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Economic Trends

No. 624, November 2005

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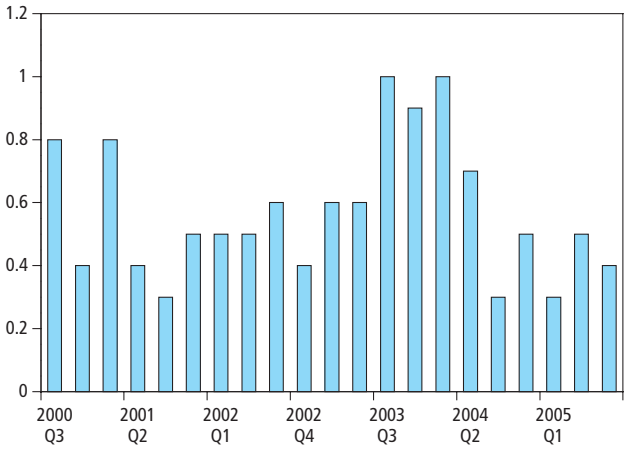
in brief

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

GDP growth

GDP

Quarterly growth (per cent)



GDP rose by 0.4 per cent in the third quarter of 2005, down from 0.5 per cent in the previous quarter.

Total output from the production industries fell by 0.6 per cent. The 0.4 per cent increase in manufacturing was more than offset by a 6.8 per cent fall in mining and quarrying (including oil and gas extraction), and a 1.8 per cent fall in electricity, gas and water supply.

Services rose by 0.6 per cent, maintaining similar growth to the previous two quarters.

Distribution, hotels and restaurants rose by 0.2 per cent. Increased output in wholesaling and retailing were partly offset by falls in hotels and restaurants and motor trades.

Transport, storage and communication rose by 0.5 per cent. There was growth in transport support, water transport, land transport and post and telecommunication.

Business services and finance rose by 0.7 per cent. There was increased output from business services and banking.

Government and other services rose by 0.7 per cent. The strongest growth was within recreation and sewage and refuse.

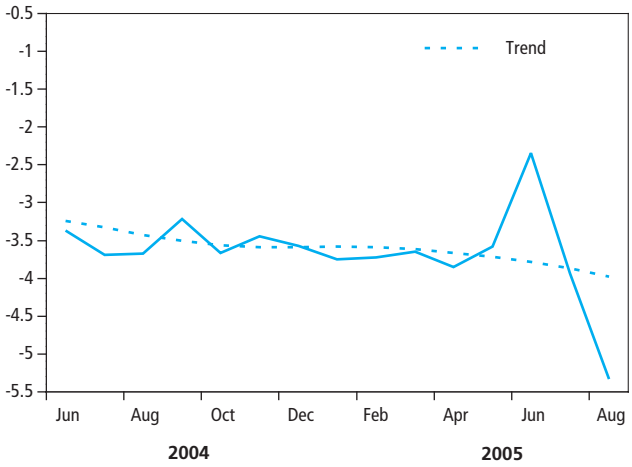
Construction rose by 0.5 per cent in the third quarter.

Released: 21 October 2005

UK Trade

Balance of Trade

£ billion



The UK's deficit on trade in goods and services widened in August to £5.3 billion. This compares with a deficit of £3.9 billion in July. This was due to a downward adjustment to services data of £1.4 billion to account for the estimated payment of claims by Lloyd's of London arising from the effects of hurricane Katrina.

The surplus on trade in services was £0.3 billion in August. This was £1.3 billion less than the surplus for July.

The deficit on trade in goods in August was £5.6 billion. This was £0.1 billion less than the deficit for July.

Following a change in the pattern of trading associated with Missing Trader Intra-Community (MTIC) fraud, identified by Her Majesty's Revenue and Customs, interpretation of the breakdown between EU and non-EU trade is more difficult. This trading is affecting data on exports to both EU and non-EU countries from the beginning of 2004. However, the import adjustment is applied only to EU imports as the goods return to the UK via the EU – but it is this part of the trading chain that is not recorded. Fraud, by its very nature, is difficult to measure reliably.

The deficit on trade in goods with the EU in August was £2.5 billion. This was lower than the deficit of £2.9 billion in July. Exports to EU countries rose for cars and chemicals.

The deficit with non-EU countries widened to £3.2 billion in August from the deficit of £2.6 billion in July. There was a fall in exports of £0.1 billion and a rise in imports of £0.5 billion.

Exports of oil to non-EU countries fell, partly offset by smaller increases for other products. There were increases in imports from non-EU countries of oil and aircraft in particular.

Excluding oil and erratic items, the volume of exports and imports rose between July and August by seven per cent and two and a half per cent respectively.

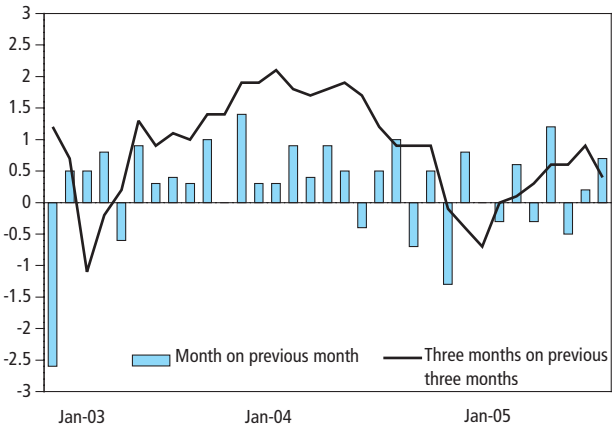
Released: **11 October 2005**

Retail sales

The three-monthly growth in retail sales volumes in September was the lowest since May this year whilst the annual growth is the lowest since the beginning of 1996.

Retail sales growth

Per cent



The volume of retail sales in the three months July to September 2005 was 0.4 per cent higher than in the previous three months. This follows growth of 0.9 per cent in the three months to August and compares with growth of 0.9 per cent at the same time in 2004.

Three-monthly growth in sales volume for food stores was 0.5 per cent compared with 0.8 per cent for non-food stores. Three-monthly growth was strongest for 'Other' non-food stores at 2.5 per cent whilst sales for non-store retailing showed a decrease of 3.8 per cent, the lowest growth for this sector since May 2003.

Compared with the same period a year ago, sales in the three months to September 2005 were up 1.0 per cent, the lowest annual growth since January 1996. At sector level there were three-monthly annual increases for food stores at 2.1 per cent, clothing stores at 2.5 per cent, 'other' non-food stores at 1.4 per cent and non-store retailing at 1.5 per cent. There was a decrease of 2.1 per cent for non-specialised stores, the lowest growth since February 1999 and a decrease of 2.4 per cent for household goods, the lowest growth for this sector since October 1991.

Analysis of monthly figures shows that the total sales volume increased by 0.7 per cent between August and September, following growth of 0.2 per cent in August and a decrease of 0.5 per cent in July. Sales volume for food stores increased by 1.4 per cent with non-food stores showing growth of 0.4 per cent. There was positive growth in all sectors except for non-store retailing which showed a decrease of 3.1 per cent, the lowest growth since May 2005. The total volume of sales in September was 0.7 per cent higher than in September 2004. This was the lowest since January 1996.

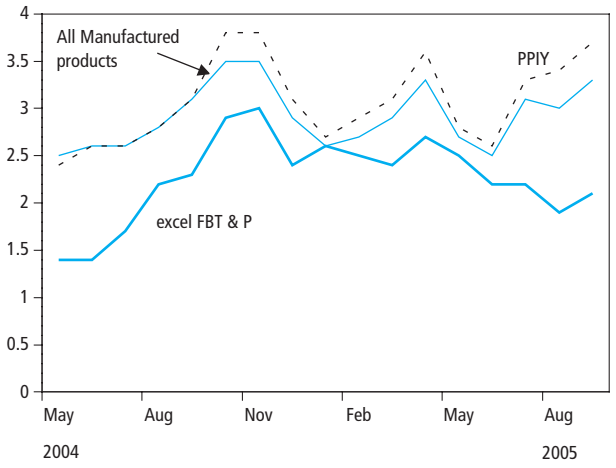
For the three months to September the unadjusted value of retail sales was 0.2 per cent higher than in the same period a year earlier, lower than June's record of 0.3 per cent, the lowest growth since comparable records began. Average weekly sales in September were £4.6 billion, 0.1 per cent lower than a year ago. The largest falls in sales values over the year were household goods stores and department stores at 6.2 per cent and 2.7 per cent respectively. Sales values for food stores increased by 3.0 per cent over the year compared to a decrease of 1.9 per cent for non-food stores.

Released **20 October 2005**

Producer prices

Output prices (what manufactures sell)

12 months percentage change



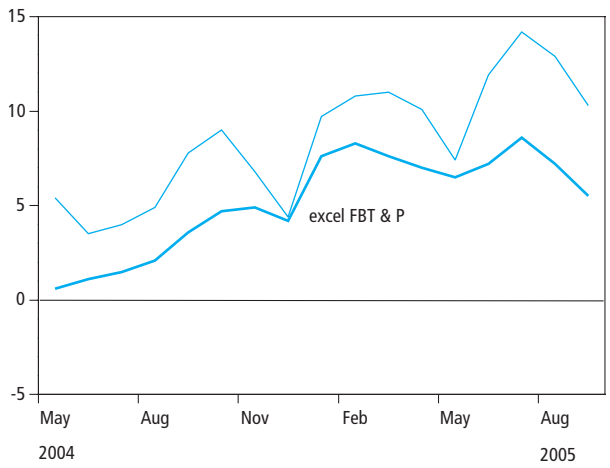
In September, output price annual inflation for all manufactured products rose to 3.3 per cent from 3.0 per cent in August. Input price annual inflation fell from 12.9 per cent in August to 10.3 per cent in September.

Month on month, the output prices measure for all manufactured products rose 0.7 per cent on August, mainly reflecting rises in petroleum and other manufactured product prices.

The 'narrow' output prices measure, which leaves out volatile sectors, showed an annual increase of 2.1 per cent. The seasonally adjusted prices measure rose 0.3 per cent between August and September.

Input prices (materials and fuel manufactures buy)

12 months percentage change



Month on month, the input prices measure of UK manufacturers' materials and fuels fell 0.6 per cent. This mainly reflected a price fall in crude oil slightly offset by a rise in fuels including CCL. In seasonally adjusted terms the index fell 0.3 per cent between August and September.

The 'narrow' input prices measure rose 5.5 per cent in the year to September. In seasonally adjusted terms the index fell 0.2 per cent between August and September.

Released: **10 October 2005**

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

Economic update
November 2005

Anis Chowdhury
Office for National Statistics

Overview

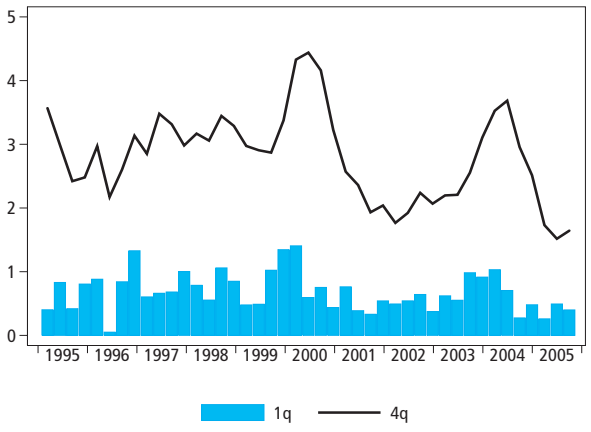
- The preliminary estimate for GDP growth in the third quarter of 2005 was 0.4 per cent, down from 0.5 per cent in the previous quarter.
- The slowdown in the growth rate was due to a decrease in industrial production. Manufacturing output rose but was partially offset by a sharp fall in mining and quarrying. Construction grew at a lower rate than the previous quarter. Services industries output grew at the same rate in the previous quarter, and continues to lead UK growth.
- Consumer spending remains subdued. It rose by 0.4 per cent in the second quarter, up from 0.1 per cent in the previous quarter. Retail sales increased marginally lower in quarter three after a pick up in quarter two.
- Total fixed business investment rose by 1.5 per cent in quarter two following growth of 0.4 per cent in 2005 quarter one.
- Government spending is currently adding to economic growth but public sector finances showed an improvement last month.
- Labour market conditions show signs of stabilising after softening in recent months. The employment rate increased slightly whilst the unemployment rate remained unchanged in the three months to September. The claimant count increased for the eighth month running. Average earnings growth, excluding and including bonuses, were unchanged from the previous month.
- Producer output price inflation rose in September whilst producer input price inflation slowed.
- Consumer price inflation increased further in September, continuing to exceed the Government's 2 per cent target.

GDP activity – overview

Preliminary figures for the third quarter of 2005 are now available in the UK and show activity slowing over this period. The initial estimate of GDP growth in 2005 quarter three was 0.4 per cent, a slight deceleration from the 0.5 per cent growth in 2005 quarter two. The initial estimate for the annual rate of growth rose to 1.5 per cent from 1.4 per cent in the previous quarter. It should be remembered that this preliminary GDP release does contain a large element of estimation for certain sectors of the economy. The number will be firmed up later as more data becomes available (Figure 1).

Quarter two 2005 GDP data are available for the other major OECD economies and shows a mixed picture of the world economy. US GDP growth for the second quarter of 2005, recorded an expansion of 0.8 per cent, down slightly from the previous quarter at 0.9 per cent. Household demand continues to be a major contributor to GDP growth. There was also a marked positive contribution from net exports. Fixed residential investment also contributed significantly to

Figure 1
GDP
Growth



the growth rate and to a lesser extent government spending. The slowdown was mainly due to a negative contribution from private inventory investment as firms managed to sell off stocks of unsold goods. This is in contrast to the first quarter where firms had been bulking up their inventories. Manufacturing output remains flat. Japan's output slowed markedly in 2005 quarter two. Growth was 0.8 per cent compared to 1.4 per cent in 2005 quarter one. Private consumption and corporate capital spending continued to be key drivers for growth. The deceleration in the 2005 quarter two growth rate came from sharp declines in private residential investment and reduced public investment. There was a bounce back in net exports which made a positive contibution to the growth rate.

Growth in the three biggest mainland EU economies – France, Germany and Italy – shows a mixed picture. Growth overall however, remains subdued. German GDP growth was stagnant in 2005 quarter two following 0.8 per cent growth in the previous quarter. There was growth in domestic demand which was driven by both corporate and government spending. This was partially offset by weaker consumer spending which has possibly been hurt by higher unemployment and higher oil prices. The main negative contribution came from the trade balance as imports exceeded exports, reversing the trend in recent quarters when net exports contributed postively to growth. France GDP growth slowed further in 2005 quarter two. Growth was 0.1 per cent, compared to the 0.4 per cent growth rate in 2005 quarter one. The marked slowdown in domestic demand was driven partially by a sharp contraction in business investment and to a lesser extent consumer spending. Government spending also fell. A small negative contribution came from net exports. Italy in contrast, recorded a much stronger growth rate of 0.7 per cent following negative growth in the previous two quarters. Industrial and services output were the main contributors to the growth rate. An increase in exports together with stable consumer expenditure were also contributors to growth. Agricultural output on the other hand remained flat.

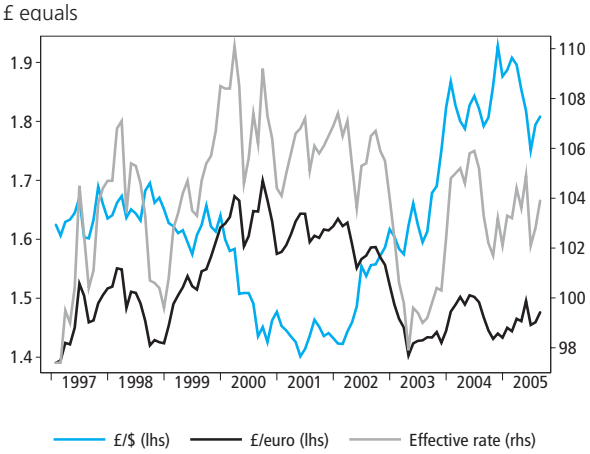
Financial Market activity

Equity performance has been positive this year on the whole, although stock prices have been volatile. The FTSE All - Share index was up by about 0.2 per cent in 2005 quarter two having risen by 5 per cent in the previous quarter. In 2005 quarter three, the index grew further, to around 7 per cent. The encouraging stock market performance in the latest quarter may be partly a reflection of the increased profitability of blue chip companies, particularly those exposed to non-UK markets.

As for currency markets, 2005 quarter two saw sterling's average value depreciate by 1.8 per cent against the dollar while against the euro, sterling's value appreciated by around 2 per cent. In 2005 quarter three, sterling's value against the dollar depreciated by a further 3 per cent whilst against the euro, it depreciated by around 1.0 per cent. Overall, the quarterly effective exchange rate decreased by 1.3 per cent following a rise of 1.4 per cent in the previous quarter. (Figure 2). At the time of writing this article the dollar/pound rate was 1.76 while the rate was 1.46 against the euro.

The recent movements in the exchange rate might be linked to a number of factors. The depreciation against the euro in the latest quarter may be due to expectaions that the Bank of England may cut interest rates again to bolster UK growth. The depreciation of sterling against the dollar partly reflects the strength of the US economy and partly to the relative weakness of the UK economy. The recent hikes in interest rates in the US may have contributed the rebound in the dollar, particularly as rates have been stable elsewhere. In the UK, interest rates were lowered in August 2005 by 0.25 per cent to stand at 4.50 per cent but are still well above rates in the euro zone and, to a lesser extent, in the US, where the rate currently stands at 3.75 per cent.

Figure 2
Exchange rates



Output

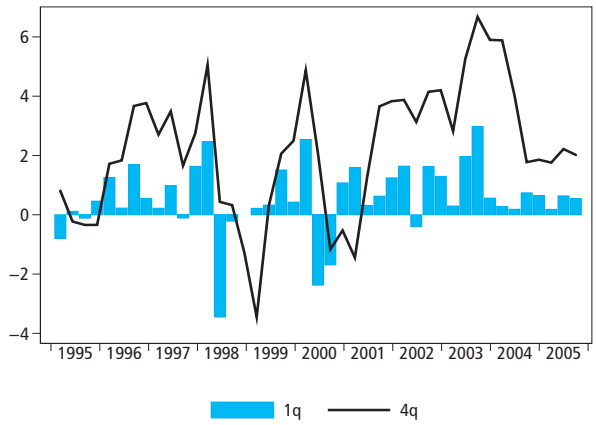
GDP growth in 2005 quarter three is estimated to be 0.4 per cent, a slight deceleration from the 0.5 per cent growth in the previous quarter. On an annual basis, it was 1.5 per cent, up from 1.4 per cent in 2005 quarter two. It is worth noting here that these preliminary estimates are based on partial information, which has to be augmented with a considerable amount of estimation to produce these initial numbers.

According to the preliminary figures the growth rate of 0.4 per cent in the UK economy was due to a combination of factors. Industrial production fell and construction output grew at slower rate than the previous quarter. Service sector output, however, remains robust and continues to lead economic growth.

No actual late numbers are yet available at this stage for construction. Figures for construction output are derived from a quarterly survey, the results of which are still unavailable at the time of the initial GDP estimate for the quarter. This initial figure is a forecast calculated by the DTI using a variety of techniques. Using this methodology, construction is estimated to have grown by 0.5 per cent following 0.6 per cent growth in the previous quarter (Figure 3).

Figure 3
Construction output

Growth

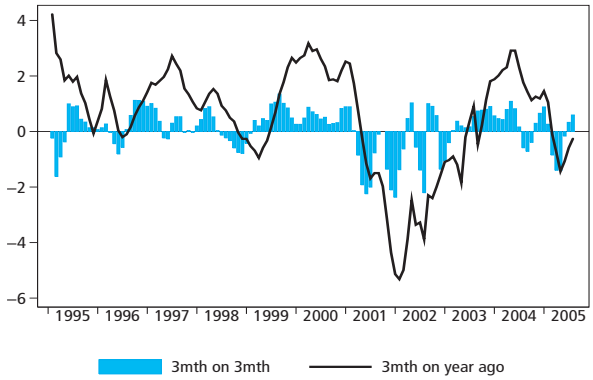


As for external surveys of construction, the CIPS survey signalled a marginal increase in the rate of growth of the construction sector in the third quarter. There was a slight improvement in commercial as well as housing activity which was offset by slowdown in civil engineering. Business optimism however decreased over the quarter. The RICS construction survey shows a similar pattern to the CIPS survey. The RICS construction survey reports that construction workloads picked up slightly in the third quarter. Total workloads was 17 per cent in quarter three, up from 15 per cent in quarter two. The private housing sector saw the largest increase. There was also an increase in commercial activity but at a lower rate due to a slowdown in business demand for commercial property. Confidence over the next year remains high.

Total output from the production industries fell by 0.6 in 2005 quarter three, compared to flat growth in 2005 quarter two. The main contribution to the decrease came from mining and quarrying (including oil & gas extraction), which fell by 6.8 per cent following growth of 0.3 per cent in the previous quarter, due largely to an extended maintenance shutdown in the North Sea. Within industrial production, there was a fall in the output of the electricity, gas and water supply industries of 1.8 per cent compared to growth of 1.0 per cent in 2005 quarter two. Agriculture, forestry and fishing fell by 0.6 per cent following growth of 1.1 per cent in 2005 quarter two. This was partially offset by an increase in manufacturing output which rose by 0.4 per cent, after recording a fall of 0.2 per cent in 2005 quarter two (Figure 4). It is worth noting that production growth in the mining and quarrying industries and electricity, gas and water supply industries has been volatile in recent quarters.

Figure 4
Manufacturing output

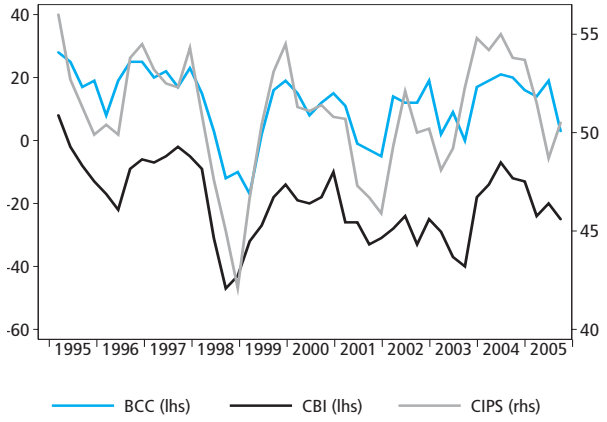
Growth



External surveys of manufacturing for 2005 quarter three (Figure 5) show a mixed picture for growth than in the previous quarter. The gap between external surveys and official data has narrowed recently as the external surveys have become more pessimistic. It is worth noting that it is not unusual for the path of business indicators and official data to diverge over the short term. These differences happen partly because the series are not measuring exactly the same thing. External surveys measure the direction rather than the magnitude of a change in output and often enquire into expectations rather than actual activity.

Figure 5
External manufacturing

Balances



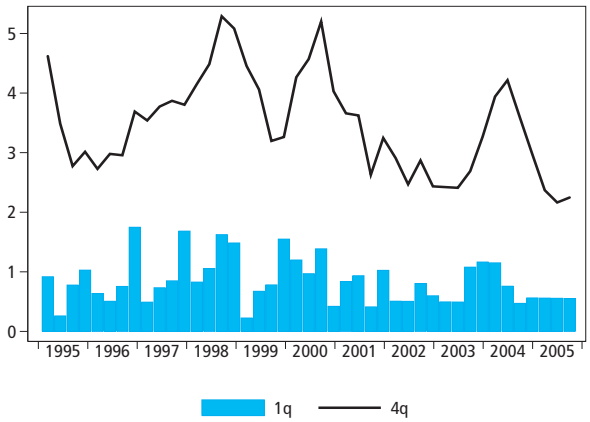
The CIPS headline index for manufacturing signalled an increase in activity in 2005 quarter three. The headline index was 50.5 in 2005 quarter three compared to 48.7 in quarter two. Both the orders and the output indicators followed the same trend as the headline figure. In contrast, the 2005 quarterly three BCC survey reports a sharply worsening performance in the manufacturing sector. The survey reports that manufacturing balances for home sales & orders, export sales & orders and key confidence balances fell in quarter three. The CBI also report a weakening manufacturing performance in 2005 quarter three. In the latest quarterly industrial trends survey, the CBI report that the balance for total orders was minus 25, a further decrease from the minus

20 reported at the end of quarter two. The export balance and deliveries shows a similar trend. The CBI attribute the weakness to consumer caution.

Overall, the service sector, by far the largest part of the UK economy and the main driver of UK growth recently, continues to grow but at a more subdued rate of 0.6 per cent, unchanged from the previous quarter. Within the sector, components to the growth rate appear broad based with financial and business services making a major contribution (Figure 6).

Figure 6
Services output

Growth

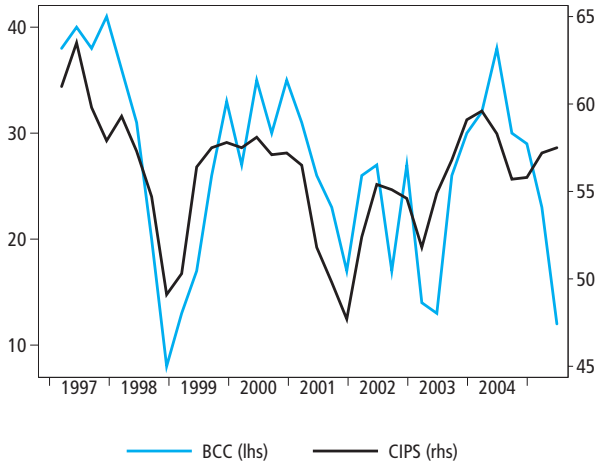


The Index of Distribution is a monthly series reporting the output of the distribution industries, which constitute approximately one-fifth of the total Index of Services. According to the latest release, the distribution of output in the three months to August rose by 0.6 per cent compared with the three months to May. Wholesaling output increased by 1.1 per cent. The most significant increases were in cosmetics and pharmaceuticals, alcoholic and other beverages and clothing and footwear. Retail output increased by 1.0 per cent. The most significant rise was in non-food stores. This was offset by a decrease in motor trades output which decreased by 1.3 per cent in the three months to August. This was mainly due to the sale of motor vehicles.

The external surveys on services show a somewhat weaker picture of the service sector compared to 2005 quarter two. The CIPS Report on Services indicate a marginal weakening in the headline index in 2005 quarter three, mirroring the trend in official figures, but is still consistent with solid service sector growth. The business activity index was 54.8, down from 57.5 in quarter two. The orders index also fell slightly. However, business confidence remains robust. The CBI Survey of Services report that business volume growth slowed further in 2005 quarter three. The slowdown was most pronounced for consumer services firms, although professional services also noted tougher conditions. The BCC report a mixed performance for the service sector. Home sales & orders and employment were up but export sales & orders, plant & machinery investment and confidence balances all declined in quarter three (Figure 7).

Figure 7
External services

Balances

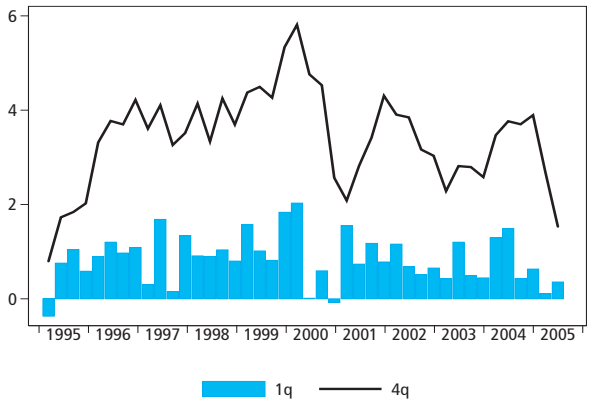


Household demand

Household demand was 0.4 per cent in 2005 quarter two, up from 0.1 per cent in 2005 quarter one. Although this does represent a pick up, it is still subdued when compared to other recent quarters. Growth compared with the same quarter a year ago was only 1.5 per cent, down from 2.7 per cent in the previous quarter (Figure 8)

Figure 8
Household demand

Growth



The breakdown of consumer spending patterns shows some variations across categories. Spending on durable goods rose by 1.4 per cent in the second quarter, spending on non-durable goods was up by 0.7 per cent and expenditure on services rose by 0.5 per cent. In contrast, spending on semi-durables fell by 0.3 per cent.

The relative weakness of consumer spending might be connected to the lagged effect of the three interest rate rises in the summer of 2004. Indeed, reports indicate that saving has increased recently with inflow of funds into savings accounts being at their highest for a number of years.The savings ratio was 5.0 per cent in 2005 quarter two, up from 4.5 per cent in 2005 quarter one. In addition there is little evidence of a sustained recovery in the housing market during the first three quarters of 2005.

As household consumption has risen faster than disposable income in recent years, the household sector has become a considerable net borrower. It is likely, that due to relatively high debt levels, consumer expenditure growth will be more tied to the growth of personal disposable income in the near future. Also, consumer fears about the possibility of higher taxes in order to plug the supposed hole in the public finances may also have been another factor behind the slowdown.

However, there are some factors that are supportive. The labour market is tight, although there are signs of softening according to the latest figures, which might generate moderate growth in wages and thus increases in personal disposable income. Low unemployment ensures that consumers are not overly concerned about their long-term job prospects, and are therefore less cautious about purchases of big-ticket items. Also, the recovery in equity prices from the beginning of 2005 might be expected to have a positive effect. Finally, the reduction in the repo rate by 0.25 per cent to 4.50 per cent in August 2005 by the Bank of England's monetary policy committee (MPC) is expected to help support consumer spending.

The GFK index in 2005 quarter three showed a negative balance for the second successive quarter. The balance deteriorated in quarter three to minus three from minus one in quarter two. The drop was driven by declines in the perception of the general economic situation in the last and next twelve months measure. The MORI index shows a similar picture. The MORI economic optimism index (EOI) was minus 26 in 2005 quarter three, down from minus 15 in 2005 quarter two, the largest negative balance since 2003 quarter one.

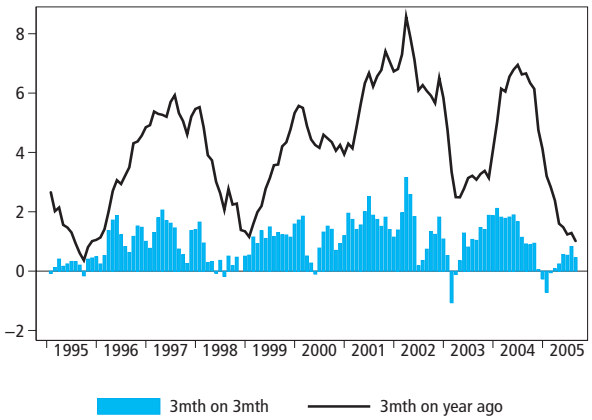
Retail sales figures are published on a monthly basis and the latest available figures are for September 2005. It should be noted that household consumption accounts for a much broader range of spending than just retail sales. For instance, household purchases of services, motor vehicles, and housing (imputed rents) are not included in retail sales. Since the beginning of 2003, retail sales have grown faster than household consumption as a whole, but this is less true of the most recent period (Figure 9). During the final quarter of 2004 the evidence suggests that the growth in retail sales weakened and this seems to have continued in the first quarter of 2005. In 2005 quarter two and three, there are some signs of a slight pick up. According to the latest figures, the volume of retail sales in the three months to September was 0.4 per cent, a lower rate than in the three months to August, when growth was 0.9 per cent. However, compared with the same period a year ago, sales in the three months to September 2005 were up 1.0 per cent, the lowest annual growth since January 1996.

At a dis-aggregated level, during the three months to the end of September, sales volume for food stores was up by 0.5 per cent compared with 0.8 per cent for non-food stores. 'Other' non-food stores showed the highest three-monthly growth at 2.5 per cent whilst sales for non-store retailing showed a decrease of 3.8 per cent, the lowest growth for this sector since May 2003.

External surveys show signs of growth slowing in recent months. The latest CBI monthly Distributive Trades Survey reports that trading conditions remained tough in September. The balance was minus 24 in September, from minus 18 in

Figure 9
Retail sales

Growth

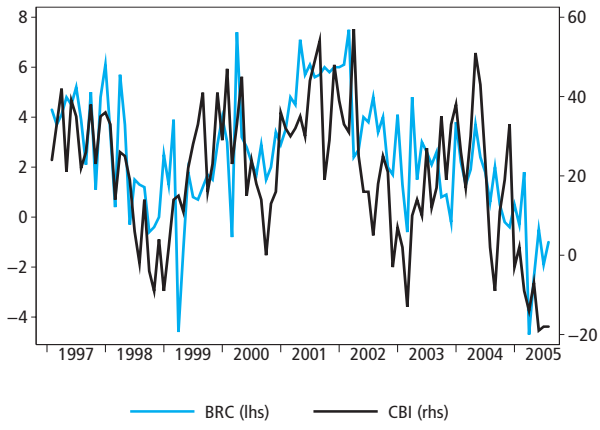


the previous month and the lowest since the survey began in 1983. The CBI survey reports that the hardest hit sectors related to big ticket electrical products, DIY, hardware, furniture and flooring items. The reasons for the negative balance is attributed to concerns over the housing market, the level of interest rates and consumer caution. It is worth noting that the CBI surveys 125 retailers, accounting for about half the jobs on the high street whereas ONS surveys 10,000 retailers, including on-line and mail order businesses.

The British Retail Consortium (BRC) also report a similar story. They report that like-for-like retail sales fell by 0.8 per cent in September compared with September 2004. This follows a decrease of 1.0 per cent in August 2005 when compared with August 2004. The BRC report that big-ticket and housing related items continue to be affected by consumer caution. Clothing and footwear showed larger declines than in July and August (Figure 10).

Figure 10
External retailing

Balances, 3 month moving average



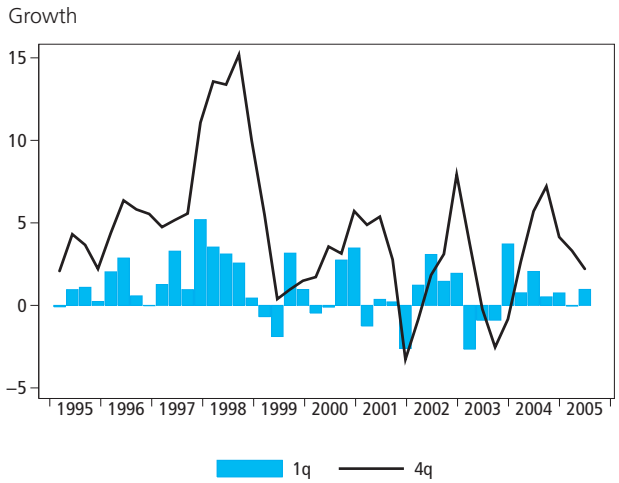
In a separate survey (the CBI and Grant Thornton service sector survey), it was reported that the slowdown hitting high street sales is also affecting the service sector. The survey showed the rate of growth in both consumer (hotel, cinemas and tour operators) and business & professional services

(telecommunications, marketing and legal companies) slowing, with firms being increasingly pessimistic about the future due to the impact of the economic slowdown.

Business demand

The revised estimate of business investment for the second quarter of 2005 was 1.5 per cent higher than the previous quarter, representing an upward movement on the 0.4 per cent growth rate in 2005 quarter one and 4.2 per cent higher than the same period last year, compared with 2.9 per cent in 2005 quarter one (Figure 11).

Figure 11
Total fixed business investment



Looking at business investment on a more dis-aggregated level shows the increase on the quarter was due to a revival in investment in private sector manufacturing, construction industries and non- public corporations, which was partially offset by falls in investment from the 'other' production industries (mainly due to fall in investment by the mining and quarrying industries). This reverses the picture in the previous quarter where the increase in investment was driven mainly by private sector services.

Investment in private sector services is the most important component representing around three quarters of total business investment. Private sector services rose by 0.1 per cent in 2005 quarter two, compared with the second quarter of 2004, where services rose by 5.6 per cent.

Manufacturing investment according to the revised estimated for the second quarter showed a marked improvement on 2005 quarter one. The manufacturing sector accounts for a little over one tenth of total business investment. This has tended to be fairly volatile, but since 1999 manufacturing investment has undergone a persistent contraction. In 2005 quarter one, fixed investment by private and public sector manufacturing fell by 4.2 per cent. The contraction follows some signs of an upturn in 2004 quarter four. The latest figures for 2005 quarter two shows a recovery in investment by the private and public sector manufacturing industries, which rose by 5.4 per cent compared to the first quarter, and by 2.9 per cent since the second quarter of 2004. The quarterly rise in private sector manufacturing was due to increased investment by the metals and metal goods industries (up 5.5 per cent), engineering and vehicles (up 15.2 per cent) and by the other manufacturing industries (up 4.0 per cent).

Construction and other production rose by 2.2 per cent on the quarter and fell by 1.1 per cent compared with the second quarter of 2004.

Despite the rise in spending over the last twelve months, the environment still remains a mixed one for investment. Low interest rates by historical standards might be one possible explanation accounting for the recent growth, meaning that the cost of capital is relatively cheap. A more optimistic view of global demand may also have spurred the latest increase in manufacturing investment. Profitability though is likely to be an important factor determining investment.

High profitability is an indicator of high returns from investing in the capital stock and is likely to buoy business confidence. In addition, retained profits are a cheap source of investment funds, which will lower the cost of capital expenditures. Profitability can be defined as the net rate of return on capital employed. This is essentially the value of profits (allowing for depreciation) divided by the value of fixed assets (again allowing for depreciation) and inventories.

The overall profitability of UK private non- financial corporations in the second quarter of 2005 was 13.7 per cent, higher than the estimate of 13.3 per cent recorded in the previous quarter. Manufacturing companies' net rate of return was estimated at 7.5 per cent in the second quarter. This is higher than the average of 7.0 pert cent for 2004. The higher rate of return may partly be a reflection of the pick up in global demand, particularly from the non-EU and partly may be a result of lower rises in manufacturing unit labour costs.The profitability of service companies was 16.8 per cent, lower than the 17.5 per cent recorded in 2005 quarter one. It is higher than the average for 2004 of 16.4 per cent. Generally, service sector profitability is higher than that of the manufacturing sector, reflecting the more capital- intensive nature of the manufacturing sector.

Evidence on investment intentions from the latest BCC and CBI surveys shows a not inconsistent picture. According to the quarterly BCC survey, the balance of manufacturing firms planning to increase investment in plant and machinery remained unchanged in quarter three from quarter two at plus nine. However, the CBI in its 2005 quarter three Industrial Survey report a further deterioration in manufacturing investment plans in both plant and machinery from minus 15 in quarter two to minus 19 in quarter three, reflecting deteriorating confidence and uncertainty about future demand.

Government demand

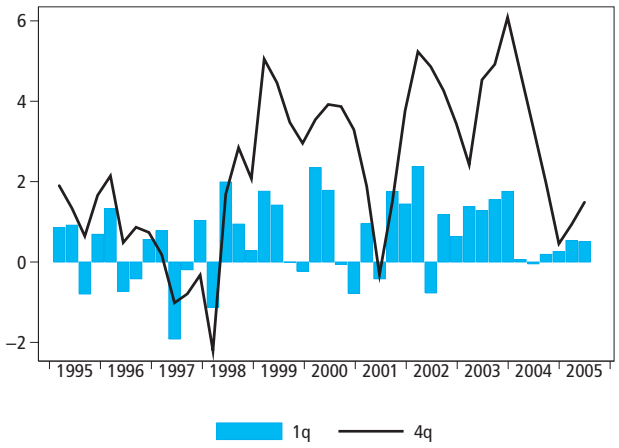
Government final consumption expenditure in real terms grew by 0.5 per cent in the second quarter of 2005, the same rate of growth as in the previous quarter. Growth compared with the same quarter a year ago was 0.9 per cent, compared with a 1.5 per cent rise in the previous quarter (Figure 12).

