still totalled between €1.2bn and €2.0bn.

HM Customs and Excise Work

In addition to the general work on asymmetries carried out by ONS, Customs have undertaken several detailed investigations both with Eurostat and individual member states in an attempt to identify and address the inconsistencies

present in UK bilateral trade data as reported on an Overseas Trade Statistics (OTS) basis. Customs identified the most common causes of discrepancies in the reporting of trade in goods. These include:

Timing difference

Exports may be recorded as taking place in one reporting period with the corresponding import being recorded in a subsequent period. The impact, however, is likely to be greatest on monthly data rather than quarterly or annual data.

c.i.f. vs. f.o.b.

OTS imports are valued on a cost, insurance and freight (c.i.f.) basis. In contrast, exports are valued on a free on board (f.o.b.) basis, which excludes insurance premiums and freight services. Thus for OTS data the import value should always exceed the counterpart export value. Since, however, BoP records both exports and imports on, f.o.b. basis, there should be no discrepancy.

Special trade vs. general trade

General trade records all merchandise that crosses national boundaries and, as such, does not distinguish imports of goods for use within the importing country from goods to be re-exported. Under the special trade system of reporting, goods are only recorded when they pass across the customs boundary. All data reported to Eurostat, however, must now be reported on a special trade basis. Analysis by Customs also suggests that, in the case of the UK, differences between data recorded on a general and special trade basis were very small. It is the general trade system data that underlies BoP trade in goods in the UK.

Exchange rates

Transactions should be recorded in the national currency of the reporter, even if it was completed in another currency. Use of different exchange rates by the importer and exporter could result in discrepancies. It is unlikely, however, that this would significantly distort figures enough to affect the trade balance in a large way.

Fraudulent declarations

One of the most significant outcomes of the work by HM Customs and Excise was the identification of VAT Missing Trader Intra-community (MTIC) Fraud as a problem in the UK. A fuller explanation of MTIC fraud and its effect on the trade figures was published as an article in *Economic Trends* in 2003 (Ruffles, 2003). Whilst steps are being taken to tackle this kind of fraud in the UK it is known that this practice affects several other countries in the EU.

Other work carried out by HM Customs and Excise included a detailed analysis of some OTS asymmetries at a commodity level as well as bilateral investigations with French, Dutch and German counterparts. These OTS asymmetries are broadly similar to those seen in the BOP asymmetries. Customs has also reviewed its internal procedures as part of the National Statistics *Quality Review of Balance of Payments and Trade Statistics* and continues to work with traders to ensure the data supplied is as accurate as possible. In addition to the regular quarterly analyses, HM Customs and Excise will be carrying out two, more detailed, analyses during 2004–05. The first will look at asymmetries jointly with Germany whilst the second will assess the impact of the Rotterdam-Antwerp effect at both a macro and commodity level. Both of these initiatives will be partly funded by the EU.

Investigations into the impact of MTIC fraud have continued. These have focused on improvements to the broad

methodology currently used to estimate the impact of the fraud as well as researching the potential of available data to extend coverage to other types of MTIC fraud. The work has confirmed that we are making as much use as we can of all available information. The adjustments made to the imported goods figures relate to carousel fraud – a particular type of MTIC VAT fraud. Acquisition fraud is another variation of MTIC fraud, but the investigation work did not identify any data source or broad methodology that could be used to estimate the impact on the trade figures. A fuller report on this work will be published separately.

Summary

The UK consistently reported lower current account credits and debits with the EU than was reported by EU countries with the UK. For credits the asymmetry varied between –€15.5bn in 2001 and –€31.5bn 2002, whilst for debits the asymmetry ranged between –€27.4bn in 2000 and –€48.9bn in 2001.

The current account credit asymmetry was predominately driven by large negative asymmetries with Italy and Germany, offset by large positive asymmetries with Holland. For debits, the main driver was the large negative asymmetry with Belgium and Luxembourg followed, to a lesser extent, by asymmetries with Italy.

The UK reported a much lower current account deficit with the EU than the EU reported with the UK for all four years. The largest asymmetry was present in 2001 with the UK having reported a current account surplus of €1.7bn with the EU compared to an EU reported surplus with the UK (that is, UK deficit) of €31.6bn.

Trade in goods credits and debits had the smallest relative asymmetries of all current account components. The UK always reported higher credits and lower debits than the EU counterpart figures. The credit asymmetry was predominately driven by large positive asymmetries with Holland and France, offset slightly by smaller negative asymmetries with Denmark and Greece, whilst the drivers of the debit asymmetry were a large negative asymmetry with Germany, Belgium/Luxembourg, and Italy. On a net basis the UK consistently reported a lower goods deficit with the EU than the EU reported with the UK.

Trade in services credits and debits had particularly large negative asymmetries, with the UK credit asymmetries increasing year-on-year (from –€16.0bn in 1999 to –€25.6bn in 2002). Credits asymmetries were driven by other services, and transportation, especially with Denmark, while the debit asymmetries were also driven by other services, and the travel account with Spain in particular. Despite the large credit and debit asymmetries, on a net basis service asymmetries were relatively small.

UK asymmetries were not confined to countries within the EU. The UK also had sizeable asymmetries with the United States, particularly on income credits and, to a lesser extent, on service debits. On a net basis, the asymmetry with the US on both service and income compounded the UK's asymmetries with the EU, whilst the net goods asymmetry

between the UK and America slightly offset the asymmetry with the EU. Overall, the UK consistently reported a lower surplus with the US for the current account as a whole than the US figures suggested, offsetting, to a large extent, the asymmetry with the EU.

Concluding remarks

- Asymmetries will be an ever-present feature of bilateral data comparisons and are not confined to the current account.
- Whilst asymmetries cannot be eliminated, neither can they be ignored.
- Asymmetries are a global issue and one that cannot be resolved by a single country.
- In some cases, asymmetries may arise for legitimate reasons.
- There is no evidence to suggest that UK data is of less quality than any other country and the work carried out by HM Customs and Excise shows the effectiveness of UK quality assurance.
- UK MTIC revisions are an excellent example of what can be achieved, but to investigate all asymmetries would be very time-consuming and resource intensive and are likely to require bilateral co-operation.
- There are, at present, no plans to make any adjustments to balance of payments estimates, in addition to those already made to trade in goods as a result of VAT fraud.

Notes

- 1 EU data for total current account credits in 1999 and 2001 have been amended to equal to the sum of the available components; this is in place of the mirror data used for the current account totals in the original data tables supplied by Eurostat. In 2002, however, the components do not sum to the total; whilst Ireland provided estimates for total current account with the UK they did not provide this broken down by component, therefore total current account asymmetries are greater than the sum of the components.
- 2 In the EU counterpart data the sum of the three components do not equal total services. This is due to the use of mirror data for some countries.

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Methodological improvements to the Retail Prices Index and Consumer Prices Index from February 2005

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As part of the continuing research programme ensuring best available statistical methodology is used to calculate official consumer price indices and that these are of continued relevance, a number of methodological improvements are being introduced from the February indices:

- Extending local probability sampling for selecting items within retail outlets, designed to improve the market representation of selected goods.
- Introducing specific price indices for laptop computers and pre-pay mobile phone handsets. Expenditure on both of these was previously implicitly included in weights of related items. Hedonic regression will be used to adjust for changes in quality.

In addition the new ODPM monthly house price index will be adopted for use in a number of the owner-occupier housing components included in the RPI.

Background

Extending local probability sampling to audio systems and fridge-freezers is designed to achieve a more controlled and consequently more representative sample of specific models than is achieved using the traditional sampling technique, where price collectors ask shopkeepers for the most representative model that they sell, which normally equates to the most sold.

The introduction of explicit price indices for laptops and pre-pay mobile telephone handsets are a methodological improvement which can be seen as an integral part of the annual process of re-weighting and updating the RPI and CPI baskets of goods and services priced for the compilation of the indices. This process ensures their continued relevance to users. It is important that the contents of the shopping basket are updated to reflect the development of new and emerging products, particularly in high technology sectors. An article describing more generally the annual updating of the RPI and CPI baskets (including details of other new items added and those that are correspondingly removed), will be published on 22 March to coincide with the release of the first indices to reflect the new baskets for 2005.

The use of hedonic regression techniques for laptop computers and mobile telephone handsets is essentially the only practical and effective option for quality adjusting as no other explicit method can be applied in practice. For instance the 'option cost' approach based on the retail price of features available as options is not a workable alternative because such options with explicit prices are not available for these two goods. Implicit methods (using price changes in related items as a proxy for price movements in the replacement items to 'impute' historic prices) have been shown to produce unreliable results. This is because the high turnover results in a limited number of continuing price quotes remaining from month to month on which to base the imputation.

Hedonic techniques are now well-tested and fast becoming an international standard. Their use is looked on favourably by a Eurostat taskforce set up to advise on quality adjustment techniques to be used in the Harmonised Index of Consumer Prices¹. Hedonics is well within the range of alternative methodologies practised in other statistical offices. They also provide an opportunity for greater systemisation of Office for National Statistics (ONS) methods. However, the use of hedonics is not appropriate or cost-effective in all circumstances and so its application will be considered on a case by case basis.

This article describes each methodological improvement in turn and explains why it was considered desirable.

Research will continue to identify ways to improve official consumer price indices, including identifying further extensions to local probability sampling and hedonic quality adjustment. A general description of the recent history of the methodological research programme, with a summary of the improvements introduced over recent years, together with some indication of possible avenues for future research are given towards the end of this article.

The extension of local probability sampling to audio systems and fridge-freezers

The practical measurement of the change in the cost of a fixed basket of goods and services raises significant challenges, particularly when set against the background of a dynamic market place where models and varieties frequently disappear from the shop shelves only to be replaced by new ones which may have radically different features. This is typical of the situation that faces compilers of consumer price indices when dealing with fast moving high technology electrical goods and it is one that local probability sampling is designed to address. Local probability sampling is a method by which price collectors, when choosing the particular brand and model that they price in each of the retail shops that they visit, select the brand and model following a procedure that ensures, for the RPI sample as a whole, the selection is in proportion to total UK sales. Local probability sampling replaces purposive sampling where price collectors use their judgement to select what they consider the most 'typical' brand and model sold by each of the shops they visited.

Scanner data² can be used to check the validity of the sample achieved by traditional item selection techniques against actual sales figures (derived from scanner data) across all outlets. The checks carried out by ONS focus on fast moving high technology areas where the problem of maintaining balanced representation is most likely to occur. Where comparisons between the sample yielded from traditional selection techniques and the actual sales frequencies raises concern, these can be addressed by using the same scanner data as a sampling frame for a local sample selection of items in retail outlets. This produces a sample that is more controlled and more representative of consumer expenditure. Items are selected using probability sampling based on selecting a bundle of features or item characteristics that most influence price, with these characteristics being determined by hedonic regression. This is different from the more usual approach to probability sampling of selecting specific models.

For each outlet, price collectors are given a prioritised list of six alternative groupings of characteristics, which are selected for them using probability in proportion to total sales. For instance for fridge-freezers, this might be alternative groupings of characteristics relating to capacity, height, freezer location and so on. On entering the outlet each collector is asked to find an item matching the first attribute group on the list, if this is not possible they move on to the second. If an appropriate item cannot be found after the sixth choice, they revert to the traditional approach of asking the shopkeeper for the most sold model.

Local probability sampling was first introduced into the RPI and CPI collection in February 2004 and a full explanation of the methodology is contained in a previous article (Ball *et al*, 2004). The method was applied to the collections of widescreen televisions, dishwashers, washing machines and vacuum cleaners.

A retrospective analysis of the samples of price quotations collected for these items during the course of 2004 indicates that, as expected, significant improvements in sample representation were achieved. Although there was no indication that previous imbalances in the samples had led to any mis-measurement of price change, the improvements in achieved samples were significant enough to warrant consideration of an extended application on a case by case basis.

Following its successful introduction in 2004, ONS considered local probability sampling for four more items:

- combination televisions/videos, which share many of the sampling challenges associated with widescreen TVs
- DVD players/recorders, where there is high model turnover and increasing expenditure
- audio systems, where a review was necessary because of increasing concern about the boundaries between audio systems and home theatre systems
- fridge-freezers where it had been observed that the market had undergone significant changes, most notably with the introduction of frost free systems and large double-door models.

However, there were insufficient distinguishing features for combination televisions/videos and DVD players/recorders to provide a benchmark against scanner data and to support local probability sampling. Therefore the methodology will be extended only to audio systems and fridge-freezers. For these two items scanner data (and a pilot of the probability sampling) has shown that the current method of purposive sampling was not fully adequate in representing spending patterns and certainly could be improved upon. For example, an imbalance was observed in the sample of prices collected towards brands well-known to price collectors at the expense of less well-known brands that nevertheless have achieved comparatively large sales over recent years.

Pilot price collections, using local probability sampling, were carried out in August and November 2004. As with previous pilots, subsequent evaluation focused on two issues:

- How successful collectors had been in applying the method – this can be observed in the proportion of times the collector was able to find a model that fitted one of the six groupings of attributes provided to them in the prioritised list. During the pilot this success rate was around 70 per cent for both fridge-freezers and audio systems. Subsequent fine-tuning boosted the success rate further.
- Whether the sample achieved using probability sampling was more representative of purchasing patterns. The spread of the achieved sample using local probability sampling was compared with the ideal spread based on expenditure shares given by scanner data and the chi-

squared test was used to test closeness of fit. The results confirmed that the new methodology yielded samples that were a marked improvement compared with purposive sampling and were not significantly different to the spread of total expenditures in terms of price determining characteristics.

By way of example, Figure 1 compares the sample actually collected during the piloting of local probability sampling with total sales as represented by scanner data for fridge-freezers.

The dark blue bars represent the frequency for that particular attribute grouping in the current traditional sample. The black bars show the frequency as observed in the pilot sample using the probability based approach and the light blue bar shows the proportion of actual sales accounted for by that attribute grouping – that is, what we would aspire to. It is clear from the diagram that the probability based sampling scheme performs better than traditional methods in approximating actual consumer expenditure, in other words, there is a closer match between the black and light blue bars than between the dark blue and light blue bars.

Probability sampling is best followed whenever feasible and cost-effective. It will also be implemented for laptop computers and pre-pay mobile phone handsets—new basket items for which prices are collected centrally by ONS.

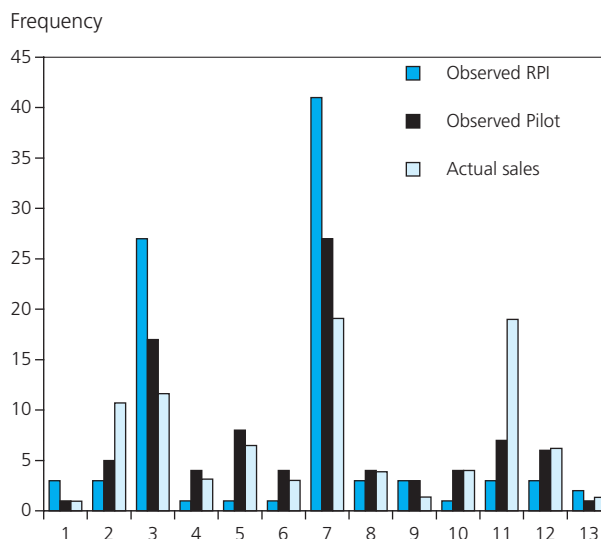
The introduction of a specific (hedonic quality adjusted) price index for laptop computers

Laptop computers were introduced as a new item into both the CPI and RPI from February 2005. They were previously implicitly included in the expenditure for PCs and their price evolution was represented by the hedonically adjusted price index for PCs. However, consumer expenditure on laptops has increased significantly in recent years and is now reaching levels comparable with desktop PCs, so inclusion as an explicit item is warranted. In addition, market information suggests that the technological evolution of laptops differs from PCs, for example the development of ultra portable technology such as mobile processors which is evident in the laptop market but not for PCs.

Two factors influenced the decision to investigate the use of hedonic regression for quality adjustment – the large technological improvements experienced over recent years and the extremely high turnover of models on sale. An experimental sample gathered in 2004 showed a high number of technology improvements, mainly in terms of increased processing speed, improved video cards and more compact size. In addition, around 20 per cent of the sample needed replacing each month as old models disappeared and were replaced by new ones.

As with previous applications of hedonics the hedonic regression uses ordinary least squares to relate the natural log of price of an item to a variety of measurable characteristics so that each individual specification change can be valued. The natural log of price is used as it gives a better model fit (that is, explains more of the variation in the underlying data) and so yields better predicted prices than using the raw price.

Figure 1
Observed frequencies of fridge-freezer attribute groups for pilot & RPI, compared with expected frequencies from scanner data on sales



The regressions are used to estimate predicted prices for the original and replacement models and then to compute base prices for the new models, adjusted for differences in quality (Ball and Allen, 2003).

The hedonic regression is based on a single month's data, using un-weighted price data for over 300 models obtained from retailer websites. A wide range of attributes data is fed into the regression in order to ensure that all relevant price-determining features are covered, including:

- brand
- processor type
- processor speed
- RAM
- hard disk size
- video card
- screen size
- dimensions
- weight
- battery life
- optical drives (CD ROM/CDRW, DVD ROM/DVD RW, etc)
- pointing device (for example, Track pad)
- operating system
- warranty.

An illustrative example of application is given in Appendix A.

The hedonic models will be updated at least every three months and more frequently if retail research indicates major changes in the market or the predictive powers of the hedonic model deteriorates markedly.

The introduction of a specific (hedonic quality adjusted) price index for pre-pay mobile phone handsets

The cost of pre-pay mobile telephone handsets were previously implicitly included in the expenditure weight for tariff charges relating to mobile telephone calls and other associated services and their price evolution represented by changes in corresponding tariffs. As with laptops, consumer expenditure has increased in recent years to a point where representation in the RPI/CPI baskets by a specific price index is now justified and the high level of technological change warrants explicit quality adjustment using hedonics.

In the case of pre-pay mobile telephones, the attributes data supporting the regression on natural log of price are based on a variety of features, many of which are listed below. In all other respects hedonics is applied in the same way as for other goods, including laptops:

- brand
- bands (dual band allows usage within Europe, tri band allows usage in the US and other countries)
- screen size
- screen colours
- camera present
- multi-media messaging capability
- battery life
- memory
- phone book entries
- quality of ringtones (monophonic, polyphonic, etc.)
- connectivity (for example, infra-red, bluetooth, etc.)
- WAP capabilities (for accessing the Internet)
- games
- dimensions
- MP3 playback.

Adoption of the new ODPM monthly house price index for use in the owner-occupier housing components of the RPI

House prices, based on ODPM data, feed into the following component indices of the RPI:

- mortgage interest payments
- depreciation
- ground rent
- estate agents' fees.

In September 2003, ODPM launched a new experimental house price index which benefited from a greatly enhanced sample of 25,000 mortgage completions per month

(compared with a previous sample size of about 3,000) and also a much more technically rigorous method of adjusting for changes in the quality of houses traded each period via hedonic regression techniques.

ONS took a reserved approach to its inclusion into the RPI and decided to continue to rely for the time being on a monthly index of house prices, especially produced by ODPM for ONS, which is based on the larger sample and same data as the new index but uses a traditional mix-adjustment approach. The latter controls for changes in quality by applying fixed weights to average prices observed each period for groups of homes with broadly similar characteristics.

The new index has been published now for about 18 months and a technical appraisal by government statisticians, incorporating independent expert advice, has concluded that it is superior to the index currently used.

This new index is being used as an input to the RPI from February 2005. No methodological changes are being made in the way that owner-occupier housing costs are measured. For more details, see http://www.odpm.gov.uk/stellent/groups/odpm_housing/documents/page/odpm_house_023922.hcsp

Origins and achievements of the RPI/CPI methodological research programme

The research programme was set up in 1998 largely in response to the Boskin Report (Boskin *et al*, 1996) and its agenda was heavily influenced by Boskin's concentration in identifying and eliminating bias (Baxter and Camus, 1999). The initial three year programme focussed on identifying issues and assessing their impact on the RPI. This was followed by more applied work with more emphasis on actually changing the way the index is calculated by improving methods for estimating quality change in new items (hedonics), and for selecting representative models of items in outlets (probability sampling using checkout scanner data).

The programme for the past three years has also been heavily influenced by the development of the European Harmonised Index of Consumer Prices¹ which the UK Government adopted as its inflation target in December 2003. The Government's requirement for estimates of differences in regional price levels has been another influence and a methodology for calculating these has been developed and results published for 2003 and 2004.

Methodological changes resulting from the research programme are introduced each year for the February index published in March. Articles have explained the changes. Appendix B includes a table giving an overview of research activities and a full bibliography of articles explaining the changes made to the indices.

Research activities were guided throughout by the need to:

- ensure unbiased estimates of consumer inflation that measure what they purport to measure
- ensure measures that are statistically reliable (that is, a sufficient level of precision is achieved)
- make cost effective use of resources.

Future research agenda

The hedonic and local probability sampling techniques developed in 2001–04 have now achieved acceptance and become incorporated into the regular work of ONS. Research staff will be involved in their possible extensions to new areas such as digital camcorders, flat panel (plasma/LCD) televisions, MP3 players and contract mobile telephone handsets but will also return to more strategic issues. These will be assessed in the light of the opportunities raised by the ONS's Statistical Modernisation programme and the re-tendering of the prices collection contract; the priorities identified in the Allsopp review; recent academic research; and newly available data sources. Areas to be covered include:

- strengthening sampling procedures at all levels to ensure that price quotes collected are representative of retail expenditure
- examining the measurement of the price evolution in difficult services such as retail banking or owner-occupier housing costs in the HICP³
- examining alternative data sources, in particular checkout scanner data.

Researchers will also continue to be involved in other forms of continuous improvement. In particular, over the next year a review is to be undertaken of the editing procedures that are used to detect and correct errors in price quotes recorded in shops by price collectors. An audit carried out in 2004 into the reliability of price collectors to select comparable replacements following the disappearance of items after sales indicated that they were highly proficient at making correct choices and that greater weight can be placed on their judgements than currently is the case. Some limited changes to the editing procedures for a small selection of clothing items will therefore be introduced this year as a move in this direction and to inform further investigations. The audit also concluded that more importance should be given to the systematic collection of detailed item descriptions in shops so that Head Office staff have better information on which to judge whether replacement items are comparable or not. It further concluded that more effective editing could be achieved by re-focusing Head Office checking procedures on the most influential price quotes.

Annual articles will record progress on the research agenda.

Notes

- 1 Known in the UK as the Consumer Prices Index.
- 2 Based on Electronic point of sale (EPOS) data obtained from bar code readers.
- 3 This is a complex issue as the HICP requires the use of the net acquisition approach in which the cost of land and properties not new to the household sector must be excluded from the price collection. See (Roe and Fenwick, 2004).
- 4 In the RPI from February 2004.

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Appendix A: Producing a quality adjusted index

Step 1 – Analyse several hundred observations of individual computers to produce a hedonic regression model explaining the effect of different features on the price.

For example:

$$\begin{aligned} \text{Price (in £)} = & \exp [5.5511 + (0.0942 * \text{BrandZ}) + (0.1511 * \text{ProcessorX}) \\ & + (0.0002 * \text{Proc speed}) + (0.0004 * \text{Memory}) \\ & + (0.0029 * \text{Hard disk}) + (0.0337 * \text{DVD ROM}) + (0.0921 * \text{DVD RW})] \end{aligned}$$

Step 2 – use hedonic model to impute a base price for any new types of computer introduced.

This is done by comparing the price predicted (by the model) for the new computer with that predicted for the computer it is replacing. The ratio of these predicted prices gives an estimate of quality change which can be multiplied by the base price for the original model to yield a new base price, adjusted for the quality change.

Attribute	Co-efficient	Old Computer	Predicted Price	New Computer	Predicted Price
Intercept	5.5511	1	257.52	1	257.52
Brand Z	0.0942	1	1.10	1	1.10
Processor X	0.1511	1	1.16	1	1.16
Proc speed	0.0002	2,400	1.55	2400	1.55
Memory	0.0004	256	1.11	512	1.23
Hard disk	0.0029	40	1.12	40	1.12
DVD ROM	0.0337	0	-	0	-
DVD RW	0.0921	1	1.10	1	1.10
Predicted price			698.48		775.78

Note: BrandZ, Processor X, DVD ROM, and DVD RW are dummy variables that can only take the values 0 or 1 for missing or present.

In the case above for example the predicted price for the new model is 775.78 while that for the old model is 698.48. The actual price paid for the old model in the base period (January) was 679.99 so the new base price is $679.99 \times (775.78 / 698.48) = 755.47$.

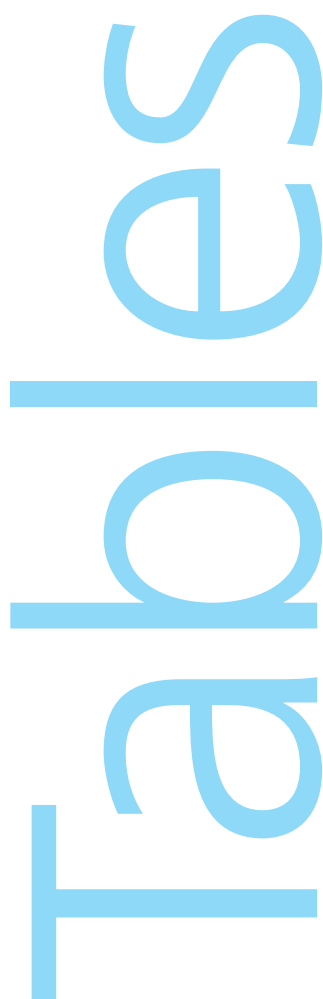
Step 3 – calculate current index with new base price.

For example, the price for the new model in February is 759.99 so its index for February is $(759.99 / 755.47) \times 100 = 100.60$

Appendix B – Table of research

Research task	Implemented	Date
Hedonic Quality adjustment		
Personal Computers	Yes	From February 2003 ⁴
Digital Cameras	Yes	From February 2004
Laptops	Yes	From February 2005
Mobile Telephone Handsets	Yes	From February 2005
Widescreen TVs	No	No (not significantly different
Fridge-Freezers	No	from implicit quality
Radio Cassette Recorders	No	adjustment/not feasible)
VCRs	No	As Widescreen TVs
Microwave ovens	No	As Widescreen TVs
DVDs	No	As Widescreen TVs
Washing Machines	No	As Widescreen TVs
Dishwashers	No	As Widescreen TVs
Cameras	No	As Widescreen TVs
Vacuum Cleaners	No	As Widescreen TVs
Local probability sampling		
Washing Machines	Yes	From February 2004
Dishwashers	Yes	From February 2004
Video recorders	Yes	From February 2004
Widescreen TVs	Yes	From February 2004
Audio systems	Yes	From February 2005
Fridge-freezers	Yes	From February 2005
14" TVs	No	Lack of a variety of models and distinguishing features
Other sampling issues		
Variable 'basket' – to allow the collection of a full basket to be split between locations	Yes	February 2002
Examination of the effects of more precise item descriptions on price variability	Yes	February 2004
Broad item selections (investigation of ways to increase number of price quotes for certain items)	Yes	February 2000
Other		
Review of criteria for selecting aggregation formulae for new items (deciding whether to choose average of relatives or ratio of averages for elementary indices)	Yes	February 2004
Improved methodology for selecting locations for price collection	Yes	From May 2003 and ongoing
Construction of indices of regional price levels	Yes	Estimates produced for 2003 and 2004 based on RPI/CPI data & special surveys

Note: The table excludes general background research undertaken to identify conceptual and measurement issues that have informed specific research projects that have led to the improvements listed above. It also excludes work undertaken annually to: review the RPI/CPI 'basket' of item; update the expenditure weights used to compile the indices; exploit new and improved data sources (Roe, 2004). Improvements in the construction of specific price indices to reflect structural changes in the retail market such as privatisation and internet shopping as also excluded.



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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 1 March 2005.

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 161
- † 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

www.statistics.gov.uk

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	2004	2004 Q2	2004 Q3	2004 Q4	2004 Nov	2004 Dec	2005 Jan	%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	103.6	106.8	106.6	107.2	107.9	..	..	..	0.7
Industrial production	CKYW	97.5	97.3	97.6	98.5	97.3	97.2	97.2	97.7	..	-0.1
Oil and gas extraction	CKZO	98.8	93.0	85.4	89.3	83.6	80.4	80.6	81.4	..	-3.8
Manufacturing	CKYY	96.9	97.3	98.6	99.3	98.5	98.7	98.6	99.1	..	0.2
Construction	GDQB	103.8	109.2	113.2	112.3	113.7	114.6	..	..	..	0.8
Car production (thousands)	FFAO	135.8	138.1	136.7	137.6	137.0	136.9	140.2	135.9	136.1	2.2
Domestic demand											
Retail sales volume (2000 = 100)	EAPS	112.7	116.4	123.3	123.9	125.1	125.3	126.1	124.7	125.8	0.0
GB new registrations of cars ('000s) ¹	BCGT	2 682.0	2 646.2	..	629.8	709.9	..	..	..	..	12.7
Manufacturing: change in inventories (£m, CVM, reference year 2001)	DHBM	-924	-440	-73	-273	-1	-162	..	..	..	..
Prices (12 monthly % change) and earnings (3 month average)											
Consumer prices index ¹	CJYR	1.3	1.4	1.3	1.4	1.2	1.4	1.5	1.6	1.6	..
Retail prices index ¹	CZBH	1.7	2.9	3.0	2.8	3.1	3.4	3.4	3.5	3.2	..
Retail prices index ¹ (less MIPS) ²	CDKQ	2.2	2.8	2.2	2.2	2.1	2.3	2.2	2.5	2.1	..
Producer output prices (less FBTP) ³	EUAA	-0.1	1.3	1.9	1.4	2.0	2.7	2.9	2.4	2.5	..
Producer input prices ⁴	EUAB	-4.6	1.5	4.0	3.9	5.4	6.7	6.8	4.4	9.4	..
GB average earnings -whole economy ⁵	LNNC	..	..	..	4.2	3.8	4.3	4.2	4.3	..	..
Foreign trade⁶ (2001 = 100 volumes unless otherwise stated)											
UK balance on trade in goods (£ million)	BOKI	-46 675	-47 416	-57 629	-14 400	-14 590	-14 281	-4 711	-4 428	..	..
Non EU balance on trade in goods (£ million)	LGDT	-25 010	-21 740	-29 530	-7 085	-7 890	-7 500	-2 590	-2 064	..	..
Non EU exports of goods (excl oil & erratics)	SHDJ	94.0	102.3	106.3	105.2	107.5	113.6	114.1	119.9	..	5.7
Non EU imports of goods (excl oil & erratics)	SHED	97.6	102.7	114.0	112.3	116.3	117.9	118.1	120.3	..	1.4
Non EU import & price index (excl oil) ⁷	LKWQ	94.3	91.2	89.3	89.5	90.1	89.8	90.4	88.2	..	..
Non EU export & price index (excl oil) ⁷	LKVX	99.8	97.0	95.7	95.9	96.0	96.4	96.7	95.3	..	..
Labour market and productivity (2001 = 100 unless otherwise stated)											
UK claimant unemployment (thousands)	BCJD	946.7	933.2	853.6	861.1	835.4	831.1	832.5	824.2	813.2	-1.5
UK employees in manufacturing (thousands)	YEJA	3 599	3 415	3 282	3 282	3 255	3 237	3 238	3 237	..	-0.7
Whole economy productivity ⁸	LNNN	100.7	102.0	..	104.5	104.9	..	..	..	..	0.4
Manufacturing productivity ⁹	LNNX	101.6	107.1	..	112.8	113.0	114.5	114.4	115.3	..	1.3
Unit wage costs - whole economy	LNNK	102.4	104.7	..	106.4	106.4	..	..	..	..	0.0
Unit wage costs - manufacturing	LNNQ	101.9	100.1	..	98.2	98.3	97.9	97.7	97.9	..	-0.4
Financial markets¹											
Sterling ERI (1990=100)	AGBG	106.0	100.2	104.1	105.2	104.8	102.4	101.7	103.2	102.1	-1.2
Average exchange rate /US \$	AUSS	1.50	1.63	1.83	1.81	1.82	1.86	1.86	1.93	1.88	4.6
Average exchange rate /Euro ⁹	THAP	1.59	1.45	1.47	1.50	1.49	1.44	1.43	1.44	1.43	-2.3
3 month inter-bank rate ¹⁰	HSAJ	3.94	3.95	4.81	4.77	4.82	4.81	4.77	4.81	4.79	..
3 month interest on US Treasury bills ¹¹	LUST	1.20	0.93	2.18	1.31	1.68	2.18	2.20	2.18	2.41	..
Monetary conditions/government finances											
M0 (year on year percentage growth)	VQMX	7.9	7.3	6.0	5.8	5.5	5.6	5.2	5.8	5.7	..
M4 (year on year percentage growth)	VQJW	6.3	7.2	8.5	8.0	9.1	8.9	8.8	8.7	8.9	..
Public sector net borrowing (£ million) ^{1,12}	ANNX	-25 156	-35 387	..	-13 916	-8 857	-14 689	-8 227	-5 741	6 585	..
Net lending to consumers (£ million)(broader)	RLMH	21 125	18 956	20 336	5 272	5 090	4 421	1 419	1 564	2 293	3.6

		2004 Jan	2004 Feb	2004 Mar	2004 Apr	2004 May	2004 Jun	2004 Jul	2004 Aug	2004 Sep	2004 Oct	2004 Nov	2004 Dec	2005 Jan	2005 Feb
Activity and expectations															
CBI output expectations balance ¹	ETCU	21	14	15	12	22	15	6	19	12	14	5	-6	10	19
CBI optimism balance ¹	ETBV	17	..	..	12	..	..	7	..	..	-10	..	..	-22	..
CBI price expectations balance	ETDQ	-2	-1	-3	-	1	5	6	10	9	-1	13	10	16	12
New engineering orders (2000 = 100)	JIQH	85.2	66.4	84.9	73.8	83.5	81.8	82.8	73.7	78.7	78.1	81.2	80.7	..	..