The latest figures on the public sector finances report up to September and show an improvement from a year ago. The current budget surplus (excluding net capital investment), was

minus £3.4 billion compared to minus £3.8 billion a year ago. Public sector net borrowing (government's preferred measure) registered a surplus of £5.2 billion compared with £4.7 billion in September 2004. The public sector net cash requirement (cash-based measure), the surplus rose to £11.8 billion from £10.9 billion a year ago. These figures reflect buoyant receipts from income and corporation taxes, mainly from higher oil revenues and moderate public expenditure. However, it is worth noting that monthly data can be volatile. The financial year to date may provide a better picture. The figures for the current financial year to date (April 2005 to September 2005) show net borrowing presently standing at £22.9 billion compared to £23.6 billion in the same period in 2004/05. The current budget deficit stands at £14.6 billion, a lower deficit compared to the £17.6 billion deficit in the same period of 2004/05. Since net borrowing became positive in 2002, following the current budget moving from surplus into deficit, net debt as a proportion of annual GDP has risen steadily.

Figure 12
Government spending

Growth



At the end of 2001 public sector net debt was 30.2 per cent of GDP; by the end of September 2005, this had risen to 35.5 per cent of GDP.

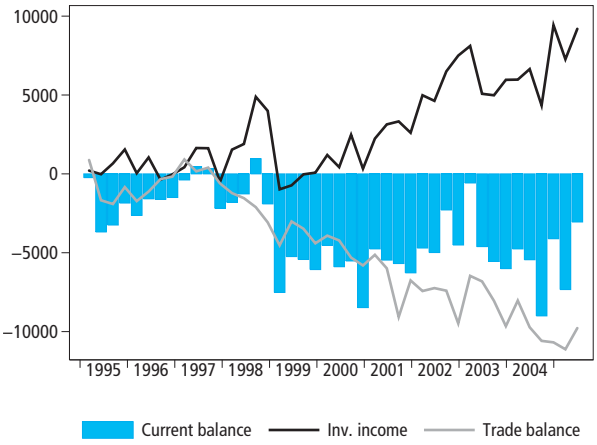
Trade and the Balance of Payments

The publication of the quarterly Balance of Payments shows that the current account deficit narrowed in 2005 quarter two to £3.1 billion from a revised deficit of £7.3 billion recorded in the previous quarter (Figure 13). As a proportion of GDP the deficit improved to minus 1.0 per cent from minus 2.5 per cent in 2005 quarter one. The lower deficit is accounted for by a combination of a lower transfers deficit, higher investment income surplus and a lower trade deficit.

The transfers deficit was down £1.0 billion to £2.5 billion, with net contributions to EU institutions returning to more normal levels after the high payments recorded in the first quarter. The income surplus widened to £9.2 billion, from £7.3 billion in the first quarter. This is partly a result of lower dividends paid to non-resident holders of UK equity and partly due to a strong rise in interest receipts and payments on debt and deposits/lending, possibly a result of higher US interest rates together with increased cross-border investment.

Figure 13
Balance of Payments

£ million



The run of current account deficits since 1998 reflects the sustained deterioration in the trade balance. The UK has traditionally run a surplus on the trade in services, but this has been more than offset by the growing deficit in trade in goods. The long run deterioration in the UK's trade deficit is possibly due to exports growing more slowly than world trade due to the high value of sterling and weak demand from Continental Europe, whilst imports have grown strongly due to high domestic spending.

The trade in goods deficit was £14.6 billion in 2005 quarter two, down from £15.7 billion in the first quarter. The improved balance was driven by strong growth in exports to non-EU countries.

The deficit in trade in goods with the EU rose to £8.3 billion from £7.8 billion in the previous quarter. Exports to EU countries rose by £0.3 billion and imports from the EU rose by £0.8 billion. Exports to non- EU countries rose by £2.6 billion and imports from those countries rose by £0.9 billion. As a result the deficit with non-EU countries fell from £8.0 billion in the previous quarter to £6.3 billion in the second quarter.

On the face of it, it would suggest that the UK is starting to benefit from a pick up in world trade, helped by a lower pound and cheap export prices. However, these figures need to be treated with caution as they may have been distorted by VAT Missing Trader Intra- Community (MTIC) Fraud. The effect of this fraud would lead to an over-recording of exports and under recording of imports. For instance, traders import goods, mainly on high value and eaily transportable goods such as mobile phones and computer chips VAT free, sell them on for a sum including VAT, and then disappear before passing the VAT to Customs ands Revenue. A more sophisticated version of the fraud known as 'carousel fraud' enables goods to be imported and passed through a series of companies before being exported out of the UK. The same goods are then re-imported, replicating the fraud. There are some indications that this type of fraud is now taking place to non- EU destinations and may be partially responsible for inflating recent non-EU export figures.

According to the latest trade figures for August, the UK's deficit on trade in goods and services is estimated to have

widened to £5.3 billion from a deficit of £3.9 billion in July. This was partly due to a downward adjustment of £1.4 billion to exports of services in nominal terms to account for the estimated payment of claims by Lloyds of London arising from the effects of Hurricane Katrina. In the three months ended August, a less volatile measure, the deficit on trade in goods and services widened to £11.6 billion from a £11.1 billion deficit in the previous three months.

In the period June to August 2005, total exports in volume terms (excluding oil & erratics) grew by 5.4 per cent whilst imports (excluding oil & erratics) were up by 0.8 per cent. Exports to the EU rose by 3.8 per cent and imports from the EU by 3.1 per cent. Exports to the non-EU grew by 7.7 per cent and imports from the non-EU was fell by 2.5 per cent.

External surveys on exports show mixed conditions for the third quarter of 2005. The quarter three BCC survey reports there was an improvement in the manufacturing sector's export performance both in terms of orders and deliveries. In contrast, the latest quarterly CBI Industrial Trends Survey report a deterioration in export orders

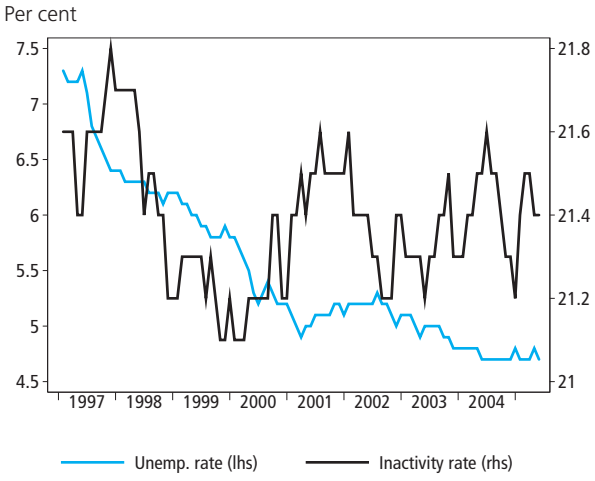
Labour Market

In recent years the strength of the UK economy has been clearly reflected in the labour market statistics. The latest figures from the Labour Force Survey (LFS) pertain to the three- month period up to August 2005 and show a mixed picture. Overall however, there appears to be signs of stabilisation in activity following signs of softening in the previous recent quarters, with the employment rate rising slightly and the unemployment rate remaining unchanged from the previous quarter. The claimant count increased. Average earnings growth, both excluding and including bonuses, were unchanged from the previous quarter.

The current working age employment rate stands at 74.8 per cent, up 0.1 percentage point from the previous three months to May. The number of people in employment rose by 103,000 over the quarter. The unemployment rate was 4.7 per cent, unchanged from the previous quarter (Figure 14). The number of unemployed declined by 7,000 over the quarter. The working age inactivity rate fell by 0.1 per cent to stand at 21.4 per cent. The claimant count measures the number of people receiving the job-seekers allowance. The latest figures for September show the claimant count level at 875,500, up 8,200 on the month, and up 39,500 on a year earlier. It has shown an average monthly increase of 7,400 over the last six months.

As job vacancies are often filled from the pool of inactive workers rather than the unemployed, the softening of labour market activity recently may have been partly due to the rise in the inactivity rate. However, this seems to be less of a case according to the latest figures compared to the second quarter, where the inactivity rate and level actually fell over the quarter. The economically inactive are those that are of working age but are either not looking for work or are not available for work. The main groups classed as economically inactive are those looking after the family or home, the long-term sick, students and the retired.

Figure 14
Unemployment and economically inactive



Overall, inactivity decreased in the three months to August 2005, continuing the trend from the three months to July. The number of economically inactive people of working age was down 20,000 over the quarter to stand at 7.91 million. Over the year the number decreased by 24,000. The long-term sick registered the largest decrease of 47,000 followed by the 'other' category on 20,000.

According to the LFS, in the period June to August 2005, 103,000 jobs were created. Employee jobs increased by 138,000. This was partially offset by a fall in self-employment of 15,000, continuing the trend seen in previous recent quarters, and by a fall in unpaid family workers of 12,000. Full-time employment increased by 104,000 and part-time employment decreased by 1,000.

The 'workforce jobs' (employer-based survey) is available for the three months up to June 2005. Workforce jobs decreased by 49,000 on the quarter but increased overall by150,000 on the year. Figures show that manufacturing continues to shed jobs, with a loss of 47,000 in the latest quarter, compared with the previous quarter, followed by construction on 38,000. This was partially offset by increases in finance & business services of 21,000 and in 'other services' of 17,000.

After steadily rising throughout most of 2004, headline average earnings growth stabilised at the beginning of 2005 and this has continued in the latest figures. Figures based on the average over a three- month period show that in the year to August 2005, average earnings (including bonuses) was 4.2 per cent, unchanged from the previous month, similar to the average of quarter two, but lower than the 4.5 per cent average of 2005 quarter one. Average earnings growth (excluding bonuses) has been more stable. It has increased at a lesser rate in the first two quarters of 2005 than in most of 2004. The latest figures for August, show the AEI (excluding bonuses), unchanged from the previous month at 4.0 per cent.

Wage growth in the public sector (excluding bonuses), continues to outstrip that in the private sector. However, in August, the gap narrowed from that in July 2005. Annual wage growth in August was 3.9 per cent in the private sector and 4.3 per cent in the public sector, down from 4.5 per cent in the previous month. If bonuses are included, the latest

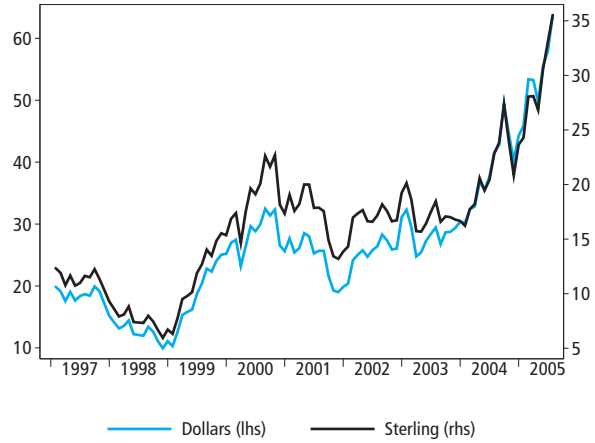
figure shows the public sector continuing to out-strip the private sector for the fourth month running but the gap has narrowed significantly. The three month average wage growth in August for the public sector was 4.3 per cent compared to 4.1 per cent in the private sector. The overall picture is one of strong but steady earnings growth.

Prices

The past year has seen rises in producer prices and the oil price. Throughout most of 2004 producer price inflation had been creeping upwards – due in large part to the rise in oil prices (Figure 15).

Figure 15
Oil prices

Brent crude per barrel

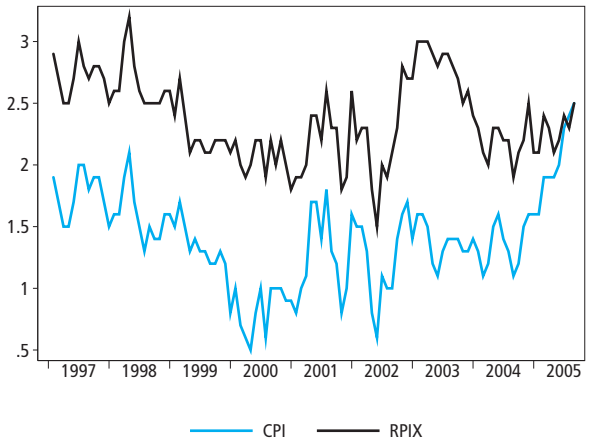


However, in the final three months of the year output price inflation began to fall and this has continued through to the first two quarters of 2005, although it still remained at levels substantially above those at the beginning of 2004. In July there was a significant pick up in producer output prices to 3.1 per cent from 2.5 per cent in June. It fell marginally in August to 3.0 per cent. The latest figures for September however show producer output price inflation picking up. The producer price output index (PPI) increased by 3.3 per cent in the year to September, mainly reflecting rises in petroleum and other manufactured product prices with crude oil prices accounting for about half of the monthly rise. This may suggest that firms are more willing to pass on energy price rises to customers than absorb them into profit margins. The overall input index rose by 10.3 per cent in the year to September, compared with a rise of 12.9 per cent in the year to August. The fall mainly reflected price falls in crude oil. The rise in petroleum prices is also feeding through to consumer prices as we shall see below.

Growth in the consumer price index (CPI) – the government's target measure of inflation – rose to 2.5 per cent in September, from 2.4 per cent in August, continuing to exceed the Chancellor's 2.0 per cent target (Figure 16). The largest upward effect came from transport with large contributions from fuels and lubricants where petrol prices rose more than a year ago. A further large upward effect came from recreation and culture, mainly games, toys and hobbies. There were also small upward effects from restaurants and hotels and utility prices. The largest downward effect came from clothing and footwear. The RPI inflation rate was 2.7 per cent in September, down from 2.8 per cent in August reflecting lower mortgage interest payments. The RPIX inflation rate rose in September, to 2.5 per cent from 2.3 per cent in August.

Figure 16
Inflation

Growth, month on month a year ago



Forecasts for the UK economy

A comparison of independent forecasts, October 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)	1.8	1.5	2.4
Inflation rate (Q4 per cent)			
CPI	2.3	1.8	2.7
RPI	2.6	2.0	3.4
Unemployment (Q4, million)	0.89	0.81	0.97
Current account (£ billion)	–22.3	–28.0	–17.3
Public Sector Net Borrowing (2004–05, £ billion)	39.3	34.0	45.4

Independent forecasts for 2006

	Average	Lowest	Highest
GDP growth (per cent)	2.2	-0.2	3.1
Inflation rate (Q4 per cent)			
CPI	1.9	1.4	2.8
RPI	2.3	0.8	3.7
Unemployment (Q4, million)	0.94	0.81	1.20
Current account (£ billion)	–24.5	-40.0	–14.5
Public Sector Net Borrowing (2005–06, £ billion)	39.0	27.0	51.8

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/S2, 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.*

Regional economic indicators November 2005

Anis Chowdhury/Daniela New
Office for National Statistics

Overview

- London and the South East are the most productive regions, in terms of Gross Value Added per hour worked, and the only regions above the UK average in terms of productivity.
- London is the region with the highest Gross Disposable Household Income per head, followed by the South East and the East of England. The regions with the lowest GDHI per head are Northern Ireland and the North East.
- The South East has the highest total expenditure in Research & Development followed by the East of England.
- The South East and the North West were the regions with the biggest net increase in the numbers of registered businesses in 2003.
- Yorkshire and the Humber had the largest percentage increase in exports to both the EU and non-EU in 2005 quarter one.
- The unemployment rate increased in most regions in 2005 quarter two with London having the highest unemployment rate.
- General business optimism at the national level fell for the fourth successive quarter and showed negative balances in all regions in 2005 quarter three, according to the CBI regional survey.

This article brings together information for the 12 regions and countries of the United Kingdom, also known as NUTS level 1 regions under the European Nomenclature of Units for Territorial Statistics. For the rest of this article, the term 'region' is used for convenience.

Headline indicators

This section presents a selection of regional economic indicators that provide an overview of the economic situation of UK regions. Some productivity indicators which represent the economic activity of the regions are presented (Workplace Based Nominal Gross Value Added (GVA), GVA per head and GVA per hour worked), together with indicators representing some of the drivers of productivity. Among these, the Business Survival Rate is used as an indicator of enterprise and the UK Regional Trade in Goods as an indicator of competition, as defined by HM Treasury and Department of Trade and Industry. In addition, R&D statistics are presented as an indicator of innovation in the regions while the Gross Disposable Household Income (GDHI) is an indicator of the welfare of the people living in the region.

Productivity

Table 1 and Table 2 show workplace based nominal gross value added (GVA) and GVA per head respectively for the UK regions. (GVA data for 2004 will be published by ONS in December 2005 and data for 2003, which were provisional, are likely to be revised).The GVA estimates presented here are on a workplace basis. Regional GVA can be calculated both on a residence and a workplace basis: residence-based GVA allocates the income of commuters to where they live, whereas GVA on a workplace basis allocates their income to the regions where they work.[1] Conceptually, the workplace based figures provide the preferred measure of the regional economic activity.

Nominal workplace-based GVA for the UK regions is reported in Table 1. Most regions experienced growth between 2002 and 2003 of between 5 and 6 per cent in current price terms (which does not take account of inflation or regional differences in prices). However, London had the lowest rate of nominal GVA growth at 2.4 per cent. The East Midlands had the highest growth in total GVA (6.3 per cent) between

2002 and 2003, followed by Wales and Northern Ireland (6 per cent). London and the South East remain the regions with the largest share of UK GVA (18.3 per cent and 14.9 per cent respectively) while Northern Ireland (2.3 per cent) and the North East (3.4 per cent) have the smallest.

Among UK regions there is a wide variation in size, which makes it difficult to compare the regions' economic performance using cash totals: comparisons are therefore usually expressed in terms of GVA per head of population (Table 2). The UK average GVA per head in 2003 was £15,980. London was the region with the highest GVA per head in 2003 at £23,579, well above the UK average. However, the GVA per head for London includes the activity of commuters as well as people living in the London region but these commuters are not included in the denominator, since this is residence-based. GVA per head for the South East was also above the UK average, at £17,565 per head. On the other hand, Wales, the North East and Northern Ireland had the lowest GVA per head, of £12,629, £12,736 and £12,971 respectively.

Table 3 shows the GVA per hour worked indices by region. Regional output per hour worked is the ratio of workplace based Gross Value Added estimates and Total Workforce Hours Worked. This index is considered to be a more appropriate indicator of regional productivity, since the numerator and denominator are both on a workplace basis, and it takes into account the proportion of full time and part time workers in each region, which can vary by region. According to Table 3 the most productive regions in terms of GVA per hour worked in 2003 were London and the South East and they are also the only regions with productivity above the UK average. All other regions are below the UK average, with Northern Ireland and Wales having the lowest values, of 84.3 and 91.9 per cent of the UK level respectively.

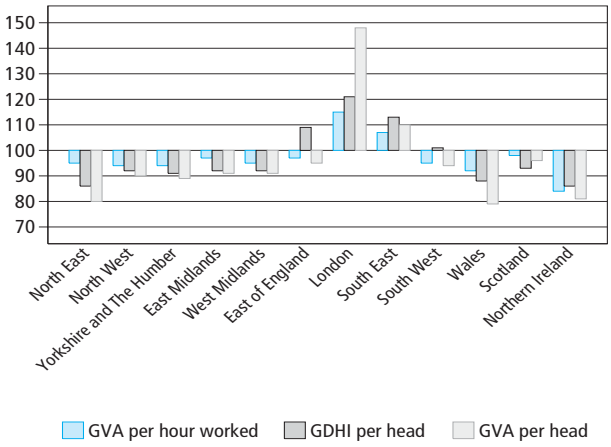
Welfare

Table 4 contains data for Gross Disposable Household Income (GDHI) per head, published by ONS in April 2005. The next release of the data is due in December 2005. GDHI per head is a residence based measure that can be used as an indicator of the welfare of people living in a region. From the figures shown in Table 4 London is the region with the highest GDHI per head (£15,235), followed by the South East (£14,265) and the East of England (£13,685). The South West, at £12,704, is also above the UK average of £12,610. The regions with the lowest GDHI per head are Northern Ireland and the North East.

It is worthwhile noting that there are some differences in the ranking of regions depending on whether the ranking is based on Productivity or Gross Disposable Household Income (see Figure 1). London and the South East are the highest ranking regions on both measures. In contrast, the North East has the lowest average income level of any UK region in 2003, at 15 per cent below the UK average, whereas the region's GVA per hour worked is just 5 per cent below the UK average, putting it in the middle of the overall regional ranking. The difference between the two indicators may be due to the relatively lower average earnings in the North East. Table 5 shows that the North East has the lowest median gross weekly pay in the country, which could have an upward effect on productivity and a downward effect on incomes. This is also consistent with the North East having the highest rate of unemployment claimant count as a percentage of the total workforce (Table 12). It is also noteworthy that the East of England and the South West, which are above the UK average for GDHI per head in 2003, are below the UK average in terms of GVA per hour worked (97.1 and 95.4 respectively).

Figure 1
Indicators comparisons, 2003

UK *less* extra- regio = 100



Innovation

The R&D statistics published here are consistent with OECD's Frascati Manual which defines Research and Experimental Development (R&D). R&D is defined as 'creative work undertaken systematically to increase the stock of knowledge, including knowledge of man, culture and society, and the use of this knowledge to devise new applications'.

R&D activity has been recognised, as part of the innovation process, as one of the drivers of productivity. In generating new technological inventions, innovation is a necessary, though not a sufficient condition for economic success. In addition, the presence of R&D activity can be a stimulant to the competitiveness of firms within a region.

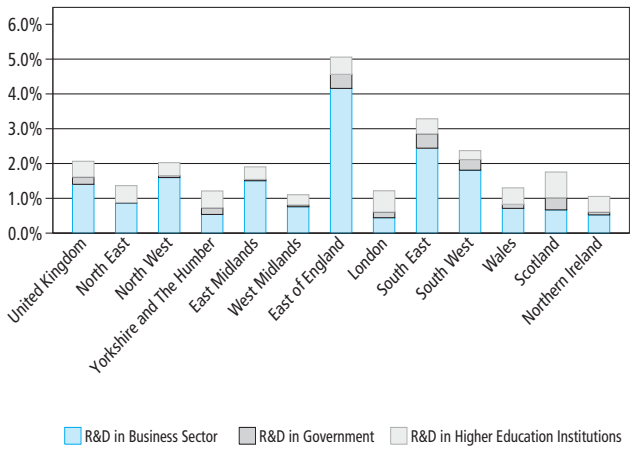
Table 6 presents the estimated expenditure in R&D for the regions, in the years from 1999 to 2003, and broken down by the sector making the expenditure, namely Business sector (BERD), Government (GovERD) and Higher Education Institutions (HERD). The Higher Education Institutions (HEI) regional R&D estimates are obtained by allocating total R&D performed by HEIs to individual HEIs in proportion to their income from research grants and contracts. These estimates are less reliable and should be treated with caution[2].

From the data shown in Table 6 we can see that the region with the highest total expenditure in Business and Government R&D in 2003 is the South East, followed by the East. In terms of total expenditure in R&D, the South East is still the region with the highest share of UK R&D expenditure in 2003 (23 per cent), followed by the East (21 per cent). London is third with 11 per cent of the total expenditure in R&D. The regions with the smallest percentage of UK R&D in 2003 are Northern Ireland, Wales and the North East.

The picture changes slightly if the expenditure in R&D is analysed as a percentage of GVA, a measure which is commonly used in international comparisons and that can be used also for inter-regional comparisons. Figure 2 below shows the data for regional R&D as a percentage of GVA for 2003. From the chart, we can see the region with the highest share of R&D expenditure in terms of GVA is the East, followed by the South East and the South West. These regions are the only regions with an R&D expenditure share of GVA above the UK average of 2 per cent of GVA. All the other regions are below the UK average.

Figure 2
Research and development

Percentage of GVA (2003)



Enterprise

Table 7 shows the net changes in VAT[3] registered businesses for UK regions in the years 1999 to 2004. Data for 2004 have been released for the first time in October 2005 by Small Business Service (SBS), DTI, and estimates for the years 1994–2003 have been revised. The series presented in Table 7, therefore, differ from the one presented in the previous issue of this article. The overall impact of these changes at UK level is larger in the most recent years, but overall not significant, as explained in the guidance for the revision, published by Small Business Services on its website (http://www.sbs.gov.uk/sbsgov/action/Title). For further information about the methodology involved in the computation of the series, see article on the SBS website[4].

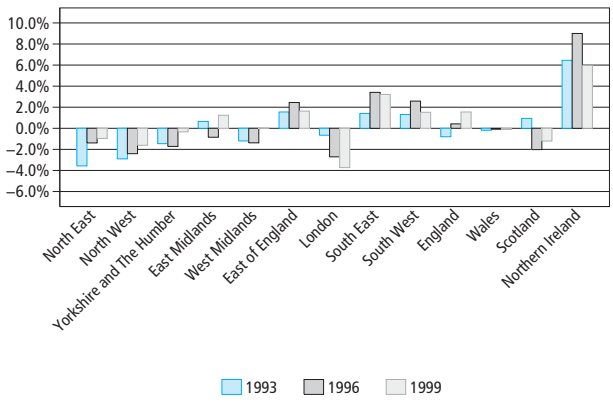
VAT registrations and de-registrations are the best official guide to the pattern of business start-ups and closures. They are an indicator of the level of entrepreneurship and of the health of the business population. Many factors influence the pattern of business start-ups. Among these, the most important is economic growth, which encourages new ventures and creates demand for business.

The data show an overall positive net change in the VAT registrations and de-registrations in 2004 at UK level. Most of the UK regions show a positive net change, with East Midlands and North West reporting the highest net changes (respectively 0.9 and 0.8). London and Northern Ireland are the regions with the highest negative net change (–0.5), followed by Scotland and West Midlands (both –0.1).

It is interesting to observe the business survival rates as well as the net changes in VAT registrations. These rates show the proportion of businesses that remain registered for VAT three years after their initial registration (which is the year shown in Table 8 and Figure 3). Although there has been a general increase in business survival rates since 1993, these rates vary greatly between regions. Northern Ireland, which appears to be one of the regions with the highest negative net change in VAT registrations in 2004, shows the highest survival rate (72.4 per cent) in 2002 while London has the lowest survival rate (62.8 per cent). The negative net change of VAT registration in Northern Ireland is explained by a low start up rate, which may suggest the existence of a risk-averse culture (see article 'Business Survival Rates', Small Business Service). This may justify why, when few people are taking risks, there is a self selection of the businesses with highest possibility of surviving. This is consistent with the figures shown in Table 8.

Figure 3
Three year business survival rates

Percentage point differences from respective UK proportions



Competition

Table 9 shows quarterly data for UK Regional trade in goods by statistical value per region. Data are taken primarily from Customs systems used to process the UK's Overseas Trade in Goods Statistics. HM Revenue and Customs do not receive information in respect of goods that move wholly within the UK, nor in intangibles and services such as banking or tourism.

Trade is allocated to a region by the postcode associated with a company's VAT registration. Some adjustments have been necessary for exports, to ensure that manufacturing that takes place at branch premises is properly allocated to the region where the branch is situated. However, these figures should be interpreted carefully for various reasons. In particular, it is worth noting that the production of some goods may involve different stages and these stages may take place across different regions.

Comparing the first quarters of 2004 and 2005 (these data are provisional), Yorkshire and the Humber appears to be the region with the highest increase in exports, both to EU15 countries (14 per cent) and to non EU15 (21 per cent). Scotland had the largest decrease of exports to EU15 (–14 per cent) but it has increased exports towards non EU 15 of

almost 10 per cent, increasing the overall value of exports. A final note: London's exports to EU15 decreased by over one per cent with respect to the first quarter of 2004 whilst its exports towards non EU15 increased by 11 per cent.

Table 10 shows the value[6] of exports as a percentage of headline regional GVA. The North East and the East Midlands have the biggest share of GVA in exports in 2003 (25 per cent and 23 per cent respectively) and, together with the East of England, the South East and Wales, they are above UK average share. South West and the Yorkshire and the Humber have the smallest percentage of their GVA in exports.

The Labour Market

Tables 11 to 14 concern the labour market. Tables 11, 12 and 13 are seasonally adjusted; while Table 14 is unadjusted.

Table 11 shows the rate of unemployment (according to the internationally consistent ILO definition). The UK rate in 2005 quarter two was 4.8 per cent, up 0.1 percentage points from the previous quarter. Unemployment tends to vary significantly across the country. The rate in quarter two was highest in London, at 7.1 per cent, followed by the North East at 6.8 per cent. The rate increased in both these regions in 2005 quarter two from 2005 quarter one, by 0.4 and 1.1 percentage points respectively. The North East is the region that registered the highest increase of unemployment rate among all the UK regions. The unemployment rate also increased in Yorkshire and the Humber to 4.7 per cent, from 4.3 per cent in 2005 quarter one. Increases were also recorded in the East Midlands, the South East, Wales and Northern Ireland but by less than in the previously named regions. The unemployment rate decreased in some regions with the highest decreases recorded in the North West and South West of 0.4 percentage points respectively. The West Midlands and Scotland also registered small decreases. The South West had the lowest unemployment rate in 2005 quarter two, the same position as in the previous quarter. Overall, despite the slight increase in unemployment in 2005 quarter two, the unemployment rate has remained broadly stable in most regions since the latter part of 2004.

The UK claimant count rate (referring to people claiming Jobseeker's Allowance benefits), Table 12, was 2.8 per cent of the workforce in the UK in 2005 quarter three, unchanged from the previous quarter. This national rate masks large variations between regions and component countries of the UK. The North East continues to have the highest claimant count in the UK and as of September 2005 stood at 4.1 per cent. This region has had the highest count in every year since 1999. The North East is followed by the West Midlands and London, who recorded claimant count rates of 3.6 per cent and 3.5 per cent respectively. The South East and the South West had the lowest claimant counts of 1.7 and 1.6 per cent respectively.

Quarterly employment growth (from the Labour Force Survey), Table 13, in the UK was flat overall in 2005 quarter two. This follows growth of 0.3 percentage points in the previous quarter. Employment rose across most English regions as well as in Northern Ireland but fell in Wales and Scotland. The English regions where growth was most rapid were the South West and the South East, where employment in quarter two expanded by 0.6 per cent and 0.4 per cent respectively. Employment also rose in the North East and North West and the East and West Midlands. The only English region to record a fall in employment was London where employment fell by 0.5 percentage points following growth of 1.3 percentage points in 2005 quarter one. As for the other UK countries, employment grew by 0.1 percentage points in Northern Ireland, reversing a 0.1 percentage point decrease in the previous quarter. Wales employment decreased by 0.8 percentage points, a similar decrease from the previous quarter. Scotland employment decreased by 0.6 percentage points, which follows growth of 0.3 percentage points in the previous quarter.

The number of employee jobs (from the Employers Surveys), Table 14, decreased in most of the English regions with the exception of the South East and South West. The data for the North West and the East of England remained unchanged. In the English regions, the largest decrease was in the West Midlands at 0.7 per cent followed by the North East at 0.2 per cent. Amongst the devolved administrations, Wales showed an increase of 0.3 per cent, followed by Northern Ireland at 0.1 per cent whilst Scotland recorded a flat rate of growth. This follows decreases for all the devolved areas in the previous quarter. Overall, employee jobs increased by 0.1 per cent in the UK following a decrease of 0.5 percentage points in 2005 quarter one. It should be noted that this survey does not take into account the self employed.

CBI Manufacturing Survey

Almost all CBI data is presented on the basis of government office regions, although London and the South East are combined. Table 15 shows business conditions as measured by the July survey. This showed general business optimism at the national level in negative balance for the fourth successive quarter. There was a slight deterioration in the balance from minus 15 in April to minus 16 in July. The continued weakness in business confidence was attributed partly to weak global demand, particularly from the eurozone and partly to slowing consumer demand in the UK.

Table 15 shows that businesses in most regions were substantially less optimistic about the business situation in the July 2005 survey than in the April survey. The East and West Midlands, the South East and London showed the most negative balances. Wales and Scotland had the least negative balances, although the balances deteriorated significantly from those recorded in April.

UK manufacturing output, as measured by CBI/BSL balances for volume of output in Table 16, shows a broadly stable level of ouput. The balance was slightly negative but the fall was less than that recorded in April. Of the English regions Yorkshire and the Humber followed by the East recorded the largest negative balances. There were also negative balances for the North West and London and the South East, whilst the East Midlands recorded no change. This was offset by positive balances in three regions, the North East, West Midlands and the South West which recorded the largest postive balance. Of the devolved administrations, Wales showed the largest negative balance following postive balances in the previous three quarters. Northern Ireland also shows a negative

balance. Scotland, however, in continuing the trend from the previous three quarters shows a positive balance. For the next three months, most regions report a more positive outlook.

New orders in the manufacturing sector in the UK as a whole in the three months to July, according to the CBI/BSL survey in Table 17, shows a negative balance for the third successive quarter. Most English regions recorded negative balances with London and the South East followed by the East showing the largest negative balances. The South West registered a postive balance. Of the devolved administrations, Northern Ireland posted the largest negative balance followed by Wales. Scotland on the other hand posted a positive balance. For the next three months most English regions and devolved administrations report a negative outlook

The balance for UK export orders in the July CBI/BSL survey in Table 18 shows a positive balance compared to the negative balances in the previous two surveys. Of the English regions, positive balances were largest in the North East and the West Midlands. The East Midlands and Yorkshire and the Humber also report positive balances. This was offset by negative balances in some regions with the most notable negative balances shown by London and the South East, followed by the East of England. Of the devolved administrations, Northern Ireland showed the largest negative balance followed by Wales. Scotland in contrast recorded a positive balance compared to a negative balance in the previous quarter. For the next three months the English regions report a mixed outlook, with a negative balance for the UK overall. Scotland and Wales report a postive outlook whilst Northern Ireland record a negative outlook.

The indicator for firms working below capacity (Table 19) shows a fall for the UK as a whole in the July survey to 54 from 60 in April. Of the English regions, the North West followed by Yorkshire and the Humber had the lowest number of firms working below capacity whilst the East and West Midlands had the highest number. In Wales, the proportion of firms operating below capacity is well below the UK average. In Scotland and Wales, it is about average.

Footnotes

1. For further discussion of the workplace and residence measures of GVA, see *Economic Trends* article 'Regional Gross Value Added' published 16 March 2005.
2. See article 'Research and experimental development (R&D) statistics 2002' in *Economic Trends,* September 2004.
3. Value Added Tax
4. http://www.sbs.gov.uk/content/analytical/statistics/vatmethodology03.pdf
5. Business have a higher chance of de-registering during the first three years than at any other time. This is why the three years survival rate is a good indication of firms' ability to survive in business.
6. The statistical value of trade in goods is computed on the same common basis as the other EU member countries. This basis is the value of the goods plus the cost of movement to the border of the country that publishes the statistics, that is, the cost, insurance and freight (CIF) delivery terms value for Arrivals (imports); the Free on Board (FOB) delivery terms value for Dispatches (exports). The value of the trade under this common basis is called the 'statistical value'.

1 Headline workplace based Gross value added[1,2] at basic prices

NUTS 1 regions

£ million

	United Kingdom[3]	North East	North West	Yorkshire and the Humber	East Midlands	West Midlands	East	London	South East	South West	England	Wales	Scotland	Northern Ireland
	IGAE	IFZR	IFZS	IFZT	IFZU	IFZV	IGLF	IGLG	IGLH	IFZZ	IGAA	IGAB	IGAC	IGAD
1990	491 410	18 631	53 637	38 262	32 766	41 546	42 120	87 685	65 588	37 219	417 455	20 698	42 986	10 272
1997	704 744	25 253	73 555	53 783	46 833	59 245	61 254	125 215	99 698	54 394	599 231	28 395	60 898	16 220
1998	748 872	26 219	77 291	56 438	48 950	62 361	65 177	136 600	108 036	57 730	638 802	29 475	63 344	17 251
1999	782 682	26 959	80 317	58 256	50 712	64 558	68 114	144 642	114 750	60 547	668 857	30 418	65 340	18 067
2000	816 549	27 910	83 270	60 457	52 638	67 009	71 261	151 519	120 866	63 439	698 369	31 595	67 670	18 915
2001	859 795	29 287	87 720	63 804	55 414	70 153	75 032	159 576	127 971	67 276	736 233	33 294	70 440	19 828
2002	906 000	30 655	92 251	67 447	58 048	73 215	78 692	170 036	134 800	70 964	776 107	34 997	74 058	20 838
2003[4]	951 692	32 340	97 618	71 245	61 681	77 343	83 043	174 201	141 928	75 177	814 575	37 103	77 929	22 085

1 Based on the European System of Accounts 1995 (ESA95).
2 Data are consistent with the headline series published on 22 December 2004
3 UK *less* Extra-Regio and statistical discrepancy.
4 Provisional

Source: National Statistics

2 Headline workplace based Gross value added[1,2] at basic prices: £ per head

NUTS 1 regions

£

	United Kingdom[3]	North East	North West	Yorkshire and the Humber	East Midlands	West Midlands	East	London	South East	South West	England	Wales	Scotland	Northern Ireland
	IGAV	IGAI	IGAJ	IGAK	IGAL	IGAM	IGLI	IGLJ	IGLK	IGAQ	IGAR	IGAS	IGAT	IGAU
1990	8 585	7 209	7 854	7 775	8 206	7 962	8 278	12 897	8 632	7 973	8 752	7 233	8 460	6 438
1997	12 085	9 834	10 826	10 849	11 366	11 258	11 630	17 850	12 695	11 268	12 313	9 809	11 980	9 705
1998	12 807	10 238	11 379	11 384	11 845	11 830	12 293	19 333	13 695	11 904	13 085	10 166	12 476	10 282
1999	13 337	10 571	11 858	11 754	12 213	12 246	12 759	20 219	14 425	12 405	13 641	10 487	12 883	10 761
2000	13 867	10 974	12 292	12 192	12 629	12 716	13 258	20 937	15 126	12 902	14 185	10 869	13 366	11 239
2001	14 545	11 530	12 952	12 821	13 226	13 285	13 894	21 793	15 950	13 609	14 889	11 440	13 909	11 737
2002	15 273	12 078	13 599	13 508	13 746	13 803	14 512	23 068	16 758	14 286	15 633	11 971	14 651	12 282
2003[4]	15 980	12 736	14 346	14 222	14 505	14 538	15 201	23 579	17 565	15 038	16 339	12 629	15 409	12 971

1 Based on the European System of Accounts 1995 (ESA95).
2 Data are consistent with the headline series published on 22 December 2004.
3 UK *less* Extra-Regio and statistical discrepancy.
4 Provisional

Source: National Statistics

3 Gross value added (GVA) per hour worked indices[1] by region

NUTS 1 regions

	North East	North West	Yorkshire and the Humber	East Midlands	West Midlands	East	London	South East	South West	England	Wales	Scotland	Northern Ireland
	DMOB	DMOH	DMOK	DMOL	DMON	DMOO	DMOR	DMOS	DMOT	DMOV	DMOW	DMOY	DMWA
1996	100.9	96.9	94.4	99.4	92.0	98.7	120.3	99.9	90.2	100.6	94.1	101.7	86.6
1997	97.7	97.8	94.6	97.1	92.3	98.6	121.5	99.1	90.0	100.6	94.7	101.7	85.0
1998	96.3	96.8	93.5	96.0	91.4	100.6	120.2	102.3	90.8	100.8	93.3	99.9	86.0
1999	97.7	95.5	94.5	94.8	93.8	98.6	117.8	104.1	93.2	100.9	93.6	99.4	85.0
2000	96.4	95.4	94.6	95.4	93.6	98.5	118.5	104.7	95.2	101.0	93.8	98.6	84.2
2001	99.3	95.5	96.4	96.6	94.6	97.5	116.5	104.7	93.5	101.1	92.8	96.8	86.2
2002	95.8	94.3	94.6	96.0	93.4	98.1	118.7	103.7	93.4	101.1	92.6	97.2	85.5
2003	95.1	94.4	93.7	96.9	94.6	97.1	115.4	106.5	95.4	101.1	91.9	98.1	84.3

1 UK=100

Source: National Statistics

4 Gross disposable household income (GDHI)[1]:£ per head

NUTS 1 regions

£

	United Kingdom[2]	North East	North West	Yorkshire and the Humber	East Midlands	West Midlands	East	London	South East	South West	England	Wales	Scotland	Northern Ireland
	DEPZ	LRCG	LRCH	DEQB	DEQC	DEQH	LRCI	DEQE	LRCJ	DEQG	LREV	DEQJ	DEQK	DEQL
1997	9 643	8 419	8 910	8 901	8 928	8 839	10 267	11 658	10 893	9 716	9 881	8 490	9 059	8 277
1998	9 902	8 580	9 136	9 151	9 147	9 058	10 531	12 058	11 225	9 973	10 160	8 661	9 228	8 450
1999	10 366	8 918	9 555	9 519	9 522	9 484	11 048	12 725	11 752	10 443	10 649	9 056	9 592	8 805
2000	11 097	9 504	10 207	10 163	10 195	10 169	11 876	13 601	12 564	11 159	11 404	9 737	10 268	9 424
2001	11 865	10 112	10 879	10 791	10 919	10 862	12 813	14 484	13 460	11 947	12 198	10 435	10 970	10 062
2002	12 184	10 414	11 171	11 068	11 213	11 149	13 225	14 750	13 803	12 276	12 517	10 759	11 328	10 401
2003[3]	12 610	10 787	11 559	11 462	11 612	11 552	13 685	15 235	14 265	12 704	12 952	11 137	11 753	10 809

1 Based on the European System of Accounts 1995 (ESA95)
2 UK less Extra Regio
3 Provisional

Source: National Statistics

5 Median gross weekly pay[1]

NUTS 1 regions

£

	United Kingdom	North East	North West	Yorkshire and the Humber	East Midlands	West Midlands	East	London	South East	South West	Wales	Scotland	Northern Ireland
	C5GR	C5GS	C5GT	C5GU	C5GV	C5GW	C5GX	C5GY	C5GZ	C5H2	C5H3	C5H4	C5H5
1998	334.9	302.4	317.9	313.7	312.0	320.4	337.0	419.0	350.3	314.8	308.9	313.8	298.1
1999	345.5	314.0	327.9	320.8	323.8	329.9	348.3	433.0	360.8	323.9	316.8	329.0	310.5
2000	359.0	329.3	340.9	335.0	330.8	340.9	358.1	460.0	377.3	336.0	327.5	338.4	320.2
2001	375.9	333.7	354.2	345.5	346.6	357.9	379.1	479.9	398.3	352.3	341.3	355.1	330.5
2002	390.9	344.8	368.5	360.0	362.3	366.6	392.6	501.1	419.9	364.9	349.4	371.7	342.0
2003	404.0	348.4	379.7	375.6	379.6	378.0	407.6	521.4	434.8	382.0	363.6	381.3	352.0
2004[2]	423.0 422.1	373.2 372.6	398.7 397.1	393.5 392.9	390.0 385.5	397.3 393.6	424.1 422.3	545.2 540.8	451.2 449.1	394.8 393.0	386.0 383.2	394.5 392.7	375.1 372.3

1 Median gross weekly earnings of full-time employees.
2 The bottom figure includes supplementary information to improve inquiry coverage and the quality of the estimates, The top figure excludes this information and so is continuous with previous years figures.