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

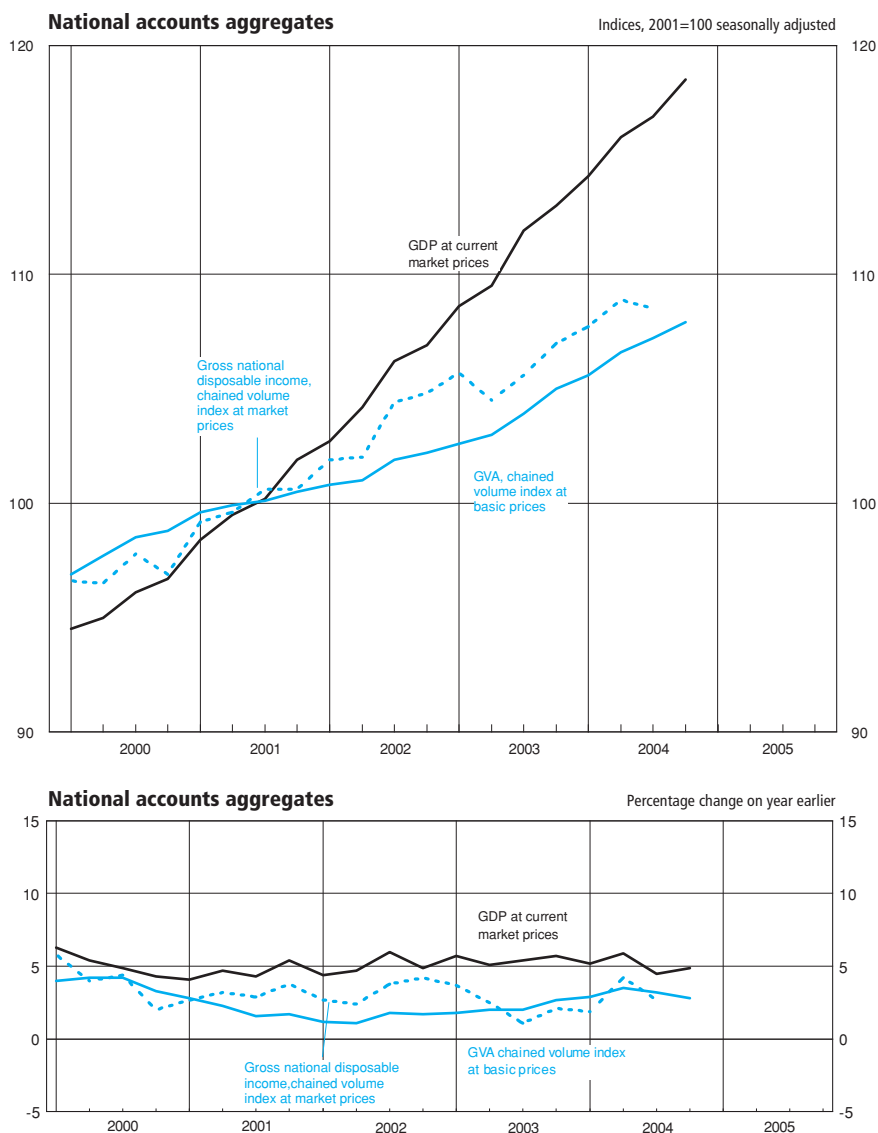
	£ million		Indices (2001 = 100)						
	At current prices		Value indices at current prices		Chained volume indices			Implied deflators ²	
	Gross domestic product at market prices	Gross value added (GVA) at basic prices	Gross domestic product at market prices ¹	Gross Value added (GVA) at basic prices	Gross 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	103.3	101.8	101.5	103.2	103.6
2003	1 101 241	977 154	110.8	110.9	105.7	104.0	103.6	106.5	107.0
2004	1 158 026	1 026 452	116.5	116.5	..	107.2	106.8	108.6	109.1
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	101.9	100.9	100.8	101.7	102.0
Q2	258 981	229 701	104.2	104.3	102.0	101.3	101.0	102.8	103.2
Q3	264 015	234 331	106.2	106.4	104.4	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	269 942	239 786	108.6	108.8	105.7	103.0	102.6	105.4	106.1
Q2	272 187	241 505	109.5	109.6	104.5	103.4	103.0	105.9	106.4
Q3	278 221	246 780	111.9	112.0	105.6	104.3	103.9	107.3	107.8
Q4	280 891	249 083	113.0	113.1	107.0	105.3	105.0	107.3	107.7
2004 Q1	284 244 [†]	251 883 [†]	114.3 [†]	114.3 [†]	107.7	105.9 [†]	105.6 [†]	107.9 [†]	108.3 [†]
Q2	288 416	255 873	116.0	116.2	108.9	107.0	106.6	108.4	108.9
Q3	290 697	257 669	116.9	117.0	108.5	107.6	107.2	108.7	109.2
Q4	294 669	261 027	118.5	118.5	..	108.3	107.9	109.4	109.8
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	2.7	1.6	1.2	2.6	3.3
Q2	4.7	4.9	4.7	4.9	2.4	1.5	1.2	3.1	3.6
Q3	6.0	6.2	6.0	6.2	3.8	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	5.7	5.9	5.7	5.9	3.7	2.1	1.8	3.6	4.0
Q2	5.1	5.1	5.1	5.1	2.5	2.1	2.0	3.0	3.1
Q3	5.4	5.3	5.4	5.3	1.1	2.1	2.0	3.3	3.3
Q4	5.7	5.6	5.7	5.6	2.1	2.6	2.8	2.9	2.8
2004 Q1	5.3 [†]	5.0 [†]	5.3 [†]	5.0 [†]	1.9	2.8 [†]	2.9 [†]	2.4 [†]	2.1 [†]
Q2	6.0	5.9	6.0	5.9	4.2	3.5	3.5	2.4	2.3
Q3	4.5	4.4	4.5	4.4	2.7	3.2	3.1	1.3	1.3
Q4	4.9	4.8	4.9	4.8	..	2.8	2.7	2.0	1.9

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

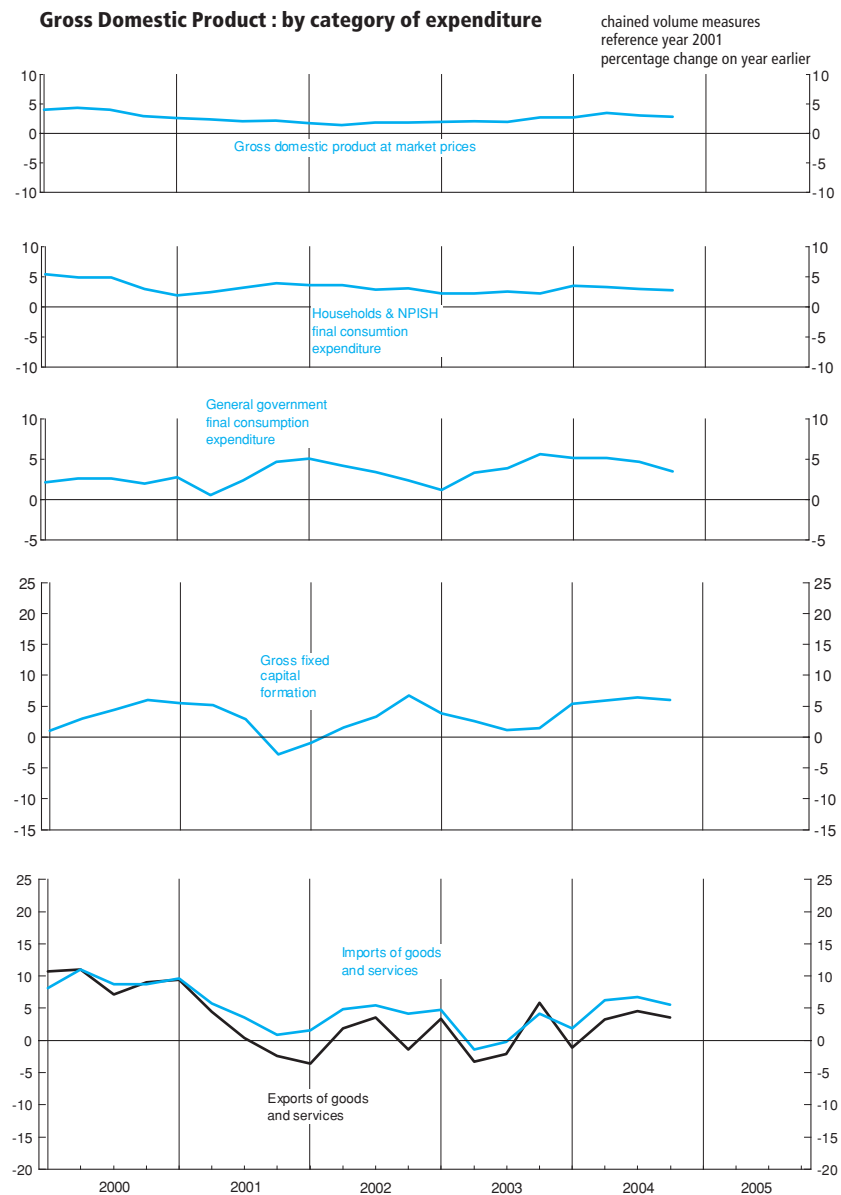
Domestic expenditure on goods and services at market prices												
	Final consumption expenditure			Gross capital formation				Exports of goods and services+	Gross final expenditure	Imports of goods and services+ less	Statistical discrepancy (expenditure)	Gross domestic product at market prices
	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	670 729	26 487	203 674	173 704	2 467	11	1 077 072	275 058	1 352 130	317 645	—288	1 034 198
2004	691 590	27 470	213 116	183 994	462	7	1 116 640	282 232	1 398 872	333 903	1 150	1 066 119 [†]
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	165 566	6 561	49 986	42 738	1 756	4	266 611	69 446	336 056	79 934	—50	256 073
Q2	167 003	6 623	50 345	43 265	—552	103	266 787	67 933	334 720	77 631	—66	257 023
Q3	168 625	6 633	51 137	43 472	562	—53	270 375	67 836	338 211	78 846	—80	259 285
Q4	169 535	6 670	52 206	44 229	701	—43	273 299	69 843	343 143	81 234	—92	261 817
2004 Q1	171 318 [†]	6 758 [†]	52 585 [†]	45 027 [†]	57 [†]	118 [†]	275 863 [†]	68 710 [†]	344 574 [†]	81 435 [†]	206 [†]	263 344 [†]
Q2	172 578	6 823	52 952	45 835	43	—75	278 156	70 166	348 321	82 558	275	266 039
Q3	173 528	6 916	53 562	46 251	24	—79	280 202	70 989	351 190	84 106	322	267 406
Q4	174 166	6 973	54 017	46 881	338	43	282 419	72 367	354 787	85 804	347	269 330
<i>Percentage change, latest quarter on corresponding quarter of previous year</i>												
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	3.1	1.2	3.9			2.5	3.4	2.7	4.8		2.0
Q2	2.1	3.5	3.3	2.6			2.5	—3.3	1.3	—1.4		2.1
Q3	2.6	2.3	3.9	1.1			2.5	—2.1	1.5	—0.2		2.0
Q4	2.2	1.6	5.6	1.4			2.3	5.9	3.1	4.2		2.7
2004 Q1	3.5 [†]	3.0	5.2 [†]	5.4 [†]			3.5 [†]	—1.1 [†]	2.5 [†]	1.9 [†]		2.8 [†]
Q2	3.3	3.0	5.2	5.9			4.3	3.3	4.1	6.3		3.5
Q3	2.9	4.3 [†]	4.7	6.4			3.6	4.6	3.8	6.7		3.1
Q4	2.7	4.5	3.5	6.0			3.3	3.6	3.4	5.6		2.9

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



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
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	1 101 241	1 413 077	51.1	16.3	12.9	19.8	22.0	3.0	56.0	6.3	12.8
2004	1 158 026	1 481 632	..	..	..	..	..	..	..	..	..
Quarterly											
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	269 942	348 076	50.9	16.0	12.9	20.3	22.4	2.7	56.0	6.2	12.7
Q2	272 187	348 459	51.4	16.3	12.5	19.8	21.5	3.1	56.4	6.3	12.8
Q3	278 221	356 016	51.1	16.3	13.1	19.5	22.3	2.9	55.8	6.2	12.8
Q4	280 891	360 526	50.9	16.5	13.0	19.6	21.8	3.4	55.9	6.3	12.8
2004 Q1	284 244 [†]	362 211 [†]	51.4	16.5	13.3	18.9	21.6	3.1	56.2	6.3	12.9
Q2	288 416	368 236	51.1	16.5	13.3	19.1	22.2	2.8	55.9	6.3	12.8
Q3	290 697	372 775	50.9	16.7	13.2	19.2	22.0	3.2	55.8	6.4	12.7
Q4	294 669	378 410	..	..	..	..	..	..	..	..	..

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

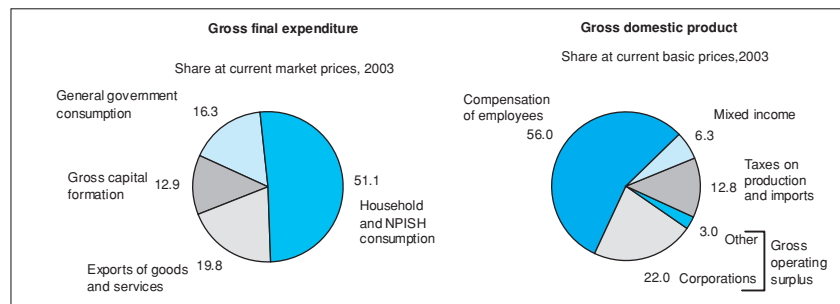
2.4 Income, product and spending per head

£

	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
2001	16 981	16 837	11 175	11 880	16 839	11 176	11 882
2002	17 992	17 628	11 687	12 195	17 084	11 509	12 009
2003	18 908	18 547	12 156	12 703	17 418	11 744	12 272
Quarterly							
2001 Q1	4 181	4 153	2 735	2 925	4 191	2 760	2 952
Q2	4 232	4 192	2 775	2 942	4 204	2 778	2 946
Q3	4 262	4 213	2 820	2 990	4 217	2 810	2 979
Q4	4 306	4 279	2 845	3 023	4 227	2 828	3 005
2002 Q1	4 378	4 311	2 875	3 000	4 237	2 844	2 967
Q2	4 431	4 372	2 908	3 061	4 252	2 868	3 019
Q3	4 575	4 457	2 931	3 063	4 290	2 885	3 015
Q4	4 608	4 488	2 973	3 071	4 305	2 912	3 008
2003 Q1	4 682	4 552	2 986	3 098	4 318	2 903	3 012
Q2	4 654	4 586	3 019	3 196	4 331	2 926	3 097
Q3	4 753	4 684	3 062	3 180	4 365	2 951	3 064
Q4	4 819	4 725	3 089	3 229	4 404	2 964	3 099
2004 Q1	4 878	4 781	3 133	3 249	4 442	3 003	3 114
Q2	4 944	4 845	3 164	3 304	4 480	3 025	3 159
Q3	4 965	4 896	3 192	3 343	4 501	3 043	3 187

Source: Office for National Statistics; Enquiries 020 7533 6031

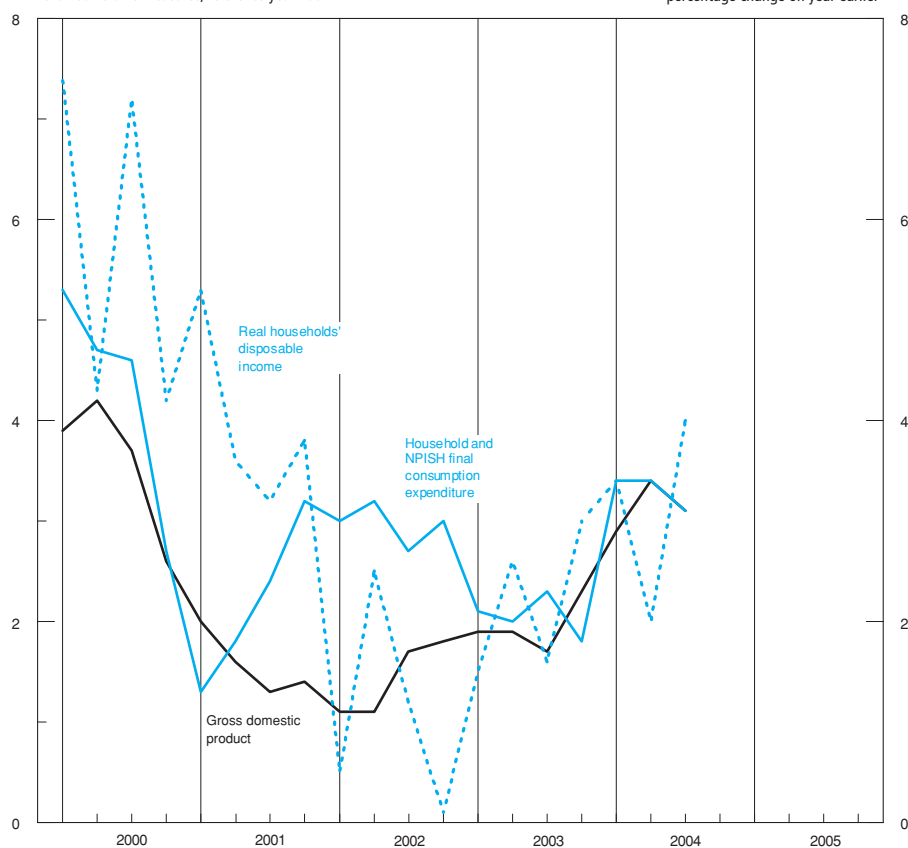
Shares of income and expenditure



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	1 012 269	486 302	701 585	4 002	705 587	659 928	6.5	701 585	659 928	100.0
2002	1 046 953	505 659	722 389	8 348	730 737	692 255	5.3	711 357	681 683	101.4
2003	1 093 664	523 628	754 287	11 271	765 558	721 750	5.7	728 647	697 216	103.9
2004	..	..	..	..	..	754 374	..	..	719 060	..
Quarterly										
2001 Q1	251 178	119 880	172 262	1 970	174 232	161 094	7.5	173 830	162 563	99.1
Q2	251 365	121 030	173 633	1 159	174 792	163 740	6.3	173 828	163 926	99.1
Q3	252 710	122 127	176 752	481	177 233	166 724	5.9	176 074	166 087	100.4
Q4	257 016	123 265	178 938	392	179 330	168 370	6.1	177 853	167 352	101.4
2002 Q1	257 675	124 658	177 654	2 097	179 751	170 240	5.3	175 740	168 409	100.2
Q2	261 945	126 270	181 335	1 596	182 931	172 263	5.8	178 849	169 904	102.0
Q3	263 633	126 629	181 466	2 387	183 853	173 634	5.6	178 582	170 877	101.8
Q4	263 700	128 102	181 934	2 268	184 202	176 118	4.4	178 186	172 493	101.6
2003 Q1	267 025	128 918	183 723	3 142	186 865	177 045	5.3	178 619	172 127	101.8
Q2	273 981	129 998	189 696	1 409	191 105	179 175	6.2	183 821	173 626	104.8
Q3	275 076	131 652	188 866	3 366	192 232	181 889	5.4	181 980	175 258	103.8
Q4	277 582	133 060	192 002	3 354	195 356	183 641	6.0	184 227	176 205	105.0
2004 Q1	280 471	135 464	192 901	3 793	196 694	185 923 [†]	5.4	184 908	178 076 [†]	105.4
Q2	284 501	136 604	196 179	2 681	198 860	187 865	5.5	187 566	179 401	106.9
Q3	289 160	137 770	198 467	2 267	200 734	189 563	5.6	189 213	180 444	107.9
Q4	..	..	..	..	..	191 023	..	..	181 139	..

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 (2001 = 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	Household goods & services	Health	Transport	Communication	Recreation & culture	Education	Restaurants & hotels	Miscellaneous
COICOP ³	-	-	0	01	02	03	04	05	06	07	08	09	10	11	12
Annual															
2001	ABJR	ABTH	ZAKW	ZWUN	ZAKY	ZALA	ZAVO	ZAVW	ZAWC	ZAWM	ZAWW	ZAXA	ZWUT	ZAXS	ZAYG
2002	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
2003	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
2004	670 729	10 840	659 889	62 178	25 965	44 047	115 973	39 515	11 065	96 321	15 113	83 974	8 482	75 773	81 483
	691 590	..	..	..	..	..	..	..	..	..	..	..	..	..	..
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	165 566	2 844	162 722	15 561	6 435	10 704	28 909	9 673	2 682	23 736	3 676	20 391	2 016	18 538	20 401
Q2	167 003	2 677	164 326	15 575	6 463	10 925	28 846	10 191	2 752	24 148	3 764	20 723	2 080	18 624	20 235
Q3	168 625	2 758	165 867	15 473	6 529	11 127	28 950	9 862	2 784	24 217	3 834	21 294	2 158	19 251	20 388
Q4	169 535	2 561	166 974	15 569	6 538	11 291	29 268	9 789	2 847	24 220	3 839	21 566	2 228	19 360	20 459
2004 Q1	171 318 [†]	2 927 [†]	168 391 [†]	15 845 [†]	6 544 [†]	11 627 [†]	29 368 [†]	9 875 [†]	2 811 [†]	24 250 [†]	3 914 [†]	22 053 [†]	2 293 [†]	19 280 [†]	20 531 [†]
Q2	172 578	2 781	169 797	15 879	6 564	11 926	29 561	10 120	2 842	24 117	3 931	22 768	2 347	19 338	20 404
Q3	173 528	3 068	170 460	15 854	6 550	11 950	29 476	10 420	2 855	24 298	4 126	22 618	2 405	19 389	20 519
Q4	174 166	..	..	..	..	..	..	..	..	..	..	..	..	..	..

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

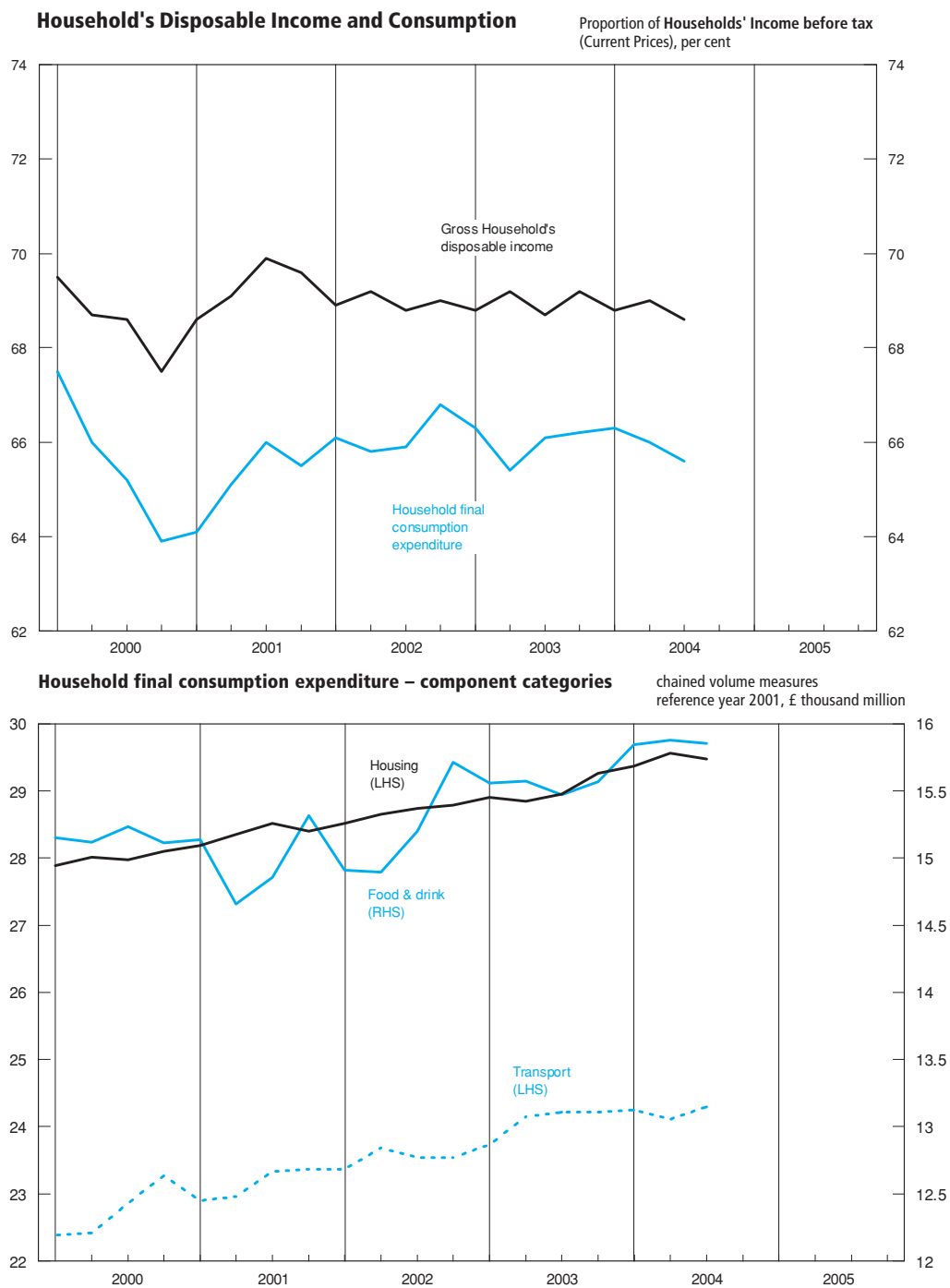
2 More detailed estimates of Household Final Consumption Expenditure, expressed in both current prices and chained volume measures

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



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	
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	111 108	18 256	-185	31 810	12 715	173 704	15 507	56 928	35 095	60 419	5 755	
2004	117 058	..	..	..	..	183 994	..	..	..	..	..
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	27 072	4 505	-13	7 681	3 493	42 738	4 061	14 315	8 561	14 392	1 409	
Q2	27 875	4 317	-32	7 966	3 139	43 265	3 715	13 962	8 724	15 440	1 424	
Q3	27 876	4 644	-80	8 019	3 013	43 472	3 911	14 172	8 872	15 071	1 446	
Q4	28 285	4 790	-60	8 144	3 070	44 229	3 820	14 479	8 938	15 516	1 476	
2004 Q1	28 781 [†]	4 797 [†]	-57 [†]	8 482 [†]	3 024 [†]	45 027 [†]	3 647 [†]	15 021 [†]	9 188 [†]	15 674 [†]	1 497 [†]	
Q2	29 107	4 878	-74	8 625	3 299	45 835	3 772	15 171	9 532	15 834	1 526 [†]	
Q3	29 488	4 869	-78	8 720	3 252	46 251	3 699	15 134	9 678	16 183	1 557	
Q4	29 682	..	..	..	..	46 881	..	..	..	..	..
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	18.2		13.6	17.1	3.9	0.2	-0.1	15.1	2.6	9.6	
Q2	-0.4	21.9		11.4	-10.3	2.6	-9.5	-5.7	12.1	9.5	3.1	
Q3	-0.4	20.8		6.8	-18.3	1.1	-6.9	-4.4	7.9	5.0	4.1	
Q4	-2.1	36.2		5.0	-11.6	1.4	-7.4	-1.2	2.7	5.6	1.9	
2004 Q1	6.3 [†]	6.5 [†]		10.4 [†]	-13.4 [†]	5.4 [†]	-10.2 [†]	4.9 [†]	7.3 [†]	8.9 [†]	6.2 [†]	
Q2	4.4	13.0		8.3	5.1	5.9	1.5	8.7	9.3	2.6	7.2 [†]	
Q3	5.8	4.8		8.7	7.9	6.4	-5.4	6.8	9.1	7.4	7.7	
Q4	4.9	..		..	..	6.0	..	..	..	..	..

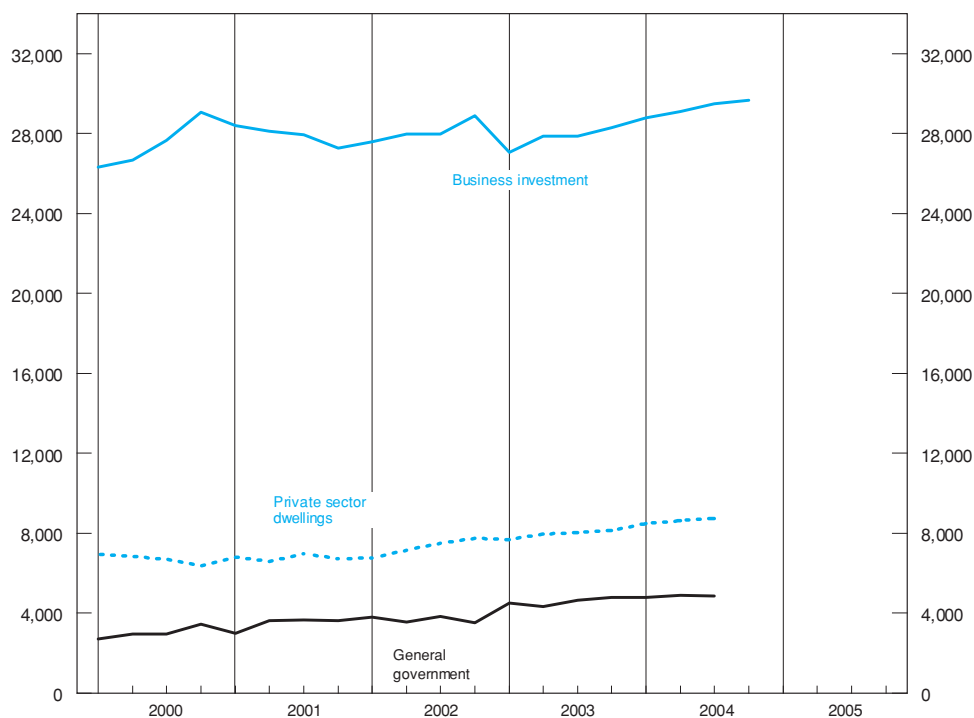
1 Not including dwellings and costs associated with the transfer of ownership of non-produced assets.

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

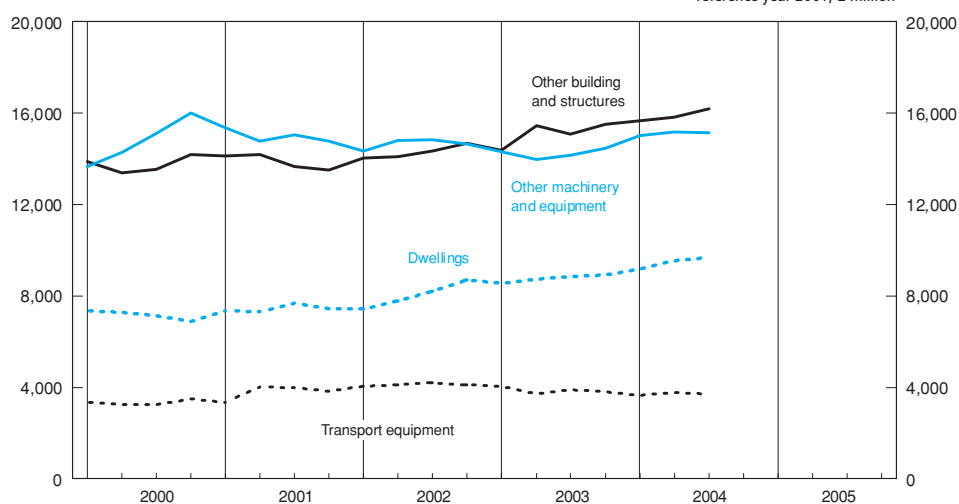
3 Including costs associated with transfer of ownership of non-produced assets.

Source: Office for National Statistics; Enquiries 020 7533 6010

Gross fixed capital formation-by sector

Chained 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

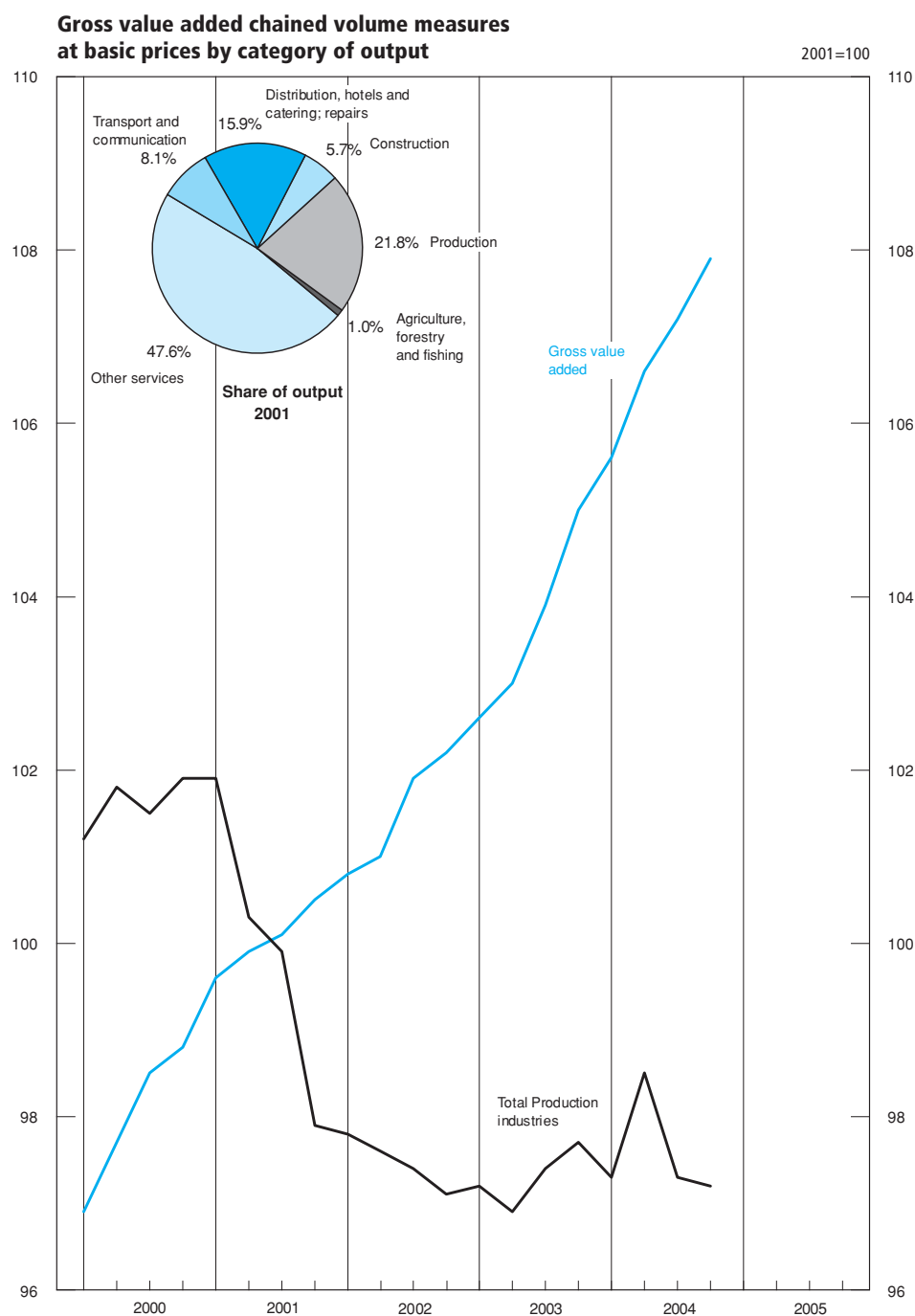
	Production						Service industries						Gross value added at basic prices	Gross value added excluding oil
	Agriculture, forestry, and fishing	Mining and quarrying including oil and gas extraction	Manufacturing	Electricity gas and water supply	Total	Construction	Distribution hotels and catering; repairs	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	
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	94.2	97.3	101.4	97.3	109.2	107.9	102.8	105.7	104.0	105.3	103.6	103.9	
2004	109.2 [†]	87.1 [†]	98.6 [†]	103.5 [†]	97.6 [†]	113.1 [†]	112.9 [†]	106.9 [†]	111.1	106.5 [†]	109.5 [†]	106.8	107.4	
Quarterly														
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	99.5	
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	108.3	98.8	96.7	99.3	97.2	105.9	105.9	102.5	104.4	103.5	104.2	102.6	102.7	
Q2	108.4	94.8	96.9	100.4	96.9	108.0	107.3	102.6	104.4	103.7	104.7	103.0	103.2	
Q3	109.5	92.8	97.6	102.0	97.4	111.1	108.6	102.7	105.9	104.1	105.6	103.9	104.3	
Q4	109.8	90.4	98.2	103.8	97.7	111.8	109.7	103.4	108.2	104.7	106.9	105.0	105.4	
2004 Q1	109.2 [†]	89.3 [†]	97.9	103.2 [†]	97.3	112.0	111.4 [†]	104.5 [†]	109.6 [†]	105.1	108.0	105.6 [†]	106.1 [†]	
Q2	108.8	90.6	99.3 [†]	103.1	98.5 [†]	112.3	112.8	106.0	110.2	106.3	109.1	106.6	107.1	
Q3	109.1	85.5	98.5	103.8	97.3	113.6 [†]	113.7	107.9	111.4	107.0	110.1	107.2	107.8	
Q4	109.8	83.0	98.7	103.8	97.2	114.5	113.8	109.2	113.0	107.6 [†]	111.1	107.9	108.6	
Percentage change, latest quarter on corresponding quarter of last year														
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	3.0	
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	1.4	
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	-1.9	-0.7	-0.8	1.3	-0.6	2.9	2.7	1.7	3.4	1.5	2.5	1.8	1.8	
Q2	-4.0	-9.5	0.6	1.5	-0.7	5.3	3.1	2.4	3.0	1.4	2.5	2.0	2.3	
Q3	-2.9	-2.5	0.2	1.2	0.0	6.6	3.1	1.2	3.0	1.1	2.2	2.0	2.2	
Q4	-1.4	-9.0	1.9	3.4	0.6	5.9	3.1	0.9	5.2	1.5	3.1	2.7	3.0	
2004 Q1	0.8 [†]	-9.6 [†]	1.2	3.9 [†]	0.1	5.8	5.2 [†]	2.0 [†]	5.0 [†]	1.5	3.6	2.9 [†]	3.3 [†]	
Q2	0.4	-4.4	2.5 [†]	2.7	1.7 [†]	4.0	5.1	3.3	5.6	2.5	4.2	3.5	3.8	
Q3	-0.4	-7.9	0.9	1.8	-0.1	2.3 [†]	4.7	5.1	5.2	2.8	4.3	3.2	3.4	
Q4	0.0	-8.2	0.5	0.0	-0.5	2.4	3.7	5.6	4.4	2.8 [†]	3.9	2.8	3.0	

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					Total 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	
<i>2001 weights</i>	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
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	110.1	100.8	106.0	100.8	110.4	103.5	104.8	101.2	107.8	102.0	114.5	105.3
2004	..	..	..	..	..	..	..	..	..	..	..	..	109.5 [†]
Quarterly													
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	98.9	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	105.3	108.2	100.9	105.1	99.7	107.5	102.9	104.4	101.5	106.4	101.4	108.6	104.2
Q2	106.5	110.3	99.7	107.2	100.3	108.6	103.1	104.8	101.2	107.0	101.6	113.8	104.7
Q3	108.1	110.6	101.0	105.3	100.5	111.0	103.5	104.9	101.0	108.0	102.2	115.8	105.6
Q4	109.3	111.1	101.4	106.5	102.9	114.4	104.3	105.2	100.9	109.6	102.7	119.8	106.9
2004 Q1	111.0 [†]	112.9 [†]	103.7 [†]	105.9 [†]	105.5 [†]	116.6 [†]	104.8	105.6	100.8	111.0 [†]	102.3	124.0	108.0
Q2	112.2	115.1	105.2	107.3	103.8	118.2	105.1 [†]	106.1 [†]	100.7	111.9	106.1 [†]	125.2	109.1
Q3	113.1	115.6	105.3	112.0	105.9	119.8	105.3	106.5	100.8	113.1	107.1	127.3 [†]	110.1
Q4	..	..	..	..	..	..	..	..	..	..	..	..	111.1
Percentage change, quarter on corresponding quarter of previous year													
Quarterly													
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	4.2
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	1.5	7.0	0.1	4.3	1.3	6.0	1.6	2.9	0.4	4.3	-2.1	8.6	2.5
Q2	1.8	7.9	-1.1	8.1	3.3	5.6	1.8	2.3	0.0	3.6	-0.6	11.8	2.5
Q3	2.4	6.0	-0.7	3.9	0.8	6.4	1.5	1.8	-0.2	3.2	-0.8	12.0	2.2
Q4	2.9	3.7	-0.6	3.0	2.7	9.2	2.1	1.3	-0.5	4.4	0.2	12.6	3.1
2004 Q1	5.4 [†]	4.3 [†]	2.8 [†]	0.8 [†]	5.8 [†]	8.5 [†]	1.8	1.1	-0.7	4.3 [†]	0.9	14.2	3.6
Q2	5.4	4.4	5.5	0.1	3.5	8.8	1.9 [†]	1.2 [†]	-0.5	4.6	4.4 [†]	10.0	4.2
Q3	4.6	4.5	4.3	6.4	5.4	7.9	1.7	1.5	-0.2	4.7	4.8	9.9 [†]	4.3
Q4	..	..	..	..	..	..	..	..	..	..	..	..	3.9

1 Public administration and national defence; compulsory social security.

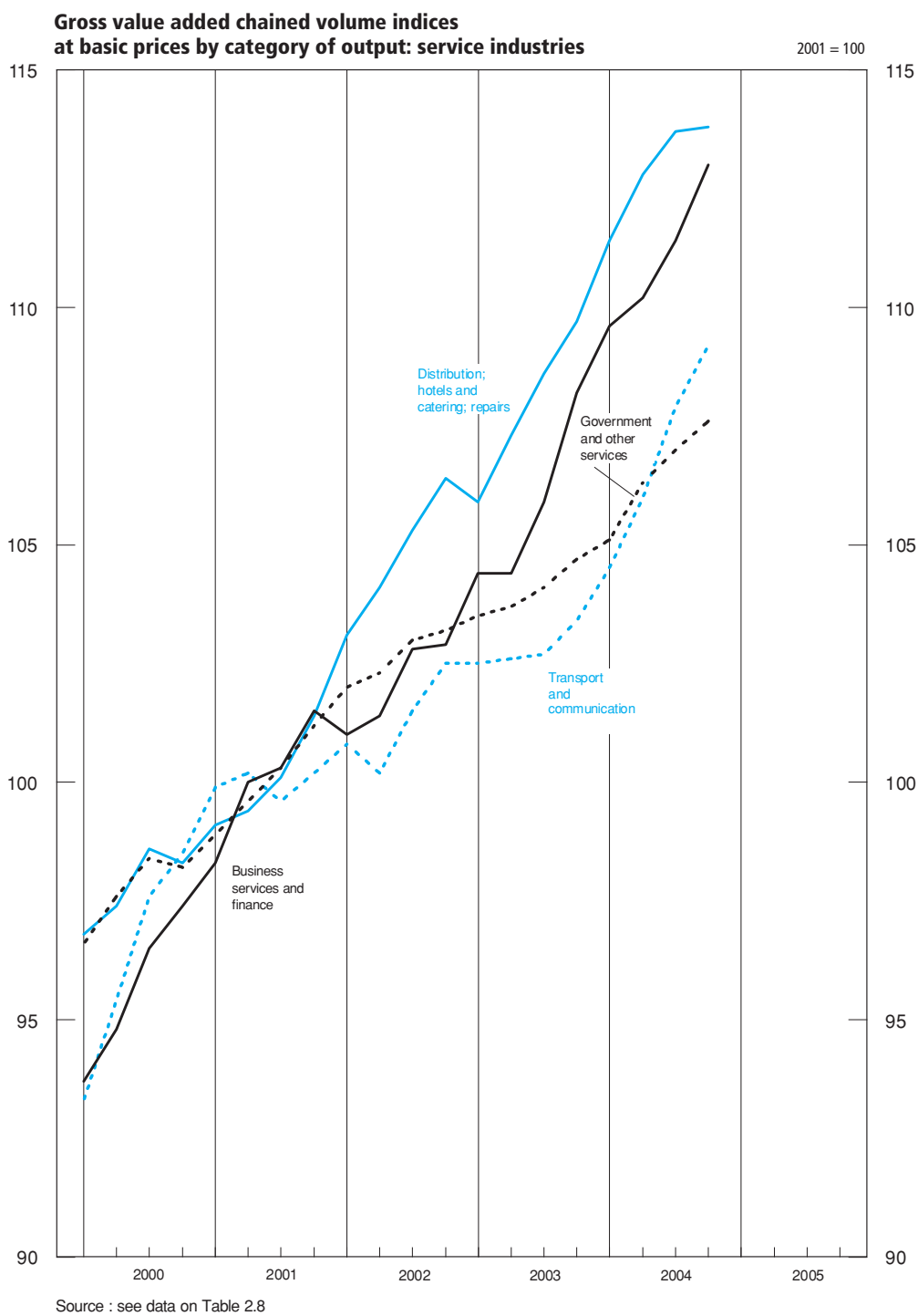
2 Comprising sections O, and P of the SIC(92).