Source: Annual Survey of Hours and Earnings, National Statistics

6 Estimated expenditure on research and development

£ million

Business sector

	United Kingdom	North East	North West	Yorkshire & the Humber	East Midlands	West Midlands	East of England	London	South East	South West	**England**	Wales	Scotland	Northern Ireland
	D4DF	D4DG	D4DH	D4DI	D4DJ	D4DK	D4DL	D4DM	D4DN	D4DO	D4DP	D4DQ	D4DR	D4DS
1999	11 302	164	1 476	309	838	724	2 559	735	2 916	887	10 607	203	393	99
2000	11 510	164	1 451	304	933	576	2 758	810	2 964	867	10 827	144	400	139
2001	12 336	119	1 512	298	951	662	2 916	738	3 317	1 025	11 538	136	512	150
2002	13 110	128	1 661	357	1 063	695	2 741	950	3 268	1 274	12 138	182	640	149
2003	13 687	281	1 559	382	929	587	3 453	771	3 464	1 359	12 786	264	521	116

Government sector

	United Kingdom	North East	North West	Yorkshire & the Humber	East Midlands	West Midlands	East of England	London	South East	South West	**England**	Wales	Scotland	Northern Ireland
	D4DT	D4DU	D4DV	D4DW	D4DX	D4DY	D4DZ	D4E2	D4E3	D4E4	D4E5	D4E6	D4E7	D4E8
1999	2 086	2	56	46	56	191	248	231	648	301	1 779	60	233	14
2000	2 238	2	59	50	58	205	271	271	665	322	1 905	68	250	16
2001	1 829	4	66	50	68	65	277	238	515	254	1 537	49	226	16
2002	1 752	6	67	62	65	50	285	238	459	228	1 460	41	237	15
2003	2 010	2	54	134	22	38	336	279	583	231	1 679	43	271	17

Source: ONS

Higher Education sector

	United Kingdom	North East	North West	Yorkshire & the Humber	East Midlands	West Midlands	East of England	London	South East	South West	**England**	Wales	Scotland	Northern Ireland
	D4E9	D4EA	D4EB	D4EC	D4ED	D4EE	D4EF	D4EG	D4EH	D4EI	D4EJ	D4EK	D4EL	D4EM
1999	3 324	112	259	269	181	179	253	833	491	147	2 723	129	408	64
2000	3 648	123	289	285	205	193	325	899	518	160	2 996	139	442	70
2001	4 034	142	322	317	224	207	366	979	562	178	3 296	155	510	73
2002	4 413	159	354	340	234	221	402	1 059	608	191	3 568	180	581	84
2003	4 457	158	363	347	223	228	412	1 069	614	192	3 606	175	575	100

7 VAT registrations and deregistrations[1]: net change[2]

NUTS 1 regions

Thousands

	United Kingdom	North East	North West	Yorkshire and the Humber	East Midlands	West Midlands	East	London	South East	South West	Wales	Scotland	Northern Ireland
	DCYQ	LREB	LRZS	DCYT	DCYU	DCYY	LRED	DEON	LREE	DCYX	DCZA	DCZB	DCZC
1999	28.1	0.5	1.7	1.2	1.7	2.1	3.0	8.3	6.2	2.3	–	0.7	0.6
2000	25.3	0.6	1.6	1.2	1.7	2.4	3.0	6.3	5.0	1.8	0.6	0.7	0.4
2001	17.4	0.1	1.3	0.8	1.6	1.7	1.7	3.1	3.9	1.6	0.7	0.3	0.6
2002	20.5	0.5	1.8	1.2	2.2	2.0	2.9	1.8	4.1	2.2	0.2	0.7	0.9
2003	21.5	0.8	2.4	2.5	1.9	1.3	2.2	3.5	3.6	1.9	0.3	0.7	0.4
2004	2.0	0.2	0.8	0.6	0.9	–0.1	0.1	–0.5	0.1	0.3	0.3	–0.1	–0.5

1 This series replaces the previously published dataset, actual figures not rounded.
2 Net gain or loss in the stock of registered enterprises each year - equal to registrations < de-registrations

Source: Small Business Services, DTI

8 Three year survival rates of VAT registered businesses, by region

Percent still trading

	United Kingdom	North East	North West	Yorkshire and the Humber	East Midlands	West Midlands	East	London	South East	South West	England	Wales	Scotland	Northern Ireland
Year of registration	D4BQ	D4BR	D4BS	D4BT	D4BU	D4BV	D4BW	D4BX	D4BY	D4BZ	D4C2	D4C3	D4C4	D4C5
1993	62.1	58.5	59.2	60.6	62.7	60.9	63.6	61.4	63.5	63.4	61.9	61.3	63.0	68.5
1994	62.5	58.6	59.8	61.3	61.9	61.9	64.2	60.8	64.3	64.6	62.2	63.6	62.2	73.7
1995	65.3	62.4	62.7	64.3	65.0	63.1	67.1	62.6	68.3	68.1	65.0	65.5	64.9	76.1
1996	66.0	64.7	63.6	64.3	65.2	64.7	68.5	63.3	69.5	68.6	66.0	66.5	64.0	75.0
1997	67.4	66.4	64.2	66.7	67.1	65.9	69.8	64.2	70.7	70.2	67.3	67.7	66.5	75.0
1998	66.3	66.2	65.1	65.1	66.6	66.4	68.8	62.5	69.6	68.7	66.3	66.5	64.5	72.4
1999	66.5	65.5	64.9	66.1	67.7	66.5	68.1	62.8	69.7	68.0	66.4	68.0	65.3	72.4
change 1993-99	4.4	7.0	5.7	5.5	5.0	5.6	4.5	1.4	6.2	4.6	4.5	6.7	2.3	3.9

Source: Small Business Service Jan 2004

9 UK Regional trade in goods by statistical value per region

Value of Exports by Region

£ million

	United Kingdom	North East	North West	Yorkshire and the Humber	East Midlands	West Midlands	East	London	South East	South West	England	Wales	Scotland	Northern Ireland	Unknown
EU 15 Exports	D4C6	D4C7	D4C8	D4C9	D4CA	D4CB	D4CC	D4CD	D4CE	D4CF	D4CG	D4CH	D4CI	D4CJ	D4CK
2004 Q1	26 086	1 278	2 271	1 444	1 953	1 841	2 490	2 334	3 708	1 434	18 753	1 275	1 496	632	3 930
Q2	25 848	1 235	2 249	1 402	1 785	1 914	2 580	2 227	3 785	1 477	18 654	1 276	1 471	664	3 783
Q3	25 689	1 231	2 219	1 411	1 856	1 718	2 427	2 242	3 943	1 446	18 492	1 252	1 407	626	3 912
Q4	27 814	1 304	2 353	1 531	1 988	1 971	2 739	2 190	4 203	1 475	19 753	1 422	1 595	689	4 355
Total 2004**	105 437	5 048	9 092	5 788	7 582	7 444	10 236	8 993	15 639	5 832	75 652	5 225	5 969	2 611	15 980
Yr to date 2005*	26 149	1 280	2 260	1 640	2 031	1 825	2 532	2 303	3 703	1 523	19 097	1 293	1 288	618	3 853

	United Kingdom	North East	North West	Yorkshire and the Humber	East Midlands	West Midlands	East	London	South East	South West	England	Wales	Scotland	Northern Ireland	Unknown
Non-EU 15 Exports	D4CL	D4CM	D4CN	D4CO	D4CP	D4CQ	D4CR	D4CS	D4CT	D4CU	D4CV	D4CW	D4CX	D4CY	D4CZ
2004 Q1	19 065	661	2 029	957	1 389	1 461	1 681	3 329	2 968	876	15 351	668	1 224	397	1 425
Q2	20 874	801	2 154	1 039	1 490	1 649	1 948	3 373	3 260	915	16 630	736	1 510	438	1 559
Q3	21 649	808	2 242	1 110	1 637	1 516	1 974	3 434	3 484	1 042	17 245	795	1 585	434	1 590
Q4	23 328	802	2 314	1 247	1 824	1 647	2 202	3 288	3 983	1 064	18 371	883	1 644	495	1 936
Total 2004**	84 916	3 072	8 739	4 353	6 340	6 273	7 805	13 424	13 695	3 897	67 597	3 082	5 963	1 764	6 510
Yr to date 2005*	19 819	602	1 913	1 157	1 441	1 446	1 687	3 701	3 011	831	15 790	750	1 345	404	1 532

* Provisional data - subject to revision
**Components might not add up due to rounding.

Source: Statistics and Analysis of Trade Unit (SATU)

10 Value of export goods as a percentage of headline regional GVA

percentage

	United Kingdom*	North East	North West	Yorkshire and the Humber	East Midlands	West Midlands	East	London	South East	South West	Wales	Scotland	Northern Ireland
	D4D2	D4D3	D4D4	D4D5	D4D6	D4D7	D4D8	D4D9	D4DA	D4DB	D4DC	D4DD	D4DE
2001	21.5	24.3	18.5	14.0	24.5	19.1	21.5	14.7	20.5	12.1	21.3	23.7	19.2
2002	20.2	22.6	18.3	13.5	22.2	18.8	20.6	15.3	19.1	10.6	18.9	21.1	16.0
2003	19.2	24.8	17.4	13.1	23.0	17.3	21.3	13.4	20.3	12.1	19.3	16.9	18.3

* UK figures include trade and GVA that cannot be allocated to regions

Sources: DTI analysis of information provided by the Statistics and Analysis; of Trade Unit & HM Revenue and Customs

11 Unemployed as a percentage of the economically active population[1,2] seasonally adjusted

NUTS 1 regions

Percentages

	United Kingdom	North East	North West	Yorkshire and the Humber	East Midlands	West Midlands	East	London	South East	South West	England	Wales	Scotland	Northern Ireland
	MGSX	YCNC	YCND	YCNE	YCNF	YCNG	YCNH	YCNI	YCNJ	YCNK	YCNL	YCNM	YCNN	ZSFB
2002 Q2	5.2	6.5	5.5	5.3	4.6	5.7	3.7	6.8	3.8	3.7	5.0	5.7	6.3	5.6
Q3	5.3	6.2	5.5	5.6	4.7	5.9	3.9	7.1	4.0	4.0	5.2	5.2	6.4	6.1
Q4	5.1	7.3	4.9	5.0	4.8	5.7	4.0	6.6	4.0	4.0	5.0	5.1	6.1	5.5
2003 Q1	5.1	6.6	4.9	5.3	4.0	6.0	4.7	7.0	3.9	3.8	5.1	4.8	6.0	5.3
Q2	4.9	6.1	5.0	5.1	4.4	5.6	3.9	7.2	3.9	3.4	4.9	4.5	5.3	5.2
Q3	5.0	6.6	4.9	4.9	4.6	5.9	3.9	7.2	3.9	3.2	5.0	4.7	5.9	5.6
Q4	4.9	6.3	4.7	5.0	4.4	5.7	3.5	7.0	3.9	3.1	4.8	4.8	5.8	6.3
2004 Q1	4.8	5.6	4.5	4.8	4.7	5.5	3.5	7.0	3.9	3.0	4.7	4.6	5.8	5.3
Q2	4.8	5.5	4.4	4.5	4.3	5.5	3.8	7.0	3.6	3.7	4.7	4.2	6.0	5.2
Q3	4.7	6.0	4.4	4.6	4.0	5.0	3.5	7.2	3.7	3.2	4.6	4.9	5.2	5.0
Q4	4.7	6.4	4.6	4.7	4.2	4.8	3.8	7.2	3.5	3.4	4.7	4.2	5.6	4.6
2005 Q1	4.7	5.7	4.8	4.3	4.3	4.7	3.9	6.7	3.7	3.6	4.6	4.5	5.6	4.8
Q2	4.8	6.8	4.4	4.7	4.4	4.6	3.9	7.1	3.8	3.2	4.7	4.6	5.5	5.0

1 Periods are calendar quarters.
2 Data has been adjusted to reflect the 2001 Census Population data. For further details, please see the National Statistics website: www.statistics.gov.uk/cci/nugget.asp?id=207

Source: Labour Force Survey, National Statistics

12 Claimant count rates as a percentage of total workforce

NUTS 1 regions

Seasonally adjusted

	United Kingdom	North East	North West	Yorkshire and the Humber	East Midlands	West Midlands	East	London	South East	South West	Wales	Scotland	Northern Ireland
	BCJE	DPDM	IBWC	DPBI	DPBJ	DPBN	DPDP	DPDQ	DPDR	DPBM	DPBP	DPBQ	DPBR
2001	*3.2*	*5.6*	3.7	*3.9*	*3.1*	*3.7*	*2.0*	*3.3*	*1.6*	*2.1*	*4.0*	*4.0*	*4.9*
2002	*3.1*	*5.1*	3.5	*3.6*	*2.8*	*3.5*	*2.1*	*3.6*	*1.6*	*1.9*	*3.6*	*3.9*	*4.4*
2003	*3.0*	*4.5*	3.2	*3.4*	*2.8*	*3.5*	*2.1*	*3.7*	*1.7*	*1.9*	*3.3*	*3.8*	*4.2*
2004	*2.7*	*4.0*	2.9	*2.9*	*2.5*	*3.3*	*2.0*	*3.5*	*1.6*	*1.6*	*3.0*	*3.5*	*3.6*
2004 Sep	*2.7*	*3.9*	2.8	*2.8*	*2.5*	*3.2*	*1.9*	*3.4*	*1.6*	*1.5*	*3.0*	*3.4*	*3.5*
Oct	*2.7*	*4.0*	2.8	*2.8*	*2.5*	*3.2*	*2.0*	*3.4*	*1.6*	*1.5*	*3.0*	*3.4*	*3.5*
Nov	*2.7*	*3.9*	2.8	*2.8*	*2.5*	*3.2*	*1.9*	*3.4*	*1.6*	*1.5*	*3.0*	*3.4*	*3.5*
Dec	*2.6*	*3.9*	2.8	*2.7*	*2.5*	*3.2*	*2.0*	*3.4*	*1.6*	*1.5*	*3.0*	*3.3*	*3.5*
2005 Jan	*2.6*	*3.7*	2.7	*2.7*	*2.4*	*3.1*	*1.9*	*3.4*	*1.5*	*1.5*	*2.9*	*3.3*	*3.4*
Feb	*2.6*	*3.8*	2.7	*2.8*	*2.4*	*3.1*	*1.9*	*3.4*	*1.5*	*1.5*	*2.9*	*3.3*	*3.4*
Mar	*2.7*	*3.9*	2.8	*2.8*	*2.5*	*3.2*	*2.0*	*3.4*	*1.6*	*1.5*	*3.0*	*3.3*	*3.4*
Apr	*2.7*	*3.9*	2.8	*2.9*	*2.5*	*3.3*	*2.0*	*3.5*	*1.6*	*1.6*	*3.0*	*3.3*	*3.4*
May	*2.7*	*4.0*	2.9	*2.9*	*2.6*	*3.5*	*2.0*	*3.5*	*1.6*	*1.6*	*3.1*	*3.3*	*3.4*
Jun	*2.8*	*4.0*	2.9	*3.0*	*2.6*	*3.5*	*2.1*	*3.5*	*1.7*	*1.6*	*3.1*	*3.3*	*3.4*
Jul	*2.8*	*4.0*	2.9	*3.0*	*2.6*	*3.6*	*2.1*	*3.5*	*1.7*	*1.6*	*3.1*	*3.2*	*3.3*
Aug	*2.8*	*4.1*	3.0	*3.0*	*2.6*	*3.6*	*2.1*	*3.5*	*1.6*	*1.6*	*3.1*	*3.2*	*3.3*
Sep	*2.8*	*4.1*	3.0	*3.1*	*2.7*	*3.6*	*2.1*	*3.5*	*1.7*	*1.6*	*3.2*	*3.2*	*3.3*

Source: National Statistics

13 Total in employment[1,2,3], seasonally adjusted

NUTS 1 regions

Thousands

	United Kingdom	North East	North West	Yorkshire and the Humber	East Midlands	West Midlands	East	London	South East	South West	England	Wales	Scotland	Northern Ireland
	MGRZ	YCJP	YCJQ	YCJR	YCJS	YCJT	YCJU	YCJV	YCJW	YCJX	YCJY	YCJZ	YCKA	ZSFG
2002 Q2	27 905	1 079	3 046	2 281	2 027	2 465	2 680	3 536	4 058	2 410	23 583	1 244	2 354	719
Q3	27 912	1 081	3 048	2 285	2 046	2 458	2 685	3 509	4 039	2 413	23 563	1 262	2 360	720
Q4	28 074	1 066	3 107	2 294	2 037	2 472	2 673	3 543	4 052	2 415	23 658	1 292	2 385	733
2003 Q1	28 065	1 069	3 110	2 311	2 042	2 459	2 655	3 498	4 056	2 413	23 614	1 300	2 393	750
Q2	28 191	1 081	3 132	2 319	2 047	2 453	2 692	3 512	4 041	2 426	23 704	1 324	2 412	740
Q3	28 222	1 086	3 141	2 333	2 041	2 435	2 702	3 538	4 046	2 431	23 753	1 327	2 401	729
Q4	28 254	1 105	3 138	2 336	2 052	2 439	2 742	3 513	4 045	2 443	23 813	1 319	2 396	715
2004 Q1	28 398	1 117	3 164	2 345	2 063	2 459	2 744	3 539	4 032	2 457	23 920	1 331	2 416	718
Q2	28 410	1 116	3 166	2 348	2 054	2 471	2 733	3 549	4 052	2 428	23 916	1 331	2 435	717
Q3	28 465	1 116	3 166	2 356	2 052	2 500	2 738	3 524	4 063	2 453	23 967	1 311	2 450	720
Q4	28 577	1 112	3 196	2 368	2 068	2 505	2 726	3 529	4 071	2 455	24 029	1 332	2 452	743
2005 Q1	28 663	1 127	3 181	2 371	2 078	2 515	2 733	3 575	4 073	2 463	24 117	1 322	2 460	742
Q2	28 675	1 128	3 183	2 372	2 082	2 517	2 740	3 558	4 090	2 478	24 147	1 312	2 446	743

1 Includes employees, the self-employed, participants on Government-supported employment and training schemes and unpaid family-workers.
2 Periods are calendar quarters.
3 Data have been adjusted to reflect the 2001 Census population data. For further details please see the National Statistics website: www.statistics.gov.uk/cci/nugget.asp?id=207

Source: Labour Force Survey, National Statistics

14 Employee jobs (all industries)

NUTS 1 regions

2000 = 100

	United Kingdom	North East	North West	Yorkshire and the Humber	East Midlands	West Midlands	East	London	South East	South West	Wales	Scotland	Northern Ireland
	YEKA	YEKB	YEKJ	YEKC	YEKD	YEKI	YEKE	YEKF	YEKG	YEKH	YEKK	YEKL	YEKM
2001	101.4	100.3	102.0	100.1	99.9	99.8	101.9	101.9	101.7	102.0	100.3	102.9	102.0
2002	101.8	103.0	103.7	101.0	100.4	100.9	101.4	99.3	102.9	103.7	100.9	102.7	104.0
2003	102.2	104.1	104.9	103.1	100.1	100.9	103.3	98.3	102.0	104.5	102.1	102.8	105.0
2004	102.8	104.0	105.7	104.6	99.4	101.3	104.7	99.1	101.7	106.3	102.9	103.8	106.7
2003 Dec	103.0	104.5	105.7	104.8	100.7	101.4	104.6	99.2	101.8	105.9	103.4	103.9	106.5
2004 Mar	102.2	103.5	105.0	103.9	99.1	100.6	103.7	98.7	101.1	105.3	102.1	103.0	106.1
Jun	102.6	103.3	105.3	104.3	99.6	100.7	104.5	99.0	101.5	106.1	103.1	103.6	105.9
Sep	102.8	104.5	105.7	104.6	99.2	100.8	105.0	98.8	101.5	106.6	103.0	103.7	106.6
Dec	103.8	104.7	106.9	105.4	99.8	102.8	105.9	99.8	102.7	107.3	103.3	104.7	108.1
2005 Mar	103.3	104.8	106.7	105.2	99.4	101.5	104.8	99.6	102.1	106.9	102.2	104.3	107.9
Jun	103.4	104.6	106.7	105.1	99.3	100.8	104.8	99.5	102.3	108.3	102.5	104.3	108.0

Source: National Statistics

15 Manufacturing industry: optimism about business situation
NUTS 1 regions

Balance[1]

	United Kingdom	North East	North West	Yorkshire and the Humber	East Midlands	West Midlands	East	London and the South East	South West	Wales	Scotland	Northern Ireland
	DCMO	LRYS	LRYT	DCMU	DCMT	DCMS	LRYU	DCMP	DCMR	DCMX	DCMY	DCMZ
2004 Oct	–10	16	–9	11	1	–16	–29	–19	5	–6	–10	–39
2005 Jan	–22	8	–22	–26	–22	–43	–26	–35	–38	2	14	–27
Apr	–15	–11	–28	–17	–32	–34	4	–2	–18	1	5	–36
Jul	–16	–26	–15	–25	–40	–31	–25	–29	–17	–11	–13	–18

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

Source: CBI/Experian Regional Trends Survey, August 2005

16 Manufacturing industry: volume of output
NUTS 1 regions

Balance[1]

	United Kingdom	North East	North West	Yorkshire and the Humber	East Midlands	West Midlands	East	London and the South East	South West	Wales	Scotland	Northern Ireland
Past 3 months												
	DCLQ	LRYV	LRYW	DCLW	DCLV	DCLU	LRYX	DCLR	DCLT	DCLZ	DCMA	DCMB
2004 Oct	6	–6	6	17	14	–15	11	13	3	1	14	–20
2005 Jan	2	–9	–25	16	–8	–26	14	1	–19	24	35	–21
Apr	–10	2	–27	–5	–3	–33	–3	–11	3	3	15	–37
Jul	–1	6	–5	–23	–	8	–17	–16	14	–24	16	–20
Next 3 months												
	DCMC	LRYY	LRYZ	DCMI	DCMH	DCME	LRZA	DCMD	DCMF	DCML	DCMM	DCMN
2005 Jul	6	20	–2	–4	1	1	–17	–12	20	12	–3	–17

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

Source: CBI/Experian Regional Trends Survey, August 2005

17 Manufacturing industry: volume of new orders
NUTS 1 regions

Balance[1]

	United Kingdom	North East	North West	Yorkshire and the Humber	East Midlands	West Midlands	East	London and the South East	South West	Wales	Scotland	Northern Ireland
Past 3 months												
	DCNA	LRZB	LRZC	DCNG	DCNF	DCNE	LRZD	DCNB	DCND	DCNJ	DCNK	DCNL
2004 Oct	4	–8	–10	11	15	–14	–3	6	–4	3	15	–15
2005 Jan	–4	–16	–16	14	10	–20	1	–7	–14	4	43	–32
Apr	–18	–11	–24	9	–14	–23	–10	–17	–19	–14	1	–49
Jul	–7	–9	–9	–14	–10	–3	–27	–33	7	–16	9	–32
Next 3 months												
	DCNM	LRZE	LRZF	DCNS	DCNR	DCNQ	LRZG	DCNN	DCNP	DCNV	DCNW	DCNX
2005 Jul	–2	6	26	4	–7	–10	–15	–23	–8	–10	–3	–

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

Source: CBI/Experian Regional Trends Survey, August 2005

18 Manufacturing industry: volume of new export orders
NUTS 1 regions

Balance[1]

	United Kingdom	North East	North West	Yorkshire and the Humber	East Midlands	West Midlands	East	London and the South East	South West	Wales	Scotland	Northern Ireland
Past 3 months												
	DCNY	LRZH	LRZI	DCOE	DCOD	DCOC	LRZJ	DCNZ	DCOB	DCOH	DCOI	DCOJ
2004 Oct	–	12	–16	–5	–8	–30	–4	7	–9	–4	31	–34
2005 Jan	–8	–12	–30	6	–3	–32	3	–12	–27	–19	14	–29
Apr	–15	8	–18	2	2	–27	–6	–17	–19	–19	–19	–59
Jul	9	15	–1	10	11	15	–12	–19	–	–18	8	–43
Next 3 months												
	DCOK	LRZK	LRZL	DCOQ	DCOP	DCOO	LRZM	DCOL	DCON	DCOT	DCOU	DCOV
2005 Jul	–2	7	6	24	37	–6	–15	–26	–15	2	27	–28

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

Source: CBI/Experian Regional Trends Survey, August 2005

19 Manufacturing industry: firms working below capacity
NUTS 1 regions

Percentages

	United Kingdom	North East	North West	Yorkshire and the Humber	East Midlands	West Midlands	East	London and the South East	South West	Wales	Scotland	Northern Ireland
	DCOW	LRZN	LRZO	DCPC	DCPB	DCPA	LRZP	DCOX	DCOZ	DCPF	DCPG	DCPH
2004 Oct	*54*	*77*	*66*	*37*	*61*	*54*	*49*	*59*	*60*	*58*	*41*	*77*
2005 Jan	*59*	*77*	*72*	*50*	*57*	*62*	*59*	*65*	*62*	*38*	*23*	*31*
Apr	*60*	*85*	*65*	*53*	*62*	*56*	*66*	*67*	*60*	*33*	*37*	*85*
Jul	*54*	*56*	*53*	*55*	*67*	*60*	*58*	*59*	*59*	*34*	*52*	*50*

Source: CBI/Experian Regional Trends Survey, August 2005

Methodology Notes: Revisions

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This is the latest article in a new series called 'Methodology Notes'. This series aims to explain statistical issues relevant to our data in a simple, non-technical way. As well as defining the topic areas, the notes explain when, why and how these methodologies are used within the Office for National Statistics (ONS). Where possible, we also point the reader to further sources of information.

What are revisions?

Revisions are changes made by the Office for National Statistics (ONS) to existing published data. When publishing data, ONS is faced with a trade-off between the timeliness and accuracy. When data are required swiftly after the end of a reporting period, estimates are based on a limited dataset reflecting lower early response rates. Where the data collected are not seen to be representative of the whole sample, forecasts are made to make the estimate representative. In some cases no data are available at such an early stage, so forecasts are required within these areas to plug the gaps. Revisions might be made to these initial estimates in the longer-term when the forecasts are replaced, as more data become available.

Why are revisions made?

Revisions are made for three main reasons listed below. The first two reasons are the most common source of revisions:

1. Revisions are made as more data becomes available. Forty-four per cent of the preliminary estimate of GDP (at month one) are actual data; the remaining 56 per cent are forecast (Skipper, 2005). ONS receives the remaining data in the form of survey responses from economic agents such as companies, households and governments at later stages, which then replaces the forecasts. Naturally, the actual data can vary from the forecasted estimates, requiring revisions to be made. Additionally, revisions tend to be made once benchmark data becomes available, in the form of annual surveys, tax data and government expenditure. The quarterly estimates are benchmarked against these annual sources, as they provide a more complete picture of the economy. Estimates are also revised when a new population Census becomes available, as data relating to Household Expenditure is grossed up using information on dwellings from the census.

2. Revisions are made due to pre-announced improvements in methodology. These improvements can take many forms. It could be an improvement in data sources; a new survey or administrative data has been developed, or an existing survey has been improved. An improvement could be made to the compilation or balancing process (which balances the different measures of GDP). Alternatively, methodology changes could be the result of bringing existing practices into line with European or International requirements. An example of a pre-announced methodology improvement within ONS is annual chain-linking, which was introduced in 2003. All historical data that were affected by chain-linking had to be revised accordingly.

3. Revisions are occasionally made due to avoidable circumstances, such as errors. This is rarely a significant source of revisions.

Table 1
Different stages of GDP compilation process

	Month	Release	Description of available data
Preliminary estimate:	April 2002	**Month 1:** GDP preliminary estimate (25 days)	A preliminary estimate of quarterly GDP is based solely on output (production) information. It is based on the Monthly Production Inquiry (MPI) for the first two months of the quarter, the Monthly Inquiry into Distribution and Service Sector (MIDSS) for two full months and partial data for the third, and the retail sales estimates for the three months of the quarter, together with limited information on the output of the rest of the economy.
Revisions ↓	May 2002	**Month 2:** UK output, income and expenditure (55 days)	In the second release, ONS improves on the preliminary estimate by including more complete output data, as well as early information on GDP from the expenditure and income measures.
	June 2002	**Month 3:** Quarterly National Accounts (85 days)	In the third release, ONS produces a full set of quarterly economic accounts, updating and expanding the information made available in the earlier estimate. Fuller survey data for components of each of the output, expenditure and income measures are available.
	September 2003	**Blue Book One** stage	Annual GDP estimates are published in the Blue Book, usually in June or September. The quarterly data are updated during the production of the first annual estimate of GDP, as new and more comprehensive annual data sources become available.
	June 2004	**Blue Book Two** stage	The second time estimates of GDP are produced also leads to the quarterly data being updated. At this stage Input-Output Supply and Use balancing is applied for the first time. This takes all the data available (which at this stage should be complete) and matches up supply and demand across all products.

When are revisions made?

Revisions are regularly made to a number of time series data published by ONS. For the rest of this note we will concentrate on revisions made to GDP estimates. Revisions to a preliminary estimate made due to more data becoming available can occur at four different stages of the compilation process. Below is the revision timeframe for the 2002 Quarter 1 estimate of GDP, along with descriptions of the available data at each stage.

The chart below shows the approximate levels of data available at each of the quarterly compilation stages, from the output (production) measure of GDP which is taken to be the best estimate of growth in the short term. This shows the trade-off ONS is faced with regarding timeliness and reliability for the early estimates.

Once the annual sources are available to benchmark the quarterly data against and the supply-use balancing process has been applied (in Blue Book 2), all of the forecasts within the quarterly estimates are replaced.

What is a revisions triangle?

A revisions triangle is a way of summarising how the estimates for particular periods evolve, and are consequently revised, over time. Table 2 shows the GDP growth rates for the years 1990 to 2002. The top row (Data Year) shows the reference period of the data and the left side column gives the publication date. In the tables the diagonal colour codes match the corresponding coloured cells at the top of the tables.

Table 3 is an example of a revisions triangle that can be used to track the evolution of estimates for particular reference periods; it is derived from Table 2. It shows how GDP growth rates have been revised over time. Table 3 shows that revisions made to the 1990 GDP estimate have been minimal (only revisions of 0.1 per cent in 2000 and 2001).

Table 3 shows the 1998 Blue Book caused unusually high revisions. This was due to a change in methodology,[1] as in 1998 ONS took on recommendations made by the European System of Accounts (ESA). This involved adopting a new system of National Accounts and Balance of Payments, amongst other changes.[2] Conversely, in Blue Book 1999, there were no revisions made to any of the data.

Figure 1
Compilation stages

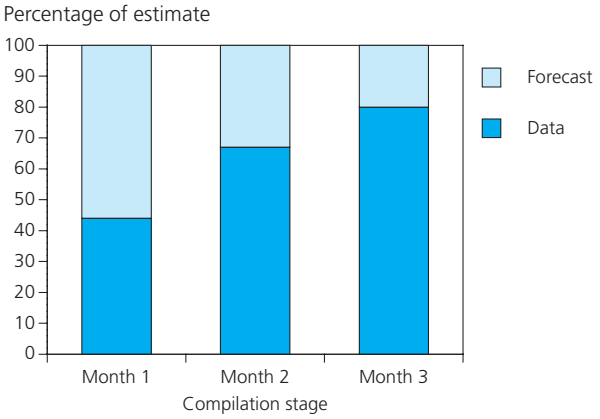

Table 2

Annual Blue Book GDP growth rates

	Data Year	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
	BB1 estimate	0.6	–2.4	–0.4	2.0	3.9	2.5	2.5	3.5	2.2	2.1	2.9	1.9	1.7
	BB2 estimate	0.6	–2.3	–0.5	2.2	4.0	2.8	2.6	3.5	2.6	2.1	3.1	2.1	1.7
Blue Book	1992	0.6	–2.4											
	1993	0.6	–2.3	–0.4										
	1994	0.6	–2.1	–0.5	2.0									
	1995	0.6	–2.1	–0.5	2.2	3.9								
	1996	0.6	–2.1	–0.5	2.3	4.0	2.5							
	1997	0.6	–2.1	–0.5	2.2	4.5	2.8	2.5						
	1998	0.6	–1.5	0.1	2.3	4.4	2.8	2.6	3.5					
	1999	0.6	–1.5	0.1	2.3	4.4	2.8	2.6	3.5	2.2				
	2000	0.7	–1.5	0.1	2.3	4.4	2.8	2.6	3.5	2.6	2.1			
	2001	0.8	–1.4	0.2	2.5	4.7	2.9	2.6	3.4	3.0	2.1	2.9		
	2002	0.8	–1.4	0.2	2.5	4.7	2.9	2.6	3.4	2.9	2.4	3.1	1.9	
	2003	0.8	–1.4	0.2	2.3	4.4	2.8	2.7	3.3	3.1	2.8	3.8	2.1	1.7
	Latest:	0.8	–1.4	0.2	2.3	4.4	2.8	2.7	3.3	3.1	2.8	3.8	2.1	1.7

1. 'Data Year' at the top refers to the reference period.
2. Headers at the side refer to publication date.
3. Triangles show how individual estimates are revised over time. For example in table 2 first published estimate for 1994 was 3,9 and by BB2003 this was revised to 4.4.
4. The diagonal colour codes match the corresponding coloured cells at the top of the tables.

Table 3

Annual Blue Book GDP growth rates

	Data Year	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
	BB1 estimate												
	BB2 estimate	0.0	0.1	–0.1	0.2	0.1	0.3	0.1	0.0	0.4	0.0	0.2	0.2
Blue Book	1992												
	1993	0.0	0.1										
	1994	0.0	0.2	–0.1									
	1995	0.0	0.0	0.0	0.2								
	1996	0.0	0.0	0.0	0.1	0.1							
	1997	0.0	0.0	0.0	–0.1	0.5	0.3						
	1998	0.0	0.6	0.6	0.1	–0.1	0.0	0.1					
	1999	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0				
	2000	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.4			
	2001	0.1	0.1	0.1	0.2	0.3	0.1	0.0	–0.1	0.4	0.0		
	2002	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	–0.1	0.3	0.2	
	2003	0.0	0.0	0.0	–0.2	–0.3	–0.1	0.1	–0.1	0.2	0.4	0.7	0.2
	Latest:	0.0	0.0	0.0	–0.2	–0.3	–0.1	0.1	–0.1	0.2	0.4	0.7	0.2

1. 'Data Year' at the top refers to the reference period.
2. Headers at the side refer to publication date.
3. Triangles show how individual estimates are revised over time. For example in table 2 first published estimate for 1994 was 3,9 and by BB2003 this was revised to 4.4.
4. The diagonal colour codes match the corresponding coloured cells at the top of the tables.

For economic statistics such as GDP, the estimates produced can only ever approximate the underlying reality. In its review of Revisions to Economic Statistics (Statistics Commission, 2004), the Statistics Commision agreed that 'For most economic statistics revisions are the norm'. It also rightly noted that 'Procedures for making revisions …should be subject to continous review and improvement'.

In response to this review ONS has taken a number of steps:

1. A new section on the National Statistics website, which brings together in one place all information on revisions. See: http://www.statistics.gov.uk/about_ns/economic_revisions.asp
2. Letting users know of changes to key series in advance, honouring a commitment in the National Statistics Protocol on Revisions (ONS, 2004).
3. Providing details of planned future revisions along with information on average past revisions for key variables in ONS First Releases (Jenkinson, 2004).
4. Posting revisions triangles for key variables on the National Statistics website (Jenkinson and George, 2005).

The main objectives of ONS's revisions analysis work is to identify where any biases might exist, understand any patterns in revisions and use this information to improve the forecasting and balancing processes. Finally making this information available to users should enable more effective and informed use of our datasets.

Notes

1 When a Blue Book is revised for most of the data years, it is likely to be a change in methodology.

2 For more information on the methodological changes introduced in 1998, see (Brueton, 1998).

Further reading

Akritidis L (2003) Revisions to quarterly GDP growth and expenditure components. *Economic Trends* No. 601, pp 69–85. Available at http://www.statistics.gov.uk/CCI/article.asp?ID=659

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Jenkinson G and George E (2005) Publication of revisions triangles on the National Statistics Website. *Economic Trends* No. 614, pp 43–44.
Available at http://www.statistics.gov.uk/CCI/article.asp?ID=1026

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An experimental quality-adjusted labour input measure

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Office for National Statistics

This article presents experimental estimates of a quality-adjusted labour input measure. Developing these estimates is part of a wider Office for National Statistics (ONS) strategy for producing the input estimates necessary to estimate multi-factor productivity. Official measures of productivity use either the number of jobs or the hours worked to measure the labour input into production. Here, the aim is to develop a series that measures the labour input into production explicitly taking account of the changes in the composition of skills. The series is quarterly and consistent with both the National Accounts and other productivity measures. This article describes the measure and presents some results. A number of methodological issues still need to be resolved, and we would welcome comments from potential users.