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 7533 5969



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	-12 926	—	10 739	-37	27 728	-2 204	11 964	-776	
2001	89 361	2 661	103 892	1 139	-10 279	—	7 232	25	24 957	-4 081	13 929	-915	
2002	103 573	3 277	99 072	1 431	12 951	—	6 837	-36	1 501	-5 076	14 781	-1 087	
2003	114 068	4 348	99 552	1 241	17 122	—	3 608	-3	-11 559	-7 124	18 342	-957	
Quarterly													
2000 Q1	22 589	588	25 277	208	1 109	—	2 151	-16	7 599	-922	2 610	-185	
Q2	24 275	324	24 744	185	-3 371	—	2 416	-13	7 717	-139	2 917	-189	
Q3	23 606	359	25 612	185	-2 864	—	3 170	-7	6 647	-575	2 974	-196	
Q4	23 812	367	26 133	278	-7 800	—	3 002	-1	5 765	-568	3 463	-206	
2001 Q1	23 181	599	25 610	255	-6 341	—	2 363	5	8 217	-768	2 923	-220	
Q2	21 798	627	26 143	285	-1 754	—	2 203	8	6 834	-1 204	3 700	-220	
Q3	23 440	719	26 573	314	-2 548	—	1 306	8	6 594	-1 140	3 682	-236	
Q4	20 942	716	25 566	285	364	—	1 360	4	3 312	-969	3 624	-239	
2002 Q1	23 044	747	24 751	368	2 470	—	914	-3	1 685	-1 241	3 807	-281	
Q2	24 324	631	23 601	329	1 376	—	1 136	-9	407	-1 010	3 689	-233	
Q3	27 751	814	24 879	363	3 055	—	3 090	-12	1 044	-1 336	3 832	-240	
Q4	28 454	1 085	25 841	371	6 050	—	1 697	-12	-1 635	-1 489	3 453	-333	
2003 Q1	28 872	1 118	23 747	280	5 712	—	2 136	-3	-1 351	-1 948	4 382	-203	
Q2	25 505	1 733	23 782	332	2 932	—	794	—	-2 216	-2 477	4 382	-256	
Q3	28 884	847	25 959	365	3 761	—	217	1	-2 457	-1 475	4 740	-253	
Q4	30 807	650	26 064	264	4 717	—	461	-1	-5 535	-1 224	4 838	-245	
2004 Q1	32 262	708	26 207	318	1 166	—	272	—	-2 371	-1 118	4 767	-244	
Q2	32 011	796	25 933	375	1 763	—	780	-2	-1 469	-1 442	5 135	-277	
Q3	31 101	684	25 976	408	1 502	—	993	-2	-3 096	-1 219	5 599	-281	
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	33 306	2 300	39 249	-67	-9 698	-23 628	14 336	-3 576	22 567	—			
2001	45 659	3 023	43 985	-152	-16 360	-17 536	7 862	4 849	21 185	—			
2002	38 482	3 099	49 958	-176	2 573	6 150	-17 269	-8 201	16 747	—			
2003	43 808	4 443	56 844	-210	13 826	13 517	-36 068	-8 383	17 275	-167			
Quarterly													
2000 Q1	5 684	553	10 410	-24	-2 913	-1 026	4 252	-4 149	3 837	-1 988			
Q2	6 038	473	9 842	-16	-1 152	-5 774	4 850	-3 315	5 391	-2 588			
Q3	9 016	616	9 585	-12	-2 619	-6 027	3 294	59	5 293	1 811			
Q4	12 568	658	9 412	-15	-3 014	-10 801	1 940	3 829	8 046	2 765			
2001 Q1	13 138	418	10 891	-25	-3 021	-8 709	4 746	2 690	4 294	-5 248			
Q2	11 052	1 266	10 380	-36	-4 859	-3 965	2 150	1 974	4 700	-3 324			
Q3	10 509	747	11 672	-44	-3 476	-3 862	2 008	-372	5 702	1 888			
Q4	10 960	592	11 042	-47	-5 004	-1 000	-1 042	557	6 489	6 684			
2002 Q1	9 511	720	11 832	-47	-2 091	1 559	-3 070	-1 566	5 168	-6 300			
Q2	10 668	664	12 809	-45	293	249	-4 054	-1 437	4 949	-3 098			
Q3	10 219	823	12 204	-43	2 657	-23	-3 887	-1 116	2 369	6 212			
Q4	8 084	892	13 113	-41	1 714	4 365	-6 258	-4 082	4 261	3 186			
2003 Q1	9 820	1 122	13 286	-46	4 596	3 579	-7 478	-2 298	1 623	-2 865			
Q2	11 930	1 031	13 702	-49	2 242	2 138	-8 819	-692	5 164	-3 601			
Q3	10 343	1 056	14 965	-55	2 603	3 543	-8 419	-3 511	5 831	3 459			
Q4	11 715	1 234	14 891	-60	4 385	4 257	-11 352	-1 882	4 657	2 840			
2004 Q1	10 669	1 182	16 105	-65	5 603	894	-8 012	-4 189	5 795	-4 586			
Q2	11 010	1 384	16 417	-68	5 661	985	-7 769	-3 955	5 184	-4 524			
Q3	11 211	944	16 075	-71	4 591	511	-9 633	-3 849	8 494	2 446			

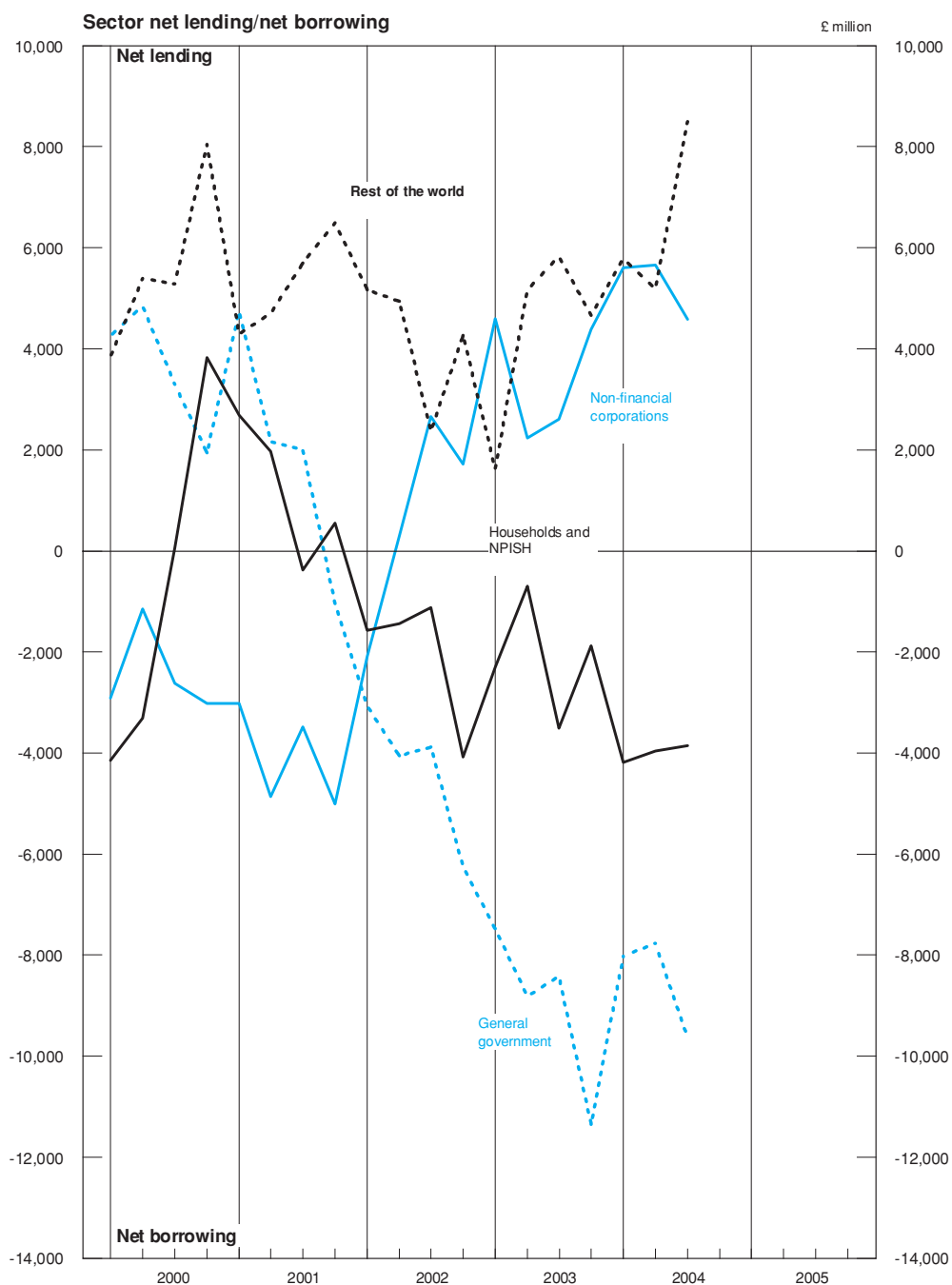
1 Before providing for depreciation, inventory holding gains.

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

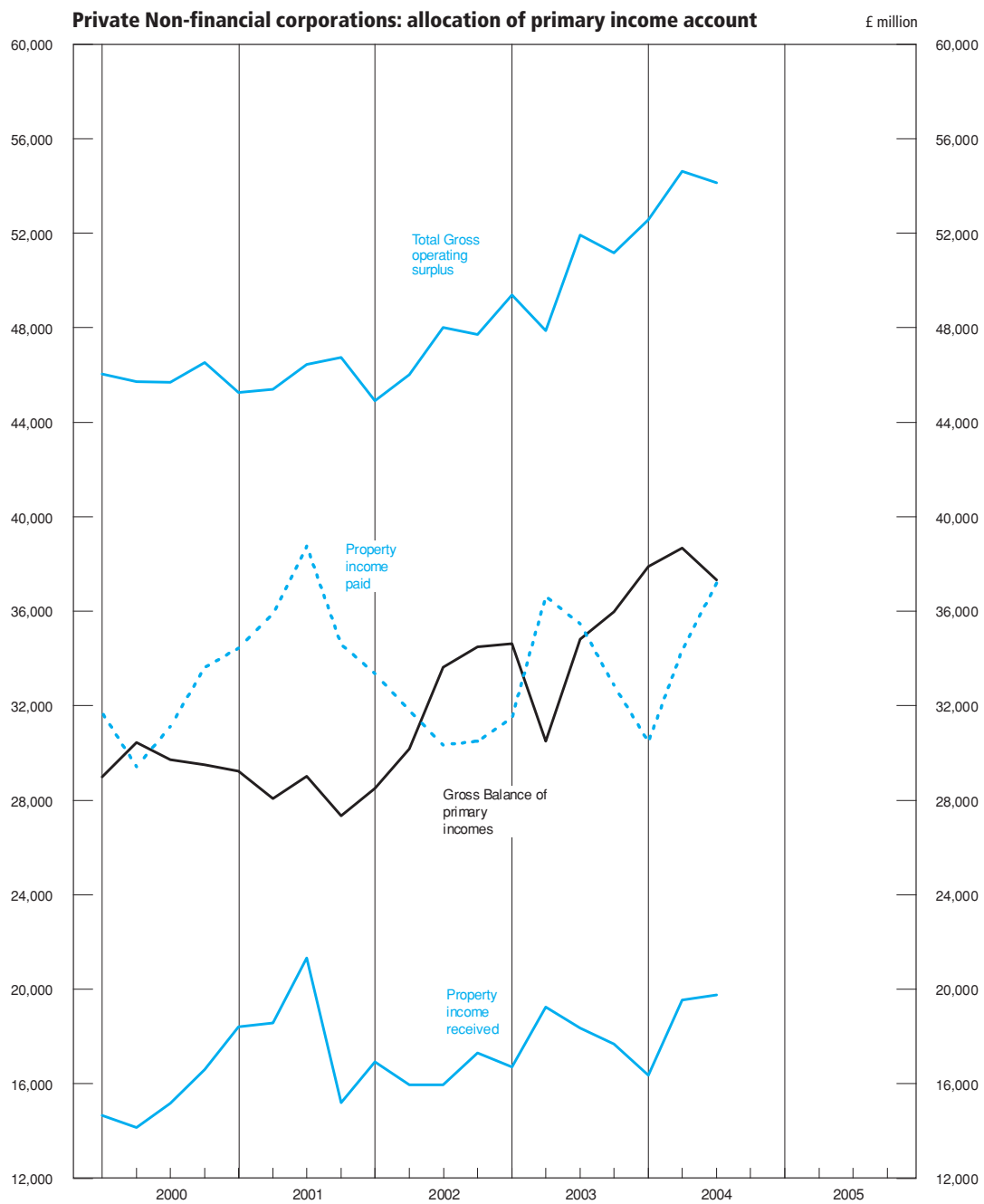
£ million

	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													
	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	66 129	252 798	125 996	61 580	36 679	126 802	11.9	
2003	18 956	168 526	14 539	-1 630	200 391	72 011	272 402	136 487	71 336	36 436	135 915	12.1	
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	24 923	12 502	5 962	29 316	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	27 613	15 470	6 487	27 831	13.6	
Q4	3 357	35 846	2 429	-71	41 561	11 018	52 579	27 483	12 912	6 954	25 096	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	16 937	61 865	33 371	17 603	9 099	28 494	11.0	
Q2	4 786	38 487	3 506	-763	46 016	15 961	61 977	31 800	15 782	9 163	30 177	11.5	
Q3	4 793	40 568	3 480	-822	48 019	15 939	63 958	30 330	14 894	9 117	33 628	12.4	
Q4	5 294	39 968	3 419	-975	47 706	17 292	64 998	30 495	13 301	9 300	34 503	12.7	
2003 Q1	5 195	41 369	3 589	-750	49 403	16 721	66 124	31 502	14 925	9 264	34 622	12.5	
Q2	4 149	40 469	3 619	-350	47 887	19 243	67 130	36 629	20 170	8 967	30 501	11.0	
Q3	4 955	43 680	3 649	-350	51 934	18 362	70 296	35 469	19 410	9 069	34 827	12.3	
Q4	4 657	43 008	3 682	-180	51 167	17 685	68 852	32 887	16 831	9 136	35 965	12.6	
2004 Q1	4 942	43 507	3 718	-165	52 593 [†]	16 365	68 367	30 463	13 944	9 548	37 904	13.1	
Q2	5 211	44 697	3 760	-165	54 638	19 534	73 037	34 364	16 529	10 142	38 673	13.2	
Q3	5 674	45 469	3 802	-192	54 131	19 763	74 516	37 186	19 091	10 242	37 330	12.7	

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	126 802	10 428	137 230	24 156	10 850	102 224	1 718	103 942	97 108	2 007	1 212	3 615
2003	135 915	9 307	145 222	23 455	9 737	112 030	2 779	114 809	97 261	2 388	862	14 298
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	29 316	1 771	31 087	6 642	1 888	22 557	233	22 790	19 359	1 330	64	2 037
Q2	27 011	1 757	28 768	7 363	1 901	19 504	164	19 668	20 439	1 045	94	-1 910
Q3	27 831	1 739	29 570	7 240	1 848	20 482	131	20 613	20 133	1 005	103	-628
Q4	25 096	1 830	26 926	7 313	1 939	17 674	143	17 817	21 386	569	140	-4 278
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	28 494	2 601	31 095	5 803	2 705	22 587	577	23 164	24 073	686	325	-1 920
Q2	30 177	2 520	32 697	6 079	2 625	23 993	441	24 434	24 192	-584	281	545
Q3	33 628	2 658	36 286	6 127	2 764	27 395	504	27 899	24 230	654	311	2 704
Q4	34 503	2 649	37 152	6 147	2 756	28 249	196	28 445	24 613	1 251	295	2 286
2003 Q1	34 622	2 321	36 943	6 189	2 428	28 326	648	28 974	22 423	1 348	195	5 008
Q2	30 501	2 383	32 884	5 293	2 490	25 101	1 145	26 246	24 695	-913	264	2 200
Q3	34 827	2 393	37 220	6 378	2 501	28 341	594	28 935	24 844	1 151	255	2 685
Q4	35 965	2 210	38 175	5 595	2 318	30 262	392	30 654	25 299	802	148	4 405
2004 Q1	37 904	2 270	40 174	6 110	2 378	31 686	587	32 273	25 893	315	235	5 830
Q2	38 673	2 408	41 081	7 014	2 516	31 551	612	32 163	25 599	372	252	5 940
Q3	37 330	2 611	39 941	6 597	2 719	30 625	511	31 136	25 996	22	278	4 840

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.

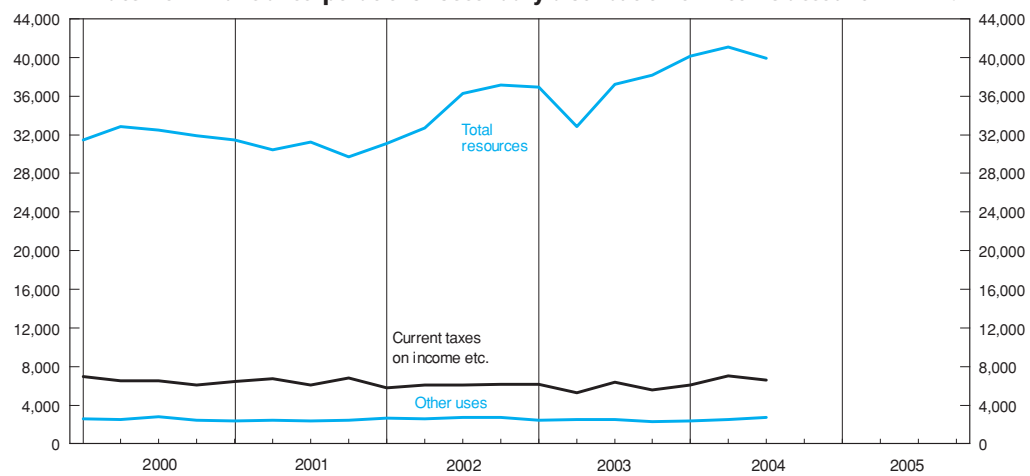
6 Acquisitions less disposals of valuables and non-produced non-financial assets.

7 Gross of fixed capital consumption.

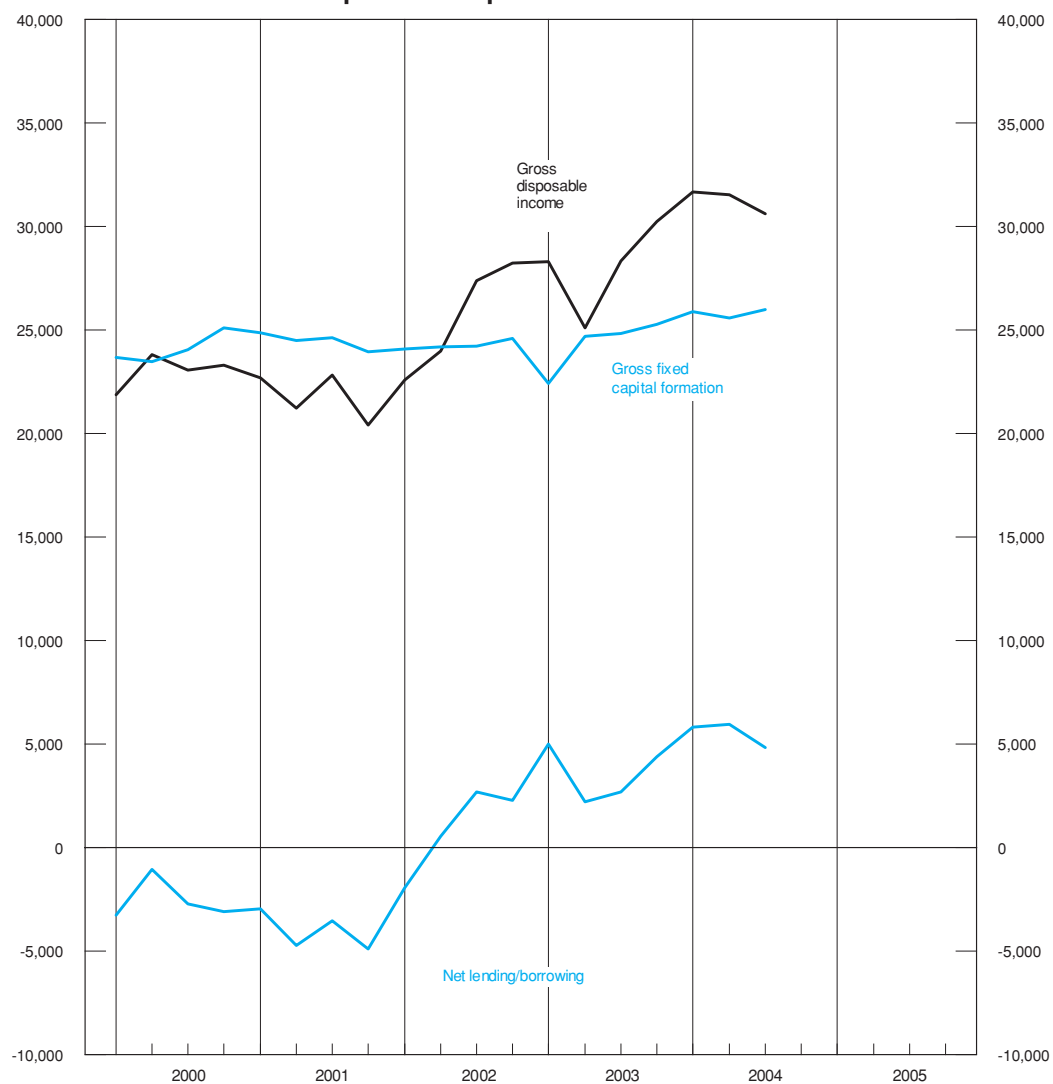
Source: Office for National Statistics; Enquiries 020 7533 6014

Private Non-financial corporations : secondary distribution of income account

£ million

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

£ million



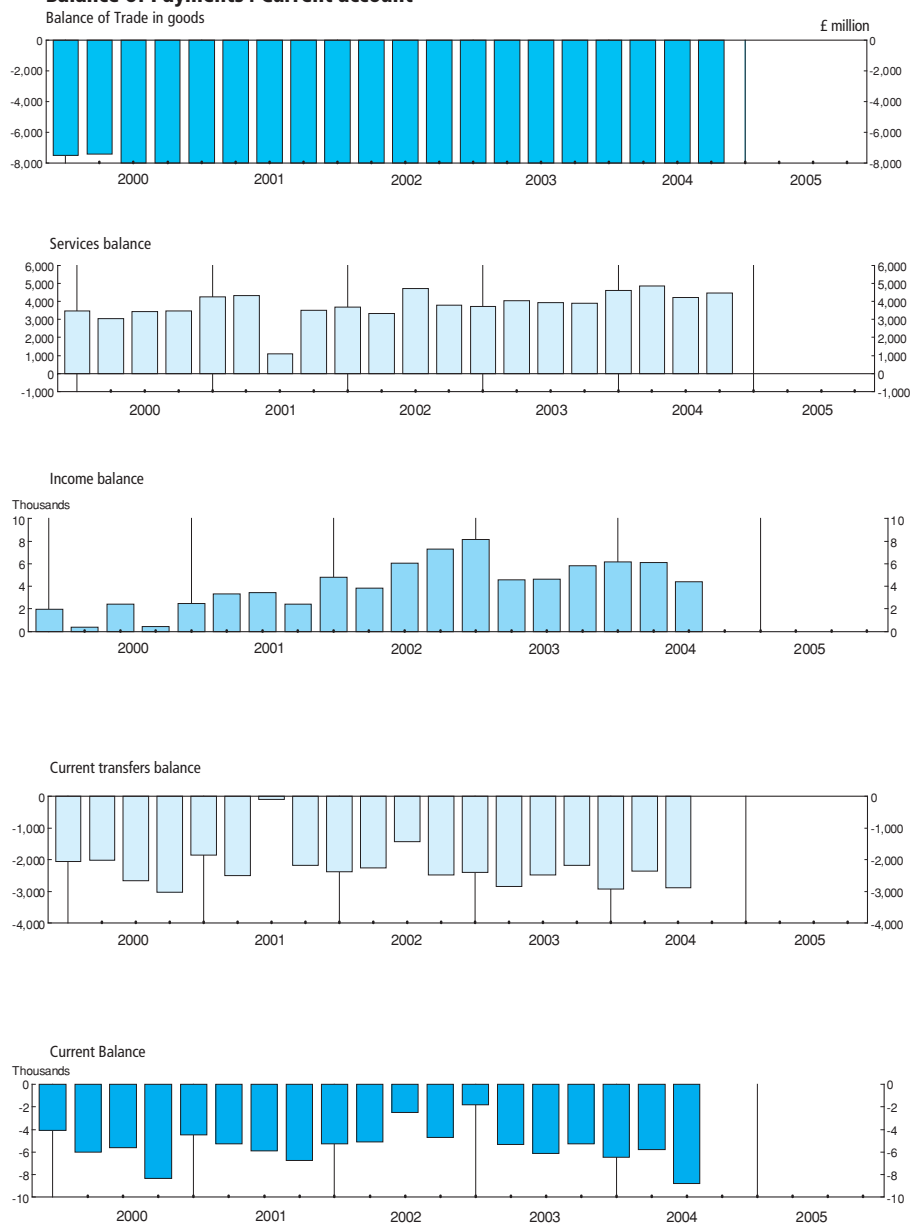
2.13

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
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	22 027	-8 544	-17 615
2003	188 602	236 018	-47 416	91 112	75 510	15 602	23 141	-9 898	-18 571
2004	190 723	248 352	-57 629	94 701	76 504	18 197	..	..	..
Quarterly									
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	4 799	-2 390	-5 281
Q2	49 416	59 495	-10 079	21 189	17 845	3 344	3 865	-2 248	-5 118
Q3	46 862	58 706	-11 844	22 784	18 079	4 705	6 044	-1 431	-2 526
Q4	44 366	57 717	-13 351	21 754	17 937	3 817	7 319	-2 475	-4 690
2003 Q1	48 133	59 432	-11 299	22 385	18 649	3 736	8 154	-2 398	-1 807
Q2	46 671	57 775	-11 104	22 463	18 427	4 036	4 553	-2 836	-5 351
Q3	46 390	58 608	-12 218	23 035	19 101	3 934	4 639	-2 484	-6 129
Q4	47 408	60 203	-12 795	23 229	19 333	3 896	5 795	-2 180	-5 284
2004 Q1	45 039 [†]	59 397 [†]	-14 358 [†]	23 405 [†]	18 792 [†]	4 613 [†]	6 159	-2 913	-6 483
Q2	46 798	61 198	-14 400	23 799	18 920	4 879	6 119	-2 354	-5 820
Q3	48 505	63 095	-14 590	23 569	19 333	4 236	4 381	-2 889	-8 774
Q4	50 381	64 662	-14 281	23 928	19 459	4 469	..	..	..
Monthly									
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	16 267	19 869	-3 602	7 323	6 193	1 130	..	..	..
Feb	16 276	19 616	-3 340	7 494	6 241	1 253	..	..	..
Mar	15 590	19 947	-4 357	7 568	6 215	1 353	..	..	..
Apr	16 724	19 159	-2 435	7 439	6 103	1 336	..	..	..
May	15 456	19 451	-3 995	7 512	6 176	1 336	..	..	..
Jun	14 491	19 165	-4 674	7 512	6 148	1 364	..	..	..
Jul	15 817	19 431	-3 614	7 593	6 352	1 241	..	..	..
Aug	15 469	19 022	-3 553	7 740	6 382	1 358	..	..	..
Sep	15 104	20 155	-5 051	7 702	6 367	1 335	..	..	..
Oct	15 843	20 103	-4 260	7 679	6 389	1 290	..	..	..
Nov	15 356	19 871	-4 515	7 719	6 343	1 376	..	..	..
Dec	16 209	20 229	-4 020	7 831	6 601	1 230	..	..	..
2004 Jan	14 593 [†]	20 298 [†]	-5 705 [†]	7 794	6 396	1 398	..	..	..
Feb	15 002	19 272	-4 270	7 841	6 295	1 546	..	..	..
Mar	15 444	19 827	-4 383	7 804	6 109	1 695	..	..	..
Apr	15 699	20 401	-4 702	7 928	6 249	1 679	..	..	..
May	15 441	20 213	-4 772	7 956	6 263	1 693	..	..	..
Jun	15 658	20 584	-4 926	7 942	6 381	1 561	..	..	..
Jul	15 918	20 929	-5 011	7 787	6 290	1 497	..	..	..
Aug	15 915	20 998	-5 083	7 808	6 352	1 456	..	..	..
Sep	16 672	21 168	-4 496	7 813	6 370	1 443	..	..	..
Oct	16 315	21 457	-5 142	7 855	6 380	1 475	..	..	..
Nov	16 828	21 539	-4 711	7 933	6 473	1 460	..	..	..
Dec	17 238	21 666	-4 428	7 964	6 557	1 407	..	..	..

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

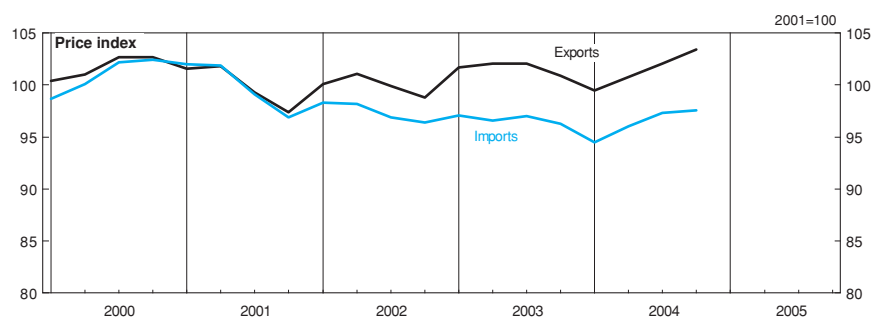
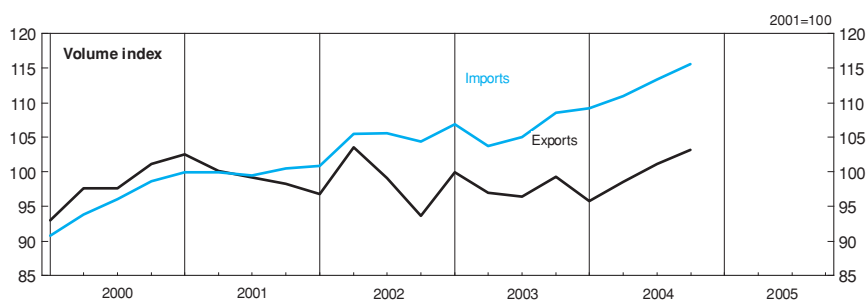
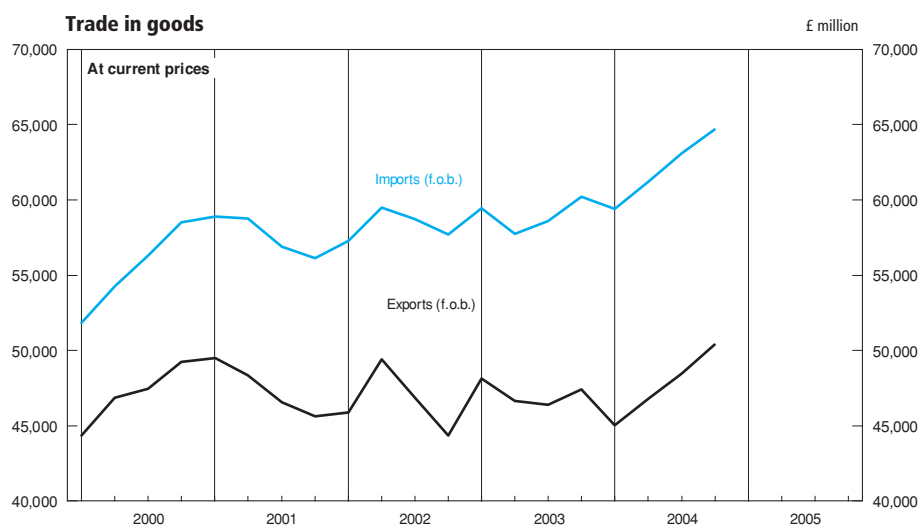
2.14 Trade in goods (on a balance of payments basis)

2001 = 100

	Volume indices (SA)		Price indices (NSA)		
	Exports	Imports	Exports	Imports	Terms of trade ¹
Annual	BQKU	BQKV	BQKR	BQKS	BQKT
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	98.2	106.1	101.7	96.8	105.1
2004	99.7	112.3	101.5	96.3	105.4
Quarterly					
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	100.0	106.9	101.7	97.1	104.7
Q2	97.0	103.8	102.1	96.6	105.7
Q3	96.4	105.1	102.1	97.0	105.3
Q4	99.3	108.6	100.9	96.3	104.8
2004 Q1	95.8 [†]	109.2 [†]	99.5	94.5	105.3
Q2	98.6	111.0	100.8	96.0	105.0
Q3	101.2	113.4	102.1	97.3	104.9
Q4	103.2	115.6	103.4	97.6	105.9
Monthly					
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	102.4	107.7	100.3	96.3	104.2
Feb	101.1	106.4	101.4	96.9	104.6
Mar	96.4	106.7	103.4	98.1	105.4
Apr	104.0	102.7	101.9	97.2	104.8
May	96.3	104.8	102.8	96.6	106.4
Jun	90.8	103.9	101.7	96.0	105.9
Jul	98.5	104.5	101.8	96.6	105.4
Aug	96.0	102.2	102.7	97.3	105.5
Sep	94.6	108.5	101.9	97.2	104.8
Oct	99.7	108.3	101.5	96.8	104.9
Nov	96.0	107.5	100.8	96.4	104.6
Dec	102.1	110.1	100.5	95.8	104.9
2004 Jan	92.5 [†]	111.7 [†]	99.6	94.7	105.2
Feb	96.3	106.7	98.5	93.5	105.3
Mar	98.7	109.1	100.3	95.2	105.4
Apr	99.3	111.6	100.6	95.4	105.5
May	97.0	109.3	101.6	96.7	105.1
Jun	99.5	112.1	100.2	95.8	104.6
Jul	100.9	113.6	100.5	96.0	104.7
Aug	99.5	113.7	102.2	97.6	104.7
Sep	103.2	112.8	103.7 [†]	98.4	105.4 [†]
Oct	99.4	114.4	105.2	99.2	106.0
Nov	102.4	114.6	103.7	97.9 [†]	105.9
Dec	107.7	117.9	101.3	95.6	106.0

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).

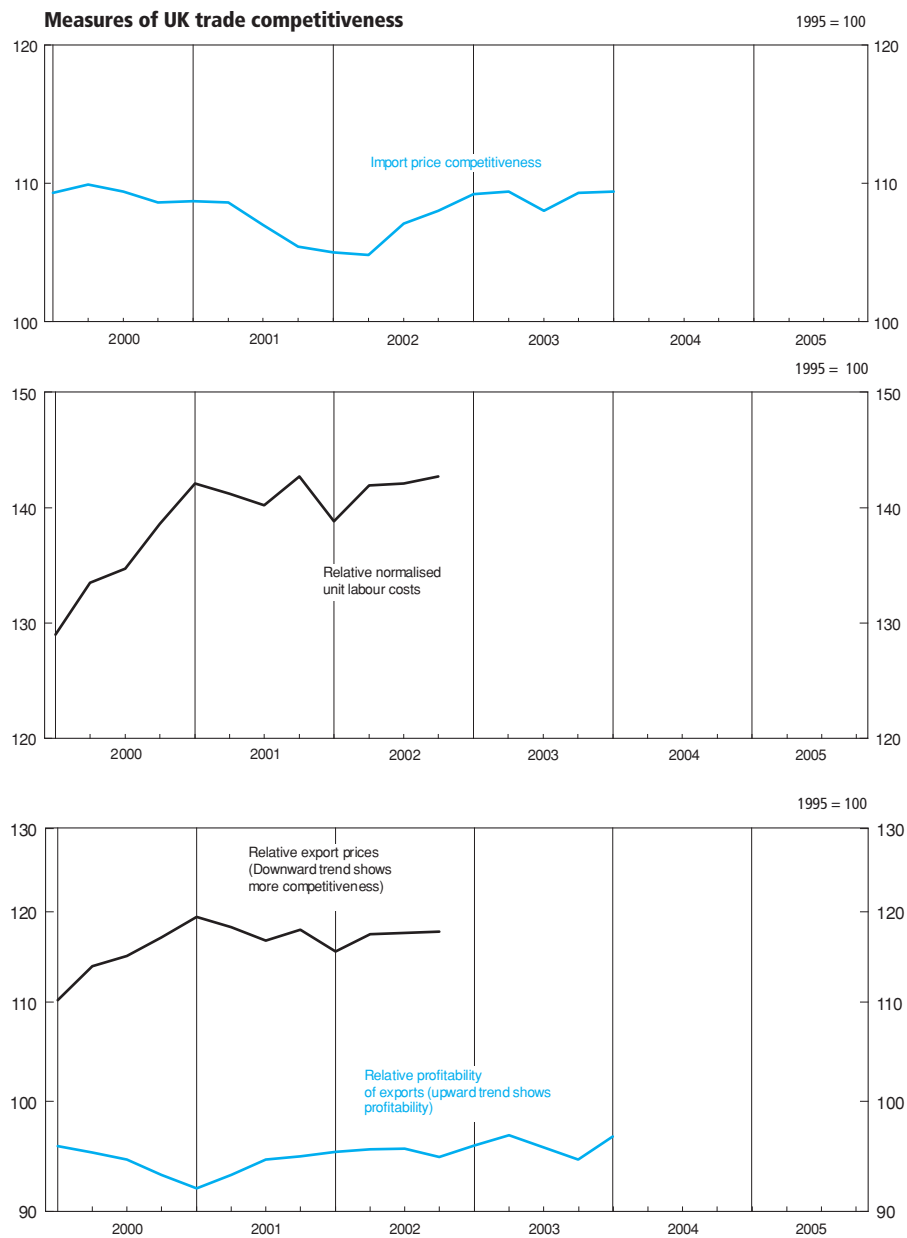
3 Includes the former German Democratic Republic as from 1991 Q1.

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)		
	Materials and fuel purchased by manufacturing industry (SA) ^{1,2}	Output: all manufactured 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	Purchasing power of the pound ⁷ (NSA) (1985=100)
			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
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	94.3	99.8	108.3	1.3	176.2	1.7	175.1	2.2	167.5	2.3	155.3	160.9	54
2003	95.7	101.3	109.8	1.4	181.3	2.9	180.0	2.8	172.0	2.7	158.1	163.8	52
2004	99.5 [†]	103.8	111.2	1.3	186.7	3.0	184.0	2.2	175.5	2.0	160.9	166.4	51
Quarterly													
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	101.9	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	94.1	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	95.1	99.8	108.3	0.9	176.0	1.2	175.0	1.9	167.1	1.8	155.3	161.0	54
Q3	94.3	99.9	108.4	1.1	176.6	1.5	175.5	2.0	167.8	1.9	155.0	160.7	54
Q4	93.9	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	95.9	100.9	109.0	1.5	179.2	3.0	177.9	2.9	170.6	3.1	156.7	162.6	53
Q2	94.7	101.1	109.7	1.3	181.3	3.0	180.1	2.9	171.8	2.8	157.9	163.7	52
Q3	95.6	101.3	109.9	1.4	181.8	2.9	180.5	2.8	172.3	2.7	158.3	164.0	52
Q4	96.7	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	95.6 [†]	102.4	110.4	1.3	183.8	2.6	182.0	2.3	173.8	1.9	159.7	165.4	51
Q2	98.4	103.4	111.2	1.4	186.3	2.8	184.0	2.2	175.4	2.1	160.9	166.6	51
Q3	100.8 ^r	104.2	111.2	1.2	187.4	3.1	184.3	2.1	175.6	1.9	160.5	166.1	50
Q4	103.2 ^p	105.1 ^p	112.0	1.4	189.2	3.4	185.6	2.3	177.1	2.3	162.3	167.6	50
Monthly													
2003 Jan	95.8	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	95.8	101.4	109.4	1.6	179.9	3.1	178.7	3.0	171.4	3.2	..	..	53
Apr	94.7	101.3	109.7	1.5	181.2	3.1	180.0	3.0	171.8	2.9	..	..	52
May	94.5	101.0	109.7	1.2	181.5	3.0	180.2	2.9	171.9	2.7	..	..	52
Jun	94.8	101.0	109.6	1.1	181.3	2.9	180.0	2.8	171.7	2.7	..	..	52
Jul	95.6	101.2	109.5	1.3	181.3	3.1	179.9	2.9	171.6	2.8	..	..	52
Aug	96.1	101.4	109.9	1.4	181.6	2.9	180.4	2.9	172.2	2.7	..	..	52
Sep	95.0	101.4	110.2	1.4	182.5	2.8	181.3	2.8	173.2	2.7	..	..	52
Oct	96.5	101.6	110.4	1.4	182.6	2.6	181.3	2.7	173.1	2.4	..	..	52
Nov	96.7	101.7	110.3	1.3	182.7	2.5	181.4	2.5	173.1	2.1	..	..	52
Dec	96.8	101.9	110.7	1.3	183.5	2.8	181.8	2.6	173.5	2.2	..	..	52
2004 Jan	95.5 [†]	102.1	110.1	1.4	183.1	2.6	181.4	2.4	173.2	2.0	..	..	52
Feb	94.8	102.3	110.4	1.3	183.8	2.5	182.0	2.3	173.9	1.9	..	..	51
Mar	96.6	102.8	110.6	1.1	184.6	2.6	182.5	2.1	174.3	1.7	..	..	51
Apr	97.4	103.1	111.0	1.2	185.7	2.5	183.6	2.0	174.9	1.8	..	..	51
May	99.6	103.5	111.4	1.5	186.5	2.8	184.3	2.3	175.6	2.2	..	..	51
Jun	98.3	103.6	111.3	1.6	186.8	3.0	184.2	2.3	175.6	2.3	..	..	51
Jul	99.4	103.8	111.0	1.4	186.8	3.0	183.8	2.2	175.1	2.0	..	..	51
Aug	100.6	104.2	111.3	1.3	187.4	3.2	184.3	2.2	175.7	2.0	..	..	50
Sep	102.5 ^r	104.5	111.4	1.1	188.1	3.1	184.7	1.9	176.1	1.7	..	..	50
Oct	105.2 ^r	105.2	111.7	1.2	188.6	3.3	185.1	2.1	176.6	2.0	..	..	50
Nov	103.3	105.3	111.9	1.5	189.0	3.4	185.4	2.2	176.9	2.2	..	..	50
Dec	101.1 ^p	104.9 ^p	112.5	1.6	189.9	3.5	186.4	2.5	177.9	2.5	..	..	50
2005 Jan	104.5 ^p	104.8 ^p	111.9	1.6	188.9	3.2	185.2	2.1	176.7	2.0	..	..	50

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).

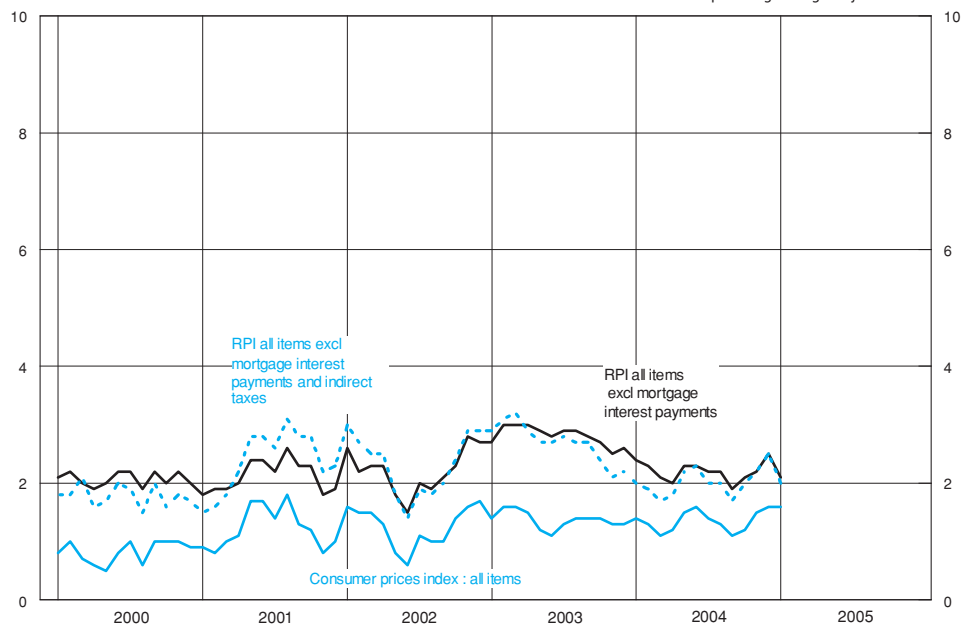
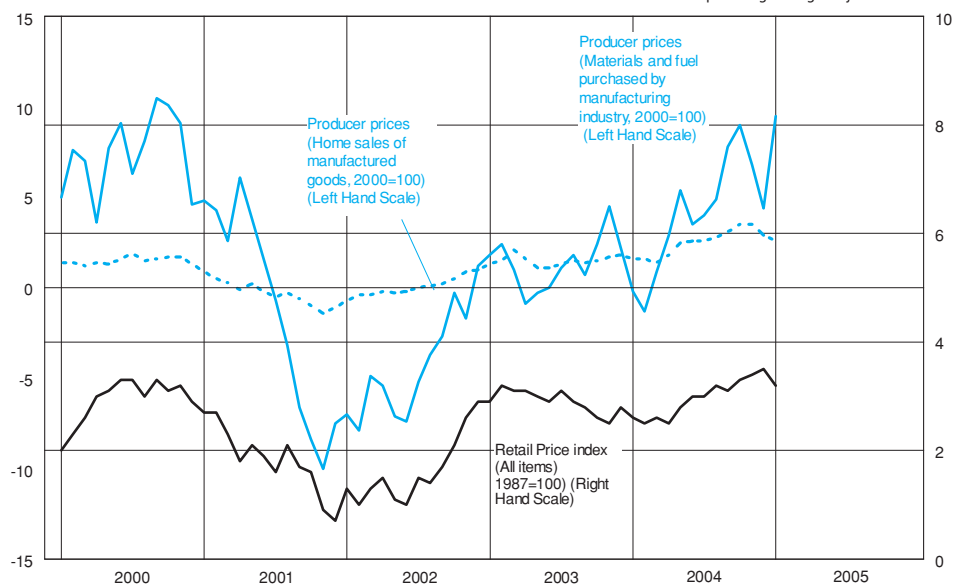
5 The taxes excluded are council tax, VAT, duties, car purchase tax and vehicle excise duty, insurance tax and airport tax.

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										
	MGRN	MGRQ	MGRS	MGRW	MGRZ	MGSC	MGSF	MGSI	MGSL	MGSU
2002 Q1	24 275	3 322	99	112	27 808	1 500	29 308	17 349	46 657	74.4
Q2	24 359	3 334	98	105	27 897	1 526	29 422	17 304	46 727	74.5
Q3	24 357	3 349	91	98	27 896	1 554	29 450	17 348	46 798	74.4
Q4	24 496	3 373	92	95	28 056	1 521	29 577	17 295	46 872	74.7
2003 Q1	24 492	3 436	87	94	28 110	1 509	29 619	17 328	46 946	74.7
Q2	24 443	3 553	90	91	28 177	1 478	29 655	17 365	47 020	74.7
Q3	24 349	3 639	104	108	28 200	1 489	29 688	17 406	47 094	74.6
Q4	24 353	3 670	96	106	28 225	1 467	29 692	17 477	47 169	74.5
2004 Q1	24 574	3 631	107	114	28 425	1 419	29 844	17 400	47 244	74.9
Q2	24 488	3 664	101	122	28 376	1 446	29 822	17 496	47 318	74.6
Q3	24 637	3 579	88	127	28 431	1 380	29 811	17 581	47 392	74.7
Q4	24 660	3 641	95	126	28 521	1 411	29 933	17 533	47 465	74.9
Percentage change on quarter										
2004q3 to 2004q4	0.1	1.7	8.0	-1.3	0.3	2.3	0.4	-0.3	0.2	
Percentage change on year										
2003q4 to 2004q4	1.3	-0.8	-1.9	18.8	1.0	-3.8	0.8	0.3	0.6	
MALE										
	MGRO	MGRR	MGRU	MGRX	MGSA	MGSD	MGSG	MGSJ	MGSM	MGSV
2002 Q1	12 480	2 448	32	70	15 030	912	15 942	6 580	22 522	79.0
Q2	12 527	2 441	32	61	15 061	914	15 976	6 588	22 564	79.0
Q3	12 512	2 454	35	61	15 062	943	16 004	6 602	22 606	78.8
Q4	12 657	2 468	32	61	15 218	897	16 115	6 535	22 650	79.5
2003 Q1	12 616	2 503	28	56	15 203	916	16 120	6 574	22 694	79.2
Q2	12 591	2 604	33	54	15 281	893	16 174	6 563	22 738	79.4
Q3	12 506	2 667	39	62	15 273	891	16 164	6 617	22 781	79.3
Q4	12 464	2 689	36	60	15 249	887	16 136	6 689	22 825	79.0
2004 Q1	12 600	2 656	44	66	15 366	833	16 199	6 670	22 869	79.5
Q2	12 526	2 691	42	72	15 332	848	16 180	6 733	22 913	79.1
Q3	12 614	2 649	35	75	15 372	809	16 181	6 774	22 956	79.2
Q4	12 620	2 685	37	75	15 417	830	16 246	6 750	22 997	79.3
Percentage change on quarter										
2004q3 to 2004q4	0.0	1.4	5.3	1.0	0.3	2.6	0.4	-0.4	0.2	
Percentage change on year										
2003q4 to 2004q4	1.3	-0.2	1.1	26.3	1.1	-6.5	0.7	0.9	0.8	
FEMALE										
	MGRP	MGRS	MGRV	MGRY	MGSB	MGSE	MGSJ	MGSK	MGSN	MGSW
2002 Q1	11 794	874	67	42	12 778	588	13 366	10 769	24 135	69.5
Q2	11 832	893	66	44	12 835	611	13 447	10 716	24 163	69.7
Q3	11 845	896	56	37	12 835	611	13 446	10 746	24 192	69.6
Q4	11 838	905	60	34	12 837	625	13 462	10 760	24 222	69.6
2003 Q1	11 876	933	59	38	12 906	592	13 499	10 754	24 252	69.9
Q2	11 852	949	57	38	12 896	585	13 481	10 802	24 283	69.7
Q3	11 843	972	65	46	12 926	598	13 524	10 789	24 313	69.6
Q4	11 889	981	60	46	12 977	580	13 556	10 787	24 344	69.8
2004 Q1	11 973	975	63	48	13 059	585	13 645	10 730	24 375	70.1
Q2	11 962	973	59	50	13 044	598	13 643	10 763	24 405	69.8
Q3	12 023	931	53	53	13 059	570	13 630	10 807	24 437	69.9
Q4	12 040	956	58	50	13 105	581	13 686	10 782	24 469	70.1
Percentage change on quarter										
2004q3 to 2004q4	0.1	2.8	9.7	-4.6	0.3	1.9	0.4	-0.2	0.1	
Percentage change on year										
2003q4 to 2004q4	1.3	-2.5	-3.6	9.2	1.0	0.3	1.0	0.0	0.5	

1 The data in this table have been adjusted to reflect the latest revisions to mid-year 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

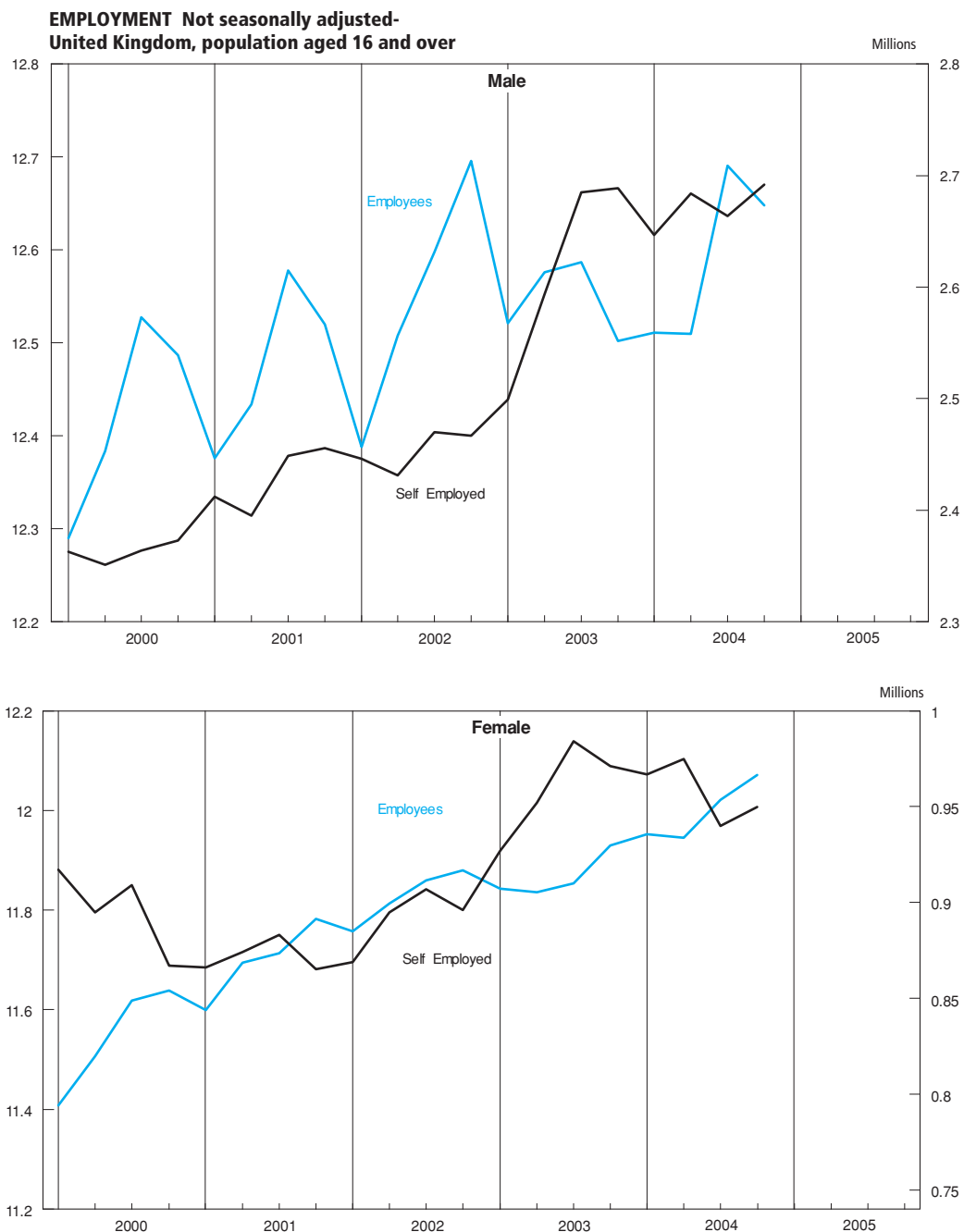
	Employment categories					Unemployment	Total economically active	Economically inactive	Total aged 16 and over	Employment rate: age 16-59/64 ³
	Employees	Self-employed	Unpaid family workers	Government training and employment programmes	Total employment					
TOTAL										
	MGTA	MGTD	MGTG	MGTJ	MGTM	MGTP	MGTS	MGTV	MGSL	MGUH
2002 Q1	24 146	3 315	95	117	27 672	1 517	29 189	17 468	46 657	74.0
Q2	24 321	3 326	95	105	27 847	1 468	29 315	17 411	46 727	74.4
Q3	24 458	3 377	97	90	28 022	1 633	29 656	17 142	46 798	74.7
Q4	24 576	3 363	95	99	28 133	1 476	29 609	17 263	46 872	74.9
2003 Q1	24 363	3 426	83	99	27 971	1 525	29 497	17 450	46 946	74.3
Q2	24 412	3 545	86	91	28 134	1 416	29 550	17 470	47 020	74.6
Q3	24 441	3 670	110	101	28 321	1 572	29 892	17 202	47 094	74.9
Q4	24 433	3 660	100	110	28 303	1 422	29 724	17 445	47 169	74.7
2004 Q1	24 463	3 615	104	121	28 302	1 429	29 731	17 513	47 244	74.6
Q2	24 454	3 659	96	121	28 330	1 387	29 717	17 601	47 318	74.5
Q3	24 713	3 603	91	123	28 530	1 463	29 993	17 399	47 392	75.0
Q4	24 719	3 642	97	127	28 586	1 378	29 963	17 502	47 465	75.0
Percentage change on year 2003q4 to 2004q4	1.2	-0.5	-3.0	15.5	1.0	-3.1	0.8	0.3	0.6	
MALE										
	MGTB	MGTE	MGTH	MGTK	MGTN	MGTQ	MGTT	MGTW	MGSM	MGUI
2002 Q1	12 388	2 446	31	73	14 938	932	15 870	6 652	22 522	78.5
Q2	12 508	2 431	30	60	15 030	888	15 918	6 646	22 564	78.8
Q3	12 598	2 470	36	57	15 161	971	16 132	6 475	22 606	79.4
Q4	12 696	2 467	34	63	15 260	867	16 127	6 523	22 650	79.7
2003 Q1	12 521	2 499	27	59	15 107	938	16 045	6 649	22 694	78.7
Q2	12 576	2 594	31	52	15 253	864	16 116	6 621	22 738	79.3
Q3	12 587	2 685	41	58	15 371	921	16 292	6 489	22 781	79.8
Q4	12 502	2 689	38	62	15 291	855	16 146	6 679	22 825	79.2
2004 Q1	12 511	2 647	44	70	15 273	851	16 124	6 745	22 869	79.0
Q2	12 510	2 684	40	71	15 305	819	16 124	6 789	22 913	79.0
Q3	12 691	2 664	35	73	15 462	840	16 302	6 653	22 956	79.7
Q4	12 648	2 692	37	77	15 454	808	16 262	6 735	22 997	79.5
Percentage change on year 2003q4 to 2004q4	1.2	0.1	-2.6	24.2	1.1	-5.5	0.7	0.8	0.8	
FEMALE										
	MGTC	MGTF	MGTI	MGTL	MGTO	MGTR	MGTU	MGTX	MGSN	MGUJ
2002 Q1	11 758	869	64	44	12 735	585	13 319	10 816	24 135	69.2
Q2	11 813	895	65	45	12 818	579	13 397	10 766	24 163	69.6
Q3	11 860	907	60	33	12 862	662	13 524	10 668	24 192	69.8
Q4	11 880	896	61	36	12 873	609	13 482	10 740	24 222	69.8
2003 Q1	11 843	927	55	40	12 865	587	13 452	10 801	24 252	69.6
Q2	11 836	952	55	39	12 881	552	13 434	10 849	24 283	69.6
Q3	11 854	984	69	43	12 950	650	13 600	10 713	24 313	69.7
Q4	11 930	971	62	48	13 011	567	13 578	10 766	24 344	70.0
2004 Q1	11 952	967	60	51	13 029	578	13 608	10 767	24 375	69.9
Q2	11 945	975	56	50	13 025	568	13 593	10 812	24 405	69.7
Q3	12 022	940	56	50	13 068	623	13 691	10 746	24 437	70.0
Q4	12 071	950	60	51	13 132	570	13 702	10 767	24 469	70.2
Percentage change on year 2003q4 to 2004q4	1.2	-2.2	-3.2	6.3	0.9	0.5	0.9	0.0	0.5	

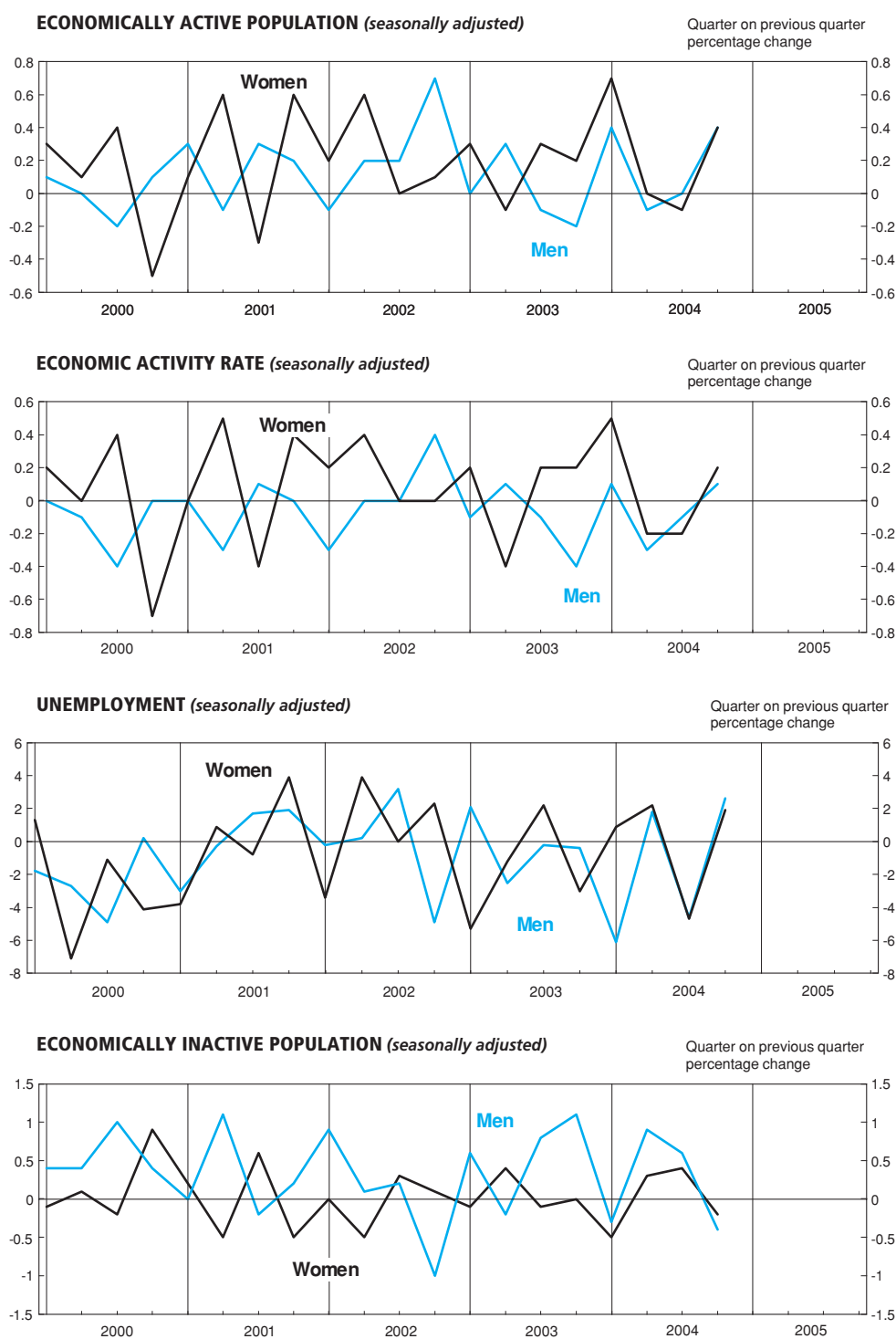
1 The data in this table have been adjusted to reflect the latest revisions to mid-year population data.

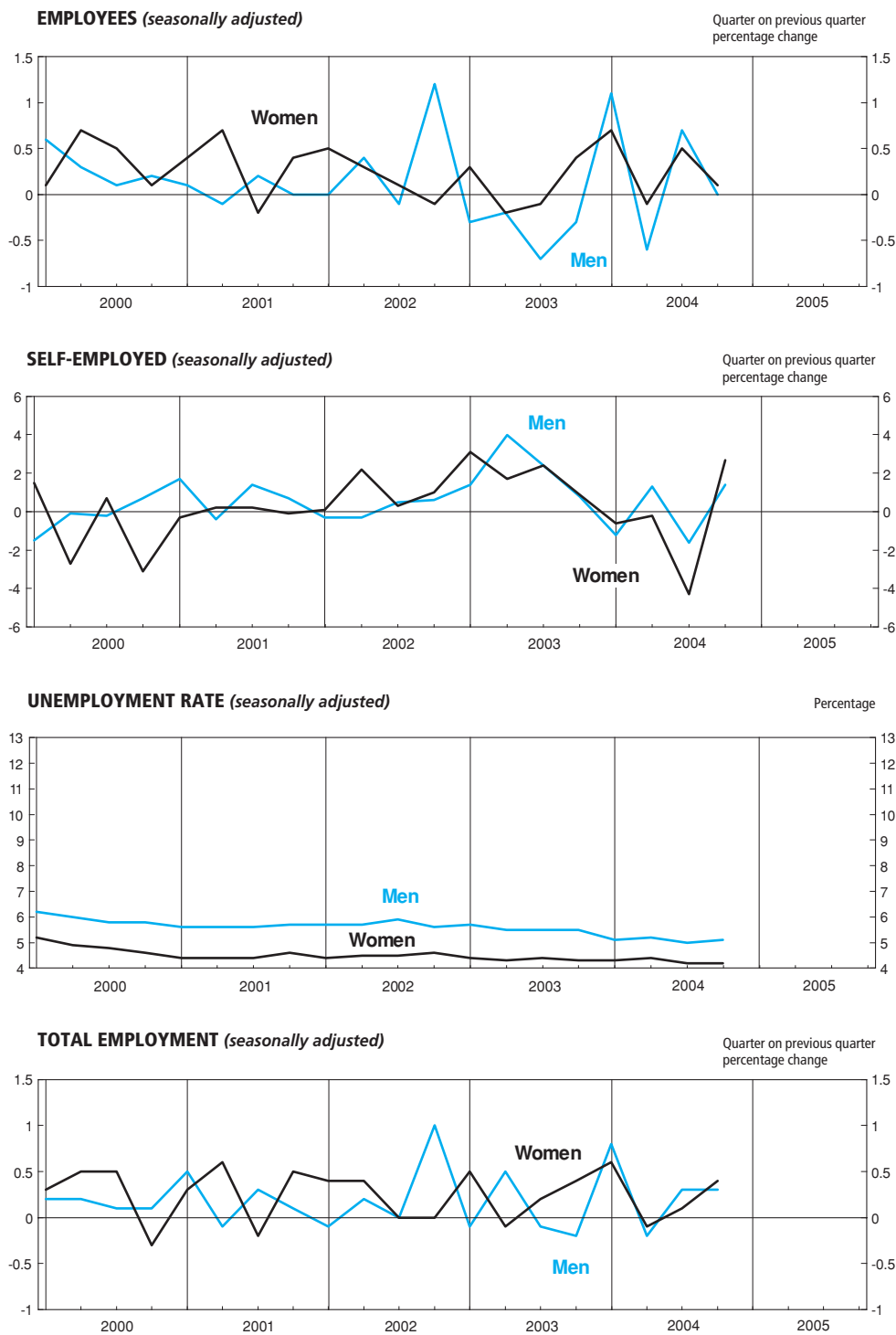
2 Data are from the Labour Force Survey which uses the definitions recommended by the International Labour Organisation (ILO), an agency of the United Nations. For details see the *Guide to Labour market Statistics Releases*.

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 Q3	27 896	15 062	12 835	2 065	1 956	9 112	7 807	3 584	2 485	300	587
Q4	28 056	15 218	12 837	2 116	1 949	9 152	7 808	3 638	2 500	313	581
2003 Q1	28 110	15 203	12 906	2 101	1 951	9 120	7 839	3 653	2 524	329	592
Q2	28 177	15 281	12 896	2 107	1 929	9 142	7 821	3 701	2 545	331	601
Q3	28 200	15 273	12 926	2 116	1 939	9 144	7 801	3 680	2 559	334	628
Q4	28 225	15 249	12 977	2 118	1 980	9 111	7 825	3 688	2 537	331	635
2004 Q1	28 425	15 366	13 059	2 148	2 013	9 160	7 831	3 721	2 562	337	654
Q2	28 376	15 332	13 044	2 157	1 981	9 121	7 843	3 714	2 549	340	672
Q3	28 431	15 372	13 059	2 150	1 983	9 152	7 870	3 733	2 555	337	651
Q4	28 521	15 417	13 105	2 139	1 983	9 176	7 871	3 758	2 589	343	661
Unemployed											
	MGSC	MGSD	MGSE	MGVG	MGVH	MGVJ	MGVK	MGVM	MGVN	MGVP	MGVQ
2002 Q3	1 554	943	611	340	222	428	308	165	68	10	12
Q4	1 521	897	625	343	228	396	311	151	72	..	14
2003 Q1	1 509	916	592	349	232	402	286	158	66	..	..
Q2	1 478	893	585	342	237	395	273	147	67	..	..
Q3	1 489	891	598	341	239	399	282	142	70	..	..
Q4	1 467	887	580	334	221	404	282	140	66	11	10
2004 Q1	1 419	833	585	325	231	366	282	132	64	10	..
Q2	1 446	848	598	329	247	374	285	137	58	..	..
Q3	1 380	809	570	338	246	331	258	132	57	..	..
Q4	1 411	830	581	347	249	341	265	131	59	11	..
Economically inactive											
	MGSI	MGSJ	MGSK	MGVV	MGVW	MGVY	MGVZ	MGWB	MGWC	MGWE	MGWF
2002 Q3	17 348	6 602	10 746	878	1 062	803	2 450	1 353	1 228	3 569	6 006
Q4	17 295	6 535	10 760	845	1 080	794	2 445	1 323	1 215	3 573	6 020
2003 Q1	17 328	6 574	10 754	875	1 091	819	2 436	1 312	1 203	3 569	6 024
Q2	17 365	6 563	10 802	895	1 124	804	2 465	1 285	1 187	3 579	6 025
Q3	17 406	6 617	10 789	907	1 128	798	2 476	1 322	1 174	3 590	6 011
Q4	17 477	6 689	10 787	931	1 120	828	2 452	1 327	1 203	3 603	6 012
2004 Q1	17 400	6 670	10 730	927	1 093	819	2 448	1 312	1 183	3 611	6 006
Q2	17 496	6 733	10 763	932	1 122	854	2 434	1 325	1 205	3 622	6 002
Q3	17 581	6 774	10 807	945	1 133	868	2 437	1 322	1 202	3 639	6 035
Q4	17 533	6 750	10 782	952	1 132	841	2 435	1 314	1 171	3 643	6 044
Economic activity rate (per cent) ⁵											
	MGWG	MGWH	MGWI	MGWK	MGWL	MGWN	MGWO	MGWQ	MGWR	MGWT	MGWU
2002 Q3	62.9	70.8	55.6	73.3	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	55.7	73.7	66.7	92.1	76.9	74.4	68.3	8.6	9.1
Q2	63.1	71.1	55.5	73.2	65.8	92.2	76.7	75.0	68.8	8.7	9.2
Q3	63.0	71.0	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	72.5	66.3	92.0	76.8	74.3	68.4	8.7	9.7
2004 Q1	63.2	70.8	56.0	72.7	67.2	92.1	76.8	74.6	68.9	8.8	9.9
Q2	63.0	70.6	55.9	72.7	66.5	91.8	77.0	74.4	68.4	8.8	10.2
Q3	62.9	70.5	55.8	72.5	66.3	91.6	76.9	74.5	68.5	8.7	9.9
Q4	63.1	70.6	55.9	72.3	66.3	91.9	77.0	74.8	69.3	8.9	10.0
Unemployment rate (per cent) ⁶											
	MG SX	MG SY	MGSZ	MGWZ	MGXA	MGXC	MGXD	MGXF	MGXG	MGXI	MGXJ
2002 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	11.0	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	4.8	5.1	4.3	13.2	10.3	3.8	3.5	3.4	2.4	2.8	..
Q2	4.8	5.2	4.4	13.2	11.1	3.9	3.5	3.5	2.2	..	..
Q3	4.6	5.0	4.2	13.6	11.0	3.5	3.2	3.4	2.2	..	..
Q4	4.7	5.1	4.2	14.0	11.2	3.6	3.3	3.4	2.2	3.0	..

1 The data in this table have been adjusted to reflect the latest revisions to mid-year 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	YEID	BCJD	BCJE	BCJA	DPCB
2001	29 737	25 905	3 803	4 012	20 441	969.9	3.2	983.0	..
2002	29 875	25 990	3 599	3 801	20 771	946.7	3.1	958.8	..
2003	30 213	26 105	3 415	3 602	21 064	933.2	3.0	945.9	..
2004	30 440	26 264	3 282	3 459	21 309	853.6 [†]	2.7 [†]	866.1	..
Quarterly									
2001 Q1	29 643	25 817	3 858	4 065	20 322	999.7	3.3	1 064.1	394.1
Q2	29 737	25 905	3 803	4 012	20 441	970.7	3.2	978.4	..
Q3	29 726	25 914	3 753	3 960	20 502	949.7	3.1	958.5	..
Q4	29 840	25 999	3 700	3 906	20 643	959.7	3.1	931.0	..
2002 Q1	29 845	26 024	3 648	3 854	20 719	952.9	3.1	1 014.6	..
Q2	29 875	25 990	3 599	3 801	20 771	950.9	3.1	958.1	..
Q3	29 911	25 989	3 552	3 747	20 840	945.0	3.1	951.8	..
Q4	29 991	26 046	3 512	3 701	20 934	937.8	3.0	910.6	..
2003 Q1	30 065	26 031	3 469	3 655	20 953	939.7	3.0	1 001.1	..
Q2	30 213	26 105	3 415	3 602	21 064	945.6	3.0	954.3	..
Q3	30 311	26 108	3 367	3 549	21 088	932.3	3.0	939.0	..
Q4	30 396	26 191	3 330	3 508	21 192	915.2	2.9	889.2	..
2004 Q1	30 412	26 219	3 301	3 478	21 239	886.8	2.9	947.2	..
Q2	30 440	26 264	3 282	3 459	21 309	861.1	2.7	871.8	..
Q3	30 399	26 261	3 255	3 432	21 336	835.4	2.7	839.0	..
Q4	..	..	3 237	3 414	..	831.1 [†]	2.7	806.7	..
Monthly									
2003 Jan	..	..	3 499	3 687	..	935.9	3.0	998.0	..
Feb	..	..	3 484	3 672	..	940.9	3.0	1 012.8	..
Mar	..	26 031	3 469	3 655	20 953	942.3	3.0	992.3	..
Apr	..	..	3 449	3 635	..	939.9	3.0	966.1	..
May	..	..	3 434	3 619	..	948.5	3.1	957.8	..
Jun	..	26 105	3 415	3 602	21 064	948.4	3.1	939.2	..
Jul	..	..	3 394	3 578	..	937.6	3.0	946.3	..
Aug	..	..	3 378	3 561	..	930.2	3.0	948.6	..
Sep	..	26 108	3 367	3 549	21 088	929.1	3.0	922.1	..
Oct	..	..	3 357	3 535	..	924.6	3.0	893.2	..
Nov	..	..	3 343	3 522	..	915.5	2.9	884.6	..
Dec	..	26 191	3 330	3 508	21 192	905.5	2.9	889.7	..
2004 Jan	..	..	3 315	3 493	..	891.7	2.9	952.4	..
Feb	..	..	3 310	3 487	..	886.4	2.9	957.0	..
Mar	..	26 219	3 301	3 478	21 239	882.3	2.8	932.0	..
Apr	..	..	3 294	3 471	..	874.0	2.8	905.2	..
May	..	..	3 287	3 464	..	860.5	2.8	869.7	..
Jun	..	26 264	3 282	3 459	21 309	848.9	2.7	840.5	..
Jul	..	..	3 274	3 451	..	836.3	2.7	841.5	..
Aug	..	..	3 264	3 442	..	834.2	2.7	847.6	..
Sep	..	26 261	3 255	3 432	21 336	835.8	2.7	827.8	..
Oct	..	..	3 245	3 422	..	836.6	2.7	806.8	..
Nov	..	..	3 238	3 415	..	832.5	2.7	803.0	..
Dec	..	..	3 237	3 414	..	824.2 [†]	2.7	810.2	..
2005 Jan	..	..	..	..	..	813.2	2.6	872.1	..

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.