Introduction

The Office for National Statistics' (ONS) *Strategy on Productivity*, published in April 2002 (Lau, 2002a) includes two separate streams of work on refining the measurement of inputs for productivity calculations. The first involves developing a methodology for a quality-adjusted labour input (QALI) measure. The second is the compilation of a volume index of capital services (VICS). Labour input is the most common denominator in the productivity measure. In official measures of productivity, labour input is measured in terms of jobs, workers or hours worked. However, it has been noted that these measures may not account for the change in labour input resulting from changing skill composition. The aim of current work is to produce a quality-adjusted labour input series on a quarterly basis to fill this gap, expanding on the experimental results from Lau (2002b).

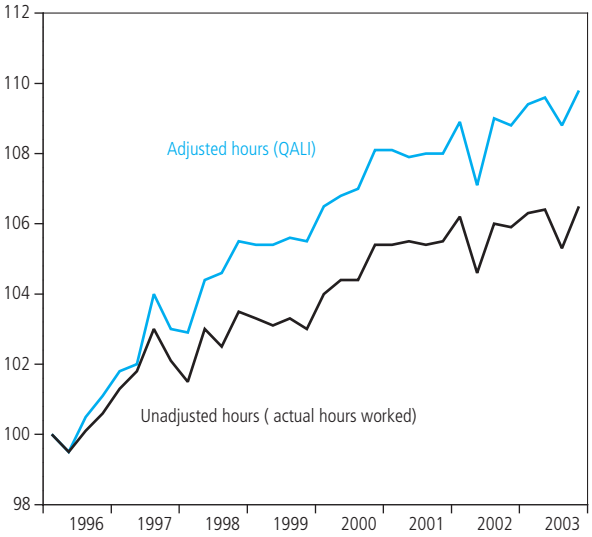
An accompanying article in this edition of *Economic Trends* describes updated estimates of the volume of capital services in the UK, first published in November 2003 (Vaze, 2003). The results of these two work streams are not yet suitable for combined use, as currently QALI is provided on a quarterly basis, while VICS estimates are provided on a yearly basis. The other main difference is that QALI is estimated using a Törnqvist index, whilst VICS is estimated using a Laspeyres Index. Further work is needed to make these two work streams compatible so that they can be used to measure multi-factor productivity.

Together with its use for measuring multi-factor productivity, the QALI is also a useful labour market statistic in its own right. As such, a QALI measure that has not been constrained to National Accounts is also provided. This measure avoids many of the issues discussed in this article with regards to National Accounts consistency and scaling. Users may find this measure useful for labour market analysis outside the framework for measuring multi-factor productivity.

Quality-adjusted labour input index results

The experimental series constructed using the methodology described in this article is presented in Figure 1. This figure shows both the standard measure of labour input, actual hours worked, as used in the official hourly productivity measure, and also the quality-adjusted measure of labour input, adjusted hours. The series shown are for the whole-economy and it should be noted that these series are not scaled to the National Accounts. In this article, two sets of QALI estimates are presented, one before and the other after scaling the total wage bills by industry to the National Accounts. A more detailed discussion of National Accounts scaling of QALI can be found in a later section, where both the scaled and unscaled series are shown in Figure 6.[1]

Figure 1
Whole-economy QALI (unscaled), 1996 Q1 = 100



The QALI uses proxies for marginal productivity to weight different categories of labour input in aggregation. The QALI grows faster than the unadjusted index, indicating that the period displayed was one of increased quality of labour input. This increase could be attributable to generally increased participation in higher education and other training, or could be because the hours worked by different skills groups has changed markedly.

Remembering that labour input forms part of the denominator of the productivity measure, more information about its composition should improve the measurement of the productivity residual. In principle, the adjustment made to the labour input (or any other input) can either raise or lower the productivity residual. Whereas previously, productivity growth would have assumed that the quality of labour input has remained unchanged, the productivity measure using a quality-adjusted input now takes some account of 'skilling up' or other quality improvements as measured by the QALI and so the measurement of the residual should be better.

Productivity, labour input and skills

The growth accounting framework

There is considerable policy interest in improving the growth and productivity performance of the economy in the UK. Government policy documents highlight the drivers of growth as employment and productivity, with skills being identified as one of the five drivers of productivity. The other four drivers are: investment, innovation, enterprise and competition (HMT, 2000 and HMT, 2001). In the empirical literature on growth, this policy view of productivity has strong parallels with the Jorgenson growth accounting framework, which quantifies the drivers using National Accounts and labour market data. For the UK, recent studies have included Oulton (2001), O'Mahony *et al* (2002). There have also been a number of internationally comparable studies, which have greatly improved methodologies so that international comparisons can be made (OECD, 2001).

Growth accounting attributes growth in output (measured in terms of value added) more precisely to changes in measured inputs, such as labour, skills and capital with the residual representing productivity change. In summarising growth accounting, it is often helpful to define a production function for output (Y(t)) determined by capital (K(t)), Labour (L(t)) and the productivity parameter (A(t)) written as:

$$Y(t) = A(t)F(K(t), L(t)) \quad (1)$$

Under certain assumptions about the function F in equation 1, we can decompose the percentage change in output into the contributions of the growth of capital, labour and the multi-factor productivity term, R(t) (also known as the Solow residual).

$$\frac{\Delta Y(t)}{Y(t)} = \alpha_k \frac{\Delta K(t)}{K(t)} + \alpha_L \frac{\Delta L(t)}{L(t)} + R(t) \quad (2)$$

Where α_k and α_L are the shares of capital and labour in total value added. Of these, labour input can be measured as total actual hours worked in the economy. However, a simple aggregation of hours worked takes no account of the heterogeneity of labour. That is, no distinction would be made between one additional hour of work by, for example, a skilled, experienced surgeon and a new junior doctor. In the context of growth accounting, the failure to quality adjust labour input attributes too much of the change in output to a change in multi-factor productivity.

Quality adjustment of hours worked splits the labour input L into the hours worked by various categories of worker, differentiated into n types: h_1 to h_n. Workers types are defined using a number of characteristics, including gender, age, education, and industry. We assume that the hours of these different types of worker, h_i, $i = 1, ..., n$, contribute to the total labour input L through a function g, as shown in equation 3.

$$L = g(h_1, h_2, ..., h_n) \quad (3)$$

In calculating an input index for productivity measures, following the OECD (2001) methodology, we assume that g is a translog aggregator function homogeneous of the first degree, and labour inputs refer to the flow of productive services from the human capital stocks.

The growth rate of the factor input can be measured using a Törnqvist index:

$$\frac{\Delta L(t)}{L(t)} = \sum_i \left[\frac{w_i(t) + w_i(t-1)}{2}\right] \frac{\Delta h_i(t)}{h_i(t)} \quad (4)$$

Under the conditions of competitive markets and constant returns to scale, economic theory states that workers will be hired until the marginal cost of a unit of labour (their wage) equals the marginal revenue from a unit of labour, that is, their marginal productivity. So in equation 4, the weight $w_i(t)$ is given by the share of total labour income paid to group i in period t, share of total labour compensation for labour. The weight is therefore the average of $w_i(t)$ and, $w_i(t-1)$, and the weights sum to one.

These ratios of growth between two periods can be chained together to form an index series for the quality-adjusted

labour input measure. This is consistent with the approach suggested by the OECD Productivity Manual (2001).

Consistency issues and data sources

Growth accounting reduces the productivity calculation to one of measuring a residual. The accuracy of such a derived residual variable depends not just on the accuracy of the measures used in calculation, but also on their consistency with each other. Daffin (2001) and Barnes and Williams (2004) describe the work undertaken to ensure the official productivity jobs/hours series are compiled on a basis consistent with National Accounts output indices. The current work refining the productivity hours series for quality maintains this in two ways. Firstly, quality adjustment is undertaken using sources entirely consistent with the official productivity hours series. Secondly, the quality adjustment remains consistent with gross value added (GVA), the National Accounts measure that would be used for output when growth accounting. This is important in allowing the whole-economy series to be produced both at the whole-economy level, and at a broad industry-level breakdown.

Official estimates of labour input currently combine the industrial structure obtained from business surveys with the Labour Force Survey (LFS). The motivation for this and the method used is discussed in Barnes and Williams (2004). In extending the official measures of hourly productivity to incorporate skills, it is the latter source, the LFS, which provides the detail needed. The LFS is a survey of households living at private addresses in the UK. Quarterly publication of LFS estimates for Great Britain began in 1992 when the sample was increased to cover 60,000 households every quarter. It was expanded in winter 1994/95 to cover Northern Ireland. Although primarily designed to estimate levels, the quasi-panel nature of the LFS (each respondent remains in the sample for five quarters) means that comparisons of changes are possible, with an 80 per cent overlap in the sample in each successive quarter.

The Labour Force Survey (LFS) asks individuals about their qualifications, gender, age and the industry they work in. One constraint is that, as this survey was annual until 1991, a quarterly series can start only after this. Constructing a quarterly QALI is further complicated by breaks in the survey variable on education attainment, primarily in 1996. Splicing this with earlier data will require a consistent mapping of the education variable over time, but this is only achievable with less education levels than we have chosen to use. Consequently, our series starts from 1996.

Labour input by characteristics: definition and sources

There have been two guiding principles in our choice of the breakdown to use for each of the characteristics. Firstly, worker characteristics should divide the individuals into reasonably homogeneous groupings, with the included variables explaining differences in labour quality. Secondly, while the categorical breakdown has been chosen to ensure that as many drivers of quality differentials have been included, we have also avoided stretching the underlying LFS sample data too far.

Table 1 indicates the categories chosen. The ONS method decomposes hours worked into 576 cells with each cell representing a different worker type. With two genders, six age groups, eight education levels and six industries the total number of cells is given by 2*6*8*6=576. As in previous literature (such as Fosgerau *et al* (2002)), it is established that a trade off exists between the number of cells and the constraints of the sample size as discussed further below.

Table 1
Labour input characteristics

Gender	Age groups	Educational	Industry	Industry Description
Male	16–19	Higher Degree	ABCE:	Agriculture, hunting, forestry, fishing, mining quarrying, utilities
Female	20–29	NVQ level 5 (excl. Higher degree)	D:	Manufacturing
	30–39	NVQ level 4	F:	Construction
	40–49	NVQ level 3	GHI:	Wholesale and retail trade, hotels & restaurants, transport storage and communications.
	50–59	NVQ level 2	JK:	Financial intermediation, real estate, renting & business activities
	60 plus	NVQ level 1	LMNOPQ:	Public administration & defence, education, health and social work, other social and personal services, and extra territorial activities.
		Other qualifications		
		No Qualifications		

Gender

There is a well documented pay differential between genders. In our data analysis, this differential remains even after we have controlled for education, age and industry. In distinguishing workers by gender for our QALI measure, we are acknowledging this pay differential without inferring any relationship between gender and workers' skill levels. Explaining the gender pay gap is an extensive research subject in its own right and beyond the scope of this article. We will monitor development in this research area to see if the pay differential merely reflects different working patterns and career paths between genders or, more seriously, labour market rigidities, which in turn is a violation of our assumption that workers are paid their marginal product.

Age

Age is included as a proxy for work experience. Other things being equal, younger workers tend to have lower marginal products and hence lower wages than their older counterparts, reflecting their relatively lower level of work experience.

Industry

Labour input is broken down into six broad industry categories, shown in Table 1. The industry characteristic is chosen instead of occupation and allows inherent differences in skills between industries to be reflected. The number of industries is chosen to provide an adequate sample size for the whole-economy measure, and to reflect the nature of activity the industry is involved in.

LFS industry definitions are known to be less accurate at a low level relative to National Accounts estimates because the respondent's industry is self-reported. So increasing the size of the smallest industry grouping, as is done for agriculture, reduces the volatility of the industry-level series.

The volume of capital services estimates also published in this edition of *Economic Trends* have been produced at an industry breakdown that is comparable to that for QALI. Any analysis using the two measures together is still limited by the differences described in the introduction.

Education

Education level is used as a proxy for skills. It either formally enables a worker to carry out certain work because of skills acquired, or it provides a signalling mechanism for employers that workers are capable of a certain level of activity. Hence, it is expected that higher educational levels leads to higher marginal products.

The link between education and skills is not generally accepted to be stable and there is growing evidence that people are increasingly doing jobs for which they are 'over-qualified'. Work by Felstead *et al* (2002) using the 2001 Skills Survey suggests that the prevalence of workers who hold qualifications at a higher level than would be required for getting their own jobs has been rising in recent years. Their analysis also shows that more employers are requiring qualifications for jobs that are not actually necessary given the skills used in the job. In the context of the QALI methodology presented here, such changes in the link between skills and education are not problematic as the assumption that the wage rate equals marginal productivity ensures that if the skills associated with an education category drop, this will be reflected in the wage rate. Differences between wage rates in the different educational categories are what drive the QALI results, and it is clear from Figure 3 that these differences still exist.

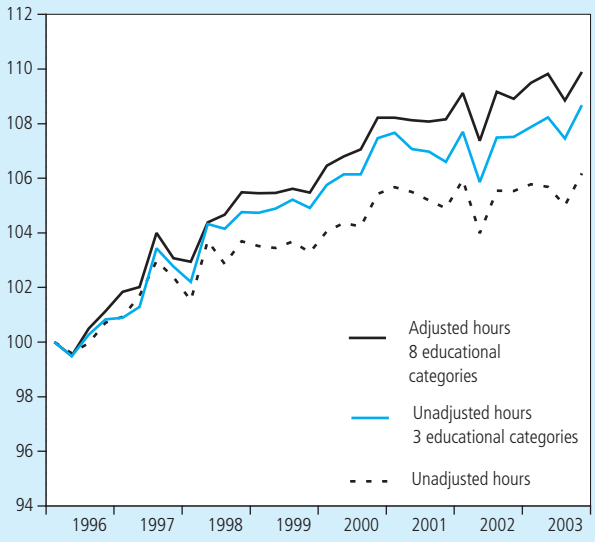
In this case we are using National Vocational Qualifications (NVQs) as the education level that defines different types of workers. The following box describes in more detail the choice of education classification and Figure 2 of the box shows that by increasing the number of educational categories from three to eight, additional quality adjustment is made.

Fine-tuning the education classification

The education category, used as a proxy for skills, is one of the key drivers of the QALI results. Some particular measurement issues are associated with using education as a proxy, mainly what level of breakdown to use and how to handle the presence of respondents unable to provide their highest educational qualification.

Figure 2 displays the sensitivity of the index to the number of education categories used, varying from three to eight. It is apparent that the growth of the index is sensitive to the number of categories. As indicated in Figure 1, in the final index we have used five NVQ levels as our base but have separated the Higher Degrees from NVQ5 as an extra category. We also have two categories for 'other qualifications' and 'no qualifications', giving a total of eight educational categories. To get three educational categories we have grouped higher degree, NVQ level 5 and NVQ level 4 together NVQ level 2, NVQ level 1 and other qualifications together and treated 'No qualifications' responses as 'Don't know' responses.

Figure 2
Whole economy QALI by eight and three educational categories*



** For comparability neither series is National Accounts-consistent.*

To decide on the correct breakdown of educational categories, the effect on the index of additional qualification detail has to be traded with the greater variability of the underlying data. The former factor is determined by the weight of the additional skill type and whether it has a different growth trajectory in its time-series. Figures 3 and 4 provide the mean wage rate and levels of employment by five categories of qualifications and separates the 'No qualifications', 'Other qualifications' and 'Do not know' responses.

The number of workers with higher degrees is just above one million, over 4 per cent of total workers. The trend in higher degrees is clearly upwards, and it seems reasonable to expect this trend to continue. The mean pay of those in the higher degree category is significantly higher than the rest of the NVQ5 category, by £50 per week (see Figure 4). The trend in the mean pay of the higher degree category is upwards and growing at a marginally higher rate than NVQ level 5 (NVQ5). Given the number of workers in this category and their difference in growth rate from NVQ5, in constructing the index, separating the categories yields additional quality change, both now and in the future.

Our initial hypothesis was that educational 'Don't knows' may be related to proxy responses. However, analysis indicates that the proportion of 'Don't knows' is similar to the average in proxy responses, implying 'Don't knows' make up a significant proportion of each type of responses, and excluding proxy respondents would not solve the problem. Excluding them would also create considerable problems with the weighting of the LFS sample.

Figure 3 shows that 'Don't knows' have a mean wage between educational categories NVQ2 and NVQ3, however, over time the mean wage fluctuates between NVQ1 and NVQ3. Given the relatively small size of the 'Don't knows' (see Figure 4) we would prefer to aggregate them with one of the other groups. Despite the volatility of the mean wage, for the consistency of the

Figure 3
Mean wages by education level

LFS Winter 1999 – Main job employee, Mean Pay by Education Category

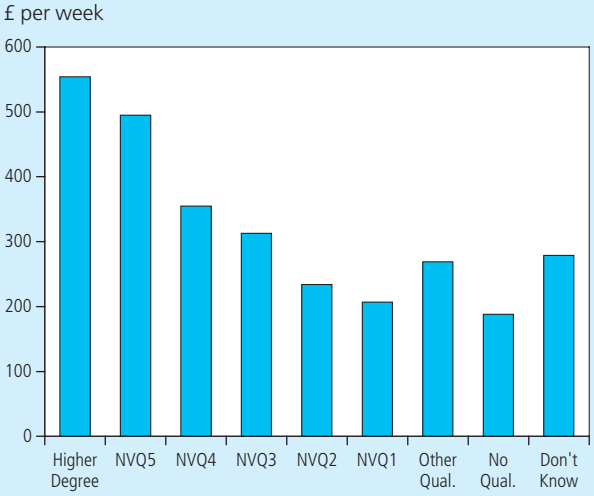
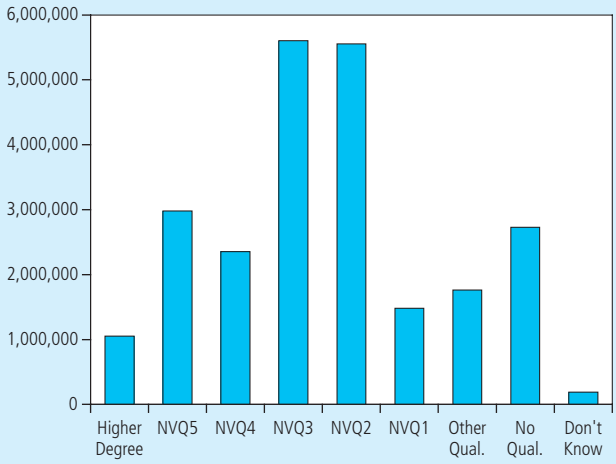


Figure 4
Employment by education level

LFS Winter 1999 – Number of workers by educational category – main job employees



index, the group they are aggregated to does not change over time. 'Don't knows' are aggregated to NVQ1, the main reason being that the NVQ2 and NVQ3 groups are already a considerable proportion of employment.

We have a similar issue in deciding what to do with people who have 'Other qualifications', outside the NVQ structure. In early work these were grouped as part of the lowest qualification category. The hourly growth rate of 'other qualifications' relative to NVQ1 is roughly similar. Hence, separating this category out is unlikely to yield a major source of quality adjustment.

But there are two arguments for separating out this category. Firstly, as Figure 3 illustrates, the mean pay of the 'other qualifications' category is considerably different from the lowest educational category. Secondly, separating out this category may yield a source of quality adjustment in the future given the expected trend in the prevalence of professional qualifications. Since the 'other qualifications' is of sufficient size to stand alone without volatility, it has been added as a separate educational category.

Data issues

Approximately 30 per cent of the responses to the LFS for the variables used are proxy responses. These are collected from other individuals in the household when the respondent is unavailable. Such responses are marked in the survey, and analysis indicates the quality of proxy responses varies between different variables. To assess the impact of proxy responses, the quality adjustment methodology has been run using LFS data restricted to personal responses only. The results indicate that when proxy responses are included, a difference in the growth of hours is observed; although the overall trend and relationship between adjusted and unadjusted hours is the same.

Some reasons why hours may be higher for proxy responses can be noted. People working longer hours are more likely to be unavailable and their proxies will correctly report that

they work longer hours. Alternatively, proxy respondents may assign a household member's travel time to working hours.

Although there may be issues with the proxy responses, our preferred approach is to leave them in the dataset, for two reasons. Firstly this is consistent with the approach used in other LFS National Statistics. Secondly, any bias we may encounter from the inclusion of proxies is likely to be minor compared to the sampling problems (in particular, grossing to the population total) that would be encountered as a result of removing them.

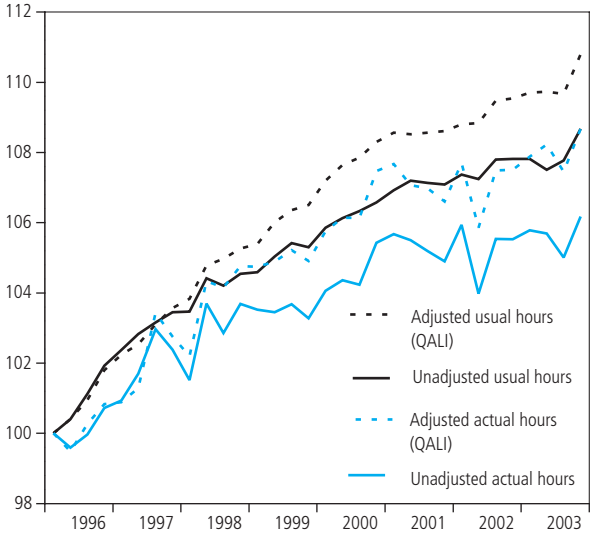
Outliers can exist in the LFS gross weekly pay, and hours variables used in constructing the quality-adjusted labour series. However, given the dynamic nature of the modern UK economy there are no particular reasons why a constraint on statistical outliers is required for QALI. Hence our methodology places no restrictions on the outliers found in the raw LFS data.[2]

The LFS does not collect wages and salaries for the self-employed. They are imputed based on employee hourly wages of the same worker type. This is based on the assumption that the same worker type should earn the same wage, whether they are employed or self-employed. This method is in line with that used in other studies, such as the US Bureau of Labor Statistics official series and O'Mahoney and De Boer (2002).

Choice of hours measure

Conceptually it is best to use actual hours worked as the basis for estimating QALI. QALI should reflect the number of hours actually worked in the economy, and not the level of usual hours worked. Usual hours take no account of sick absence or holiday and so do not entirely reflect the actual level of labour input to the economy. So, as with the ONS labour productivity measures, QALI is based on the conceptually more appropriate actual hours measure.

Figure 5
QALI based on actual hours against QALI based on usual hours



Actual hours are seasonally adjusted. Neither series is scaled to NA totals.

Some previous work in this area suggests that usual hours are more appropriate for quality adjusting labour input, because they are less volatile. However we have followed the conceptually better method and used actual hours. For comparison, Figure 5 shows QALI based on using usual hours against QALI based on using actual hours.

Consistency with National Accounts and productivity estimates

The ONS quality-adjusted labour input is constructed from three key LFS components; actual hours worked, gross weekly pay, and total jobs. Although the methodology of QALI as described above achieves internal consistency, its consistency with other data series, particularly the National Accounts, is key to its use for productivity calculations.

Labour productivity measures require the denominator to be consistent with the numerator (that is, output) in terms of definitions and coverage. Such consistency issues have been extensively looked at in the methodological review of the UK official productivity measures, for example, in Barnes and Williams (2004), resulting in major changes to the construction of the denominators (that is, productivity jobs and hours series). The new method primarily uses LFS for both the total jobs and the total hours worked in the whole-economy, but employs business survey data to break down the employee component in the totals into industries. This is to overcome the self-reporting nature of LFS industrial classification and to ensure better consistency of labour volume with output (based on the National Accounts) at the industry level. For QALI, it is important that we build on what we have learnt from other productivity measures.

For multi-factor productivity, we are measuring output growth that cannot be attributed to growth of inputs (namely, quality-adjusted labour input and capital services). On the capital measure, Vaze (2003) outlines how the volume measures for capital input are consistent with the National Accounts series on capital as does the accompanying capital services article in this edition of *Economic Trends*. It is equally important that the relative wages used in QALI are consistent with those implied in the National Accounts, and that hours and jobs data are consistent with those used in the official productivity calculations.

Scaling wages

Ideally for QALI, shares of total compensation, rather than total wages, should be used as weights for different worker types. While the LFS only provides information on wages, the National Accounts have the most comprehensive coverage of compensation of employees, which includes, for example, bonuses and income-in-kind in addition to the wage cost. When comparing the National Accounts and the LFS total wage bill for employees, the result is unsurprising: the LFS total wage bill for employees is around 10 per cent lower than the compensation of employees for the whole-economy. However, underlying this discrepancy is a complex interaction of differences in coverage of the measures of remuneration and differences of definition. To summarise these at an industry level:

- National Accounts compensation of employment in an industry would tend to be greater that the LFS wages because the former includes a range of non-wage employer costs.
- As industry in the LFS is self-reported it is likely to be less reliable than that associated with the National Accounts where the industry is identified using the Inter-Departmental Business Register (IDBR). For growth accounting it is necessary that an IDBR-consistent industrial classification is used to allow meaningful comparisons with outputs and other inputs.
- Compensation of employment covers the remuneration of employees only. Work continues to improve the consistency of information from businesses about employees and the survey responses of employees as given in the LFS. Even if consistency could be guaranteed, there remains the problem that information on the remuneration of the self-employed for their labour input is not collected. The LFS does not ask the self-employed about their income and National Accounts does not differentiate the earning of the self employed into those attributable to labour and those to capital, but aggregates the two into the measure 'mixed income'.

Understanding the above issues allows some sensible adjustments to be made, primarily to facilitating the use of QALI in growth accounting. The adjustments centre on scaling the LFS industry total wage bills (employee and self-employed) to compensation of employees in the National Accounts before being aggregated into a QALI measure. It should be noted that by this change, the QALI for individual industries is left unchanged but the relative weights of industries will change and so the whole-economy QALI measure will change (see Figure 6).

The third issue mentioned above is the most complex to deal with. Mixed income covers unincorporated enterprises owned by households. The income is 'mixed' because the household may receive income from an element of remuneration for work as well as surplus accruing from production. For the QALI series, splitting mixed income to give labour compensation for the self-employed separately is conceptually the best methodology. However, at present it is not possible to do this. Aggregating LFS employees' wages with LFS imputed self-employed wages and scaling to National Accounts compensation of employees' industry total as done here is the next best methodology currently available.

Figure 6 shows the impact of scaling the LFS wages totals to the National Accounts compensation total (and also of constraining the hours growth and employment levels). The whole-economy comparison (Table 2) indicates that LFS Gross weekly pay under-reports compensation by between 10 and 15 per cent. For a number of industries the LFS measures gross weekly pay as being greater than compensation of employees, for example, industries AB and F. In the remaining industries compensation of employees estimates are higher.

Figure 6
The impact on QALI of scaling to National Accounts and productivity estimates

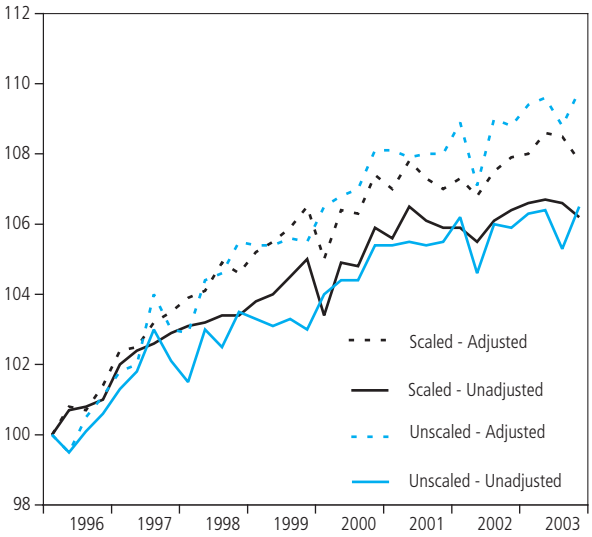


Table 2
LFS - National Accounts compensation estimate comparisons*

	LFS Gross Pay as percentage of National Accounts Compensation of Employees						
Year	LFS_AB	LFS_CDE	LFS_F	LFS_GHI	LFS_JK	LFS_LMNOP	LFS_ALL
1996	153.3	79.6	172.2	80.1	98.0	87.8	89.4
1997	182.3	79.9	164.7	82.5	96.5	86.2	89.6
1998	162.6	79.6	159.2	79.2	94.2	87.3	88.4
1999	144.9	79.2	162.2	77.8	92.9	86.5	87.5
2000	174.1	78.4	155.4	76.6	90.7	86.6	86.8
2001	161.9	80.1	156.2	74.6	87.8	86.8	86.2
2002	166.7	81.6	146.6	74.8	85.1	87.6	86.0
2003	162.5	74.1	156.4	74.7	84.5	90.5	85.7

** Scaling only affects the aggregate measure, industry measures are unchanged. The analysis is also conducted using a different split and the 6 + 1 educational split. The same results apply*

Due to the inherent differences in the nature of reporting between the Inter-departmental business register (IDBR) sampling frame, and the LFS as a postcode based household survey, there may be a significant variation in coverage at the industry level. For instance, seasonal work such as agriculture, fishing and hunting (AB) may be more prone to problems with administrative reporting (compensation of employees) than household surveys (gross weekly pay).

On the other hand, it also follows that in industries such as financial intermediation, real estate, renting and business activities (JK), a significant proportion of compensation is excluded from the Labour Force Survey. That is, the LFS does not report data on bonuses and income in kind because of difficulties in collection and response bias. Hence, in an industry where bonuses can be significant (that is, JK) it follows that administrative and business data, and household data can be expected to diverge. Indeed, this divergence in an industry carrying a significant weight can be expected to influence the whole-economy estimate more than the smaller weight carried by AB. In addition, giving higher weight to industries with declining hours trends, such as wholesale and retail trade, hotels and restaurants, transport storage and communications (GHI), results in the scaled series having lower quality adjustment (as shown by Figure 6). This accounts for the difference between the scaled and un-scaled quality-adjusted series.

Scaling LFS hours to productivity hours

The aim of the industry level methodology for productivity hours used in the ONS productivity calculations is to provide a more consistent industry breakdown for hours than the LFS can provide. Whole economy productivity hours are constrained to LFS total actual weekly hours worked for industries A–Q, but the industry breakdown is derived from workforce jobs industry splits for employees and LFS industry data on self employed hours.

This implies that as well as scaling gross weekly pay to be consistent with National Accounts, industry level hours totals underlying the quality-adjusted series also need to be scaled to the productivity hours for more complete consistency. This scaling affects the whole economy level QALI by changing the industry breakdown. However, this does not affect the results for the industry level QALI measures.

Scaling LFS employment to productivity jobs

The final scaling requirement is that the employment weights used to create the unadjusted series should be consistent with the industry split used in the productivity numbers. This is done by scaling the industry totals so that the split is the same as that used in the productivity series.

Next steps

The methodology of the quality-adjusted labour input measure is being published initially as a research article. We acknowledge that the methodology needs further development in several areas. Readers and users are invited to comment on any aspect of the methodology presented in this article and provide answers to any of the questions in the following section.[3] Your view on the following will also be most valuable to us in formulating the business case for continuing this work:

- How would you use the statistic? What kind of analysis will QALI enable you to conduct? How urgently do you think this data gap needs to be filled?
- What is the required frequency of publication for your particular usage of QALI? Although QALI has been developed as a quarterly series, it is only planned to be updated once every year due to resource constraints, and also depending on user demand, if and when it comes on stream as an experimental statistic in the first instance. The need to scale the series to the National Accounts also means that the timeliness of QALI is constrained by the National Accounts cycle with final estimates available only two years after the end of the reference period, and more recent periods potentially subject to revisions.
- How important is it to you for ONS to publish its own multi-factor productivity estimates? QALI is a crucial component in such estimates.
- Should ONS work to produce QALI and capital services estimates on a more consistent basis so that they can be used together more easily?
- Would you like us to maintain the publication of the two datasets as in this article, one based solely on LFS without scaling and the other being scaled to achieve consistency with the National Accounts? The strengths and weaknesses of the two data sets are summarised in Table 3 below.
- Would you like us to publish the underlying LFS data showing the distributions of the actual hours worked and wages by worker attributes?

The consultation period will be open for two months from the publication of this article. Users' comments will then be incorporated formally into the next stage plan for this research project.

In this article, two sets of QALI estimates are presented, one before and the other after scaling the LFS results to the National Accounts Compensation of Employees by industry and to the productivity series industry hours totals. What this article does not provide is a detailed analysis of the results, separating the contributions of workers' attributes to the growth in labour composition over time. The respective strengths and weaknesses of the two data sets provide the context of areas for further development work. They are summarised in Table 3.

Areas that have been identified as needing further work in the longer term are:

- **Improving the method used to ensure consistency of the LFS-based estimates with the National Accounts**

  Currently inconsistencies arise from two sources. First it is well documented that the LFS industry classification produces different results to the National Accounts. To address this, ONS has conducted pilots to test the

Table 3
Uses and limitations of the quality-adjusted labour input measures

	Strengths	Limitations
Without scaling to NA CoE	• The data results are solely based on the LFS and therefore internally consistent. • Results can be decomposed into contributions by various worker attributes, which are informative and interesting in their own rights.	• The series is not consistent with NA and in turn cannot be used directly for productivity calculation. • As such, the use of the series is limited to being an independent labour market statistic. • The compilation of QALI stretches the use of the LFS into providing industry breakdown.
With scaling to NA CoE	• The series aims to achieve consistency with NA and in turn can be used for estimating multi-factor productivity growth in a growth accounting frame work. • It should in principle improve on the aggregate measure by addressing the LFS weak point on industry classification and allocating appropriate weight to each industry.	• The decomposition of growth in QALI to various worker attributes will not be as straightforward. • The current methodology, as presented in this article, on scaling to NA CoE is imperfect and requires a lot more development work (see below).

feasibility of various systems to link LFS industry classification to that of the Inter-Departmental Business Register. Linking LFS to IDBR is an independent project. It will be a welcome development for QALI when the linkage is finally integrated into the system as the mismatch should be reduced. We should also get a better estimate of how big the differences were previously.

The second source of inconsistencies originates from the difference in the definitions of employees and the self-employed adopted in the LFS and the National Accounts. These issues have already been discussed above. To improve on the current method of scaling, we need to estimate the extent to which the LFS respondents are misclassifying themselves as self-employed, based on the National Accounts definition. Such knowledge would inform a correction methodology so that LFS employees and self-employed could be scaled respectively to National Accounts Compensation of Employees and the labour part of the National Accounts mixed income, as the theory suggests.

Improving the industry allocation of compensation of employees in the National Accounts

As part of the National Accounts re-engineering, the methodology of Compensation of Employees is currently under review. One of the aims is to strengthen and formalise its underpinning and diagnostic procedures based on broader labour market statistics for the industry breakdown. The review should provide more insight into the current inconsistency observed in this article between the National Accounts and the LFS. Such knowledge will enable a better assessment of the quality of QALI estimates after scaling. Furthermore, if the recommendations of the review can be fully incorporated into the National Accounts system post re-engineering, the idea is to confront labour market statistics on employment and earnings from different sources on a regular basis. This framework should allow frequent assessment of LFS data in a wider context, providing a stronger foundation for the development of a QALI measure which is consistent with other sources.

Index numbers: Törnqvist versus Laspeyres

Currently the Törnqvist index form is used in compiling QALI, following the recommendations of pioneering work in this field. However, when UK National Accounts moved to chain-linking, Laspeyres was the chosen index form. It follows that the volume index of capital services (the other factor input used in growth accounting) has been developed as Laspeyres chain-linked. We have to investigate further the choice of index form and how to achieve consistency for all components in growth accounting.

Analysis of the sample size problem at the current level of disaggregation

The construction of a QALI measure is a data-demanding exercise. In the current methodology, LFS total actual hours worked is decomposed into 576 cells, with their corresponding gross wage bills. We need to look at whether such a level of detail is stretching the LFS sample size too far and whether this in turn introduces unnecessary volatility into the index.

Suitability for growth accounting

The development of QALI has always been seen as providing part of the infrastructure for ONS to eventually compute its own multi-factor productivity estimates in the growth accounting framework. The final stage of the development work is therefore to ensure that the end-product can be fully integrated with our current official series to enable a decomposition of UK labour productivity growth, which in turn is fully consistent with the results from growth accounting.

Acknowledgements

The authors are grateful to ONS colleagues for comments and assistance with this article, in particular Prabhat Vaze.