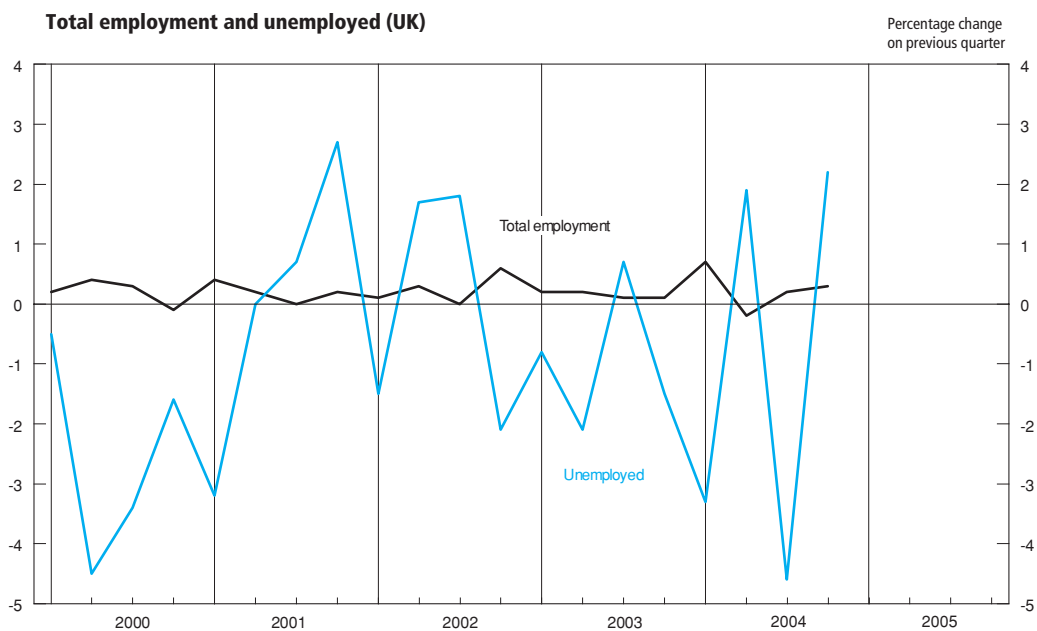
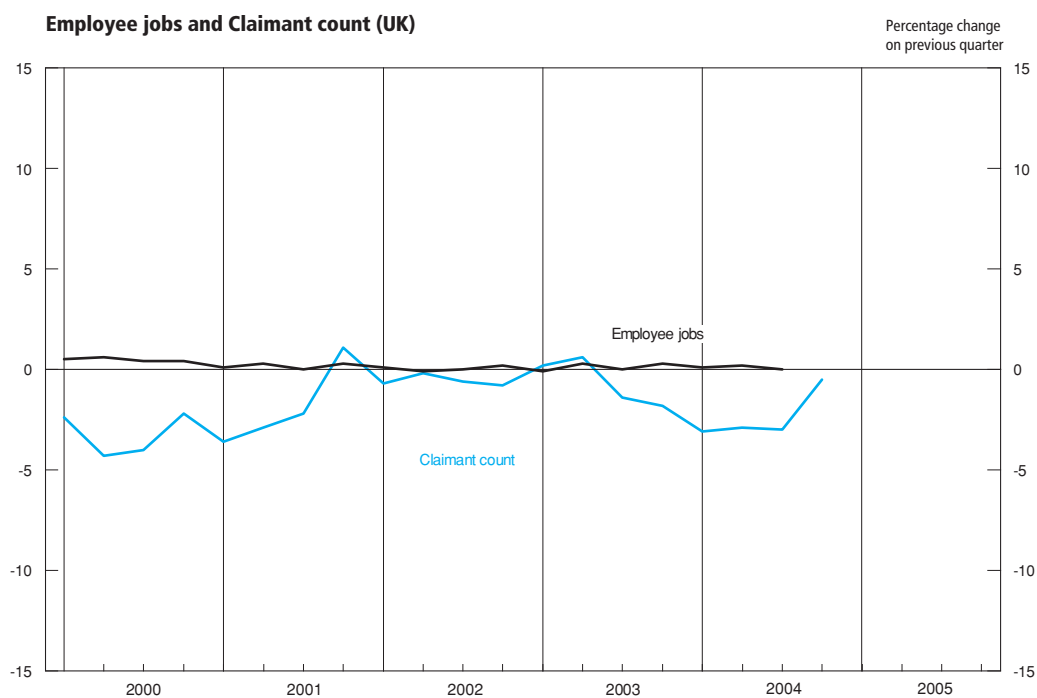
7 The denominator used to calculate claimant count unemployment rates is comprised of the workforce jobs plus the claimant count.

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
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	3.9	2.9	2.9	2.5	3.3	2.0	3.5	1.6
Q3	3.9	2.8	2.9	2.4	3.2	2.0	3.4	1.6
Q4	3.9	2.8	2.8	2.5	3.2	2.0	3.4	1.6
	South West	England	Wales	Scotland	Great Britain	Northern Ireland	United Kingdom	
Quarterly								
	DPBM	VASQ	DPBP	DPBQ	DPAJ	DPBR	BCJE	
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	2.6	3.0	3.5	2.7	3.7	2.7	
Q3	1.6	2.6	3.0	3.4	2.7	3.6	2.7	
Q4	1.6	2.6	3.0	3.4	2.7	3.6	2.7	

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

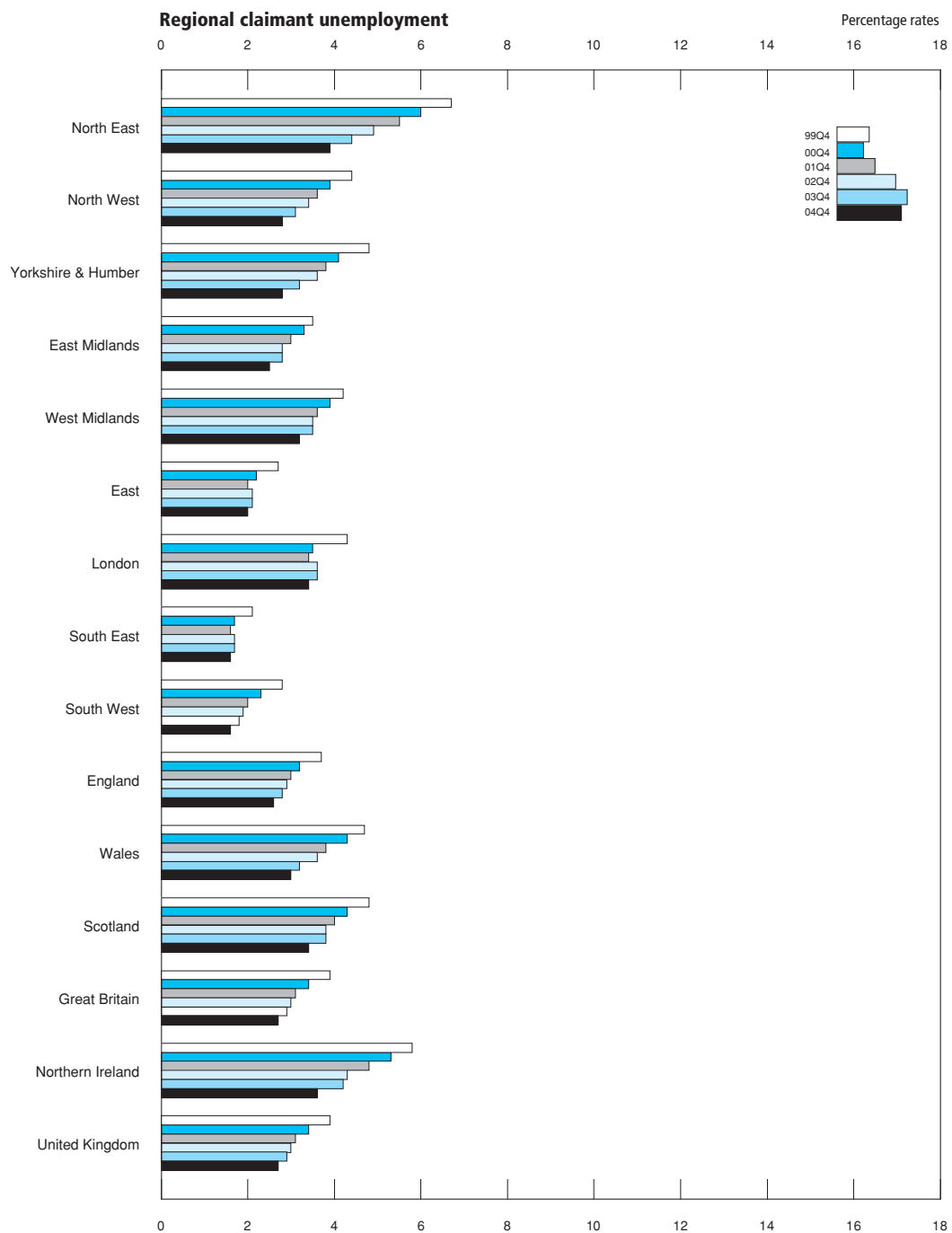
1 Government Office Regions came into effect in April 1994. It was decided that from May 1997 sub-national data should be published for these areas rather than standard statistical regions (SSRs). Data by standard statistical regions are available on request.

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
1999 Q1	9.5	6.6	6.8	5.1	7.1	4.2	7.7	3.9
Q2	9.6	6.3	6.3	5.4	6.9	4.3	7.5	4.0
Q3	9.7	6.3	6.0	5.6	6.4	3.9	7.4	3.9
Q4	8.4	6.0	6.1	5.4	6.7	4.2	7.1	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	7.4	3.3
Q3	8.9	5.4	5.9	4.8	5.7	3.7	6.9	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	7.4	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	6.3	5.5	5.6	4.6	5.9	3.8	7.1	4.0
Q4	7.5	5.0	5.1	4.7	5.7	4.1	6.7	4.0
2003 Q1	6.4	5.0	5.2	4.1	6.0	4.6	7.0	3.9
Q2	6.1	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	6.5	4.8	5.1	4.4	5.8	3.5	7.1	3.8
2004 Q1	5.4	4.6	4.7	4.7	5.5	3.4	6.9	3.9
Q2	5.5	4.4	4.6	4.4	5.5	3.8	7.0	3.7
Q3	5.9	4.3	4.5	4.0	5.0	3.5	7.1	3.7
Q4	6.3	4.6	4.7	4.1	4.8	3.8	7.3	3.5
	South West	England	Wales	Scotland	Great Britain	Northern Ireland	United Kingdom	
Quarterly								
	YCNK	YCNL	YCNM	YCNN	YCNO	ZSFB	MGSX	
1999 Q1	4.9	6.0	7.2	7.4	6.1	7.2	6.2	
Q2	4.5	5.8	7.5	7.1	6.0	7.6	6.0	
Q3	4.4	5.7	7.2	6.9	5.9	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	5.8	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	5.1	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	5.2	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	3.8	5.0	4.8	5.8	5.1	5.2	5.1	
Q2	3.5	5.0	4.6	5.6	5.0	5.2	5.0	
Q3	3.2	4.9	4.7	5.8	5.0	5.7	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	4.8	
Q2	3.7	4.7	4.4	6.2	4.8	5.3	4.8	
Q3	3.2	4.6	4.9	5.2	4.6	5.1	4.6	
Q4	3.3	4.7	4.2	5.6	4.7	4.5	4.7	

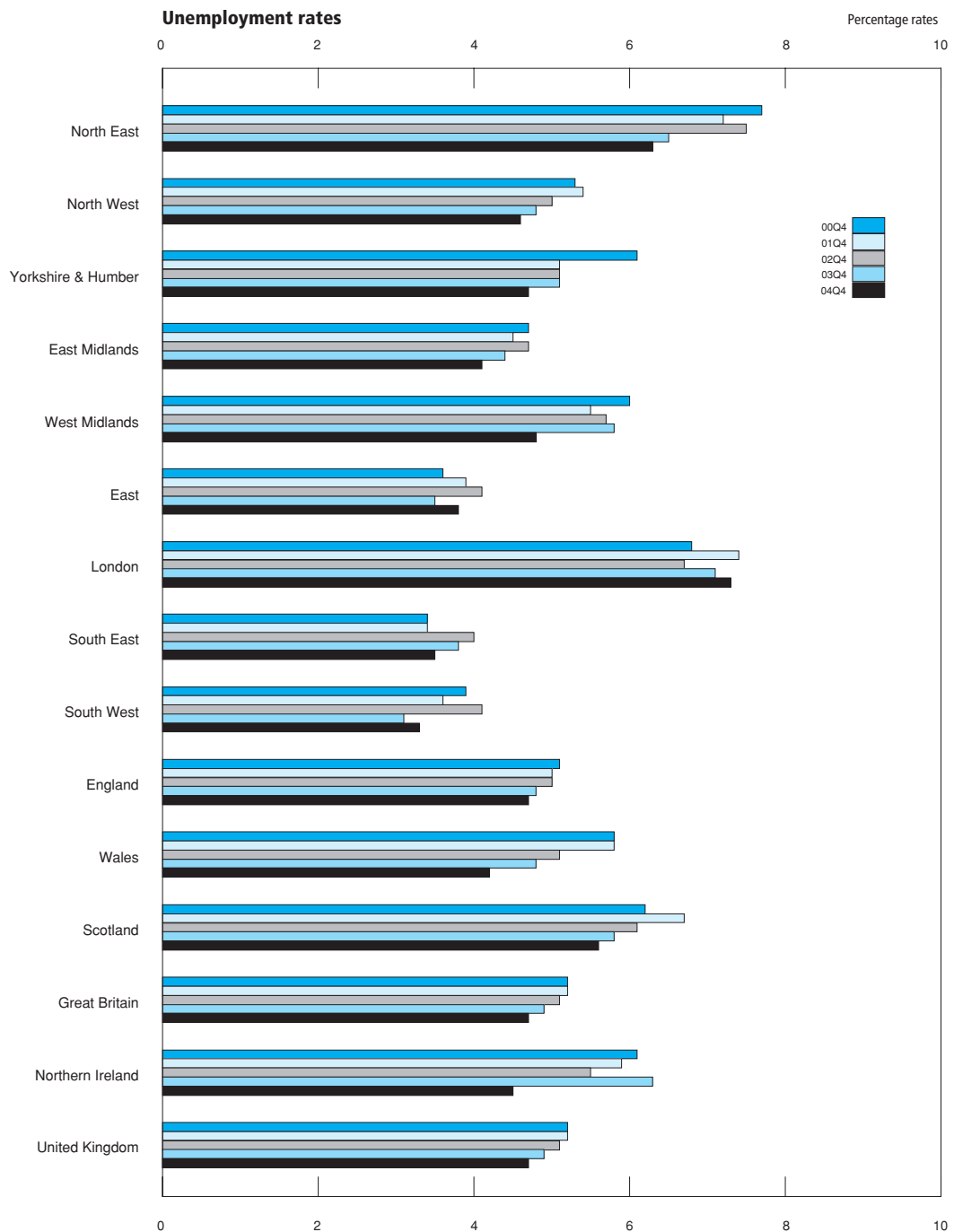
1 The data in this table have been adjusted to reflect the latest revisions to mid-year population data.

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

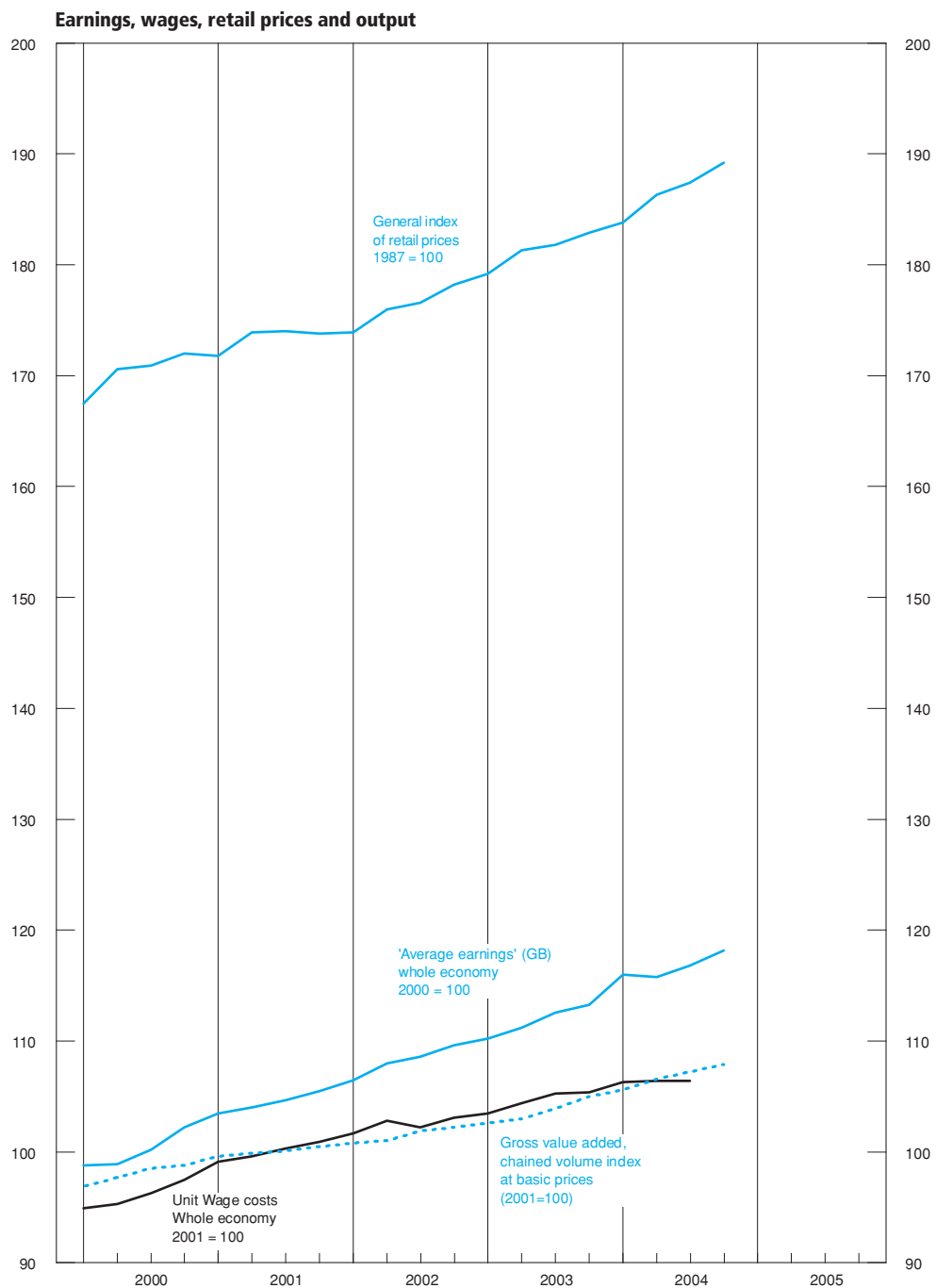
	Whole economy ¹	3 month average ²	Private sector	3 month average ²	Public sector	3 month average ²	Manufacturing industries ³	3 month average ^{2,3}	Production industries	3 month average ²	Service industries	3 month average ²	Private sector services	3 month average ²
Annual	LNMQ		LNKY		LNNJ		LNMR		LNMS		LNMT		JJGH	
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		108.1		107.7	
2003	111.8		111.1		114.8		111.9		111.7		111.8		110.7	
2004	116.7		116.0		119.8		116.0		115.8		116.7		115.6	
Monthly		LNNC		LNND		LNNE		LNNG		LNNF		LNNH		JJGJ
2001 Jan	103.3	4.6	103.4	4.7	102.2	3.8	102.8	4.5	102.7	4.3	103.3	4.6	103.5	4.7
Feb	103.7	4.8	103.8	4.9	102.6	3.6	103.2	4.6	103.4	4.4	103.7	4.8	103.9	4.9
Mar	103.5	4.7	103.4	4.7	103.3	3.7	103.6	4.8	103.5	4.6	103.6	4.7	103.6	4.7
Apr	103.8	5.0	103.7	5.0	104.6	4.4	103.8	5.2	103.7	5.1	103.7	4.9	103.5	4.9
May	103.9	5.0	103.7	5.0	105.0	5.2	104.1	5.1	104.0	5.0	103.8	5.0	103.4	5.0
Jun	104.2	5.2	104.0	5.2	105.2	5.5	104.3	4.9	104.1	4.8	104.1	5.1	103.8	5.1
Jul	104.4	5.1	104.2	5.0	105.6	5.6	104.4	4.7	104.3	4.6	104.2	5.1	103.9	5.0
Aug	104.8	4.9	104.6	4.7	105.9	5.6	104.8	4.7	104.6	4.6	104.7	4.8	104.3	4.6
Sep	105.0	4.6	104.8	4.4	105.9	5.7	105.2	4.5	105.0	4.4	104.9	4.5	104.5	4.1
Oct	105.2	4.2	105.0	3.9	106.5	5.7	105.2	4.3	105.1	4.2	105.1	4.1	104.8	3.7
Nov	105.4	3.9	105.2	3.6	106.5	5.4	105.1	3.7	105.0	3.6	105.6	3.9	105.3	3.4
Dec	106.0	3.3	105.8	2.9	106.8	5.2	105.4	3.1	105.2	3.1	106.0	3.3	105.7	2.8
2002 Jan	106.3	3.0	106.1	2.6	107.1	4.9	106.0	2.9	105.9	2.8	106.3	3.0	106.0	2.5
Feb	107.0	2.9	106.9	2.6	107.2	4.7	105.8	2.7	105.6	2.6	107.1	2.9	106.9	2.4
Mar	106.2	3.0	105.8	2.7	107.9	4.5	106.8	2.9	106.9	2.8	106.2	2.9	105.6	2.4
Apr	107.9	3.3	107.9	3.1	108.3	4.1	107.3	3.0	107.1	2.9	107.8	3.2	107.7	3.0
May	107.9	3.5	107.7	3.4	108.7	3.8	107.6	3.3	107.5	3.3	107.9	3.5	107.6	3.4
Jun	108.1	3.8	108.0	3.9	108.8	3.5	108.1	3.5	107.9	3.4	108.1	3.9	107.9	4.0
Jul	108.5	3.8	108.3	3.8	109.8	3.6	108.3	3.6	108.2	3.6	108.5	3.9	108.1	4.0
Aug	108.5	3.7	108.4	3.8	109.0	3.4	108.8	3.7	108.7	3.8	108.3	3.8	108.0	3.8
Sep	108.8	3.7	108.5	3.7	110.0	3.6	108.8	3.6	108.7	3.7	108.7	3.7	108.2	3.7
Oct	109.2	3.6	108.8	3.6	110.9	3.7	109.3	3.7	109.2	3.8	109.0	3.6	108.4	3.5
Nov	109.8	3.8	109.3	3.7	111.7	4.3	109.4	3.8	109.3	3.9	110.0	3.8	109.4	3.6
Dec	109.7	3.8	109.2	3.6	112.1	4.7	109.9	4.1	109.8	4.1	109.5	3.7	108.6	3.4
2003 Jan	109.9	3.7	109.3	3.4	112.5	5.0	110.0	4.0	109.9	4.1	109.7	3.5	108.7	3.0
Feb	110.2	3.3	109.5	2.9	112.8	5.1	110.4	4.1	110.1	4.1	109.9	3.0	108.8	2.3
Mar	110.6	3.5	109.9	3.1	113.3	5.1	113.9	5.0	113.8	4.8	110.3	3.2	109.2	2.5
Apr	110.7	3.2	109.9	2.7	113.9	5.1	110.1	4.5	110.1	4.5	110.6	3.0	109.5	2.3
May	111.3	3.3	110.7	2.8	113.7	4.9	110.9	4.1	110.8	4.1	111.4	3.3	110.6	2.6
Jun	111.5	3.0	110.8	2.4	114.7	5.1	111.2	2.8	111.2	2.9	111.6	3.1	110.6	2.3
Jul	112.6	3.4	111.9	2.9	115.6	5.1	111.7	3.0	111.6	3.1	112.9	3.5	111.9	3.0
Aug	112.3	3.5	111.5	2.9	115.5	5.6	112.1	3.0	111.9	3.0	112.4	3.7	111.2	3.0
Sep	112.9	3.7	112.1	3.2	116.0	5.6	112.6	3.2	112.4	3.2	112.8	3.9	111.7	3.3
Oct	113.1	3.6	112.4	3.2	116.0 [†]	5.4	112.8 [†]	3.2	112.7 [†]	3.2 [†]	113.0	3.7 [†]	111.9	3.2
Nov	113.2 [†]	3.5	112.5	3.2	116.4	4.8	113.4	3.4	113.2	3.3	113.2	3.5	112.1	3.0
Dec	113.5	3.4	112.7	3.1 [†]	117.0	4.4	113.5	3.4	113.2	3.2	113.3 [†]	3.4	112.0 [†]	3.0 [†]
2004 Jan	118.3	4.7	118.6	4.9	117.1	4.2	113.9	3.5	113.7	3.4	119.4	5.1	120.2	5.4
Feb	114.5	5.0	113.7	5.2	117.8	4.3	114.3	3.5	114.4	3.5	113.9	5.4	112.6	5.8
Mar	115.3	5.3	114.7	5.6	118.3	4.3	118.1	3.6	117.7	3.6	115.4	5.7	114.4	6.3
Apr	115.6	4.2	115.0	4.3	118.5	4.3	115.2	3.9	115.2	4.0	115.4	4.2	114.3	4.2
May	115.8	4.3	115.1	4.3	119.0	4.3	115.6	4.2	115.4	4.1	115.6	4.2	114.4	4.2
Jun	116.1	4.2	115.3	4.2	119.8	4.4	115.7	4.3	115.5	4.3	116.0	4.0	114.7	3.9
Jul	116.3	3.8	115.5	3.7	119.9	4.2	115.9	4.0	115.6	3.9	116.2	3.5	114.9	3.3
Aug	116.9	3.8	116.0	3.7	120.7	4.2	115.8	3.7	115.6	3.6	116.9	3.6	115.5	3.4
Sep	117.3	3.8	116.3	3.7	121.2	4.2	116.1	3.4	115.9	3.3	117.3	3.6	116.0	3.4
Oct	117.8	4.1	117.0	4.0	121.6	4.6	116.6	3.3	116.4	3.2	117.9	4.1	116.6	3.9
Nov	118.2	4.2	117.4	4.1	121.9	4.7	116.6	3.1	116.5	3.1	118.3	4.3	117.0	4.1
Dec ¹	118.5	4.3	117.6	4.3	122.2	4.7	117.8	3.4	117.5	3.3	118.4	4.4	117.1	4.4

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 worker ²	Output per filled job ³			Output per hour worked ⁴			Unit wage costs ⁵	
	Whole economy	Total production industries	Manufacturing industries		Whole economy	Whole economy	Total production industries	Manufacturing industries	Whole economy	Total production industries	Manufacturing industries	Whole economy	Manufacturing industries
Annual	LNNM	LNOJ	LNOK	A4YM	LNNN	LNNW	LNNX	LZVB	LZVK	LZVF	LNNK	LNNQ
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
2002	100.8	95.5	95.5	100.7	100.7	102.1	101.6	101.7	102.9	102.4	102.4	101.9
2003	101.6	90.9	90.9	101.9	102.0	107.0	107.1	103.5	107.5	107.8	104.7	100.1
Quarterly												
2001 Q1	99.7	101.9	101.8	99.8	99.8	100.1	100.5	99.7	100.7	101.0	99.1	98.4
Q2	100.1	100.8	100.8	99.9	99.7	99.5	99.2	99.5	99.3	99.0	99.6	100.5
Q3	99.9	99.2	99.4	100.1	100.1	100.7	100.5	100.0	100.3	100.3	100.3	99.9
Q4	100.2	98.2	98.1	100.2	100.3	99.7	99.8	100.7	99.7	99.7	100.9	101.1
2002 Q1	100.4	97.1	97.0	100.4	100.4	100.8	100.5	100.9	100.5	100.5	101.7	101.3
Q2	100.6	96.4	96.3	100.3	100.4	101.2	100.1	101.8	103.1	101.9	102.8	103.2
Q3	100.7	94.5	94.7	101.2	101.1	103.1	102.8	102.0	104.1	104.2	102.2	101.2
Q4	101.3	94.1	93.8	100.9	100.8	103.2	102.8	102.3	103.7	103.2	103.1	102.1
2003 Q1	101.4	92.9	92.9	101.1	101.2	104.6	104.1	102.5	104.8	104.4	103.5	102.6
Q2	101.5	91.4	91.4	101.3	101.4	106.1	106.0	102.7	106.6	106.8	104.4	100.1
Q3	101.7	90.3	90.2	102.1	102.2	107.8	108.2	103.7	107.7	108.3	105.3	99.3
Q4	101.7	89.1	89.0 [†]	103.1	103.3	109.7	110.3 [†]	105.3	111.0	111.7	105.4	98.4
2004 Q1	102.4	88.7	88.5	103.1	103.3	109.6	110.7	105.0	110.0	110.9	106.3	100.0
Q2	102.1	88.2	88.0	104.2	104.5	111.5	112.8	106.4	111.9	112.8	106.4	98.2 [†]
Q3	102.3	87.3	87.2	104.5	104.9	111.2	113.0	106.9	110.6	112.1	106.4	98.3
Q4	..	..	86.2	..	..	..	114.5	..	..	..	..	97.9
Monthly												
2003 Jul	..	..	90.5	..	..	..	107.9	..	..	..	..	99.2
Aug	..	..	90.2	..	..	..	108.0	..	..	..	..	99.5
Sep	..	..	89.9	..	..	..	108.6	..	..	..	..	99.3
Oct	..	..	89.5	..	..	..	110.1	..	..	..	..	98.2
Nov	..	..	89.0	..	..	..	110.1	..	..	..	..	98.7
Dec	..	..	88.6 [†]	110.6	..	..	..	..	98.3 [†]
2004 Jan	..	..	88.5	..	..	..	110.8 [†]	98.5
Feb	..	..	88.5	..	..	..	110.4	..	..	..	..	99.2
Mar	..	..	88.4	..	..	..	110.8	..	..	..	..	102.1
Apr	..	..	88.1	..	..	..	112.3	..	..	..	..	98.3
May	..	..	88.0	..	..	..	113.2	..	..	..	..	97.9
Jun	..	..	87.9	..	..	..	112.8	..	..	..	..	98.3
Jul	..	..	87.6	..	..	..	112.8	..	..	..	..	98.4
Aug	..	..	87.1	..	..	..	112.7	..	..	..	..	98.5
Sep	..	..	86.7	..	..	..	113.5	..	..	..	..	98.0
Oct	..	..	86.4	..	..	..	113.8	..	..	..	..	98.2
Nov	..	..	86.1	..	..	..	114.4	..	..	..	..	97.7
Dec	..	..	85.9	..	..	..	115.3	..	..	..	..	97.9

Percentage change, quarter on corresponding quarter of previous year

Quarterly	LNNO	LNNR	LNNS	A4YN	LNNP	LNNT	LNNU	LZVD	LZVM	LZVH	LOJE	LOJF
2002 Q1	0.7	-4.7	-4.6	0.6	0.6	0.7	-	1.2	-0.1	-0.5	2.6	2.9
Q2	0.5	-4.4	-4.5	0.4	0.6	1.7	0.9	2.2	3.9	2.9	3.2	2.6
Q3	0.8	-4.7	-4.6	1.1	1.0	2.4	2.3	2.0	3.8	3.9	1.8	1.3
Q4	1.1	-4.1	-4.3	0.6	0.6	3.5	3.1	1.6	4.0	3.5	2.1	1.0
2003 Q1	1.0	-4.3	-4.3	0.7	0.8	3.7	3.6	1.5	4.2	4.0	1.8	1.3
Q2	0.9	-5.2	-5.0	0.9	1.1	4.8	5.9	0.9	3.4	4.8	1.6	-3.0
Q3	0.9	-4.4	-4.8	0.9	1.1	4.5	5.2	1.6	3.4	3.9	3.1	-1.9
Q4	0.4	-5.4	-5.1	2.2	2.4	6.3	7.2	2.9	7.0	8.3	2.3	-3.6
2004 Q1	1.0	-4.5	-4.7	1.9	2.1	4.8	6.3	2.5	5.0	6.2	2.7	-2.6
Q2	0.6	-3.5	-3.7	2.9	3.1	5.1	6.4 [†]	3.6	4.9	5.6	1.9	-1.9 [†]
Q3	0.6	-3.3	-3.4	2.4	2.6	3.1	4.5	3.1	2.7	3.6	1.0	-1.0
Q4	..	..	-3.2	..	..	..	3.9	..	..	..	..	-0.5

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 worker is the ratio of Gross value Added (GVA) at basic prices to LFS Total Employment. On 29 July, ONS published details on the National Statistics website of a change in productivity methodology. Output per worker is the new headline measure.

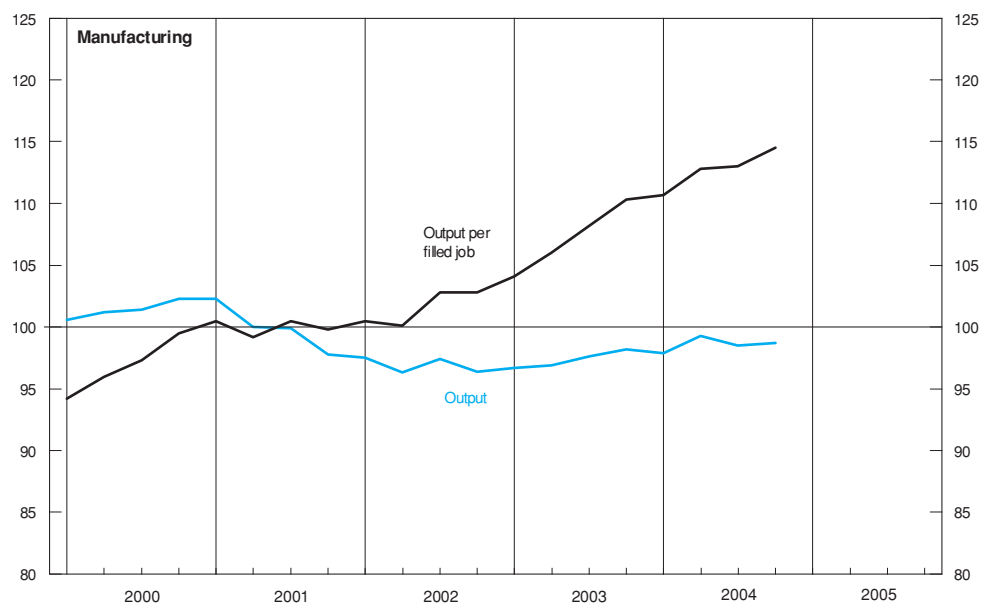
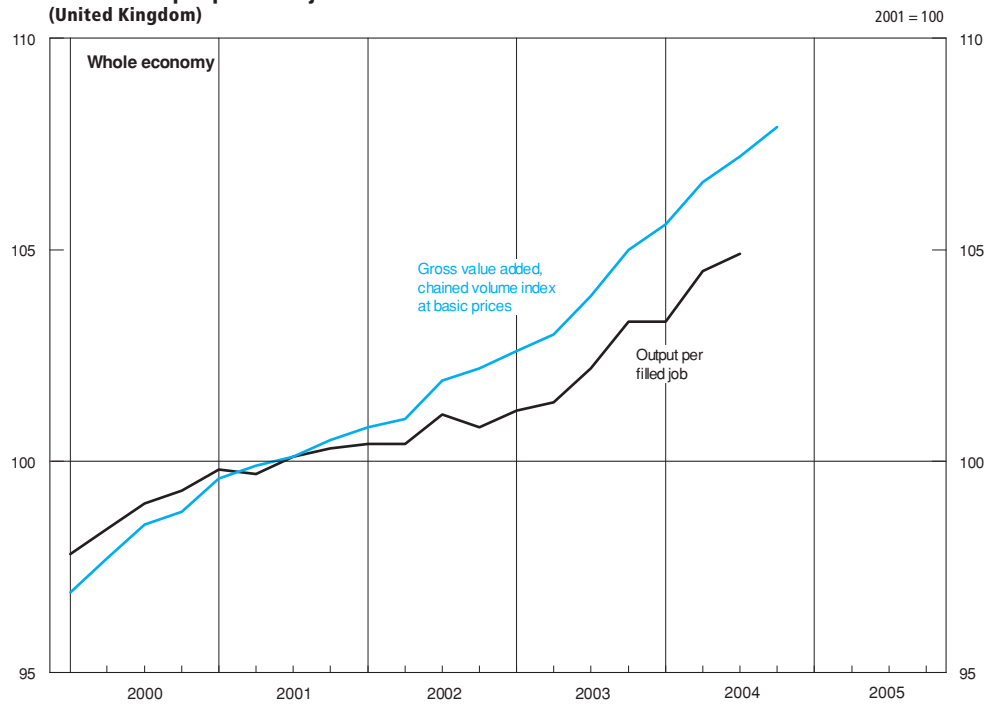
3 Output per filled job is the ratio of Gross value added at basic prices to productivity jobs.

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

5 Unit wage costs are calculated as total wages and salaries per job divided by output per job.

Source: Office for National Statistics; Enquiries 01633 812766

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



5.1 Output of production industries¹

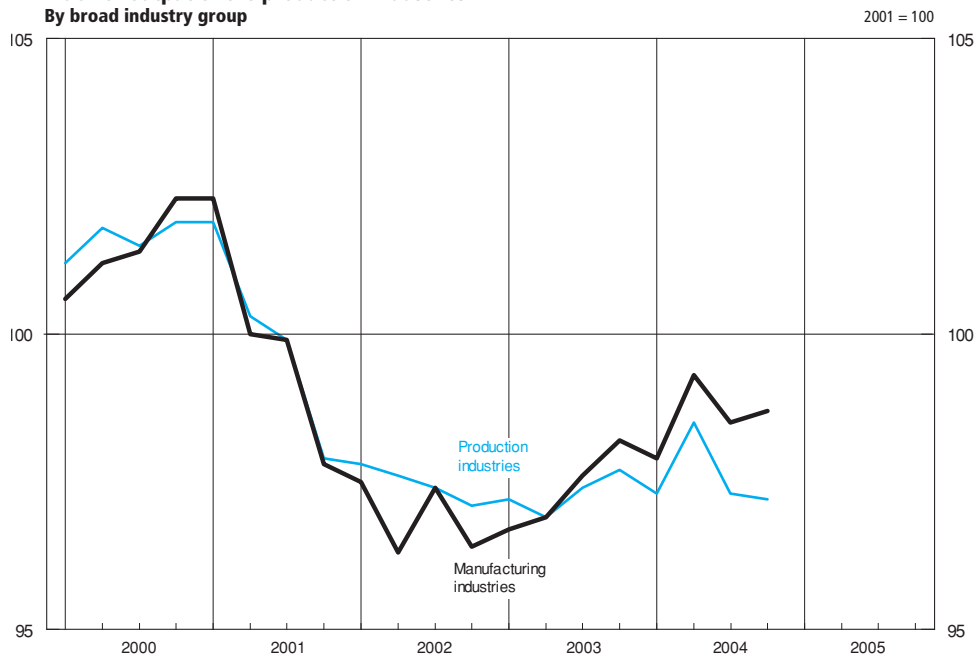
2001 = 100

	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
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	97.3	94.2	101.4	97.3	99.4	99.9	95.1	96.6
2004	97.6 [†]	87.1 [†]	103.5 [†]	98.6 [†]	102.9	99.0	97.7	96.4
Quarterly								
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	97.2	98.8	99.3	96.7	98.6	99.2	93.5	97.5
Q2	96.9	94.8	100.4	96.9	99.0	99.5	94.8	96.3
Q3	97.4	92.8	102.0	97.6	99.8	100.6	95.6	96.1
Q4	97.7	90.4	103.8	98.2	100.1	100.6	96.6	96.4
2004 Q1	97.3	89.3 [†]	103.2 [†]	97.9	100.5 [†]	99.9 [†]	94.8 [†]	96.7 [†]
Q2	98.5 [†]	90.6	103.1	99.3 [†]	103.6	99.6	98.5	97.6
Q3	97.3	85.5	103.8	98.5	104.8	97.8	99.2	95.7
Q4	97.2	83.0	103.8	98.7	102.7	98.5	98.5	95.5
Monthly								
2003 Jan	96.7	98.3	98.8	96.3	99.9	98.5	92.8	97.2
Feb	97.6	99.8	101.5	96.9	98.3	99.3	94.0	98.2
Mar	97.1	98.4	97.7	96.8	97.5	99.6	93.7	97.1
Apr	96.8	95.0	98.9	96.8	98.6	98.5	96.0	96.0
May	96.8	95.0	100.1	96.8	98.0	100.3	93.6	96.2
Jun	97.2	94.2	102.3	97.1	100.6	99.6	94.7	96.7
Jul	97.5	93.9	101.0	97.7	100.5	100.9	95.5	96.2
Aug	97.2	92.8	101.8	97.4	99.2	100.5	94.8	96.2
Sep	97.4	91.8	103.0	97.6	99.7	100.4	96.4	95.9
Oct	98.3	92.1	105.6	98.5	99.7	101.4	96.8	97.1
Nov	97.4	90.1	102.2	98.0	101.2	100.0	96.7	95.9
Dec	97.4	89.1	103.5	98.1	99.4	100.3	96.3	96.1
2004 Jan	97.4	89.6 [†]	102.1 [†]	98.1	99.7 [†]	100.1 [†]	94.8 [†]	96.8 [†]
Feb	97.1 [†]	88.2	103.9	97.7 [†]	100.9	99.6	94.4	96.5
Mar	97.5	90.2	103.6	98.0	100.8	100.0	95.2	96.9
Apr	98.4	90.2	103.8	99.0	103.5	100.3	96.9	97.5
May	98.7	89.7	102.8	99.6	103.8	99.0	99.6	97.7
Jun	98.6	91.9	102.7	99.1	103.6	99.4	99.0	97.5
Jul	98.1	90.3	102.6	98.8	106.9	97.0	100.4	97.0
Aug	97.0	84.4	104.6	98.2	103.8	98.4	98.0	95.3
Sep	96.9	81.7	104.1	98.5	103.6	98.2	99.1	94.7
Oct	96.8	81.6	103.4	98.4	104.9	98.4	97.9	94.7
Nov	97.2	83.3	104.4	98.6	101.1	98.4	98.4	95.7
Dec	97.7	84.3	103.6	99.1	102.0	98.7	99.1	96.2

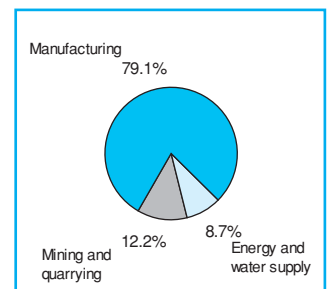
¹ The figures contain, where appropriate, an adjustment for stock changes.

Source: Office for National Statistics; Enquiries 01633 812059

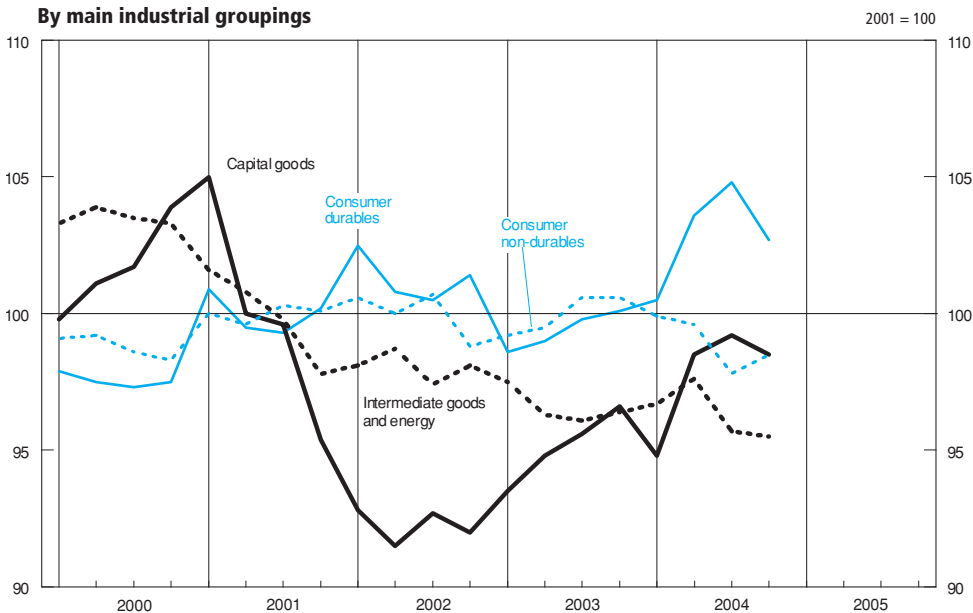
Index of output of the production industries
By broad industry group



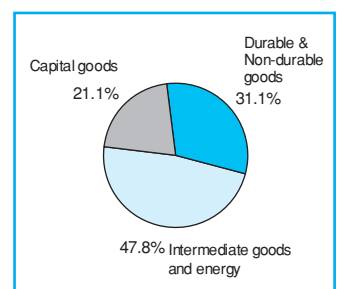
Share of output in 2001



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
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	92.9	81.0	83.6	109.1	91.5	93.7	65.4	66.9	70.3	111.7	97.8
2004	87.4	79.2	83.5	101.8	86.3	92.1	63.1	69.8	72.2	..	103.8
Quarterly											
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	91.0	78.4	83.0	103.2	88.7	94.2	70.1	64.7	68.2	108.7	104.7
Q2	91.3	81.6	83.9	104.2	92.1	94.5	69.5	67.5	69.9	110.4	95.8
Q3	91.4	80.7	83.3	105.9	91.6	93.0	66.8	66.1	70.5	113.5	98.0
Q4	92.9	83.2	84.2	109.1	93.7	93.1	65.4	69.2	72.5	114.4	92.7
2004 Q1	92.8	78.8 [†]	81.4 [†]	108.2	84.7 [†]	88.9 [†]	66.6	70.9 [†]	71.5	114.3	108.6 [†]
Q2	91.7 [†]	79.7	83.8	105.7 [†]	84.2	91.0	68.0 [†]	73.7	74.1 [†]	114.7	105.5
Q3	88.9	78.4	84.5	103.0	85.9	92.9	65.0	68.4	73.1	116.2	98.5
Q4	87.4	80.0	84.5	101.8	90.3	95.6	63.1	66.2	69.9	..	102.8
Monthly											
2003 Jan	91.5	76.5	82.9	102.3	81.1	94.2	73.2	70.4	68.0	..	110.6
Feb	91.8	82.3	83.8	104.3	100.3	96.4	70.8	58.1	67.1	..	112.9
Mar	91.0	76.5	82.4	103.2	84.6	92.1	70.1	65.7	69.5	..	90.5
Apr	93.7	91.0	84.0	107.4	107.1	94.8	70.6	69.4	69.6	..	111.7
May	92.9	78.4	84.0	106.3	87.5	95.4	70.3	66.2	69.0	..	89.5
Jun	91.3	75.4	83.7	104.2	81.7	93.4	69.5	66.9	71.0	..	86.2
Jul	91.7	83.0	84.4	104.6	92.2	94.2	69.8	70.6	71.3	..	111.1
Aug	91.5	78.7	82.2	105.8	92.8	91.7	67.2	59.9	69.7	..	80.7
Sep	91.4	80.4	83.4	105.9	89.8	93.1	66.8	67.8	70.6	..	102.3
Oct	92.5	85.6	84.6	107.6	96.9	94.2	67.0	70.5	71.9	..	87.3
Nov	94.1	86.4	83.6	110.4	100.3	93.1	66.5	67.8	71.0	..	102.7
Dec	92.9	77.5	84.5	109.1	83.8	92.1	65.4	69.2	74.5	..	88.2
2004 Jan	94.4 [†]	85.2 [†]	81.8 [†]	109.8 [†]	90.4 [†]	89.9	68.3 [†]	78.2 [†]	71.1 [†]	..	90.3 [†]
Feb	91.0	66.4	81.1	106.8	72.4	87.5 [†]	64.2	58.4	72.6	..	126.2
Mar	92.8	84.9	81.4	108.2	91.4	89.4	66.6	76.2	70.8	..	109.2
Apr	91.1	73.8	82.5	104.9	73.1	89.3	67.6	74.8	73.5	..	103.5
May	91.7	83.5	83.9	105.4	89.4	91.1	68.6	75.7	74.4	..	111.4
Jun	91.7	81.8	84.9	105.7	90.2	92.7	68.0	70.6	74.4	..	101.5
Jul	91.9	82.8	85.0	106.1	91.4	93.2	67.7	71.3	74.0	..	106.5
Aug	89.8	73.7	83.7	103.7	78.4	91.4	66.3	67.4	73.4	..	100.3
Sep	88.9	78.7	84.7	103.0	87.9	94.2	65.0	66.5	72.0	..	88.6
Oct	88.0	78.1	84.0	101.9	87.3	95.0	64.4	65.7	69.5	..	101.2
Nov	87.6	81.2	85.5	101.7	92.3	97.1	63.7	66.4	70.1	..	104.4
Dec	87.4	80.7	84.1	101.8	91.4	94.7	63.1	66.4	70.1	..	102.9

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

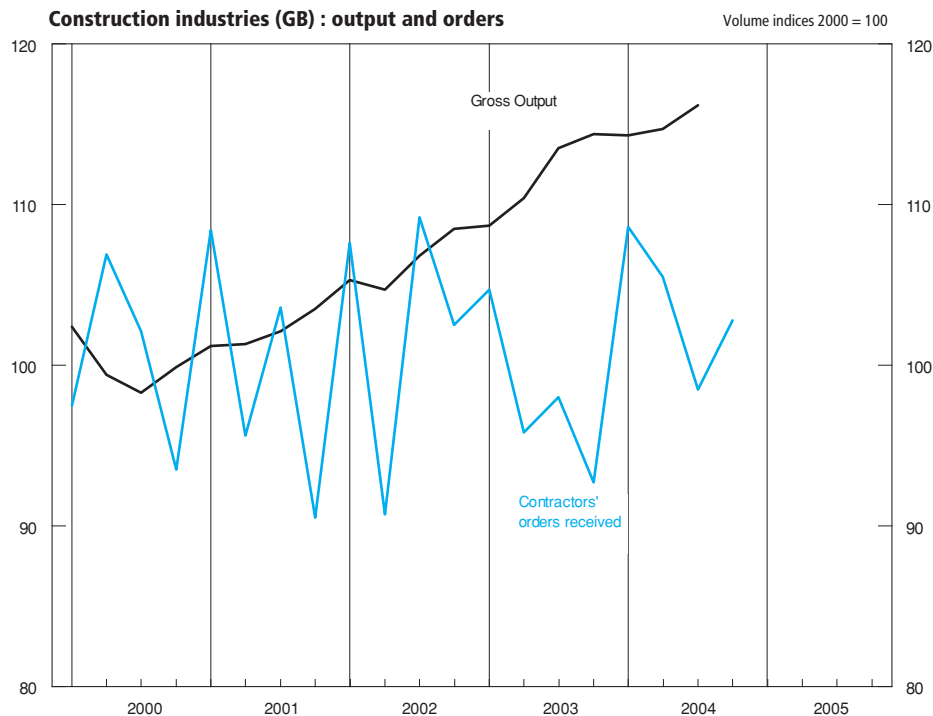
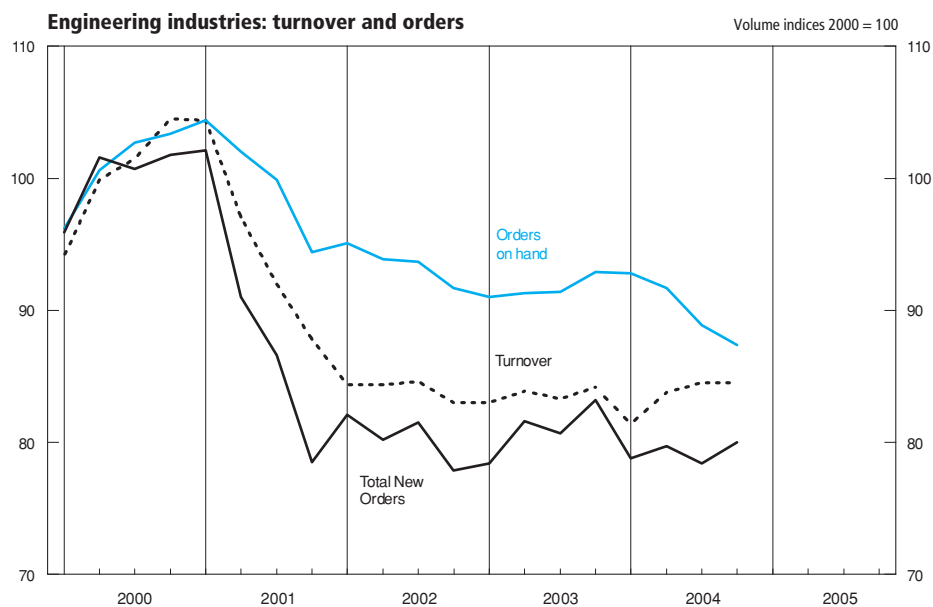
2 For Orders on Hand, the annual and quarterly index values represent the value at the end of the period in question, rather than the average value for that period, so the annual value shown for 2000 may not equal 100.

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

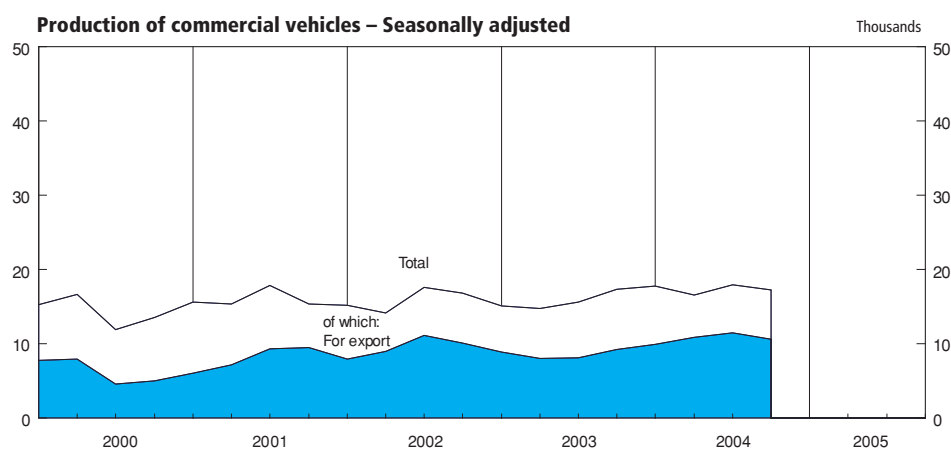
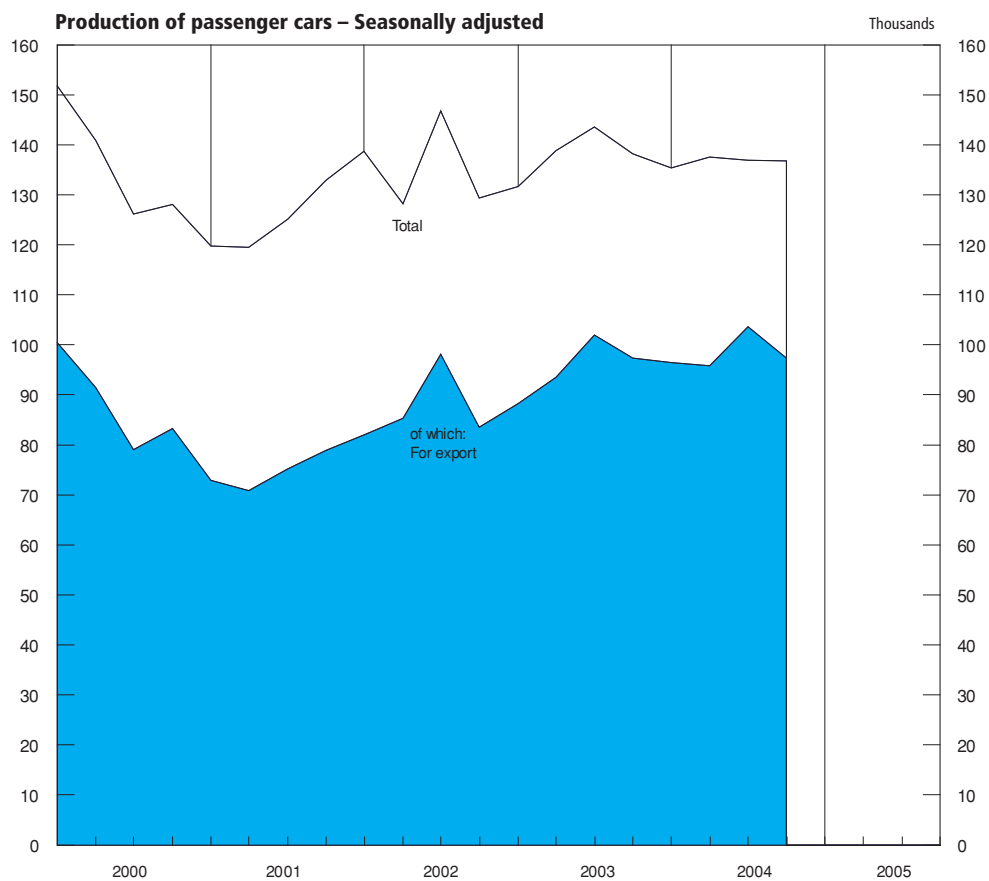
	Passenger cars ¹				Commercial vehicles ¹				Crude steel production (NSA) ² (thousand tonnes)
	Not seasonally adjusted		Seasonally adjusted		Not seasonally adjusted		Seasonally adjusted		
	Total production (thousands)	<i>of which</i> for export (thousands)	Total production (thousands)	<i>of which</i> for export (thousands)	Total production (thousands)	<i>of which</i> for export (thousands)	Total production (thousands)	<i>of which</i> for export (thousands)	
Annual	FFAA	FFAB	FFAO	FFAP	FFAC	FFAD	FFAQ	FFAR	BCBS
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
2004	137.2	98.3	136.7	98.3 [†]	17.4	10.7	17.4	10.7	13 765.8 [†]
Quarterly									
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	137.6	95.9	16.9	11.2	16.6	10.9	3 681.4
Q3	126.3	88.3	137.0	103.6	15.6	9.7	18.0	11.5	3 405.2
Q4	131.4	101.5	136.9 [†]	97.4 [†]	17.9	11.4	17.3 [†]	10.6	3 298.5 [†]
Monthly									
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	141.1	96.2	16.9	11.9	17.7	11.8	1 160.7
Jun	155.5	108.9	135.6	98.3	18.2	11.6	16.0	10.5	1 365.2
Jul	140.5	100.5	142.3	110.0	14.9	10.1	16.7	11.4	1 042.6
Aug	83.2	56.7	132.0	100.4	10.2	5.7	18.4	10.6	1 015.8
Sep	155.3	107.6	136.6	100.4	21.7	13.3	18.8	12.6	1 346.8
Oct	135.1	107.2	134.6	99.3	18.6	12.2	18.0	11.0	1 091.5
Nov	149.3	114.4	140.2 [†]	98.0 [†]	20.1	12.3	17.1	10.3	1 001.4
Dec	109.7	82.8	135.9	94.9	14.9	9.7	16.7 [†]	10.5	1 205.6 [†]
2005 Jan	136.0	89.2	136.1	94.3	17.7	10.7	17.3	10.8	1 052.5 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.

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

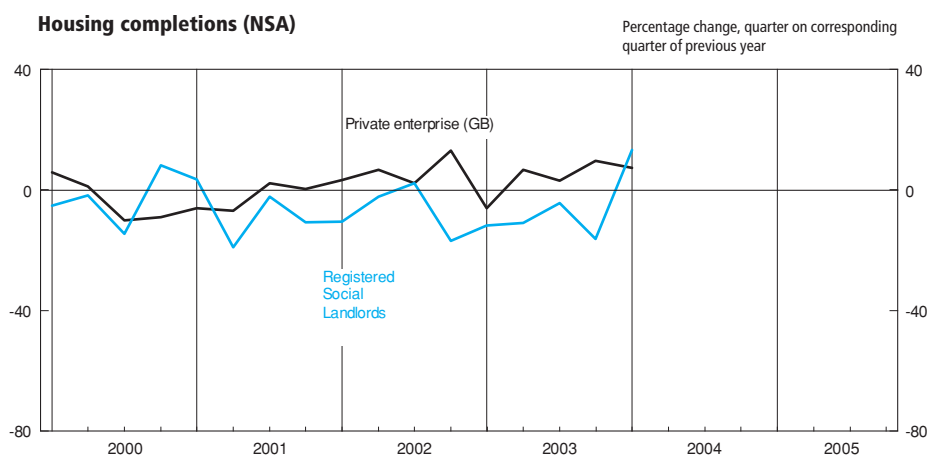
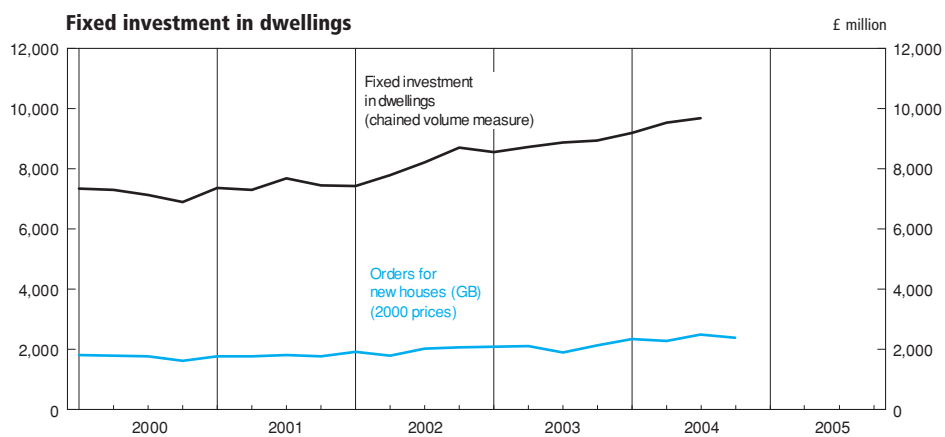
	Fixed investment in dwellings (£ million, chained volume measures, reference year 2001)	Orders received by contractors for new houses (GB) (£ million, 2000 prices)	Housing starts (NSA) ¹ (GB)			Housing completions (NSA) ¹ (GB)			Mix-adjusted price of new dwellings at mortgage completion stage (NSA) ³ (£)
			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
2001	29 806	7 122	162.6	16.8	0.3	140.1	20.9	0.3	134 234
2002	32 139	7 805	164.7	16.2	0.2	149.3	19.3	0.2	161 533
2003	35 095	8 219	177.3	16.2	0.3	155.0	17.2	0.2	186 427 [†]
2004	..	9 519	..	..	..	..	..	..	205 818
Quarterly									
2000 Q1	7 343	1 822	43.0	5.2	—	34.6	5.5	—	118 944
Q2	7 295	1 787	43.0	4.9	—	37.0	5.8	0.1	125 917
Q3	7 137	1 773	41.1	4.4	0.1	35.0	4.7	0.1	130 215
Q4	6 897	1 614	31.0	4.5	0.1	37.3	6.6	—	135 936
2001 Q1	7 365	1 767	39.1	5.7	0.2	32.5	5.7	0.1	130 771
Q2	7 305	1 772	43.7	4.2	—	34.5	4.7	0.1	130 774
Q3	7 680	1 822	43.4	3.2	—	35.8	4.6	0.1	135 507
Q4	7 456	1 761	36.3	3.7	0.1	37.4	5.9	0.1	137 368
2002 Q1	7 435	1 916	41.7	5.4	0.1	33.6	5.1	—	143 996
Q2	7 781	1 782	42.6	3.8	0.1	36.8	4.6	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	—	42.3	4.9	—	173 254
2003 Q1	8 561	2 095	44.2	5.0	0.1	31.6	4.5	0.1	175 947
Q2	8 724	2 108	46.8	4.4	0.2	39.3	4.1	0.1	187 676
Q3	8 872	1 894	45.8	3.8	—	37.7	4.5	—	188 711 [†]
Q4	8 938	2 123	40.5	3.0	0.1	46.4	4.1	0.1	193 373
2004 Q1	9 188 [†]	2 345 [†]	46.8	6.5	0.1	33.9	5.1	0.1	194 276
Q2	9 532	2 287	..	..	..	..	..	..	204 679
Q3	9 678	2 492	..	..	..	..	..	..	212 505
Q4	..	2 395	..	..	..	..	..	..	211 812
Monthly									
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	..	796 [†]	195 238
Feb	..	754	..	..	..	..	..	..	192 165
Mar	..	795	..	..	..	..	..	..	195 426
Apr	..	880	..	..	..	..	..	..	201 796
May	..	697	..	..	..	..	..	..	203 015
Jun	..	711	..	..	..	..	..	..	209 225
Jul	..	758	..	..	..	..	..	..	211 663
Aug	..	891	..	..	..	..	..	..	211 314
Sep	..	843	..	..	..	..	..	..	214 537 [†]
Oct	..	744	..	..	..	..	..	..	214 509
Nov	..	843	..	..	..	..	..	..	212 354
Dec	..	809	..	..	..	..	..	..	208 574

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	Jun	125	125	128
2000	1 433		1 471				
2001	1 458		1 497	Jul	132	120	135
2002	1 586		1 627	Aug	140	125	143
2003	1 345		1 397	Sep	124	124	127
2004	1 786		1 830	Oct	140	125	143
				Nov	137	131	141
				Dec	110	123	112
		FTAQ					
2000 Q1	367	392	379	2002 Jan	131	120	134
Q2	348	356	356	Feb	108	127	110
Q3	379	346	388	Mar	104	127	106
Q4	339	338	349	Apr	129	135	132
2001 Q1	327	346	337	May	137	140	140
Q2	347	363	360	Jun	129	135	132
Q3	396	369	405				
Q4	387	379	396	Jul	152	134	154
2002 Q1	342	374	351	Aug	166	149	171
Q2	395	410	404	Sep	139	134	144
Q3	457	417	468	Oct	147	131	151
Q4	392	385	404	Nov	127	124	131
				Dec	118	131	122
2003 Q1	340	361	359	2003 Jan	131	121	137
Q2	306	323	320	Feb	103	120	109
Q3	358	327	369	Mar	106	119	113
Q4	340	333	349	Apr	101	113	108
2004 Q1	447	470	457	May	101	106	105
Q2	452	459	463	Jun	103	105	107
Q3	491	447	504				
Q4	396	411	406	Jul	132	115	135
2000 Jan	137	136	140	Aug	112	106	116
Feb	112	128	116	Sep	114	106	118
Mar	118	128	122	Oct	120	108	124
Apr	97	114	100	Nov	110	109	113
May	122	120	126	Dec	111	116	113
Jun	129	122	130				
				2004 Jan	157	151	160
Jul	127	117	130	Feb	148	171	152
Aug	134	117	137	Mar	142	147	145
Sep	117	112	121	Apr	140	151	143
Oct	123	112	127	May	145	152	148
Nov	117	111	121	Jun	167	156	172
Dec	98	114	101				
2001 Jan	123	113	127	Jul	175	151	179
Feb	99	117	102	Aug	159	148	163
Mar	105	116	108	Sep	158	148	162
Apr	101	115	105	Oct	138	142	142
May	121	122	126	Nov	124	132	128
				Dec	134	136	136
				2005 Jan	112	112	114

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 month includes 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 figure is 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.

6 On 19 July the Inland Revenue ended the arrangement under which a Stamp Duty Land Tax certificate could be issued even though some of the required information had not been provided (the 'light touch' process). This is likely to have reduced the transaction count for July and August by a few thousand.

Source: Board of Inland Revenue; Enquiries 020 7147 2882

5.6 Change in inventories

Chained volume measures¹

Reference year 2001, £ million

	Mining and quarrying	Manufacturing industries				Electricity, gas and water supply	Distributive trades		Other industries ³	Change in inventories
		Materials and fuel	Work in progress	Finished goods	Total		Wholesale ²	Retail ²		
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	FBYN	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	1 575	1 756
Q2	42	-74	-62	178	42	-42	-28	630	-1 196	-552
Q3	-95	44	12	503	559	-51	139	499	-489	562
Q4	-19	-209	-415	-315	-939	-2	260	238	1 163	701
2004 Q1	36	30	517	-184	363	162	254	459	-1 217 [†]	57 [†]
Q2	-39	6	-411	132	-273	-143	869	-152	-219	43
Q3	-29	-13	-180	192	-1	-85	-121	-35	295	24
Q4	2	-98	-160	96	-162	-31	-16	416	129	338

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 6031

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	97.7	100.9	99.4	99.3	98.9	100
Q2	98.9	105.2	102.9	102.2	96.0	101
Q3	100.8	106.9	103.2	103.5	95.3	101
Q4	103.5	106.7	105.7	105.2	99.0	102
2002 Q1	104.3	106.4	106.1	105.6	98.5	103
Q2	105.6	105.8	107.2	106.2	98.5	102
Q3	104.5	106.2	105.5	105.4	99.5	101
Q4	104.5	106.2	104.3	105.0	99.8	102
2003 Q1	103.8	105.4	104.2	104.5	101.9	103
Q2	103.1	104.8	105.0	104.2	103.2	102
Q3	102.7	104.2	107.1	104.6	104.0	101
Q4	101.0	101.0	104.7	102.3	103.4	101
2004 Q1	101.4	104.5	104.0	103.2	103.3	101
Q2	100.2	100.7	103.5	101.5	100.7	100
Q3	101.0	100.6	105.5	102.4	99.6	100
Q4	..	..	..	..	..	100

1 Chained volume measure: reference year 2001.

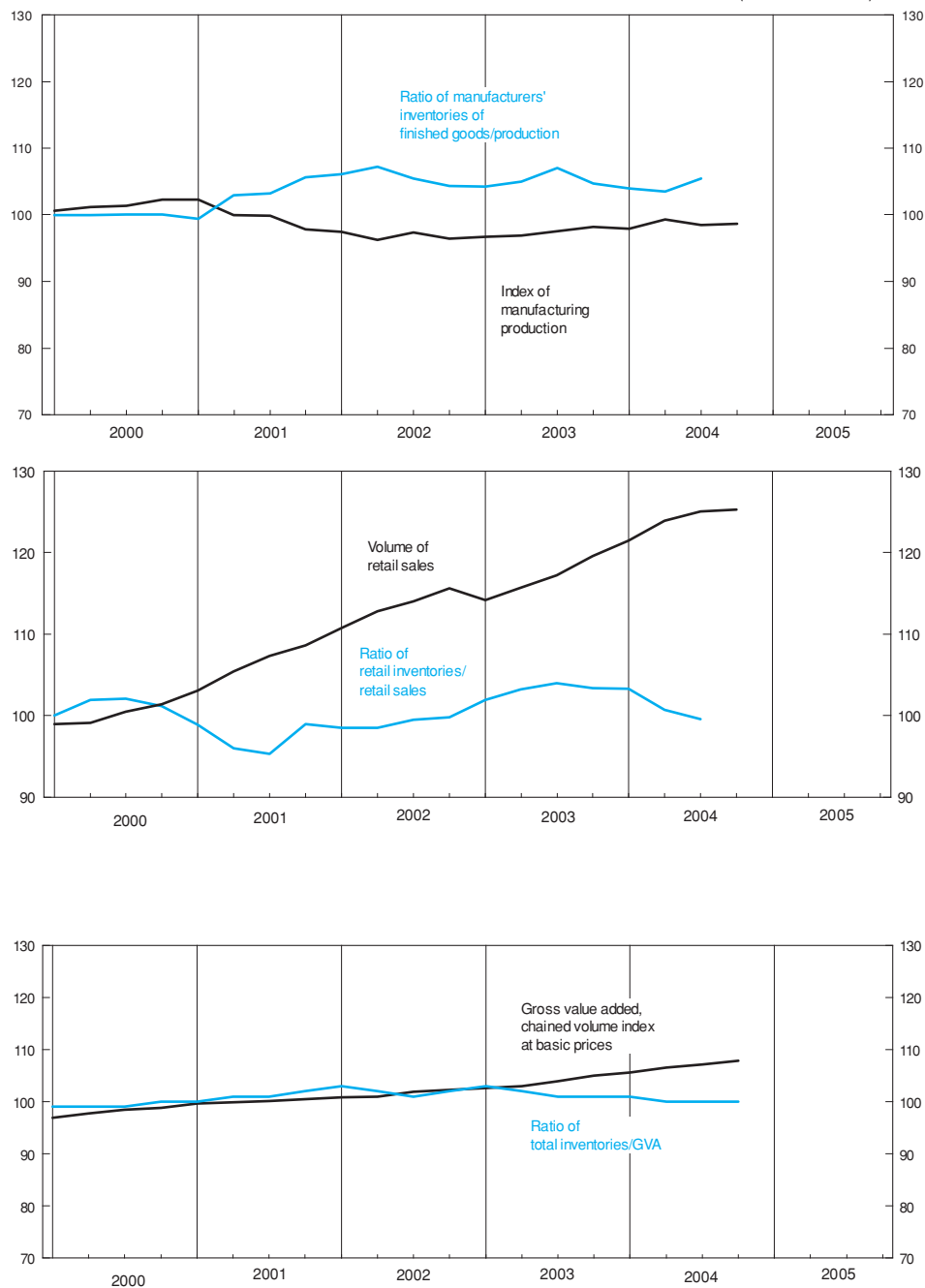
2 Classes 64-65 excluding activity headings 6510 and 6520, retail distribution of motor vehicles and parts, and filling stations.

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)

	Value of retail sales per week: total (average 2000=100) ^{1,2}	Volume of retail sales per week+(average 2000=100) ^{1,2}								New registrations of cars (NSA, thousands) ⁵	Total consumer credit: Net lending (£ million) ^{3,4}	of which	
		All retailers	Predominantly 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</i>	<i>£ million</i>	<i>207 149</i>	<i>207 149</i>	<i>89 041</i>	<i>106 359</i>	<i>18 781</i>	<i>27 880</i>	<i>27 699</i>	<i>31 999</i>	<i>11 749</i>			
Annual	EAQV	EAPS	EAPT	EAPV	EAPU	EAPX	EAPY	EAPW	EAPZ	BCGT	RLMH	VZQX	VZQY
2001	105.9	106.1	104.1	107.7	105.9	109.4	110.9	104.6	106.1	2 577.5	17 661 [†]	6 274 [†]	11 471 [†]
2002	111.1	112.7	108.1	116.5	110.8	120.9	120.8	112.1	113.4	2 682.0	21 125	7 606	13 573
2003	113.8	116.4	111.9	121.2	113.6	128.7	126.7	114.3	108.1	2 646.2	18 956	8 907	10 221
2004	119.0 [†]	123.3	116.5 [†]	129.5	117.2 [†]	137.8 [†]	135.4	124.4 [†]	118.1 [†]	..	20 336	9 941	10 404
Quarterly													
2001 Q1	102.9	103.1	102.9	103.8	105.2	104.4	107.4	99.2	99.0	704.2	3 339 [†]	1 359 [†]	2 164 [†]
Q2	105.6	105.4	104.0	106.7	107.2	106.7	110.9	102.8	104.7	617.7	4 487	1 685	2 761
Q3	107.2	107.3	104.8	109.3	108.1	110.6	111.7	106.7	108.3	725.6	4 175	1 257	2 932
Q4	108.1	108.6	105.7	111.2	107.9	113.6	114.2	108.4	106.9	530.0	5 660	1 973	3 614
2002 Q1	110.1	110.8	106.9	114.7	110.2	117.5	118.0	112.2	104.1	758.7	5 130	1 980	3 229
Q2	111.3	112.8	108.3	116.8	110.8	120.3	120.0	114.6	110.7	650.0	4 591	1 657	2 921
Q3	112.1	114.0	109.3	117.6	113.5	122.1	121.9	112.4	116.4	744.6	6 000	2 049	3 902
Q4	113.5	115.6	110.9	119.2	114.6	123.2	124.6	113.9	118.6	528.7	5 404	1 920	3 521
2003 Q1	112.1	114.2	109.7	118.9	113.0	125.6	122.5	113.3	106.0	737.6	4 748	2 307	2 483
Q2	113.1	115.7	111.7	120.3	113.6	127.3	126.6	112.6	105.0	642.7	5 402	2 487	2 922
Q3	114.5	117.2	112.7	122.4	115.9	130.4	128.1	114.2	104.2	742.8	4 681	2 139	2 504
Q4	116.4	119.6	113.7	125.9	119.1	131.5	132.5	119.3	107.7	523.1	4 125	1 974	2 312
2004 Q1	117.9 [†]	121.5 [†]	114.5 [†]	128.5 [†]	118.2	136.1 [†]	133.5 [†]	123.6 [†]	111.3 [†]	762.2	5 553	2 563	2 856
Q2	119.8	123.9	116.3 [†]	131.1	120.4 [†]	139.2	136.0	126.1	116.7	629.8	5 272	2 370	2 905
Q3	120.5	125.1	117.5	132.5	120.9	139.4	139.3	127.3	115.6	709.9	5 090	2 517	2 507
Q4	120.3	125.3	118.1	132.4	120.3	140.6	139.2	126.3	116.9	..	4 421	2 491	2 136
Monthly													
2003 Jan	111.3	113.6	108.3	118.7	113.1	124.8	122.2	113.7	107.8	193.4	1 358 [†]	748 [†]	610 [†]
Feb	112.2	114.2	109.9	118.8	112.5	125.5	122.9	113.3	104.9	92.2	1 849	923	926
Mar	112.8	114.6	110.6	119.0	113.4	126.3	122.4	113.0	105.5	452.0	1 536	639	898
Apr	113.4	115.7	112.1	119.7	112.7	126.6	125.6	112.6	107.7	196.3	1 646	725	921
May	112.5	115.1	111.1	119.7	113.1	124.3	128.2	112.3	103.7	202.6	2 111	972	1 138
Jun	113.3	116.2	111.8	121.2	114.8	130.3	126.0	112.9	103.9	243.8	1 596	737	859
Jul	114.2	116.7	112.3	121.6	115.8	130.0	126.9	113.0	105.3	201.1	1 638	700	939
Aug	114.5	117.1	113.1	122.0	115.6	128.3	128.6	114.6	103.8	94.2	1 524	696	828
Sep	114.9	117.6	112.7	123.3	116.3	132.3	128.7	114.9	103.5	447.5	1 668	865	803
Oct	115.9	118.8	113.3	124.8	119.6	131.9	130.3	116.8	106.2	186.6	1 807	842	965
Nov	115.8	118.9	113.1	124.9	116.6	131.1	130.7	119.3	108.8	175.7	1 379	487	892
Dec	117.2	120.8	114.4	127.7	120.8	131.5	135.8	121.2	108.0	160.8	1 056	518	539
2004 Jan	117.9 [†]	121.1 [†]	113.9 [†]	128.3 [†]	117.2 [†]	135.5 [†]	133.7 [†]	123.9 [†]	110.3 [†]	199.6	1 833	735	1 098
Feb	117.6	121.1	114.5	127.8	118.4	135.2	133.2	122.4	110.1	92.3	2 062	734	1 328
Mar	118.2	122.2	115.0	129.3	118.8	137.4	133.7	124.4	113.0	470.3	1 491	1 163	328
Apr	118.9	122.8	115.4	130.1	119.4	138.8	134.5	125.0	113.7	191.1	1 443	675	767
May	119.5	123.7	116.1	130.8	120.8	139.6	135.3	125.2	116.9	197.6	1 430	774	655
Jun	120.6	124.9	117.1	132.1	120.8	139.2	137.7	127.6	118.8	241.1	2 304	852	1 452
Jul	119.7	123.9	116.6	131.0	118.1	135.7	138.9	127.7	115.4	188.2	1 807	873	934
Aug	120.3	124.9	117.5	132.3	122.9	140.8	138.1	125.3	113.5	87.3	1 817	946	871
Sep	121.2	126.2	118.2	133.8	121.4	141.2	140.6	128.7	117.4	434.4	1 775	842	933
Oct	120.7	125.4	118.1	132.5	120.6	141.2	138.4	126.8	115.9	..	1 503	845	657
Nov	121.1	126.1	118.6	133.5	122.0	141.8	140.7	126.7	116.8	..	1 419	828	591
Dec	119.4	124.7	117.6	131.3	118.7	139.0	138.7	125.6	117.9	..	1 564	661	903
2005 Jan	120.8	125.8	119.4	131.9	121.9	139.4	139.8	124.6	118.1	..	2 293	1 070	1 223

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.