Notes

1. Both the scaled and unscaled series are available in the appendix.
2. When calculating gross weekly pay (GWP) (employees only) the LFS team has a policy of excluding those receiving more than £100 per hour. The reasoning is to prevent the average wage from being skewed. A snapshot of the number of cases where pay is above £100 per hour indicates that seven thousand people out of a total of 24 million reported GWP of more than £100 per hour. This does not constitute a large number of cases relative to total employment. No such outlier exclusion is made when estimating QALI.
3. Please send comments to Gavin Wallis at Zone D4/20, Office for National Statistics, 1 Drummond Gate, London SW1V 2QQ or e-mail: gavin.wallis@ons.gsi.gov.uk

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Appendix

Table A1
Whole-economy QALI data

		Scaled		Unscaled	
		Adjusted	Unadjusted	Adjusted	Unadjusted
1996	Q1	100.0	100.0	100.0	100.0
1996	Q2	100.8	100.7	99.5	99.6
1996	Q3	100.7	100.8	100.5	100.1
1996	Q4	101.4	101.0	101.1	100.6
1997	Q1	102.4	102.0	101.8	101.3
1997	Q2	102.5	102.4	102.0	101.8
1997	Q3	103.2	102.6	104.0	103.0
1997	Q4	103.5	102.9	103.1	102.1
1998	Q1	103.9	103.1	102.9	101.5
1998	Q2	104.1	103.2	104.4	103.0
1998	Q3	104.9	103.4	104.6	102.5
1998	Q4	104.6	103.4	105.5	103.5
1999	Q1	105.2	103.8	105.4	103.3
1999	Q2	105.5	104.0	105.4	103.1
1999	Q3	105.9	104.5	105.6	103.3
1999	Q4	106.5	105.0	105.5	103.0
2000	Q1	105.0	103.4	106.5	104.0
2000	Q2	106.4	104.9	106.8	104.4
2000	Q3	106.3	104.8	107.0	104.4
2000	Q4	107.4	105.9	108.1	105.4
2001	Q1	107.0	105.6	108.1	105.4
2001	Q2	107.8	106.5	107.9	105.5
2001	Q3	107.3	106.1	108.0	105.4
2001	Q4	107.0	105.9	108.0	105.5
2002	Q1	107.3	105.9	108.9	106.2
2002	Q2	106.8	105.5	107.1	104.6
2002	Q3	107.5	106.1	109.0	106.0
2002	Q4	107.9	106.4	108.8	105.9
2003	Q1	108.0	106.6	109.4	106.3
2003	Q2	108.6	106.7	109.6	106.4
2003	Q3	108.5	106.6	108.8	105.3
2003	Q4	107.8	106.2	109.8	106.5

Table A2
Industry level QALI data

		Agriculture, hunting, forestry, fishing, mining quarrying, utilities ABC & E		Manufacturing D		Construction F		Wholesale/retail trade, hotels, restaurants, transport, storage and communications GHI		Financial intermediation real estate, renting and business activities JK		Public administration, education, health and social work, extra-territorial activities LMNOPQ	
		Adjusted	Unadjusted	Adjusted	Unadjusted	Adjusted	Unadjusted	Adjusted	Unadjusted	Adjusted	Unadjusted	Adjusted	Unadjusted
1996	Q1	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1996	Q2	98.2	98.2	100.0	99.9	102.3	101.9	100.5	101.2	100.8	99.6	102.0	101.2
1996	Q3	99.5	100.4	98.7	98.8	103.3	102.1	100.2	101.3	102.2	100.5	101.6	101.5
1996	Q4	100.9	102.3	100.7	100.3	102.7	101.4	101.1	101.7	103.4	100.3	101.0	101.2
1997	Q1	100.5	101.8	101.6	100.7	103.3	101.8	103.8	104.3	105.1	101.9	100.5	100.7
1997	Q2	102.9	103.2	100.6	100.2	103.2	101.5	104.4	105.1	107.3	103.7	100.0	100.5
1997	Q3	100.5	101.4	100.7	100.1	101.6	100.4	105.5	105.7	107.8	104.3	101.3	100.7
1997	Q4	99.5	100.6	101.0	100.3	105.8	103.3	105.4	105.9	109.4	105.8	100.9	100.3
1998	Q1	100.8	100.3	100.6	99.6	105.8	104.3	105.3	105.8	111.2	106.9	101.7	100.4
1998	Q2	99.0	97.9	101.7	100.1	104.5	103.6	106.1	106.5	112.0	107.7	100.8	99.8
1998	Q3	98.6	95.7	101.8	99.8	103.7	102.5	107.5	107.6	113.8	108.6	101.0	99.7
1998	Q4	96.4	94.9	100.3	98.3	103.0	101.7	107.6	107.7	113.5	108.9	101.9	100.4
1999	Q1	91.9	90.3	99.1	97.0	102.7	101.2	107.5	107.8	116.0	110.8	104.0	102.0
1999	Q2	93.8	91.1	98.1	95.4	103.6	101.7	108.4	108.1	116.5	111.6	104.5	102.4
1999	Q3	93.9	90.2	97.9	95.1	103.6	102.5	107.9	108.2	118.0	113.4	105.4	103.2
1999	Q4	86.6	87.3	97.6	94.4	104.0	102.7	110.0	109.8	119.3	114.4	106.2	103.3
2000	Q1	88.3	87.1	96.7	93.4	103.2	101.7	107.3	107.4	118.6	113.6	104.6	101.7
2000	Q2	89.4	88.9	96.7	92.8	106.1	104.2	108.1	108.3	120.4	115.8	106.7	103.9
2000	Q3	90.1	89.1	94.7	91.2	108.0	105.9	108.1	107.9	121.6	116.1	106.7	104.4
2000	Q4	91.0	90.1	93.5	89.9	107.7	104.9	110.7	109.7	124.1	118.7	108.3	105.7
2001	Q1	87.7	84.1	92.6	88.9	108.1	106.1	111.0	110.4	124.0	118.8	107.6	105.3
2001	Q2	84.2	82.0	92.3	88.8	108.1	106.7	111.4	111.0	125.5	119.9	109.5	106.9
2001	Q3	82.3	79.8	91.0	87.3	109.1	108.3	110.9	111.0	124.5	119.0	110.0	107.1
2001	Q4	82.9	80.1	89.8	86.2	109.9	108.7	110.5	110.1	124.3	119.2	110.3	107.4
2002	Q1	84.3	82.6	89.2	85.2	109.7	108.9	110.6	110.1	124.2	118.0	111.8	108.6
2002	Q2	79.1	77.0	87.3	83.4	109.3	109.0	110.9	110.2	123.4	117.0	112.2	109.0
2002	Q3	80.2	75.0	86.7	82.5	108.5	108.4	112.5	111.9	124.7	118.1	113.1	109.9
2002	Q4	79.1	73.1	86.5	82.6	111.9	110.3	112.5	111.7	124.8	118.1	114.3	110.9
2003	Q1	79.7	73.9	85.5	80.9	111.4	110.9	112.7	111.8	126.3	119.4	114.5	111.1
2003	Q2	80.4	75.3	84.5	79.5	113.1	112.3	112.9	111.6	127.9	120.0	115.7	111.7
2003	Q3	80.8	76.1	84.3	79.2	114.1	113.2	112.3	111.1	127.8	119.9	116.0	111.9
2003	Q4	79.7	75.9	82.2	77.8	116.2	114.3	111.6	111.1	127.6	119.3	116.0	111.5

Estimates of the volume of capital services

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This article presents experimental estimates of the volume of capital services for the UK as a whole, by five asset types and also by industry. Developing these estimates is part of a wider Office for National Statistics (ONS) strategy for developing the input estimates required for estimating multi-factor productivity. This article presents updated results from those published in the November 2003 edition of *Economic Trends*. The capital services measures seen here complement the wealth-based estimates presented in the National Accounts and are based on the same raw data. This article describes the estimation methodology and includes estimates from 1950 in most cases.

Introduction

The Office for National Statistics (ONS) previously published a Volume Index of Capital Services (VICS) in November 2003 in an earlier *Economic Trends* article (Vaze, 2003). This presented results for 36 broad industries and five asset types, as well as a whole-economy VICS, up to the year 2002. The development of the VICS estimates is part of a wider strategy of producing consistent and accurate multi-factor productivity (MFP) estimates for the UK. This includes the simultaneous development of a Quality Adjusted Labour Input (QALI) measure. QALI and VICS will be the main inputs into any MFP estimates produced by ONS.

An accompanying article in this edition of *Economic Trends* describes updated estimates of the QALI measure for the UK. The results of these two work streams are not yet suitable for combined use, as currently QALI estimates are provided on a quarterly basis, whilst VICS estimates are provided on a yearly basis. The other main difference is that QALI is estimated using a Törnqvist index, whilst VICS is estimated using a Laspeyres index to ensure consistency with the National Accounts output measures. Further work is needed to make these two work streams fully compatible.

VICS measures flows of capital services from capital assets, of all types and ages, in an industry, sector, or in the whole economy. The VICS weights together the growth of the net stock of assets using weights that reflect the relative productivity of the different assets that make up the capital stock. This is in contrast with the capital stock estimates in the National Accounts, which use asset prices for weightings. The capital stock estimates in the National Accounts are therefore wealth estimates of the capital stock whilst the VICS are estimates reflecting the input of capital into production.

VICS is the measure suitable for analysing and modelling productivity. This is because, by definition, a capital asset generates a stream of services that spans more than one accounting period. Conceptually VICS is the measure which attempts to estimate the actual contribution made by the capital stock to the production process within each year. There is much interest in how capital stocks impact on growth empirically. The link between productivity growth and capital has been discussed with particular reference to the recent large investments in assets related to the new economy, such as computer investment. VICS provides a more suitable measure for this purpose than the existing gross and net capital stock measures available in the National Accounts because it recognises both the short life-length of these assets and the rapid price falls observed in such high technology goods.

Defining capital and measuring its contribution to production has been a contentious issue for both economists and statisticians for many years. Early work in this area includes Jorgenson (1963), the seminal growth accounting study by Jorgenson and Griliches (1967), Hall and Jorgenson (1967) on the cost of capital, and the work of Hulten and Wykoff (1981a) and (1981b) on the estimation of depreciation rates.

More recently there has been a degree of international agreement about the conceptual issues concerning the stocks and flows of capital. The Organisation for Economic Co-operation and Development (OECD) published a manual in 2001 (OECD, 2001b) covering the measurement of capital stocks and providing practical guidelines for estimation. One of the themes of this manual is that capital formation should be disaggregated into a number of different asset types. Currently ONS investment series separate the main assets as buildings, plant and machinery, vehicles and intangibles. However, previous work (Oulton and Srinivasan, 2003; Vaze, 2003) has shown that UK capital stock measures (and capital services measures) are sensitive to the treatment of assets with a short life-length, such as computers. For this reason the VICS treats computers as a separate asset and so provides a better measure of the flow of input from the capital stock into production. Future work is planned to also treat computer software as a separate asset.

Estimation methodology

The methodology used to estimate VICS is the same as that in Vaze (2003), with two exceptions. These are the separate deflation of computers from 1984 onwards, instead of 1995 onwards, and also the different level of aggregation at which VICS is estimated. Both of these are discussed in more detail below. An overview of the methodology is given here with technical details provided in the appendix. A more detailed summary of the VICS methodology can be found in Oulton and Srinivasan (2003).

The four main stages in the estimation of VICS are:

- using a Perpetual Inventory Model (PIM) to calculate a net stock series from a history of constant price investment series
- pricing the services from an asset using an estimated rental for each asset
- generating weights, using the estimated rentals and net stock series, which reflect the input of each asset into production
- combining the weights and net stock growth to give capital services estimates.

A PIM is used to convert time-series data about the volume of purchases of assets (constant price investment) into a net capital stock measure. To do this we need to take account of assets decaying over time and specify a depreciation function. Two commonly used depreciation functions are straight-line and geometric. Straight-line depreciation, which is the method used in calculating the wealth measures of capital stock in the National Accounts, is a profile based on a constant annual amount of capital depreciation over the life of the asset. The VICS uses geometric depreciation which is a function based on a constant annual rate of depreciation over the life of the asset. For example, if the selected depreciation rate per annum is 10 per cent then 90 per cent of the asset will remain after the first year, 81 per cent after the second year and so on.

For VICS, an infinite geometric depreciation function is used and the form of the associated geometric PIM is given in the appendix. As can be seen in the appendix, a geometric PIM requires a history of investment data and a history of depreciation rates. The rates used are calculated using the life-length means assumed for each asset and each vintage in the National Accounts capital stock estimation. The life-length means give the average years that an asset lasts for after purchase. The method for converting these life-length means into depreciation rates is also given in the appendix. One thing to note is that the depreciation rate of assets varies over vintage. This is because the life-length means of assets vary, depending on the year of purchase. Changes across time are infrequent but in general life-length means have reduced over time. This reduction in life-length means reflects both reviews of the assumptions made by ONS and also a shift to shorter-lived assets. Oulton and Srinivasan (2003) show that the growth rate of VICS (but not the level) is insensitive to variations in depreciation rates.

The rental price of a capital asset is the unit cost for the use of the asset for one period. The rental price is also commonly referred to as the 'user cost of capital'. For VICS the rentals are modelled using the Hall-Jorgenson (1967) formula for the cost of capital as shown in the appendix. It can be seen in the appendix that the rental is made up of three components. The first part reflects the fact that the asset will lose value over time (depreciation), the second is the rate of return, and the last part reflects the impact on the rental due to a change in the purchase price of a new asset. These three components are adjusted to reflect the taxes and subsidies that accompany an investment (details are provided in the appendix).

The rate of return, which makes up part of the rental calculation, is not known and so is modelled endogenously when estimating VICS. This is done using the assumption that the rate of return exhausts the entire operating surplus in the economy. Dwellings are not modelled as part of the productive capital stock, so the part of operating surplus attributable to dwellings has been deducted from total UK gross operating surplus, as measured by owner-occupied imputed rents and the depreciation of the stock of dwellings. Future work is planned to investigate whether industry-specific rates of return could be used instead of assuming the same rate of return across all industries.

Given net stock estimates and rentals we can combine these to generate weights for the VICS estimation, as shown in the appendix. These weights give the value-added shares needed to estimate the VICS. Part of the weights calculation includes multiplying the rental with the stock of capital. This gives the value of capital services over a year. As can be seen in the appendix the weights differ depending on whether we are calculating an industry, asset or whole-economy VICS. Under an assumption of profit maximisation and market competitiveness, it can be shown that these shares approximate the elasticity of output to the volume of capital services being put into the production process.

Final VICS estimates are estimated by aggregating (over industry, asset, or whole - economy) the growth in the net capital stock using the appropriate weights. The appropriate

equations for both an industry VICS and an asset VICS are shown in the appendix. As the weights used are base period shares we have a chain-linked Laspeyres VICS. The use of Laspeyres is to ensure consistency with the current UK chain-linked macroeconomic aggregates.

Data

The raw data used to estimates VICS is the same as that underpinning the National Accounts capital stock estimates and is consistent with the *Blue Book* 2005. The dataset consists of a long back-history of constant price investment data, classified by SIC92 industries, life-length means and price deflators. The previous VICS estimates used this raw data at a more aggregated level (36 industries) than is done in the National Accounts. The VICS estimates here are produced using the same level of aggregation as the National Accounts for two reasons. Firstly, this makes the VICS estimates more consistent with the National Accounts and secondly, the lower level of aggregation allows more detailed analysis and a wider range of estimates. The different level of aggregation at which VICS is estimated is one of the many sources of revisions highlighted in Table 1.

The asset breakdown of the investment series is: buildings, plant and machinery, vehicles and intangibles. In order to treat computers as a separate asset, computer investment has to be separated from investment in plant and machinery and the associated price deflators have to be adjusted to account for this. The method for doing this is discussed in the next section. It should be noted that, although an appropriate life length is used for computers in the National Accounts, the capital stock estimates do not separately deflate computers, and so computers are not fully treated as a separate asset. This remains an area where the National Accounts capital stock model will be improved and the VICS work on computers should help with this development.

Computers

Vaze (2003) showed the impact on VICS estimates of treating computers as a separate asset to plant and machinery. Due to the relative price of computers falling rapidly, and the economic lives of computers being much shorter than those of most other types of plant and machinery, the treatment of computers as a separate asset is now standard in capital stock models (Oulton, 2001; O'Mahony and de Boor, 2002; OECD, 2001). VICS will give more weight to assets for which the rental price is high in relation to the asset price and this will be the case for computers. As such, computers continue to be treated as a separate asset for the VICS estimates presented here and some improvements have been made in the methodology for doing so.

In order to treat computers as a separate asset a time-series of constant price investment data is needed together with an appropriate life-length mean and a price deflator. As for the previous VICS estimates, the basis for the computer investment is the current price computer investment in the most recent supply-use analysis. In this case, the supply-use analysis consistent with the *Blue Book* 2005. Current price computer investment can be obtained from Table 6 of the supply-use tables (product 69) and is currently available at the 57-industry level. As the most recent supply-use tables only cover the period 1992 to 2004, a previous supply-use table for 1984 was used in order to get a series covering the period 1984 to 2004, with the interim years being interpolated.

As noted above, a life-length mean for computers (five years) is already used in the National Accounts capital stock estimation and so this same life-length mean is used in the VICS estimation.

For the previous VICS estimates, separate deflation of computers was only conducted for years after 1995. This time, computers have been separately deflated from 1984 onwards (that is, the whole period for which computers are treated as a separate asset). The computers producer price index (PPI) is used as the computer deflator (ONS code PQEK), which is available from 1986. The computer deflator for 1984 and 1985 has been estimated by projecting backwards the 1986–87 growth rate of this PPI. Ball and Allen (2003) discuss the introduction of hedonic regression techniques for the quality adjustment of computing equipment in the PPI. Combining the current price computer investment obtained using the supply-use tables and the computer deflator, constant price computers investment can be generated as required for use in the PIM.

Plant and machinery investment as well as the associated plant and machinery PPIs all have to be adjusted to take account of the treatment of computers as a separate asset. The method has been to constrain total investment, in both current price and constant price to National Accounts totals to maintain consistency with the National Accounts capital stock estimates. This means that the plant and machinery PPIs have to be adjusted to remove the effect of computer prices, an asset for which prices have been falling rapidly. This has a positive effect on asset price growth for plant and machinery.

Capital services estimates

This section presents a variety of capital service estimates based on the methodology described above. Estimates are presented for the whole - economy, by five asset types and also by industry. A 57-industry breakdown, consistent with the most recent supply-use analysis, is presented together with a six-industry breakdown consistent with the industry breakdown at which the ONS quality adjusted labour index has been published in this edition of *Economic Trends*. In most cases estimates cover the period 1950 to 2004.

Due to space limitations not all available data is presented here. A full set of results including downloadable data tables will be available from www.statistics.gov.uk/cci/nscl.asp?id=8311

Estimates for public sector capital services in education were published in October 2005 in the Public Service Productivity article on education. Currently this public/ private split has only been estimated for the education industry. However, future work is planned to see if a full public / private split of VICS is possible.

Capital services in the UK

Figure 1 shows the annual growth in VICS for the UK over the period 1950 to 2004. It can be seen that there is strong and sustained capital services growth up to the early 1970s. As noted in Vaze (2003) this early period suffers from one notable measurement issue: quantifying the one-off loss of capital associated with the Second World War (Dean, 1964) provides the official estimates of this). The 1970s saw more modest capital services growth with growth falling in most years up until the early 1980s. This period coincides with a slowdown in the world economy, partly due to the oil shocks in 1973 and 1979. The series reaches its lowest point in 1981 with annual growth in capital services of just 1 per cent.

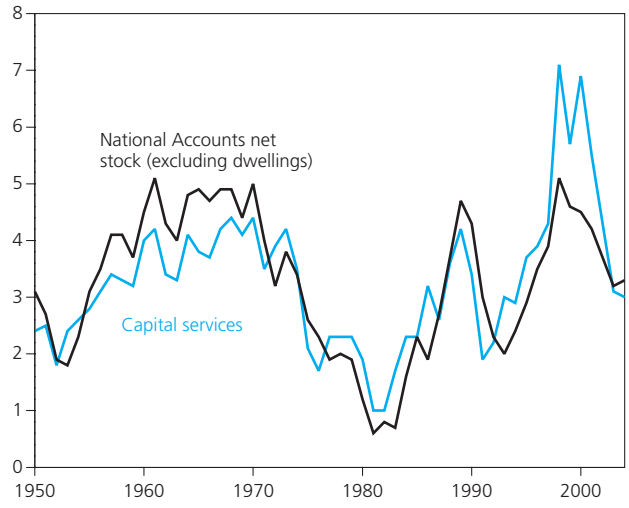
Post 1981, capital services growth began to increase again reaching a local peak of over 4 per cent in 1989. Capital services growth then fell rapidly in the early 1990s as a result of the recession in the UK. In the late 1990s and in more recent years capital services has shown very strong growth, peaking in 1998 at over 7 per cent. As will be seen later this strong capital services growth is driven by high levels of investment in computers and the associated growth in capital services from this asset.

Average growth for the period 1950 to 2004 was just over 3 per cent, whilst growth in the last 10 years averaged close to 5 per cent.

Also shown in Figure 1 is the annual growth in the wealth measures of net stock from the National Accounts. The National Accounts series is the growth in total net stock excluding dwellings (Net stock excluding dwellings is calculated as ONS code GUCJ minus ONS code EXJF). The close fit of the two series is to be expected as they are both based on the same raw data set, consisting of long time series of capital formation data, deflators and life length means (assumed life lengths of assets). The differences in the two series are due to:

Figure 1
Annual growth in capital stock measures, 1950–2004

Per cent



- the separate deflation of computers
- the use of geometric rather than arithmetic PIM
- the weighting of net asset growth by profit shares in VICS rather than in asset value terms as in the National Accounts.

The larger divergence in the series starting in the late 1990s is due to the separate deflation of computers for VICS, a method not currently used for estimating the National Accounts capital stock. The period after 1990 was also one of fast growing investment in computers while their price fell rapidly. This combination makes the share of computers in the VICS grow over time (see Figure 8) and makes the VICS grow more rapidly. Both series peak in 1998, but the National Accounts net stock peaks at a growth rate of just over 5 per cent compared to the VICS at over 7 per cent. Average growth over the whole period 1950 to 2004 is actually the same for both series at just over 3 per cent.

Revisions since previous release

As noted above ONS previously published VICS in November 2003 with results for 36 broad industries and five asset types, as well as a whole - economy VICS, up to the year 2002. A full revisions analysis is not presented here due to the large number of series being presented and also due to the large number of sources of revisions. Table 1 lists the sources of revisions since the previous release.

As a more detailed industry breakdown is being published this time (57 rather than 36 industries) no industry revisions analysis can be provided. Data on growth in capital services by asset type was only previously published from 1991, whereas this time estimates are to be published from 1950, except for computers (from 1987) and intangibles (from 1991). As such the analysis focuses on showing results rather than a comparison of the revisions to the latest years.

Table 1
Sources of revisions

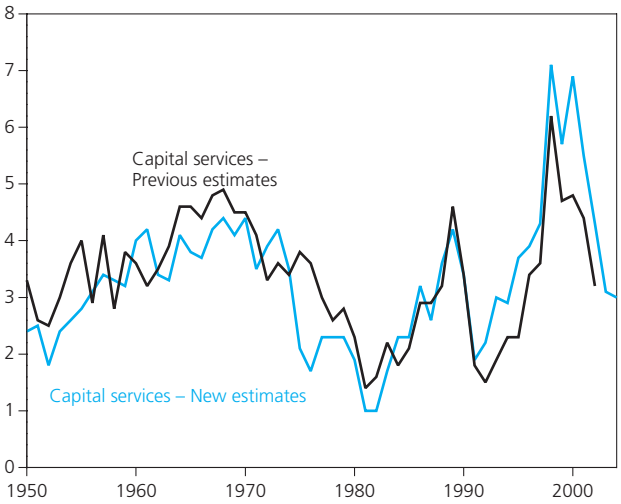
Source of revisions
Revisions to constant price (KP) gross fixed capital formation (GFCF) data
Revisions to deflators
The effect of rebasing of deflators and GFCF data from 1995 to 2000
Revisions to life length means (these are small)
Lower level of estimation

Figure 2 shows the new estimates of the whole-economy VICS against the previously published estimates. It can be seen that revisions to the whole economy VICS are small in magnitude considering the large number of sources of revisions.

The periods of most divergence are in the early 1970s and also in the last decade. The divergence in the last decade is most notable and is the result of the improved treatment of computers, including the separate deflation of computers from 1984 onwards, for which capital services are growing very rapidly (as will be shown later). The fast growth in capital services from the stock of computers is better captured by the new methodology and hence whole-economy capital services grows faster in recent years than was previously estimated.

Figure 2
Annual growth in capital services: new estimates and previous estimates, 1950–2004

Per cent

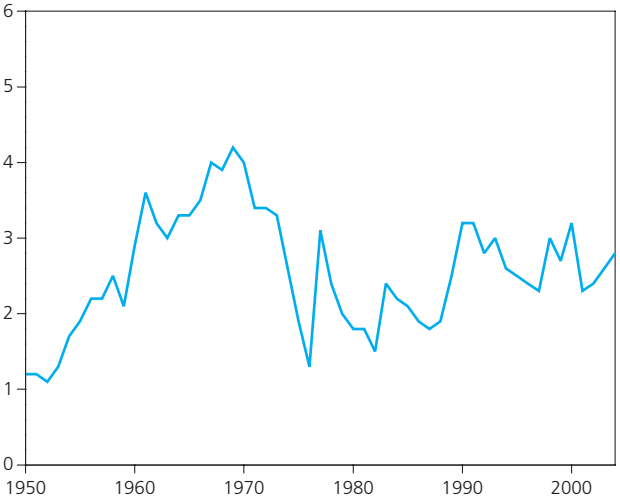


Capital services by asset type

Figure 3 shows the VICS series for buildings for the period 1950 to 2004. It can be seen that the growth in capital services from buildings is relatively stable over the period in comparison with the growth in capital services for other asset types (shown later) and also whole-economy capital. This is to be expected as the building stock depreciates at a slower rate than other assets and so the net stock tends to fluctuate less.

Figure 3
Annual growth in VICS – Buildings, 1950–2004

Per cent

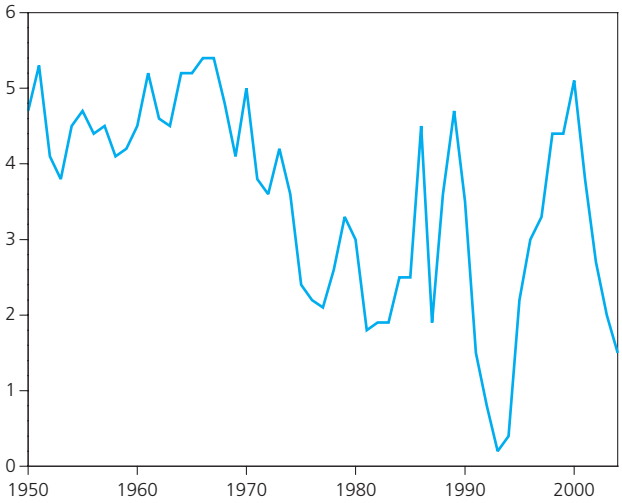


Capital services growth increased steadily in the 1950s and 1960s rising to its peak growth rate of over 4 per cent in 1969 after which there is a noticeable downturn in the growth rate. The downwards spike in 1975/76 is being driven by a fall in the net stock over this period in some industries – possibly related to the 1973 oil shock. Average growth over the period 1950 to 2004 is about 2.5 per cent, a little below that of whole economy capital services at just over 3 per cent.

Figure 4 shows the VICS series for plant and machinery including purchased software for the period 1950 to 2004. Annual growth in capital services from plant and machinery was high and sustained in the 1950s and 1960s around 4 or 5 per cent. As with other asset types there was then a fall in growth in the early 1970s which continued until the early 1980s. After 1985 there is a clear increase in the variability of the growth rate of capital services. This will be the result of the inclusion of purchased software in the series and also due to the treatment of computers as a separate asset after 1984. Ideally software should be treated as a separate asset and the expansion of software investment over the last decade or so may be causing the increased variability. Computers are only treated as a separate asset after 1984 and this could also explain the apparent break in the series. Further work is planned to treat software as a separate asset and also further develop the separate treatment of computers as a separate asset.

Figure 4
Annual growth in capital services – Plant and machinery including purchased software, 1950–2004

Per cent



Average growth over the period 1950 to 2004 is around 3.5 per cent, just above that of whole economy capital services. In contrast average growth prior to 1980 was over 4 per cent, whilst average growth after 1980 was under 3 per cent per annum. The recession of the early 1990s accounts for this lower average growth in the latter period with growth falling close to zero in 1993.

Figure 5 shows the VICS series for vehicles for the period 1950 to 2004. It can be seen that the series is very volatile throughout with periods of both positive and negative capital services growth. There are two noticeable periods of negative growth. The first of these is in the early 1980s, the period directly after the second oil shock, and the second in the early 1990s. Average growth over the period 1950 to 2004 is about 1.5 per cent, less than half the growth rate of whole economy capital services.

Figure 5
Annual growth in VICS – Vehicles, 1950–2004

Per cent

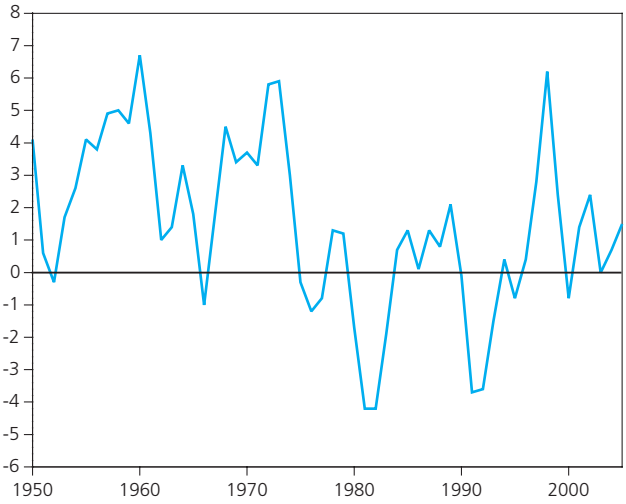


Figure 6 shows growth in capital services for computers over the period 1987 to 2004. Capital services from computers grow rapidly over the whole period with an average growth rate of over 21 per cent. Annual growth is lowest in 1991, but at nearly 8 per cent it is still well above growth in capital services from other assets for this period. The time trends of capital services growth for computers also differs dramatically from other assets. The other asset types saw a fall in capital services growth in the early 1990s, associated with the recession in the UK. From Figure 6 it is clear that there was no fall in capital services growth in the early 1990s for computers and indeed growth in capital services actually shows a sustained increase in growth from 1991 to 2000. It should be noted that the VICS reflects both the increased quality of computer power as well as changes in the level of investment. For some of the years in the period 1991 to 2000 investment declined year-on-year but capital services still increased due to increased quality of computer power.

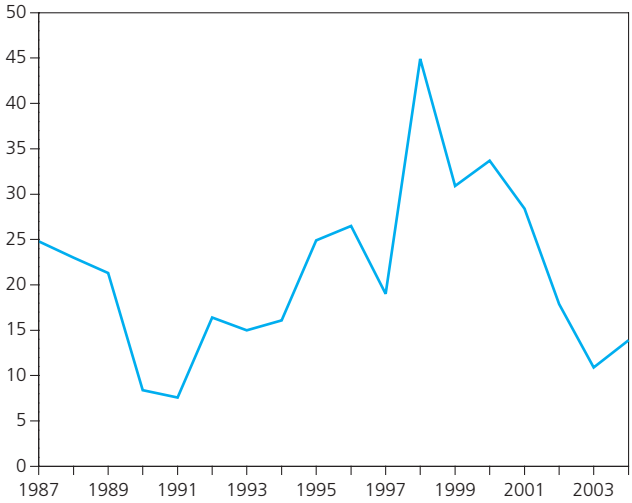
Peak capital services growth occurs in 1998 with an annual growth rate of around 45 per cent. This peak is due to high levels of investment in computers which could well be associated with the year 2000 effect and the well publicised 'millennium bug' as firms try to mitigate the effect by investing in the latest computer technologies. The other contributing factor, and possibly the more significant one, is the growth in the so called dot com firms and the increased use of the Internet by business, which meant that computers became a more common feature in everyday business.

After 1998 there is a sustained fall in capital services growth until 2003 where annual growth had fallen to just over 10 per cent. Figures for 2004 suggest that 2003 may be a local minimum with annual growth rising to about 14 per cent.

Figure 7 shows growth in capital services from intangibles over the period 1990 to 2004. Although data from 1950 feeds into the whole economy capital services estimates only data from 1990 onwards is being published. The reason is that pre-1970 data is based on a limited number of data series, mainly covering mineral exploration, while post-1970 data

Figure 6
Annual growth in capital services – Computers, 1987–2004

Per cent



is dominated by own-account software. As such there is an obvious break in the series. It should be noted that the impact on the other VICS estimates of this break in the series is very small as the profit share of intangibles is only around 3 per cent (see Figure 8).

Intangibles does not cover purchased software (which is currently included in plant and machinery) and so the intangibles series does not fully account for the importance of software. Future work is planned to treat software as a separate asset. This will mean that intangibles will no longer include own-account software.

Figure 7
Annual growth in capital services – Intangibles excluding purchased software, 1990–2004

Per cent

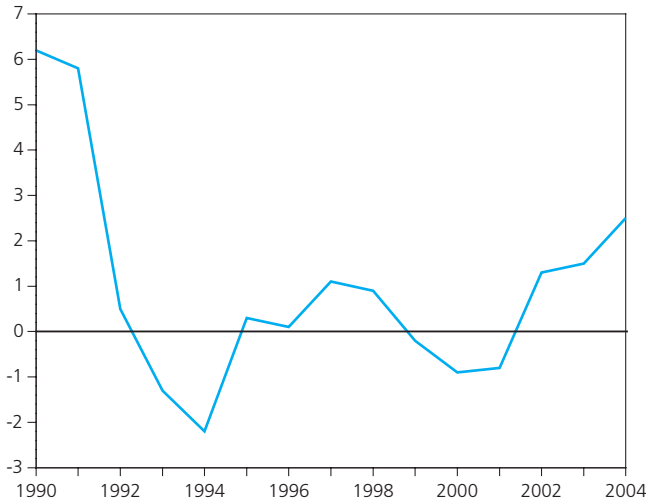


Figure 7 shows that the growth in capital services has been low since 1992 with periods of both positive and negative growth. Average growth over the period 1990 to 2004 was only about 1 per cent.

Table 2
Annual growth in the volume of capital services, by 57 industries, 1994–2004

Annual change (per cent)

Industry	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Production industry											
Agriculture	2	0	3	1	0	–2	1	–1	1	0	1
Forestry	–3	–2	–2	–4	–3	–4	–6	–3	–2	–3	–3
Fishing	–7	–5	–6	–7	–6	–6	–7	–6	–4	–5	–6
Coal extraction	–4	–3	–4	–6	–4	–5	–5	–5	–4	–5	–4
Oil & gas extraction	1	0	0	0	0	–3	–6	–4	–1	–2	–2
Mining of metal ores	–	–	–	–	–	–	–	–	–	–	–
Other mining & quarrying	–3	–2	–1	–3	–2	0	–1	–2	–1	0	0
Food products & beverages	0	0	1	2	3	3	2	1	1	2	0
Tobacco products	0	0	–1	3	6	2	–1	–1	–2	–2	–3
Textiles	1	1	1	0	3	–2	–2	–3	–1	–1	–3
Wearing apparel & fur products	–1	1	3	–1	2	5	–2	–1	0	–5	–5
Leather goods & footwear	9	8	0	1	2	–1	–6	–1	–2	–6	2
Wood & wood products	–1	1	1	3	3	3	1	1	–1	4	4
Pulp, paper & paper products	20	40	5	7	10	3	8	3	–1	10	–1
Printing & publishing	3	4	1	2	2	3	4	2	1	3	0
Coke, refined petroleum & nuclear fuel	–2	4	0	–2	–1	–1	–2	–1	–1	–1	–3
Chemicals & chemical products	4	4	3	3	6	3	1	1	0	–1	–1
Rubber & plastic products	3	7	8	4	5	4	3	–1	0	2	–1
Other non-metallic mineral products	0	3	4	2	3	4	2	1	1	2	1
Basic metals	–2	0	–1	–1	0	–3	–2	–3	–2	–1	–2
Metal products	2	3	4	4	8	3	1	3	2	3	0
Machinery & equipment	2	4	2	2	4	1	1	1	0	–1	0
Office machinery & computers	20	17	8	5	7	3	5	6	–4	–15	0
Electrical machinery	1	1	2	7	5	5	0	8	–13	6	3
Radio, TV & communication equipment	4	18	11	13	7	0	16	1	–5	–10	–4
Medical & precision instruments	19	10	13	11	11	15	11	8	5	–1	1
Motor vehicles	1	5	3	7	3	3	2	4	–1	–1	0
Other transport equipment	–6	–1	0	3	3	5	3	6	6	1	1
Other manufacturing	4	6	8	7	6	6	3	6	3	1	6
Recycling	–8	14	–3	6	7	–2	8	0	5	6	6
Electricity & gas	1	1	–1	0	1	1	2	2	0	0	0
Water	8	9	9	14	8	8	4	15	8	7	5
Construction	5	2	–1	6	5	7	7	3	13	7	6
Service industry											
Motor vehicle distribution & repairs, fuel	6	5	7	6	16	8	10	9	16	11	6
Wholesale distribution	4	6	3	13	13	8	4	10	5	3	2
Retail distribution	4	8	4	5	12	6	8	9	9	8	7
Hotels & restaurants	2	7	7	6	8	8	8	10	6	4	3
Land transport & transport via pipelines	3	1	0	1	1	2	1	4	3	3	1
Water transport	12	12	–3	–1	–4	–4	15	–2	3	14	–3
Air transport	24	–8	7	41	18	12	21	15	25	7	–1
Ancillary transport services	5	3	11	19	7	5	9	15	14	13	9
Post & telecommunications	6	9	13	11	20	16	19	13	3	–1	2
Financial intermediation	2	4	5	–4	13	6	17	5	6	–3	–1
Insurance & pension funds	6	1	3	4	4	3	7	3	–3	1	5
Auxiliary financial services	23	22	33	23	12	26	3	58	29	23	13
Real estate activities	4	3	4	3	1	10	10	8	9	11	12
Renting of machinery etc	14	15	11	6	23	9	10	8	8	4	9
Computer services	23	15	24	28	29	42	29	29	19	24	16
Research and development	24	26	31	20	19	23	24	9	33	11	1
Other business services	–2	8	19	10	40	30	24	7	7	3	10
Public administration & defence	4	4	2	1	1	2	2	2	3	4	5
Education	1	1	1	3	3	2	3	7	5	6	5
Health and social work	–2	2	3	1	5	6	5	3	6	4	4
Sewage & sanitary services	1	3	3	8	7	8	6	7	6	6	2
Membership organisations	2	2	8	12	15	13	13	–8	26	9	18
Recreational services	4	5	7	7	7	10	11	9	5	4	4
Other service activities	5	4	9	10	13	8	11	17	5	13	8

Capital services by industry

Capital services estimates have been produced at both the 57-industry and six-industry levels. The 57-industry breakdown is the same as is provided in Table 6 of the most recent Input-Output Analysis while the six-industry breakdown coincides with that at which the ONS Quality Adjusted Labour Input (QALI) is published. Data covering the period 1950 to 2004 is available for most industries as are associated profit shares by industry. Due to space limitation only data covering the period 1994 to 2004 is covered in this article. A full set of industry results will be available from www.statistics.gov.uk/cci/nscl.asp?id=8311

Table 2 shows the annual growth in the volume of capital services by 57 industries for the period 1994 to 2004. These are split into production and service industries for analysis purposes and it is clear that there is a marked difference between these two types of industries in terms of capital services growth. Over the period shown capital services growth is much stronger in the service industries than in the production industries. A simple un-weighted average gives growth in 2004 for the services industries of nearly 6 per cent. This compares with average growth of zero for the production industries in 2004. One noticeable feature of the data is that many production industries show negative growth in capital services, while for the services industries, negative growth is limited to a few specific industries, such as water transport.

There is also a substantial amount of variation within both the production and service industries as well as across them. The highest average growth over the period for the production industries is in the medical and precision instruments industry at 9 per cent. The lowest average growth is minus 6 per cent, in the fishing industry. For the services industries the highest average annual growth over the period 1994 to 2004 is 25 per cent, in the computer services industry. This industry has seen substantial growth in output, employment and investment over the period. In its use of capital, the industry is the most computer-intensive of all industries and high growth in capital service is clearly being driven by investment in computers. Auxiliary financial services is another industry that experiences very strong capital services growth over the period, with an average annual growth rate of over 24 per cent. Once again this is an industry that has seen large increases in computer investment. In contrast average annual growth is under 2 per cent for land transport and transport via pipeline industries and about 2.5 per cent for public administration and defence.

Table 3 below shows annual growth in the volume of capital services for six industries. The data is much less informative than Table 2 as it hides much of the variation across lower level industries. The six-industry breakdown is shown to allow some comparison with the quality adjusted labour input estimates published in this edition of *Economic Trends*. The warning in the introduction should however be noted here as the series are not yet fully consistent. The results reinforce the discussion above with regards to production versus services industries. The first three industries cover the production industries and it is clear that capital services growth is lower than that for the last three industries, which cover the services industries.

Unsurprisingly industry five – financial intermediation, real estate, renting and business activities – shows the fastest growth in capital services over the period. This strong capital services growth will be due to strong growth in investment with computer investment making up a significant proportion of total investment for this industry.

Profit shares

The weight of each asset or industry in calculating the whole VICS is the share of gross operating surplus attributable to each asset or to each industry. These are usually referred to as profit shares. The time profile of the profit shares by asset over the period 1950–2004 are shown in Figure 8.

Table 3
Annual growth in the volume of capital services, by six industries, 1994–2004

Annual change (per cent)

Industry	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
1 Agriculture, hunting, forestry, fishing, mining quarrying, utilities	*1*	*1*	*0*	*0*	*0*	*–1*	*–1*	*0*	*0*	*–1*	*–1*
2 Manufacturing	*1*	*4*	*3*	*3*	*4*	*2*	*2*	*2*	*–0*	*0*	*–0*
3 Construction	*5*	*2*	*–1*	*6*	*5*	*7*	*7*	*3*	*13*	*7*	*6*
4 Wholesale and retail trade, hotels & restaurants, transport, storage and communications.	*5*	*5*	*5*	*9*	*11*	*9*	*10*	*10*	*7*	*4*	*3*
5 Financial intermediation, real estate, renting & business activities	*5*	*5*	*10*	*6*	*17*	*15*	*16*	*10*	*9*	*5*	*7*
6 Public administration & defence, education, health and social work, other social and personal services, and extra-territorial activities.	*2*	*3*	*3*	*3*	*4*	*4*	*5*	*5*	*5*	*5*	*4*

Figure 8
Profit shares by asset, 1950–2004

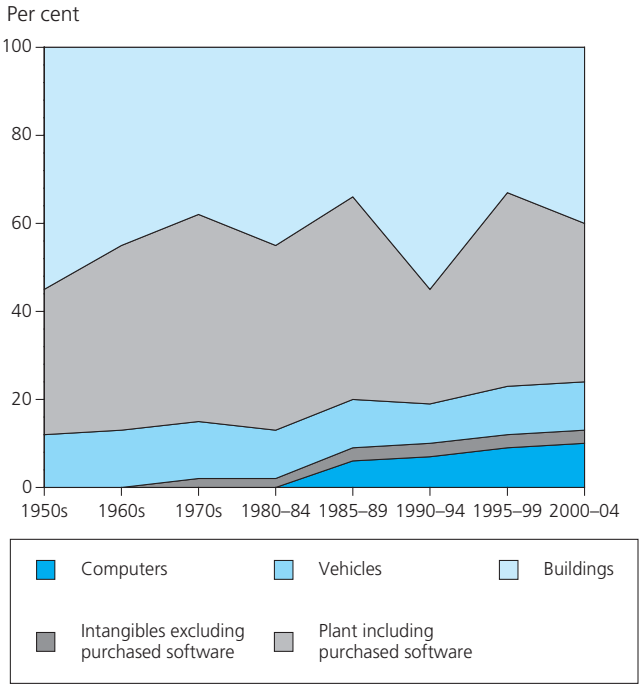


Figure 8 shows that the composition of profit shares has changed since the 1950s. The share of buildings has generally fallen since the 1950s, whilst that of vehicles has remained fairly constant. The share of plant and machinery has been more variable, increasing in the 1960s and 1970s, falling considerably during the period 1990–94, before returning to a level similar to the 1950s by 2000–04. Most interesting is the rise in the profit share of computers. From a zero profit share in 1980–84 (in which period computers are not separately identified from plant and machinery), the profit share of computers has increased each period, cumulating in a share of 10 per cent in the period 2000–04.

Profit shares by industry have also been calculated and will be available on the National Statistics website.

Conclusions

This article presented experimental estimates of the volume of capital services for the UK as a whole, by five asset types and also by industry. As well as describing the estimation methodology the key features of the data have been described in this article. The key features include the strong growth in capital services from computers and the much stronger capital services growth in the service industries than in the production industries. The increasing profit share of computers is also an important feature of the data. As noted above, further results will be available from www.statistics.gov.uk/cci/nscl.asp?id=8311

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Appendix

Geometric PIM to calculate capital stock

The geometric PIM used to calculate net stock takes the following form:

$$K^i_{at} = \sum_{r=0}^{\infty} (1-\delta_{a,t-r})^r \cdot I^i_{a,t-r}$$

where K is the volume of net stock for a particular asset a in industry i and t is the year under consideration. I is investment in a particular asset a in industry i and δ is the rate of depreciation for an asset purchased in a particular year.

Depreciation rates from life-length means

The depreciation rate δ is calculated using the following equation

$$\delta = R / \overline{T}$$

where R is called the 'declining balance rate' and $\overline{T}$ is the life-length mean. R will differ across asset types and the values for R are given in Table A1 below. When $R=2$, as it does for intangibles and computers, we have what is referred to as the 'double declining balance' method. The life-length means differ across asset, industry and time and hence so do the depreciation rates.

Table A1
Declining balance rates by asset

Type of asset	Declining-balance rate
Intangibles	2
Buildings	0.9
Vehicles	1.853
Computers	2
Plant	1.65

Calculation of Rentals

The rental, r, for a particular asset a in industry i is modelled using the Hall-Jorgenson (1967) formula for the cost of capital in discrete time t.

$$r^i_{at} = T_{at}[\delta^i_a \cdot p^i_{at} + \mathrm{R}_t p^i_{a,t-1} - (p^i_{at} - p^i_{a,t-1})]$$

where p is the price of an asset, δ is the rate of depreciation, and R is the rate-of-return. T_{at} is the tax-adjustment factor which is given by the following:

$$T_{at} = \left[\frac{1-u_t D_{at}}{1-u_t}\right]$$

where u_t is the corporation tax rate and D_{at} is the present value of depreciation allowances as a proportion of the price of asset type a.

Calculation of Industry VICS

The Laspeyres VICS for a particular industry i is calculated using the following:

$$VICS^i_t = \sum_a w^i_{a,t-1} \cdot \frac{K^i_{at}}{K^i_{a,t-1}}$$

where

$$w^i_{at} = \frac{r^i_{a,t-1} \cdot K^i_{a,t-1}}{\sum_a r^i_{a,t-1} \cdot K^i_{a,t-1}}$$

w^i_{at} is therefore the value-added attributable to the stock of each asset in a particular industry.

The equations above can be generalised for any aggregate, such as whole - economy or for a chosen asset. The equations of an asset VICS are given below.

Calculation of asset VICS

The Laspeyres VICS for a particular asset a is calculated using the following:

$$VICS_{at} = \sum_i w^i_{a,t-1} \frac{K^i_{at}}{K^i_{a,t-1}}$$

where

$$w^i_{at} = \frac{r^i_{a,t-1} \cdot K^i_{a,t-1}}{\sum_i r^i_{a,t-1} \cdot K^i_{a,t-1}}$$

Input-Output: Concentration ratios for businesses by industry in 2003

Sanjiv Mahajan
Office for National Statistics

This article presents an overview of Concentration ratios together with statistics produced by the Office for National Statistics (ONS) for 1992 to 2003 as published in the *United Kingdom Input-Output Analyses*, 2005 Edition on 19 August 2005. These estimates are consistent with those published in the 2005 *Blue Book* and 2005 *Pink Book*.

The availability of Concentration ratios provides users with an estimate of the importance and contribution of relatively large businesses in each industry.

Introduction

This article provides detailed information and statistics produced by the Office for National Statistics (ONS) covering UK concentration ratios based on the Input-Output Annual Supply and Use Tables. The availability of these statistics provides users with an estimate of the importance of relatively large businesses in each industry.

The focus of this article is on concentration ratios, changes that have taken place, and the extent of the concentration. This article is not about the competitive nature of the market structure. Concentration ratios can also provide information regarding industry's competitiveness and the scope for economies of scale.

The data for these analyses have been derived from the 2003 Input-Output Annual Supply and Use Tables published by ONS in August 2005, and the 2003 ONS Annual Business Inquiry (ABI), a key input in producing the Input-Output Annual Supply and Use Tables.

Definition and methodology

Concentration ratios provide estimates of the extent to which the largest firms contribute to activity in an industry. There are various methods used to measure concentration ratios using different variables such as sales (turnover), employment, profits, gross value added (GVA) or output.

In this article, the concentration ratios are based on ABI data for each Input-Output (I-O) industry. The percentage of GVA contributed by the leading businesses in each I-O industry has been calculated for the Top five businesses, and the Top fifteen businesses, as follows:

$$\text{Concentration ratio} = \frac{\text{Sum of GVA for the largest businesses}}{\text{Total GVA for industry}}$$

The Top five and Top fifteen businesses in each industry were identified by ranking contributors to the 2003 ABI, which includes all large businesses in its sample, in order of GVA by value. The analysis in this section also provides corresponding concentration ratios for these businesses showing their total output, as a proportion of total output of the industry.

Sources of information

The company information collected and shown in this article is based on reports in the financial press and company websites, as well as already published ONS material. For example: the *ONS Sector Classification Guide, Private non-financial corporations Sector Report, Mergers and Acquisitions* releases, and previous Blue Books. The company names and associated comments are based on published information and do not reveal any disclosive information collected by ONS business surveys.

Key messages

Table 6 shows for each industry, GVA and total output at current basic prices for the top five businesses and the top fifteen businesses, expressed as a percentage of the industry's GVA and total output at current basic prices, as derived from the 2003 ABI. Also shown in Table 6 are comparative estimates of GVA and total output at current basic prices from the 2003 Input-Output Annual Supply and Use Tables.

Figure 1 shows that for most industries the Top five businesses contribute less than 30 per cent of industry GVA and total output at current basic prices. Table 4 shows the top ten and bottom ten industries in terms of the contribution made by the Top five businesses.

Figure 2 shows that for most industries, the top fifteen businesses contribute more than 30 per cent of industry GVA and total output at current basic prices.

Figure 1
Top 5 businesses contribution to GVA and total output: Frequency distribution in 2003

Contribution as a percentage

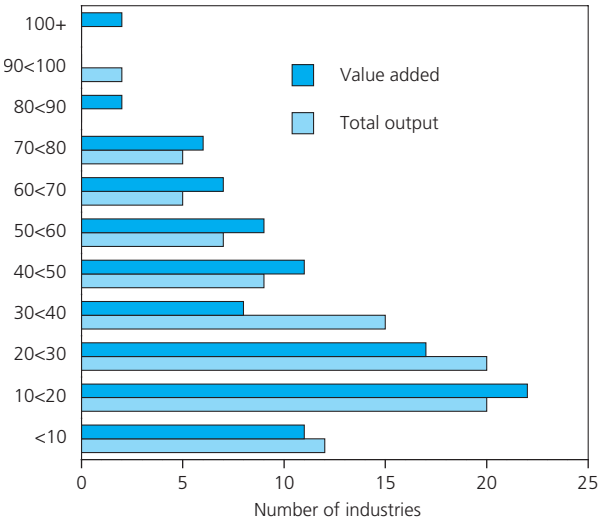

Figure 2
Top 15 businesses contribution to GVA and total output: Frequency distribution in 2003

Contribution as a percentage

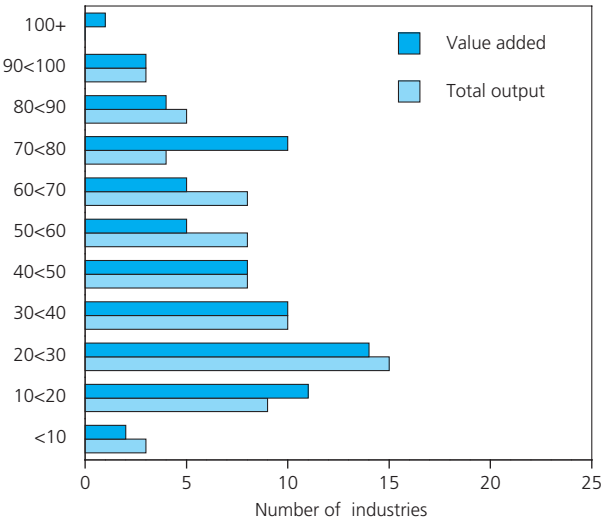

Figure 3
Contribution to GVA and total output of the Top 5 businesses by industry in 2003

Contribution as a percentage

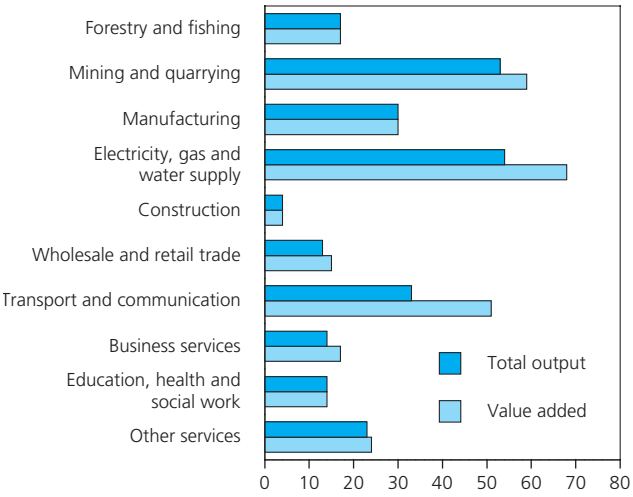

Figure 3 shows that in the UK, there are wide variations between the concentration ratios across the 123 I-O industry groups and, for certain industries, between time periods. Some industries include many small businesses, some of which are run by the self-employed, and these industries have low GVA concentration ratios. Examples of these industries are shown in Table 1.

In the UK, there are a number of industries where a few, very large, businesses have dominated their respective industries for several years, and these industries have high GVA concentration ratios. Some of these industries have many of the characteristics of oligopolies. Examples of these industries are shown in Table 2.

There are many industries/markets in the private sector that have, or moved towards, oligopolistic structures as shown in Table 3.

Table 1
Input–Output industry groups with low GVA concentration ratios

I-O no.	Industry
1	Agriculture
28	Wearing apparel and fur products
31	Wood and wood products
34	Printing and publishing
48	Plastic products
81	Furniture
88	Construction
107	Computer services
114	Other business services
122	Other service activities

Table 2
Input-Output industry groups with high GVA concentration ratios

I-O no.	Industry
5	Oil and gas extraction
15	Sugar
19	Soft drinks and mineral waters
20	Tobacco products
35	Coke ovens, refined petroleum and nuclear fuel
52	Cement, lime and plaster
86	Gas distribution
96	Air transport
100	Banking and finance
110	Accountancy services

Table 3
Examples of sectors with large businesses

Sector	Name of business
Oil & gas extraction	British Gas, BP, ConocoPhillips, ExxonMobil, Shell
Sugar	British Sugar, Tate & Lyle
Soft drinks	Coca Cola, Cadbury Schweppes
Brewers	Allied Domecq, Carlsberg Tetley, Diageo, Interbrew, Scottish & Newcastle
Pharmaceuticals	Astra-Zeneca, Eli Lilly, GlaxoSmithKline, Pfizer
Food & personal-care products	Proctor & Gamble, Unilever
Steel manufacturing	Corus
Electrical retail	Kesa (Comet), Currys, Dixons
Food retail	Asda/WalMart, Morrisons, Sainsbury, Tesco
Home DIY	B&Q, Focus, Homebase
Airport operator	British Airports Authority
Mobile phone networks	O2, Orange, T-Mobile, Vodaphone
Airlines	British Airways
Banks	Barclays, HBoS, HSBC, LloydsTSB, Royal Bank of Scotland, Banco Santander
Accountancy	Deloitte & Touche, Ernst & Young, KPMG, PricewaterhouseCoopers

Source: See 'Sources of information'

Large businesses, groups and multi-nationals, can have significant interests in a variety of industries and markets, each of which may be oligopolistic in nature. For example, a brewing company may manufacture goods and also have a strong distribution side. Further examples include:

- BP — Oil and gas extraction and organic chemicals
- GlaxoSmithKline — Soft drinks, mineral waters and pharmaceuticals
- Unilever — Food and personal-care products
- Cadbury Schweppes — Confectionery and soft drinks

Between 1992 and 2003, the composition of businesses in some industries has changed radically but the industries have still maintained relatively high concentration ratios. For example, in the late 1980s, I-O group 77 (motor vehicles) was dominated by large British car producers which have since ceased production or been taken over, and the market is now dominated by large Japanese car producers based in the UK.

Industries such as I-O group 100 (banking and finance) and I-O group 110 (accountancy services) had high concentration ratios in the late 1980s. Following several mergers and takeovers, the concentration ratios for these industries have increased.

In I-O group 100 (banking and finance), large mergers and takeovers have increased the concentration ratios of the industry. Examples of which include:

- Barclays and Woolwich;
- Banco Santander and Abbey;
- Halifax and Bank of Scotland;
- HSBC and Midland;
- Lloyds and Cheltenham & Gloucester; and
- Royal Bank of Scotland and NatWest.

However, there have also been a number of large building society demutualisations (that is, conversion from a mutual company to a bank). These changes have contributed to reducing the industry's concentration ratios. Examples of these conversions include:

- Abbey National;
- Alliance and Leicester;
- Bradford and Bingley;
- Halifax;
- Northern Rock; and
- Woolwich.

Table 4
Contribution to GVA and total output at current basic prices of Top 5 businesses by industry group

Top 10 industries with greatest percentage contribution by the Top 5 businesses to GVA and total output:

I-O no.	I-O group name
15	Sugar
86	Gas distribution
10	Oils and fats
16	Confectionery
4	Coal extraction
36	Industrial gases and dyes
19	Soft drinks and mineral waters
98	Postal and courier services
51	Structural clay products
52	Cement, lime and plaster

For all of these I-O groups the contribution is over 68 per cent. A few very large players dominate all of these industries. The same can also be said of some industries not covered in the table: I-O groups 20 (Tobacco products), 46 (Man-made fibres), 96 (Air transport) and 100 (Banking and finance).

Bottom 10 industries with least contribution by the Top 5 businesses to GVA and total output:

I-O no.	I-O group name
59	Metal forging, pressing, etc
48	Plastic products
88	Construction
122	Other service industries
81	Furniture
114	Business services
90	Wholesale distribution
31	Wood and wood products
112	Architectural activities and technical consultancy
113	Advertising

For all of these I-O groups, the contribution is less than 11 per cent.

Table 5
Major privatisations in the UK

Year(s)	Activity	Name
1979, 83, 87	Oil	British Petroleum
1981, 83, 85	Telecom	Cable & Wireless
1981, 85	Aerospace	British Aerospace
1982	Chemicals	Amersham International
1982	Road haulage	National Freight Corporation
1982, 85	Oil	Britoil
1983, 84	Hotels	British Rail Hotels
1983, 84	Port operator	Associated British Ports
1984	Oil	Enterprise Oil
1984	Ferry operator	Sealink
1984, 91, 93	Telecom	British Telecom
1984	Manufacturer	Jaguar
1985	Services	BTG
1985, 89	Manufacturer	British Shipbuilders and Naval Dockyards
1986	Banking	TSB
1986	Gas supply	British Gas
1986, 88	Bus operator	National Bus Company
1987	Airline operator	British Airways
1987	Manufacturer	Rolls Royce
1987	Manufacturer	Royal Ordnance
1987	Airport operator	British Airports Authority
1987	Manufacturer	Unipart
1987	Manufacturer	Leyland Bus
1987	IT	Istel
1987	Manufacturer	Leyland Truck and Freight Rover
1988	Manufacturer	Rover Group
1988	Catering	Travellers Fare
1988	Steel producer	British Steel
1989	Finance	General Practice Finance Corporation
1989	Water	Water companies in England and Wales
1989	Manufacturer	British Rail Engineering Ltd
1990	Banking	Girobank
1990, 91	Electricity	Electricity companies in England and Wales
1991	Electricity	Scottish Power and Scottish Hydro-Electric
1991, 95	Electricity	National Power and PowerGen
1992	Port operator	Forth Ports
1992	Construction	PSA Projects
1992 to 1997	Port operators	Some Trust Ports in Great Britain
1993	Property	PSA Building Management
1993	Electricity	Northern Ireland Electricity
1994	Coal	British Coal
1994, 95	Bus operators	London Buses
1995	Leasing	Rolling-stock companies
1996	Track operator	Railtrack
1996	Nuclear	British Energy
1996	Engineering	AEA Technology
1996, 97	Train operators	Train operating companies
2001	Air-traffic control	National Air Traffic Services

Source: See 'Sources of information'

In I-O group 110 (accountancy services), the original 'Big Eight' accountancy firms in the early 1990s have undergone a number of mergers and takeovers, and have now become the 'Big Four'. Some of these firms have sold their consultancy businesses and now have only a small presence in the consultancy market. However, they have a dominant market share in auditing, corporate finance and market recovery. This industry not only features some very large players, it also includes a large number of small self-employed businesses (that is, sole proprietors and partnerships).

There are many industries and companies as listed in Table 5 which have undergone privatisation and non-consolidation, resulting in a fall in the industries' concentration ratios.

The businesses listed in Table 5 cover a range of activities such as manufacturing, utilities, transport, telecommunications, services and infrastructure. Some of these businesses have undergone subsequent mergers and takeovers generating a rise in their respective industry's concentration ratios.

Monopoly suppliers like the utilities, I-O groups 85 (electricity), 86 (gas) and 87 (water), and 93 (railways), previously classified to the public corporations sector, have been dismantled to form a host of private companies, thereby reducing the industries' concentration ratios.

In some cases, the non-consolidation of businesses has generated new businesses classified to different industries. For example, the privatisation of the railways industry was split into train operating companies, railway rolling-stock leasing companies and a track infrastructure company, all of which were classified to different I-O industry groups.

Notes for interpreting charts and tables in this section

- All the Top five and Top fifteen business percentages and rankings are based on ABI data for the UK.
- For some I-O industry groups: they may not be covered adequately by the ABI; estimates are supplemented from other sources; and for a few industries there are concerns over the quality of the ABI data. In these cases, the industry data is not shown and has been replaced with 'n/a' in the table.
- The industry definitions shown in Figures 1, 2 and 3 exclude industries shown as 'n/a' in Table 6. In the analyses for the Top five businesses, 28 I-O groups are shown as 'n/a'. For the Top fifteen businesses, 50 I-O groups are shown as 'n/a'.
- Estimates for market producers have been calculated by deducting estimates for non-market producers (that is, central government, local government and non-profit institutions serving households) from the whole economy estimates. This provides a closer comparison with the ABI estimates used to produce Input-Output Annual Supply and Use Tables.
- In Table 6, FISIM is not allocated to either market producers or non-market producers.
- Estimates of GVA and total output at current basic prices by type of producer are in £ million. The contribution of the Top five and the Top fifteen businesses is shown in percentage terms.
- The contribution of the Top five ABI contributors in each industry to GVA and total output at current basic prices have been ranked in order with the greatest contribution recorded as 1 and 123 as the lowest. This ranking analysis has not been compiled for the Top fifteen ABI contributors due to the number of industries that have had to be suppressed.

Acknowledgements

The members of the Current Price Input-Output Branch listed below have developed the concentration ratios for businesses by industry based on the 2005 Edition of the United Kingdom *Input-Output Analyses* and the underlying I-O Annual Supply and Use Tables. We are very grateful to the many individuals, both inside and outside ONS, who provided data, analyses and a wide-range of assistance and cooperation in producing these tables. The Current Price Input-Output Branch members are: Rob Betts, Bob Cuthbert, Claire Feary, Ian Gouldson, Sanjiv Mahajan, Daniel Mistry, Neil O'Driscoll, Jeremy Okai, Joanne Penn and Amnn Rajput.

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Table 6
Concentration ratios for businesses by industry in 2003

		UK Annual Business Inquiry					
		Top 5 businesses as a percentage of the total		Top 15 businesses as a percentage of the total		Ranking positions for the Top 5 businesses	
	Industry	Output	Gross Value Added	Output	Gross Value Added	Output	Gross Value Added
1	Agriculture	n/a	n/a	n/a	n/a	n/a	n/a
2	Forestry	n/a	n/a	n/a	n/a	n/a	n/a
3	Fishing	17	17	24	22	69	70
4	Coal extraction	73	77	n/a	n/a	6	6
5	Oil and gas extraction	55	61	80	87	15	15
6	Metal ores extraction	n/a	n/a	n/a	n/a	n/a	n/a
7	Other mining and quarrying	33	33	62	55	40	43
8	Meat processing	n/a	n/a	n/a	n/a	n/a	n/a
9	Fish and fruit processing	33	39	47	55	41	40
10	Oils and fats	91	85	98	96	2	4
11	Dairy products	36	44	58	67	37	33
12	Grain milling and starch	43	51	69	76	25	25
13	Animal feed	37	41	n/a	n/a	32	36
14	Bread, biscuits etc	20	18	33	34	63	69
15	Sugar	100	100	100	100	1	2
16	Confectionery	80	86	92	96	3	3
17	Other food products	41	46	63	67	28	31
18	Alcoholic beverages	43	48	n/a	n/a	26	28
19	Soft drinks and mineral waters	73	74	n/a	n/a	5	9
20	Tobacco products	n/a	n/a	n/a	n/a	n/a	n/a
21	Textile fibres	26	25	n/a	n/a	50	54
22	Textile weaving	26	30	42	48	48	45
23	Textile finishing	n/a	n/a	n/a	n/a	n/a	n/a
24	Made-up textiles	20	18	33	31	64	68
25	Carpets and rugs	22	31	n/a	n/a	60	44
26	Other textiles	19	20	32	34	66	62
27	Knitted goods	n/a	n/a	n/a	n/a	n/a	n/a
28	Wearing apparel and fur products	n/a	n/a	n/a	n/a	n/a	n/a
29	Leather goods	27	26	n/a	n/a	46	52
30	Footwear	26	25	45	43	47	58
31	Wood and wood products	10	7	18	14	84	88
32	Pulp, paper and paperboard	24	26	51	55	54	53
33	Paper and paperboard products	26	24	n/a	n/a	49	59
34	Printing and publishing	12	12	21	21	79	82
35	Coke ovens, refined petroleum & nuclear fuel	49	75	92	95	21	8
36	Industrial gases and dyes	71	78	n/a	n/a	7	5
37	Inorganic chemicals	58	54	81	80	14	22
38	Organic chemicals	66	47	80	72	11	30
39	Fertilisers	n/a	n/a	n/a	n/a	n/a	n/a
40	Plastics & synthetic resins etc	24	30	46	47	55	47
41	Pesticides	64	65	79	78	12	13
42	Paints, varnishes, printing ink etc	35	40	55	55	38	39
43	Pharmaceuticals	55	53	71	76	17	23
44	Soap and toilet preparations	37	42	64	69	34	35
45	Other chemical products	17	28	40	48	68	49
46	Man-made fibres	n/a	n/a	n/a	n/a	n/a	n/a
47	Rubber products	n/a	n/a	n/a	n/a	n/a	n/a
48	Plastic products	4	5	10	11	94	93
49	Glass and glass products	n/a	n/a	n/a	n/a	n/a	n/a
50	Ceramic goods	37	40	56	62	31	37

Table 6 - continued

Concentration ratios for businesses by industry in 2003

		UK Annual Business Inquiry					
		Top 5 businesses as a percentage of the total		Top 15 businesses as a percentage of the total		Ranking positions for the Top 5 businesses	
	Industry	Output	Gross Value Added	Output	Gross Value Added	Output	Gross Value Added
51	Structural clay products	69	71	n/a	n/a	8	10
52	Cement, lime and plaster	69	68	n/a	n/a	9	11
53	Articles of concrete, stone etc	25	25	39	41	51	55
54	Iron and steel	36	42	57	59	35	34
55	Non-ferrous metals	13	18	43	41	76	66
56	Metal castings	11	13	30	28	80	80
57	Structural metal products	17	15	25	22	67	75
58	Metal boilers and radiators	39	46	n/a	n/a	30	32
59	Metal forging, pressing, etc	3	3	n/a	n/a	95	95
60	Cutlery, tools etc	n/a	n/a	n/a	n/a	n/a	n/a
61	Other metal products	14	9	23	17	75	86
62	Mechanical power equipment	23	17	34	31	57	71
63	General purpose machinery	n/a	n/a	n/a	n/a	n/a	n/a
64	Agricultural machinery	55	52	73	64	16	24
65	Machine tools	28	25	46	37	45	56
66	Special purpose machinery	25	23	39	36	52	60
67	Weapons and ammunition	n/a	n/a	n/a	n/a	n/a	n/a
68	Domestic appliances nec	46	49	n/a	n/a	23	27
69	Office machinery & computers	n/a	n/a	n/a	n/a	n/a	n/a
70	Electric motors and generators etc	n/a	n/a	n/a	n/a	n/a	n/a
71	Insulated wire and cable	52	56	67	72	19	19
72	Electrical equipment nec	11	12	23	25	81	81
73	Electronic components	21	38	n/a	n/a	61	41
74	Transmitters for TV, radio and phone	n/a	n/a	n/a	n/a	n/a	n/a
75	Receivers for TV and radio	31	29	n/a	n/a	43	48
76	Medical and precision instruments	15	18	25	30	74	67
77	Motor vehicles	29	27	56	46	44	50
78	Shipbuilding and repair	41	51	65	70	27	26
79	Other transport equipment	49	60	67	75	20	16
80	Aircraft and spacecraft	49	62	n/a	n/a	22	14
81	Furniture	6	5	14	12	90	92
82	Jewellery and related products	22	16	32	21	59	74
83	Sports goods and toys	23	27	41	40	56	51
84	Miscellaneous manufacturing nec & recycling	22	14	n/a	n/a	58	77
85	Electricity production and distribution	46	60	n/a	n/a	24	17
86	Gas distribution	78	104	n/a	n/a	4	1
87	Water supply	53	55	n/a	n/a	18	20
88	Construction	4	4	9	9	93	94
89	Motor vehicle distribution and repair, automotive fuel retail	16	19	23	26	73	63
90	Wholesale distribution	7	7	11	12	89	90
91	Retail distribution	19	21	32	34	65	61
92	Hotels, catering, pubs etc	13	14	22	24	77	78
93	Railway transport	40	56	81	95	29	18
94	Other land transport	16	19	24	28	72	64
95	Water transport	34	47	60	72	39	29
96	Air transport	n/a	n/a	n/a	n/a	n/a	n/a
97	Ancillary transport services	9	17	28	28	86	73
98	Postal and courier services	68	77	80	87	10	7
99	Telecommunications	58	67	73	82	13	12
100	Banking and finance	n/a	n/a	n/a	n/a	n/a	n/a

Table 6 - continued

Concentration ratios for businesses by industry in 2003

		UK Annual Business Inquiry					
		Top 5 businesses as a percentage of the total		Top 15 businesses as a percentage of the total		Ranking positions for the Top 5 businesses	
	Industry	Output	Gross Value Added	Output	Gross Value Added	Output	Gross Value Added
101	Insurance and pension funds	n/a	n/a	n/a	n/a	n/a	n/a
102	Auxiliary financial services	n/a	n/a	n/a	n/a	n/a	n/a
103	Owning and dealing in real estate	n/a	n/a	n/a	n/a	n/a	n/a
104	Letting of dwellings	n/a	n/a	n/a	n/a	n/a	n/a
105	Estate agent activities	n/a	n/a	n/a	n/a	n/a	n/a
106	Renting of machinery etc	11	15	22	27	82	76
107	Computer services	16	19	27	29	71	65
108	Research and development	36	54	55	72	36	21
109	Legal activities	9	10	18	19	85	85
110	Accountancy services	37	40	47	49	33	38
111	Market research, management consultancy	21	30	28	37	62	46
112	Architectural activities and technical consultancy	8	10	16	18	87	84
113	Advertising	8	11	16	18	88	83
114	Other business services	6	7	10	13	91	89
115	Public administration and defence	n/a	n/a	n/a	n/a	n/a	n/a
116	Education	10	8	16	15	83	87
117	Health and veterinary services	17	17	28	29	70	72
118	Social work activities	12	13	16	17	78	79
119	Sewage and sanitary services	33	36	69	75	42	42
120	Membership organisations nec	n/a	n/a	n/a	n/a	n/a	n/a
121	Recreational services	24	25	40	34	53	57
122	Other service activities	4	6	8	9	92	91
123	Private households with employed persons	n/a	n/a	n/a	n/a	n/a	n/a
	FISIM						
	Total						

The lowest rank is 95 and not 123 due to a number of industries treated as 'not available'.

Table 6 - continued

Concentration ratios for businesses by industry in 2003

	UK I-O Supply and Use Tables	£ million									
		All producers		Non-market producers						Market producers	
				Central Government		Local Government		NPISH			
	Industry	Output	Gross Value Added	Output	Gross Value Added	Output	Gross Value Added	Output	Gross Value Added	Output	Gross Value Added
1	Agriculture	20 173	9 451	-	-	-	-	-	-	20 173	9 451
2	Forestry	785	321	-	-	-	-	-	-	785	321
3	Fishing	1 025	355	-	-	-	-	-	-	1 025	355
4	Coal extraction	1 088	513	-	-	-	-	-	-	1 088	513
5	Oil and gas extraction	26 000	20 216	-	-	-	-	-	-	26 000	20 216
6	Metal ores extraction	-	-	-	-	-	-	-	-	-	-
7	Other mining and quarrying	4 501	1 553	-	-	-	-	-	-	4 501	1 553
8	Meat processing	12 545	3 317	-	-	-	-	-	-	12 545	3 317
9	Fish and fruit processing	6 013	1 982	-	-	-	-	-	-	6 013	1 982
10	Oils and fats	1 059	219	-	-	-	-	-	-	1 059	219
11	Dairy products	6 226	1 398	-	-	-	-	-	-	6 226	1 398
12	Grain milling and starch	3 212	984	-	-	-	-	-	-	3 212	984
13	Animal feed	3 062	714	-	-	-	-	-	-	3 062	714
14	Bread, biscuits etc	7 128	3 136	-	-	-	-	-	-	7 128	3 136
15	Sugar	1 341	387	-	-	-	-	-	-	1 341	387
16	Confectionery	4 277	2 140	-	-	-	-	-	-	4 277	2 140
17	Other food products	6 286	2 504	-	-	-	-	-	-	6 286	2 504
18	Alcoholic beverages	6 751	2 833	-	-	-	-	-	-	6 751	2 833
19	Soft drinks and mineral waters	3 308	945	-	-	-	-	-	-	3 308	945
20	Tobacco products	2 169	1 166	-	-	-	-	-	-	2 169	1 166
21	Textile fibres	676	273	-	-	-	-	-	-	676	273
22	Textile weaving	1 004	338	-	-	-	-	-	-	1 004	338
23	Textile finishing	621	309	-	-	-	-	-	-	621	309
24	Made-up textiles	1 715	726	-	-	-	-	-	-	1 715	726
25	Carpets and rugs	899	320	-	-	-	-	-	-	899	320
26	Other textiles	1 151	480	-	-	-	-	-	-	1 151	480
27	Knitted goods	900	368	-	-	-	-	-	-	900	368
28	Wearing apparel and fur products	4 204	1 716	-	-	-	-	-	-	4 204	1 716
29	Leather goods	509	204	-	-	-	-	-	-	509	204
30	Footwear	516	262	-	-	-	-	-	-	516	262
31	Wood and wood products	6 901	2 703	-	-	-	-	-	-	6 901	2 703
32	Pulp, paper and paperboard	3 035	998	-	-	-	-	-	-	3 035	998
33	Paper and paperboard products	7 582	2 751	-	-	-	-	-	-	7 582	2 751
34	Printing and publishing	33 926	16 114	-	-	-	-	-	-	33 926	16 114
35	Coke ovens, refined petroleum & nuclear fuel	15 798	2 656	-	-	-	-	-	-	15 798	2 656
36	Industrial gases and dyes	2 405	873	-	-	-	-	-	-	2 405	873
37	Inorganic chemicals	1 736	551	-	-	-	-	-	-	1 736	551
38	Organic chemicals	7 172	1 627	-	-	-	-	-	-	7 172	1 627
39	Fertilisers	854	168	-	-	-	-	-	-	854	168
40	Plastics & synthetic resins etc	4 009	1 195	-	-	-	-	-	-	4 009	1 195
41	Pesticides	1 264	461	-	-	-	-	-	-	1 264	461
42	Paints, varnishes, printing ink etc	3 085	1 134	-	-	-	-	-	-	3 085	1 134
43	Pharmaceuticals	14 165	6 257	-	-	-	-	-	-	14 165	6 257
44	Soap and toilet preparations	5 336	1 953	-	-	-	-	-	-	5 336	1 953
45	Other chemical products	4 536	1 704	-	-	-	-	-	-	4 536	1 704
46	Man-made fibres	569	219	-	-	-	-	-	-	569	219

Table 6 - continued

Concentration ratios for businesses by industry in 2003

	UK I-O Supply and Use Tables	£ million									
		All producers		Non-market producers						Market producers	
				Central Government		Local Government		NPISH			
	Industry	Output	Gross Value Added	Output	Gross Value Added	Output	Gross Value Added	Output	Gross Value Added	Output	Gross Value Added
47	Rubber products	3 273	1 604	-	-	-	-	-	-	3 273	1 604
48	Plastic products	15 796	6 231	-	-	-	-	-	-	15 796	6 231
49	Glass and glass products	3 052	1 367	-	-	-	-	-	-	3 052	1 367
50	Ceramic goods	1 420	749	-	-	-	-	-	-	1 420	749
51	Structural clay products	712	404	-	-	-	-	-	-	712	404
52	Cement, lime and plaster	970	484	-	-	-	-	-	-	970	484
53	Articles of concrete, stone etc	6 000	2 474	-	-	-	-	-	-	6 000	2 474
54	Iron and steel	7 025	1 131	-	-	-	-	-	-	7 025	1 131
55	Non-ferrous metals	3 964	937	-	-	-	-	-	-	3 964	937
56	Metal castings	1 591	708	-	-	-	-	-	-	1 591	708
57	Structural metal products	6 929	2 917	-	-	-	-	-	-	6 929	2 917
58	Metal boilers and radiators	1 625	724	-	-	-	-	-	-	1 625	724
59	Metal forging, pressing, etc	8 551	4 475	-	-	-	-	-	-	8 551	4 475
60	Cutlery, tools etc	2 414	1 465	-	-	-	-	-	-	2 414	1 465
61	Other metal products	5 248	2 356	-	-	-	-	-	-	5 248	2 356
62	Mechanical power equipment	6 200	2 525	-	-	-	-	-	-	6 200	2 525
63	General purpose machinery	9 380	3 971	-	-	-	-	-	-	9 380	3 971
64	Agricultural machinery	1 807	512	-	-	-	-	-	-	1 807	512
65	Machine tools	1 354	714	-	-	-	-	-	-	1 354	714
66	Special purpose machinery	6 733	2 635	-	-	-	-	-	-	6 733	2 635
67	Weapons and ammunition	2 014	636	-	-	-	-	-	-	2 014	636
68	Domestic appliances nec	2 679	1 063	-	-	-	-	-	-	2 679	1 063
69	Office machinery & computers	9 166	2 342	-	-	-	-	-	-	9 166	2 342
70	Electric motors and generators etc	6 001	2 253	-	-	-	-	-	-	6 001	2 253
71	Insulated wire and cable	1 080	373	-	-	-	-	-	-	1 080	373
72	Electrical equipment nec	5 229	2 092	-	-	-	-	-	-	5 229	2 092
73	Electronic components	3 656	1 244	-	-	-	-	-	-	3 656	1 244
74	Transmitters for TV, radio and phone	4 658	1 376	-	-	-	-	-	-	4 658	1 376
75	Receivers for TV and radio	2 645	824	-	-	-	-	-	-	2 645	824
76	Medical and precision instruments	11 390	5 530	-	-	-	-	-	-	11 390	5 530
77	Motor vehicles	36 917	8 319	-	-	-	-	-	-	36 917	8 319
78	Shipbuilding and repair	2 594	989	-	-	-	-	-	-	2 594	989
79	Other transport equipment	2 535	968	-	-	-	-	-	-	2 535	968
80	Aircraft and spacecraft	13 533	5 266	-	-	-	-	-	-	13 533	5 266
81	Furniture	8 874	3 595	-	-	-	-	-	-	8 874	3 595
82	Jewellery and related products	682	361	-	-	-	-	-	-	682	361
83	Sports goods and toys	1 124	471	-	-	-	-	-	-	1 124	471
84	Miscellaneous manufacturing nec & recycling	5 477	1 957	-	-	-	-	-	-	5 477	1 957
85	Electricity production and distribution	31 993	10 621	-	-	-	-	-	-	31 993	10 621
86	Gas distribution	12 279	3 526	-	-	-	-	-	-	12 279	3 526
87	Water supply	4 609	2 966	-	-	-	-	-	-	4 609	2 966
88	Construction	158 990	60 891	-	-	-	-	-	-	158 990	60 891
89	Motor vehicle distribution and repair, automotive fuel retail	39 873	22 014	-	-	-	-	-	-	39 873	22 014
90	Wholesale distribution	97 409	43 266	-	-	-	-	-	-	97 409	43 266