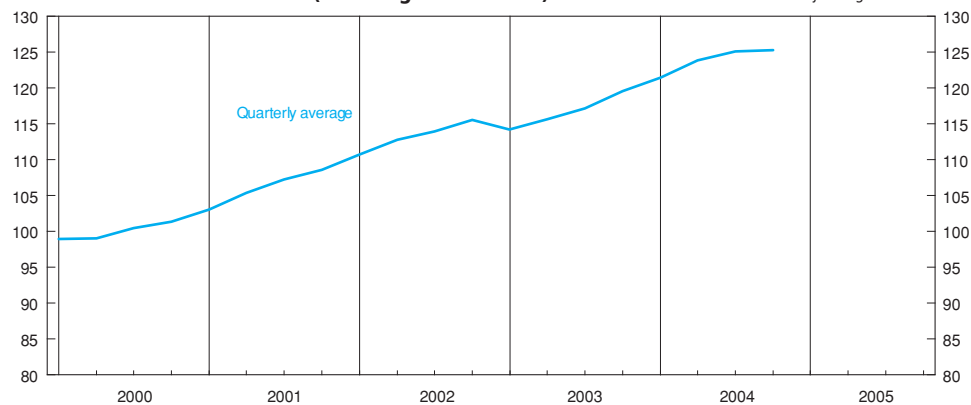
5 Seasonally adjusted data are not published in *Economic Trends*. Data up to 1998 are published in the *Economic Trends Annual Supplement*.

6 See Table 6.6, note 2.

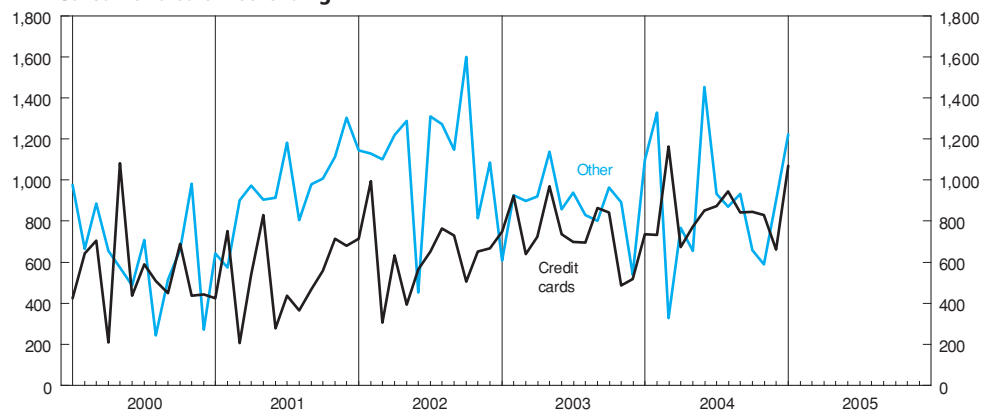
Sources: Office for National Statistics;
Enquiries Columns 1-9 01633 812713; Columns 12-14 01633 812782;
Department for Transport;
Enquiries Column 10,11 020 7944 3077.

Volume of total retail sales (excluding motor trades)

Weekly average 2000=100

**Consumer credit: Net lending**

£ million



5.9 Inland energy consumption: primary fuel input basis

Million tonnes of oil equivalent

Seasonally adjusted and temperature corrected⁷ (annualised rates)

	Coal ¹	Petroleum ²	Natural gas ³	Nuclear	Primary electricity ⁵		Total
					Wind and natural flow Hydro ⁴	Net imports ⁶	
Annual	FDAI	FDAJ	FDAK	FDAL	FDAM	FDAW	FDAH
2000	40.0	77.8	98.7	19.7	0.5	1.2	237.9
2001	43.1	76.6	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	43.2	74.9	97.7	20.0	0.4	0.2	236.3
2004	42.1	76.0	99.8	18.1	0.5	0.7	237.2
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	75.8	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	79.4	84.7	21.8	0.5	0.9	229.8
Q4	39.8	77.8	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	43.1	72.6	108.1	21.0	0.3	0.3	245.4
Q2	45.1	78.5	92.6	20.6	0.5	0.1	237.4
Q3	42.0	73.7	85.6	19.7	0.5	-0.1	221.5
Q4	42.5	74.6	104.4	18.6	0.4	0.4	240.9
2004 Q1	43.3	73.3 [†]	111.0	20.1	0.5	0.6	248.7 [†]
Q2	41.7	80.5	96.8	17.1	0.5	0.7	237.3
Q3	41.9	74.3	86.3 [†]	17.9	0.7	0.7	221.7
Q4	41.5	76.0	105.0	17.2	0.5	0.8	241.0

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	-0.1
Q2	-19.8	4.3	3.6	5.6	73.5	5.5	-0.4
Q3	-9.6	-4.0	5.1	-8.8	11.4	-75.5	-2.4
Q4	9.4	-8.8	2.6	-16.3	-32.7	67.6	-1.6
2003 Q1	2.4	-6.9	-0.5	-1.3	-42.4	-56.2	-2.3
Q2	26.0	2.7	-4.0	2.9	-29.6	-89.0	3.1
Q3	9.5	-3.3	-3.8	-0.9	-13.6	-	-1.3
Q4	-2.6	5.1	1.3	-1.6	-2.7	-59.6	1.2
2004 Q1	0.4	0.9 [†]	2.7	-4.3	42.8	-	1.3
Q2	-7.6	2.5	4.5	-16.9	-2.8	-	-0.1 [†]
Q3	-0.4	0.8	0.8 [†]	-9.6	42.9	-	0.1
Q4	-2.3	1.9	0.5	-7.7	49.1	92.5	0.1

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.

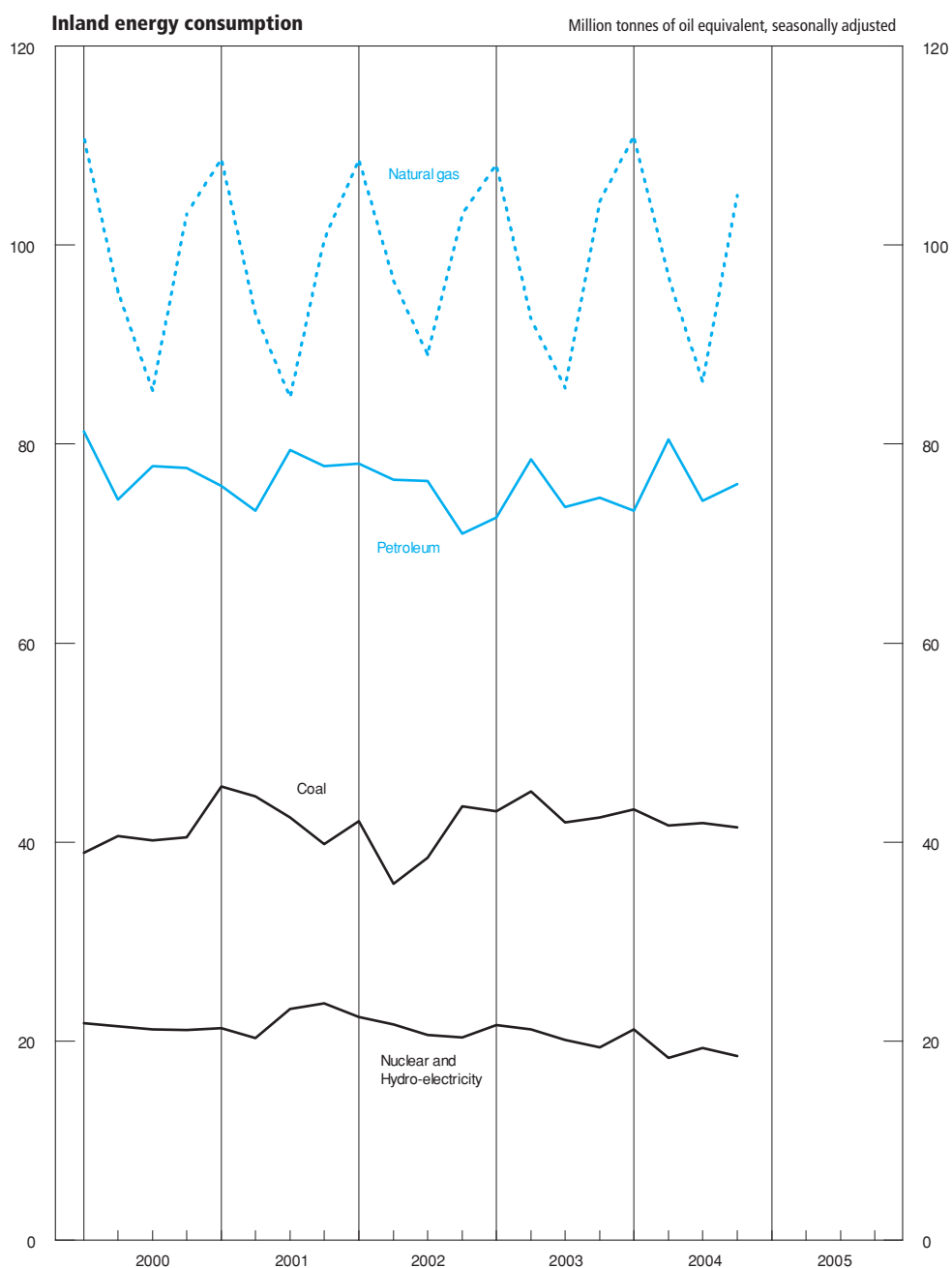
4 Includes generation by solar PV. Excludes generation from pumped storage stations.

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/dukes2003/01longterm.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
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	25 724	100.2
2004	198.10	1.8320	2.276	1.4739	10.965	12.342	13.453	14.2707	25 908	104.1
Quarterly										
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	26 388	102.3
Q2	191.90	1.6194	2.163	1.4256	10.5851	11.344	13.032	12.6352	25 199	99.1
Q3	189.14	1.6108	2.209	1.4300	10.6264	11.794	13.103	12.5605	26 954	99.2
Q4	185.64	1.7065	2.228	1.4334	10.6591	11.796	12.913	13.2305	25 724	100.2
2004 Q1	197.07	1.8391 [†]	2.306	1.4708	10.9571	12.703	13.507	14.2983	25 266	104.1
Q2	198.21	1.8052	2.305	1.4992	11.1529	12.387	13.712	14.0831	25 178	105.2
Q3	199.95	1.8189	2.285	1.4877	11.0633	12.478	13.627	14.1861	25 382	104.8
Q4	197.18	1.8648	2.206	1.4388	10.6958	11.798	12.966	14.5080	25 908	102.4
Monthly										
2002 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	24 743	104.0
Feb	192.12	1.6046	2.189	1.4893	11.091	11.262	13.652	12.5450	26 176	102.4
Mar	187.82	1.5836	2.152	1.4649	10.880	11.506	13.511	12.3503	26 388	100.6
Apr	188.79	1.5747	2.170	1.4505	10.771	11.347	13.279	12.2817	25 277	99.8
May	190.42	1.6230	2.125	1.4030	10.417	11.047	12.840	12.6579	25 427	97.9
Jun	196.49	1.6606	2.193	1.4234	10.569	11.638	12.978	12.9502	25 199	99.6
Jul	192.72	1.6242	2.209	1.4277	10.613	11.828	13.130	12.6671	25 785	99.4
Aug	189.42	1.5950	2.200	1.4286	10.617	11.800	13.186	12.4395	26 550	99.0
Sep	185.29	1.6131	2.219	1.4338	10.649	11.755	12.994	12.5590	26 954	99.2
Oct	183.76	1.6787	2.220	1.4334	10.651	11.807	12.917	12.9962	26 131	99.8
Nov	184.47	1.6901	2.250	1.4426	10.729	11.832	12.973	13.1201	26 617	100.4
Dec	188.70	1.7507	2.214	1.4246	10.602	11.749	12.850	13.5923	25 724	100.3
2004 Jan	193.82	1.8234	2.262	1.4447	10.760	12.425	13.203	14.1598	25 329	102.4
Feb	199.16	1.8673	2.324	1.4774	11.008	12.983	13.566	14.5165	24 689	104.8
Mar	198.22	1.8267	2.332	1.4890	11.092	12.701	13.752	14.2349	25 266	105.0
Apr	194.04	1.8005	2.337	1.5022	11.182	12.458	13.775	14.0381	25 377	105.2
May	200.69	1.7876	2.293	1.4894	11.082	12.222	13.594	13.9374	24 819	104.6
Jun	199.91	1.8275	2.285	1.5050	11.189	12.482	13.767	14.2499	25 178	105.8
Jul	201.66	1.8429	2.294	1.5023	11.170	12.730	13.818	14.3740	24 579	105.9
Aug	200.87	1.8216	2.297	1.4933	11.105	12.437	13.725	14.2077	25 189	105.2
Sep	197.32	1.7922	2.265	1.4676	10.916	12.268	13.337	13.9777	25 382	103.3
Oct	196.54	1.8065	2.229	1.4455	10.751	11.895	13.093	14.0707	25 557	102.2
Nov	194.76	1.8603	2.177	1.4311	10.635	11.658	12.877	14.4662	25 757	101.7
Dec	200.23	1.9275	2.212	1.4401	10.705	11.841	12.928	14.9890	25 908	103.2
2005 Jan	193.97	1.8764	2.217	1.4331	10.664	11.783	12.979	14.6292	..	102.1

1 Average of daily Telegraphic Transfer rates in London.

2 Prior to January 1999, a synthetic Euro has been calculated by geometrical-ly 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.

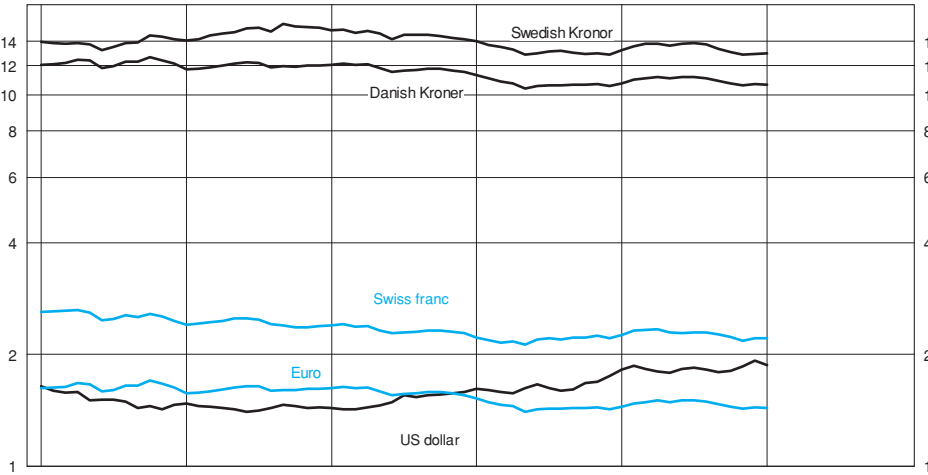
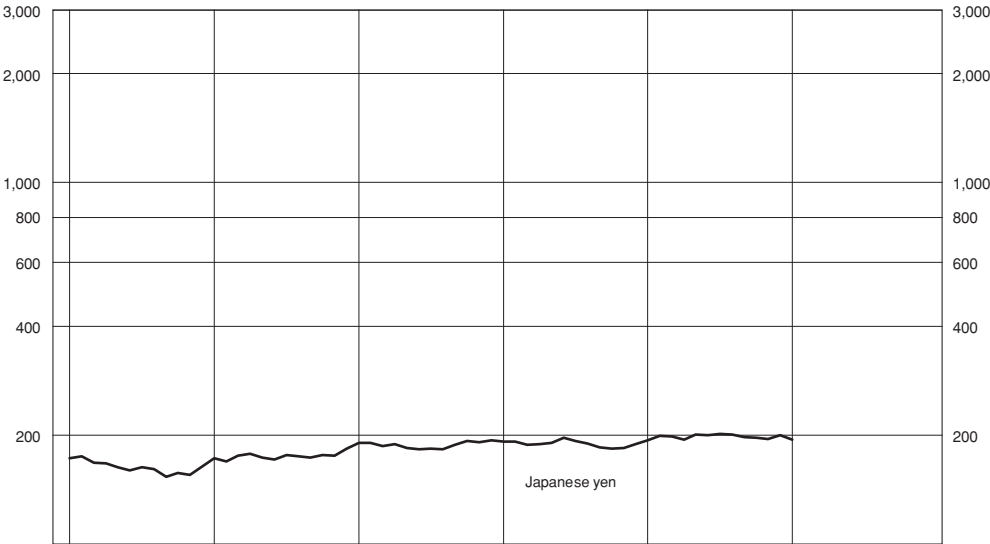
3 International reserves data are all valued at end-period market prices and exchange rates. They additionally include other reserve assets such as repos (sale and purchase agreements) and derivatives. Full details are shown in Table 1.21 of *Financial Statistics*.

4 These figures fall outside the scope of National Statistics.

Source: Bank of England: Enquiries 020 7601 4342

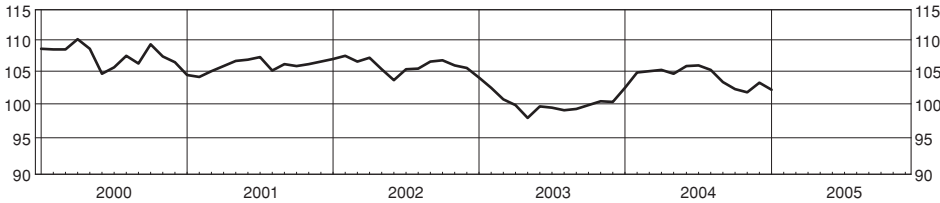
Sterling exchange rates

Relates to the £
log scale



Sterling exchange rate index

Average 1990=100



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
2000	34 566	5.5	32 493 [†]	30.34	884 839	8.2	885 786 [†]	1.12
2001	37 319	8.0	35 105	29.68	942 433	6.7	943 263	1.09
2002	39 540	6.0	37 244	28.86	1 008 684	7.3	1 009 284	1.08
2003	42 317	7.0	39 952	28.38	1 081 136	7.3	1 081 461	1.07
2004	44 466	5.1	42 271	..	1 175 496	8.9	1 175 497	..
Quarterly						VQRY		
2000 Q1	29 968	7.7	30 564 [†]	30.46	836 240	5.4	835 041 [†]	1.15
Q2	30 896	7.0	31 218	30.58	856 220	6.9	853 470	1.12
Q3	31 821	8.0	31 877	30.39	866 379	9.0	869 171	1.11
Q4	34 566	5.5	32 493	29.93	884 839	8.2	885 786	1.10
2001 Q1	32 489	8.4	33 121	29.79	905 800	8.3	905 305	1.10
Q2	32 896	6.5	33 269	29.92	921 571	7.6	918 160	1.09
Q3	33 797	6.2	33 938	29.65	937 071	8.4	939 925	1.08
Q4	37 319	8.0	35 105	29.35	942 433	6.7	943 263	1.08
2002 Q1	35 157	8.2	35 563	28.86	955 196	5.7	955 475	1.08
Q2	36 225	10.1	36 603	28.89	975 699	6.1	971 562	1.08
Q3	36 511	8.0	36 660	28.94	989 475	5.9	992 477	1.08
Q4	39 540	6.0	37 244	28.74	1 008 684	7.3	1 009 284	1.07
2003 Q1	37 184	5.8	37 917	28.74 [†]	1 020 586	7.1	1 021 670	1.07
Q2	38 403	6.0	38 841	28.18	1 047 964	7.9	1 043 031	1.06
Q3	39 348	7.8	39 489	28.34	1 051 114	6.6	1 054 359	1.07
Q4	42 317	7.0	39 952	28.24	1 081 136	7.3	1 081 461	1.06
2004 Q1	39 812	7.1	40 614	28.19	1 101 909	7.9	1 103 782	1.04
Q2	41 109	7.0	41 324	28.13	1 133 694	8.1	1 127 780	1.03
Q3	41 749	6.1	41 769	28.05	1 148 050	9.0	1 151 913	1.02
Q4	44 466	5.1	42 271	..	1 175 496	8.9	1 175 497	..
Monthly						VQLC		
2003 Jan	37 230	4.0	37 383 [†]	..	994 391	6.7	1 005 015 [†]	..
Feb	36 946	6.3	37 730	..	1 004 810	6.8	1 011 927	..
Mar	37 184	5.8	37 917	..	1 020 586	7.1	1 018 501	..
Apr	38 590	9.1	38 587	..	1 029 181	8.1	1 029 174	..
May	38 827	8.9	38 941	..	1 033 184	8.2	1 031 210	..
Jun	38 403	6.0	38 841	..	1 047 964	7.9	1 039 862	..
Jul	38 938	8.0	39 197	..	1 036 594	7.3	1 039 160	..
Aug	39 579	7.9	39 438	..	1 040 193	6.2	1 038 855	..
Sep	39 348	7.8	39 489	..	1 051 114	6.6	1 050 353	..
Oct	39 416	7.3	39 654	..	1 054 714	6.4	1 052 848	..
Nov	40 149	8.0	39 990	..	1 070 461	7.1	1 066 897	..
Dec	42 317	7.0	39 952	..	1 081 136	7.3	1 078 016	..
2004 Jan	40 222	8.0	40 241	..	1 080 411	8.7	1 092 107	..
Feb	39 448	6.8	40 310	..	1 087 980	8.4	1 096 672	..
Mar	39 812	7.1	40 614	..	1 101 909	7.9	1 100 901	..
Apr	40 799	5.7	40 778	..	1 109 162	7.6	1 106 934	..
May	40 668	4.7	40 995	..	1 121 472	8.3	1 119 838	..
Jun	41 109	7.0	41 324	..	1 133 694	8.1	1 124 889	..
Jul	41 115	5.6	41 379	..	1 133 531	9.2	1 135 031	..
Aug	41 489	4.8	41 457	..	1 142 735	9.7	1 142 561	..
Sep	41 749	6.1	41 769	..	1 148 050	9.0	1 146 502	..
Oct	41 722	5.8	41 954	..	1 156 940 [†]	9.4	1 155 999	..
Nov	42 222	5.2	42 052	..	1 164 212	8.7	1 161 168	..
Dec	44 466	5.1	42 271	..	1 175 496	8.9	1 169 048	..

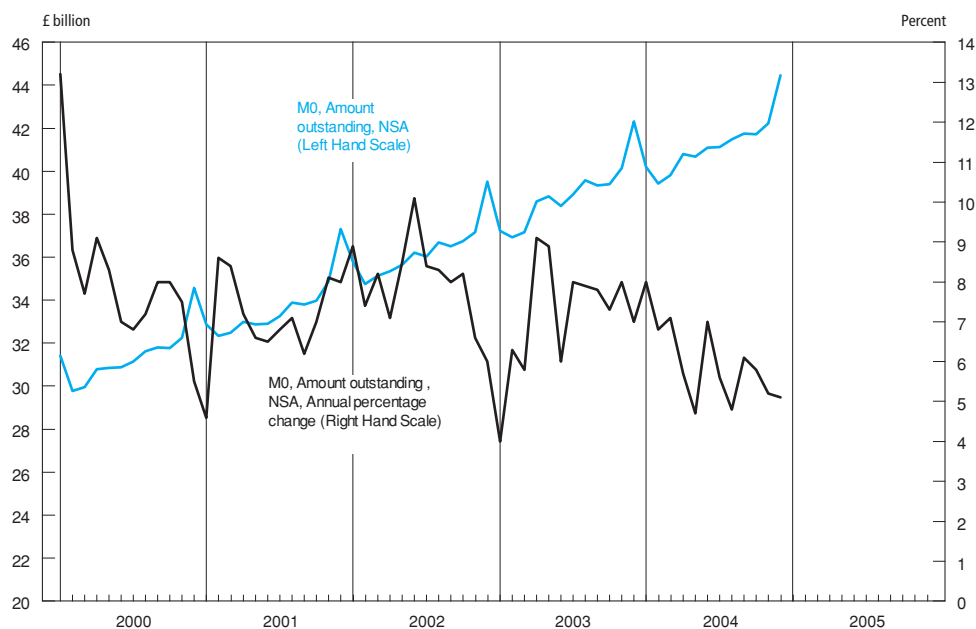
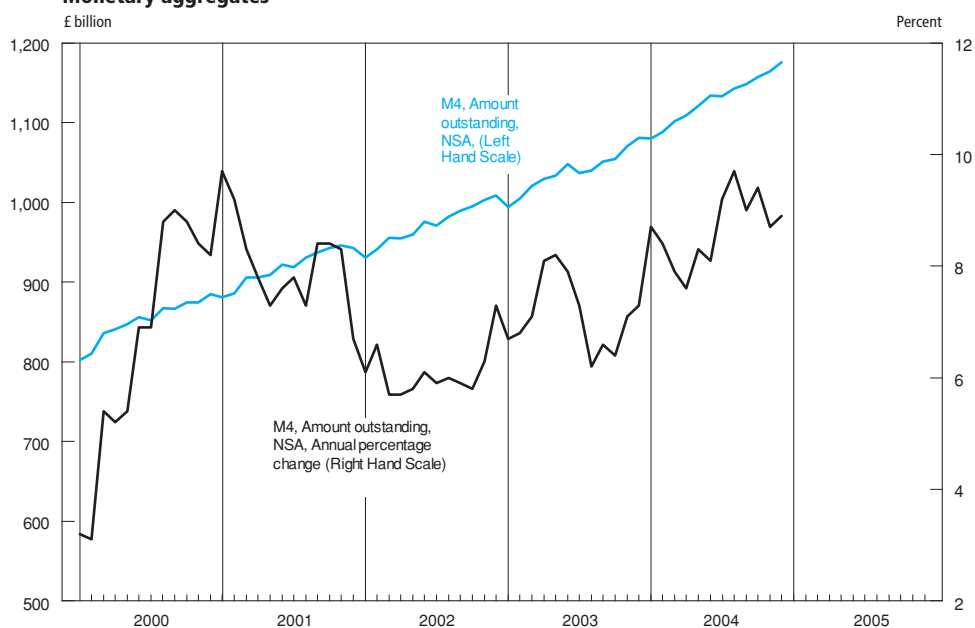
1 A fuller range of monetary aggregates is published monthly in the ONS publication *Financial Statistics*.

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

	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		Other public sector debt	Purchase of British government stocks by overseas sector	Other						
	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	1 773	375	4 040	7 657	111 224	7 073	-30 945	87 475	10 689	67 220
2001	-2 891	10 009	-2 453	191	318	4 194	82 446	-21 638	-10 784	87 415	-17 763	58 868
2002	18 303	-8 383	-637	-173	-897	1 588	107 655	-24 960	-25 295	116 710	-22 474	68 942
2003	38 969	-22 408	-9 680	-422	10 378	-3 067	126 462	-25 773	-20 471	132 856	-39 213	73 172
2004	41 150 [†]	-19 859	-5 235	-1 204	7 398	-168	152 870	3 317	-66 870	167 455	-4 249	96 335
Quarterly												
2000 Q1	-12 877	5 013	-1 279	-336	2 141	2 577	36 671	-2 568	-5 922	27 427	-2 133	19 372
Q2	-11 822	-4 104	6 720	147	-1 017	3 301	25 254	278	-1 472	16 198	4 596	19 323
Q3	-16 489	5 653	-190	269	540	1 281	27 255	5 374	-13 189	16 491	6 115	9 417
Q4	3 663	4 826	-3 478	295	2 376	498	22 044	3 989	-10 362	27 359	2 111	19 108
2001 Q1	-12 566	4 488	-1 100	-268	-2 356	3 734	31 075	-7 737	1 272	21 643	-1 647	21 267
Q2	6 325	3 472	-483	233	4 549	1 000	21 194	-7 294	-4 293	30 821	-10 843	15 685
Q3	-6 128	1 046	3 398	95	-2 931	1 287	15 710	7 253	-8 868	14 141	11 470	16 744
Q4	9 478	1 003	-4 268	131	1 056	-1 827	14 467	-13 860	1 105	20 810	-16 743	5 172
2002 Q1	-6 323	-679	3 699	-260	-1 045	2 398	24 732	-7 112	-3 149	21 165	-3 669	14 347
Q2	7 069	-1 330	-2 963	101	-266	-1 001	24 507	1 725	-8 180	27 428	991	20 239
Q3	491	-2 432	342	10	-1 960	208	34 214	-8 566	-11 055	32 586	-6 398	15 133
Q4	17 066	-3 942	-1 715	-24	2 374	-17	24 202	-11 007	-2 911	35 531	-13 398	19 223
2003 Q1	-250	-3 092	-1 088	-127	1 934	430	21 283	2 888	-4 478	16 748	1 386	13 655
Q2	16 164	-4 087	-4 369	-70	2 855	-2 099	34 559	-1 499	-7 011	42 189	-6 452	28 726
Q3	5 800	-11 652	1 093	-50	980	-1 222	30 341	-2 037	-17 745	25 487	-4 238	3 504
Q4	17 255	-3 577	-5 316	-175	4 609	-176	40 279	-25 125	8 763	48 432	-29 909	27 287
2004 Q1	336	-10 790	-977	-725	978	1 670	34 150	30 554	-32 576	21 939	31 246	20 609
Q2	11 406 [†]	-1 917	140	-176	2 204	-136	37 256	5 090	-16 206	46 759	2 750	33 303
Q3	7 284	-9 497	-1 505	-50 [†]	125	-1 441	51 277 [†]	-15 725	-16 546 [†]	47 412 [†]	-17 291	13 575 [†]
Q4	22 124	2 345	-2 893	-253	4 091	-261	30 187	-16 602	-1 542	51 345	-20 954	28 848
Monthly												
2003 Jan	-11 603	-4 053	1 610	-203	1 138	761	4 743	10 453	-15 024	-9 529	10 076	-14 477
Feb	-82	-870	271	347	-1 402	-245	11 024	-12 268	10 831	10 674	-11 111	10 394
Mar	11 435	1 831	-2 969	-270	2 198	-86	5 515	4 704	-285	15 603	2 421	17 738
Apr	241	-5 478	1 608	-195	-1 322	-940	10 969	1 443	-23	7 153	1 825	8 954
May	5 795	4 670	-4 981	152	4 784	-233	10 537	5 169	-10 802	16 155	152	5 505
Jun	10 128	-3 279	-996	-27	-607	-926	13 052	-8 110	3 814	18 881	-8 429	14 266
Jul	-6 195	-5 674	3 288	-188	-1 339	880	7 476	-658	-11 340	-1 297	1 560	-11 077
Aug	3 561	-4 139	-1 654	99	228	-771	5 309	-9 987	11 451	3 141	-10 985	3 607
Sep	8 434	-1 839	-541	38	2 091	-1 331	17 557	8 609	-17 856	23 643	5 187	10 975
Oct	-1 622	-7 308	2 068	-108	-1 161	3 016	23 106	-21 921	5 455	16 163	-17 744	3 874
Nov	5 820	6 269	-5 387	-70	7 050	-49	9 428	9 381	-3 004	16 009	2 282	15 288
Dec	13 057	-2 537	-1 997	4	-1 280	-3 143	7 744	-12 586	6 312	16 260	-14 448	8 125
2004 Jan	-14 382	-3 206	3 794	-355	-786	3 019	20 947	7 264	-18 898	6 774	11 069	-1 056
Feb	-87	-4 064	-538	172	1 267	225	4 702	12 054	-3 567	208	11 011	7 652
Mar	14 805	-3 521	-4 233	-542	497	-1 574	8 501	11 236	-10 110	14 957	9 165	14 012
Apr	-2 320 [†]	-5 084	2 975	-94	-1 908	80	10 353	6 645	-7 165	5 835	8 633	7 303
May	3 149	-2 487	904	20	1 168	-68	8 513	3 513	345	10 076	2 277	12 698
Jun	10 577	5 654	-3 739	-102	2 944	-148	18 391	-5 068	-9 385	30 848	-8 161	13 302
Jul	-6 890	-4 948	519	252 [†]	-947	-117	14 245 [†]	844	-5 074 [†]	3 173 [†]	1 674	-228 [†]
Aug	3 249	784	1 567	-153	3 248	409	14 827	-5 895	-2 009	20 271	-8 734	9 529
Sep	10 925	-5 332	-3 591	-148	-2 176	-1 733	22 204	-10 675	-9 462	23 968	-10 231	4 275
Oct	-1 511	-3 041 [†]	653	-31	1 346	-56	14 200	-6 419 [†]	6 445	10 271	-7 821 [†]	8 895
Nov	8 980	4 220	-1 882 [†]	8	263 [†]	286	1 794	-1 987	-2 543	13 125	-1 965	8 618
Dec	14 655	1 167	-1 664	-230	2 482	-490	14 193	-8 197	-5 444	27 949	-11 169	11 336
2005 Jan	-16 856	..	..	..	..	..	..	..	..	..	..	..

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.

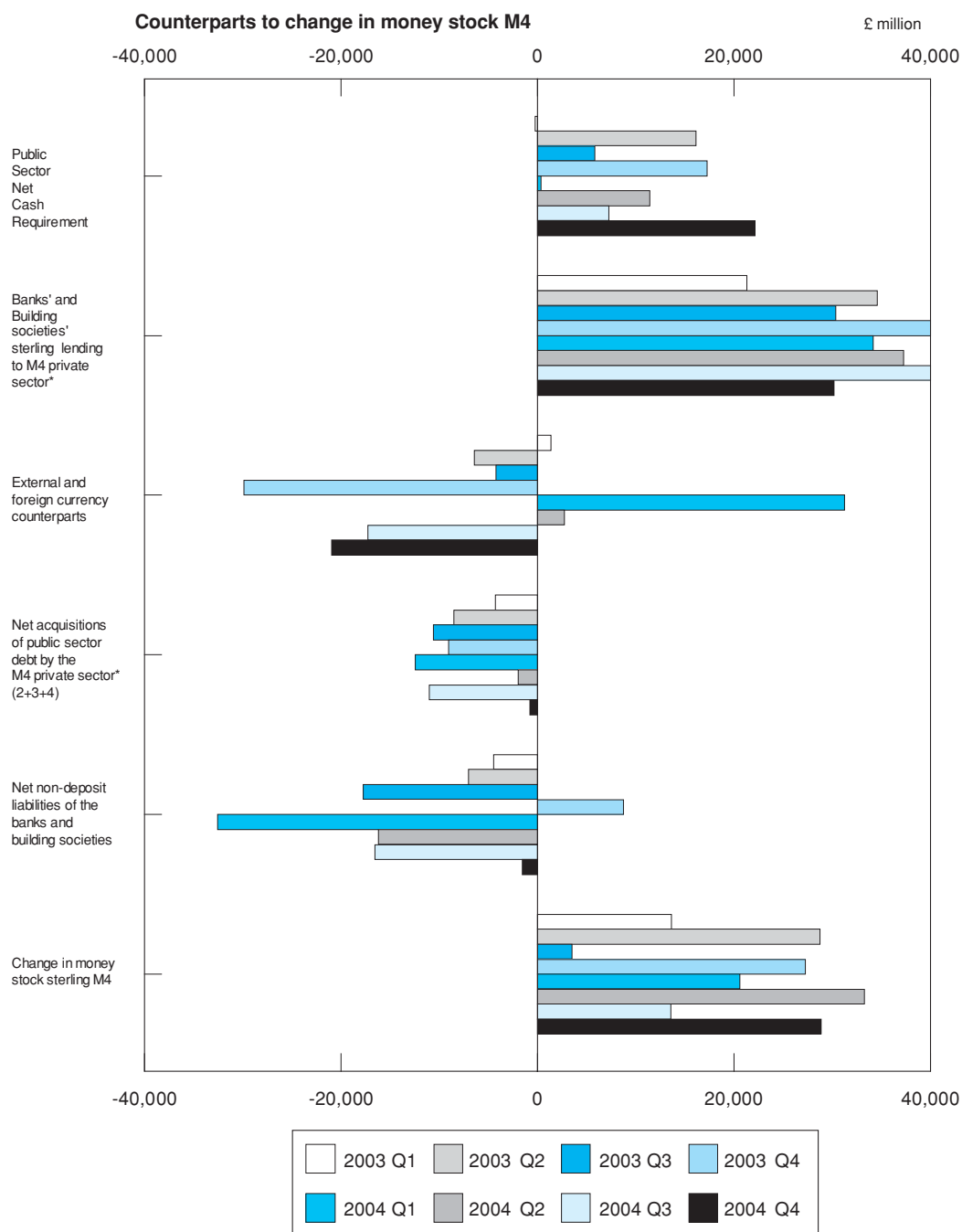
1 A wider range of figures is published monthly in *Financial Statistics*.