Table 6 - continued

Concentration ratios for businesses by industry in 2003

UK I-O Supply and Use Tables		£ million									
		All producers		Non-market producers						Market producers	
				Central Government		Local Government		NPISH			
	Industry	Output	Gross Value Added	Output	Gross Value Added	Output	Gross Value Added	Output	Gross Value Added	Output	Gross Value Added
91	Retail distribution	96 073	56 234	-	-	-	-	-	-	96 073	56 234
92	Hotels, catering, pubs etc	64 664	32 633	-	-	-	-	-	-	64 664	32 633
93	Railway transport	7 743	2 841	-	-	-	-	-	-	7 743	2 841
94	Other land transport	37 738	19 001	-	-	-	-	-	-	37 738	19 001
95	Water transport	6 989	2 398	-	-	-	-	-	-	6 989	2 398
96	Air transport	13 909	5 423	-	-	-	-	-	-	13 909	5 423
97	Ancillary transport services	44 244	17 773	-	-	-	-	-	-	44 244	17 773
98	Postal and courier services	14 036	8 448	-	-	-	-	-	-	14 036	8 448
99	Telecommunications	43 242	22 448	-	-	-	-	-	-	43 242	22 448
100	Banking and finance	78 120	39 773	-	-	-	-	-	-	78 120	39 773
101	Insurance and pension funds	53 319	23 127	-	-	-	-	160	83	53 159	23 044
102	Auxiliary financial services	21 691	8 599	-	-	-	-	-	-	21 691	8 599
103	Owning and dealing in real estate	25 947	18 591	-	-	-	-	-	-	25 947	18 591
104	Letting of dwellings	88 646	77 585	-	-	-	-	47	47	88 599	77 538
105	Estate agent activities	7 401	4 887	-	-	-	-	-	-	7 401	4 887
106	Renting of machinery etc	17 948	10 507	-	-	-	-	-	-	17 948	10 507
107	Computer services	50 861	28 723	-	-	-	-	-	-	50 861	28 723
108	Research and development	7 173	4 096	-	-	-	-	577	401	6 596	3 695
109	Legal activities	20 918	13 625	-	-	-	-	-	-	20 918	13 625
110	Accountancy services	13 598	9 706	-	-	-	-	-	-	13 598	9 706
111	Market research, management consultancy	21 974	11 276	-	-	-	-	-	-	21 974	11 276
112	Architectural activities and technical consultancy	29 986	19 130	-	-	-	-	-	-	29 986	19 130
113	Advertising	13 675	6 566	-	-	-	-	-	-	13 675	6 566
114	Other business services	65 268	34 688	-	-	-	-	667	397	64 601	34 291
115	Public administration and defence	106 446	50 266	72 646	28 870	33 800	21 396	-	-	-	-
116	Education	81 237	59 032	1 307	876	40 962	29 092	20 543	17 062	18 425	12 002
117	Health and veterinary services	89 878	48 953	70 344	34 479	105	33	2 122	951	17 307	13 490
118	Social work activities	39 546	17 703	839	464	22 561	6 890	3 788	2 215	12 358	8 134
119	Sewage and sanitary services	13 826	6 588	-	-	5 379	1 098	-	-	8 447	5 490
120	Membership organisations nec	8 031	5 834	-	-	-	-	3 962	3 133	4 069	2 701
121	Recreational services	59 194	28 216	-	-	4 945	1 839	3 270	1 089	50 979	25 288
122	Other service activities	12 782	6 302	-	-	-	-	279	132	12 503	6 170
123	Private households with employed persons	4 861	4 861	-	-	-	-	-	-	4 861	4 861
	FISIM	-	45 921	-	-	-	-	-	-	-	-
	Total	2 061 932	981 732	145 136	64 689	107 752	60 348	35 415	25 510	1 773 629	877 106

Tables

1. Summary

2. UK Economic Accounts

3. Prices

4. Labour market

5. Selected output and demand indicators

6. Selected financial statistics

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 31 October 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 seaonally 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 143

† 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

		2003	2004	2005 Q1	2005 Q2	2005 Q3	2005 Jul	2005 Aug	2005 Sep	%Change[13] Latest 3 months avg over previous 3 months
Output -chained volume measures (CVM) (2002 = 100 unless otherwise stated)										
Gross value added at basic prices	CGCE	102.5	105.6	106.5	107.0	..	..	..	..	*0.5*
Industrial production	CKYW	99.5	100.3	99.2	99.2	98.6e	98.7	97.8	..	*-0.4*
Oil and gas extraction	CKZO	94.4	86.3	81.3	81.6	..	76.6	70.7	..	*-8.0*
Manufacturing	CKYY	100.1	102.0	101.5	101.3	101.6e	101.6	101.4	..	*0.6*
Construction	GDQB	105.2	108.7	109.9	110.6	111.2e	..	..	..	*0.6*
Car production (thousands)	FFAO	138.1	137.2	138.4	131.7	139.1	134.7	145.9	136.8	*5.6*
Domestic demand										
Retail sales volume (2000 = 100)	EAPS	116.6	123.6	124.9	125.6	126.2	125.7	125.9	126.8	*0.4*
GB new registrations of cars ('000s)[1]	BCGT	2 646.2	2 598.8	697.9	594.4	..	175.3	84.2	..	*-39.9*
Manufacturing:change in inventories (£m,CVM, reference year 2002)	DHBM	–727	–827	409	–527	..	..	..	..	
Prices (12 monthly % change) and earnings (3 month average)										
Consumer prices index[1]	CJYR	1.4	1.3	1.7	1.9	2.4	2.3	2.4	2.5	
Retail prices index[1]	CZBH	2.9	3.0	3.2	3.0	2.8	2.9	2.8	2.7	
Retail prices index[1] (less MIPS)[2]	CDKQ	2.8	2.2	2.2	2.2	2.4	2.4	2.3	2.5	
Producer output prices (less FBTP)[3]	EUAA	1.3	1.9	2.4	2.5	2.1	2.3	2.0	2.1	
Producer input prices[4]	EUAB	1.5	3.9	10.8	10.3	12.3	14.2	12.5	10.3	
GB average earnings -whole economy[5]	LNNC	..	..	4.5	4.1	..	4.2	4.2	..	
Foreign trade[6] (2002 = 100 volumes unless otherwise stated)										
UK balance on trade in goods (£ million)	BOKI	–47 864	–60 260	–15 735	–14 590	..	–5 521	–5 621	..	
Non EU balance on trade in goods (£ million)	LGDT	–22 036	–29 523	–7 983	–6 295	..	–2 604	–3 160	..	
Non EU exports of goods (excl oil & erratics)	SHDJ	108.7	113.2	114.9	133.4	..	122.8	131.8	..	*7.7*
Non EU imports of goods (excl oil & erratics)	SHED	105.1	116.5	117.8	121.3	..	117.2	121.8	..	-2.5
Non EU import & price index (excl oil)[7]	LKWQ	96.8	94.7	95.9	97.2	..	99.8	98.7	..	
Non EU export & price index (excl oil)[7]	LKVX	97.7	96.3	97.1	97.6	..	98.8	98.0	..	
Labour market and productivity (2002 = 100 unless otherwise stated)										
UK claimant unemployment (thousands)	BCJD	933.3	853.6	820.9	853.8	869.1	864.6	867.3	875.5	*1.8*
UK employees in manufacturing (thousands)	YEJA	3 415	3 282	3 222	3 184	..	3 175	3 166	..	*-1.1*
Whole economy productivity[8]	LNNN	101.6	103.9	104.2	104.5	..	..	..	..	*0.3*
Manufacturing productivity[8]	LNNX	105.1	111.2	112.6	113.6	..	114.9	115.0	..	*1.8*
Unit wage costs - whole economy	LNNK	101.7	103.4	106.0	106.1	..	..	..	..	*0.1*
Unit wage costs - manufacturing	LNNQ	98.5	96.6	97.7	96.8	..	96.6	97.0	..	*-1.1*
Financial markets[1]										
Sterling ERI (1990=100)	AGBG	100.2	104.1	102.9	104.3	102.9	102.1	102.8	103.9	*-1.3*
Average exchange rate /US $	AUSS	1.63	1.84	1.89	1.86	1.79	1.75	1.79	1.81	*-3.9*
Average exchange rate /Euro[9]	THAP	1.45	1.47	1.44	1.47	1.46	1.45	1.46	1.48	*-0.9*
3 month inter-bank rate[10]	HSAJ	3.95	4.81	4.90	4.69	4.52	4.54	4.52	4.52	
3 month interest on US Treasury bills[11]	LUST	0.93	2.18	2.73	3.06	3.46	3.35	3.44	3.46	
Monetary conditions/government finances										
M0 (year on year percentage growth)	VQMX	7.3	6.0	5.5	4.3	5.4	4.8	6.1	5.4	
M4 (year on year percentage growth)	VQJW	7.2	8.6	10.6	10.6	11.4	11.0	10.0	11.2	
Public sector net borrowing (£ million)[1,12]	ANNX	–34 890	–37 830	–395	–15 565	–7 297	3 329	–5 409	–5 217	
Net lending to consumers (£ million)(broader)	RLMH	20 252	22 991	5 919	4 413	3 485	1 214	1 321	1 249	-14.0

		2004 Sep	2004 Oct	2004 Nov	2004 Dec	2005 Jan	2005 Feb	2005 Mar	2005 Apr	2005 May	2005 Jun	2005 Jul	2005 Aug	2005 Sep	2005 Oct
Activity and expectations															
CBI output expectations balance[1]	ETCU	12	14	5	–6	10	19	9	5	–1	–5	6	3	6	2
CBI optimism balance[1]	ETBV	..	–10	..	..	–22	..	..	–15	..	..	–16	..	..	–21
CBI price expectations balance	ETDQ	9	–2	13	10	15	10	12	3	–4	–5	–9	–8	–6	–4
New engineering orders (2000 = 100)	JIQH	77.2	75.3	79.5	82.0	79.4	78.4	76.8	77.5	80.2	77.5	79.8	85.2	..	..

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 2003/04 and 2004/05.
13 Preliminary estimates, flagged as 'e' are excluded when calculating changes.

2.1 National accounts aggregates

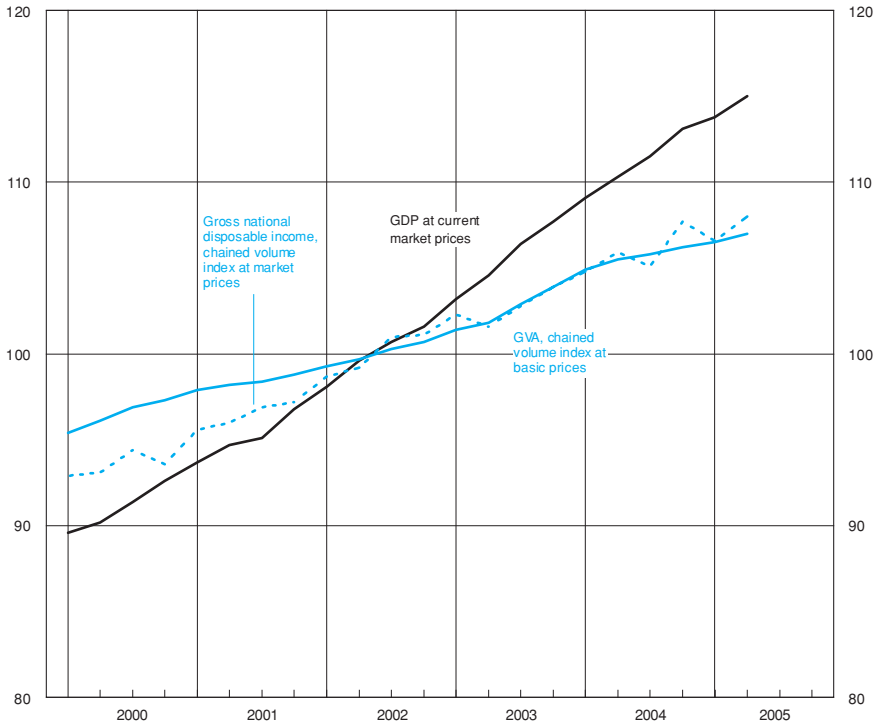
	£ million		Indices (2002 = 100)						
	At current prices		Value indices at current prices		Chained volume indices			Implied deflators[2]	
	Gross domestic product at market prices	Gross value added (GVA)at basic prices	Gross domestic product at market prices[1]	Gross Value added (GVA) at basic prices	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
2000	953 576	841 505	91.0	90.4	93.5	95.9	96.4	94.8	93.8
2001	996 758	883 412	95.1	94.9	96.4	98.0	98.3	97.0	96.5
2002	1 048 456	930 796	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2003	1 105 919	981 732	105.5	105.5	102.6	102.5	102.5	102.9	102.9
2004	1 163 942	1 032 803	111.0	111.0	105.9	105.8	105.6	105.0	105.1
Quarterly									
2000 Q1	234 970	207 333	89.6	89.1	92.9	95.0	95.4	94.3	93.4
Q2	236 346	208 163	90.2	89.5	93.1	95.6	96.1	94.3	93.1
Q3	239 522	211 428	91.4	90.9	94.4	96.3	96.9	94.9	93.7
Q4	242 738	214 581	92.6	92.2	93.6	96.7	97.3	95.7	94.8
2001 Q1	245 674	217 424	93.7	93.4	95.6	97.5	97.9	96.2	95.4
Q2	248 157	219 709	94.7	94.4	96.0	97.8	98.2	96.8	96.1
Q3	249 239	221 127	95.1	95.0	96.9	98.2	98.4	96.9	96.5
Q4	253 688	225 152	96.8	96.8	97.2	98.7	98.8	98.1	97.9
2002 Q1	257 004	227 916	98.1	97.9	98.7	99.2	99.3	98.9	98.7
Q2	261 090	232 002	99.6	99.7	99.2	99.7	99.7	99.9	100.0
Q3	264 065	234 484	100.7	100.8	101.0	100.4	100.3	100.4	100.4
Q4	266 297	236 394	101.6	101.6	101.1	100.7	100.7	100.9	100.9
2003 Q1	270 583	240 537	103.2	103.4	102.3	101.4	101.4	101.8	102.0
Q2	274 053	243 452	104.6	104.6	101.6	101.9	101.8	102.6	102.7
Q3	278 966	247 512	106.4	106.4	102.8	102.9	102.9	103.4	103.4
Q4	282 317	250 231	107.7	107.5	103.9	103.9	103.9	103.7	103.5
2004 Q1	285 940	253 219	109.1	108.8	104.8	104.9	104.9	104.0	103.8
Q2	289 204	256 646	110.3	110.3	105.9	105.7	105.5	104.4	104.5
Q3	292 359	259 437	111.5	111.5	105.1	106.0	105.8	105.3	105.4
Q4	296 439	263 501	113.1	113.2	107.7	106.5	106.2	106.2	106.6
2005 Q1	298 163	264 857	113.8	113.8	106.6	106.8	106.5	106.6	106.9
Q2	301 336	267 483	115.0	114.9	108.0	107.3	107.0	107.2	107.4
Q3	..	..	..	..	..	107.7	..	..	..
Percentage change, quarter on corresponding quarter of previous year[3]									
Quarterly									
2000 Q1	*6.1*	*5.7*	*6.1*	*5.7*	*5.2*	*4.3*	*4.2*	*1.6*	*1.4*
Q2	*5.2*	*4.8*	*5.2*	*4.8*	*4.3*	*4.5*	*4.4*	*0.7*	*0.4*
Q3	*5.1*	*5.2*	*5.1*	*5.2*	*4.8*	*4.1*	*4.3*	*1.0*	*0.9*
Q4	*4.9*	*5.3*	*4.9*	*5.3*	*2.4*	*3.2*	*3.4*	*1.5*	*1.9*
2001 Q1	*4.6*	*4.9*	*4.6*	*4.9*	*2.9*	*2.6*	*2.6*	*2.0*	*2.1*
Q2	*5.0*	*5.5*	*5.0*	*5.5*	*3.1*	*2.3*	*2.2*	*2.7*	*3.2*
Q3	*4.1*	*4.6*	*4.1*	*4.6*	*2.6*	*2.0*	*1.5*	*2.1*	*3.0*
Q4	*4.5*	*4.9*	*4.5*	*4.9*	*3.8*	*2.1*	*1.6*	*2.5*	*3.3*
2002 Q1	*4.6*	*4.8*	*4.6*	*4.8*	*3.2*	*1.7*	*1.4*	*2.8*	*3.5*
Q2	*5.2*	*5.6*	*5.2*	*5.6*	*3.3*	*1.9*	*1.5*	*3.2*	*4.1*
Q3	*5.9*	*6.0*	*5.9*	*6.0*	*4.2*	*2.2*	*1.9*	*3.6*	*4.0*
Q4	*5.0*	*5.0*	*5.0*	*5.0*	*4.0*	*2.0*	*1.9*	*2.9*	*3.1*
2003 Q1	*5.3*	*5.5*	*5.3*	*5.5*	*3.6*	*2.2*	*2.1*	*2.9*	*3.3*
Q2	*5.0*	*4.9*	*5.0*	*4.9*	*2.4*	*2.2*	*2.2*	*2.7*	*2.7*
Q3	*5.6*	*5.6*	*5.6*	*5.6*	*1.8*	*2.5*	*2.5*	*3.0*	*3.0*
Q4	*6.0*	*5.9*	*6.0*	*5.9*	*2.8*	*3.2*	*3.1*	*2.8*	*2.6*
2004 Q1	*5.7*	*5.3*	*5.7*	*5.3*	*2.4*	*3.5*	*3.4*	*2.2*	*1.8*
Q2	*5.5*	*5.4*	*5.5*	*5.4*	*4.2*	*3.7*	*3.6*	*1.8*	*1.8*
Q3	*4.8*	*4.8*	*4.8*	*4.8*	*2.2*	*3.0*	*2.9*	*1.8*	*1.9*
Q4	*5.0*	*5.3*	*5.0*	*5.3*	*3.7*	*2.5*	*2.3*	*2.4*	*3.0*
2005 Q1	*4.3*	*4.6*	*4.3*	*4.6*	*1.7*	*1.8*	*1.6*	*2.5*	*3.0*
Q2	*4.2*	*4.2*	*4.2*	*4.2*	*2.0*	*1.5*	*1.4*	*2.7*	*2.8*
Q3	..	..	..	..	..	*1.6*	*1.6*	..	..

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

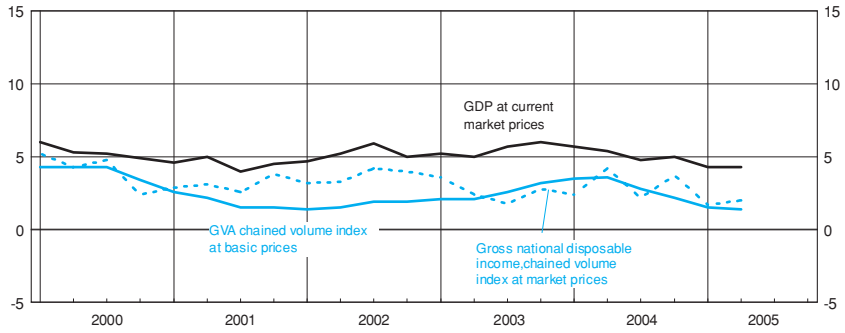
National accounts aggregates

Indices, 2002=100 seasonally adjusted



National accounts aggregates

Percentage change on year earlier



2.2 Gross domestic product : by category of expenditure
Chained volume measures

Reference year 2002, £ million

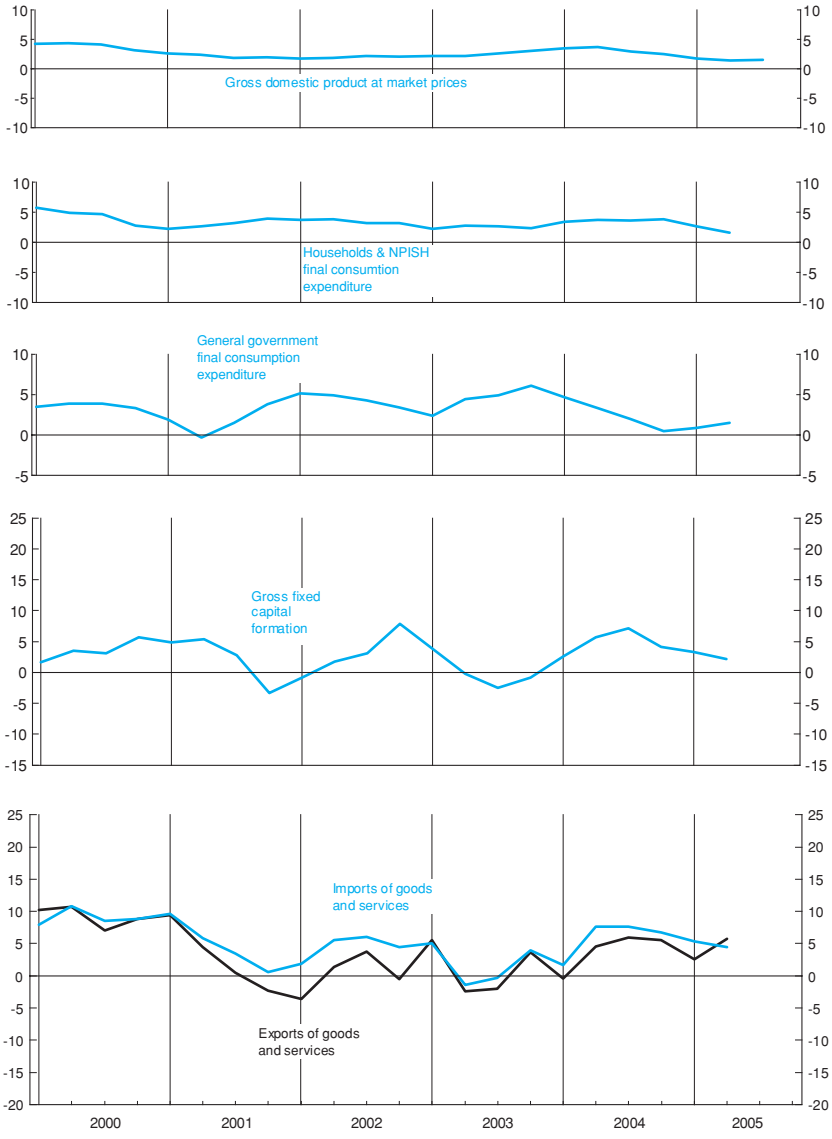
	Domestic expenditure on goods and services at market prices											
	Final consumption expenditure			Gross capital formation								
	Households	Non-profit institutions [2]	General government	Gross fixed capital formation+	Changes in inventories[3]	Acquisitions less disposals of valuables	Total	Exports of goods and services+	Gross final expenditure	*less* Imports of goods and services+	Statistical discrepancy (expenditure)	Gross domestic product at market prices
Annual												
	ABJR	HAYO	NMRY	NPQT	CAFU	NPJR	YBIM	IKBK	ABMG	IKBL	GIXS	ABMI
2000	625 145	25 270	198 616	163 709	5 267	3	1 017 985	266 536	1 284 619	279 807	–	1 005 542
2001	644 895	25 247	201 996	167 563	6 196	373	1 046 424	274 274	1 320 810	293 213	–	1 027 905
2002	667 361	25 998	210 967	172 558	2 909	214	1 080 007	274 945	1 354 952	306 496	–	1 048 456
2003	684 841	26 229	220 449	172 573	4 602	–6	1 108 689	278 159	1 386 848	311 990	–	1 074 858
2004	710 243	26 781	226 159	181 043	5 148	–11	1 149 364	289 007	1 438 371	330 436	955	1 108 890
Quarterly												
2000 Q1	155 841	6 151	49 110	40 052	481	2	251 678	64 146	315 800	67 027	–	249 056
Q2	155 859	6 272	49 985	40 010	1 171	–1	253 197	66 418	319 644	69 313	–	250 537
Q3	156 783	6 392	49 956	41 109	1 789	–3	256 003	66 960	322 977	70 725	–	252 424
Q4	156 662	6 455	49 565	42 538	1 826	5	257 107	69 012	326 198	72 742	–	253 525
2001 Q1	159 089	6 402	50 036	42 007	1 040	–18	258 590	70 148	328 833	73 449	–	255 459
Q2	160 258	6 323	49 827	42 160	1 375	210	260 275	69 408	329 749	73 368	–	256 450
Q3	162 141	6 280	50 701	42 249	1 662	38	263 114	67 325	330 410	73 187	–	257 301
Q4	163 407	6 242	51 432	41 147	2 119	143	264 445	67 393	331 818	73 209	–	258 695
2002 Q1	165 301	6 321	52 654	41 651	1 177	74	267 140	67 640	334 760	74 838	–	259 971
Q2	166 424	6 425	52 249	42 936	394	56	268 495	70 380	338 897	77 479	–	261 381
Q3	167 273	6 587	52 864	43 562	480	70	270 855	69 894	340 768	77 678	–	263 060
Q4	168 363	6 665	53 200	44 409	858	14	273 517	67 031	340 527	76 501	–	264 044
2003 Q1	169 079	6 558	53 929	43 232	103	–	272 901	71 403	344 304	78 620	–	265 684
Q2	171 108	6 554	54 618	42 843	–387	102	274 837	68 719	343 556	76 406	–	267 150
Q3	171 946	6 564	55 464	42 459	2 339	–60	278 712	68 495	347 207	77 429	–	269 778
Q4	172 708	6 553	56 438	44 039	2 547	–48	282 239	69 542	351 781	79 535	–	272 246
2004 Q1	174 946	6 668	56 469	44 374	1 151	117	283 724	71 097	354 821	79 953	186	275 054
Q2	177 551	6 669	56 444	45 286	1 177	–81	287 046	71 903	358 948	82 186	231	276 993
Q3	178 311	6 703	56 551	45 520	1 294	–86	288 293	72 592	360 885	83 393	262	277 754
Q4	179 435	6 741	56 695	45 863	1 526	39	290 301	73 415	363 717	84 904	276	279 089
2005 Q1	179 633	6 810	56 998	45 843	1 772	–142	290 914	72 910	363 824	84 250	241	279 815
Q2	180 272	6 843	57 283	46 287	–54	95	290 726	76 082	366 808	85 855	242	281 195
Q3	..	..	..	..	..	..	..	..	..	..	..	282 320
Percentage change, latest quarter on corresponding quarter of previous year												
2000 Q1	*5.8*	*6.1*	*3.5*	*1.7*			*3.8*	*10.2*	*5.1*	*8.0*		*4.3*
Q2	*4.8*	*8.9*	*3.9*	*3.6*			*4.6*	*10.7*	*5.8*	*10.8*		*4.4*
Q3	*4.5*	*10.1*	*3.9*	*3.1*			*4.6*	*7.0*	*5.1*	*8.6*		*4.2*
Q4	*2.6*	*9.4*	*3.3*	*5.7*			*3.3*	*8.8*	*4.5*	*8.8*		*3.2*
2001 Q1	*2.1*	*4.1*	*1.9*	*4.9*			*2.7*	*9.4*	*4.1*	*9.6*		*2.6*
Q2	*2.8*	*0.8*	*–0.3*	*5.4*			*2.8*	*4.5*	*3.2*	*5.9*		*2.4*
Q3	*3.4*	*–1.8*	*1.5*	*2.8*			*2.8*	*0.5*	*2.3*	*3.5*		*1.9*
Q4	*4.3*	*–3.3*	*3.8*	*–3.3*			*2.9*	*–2.3*	*1.7*	*0.6*		*2.0*
2002 Q1	*3.9*	*–1.3*	*5.2*	*–0.8*			*3.3*	*–3.6*	*1.8*	*1.9*		*1.8*
Q2	*3.8*	*1.6*	*4.9*	*1.8*			*3.2*	*1.4*	*2.8*	*5.6*		*1.9*
Q3	*3.2*	*4.9*	*4.3*	*3.1*			*2.9*	*3.8*	*3.1*	*6.1*		*2.2*
Q4	*3.0*	*6.8*	*3.4*	*7.9*			*3.4*	*–0.5*	*2.6*	*4.5*		*2.1*
2003 Q1	*2.3*	*3.7*	*2.4*	*3.8*			*2.2*	*5.6*	*2.9*	*5.1*		*2.2*
Q2	*2.8*	*2.0*	*4.5*	*–0.2*			*2.4*	*–2.4*	*1.4*	*–1.4*		*2.2*
Q3	*2.8*	*–0.3*	*4.9*	*–2.5*			*2.9*	*–2.0*	*1.9*	*–0.3*		*2.6*
Q4	*2.6*	*–1.7*	*6.1*	*–0.8*			*3.2*	*3.7*	*3.3*	*4.0*		*3.1*
2004 Q1	*3.5*	*1.7*	*4.7*	*2.6*			*4.0*	*–0.4*	*3.1*	*1.7*		*3.5*
Q2	*3.8*	*1.8*	*3.3*	*5.7*			*4.4*	*4.6*	*4.5*	*7.6*		*3.7*
Q3	*3.7*	*2.1*	*2.0*	*7.2*			*3.4*	*6.0*	*3.9*	*7.7*		*3.0*
Q4	*3.9*	*2.9*	*0.5*	*4.1*			*2.9*	*5.6*	*3.4*	*6.8*		*2.5*
2005 Q1	*2.7*	*2.1*	*0.9*	*3.3*			*2.5*	*2.6*	*2.5*	*5.4*		*1.7*
Q2	*1.5*	*2.6*	*1.5*	*2.2*			*1.3*	*5.8*	*2.2*	*4.5*		*1.5*
Q3	..	..	..	..			..	..	..	..		*1.6*

1 Estimates given to nearest million but cannot be regarded as accurate to the degree.
2 Non-profit making institutions serving households(NPISH).
3 Quarterly alignment adjustment included in this series.

Source: Office for National Statistics; Enquiries 020 7533 6031

Gross Domestic Product : by category of expenditure

chained volume measures
reference year 2002
percentage change on year earlier



2.3 Gross domestic product and shares of income and expenditure

	Gross domestic product at market prices (£ million)	Gross final expenditure (£ million)	Percentage share of gross final expenditure: Final consumption expenditure: Household and NPISH	Final consumption expenditure: General government	Gross capital formation	Exports of goods and services	Percentage share of GDP by category of income: Gross operating surplus: Corporations[1]	Gross operating surplus: Other[2]	Compensation of employees	Mixed income	Taxes on production and imports
Annual	YBHA	ABMF	IHXI	IHXJ	IHXK	IHXL	IHXM	IHXO	IHXP	IHXQ	IHXR
2002	1 048 456	1 354 952	51.2	15.6	13.0	20.3	21.7	3.0	56.1	6.3	12.9
2003	1 105 919	1 419 132	51.1	16.3	12.7	19.9	22.2	2.9	55.8	6.3	12.8
2004	1 163 942	1 493 073	51.0	16.5	13.1	19.5	22.5	2.8	55.7	6.3	12.8
Quarterly											
2002 Q1	257 004	332 338	51.4	15.4	12.8	20.4	21.8	2.8	56.0	6.3	13.0
Q2	261 090	339 079	50.9	15.4	12.8	20.9	21.2	3.7	56.1	6.3	12.8
Q3	264 065	341 177	51.0	15.6	13.0	20.4	21.9	2.8	56.1	6.3	12.8
Q4	266 297	342 358	51.4	15.8	13.3	19.4	21.8	2.7	56.3	6.3	12.8
2003 Q1	270 583	349 262	51.0	16.0	12.3	20.7	22.6	2.4	56.0	6.3	12.7
Q2	274 053	350 763	51.4	16.3	12.3	19.9	21.9	3.2	55.8	6.3	12.7
Q3	278 966	356 950	51.1	16.4	12.9	19.6	22.3	2.7	55.9	6.3	12.8
Q4	282 317	362 157	50.8	16.6	13.2	19.4	21.9	3.3	55.7	6.3	12.9
2004 Q1	285 940	364 578	51.3	16.5	12.8	19.4	22.0	2.9	55.9	6.3	12.9
Q2	289 204	370 638	51.2	16.3	13.1	19.4	22.9	2.5	55.6	6.3	12.8
Q3	292 359	375 781	50.9	16.5	13.2	19.5	22.4	3.0	55.6	6.3	12.8
Q4	296 439	382 076	50.6	16.6	13.1	19.7	22.8	2.6	55.8	6.2	12.6
2005 Q1	298 163	383 782	50.8	16.7	13.1	19.5	22.2	2.7	56.4	6.3	12.5
Q2	301 336	388 700	50.6	16.6	12.8	20.0	22.4	2.7	56.2	6.3	12.5

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

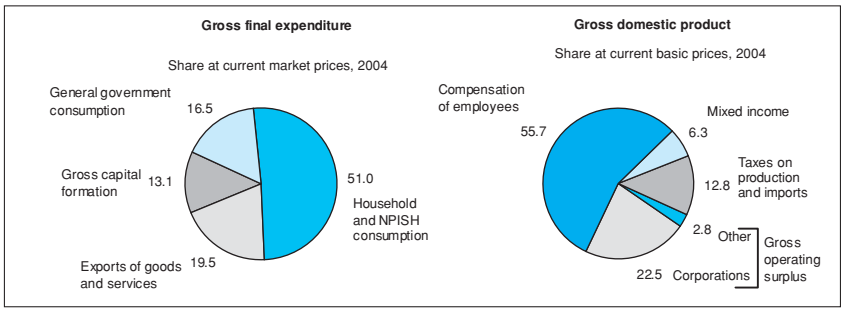
2.4 Income, product and spending per head

£

	At current prices: Gross national income at market prices	Gross domestic product at market prices	Household and NPISH final consumption expenditure	Households' gross disposable income	Chained volume measures (reference year 2002): Gross domestic product at market prices	Household and NPISH final consumption expenditure	Real households' disposable income
Annual	IHXS	IHXT	IHXU	IHXV	IHXW	IHXX	IHXZ
2002	18 041	17 674	11 687	11 971	17 675	11 688	11 971
2003	18 945	18 570	12 174	12 500	18 049	11 940	12 258
2004	19 965	19 537	12 778	12 928	18 613	12 371	12 517
Quarterly							
2002 Q1	4 409	4 338	2 886	2 945	4 389	2 897	2 956
Q2	4 468	4 404	2 911	2 994	4 409	2 915	2 999
Q3	4 564	4 450	2 929	3 006	4 433	2 930	3 006
Q4	4 600	4 482	2 961	3 026	4 444	2 946	3 010
2003 Q1	4 680	4 549	2 992	3 061	4 466	2 953	3 021
Q2	4 678	4 603	3 030	3 135	4 487	2 984	3 087
Q3	4 755	4 682	3 064	3 130	4 528	2 996	3 060
Q4	4 832	4 736	3 088	3 174	4 568	3 007	3 090
2004 Q1	4 894	4 797	3 136	3 182	4 615	3 047	3 092
Q2	4 962	4 853	3 183	3 220	4 648	3 091	3 127
Q3	4 976	4 908	3 210	3 258	4 663	3 106	3 152
Q4	5 133	4 979	3 249	3 268	4 687	3 127	3 146
2005 Q1	5 119	5 003	3 269	3 296	4 695	3 129	3 155
Q2	5 208	5 056	3 297	3 349	4 718	3 140	3 189

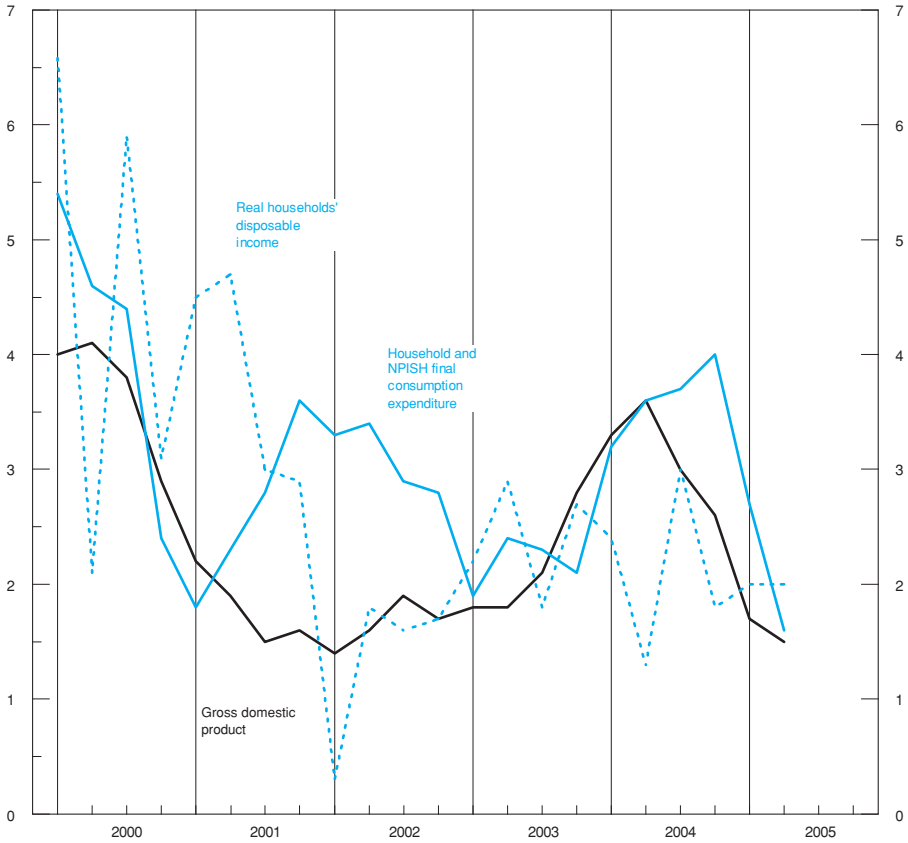
Source: Office for National Statistics; Enquiries 020 7533 6031

Shares of income and expenditure



Income, product and spending per capita

chained volume measures, reference year 2002 percentage change on year earlier



2.5 Households[1] disposable income and consumption

	£ million, current prices							£ million, chained volume measures, reference year 2002		
	Households' income before tax		Gross households' disposable income[2]	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 2002=100)
	Total	of which: Wages and salaries								
Annual										
	RPHP	ROYJ	RPHQ	RPQJ	RPQK	RPQM	NRJS	NRJR	NPSP	OSXS
2002	1 015 614	509 546	710 144	17 906	728 050	693 359	4.8	710 144	693 359	100.0
2003	1 067 190	526 949	744 395	21 586	765 981	725 012	5.3	730 080	711 070	102.8
2004	1 116 000	550 878	770 231	25 692	795 923	761 223	4.4	745 746	737 024	105.0
Quarterly										
2002 Q1	249 009	125 136	174 431	4 005	178 436	170 968	4.2	175 100	171 624	98.6
Q2	253 005	126 891	177 530	4 289	181 819	172 601	5.1	177 785	172 849	100.1
Q3	255 632	128 052	178 374	4 740	183 114	173 836	5.1	178 397	173 859	100.5
Q4	257 968	129 467	179 809	4 872	184 681	175 954	4.7	178 862	175 027	100.7
2003 Q1	260 307	130 003	182 099	5 196	187 295	177 952	5.0	179 729	175 637	101.2
Q2	266 376	131 002	186 656	4 046	190 702	180 420	5.4	183 802	177 662	103.5
Q3	268 894	132 597	186 481	6 211	192 692	182 562	5.3	182 341	178 510	102.7
Q4	271 613	133 347	189 159	6 133	195 292	184 078	5.7	184 208	179 261	103.8
2004 Q1	274 256	135 417	189 675	6 688	196 363	186 903	4.8	184 306	181 614	103.8
Q2	276 861	136 716	191 880	5 821	197 701	189 683	4.1	186 352	184 220	105.0
Q3	281 373	138 257	194 075	6 129	200 204	191 212	4.5	187 782	185 014	105.8
Q4	283 510	140 488	194 601	7 054	201 655	193 425	4.1	187 306	186 176	105.5
2005 Q1	288 018	142 596	196 427	7 477	203 904	194 787	4.5	188 013	186 443	105.9
Q2	293 339	143 480	199 574	7 263	206 837	196 510	5.0	190 033	187 115	107.0

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 (2002 = 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 2002, £ million