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



*Private sector other than banks and building societies

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																
2001	GZSN	NMRL	ANLY	GZSI	NNAI	ANLO	ANLT	ANBP	NMYE	ANSO	NMGI	NVCM	ANBO	ANBQ	ANBS	ANBT
2001	189 700	5 787	123 865	-2 134	18 749	23 599	359 566	17 644	132 195	147 575	2 396	19 626	62 887	5 390	2 260	389 071
2002	208 582	5 760	127 395	-539	22 793	21 320	385 311	16 760	138 513	142 402	2 381	21 236	63 520	4 409	2 199	390 544
2003	229 383	7 121	133 490	-855	26 383	22 571	418 093	17 960	145 877	143 499	2 416	23 415	72 505	4 407	1 798	411 035
Quarterly																
2001 Q1	45 789	1 305	29 293	-261	4 785	6 313	87 224	4 228	31 498	47 192	569	4 504	17 957	1 700	753	108 186
Q2	46 894	1 511	30 011	-259	4 761	5 991	88 909	4 334	32 820	29 131	612	5 099	14 518	1 283	406	87 974
Q3	47 738	1 543	31 164	-1 294	4 314	5 328	88 793	4 345	33 815	35 513	617	5 068	15 064	1 275	698	96 166
Q4	49 279	1 428	33 397	-320	4 889	5 967	94 640	4 737	34 062	35 739	598	4 955	15 348	1 132	403	96 745
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	6 066	100 114	4 120	36 009	33 148	599	5 370	15 693	1 171	431	96 326
2003 Q1	55 561	1 718	31 857	-75	6 021	5 231	100 313	4 371	34 082	45 504	545	5 416	18 239	1 138	598	109 681
Q2	57 799	1 794	32 443	-185	7 066	5 805	104 722	4 308	36 472	29 371	606	5 902	17 697	1 060	397	95 603
Q3	57 065	1 828	33 433	-295	6 319	5 374	103 724	4 463	36 531	36 240	631	6 039	18 199	1 066	403	103 362
Q4	58 958	1 781	35 757	-300	6 977	6 161	109 334	4 818	38 792	32 384	634	6 058	18 370	1 143	400	102 389
2004 Q1	59 478	1 841	33 459	-137	7 727	5 466	107 834	4 564	36 925	47 647	650	6 065	20 799	1 144	399	117 983
Q2	60 484	2 111	34 780	-215	7 201	5 707	110 068	4 431	38 493	32 542	726	6 216	18 235	1 177	400	102 011
Q3	62 207	1 969	34 593	-18	7 397	5 824	111 972	4 473	39 004	39 792	754	6 315	18 788	1 209	383	110 509

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										
2001	ANLW	ANMU	-ANNV	-ANNW	NNBK	ANNX	RUUS	RURQ	RUTN	RUTO
2001	17 190	16 267	9 328	8 634	7 862	7 633	-3 768	-2 891	319.1	31.4
2002	-6 190	-8 740	11 078	9 569	-17 268	-18 309	16 421	18 303	344.7	32.2
2003	-19 544 [†]	-21 522	16 524 [†]	15 018	-36 068	-36 540	38 215	38 969	375.0	33.2
2004	..	-21 981 [†]	..	14 979 [†]	-36 021 [†]	-36 960 [†]	..	41 150 [†]	416.9 [†]	34.9
Quarterly										
2001 Q1	18 147	17 693	3 607	3 403	14 540	14 290	-13 094	-12 566	307.2	31.3
Q2	-3 981	-4 227	1 062	952	-5 043	-5 179	6 246	6 325	314.7	31.6
Q3	4 262	4 052	1 977	1 731	2 285	2 321	-6 322	-6 128	308.5	30.7
Q4	-1 238	-1 251	2 682	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	311.7	30.2
Q2	-9 938	-10 523	1 279	885	-11 217	-11 408	7 126	7 069	318.7	30.5
Q3	-1 164	-1 628	2 430	1 829	-3 594	-3 457	-145	491	321.2	30.3
Q4	-6 537	-7 445	2 508	2 195	-9 045	-9 640	15 823	17 066	344.7	32.2
2003 Q1	6 536 [†]	5 687	6 270	6 338	266	-651	-1 305	-250	342.0	31.5
Q2	-12 110	-12 663	3 626 [†]	2 634	-15 736	-15 297	16 404	16 164	350.3	31.8
Q3	-3 577	-3 964	3 155	2 838	-6 732	-6 802	6 036	5 800	355.4	31.9
Q4	-10 393	-10 582	3 473	3 208	-13 866	-13 790	17 080	17 255	375.0	33.2
2004 Q1	7 075	6 466	6 117	5 964	958	502	506	336	375.5	32.8
Q2	-11 311	-11 784 [†]	2 520	2 132	-13 752 [†]	-13 916 [†]	11 561	11 406 [†]	388.3	33.5
Q3	-4 919	-5 177	4 098	3 680	-8 788	-8 857	6 972	7 284	394.4	33.5
Q4	..	-11 486	..	3 203 [†]	-14 439	-14 689	..	22 124	416.9 [†]	34.9

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.

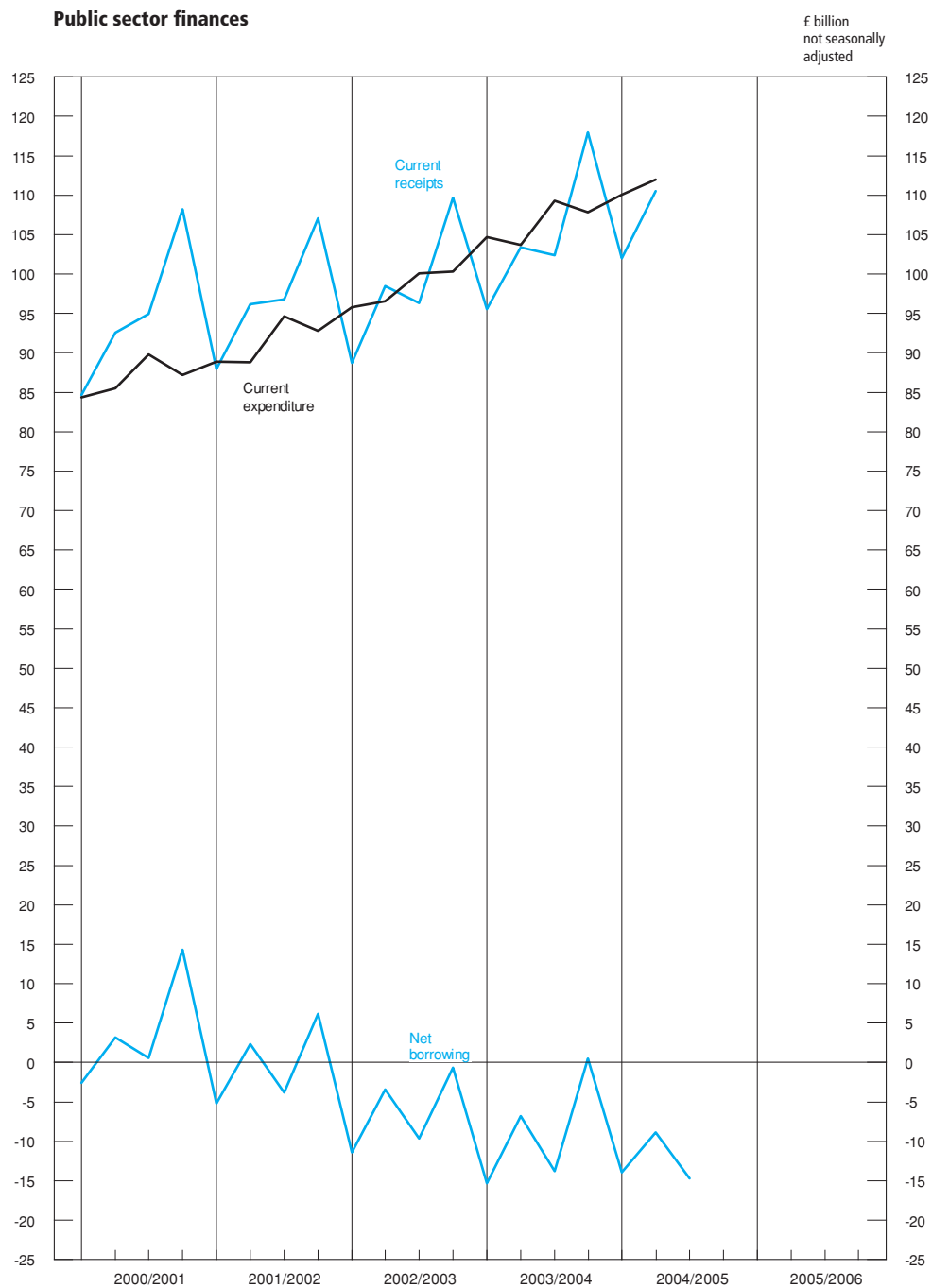
4 Net borrowing = surplus on current budget minus net investment.

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;



6.6 Consumer credit and other household sector borrowing

£ million

Consumer credit									
	Total consumer credit ^{1,3}	of which			Building Societies' Class 3 Loans ¹	Other specialist lenders ³		Insurance companies	Loans secured on dwellings (NSA ¹)
		credit cards ^{1,2,3}	other ^{1,2,3}	Banks ¹			Retailers		
Amounts outstanding: quarterly									
	VZRI	VZRJ	VZRK	VRVV	VZRG	VZRH	RLBO	VZQZ	AMWT
2000 Q1	119 286 [†]	33 448 [†]	85 872 [†]	86 058 [†]	315	28 844 [†]	2 664	1 415	503 561
Q2	122 001	34 923	87 104	88 719	315	28 941	2 611	1 310	514 841
Q3	124 318	36 302	88 059	91 032	349	29 132	2 554	1 273	525 844
Q4	127 306	37 616	89 569	94 269	392	29 006	2 505	1 197	535 753
2001 Q1	129 114	38 010	91 155	95 882	412	29 121	2 524	1 229	546 467
Q2	132 928	39 405	93 533	100 287	424	28 333	2 506	1 221	561 434
Q3	136 013	40 019	96 017	103 416	447	28 473	2 521	1 206	577 456
Q4	140 921	41 744	99 127	107 764	436	29 098	2 483	1 178	591 573
2002 Q1	144 384	43 411	101 006	111 131	463	29 189	2 505	1 183	606 729
Q2	147 191	43 423	103 782	113 149	460	29 645	2 568	1 193	626 121
Q3	152 918	45 953	106 931	118 289	523	30 406	2 560	1 196	653 083
Q4	157 012	47 218	109 803	120 879	610	31 821	2 540	1 182	675 769
2003 Q1	156 693	43 854	112 807	116 958	625	35 669	2 520	1 033	696 229
Q2	161 177	45 790	115 362	119 698	672	37 457	2 213	933	718 960
Q3	164 235	47 574	116 599	121 783	736	38 759	2 167	824	747 050
Q4	166 236	47 726	118 632	122 734	766	39 942	2 154	701	775 358
2004 Q1	170 496	49 092	121 376	127 388	751	39 701	2 072	690	799 633
Q2	174 620	50 456	124 138	130 819	777	40 118	2 039	698	826 937
Q3	178 161	51 611	126 460	133 754	836	40 873	1 993	682	854 545
Q4	181 658	53 366	128 417	137 094	904	41 130	1 954	660	..
Amounts outstanding: monthly									
2002 Jan	142 173 [†]	42 203 [†]	99 970 [†]	108 990 [†]	428	29 232	2 483	1 174	..
Feb	143 611	43 122	100 489	110 162	438	29 198	2 482	1 177	..
Mar	144 356	43 309	101 047	111 247	469	29 037	2 494	1 183	..
Apr	145 758	43 834	101 924	112 553	471	29 213	2 491 [†]	1 188	..
May	147 178	44 115	103 063	113 462	471	29 217	2 546	1 191	..
Jun	147 123	43 260	103 863	113 455	470	29 672	2 562	1 193	..
Jul	148 638	43 684	104 954	114 632	482	29 732	2 545	1 194	..
Aug	151 157	45 148	106 009	117 021	497	29 701	2 533	1 195	..
Sep	152 720	45 885	106 836	118 008	516	30 408	2 548	1 196	..
Oct	154 359	46 130	108 229	118 608	533	31 684	2 537	1 196	..
Nov	155 486	46 652	108 835	119 470	540 [†]	31 795	2 547	1 192	..
Dec	156 733	47 046	109 687	120 847	588	31 938	2 539	1 182	..
2003 Jan	157 610	47 497	110 113	121 089	601	32 033	2 546	1 143	..
Feb	154 710	43 755	110 954	119 655	616	30 348 [†]	2 542	1 089	..
Mar	156 389	43 748	112 641	116 664	633	35 462	2 509	1 033	..
Apr	157 517	44 146	113 371	116 912	655	36 549	2 481	990	..
May	159 378	45 058	114 320	118 502	658	36 706	2 468	959	..
Jun	160 822	45 631	115 191	119 572	686	37 534	2 209	933	..
Jul	162 202	46 269	115 934	120 910	699	37 697	2 193	904	..
Aug	163 361	46 838	116 523	121 730	715	37 677	2 199	868	..
Sep	164 029	47 536	116 493	121 631	725	38 821	2 159	824	..
Oct	165 301	47 994	117 307	121 748	732	39 884	2 156	776	..
Nov	166 122	47 846	118 276	122 544	730	40 128	2 158	732	..
Dec	166 156	47 545	118 611	122 636	739	39 994	2 150	701	..
2004 Jan	167 409	48 126	119 282	125 192	748	38 524	2 094	686	..
Feb	169 135	48 725	120 410	126 551	753	38 831	2 042	684	..
Mar	170 240	48 988	121 252	127 197	758	39 491	2 063	690	..
Apr	171 570	49 786	121 784	128 576	765	39 497	2 059	696	..
May	172 387	49 929	122 458	129 039	783	39 718	2 039	699	..
Jun	174 266	50 283	123 984	130 766	791	40 208	2 036	698	..
Jul	175 995	51 289	124 706	132 164	804	40 353	2 023	694	..
Aug	177 259	51 377	125 883	132 700	812	40 772	2 003	688	..
Sep	178 121	51 584	126 537	133 890	822	40 991	1 986	682	..
Oct	179 247	52 264	126 983	135 024	834	41 000	1 978	675	..
Nov	180 546	52 675	127 871	136 075	850	41 121	1 959	668	..
Dec	181 681	53 173	128 508	136 970	878	41 105	1 951	660	..
2005 Jan	183 588	54 077	129 511	138 417	895	41 357	1 945	652	..

1 These figures fall outside the scope of National Statistics.

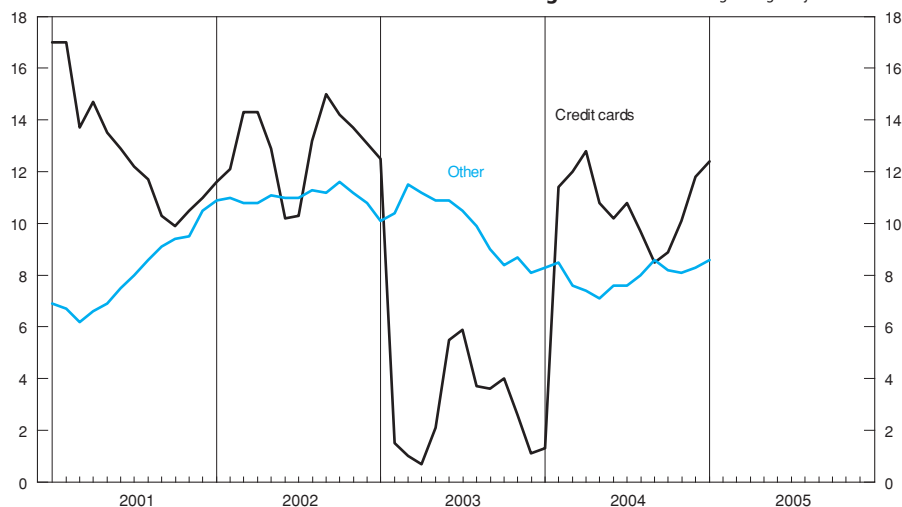
2 From January 1999 onwards, a more accurate breakdown between credit card and 'other lending' is available. Credit card lending by other specialist lenders can now be separately identified and is included for the first time within the credit card component. Hence, data from January 1999 onwards are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

3 Data have been revised back to February 2003 due to the inclusion of some additional other specialist lenders and the removal of some non-resident based securitisation vehicles.

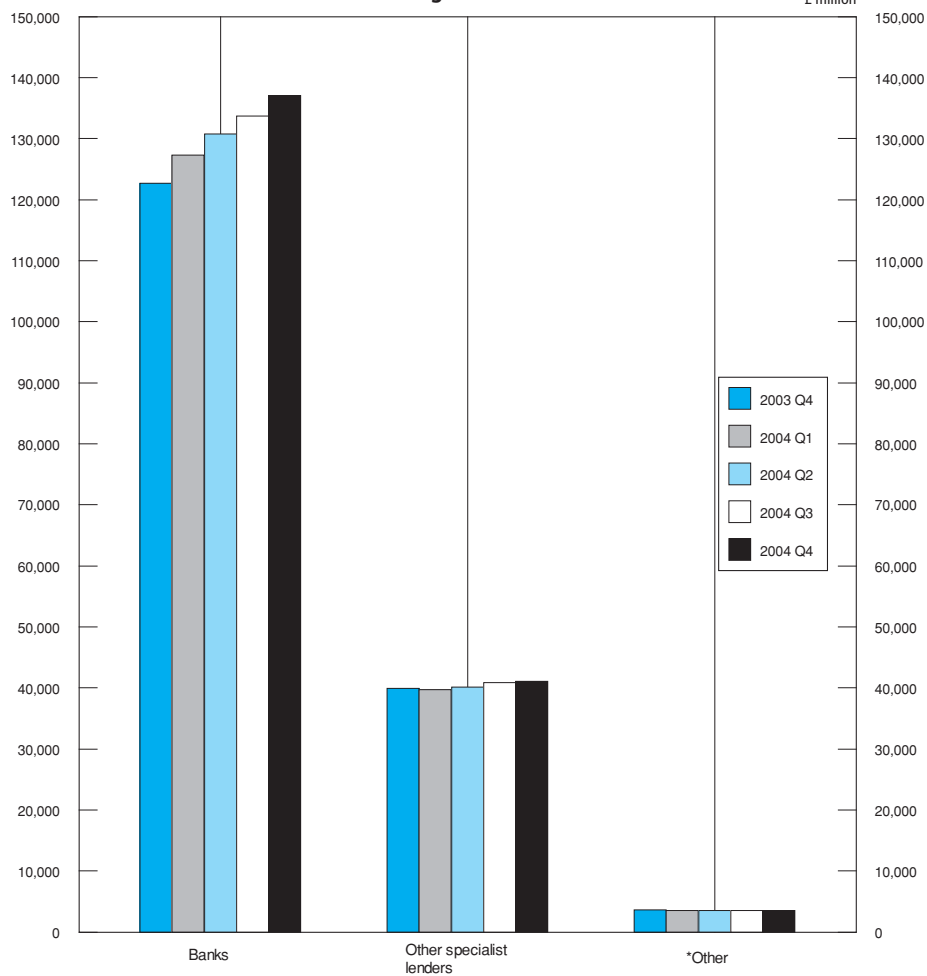
Sources: Bank of England; Enquiries Columns 1-5, 9 020 7601 5468; Office for National Statistics; Enquiries Columns 6-8 020 7 533 6046

Consumer credit and other Household sector borrowing

Percentage change on year earlier

**Consumer credit: amounts outstanding**

£ million



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

6.7 Analysis of bank lending to UK residents^{1,3}

Amounts outstanding

£ million, not seasonally adjusted

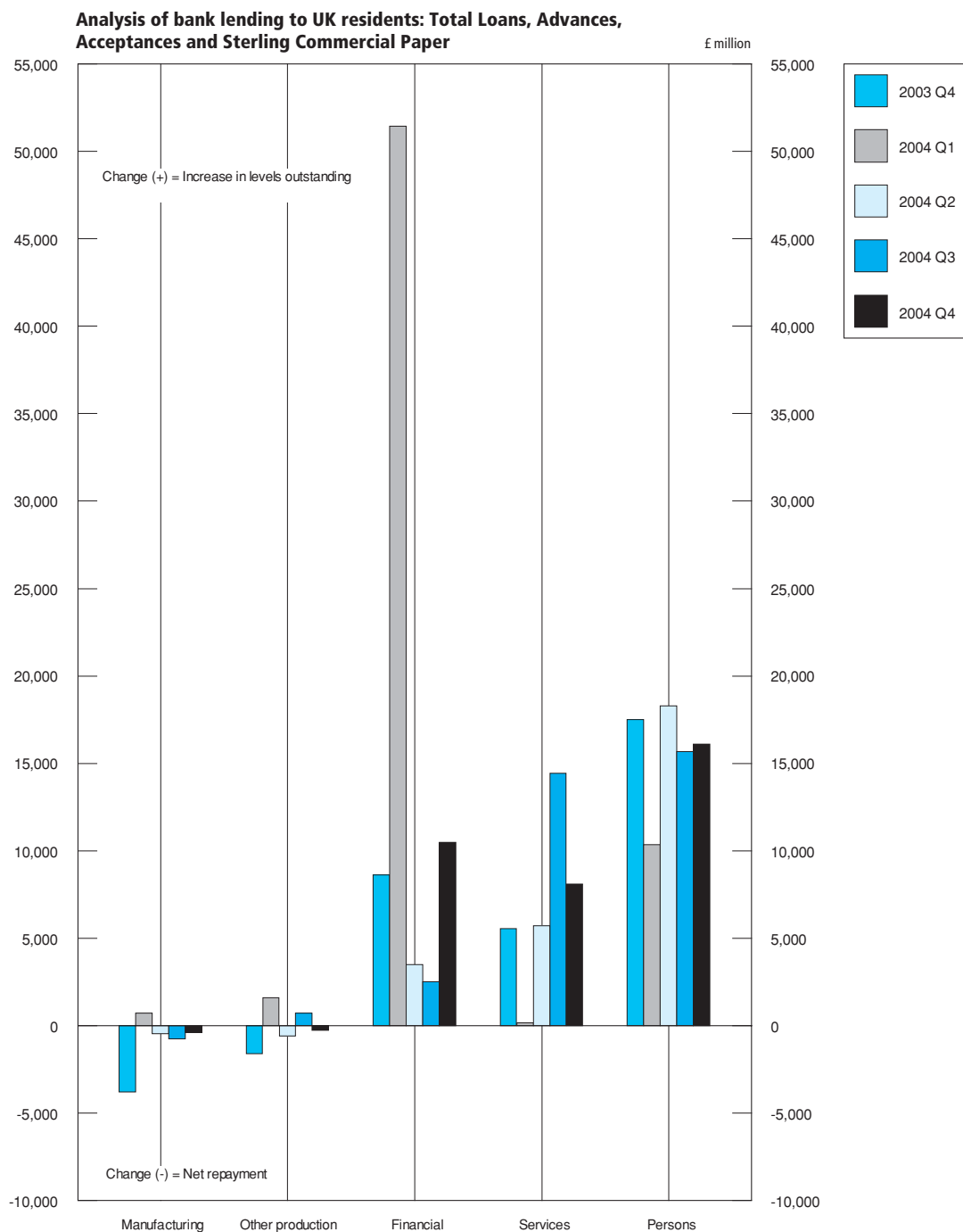
	Manufacturing ²	Other production	Financial	Services	Persons	Total loans, advances and acceptances
Total Loans, Advances, Acceptances and Sterling Commercial paper						
	TBSF	BCEX	BCFH	BCFR	TBTW	TBSA
2003 Q3	47 320	34 662	382 383	247 501	606 819	1 318 686
Q4	43 054	32 944	400 134 [†]	251 751 [†]	620 815	1 348 734
2004 Q1	43 295	34 468	442 482	251 277	631 534	1 403 058
Q2	42 872	33 780 [†]	446 852	256 324	647 659	1 427 863
Q3	41 789	34 098	465 256	269 628	650 951	1 461 959
Q4	41 315	33 801	473 070	276 855	667 310	1 492 351
Of which in sterling						
	TBUF	BCEY	BCFI	BCFS	TBVW	TBUA
2003 Q3	30 839	31 411	192 626 [†]	226 445	606 197	1 087 518
Q4	29 850	30 196	197 213 [†]	233 127 [†]	620 255	1 110 676
2004 Q1	30 492	32 206	205 249	234 927	630 968	1 133 842
Q2	30 732	31 005 [†]	212 517	240 075	647 016	1 161 719
Q3	29 527	31 346	239 330	251 570	650 202	1 202 212
Q4	29 102	30 870	244 242	258 182	666 511	1 228 908
Changes in total lending (sterling)						
	TBWF	BCEZ	BCFJ	BCFT	TBXW	TBWA
2003 Q3	-1 589	-444	10 762	330	21 899	30 958
Q4	-989	-1 215	3 951 [†]	7 321 [†]	17 532	26 635
2004 Q1	642	2 009	8 956	1 831	10 337	23 741
Q2	268	-1 086 [†]	7 729	5 936	18 208	31 062
Q3	-715	767	12 657	12 797	15 582	40 951
Q4	-424	-476	4 913	7 077	16 026	27 115
Changes in total lending (foreign currencies)						
	TBYF	BCFA	BCFK	BCFU	TBZW	TBYA
2003 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
Q2	-720	500	-4 220 [†]	-201	74	-4 566
Q3	-37	-53	-10 122 [†]	1 646	98	-8 467
Q4	50	230	5 593	1 024	64	6 962
Facilities granted						
	TCAF	BCFB	BCFL	BCFV	TCBW	TCAA
2003 Q3	91 556	65 423	430 560	345 907	681 360	1 614 805
Q4	84 989	63 718	448 821 [†]	350 416 [†]	700 354	1 648 333
2004 Q1	86 665	65 661	495 863	356 278	715 332	1 719 799
Q2	81 948	63 173	503 124	358 937	736 156	1 743 593
Q3	80 700	65 844 [†]	525 645	375 676	738 765	1 786 568
Q4	80 523	67 658	532 897	387 554	754 491	1 823 123
Of which in sterling						
	TCCF	BCFC	BCFM	BCFW	TCDW	TCCA
2003 Q3	54 779	50 738	225 865	303 029	680 456	1 314 867
Q4	52 608	50 156	232 387 [†]	311 502 [†]	699 570	1 346 258
2004 Q1	54 544	52 601	241 801	318 446	714 560	1 381 952
Q2	53 145	49 808	250 019	320 836	735 309	1 409 373
Q3	51 222	52 027	279 288	335 661	737 857	1 456 158
Q4	51 945	53 583	284 709	347 705	753 512	1 491 455
Changes in sterling (facilities granted)						
	TCEF	BCFD	BCFN	BCFX	TCFW	TCEA
2003 Q3	75	59	11 785	2 161	23 545	37 625
Q4	-2 170	-581	5 886 [†]	9 112 [†]	22 588	34 869
2004 Q1	1 945	2 442 [†]	10 363	6 971	14 614	36 300
Q2	-1 370	-2 712 [†]	8 642	3 143	22 910	30 605
Q3	-1 433	2 645	15 112	16 274	14 944	47 391
Q4	724	1 556	5 422	12 508	15 359	35 569
Changes in foreign currencies (facilities granted)						
	TCGF	BCFE	BCFO	BCFY	TCHW	TCGA
2003 Q3	-1 891	-636	10 639	1 820	128	10 061
Q4	-2 837	-341	4 003	-2 090	-85	-1 350
2004 Q1	868	-158	47 412	105	22	48 250
Q2	-3 525	217	-2 401 [†]	8	69	-5 633
Q3	403	361 [†]	-8 606 [†]	1 601 [†]	52	-6 352
Q4	-70	704	5 188	983	85	6 890

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 Includes lending under DTI special scheme for domestic shipbuilding.

3 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	Inter-bank 3 months bid rate ³	Inter-bank 3 months offer rate ²	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 ³ - 20 years
Annual								
	AJRP	HSAJ	HSAK	HSAL	HSAM	ZCMG	AJIB	AJLX
2001	3.87	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
2004	4.74 [†]	4.81	4.84	4.78	4.82	..	2.56	4.77
Monthly								
2001 Jan	5.57	5.69	5.72	5.66	5.72	6.00	5.35	4.51
Feb	5.46	5.53	5.56	5.50	5.53	5.75	5.01	4.57
Mar	5.29	5.44	5.47	5.40	5.43	5.75	4.86	4.56
Apr	5.11	5.25	5.28	5.23	5.25	5.50	4.27	4.86
May	5.02	5.16	5.19	5.16	5.17	5.25	3.95	4.99
Jun	5.10	5.19	5.25	5.18	5.18	5.25	3.80	5.07
Jul	5.04	5.16	5.22	5.16	5.17	5.25	3.60	5.03
Aug	4.71	4.84	4.88	4.83	4.84	5.00	3.43	4.81
Sep	4.33	4.41	4.47	4.41	4.51	4.75	2.52	4.93
Oct	4.16	4.13	4.19	4.10	4.13	4.50	2.15	4.80
Nov	3.81	3.94	4.00	3.92	3.96	4.00	2.00	4.51
Dec	3.87	4.03	4.06	3.98	4.02	4.00	1.83	4.75
2002 Jan	3.90	3.97	4.03	3.97	3.99	4.00	1.86	4.81
Feb	3.91	3.97	4.00	3.91	3.95	4.00	1.85	4.83
Mar	4.04	4.09	4.16	4.09	4.11	4.00	2.00	5.11
Apr	3.98	4.06	4.13	4.05	4.06	4.00	1.86	5.13
May	4.04	4.09	4.13	4.09	4.11	4.00	1.82	5.18
Jun	3.97	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	4.65	4.77	4.79	4.74	4.78	4.50	1.56	5.00
Jul	4.80	4.86	4.89	4.87	4.88	4.50	1.64	4.92
Aug	4.77	4.88	4.90	4.88	4.90	4.75	1.78	4.81
Sep	4.73	4.82	4.86	4.83	4.85	4.75	1.98	4.76
Oct	4.73	4.81	4.84	4.82	4.84	4.75	2.14	4.68
Nov	4.72	4.77	4.80	4.76	4.80	4.75	2.38	4.58
Dec	4.74 [†]	4.81	4.84	4.78	4.82	4.75	2.56	4.44
2005 Jan	4.71	4.79	4.81	4.77	4.81	4.75	2.75	4.44

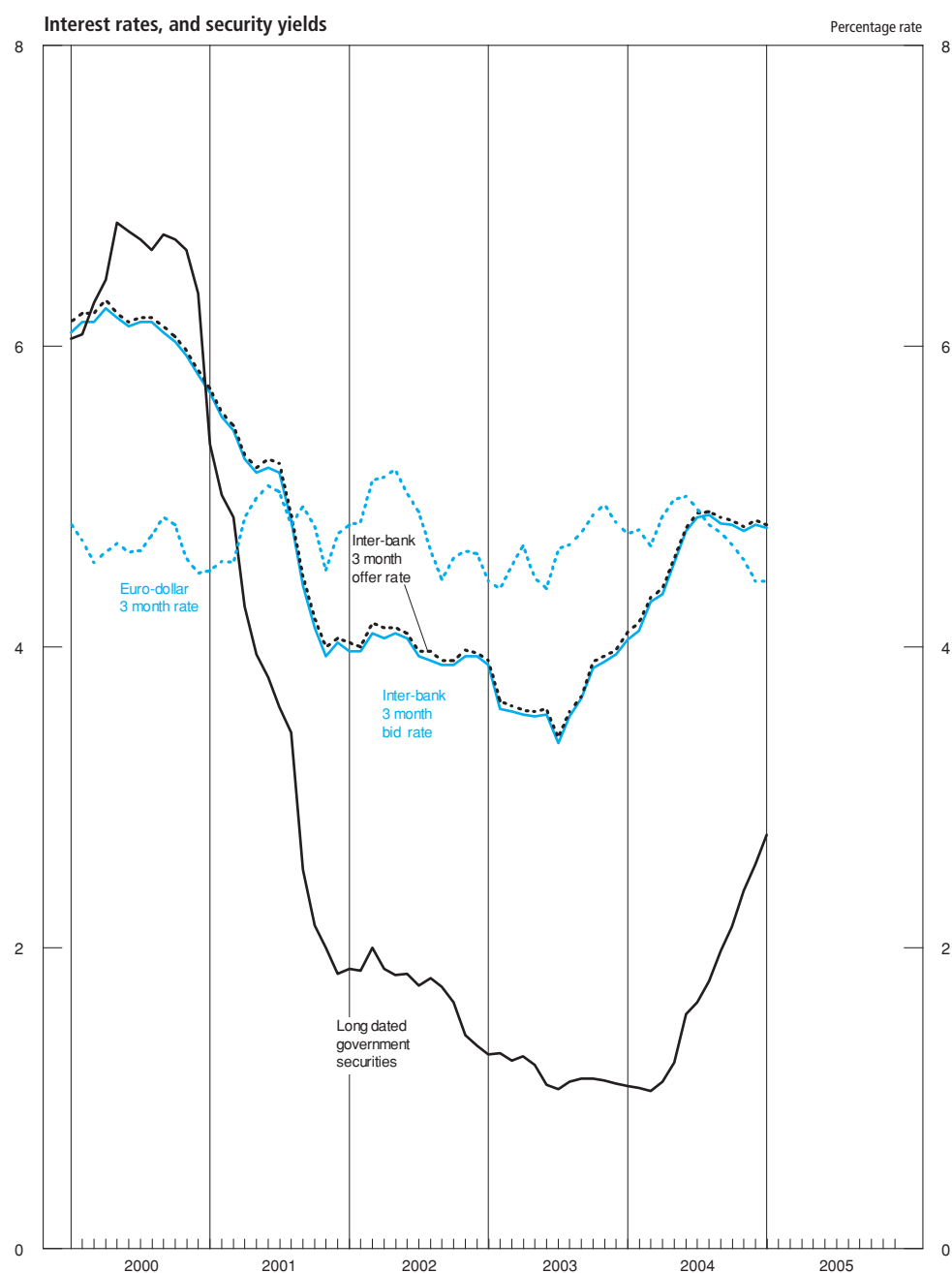
1 Average discount rate expressed as the rate at which interest is earned during the life of the bills.

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

3 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*.

4 These figures fall outside the scope of National Statistics.

Sources: Bank of England; Enquiries 020 7601 4342.



6.9 A selection of asset prices

Not seasonally adjusted

	Producer price indices (2000 = 100)		Housing: ODPM all lenders mix adjusted house price index (2002 = 100)			
	Plant and machinery bought as fixed assets by		Manufactured output			Average price of agricultural land in England (1995 = 100) ²
	Motor vehicle industry	Motor vehicle industry	New dwellings ¹	Secondhand dwellings ¹	All dwellings ¹	
Annual	PVJL	PQIR	WMPN	WMPP	WMPQ	BAJI
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	..
2004	99.4	96.1	138.6	144.6	143.9	..
Quarterly						
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	160 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	130 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	153 ³
Q4	99.2	94.9	117.1	121.8	121.3	149 ³
2003 Q1	99.1	94.6	119.3	124.0	123.4	133 ³
Q2	99.7	94.1	127.2	127.3	127.2	145 ³
Q3	99.9	94.5	127.9	131.1	130.7	176 ³
Q4	99.5	95.1	131.8	133.7	133.4	134 ³
2004 Q1	99.2	95.5	130.8	135.2	134.6	161 ³
Q2	99.7	96.2	137.8	143.1	142.5	..
Q3	99.4	96.3	143.1 [†]	149.6	148.9	..
Q4	99.3p [†]	96.5p [†]	142.6	150.7	149.8	..
Monthly						
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	99.7	96.2	131.6	134.8	134.4	..
Apr	99.6	96.3	135.9	141.1	140.5	..
May	99.9	96.3	136.7	142.9	142.2	..
Jun	99.7	95.9	140.9	145.3	144.7	..
Jul	99.2	96.2	142.5	148.5	147.8	..
Aug	99.3	96.3	142.3	150.4	149.5	..
Sep	99.6	96.3	144.5 [†]	149.9	149.2 [†]	..
Oct	99.4p [†]	96.5	144.4	151.1	150.3	..
Nov	99.6p [†]	96.5	143.0	150.9 [†]	150.1	..
Dec	98.8p	96.5p [†]	140.4	150.1	149.0	..
2005 Jan	98.8p	96.6p	..	..	..	..

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.statistics.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;
Office of the Deputy Prime Minister, Enquiries Columns 3-5 020 7944 3325;
Department of Environment, Food and Rural Affairs;
Enquiries Column 6 01904 455326

Measures of variability of selected economic series¹

	Table	Period covered	Average percentage changes				MCD or QCD	$\overline{I} / \overline{C}$ for MCD (or QCD) span
			\overline{CI}	\overline{I}	\overline{C}	$\overline{I} / \overline{C}$		
Quarterly series								
National income and components: chained volume measures, reference year 2001								
Gross Value Added (GVA) at Basic Prices	2.1	Q1 1990 to Q3 2004	0.6	0.2	0.6	0.2	1	0.2
Households' Final Consumption Expenditure	2.5	Q1 1990 to Q3 2004	0.8	0.3	0.7	0.4	1	0.4
Gross fixed capital formation	2.2, 2.7	Q1 1990 to Q3 2004	1.7	0.7	1.3	0.6	1	0.6
Exports: goods and services	2.2	Q1 1990 to Q3 2004	2.0	1.1	1.4	0.8	1	0.8
Imports: goods and services	2.2	Q1 1990 to Q3 2004	1.8	0.9	1.6	0.6	1	0.6
Real Households' disposable income	2.5	Q1 1990 to Q3 2004	1.1	0.8	0.8	1.1	2	0.3
current prices								
Gross operating surplus of private non-financial corporations	2.11	Q1 1990 to Q3 2004	3.0	2.0	1.8	1.1	2	0.4
Other quarterly series								
Construction output	5.2	Q1 1990 to Q3 2004	1.2	0.7	0.9	0.8	1.0	0.8
Households' saving ratio ³	2.5	Q1 1990 to Q3 2004	0.9	0.7	0.5	1.4	2	0.4
Monthly series								
Retail sales (volume per week)								
Predominantly food stores	5.8	Jan 1990 to Sep 2004	0.6	0.6	0.2	2.3	3	0.8
Predominantly non-food stores	5.8	Jan 1990 to Sep 2004	1.0	0.9	0.4	2.3	3	0.7
Non-store and repair	5.8	Jan 1990 to Sep 2004	2.0	1.9	0.5	3.8	4	0.9
Index of industrial production								
Production industries	5.1	Jan 1990 to Sep 2004	0.6	0.5	0.2	2.8	4	0.8
Average earnings: whole economy	4.6	Jan 1990 to Sep 2004	0.5	0.3	0.4	0.8	1	0.8
Exports: value, f.o.b. ⁴	2.13	Jan 1990 to Sep 2004	2.9	2.8	0.7	3.8	4	0.9
Imports: value, f.o.b. ⁴	2.13	Jan 1990 to Sep 2004	2.2	2.1	0.7	3.0	3	0.9
Money stock - M0 ⁵	6.2	Jan 1990 to Sep 2004	0.6	0.3	0.5	0.6	1	0.6
Money stock - M4 ⁵	6.2	Jan 1990 to Sep 2004	0.7	0.3	0.6	0.5	1	0.5

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.

\overline{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.

$\overline{I} / \overline{C}$ 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 $\overline{I} / \overline{C}$ 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 $\overline{I} / \overline{C}$ 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 \overline{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 \overline{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	
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	
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
Of goods and services	2.2, 2.3		First Release UK Economic Accounts
Of passenger cars, commercial vehicles	5.3		News Release
Orders; engineering industries	5.2		News Release
Price indices	2.14		First Release UK Economic Accounts
Price index for manufactures (international comparisons)	2.15	International Monetary Fund	
Relative prices (as measure of trade competitiveness)	2.15		
Relative profitability (as measure of trade competitiveness)	2.15		International Financial Statistics
Unit value index	2.15		
Final expenditure (see also Total final expenditure)	2.2, 2.3	Office for National Statistics	First Release Monthly Digest of Statistics UK Economic Accounts
Financial corporations (see also corporations)	2.10	Office for National Statistics	Financial Statistics UK Economic Accounts
Fixed investment			
By sector and by type of asset	2.7	Monthly Digest of Statistics	
Dwellings (see also Housing)	2.7, 5.4	Office for National Statistics	
Gas (see also Energy)	5.9	Department of Trade and Industry	Energy Trends
General government final consumption expenditure	2.2, 2.3	Office for National Statistics	Financial Statistics Monthly Digest of Statistics UK Economic Accounts
Gross disposable income: non-financial corporations	2.12	Office for National Statistics	First Release Financial Statistics

Gross domestic product	2.1	Office for National Statistics	First Release Monthly Digest of Statistics UK Economic Accounts
At basic prices	1.1, 2.1, 2.3, 2.4		
At market prices	2.1, 2.2		
By category of expenditure	2.2		
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