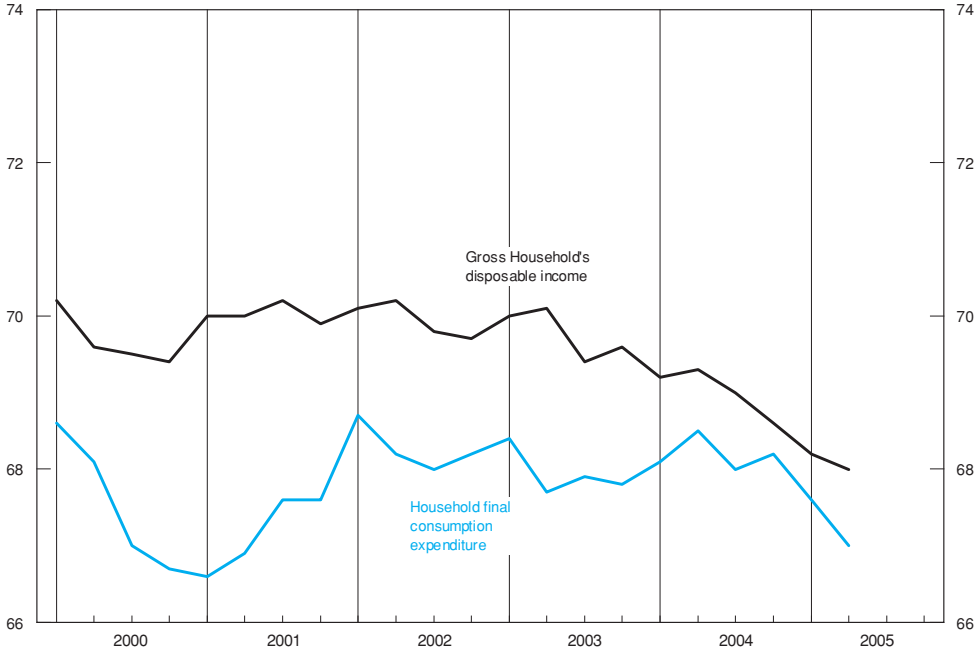
	UK National[4]														
			UK Domestic[5]												
	Total	Net tourism	Total	Food & drink	Alcohol & tobacco	Clothing & footwear	Housing	Household goods & services	Health	Transport	Communication	Recreation & culture	Education	Restaurants & hotels	Miscellaneous
COICOP[3]	-	-	0	01	02	03	04	05	06	07	08	09	10	11	12
Annual															
	ABJR	ABTH	ZAKW	ZWUN	ZAKY	ZALA	ZAVO	ZAVW	ZAWC	ZAWM	ZAWW	ZAXA	ZWUT	ZAXS	ZAYG
2002	667 361	10 563	656 798	61 493	25 966	39 092	121 238	40 448	10 778	99 797	14 675	81 363	9 381	76 298	76 269
2003	684 841	10 638	674 203	61 883	26 364	41 993	122 325	42 745	11 292	102 055	15 464	87 734	8 870	76 422	77 056
2004	710 243	11 143	699 100	63 238	26 604	45 847	125 238	45 186	11 788	103 965	16 356	95 625	8 831	78 255	78 167
Quarters															
2002 Q1	165 301	2 759	162 544	14 965	6 432	9 705	30 106	10 010	2 637	24 670	3 607	20 274	2 419	18 913	18 791
Q2	166 424	2 544	163 881	15 168	6 494	9 724	30 278	9 994	2 684	24 996	3 668	20 202	2 374	19 109	19 194
Q3	167 273	2 628	164 644	15 480	6 505	9 838	30 335	10 160	2 718	25 176	3 688	20 226	2 349	19 161	19 015
Q4	168 363	2 632	165 729	15 880	6 535	9 825	30 519	10 284	2 739	24 955	3 712	20 661	2 239	19 115	19 269
2003 Q1	169 079	2 821	166 258	15 339	6 538	10 066	30 405	10 514	2 767	25 372	3 746	21 055	2 222	18 881	19 353
Q2	171 108	2 745	168 363	15 881	6 556	10 412	30 476	10 803	2 796	25 633	3 846	21 592	2 211	18 927	19 230
Q3	171 946	2 639	169 307	15 412	6 627	10 741	30 567	10 604	2 834	25 558	3 924	22 323	2 216	19 333	19 168
Q4	172 708	2 433	170 275	15 251	6 643	10 774	30 877	10 824	2 895	25 492	3 948	22 764	2 221	19 281	19 305
2004 Q1	174 946	2 776	172 170	15 909	6 662	11 019	31 136	10 906	2 886	25 654	4 000	22 991	2 218	19 540	19 249
Q2	177 551	2 822	174 729	15 618	6 671	11 423	31 314	11 312	2 958	25 804	3 987	24 125	2 211	19 677	19 629
Q3	178 311	2 874	175 437	15 725	6 616	11 591	31 311	11 570	2 964	26 073	4 155	24 165	2 206	19 494	19 567
Q4	179 435	2 671	176 764	15 986	6 655	11 814	31 477	11 398	2 980	26 434	4 214	24 344	2 196	19 544	19 722
2005 Q1	179 633	2 904	176 729	15 994	6 663	11 845	31 410	11 439	2 962	26 316	4 341	24 606	2 188	19 996	18 969
Q2	180 272	2 581	177 691	16 093	6 670	11 925	31 798	11 373	2 951	26 696	4 353	24 625	2 169	19 997	19 041

1 Estimates are given to the nearest £ million but cannot be regarded as accurate to this degree.
2 More detailed estimates of Household Final Consumption Expenditure, expressed in both current prices and chained volume measures and both unadjusted and seasonally adjusted appear in the ONS publication *Consumer Trends*.
3 ESA 95 Classification of Individual Consumption by Purpose
4 Final consumption expenditure by UK households in the UK & abroad
5 Final consumption expenditure in the UK by UK & foreign households

Source: Office for National Statistics; Enquiries 020 7533 5999

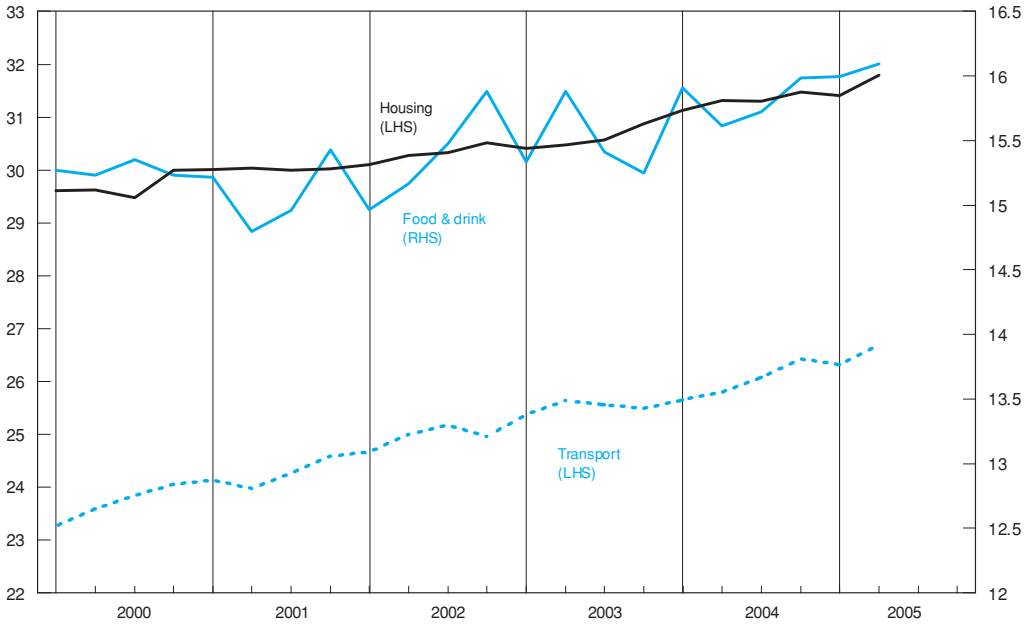
Household's Disposable Income and Consumption

Proportion of **Households' Income before tax** (Current Prices), per cent



Household final consumption expenditure – component categories

chained volume measures reference year 2002, £ thousand million



2.7 Gross fixed capital formation
Chained volume measures

Reference year 2002, £ million

	Analysis by sector						Analysis by asset				
			Public corporations[2]	Private sector							
	Business investment[1]	General government	Transfer costs of non-produced assets	Dwellings	Transfer costs of non-produced assets	Total+	Transport equipment	Other machinery and equipment	Dwellings	Other building and structures[3]	Intangible fixed assets
Annual											
	NPEL	DLWF	DLWH	DFEA	DLWI	NPQT	DLWL	DLWO	DFEG	DLWT	EQDO
2000	108 189	12 008	8	28 931	14 468	163 709	13 487	56 825	30 797	57 210	5 091
2001	109 792	13 954	67	29 195	14 343	167 563	14 786	57 545	32 006	57 928	5 047
2002	110 166	15 580	–41	31 455	15 398	172 558	16 214	56 421	34 499	59 836	5 588
2003	107 747	18 244	–234	32 474	14 342	172 573	14 669	54 104	36 056	61 934	5 810
2004	111 379	20 239	–266	35 547	14 144	181 043	14 248	57 091	38 879	64 629	6 196
Quarterly											
2000 Q1	25 974	2 785	–1	7 486	4 091	40 052	3 324	13 307	7 926	14 416	1 234
Q2	26 195	2 950	1	7 415	3 462	40 010	3 297	13 722	7 868	13 827	1 286
Q3	27 345	2 886	–	7 260	3 527	41 109	3 284	14 517	7 715	14 164	1 277
Q4	28 675	3 387	8	6 770	3 388	42 538	3 582	15 279	7 288	14 803	1 294
2001 Q1	27 875	2 985	35	7 312	3 734	42 007	3 303	14 720	7 911	14 686	1 261
Q2	27 726	3 618	28	7 155	3 539	42 160	3 881	14 262	7 891	14 830	1 251
Q3	27 586	3 648	3	7 522	3 427	42 249	3 884	14 460	8 252	14 343	1 265
Q4	26 605	3 703	1	7 206	3 643	41 147	3 718	14 103	7 952	14 069	1 270
2002 Q1	27 145	3 726	4	7 295	3 440	41 651	4 045	13 697	8 006	14 602	1 306
Q2	27 421	3 832	10	7 759	3 924	42 936	4 009	14 394	8 396	14 704	1 404
Q3	27 325	4 029	–25	8 104	4 177	43 562	4 137	14 279	8 829	14 896	1 411
Q4	28 275	3 993	–30	8 297	3 857	44 409	4 023	14 051	9 268	15 634	1 467
2003 Q1	26 670	4 747	–13	7 831	3 997	43 232	3 871	13 766	8 824	15 347	1 424
Q2	27 231	4 079	–49	8 031	3 551	42 843	3 454	13 043	8 835	16 074	1 437
Q3	26 424	4 487	–98	8 237	3 409	42 459	3 633	13 317	9 165	14 885	1 459
Q4	27 422	4 931	–74	8 375	3 385	44 039	3 711	13 978	9 232	15 628	1 490
2004 Q1	27 483	4 693	–58	8 753	3 503	44 374	3 507	14 297	9 487	15 575	1 508
Q2	27 527	5 351	–75	8 890	3 593	45 286	3 688	14 158	9 747	16 156	1 537
Q3	28 211	4 979	–83	8 898	3 515	45 520	3 609	14 197	9 790	16 362	1 562
Q4	28 158	5 216	–50	9 006	3 533	45 863	3 444	14 439	9 855	16 536	1 589
2005 Q1	28 268	5 786	–90	8 910	2 969	45 843	3 512	14 468	9 730	16 534	1 599
Q2	28 684	5 188	–85	8 905	3 595	46 287	3 474	14 669	9 714	16 815	1 615
Percentage change, latest quarter on corresponding quarter of previous year											
2000 Q1	*1.2*	*–4.6*		*–0.2*	*27.6*	*1.7*	*–14.9*	*4.1*	*–0.2*	*5.2*	*4.5*
Q2	*3.4*	*6.0*		*4.2*	*0.2*	*3.6*	*–7.5*	*8.6*	*1.3*	*1.6*	*6.1*
Q3	*3.7*	*2.7*		*6.1*	*–10.3*	*3.1*	*–12.0*	*10.0*	*6.8*	*–2.4*	*4.2*
Q4	*9.5*	*21.7*		*–8.1*	*–20.1*	*5.7*	*–5.4*	*18.0*	*–7.2*	*1.1*	*2.7*
2001 Q1	*7.3*	*7.2*		*–2.3*	*–8.7*	*4.9*	*–0.6*	*10.6*	*–0.2*	*1.9*	*2.2*
Q2	*5.8*	*22.6*		*–3.5*	*2.2*	*5.4*	*17.7*	*3.9*	*0.3*	*7.3*	*–2.7*
Q3	*0.9*	*26.4*		*3.6*	*–2.8*	*2.8*	*18.3*	*–0.4*	*7.0*	*1.3*	*–0.9*
Q4	*–7.2*	*9.3*		*6.4*	*7.5*	*–3.3*	*3.8*	*–7.7*	*9.1*	*–5.0*	*–1.9*
2002 Q1	*–2.6*	*24.8*		*–0.2*	*–7.9*	*–0.8*	*22.5*	*–6.9*	*1.2*	*–0.6*	*3.6*
Q2	*–1.1*	*5.9*		*8.4*	*10.9*	*1.8*	*3.3*	*0.9*	*6.4*	*–0.8*	*12.2*
Q3	*–0.9*	*10.4*		*7.7*	*21.9*	*3.1*	*6.5*	*–1.3*	*7.0*	*3.9*	*11.5*
Q4	*6.3*	*7.8*		*15.1*	*5.9*	*7.9*	*8.2*	*–0.4*	*16.5*	*11.1*	*15.5*
2003 Q1	*–1.7*	*27.4*		*7.3*	*16.2*	*3.8*	*–4.3*	*0.5*	*10.2*	*5.1*	*9.0*
Q2	*–0.7*	*6.4*		*3.5*	*–9.5*	*–0.2*	*–13.8*	*–9.4*	*5.2*	*9.3*	*2.4*
Q3	*–3.3*	*11.4*		*1.6*	*–18.4*	*–2.5*	*–12.2*	*–6.7*	*3.8*	*–0.1*	*3.4*
Q4	*–3.0*	*23.5*		*0.9*	*–12.2*	*–0.8*	*–7.8*	*–0.5*	*–0.4*	*0.0*	*1.6*
2004 Q1	*3.0*	*–1.1*		*11.8*	*–12.4*	*2.6*	*–9.4*	*3.9*	*7.5*	*1.5*	*5.9*
Q2	*1.1*	*31.2*		*10.7*	*1.2*	*5.7*	*6.8*	*8.5*	*10.3*	*0.5*	*7.0*
Q3	*6.8*	*11.0*		*8.0*	*3.1*	*7.2*	*–0.7*	*6.6*	*6.8*	*9.9*	*7.1*
Q4	*2.7*	*5.8*		*7.5*	*4.4*	*4.1*	*–7.2*	*3.3*	*6.7*	*5.8*	*6.6*
2005 Q1	*2.9*	*23.3*		*1.8*	*–15.2*	*3.3*	*0.1*	*1.2*	*2.6*	*6.2*	*6.0*
Q2	*4.2*	*–3.0*		*0.2*	*0.1*	*2.2*	*–5.8*	*3.6*	*–0.3*	*4.1*	*5.1*

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

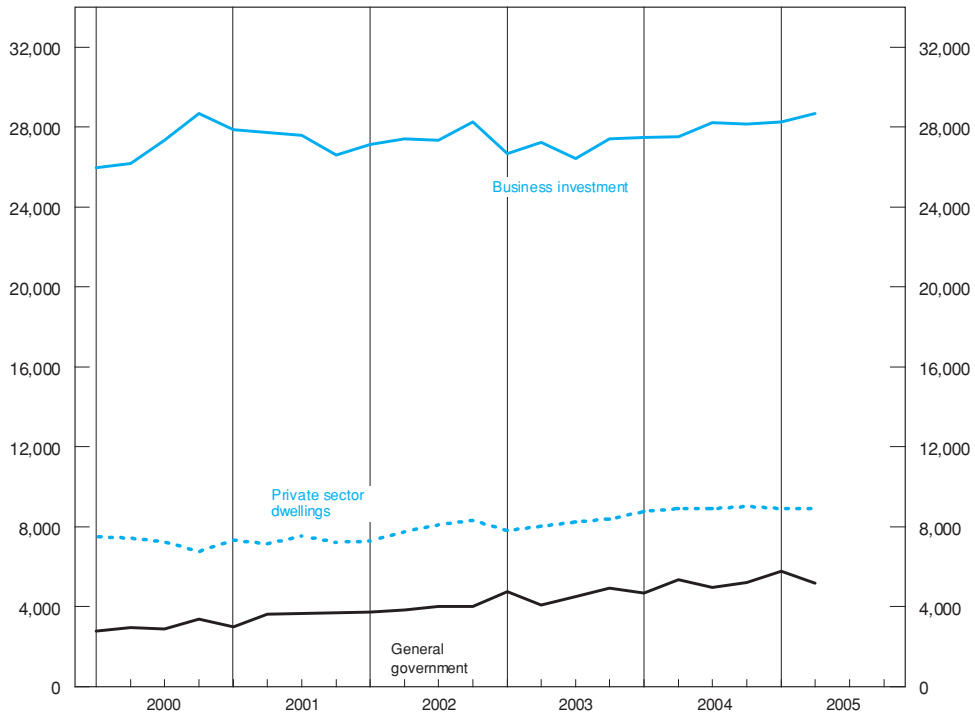
2 Remaining investment by public non-financial corporations is included within business investment.

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

Source: Office for National Statistics; Enquiries 020 7533 6010

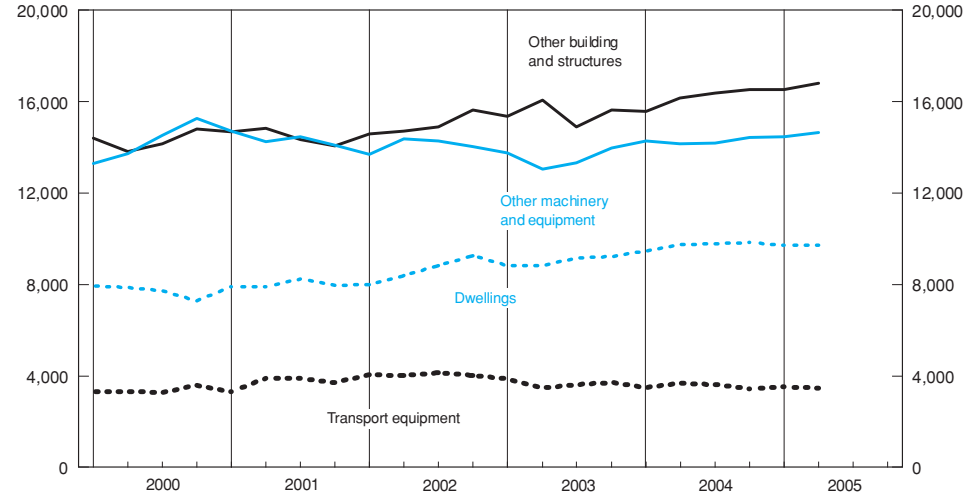
Gross fixed capital formation-by sector

Chained volume measures, reference year 2002, £ million



Gross fixed capital formation – by asset

Chained volume measures, reference year 2002, £ million



2.8 Gross value added, chained volume indices at basic prices, by category of output[1,3]

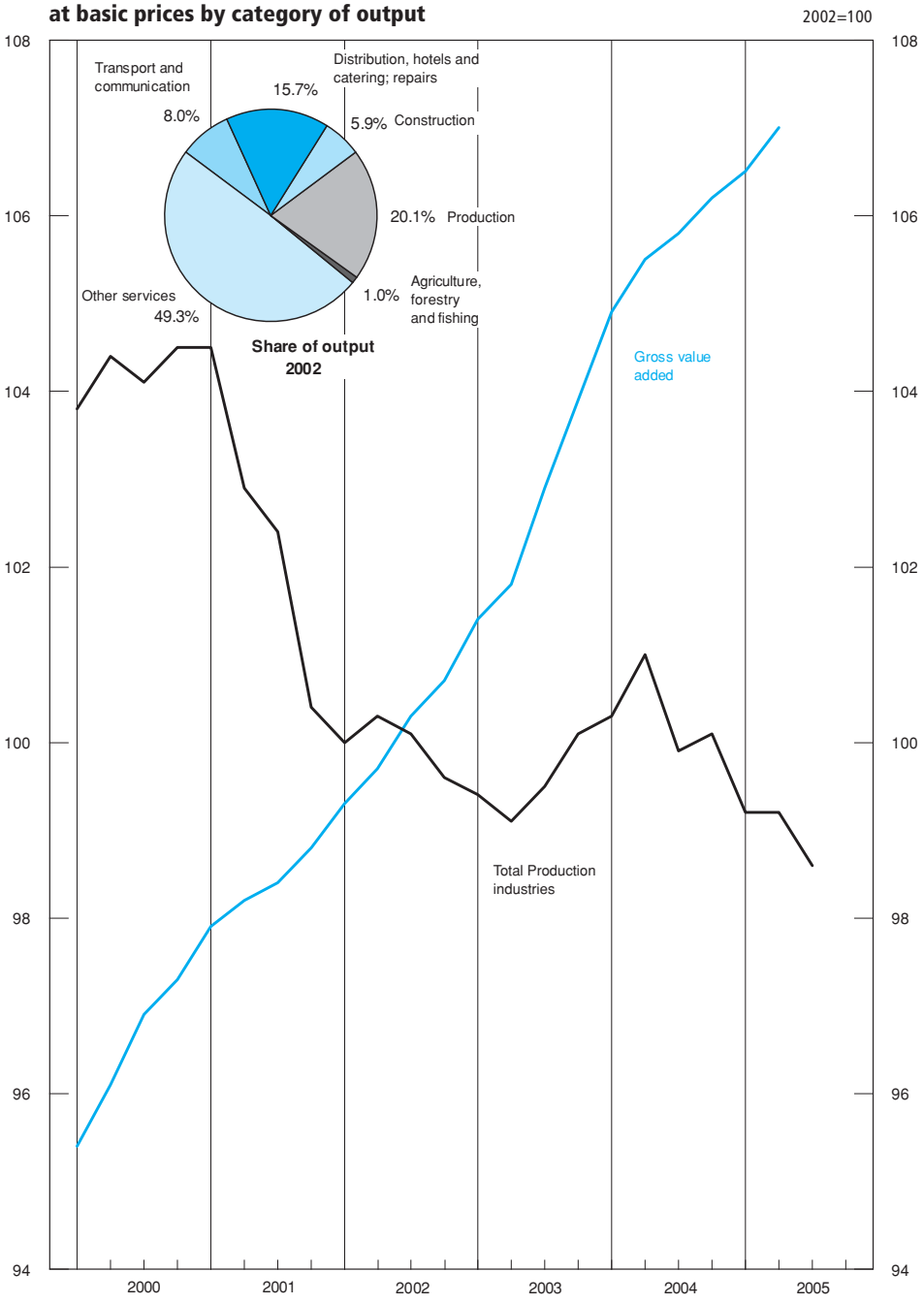
2002 = 100

	Production						Service industries						
	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	Gross value added at basic prices	Gross value added excluding oil
2002 Weights[1]	*10*	*24*	*159*	*18*	*201*	*59*	*157*	*80*	*264*	*229*	*730*	*1000*	*979*
	GDQA	CKYX	CKYY	CKYZ	CKYW	GDQB	GDQE	GDQH	GDQN	GDQU	GDQS	CGCE	JUNT
2000	98.0	106.1	104.6	98.2	104.2	94.6	93.5	94.1	93.9	95.5	94.3	96.4	96.2
2001	89.1	100.3	103.2	100.5	102.6	96.3	95.6	97.8	98.4	97.5	97.4	98.3	98.3
2002	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
2003	98.3	94.9	100.1	101.2	99.5	105.2	103.5	102.6	102.8	102.1	102.7	102.5	102.7
2004	99.4	87.2	102.0	103.3	100.3	108.7	108.6	105.5	107.2	104.6	106.5	105.6	105.9
Quarterly													
2000 Q1	98.6	110.2	103.8	96.9	103.8	96.9	92.5	91.2	92.0	94.6	92.9	95.4	95.1
Q2	98.0	108.7	104.4	99.2	104.4	94.6	93.1	93.3	93.1	95.3	93.8	96.1	95.9
Q3	99.3	105.0	104.6	98.1	104.1	93.0	94.3	95.4	94.8	96.0	95.1	96.9	96.7
Q4	95.9	100.8	105.5	98.5	104.5	94.0	94.0	96.4	95.7	96.0	95.5	97.3	97.2
2001 Q1	89.8	99.3	105.5	102.1	104.5	95.5	94.7	97.7	96.6	96.5	96.3	97.9	97.9
Q2	88.2	101.9	103.2	101.1	102.9	95.8	95.1	98.0	98.4	97.1	97.2	98.2	98.1
Q3	88.0	100.8	103.0	99.9	102.4	96.4	95.7	97.4	98.7	97.7	97.6	98.4	98.4
Q4	90.2	99.2	100.9	98.8	100.4	97.6	97.0	98.0	99.8	98.6	98.6	98.8	98.8
2002 Q1	98.4	100.1	100.2	98.2	100.0	99.2	98.6	99.6	99.1	99.2	99.1	99.3	99.3
Q2	100.6	104.3	99.7	99.4	100.3	98.8	99.3	99.0	99.7	99.8	99.6	99.7	99.6
Q3	101.0	95.6	100.7	101.2	100.1	100.4	100.4	100.1	100.6	100.2	100.4	100.3	100.4
Q4	100.1	100.0	99.3	101.3	99.6	101.7	101.7	101.2	100.6	100.7	101.0	100.7	100.7
2003 Q1	97.9	99.6	99.4	99.3	99.4	102.0	101.7	101.5	101.8	101.0	101.5	101.4	101.4
Q2	97.8	95.2	99.5	100.2	99.1	104.0	103.0	102.3	101.8	101.6	102.0	101.8	102.0
Q3	98.7	93.5	100.2	101.6	99.5	107.1	104.1	103.1	102.9	102.5	103.1	102.9	103.1
Q4	98.8	91.1	101.1	103.5	100.1	107.7	105.3	103.4	104.8	103.4	104.3	103.9	104.2
2004 Q1	99.4	89.6	101.6	104.1	100.3	108.0	107.4	103.9	106.4	103.9	105.5	104.9	105.1
Q2	98.7	90.1	102.4	102.9	101.0	108.2	108.7	105.3	106.5	104.7	106.3	105.5	105.8
Q3	99.5	85.9	101.7	103.6	99.9	109.0	109.2	105.7	107.6	104.7	106.8	105.8	106.2
Q4	99.9	83.3	102.3	102.8	100.1	109.7	109.3	106.9	108.3	105.0	107.4	106.2	106.7
2005 Q1	99.1	82.7	101.5	101.5	99.2	109.9	109.0	107.6	109.3	105.8	108.0	106.5	107.0
Q2	100.1	83.0	101.3	102.5	99.2	110.6	109.4	107.7	110.2	106.5	108.6	107.0	107.5
Q3	99.6	77.4	101.6	100.7	98.6	111.2	109.6	108.3	110.9	107.2	109.2	..	..
Percentage change, latest quarter on corresponding quarter of last year													
2000 Q1	*–0.6*	*1.6*	*2.8*	*1.9*	*2.6*	*4.9*	*2.8*	*8.8*	*3.3*	*4.5*	*4.3*	*4.3*	*4.3*
Q2	*–0.1*	*–0.9*	*3.0*	*4.1*	*2.8*	*2.0*	*2.9*	*9.6*	*4.4*	*4.2*	*4.6*	*4.3*	*4.6*
Q3	*1.4*	*–5.3*	*1.9*	*1.6*	*1.1*	*–1.2*	*3.4*	*11.1*	*6.0*	*3.7*	*5.2*	*4.3*	*4.4*
Q4	*–3.2*	*–7.9*	*2.2*	*1.2*	*1.2*	*–0.5*	*2.3*	*9.0*	*4.8*	*2.6*	*4.0*	*3.4*	*3.6*
2001 Q1	*–8.9*	*–9.9*	*1.6*	*5.4*	*0.7*	*–1.4*	*2.4*	*7.1*	*5.0*	*2.0*	*3.7*	*2.6*	*2.9*
Q2	*–10.0*	*–6.3*	*–1.1*	*1.9*	*–1.4*	*1.3*	*2.1*	*5.0*	*5.7*	*1.9*	*3.6*	*2.2*	*2.3*
Q3	*–11.4*	*–4.0*	*–1.5*	*1.8*	*–1.6*	*3.7*	*1.5*	*2.1*	*4.1*	*1.8*	*2.6*	*1.5*	*1.8*
Q4	*–5.9*	*–1.6*	*–4.4*	*0.3*	*–3.9*	*3.8*	*3.2*	*1.7*	*4.3*	*2.7*	*3.2*	*1.5*	*1.6*
2002 Q1	*9.6*	*0.8*	*–5.0*	*–3.8*	*–4.3*	*3.9*	*4.1*	*1.9*	*2.6*	*2.8*	*2.9*	*1.4*	*1.4*
Q2	*14.1*	*2.4*	*–3.4*	*–1.7*	*–2.5*	*3.1*	*4.4*	*1.0*	*1.3*	*2.8*	*2.5*	*1.5*	*1.5*
Q3	*14.8*	*–5.2*	*–2.2*	*1.3*	*–2.2*	*4.1*	*4.9*	*2.8*	*1.9*	*2.6*	*2.9*	*1.9*	*2.0*
Q4	*11.0*	*0.8*	*–1.6*	*2.5*	*–0.8*	*4.2*	*4.8*	*3.3*	*0.8*	*2.1*	*2.4*	*1.9*	*1.9*
2003 Q1	*–0.5*	*–0.5*	*–0.8*	*1.1*	*–0.6*	*2.8*	*3.1*	*1.9*	*2.7*	*1.8*	*2.4*	*2.1*	*2.1*
Q2	*–2.8*	*–8.7*	*–0.2*	*0.8*	*–1.2*	*5.3*	*3.7*	*3.3*	*2.1*	*1.8*	*2.4*	*2.1*	*2.4*
Q3	*–2.3*	*–2.2*	*–0.5*	*0.4*	*–0.6*	*6.7*	*3.7*	*3.0*	*2.3*	*2.3*	*2.7*	*2.6*	*2.7*
Q4	*–1.3*	*–8.9*	*1.8*	*2.2*	*0.5*	*5.9*	*3.5*	*2.2*	*4.2*	*2.7*	*3.3*	*3.2*	*3.5*
2004 Q1	*1.5*	*–10.0*	*2.2*	*4.8*	*0.9*	*5.9*	*5.6*	*2.4*	*4.5*	*2.9*	*3.9*	*3.5*	*3.6*
Q2	*0.9*	*–5.4*	*2.9*	*2.7*	*1.9*	*4.0*	*5.5*	*2.9*	*4.6*	*3.1*	*4.2*	*3.6*	*3.7*
Q3	*0.8*	*–8.1*	*1.5*	*2.0*	*0.4*	*1.8*	*4.9*	*2.5*	*4.6*	*2.1*	*3.6*	*2.8*	*3.0*
Q4	*1.1*	*–8.6*	*1.2*	*–0.7*	*0.0*	*1.9*	*3.8*	*3.4*	*3.3*	*1.5*	*3.0*	*2.2*	*2.4*
2005 Q1	*–0.3*	*–7.7*	*–0.1*	*–2.5*	*–1.1*	*1.8*	*1.5*	*3.6*	*2.7*	*1.8*	*2.4*	*1.5*	*1.8*
Q2	*1.4*	*–7.9*	*–1.1*	*–0.4*	*–1.8*	*2.2*	*0.6*	*2.3*	*3.5*	*1.7*	*2.2*	*1.4*	*1.6*
Q3	*0.1*	*–9.9*	*–0.1*	*–2.8*	*–1.3*	*2.0*	*0.4*	*2.5*	*3.1*	*2.4*	*2.2*	..	..

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 2002, and are used to combine the industry output indices to calculate the totals for 2003 and 2004. For 2002 and earlier, totals are calculated using the equivalent weights for the previous year (e.g. totals for 2002 use 2001 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

Gross value added chained volume measures at basic prices by category of output



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

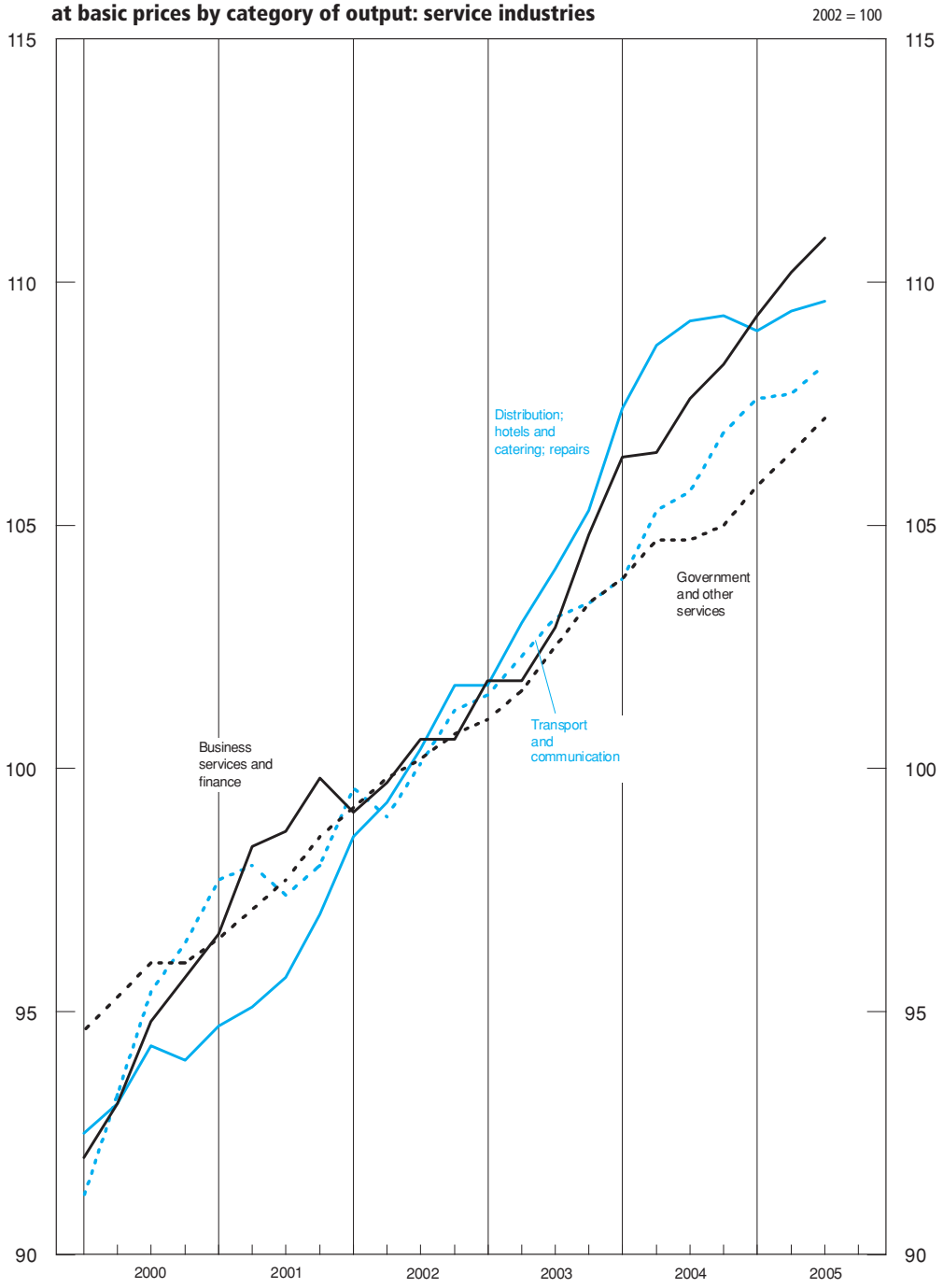
2002 = 100

	Distribution hotels and catering; repairs		Transport, storage and communication		Business services and finance			Government and other services					
	Motor trades; wholesale and retail trade; repairs	Hotels and restaurants	Transport and storage	Post and telecommunication	Financial intermediation[3]	Real estate, renting and business activities	Ownership of dwellings	PAD[1]	Education	Health and social work	Other services[2]	Adjustment for financial services[4]	Total services
2002 weights	*124*	*34*	*48*	*31*	*68*	*162*	*78*	*50*	*60*	*67*	*52*	*-44*	*730*
Annual													
	GDQC	GDQD	GDQF	GDQG	GDQI	GDQK	GDQL	GDQO	GDQP	GDQQ	GDQR	GDQJ	GDQS
2001	95.2	97.4	97.3	98.5	100.9	97.2	98.8	97.5	98.6	96.6	97.1	97.2	97.4
2002	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
2003	102.9	105.9	100.8	105.4	101.8	105.7	102.2	103.5	100.5	103.2	101.2	110.8	102.7
2004	107.9	111.2	104.7	106.6	105.7	113.7	104.1	105.3	100.5	107.4	104.9	123.4	106.5
Quarterly													
2001 Q1	94.2	97.0	96.8	99.1	99.2	95.5	98.1	97.0	97.8	95.4	95.8	97.7	96.3
Q2	94.5	97.1	97.6	98.7	101.2	97.0	98.7	97.4	98.4	96.4	96.1	96.5	97.2
Q3	95.2	97.9	97.4	97.4	100.7	97.5	99.2	97.3	98.9	96.8	97.8	97.1	97.6
Q4	96.8	97.8	97.5	98.8	102.4	98.7	99.3	98.4	99.3	98.0	98.8	97.4	98.6
2002 Q1	98.7	98.3	99.3	100.1	99.5	98.3	99.4	98.9	99.9	98.2	100.2	97.4	99.1
Q2	99.5	98.5	99.3	98.6	98.9	99.8	99.7	99.8	99.9	100.1	99.5	99.0	99.6
Q3	100.4	100.3	100.5	99.5	100.9	100.8	100.0	100.2	100.0	100.7	99.8	100.4	100.4
Q4	101.4	102.8	100.9	101.8	100.8	101.1	100.8	101.1	100.2	101.0	100.6	103.2	101.0
2003 Q1	101.0	104.2	99.7	104.4	101.2	103.1	101.5	102.2	100.3	101.7	99.6	105.3	101.5
Q2	102.2	106.0	99.5	106.6	101.7	104.1	101.8	103.1	100.5	102.1	100.5	110.1	102.0
Q3	103.6	106.1	101.8	105.0	101.6	106.2	102.3	104.3	100.5	103.5	101.6	111.9	103.1
Q4	104.8	107.2	102.1	105.5	102.6	109.5	103.2	104.5	100.5	105.4	102.9	115.8	104.3
2004 Q1	106.8	109.5	103.0	105.2	105.2	111.8	103.6	105.2	100.4	107.1	102.5	119.8	105.5
Q2	108.0	111.3	105.0	105.6	103.7	112.9	104.0	105.1	100.4	106.5	107.1	121.1	106.3
Q3	108.6	111.3	104.3	107.9	105.9	114.3	104.1	105.4	100.7	107.5	105.0	123.6	106.8
Q4	108.3	112.6	106.5	107.7	107.9	115.9	104.7	105.6	100.6	108.5	105.2	129.0	107.4
2005 Q1	108.0	112.6	107.6	107.6	109.6	117.1	104.9	105.7	101.2	109.4	106.6	130.6	108.0
Q2	108.3	113.5	107.6	108.0	110.9	118.2	105.3	106.2	101.6	110.6	107.0	132.2	108.6
Q3	..	..	..	..	..	..	..	..	..	..	..	..	109.2
Percentage change, quarter on corresponding quarter of previous year													
Quarterly													
2001 Q1	*3.7*	*–2.5*	*3.1*	*13.6*	*4.9*	*7.2*	*2.9*	*1.9*	*0.0*	*3.2*	*2.8*	*9.4*	*3.7*
Q2	*2.7*	*–0.5*	*1.8*	*10.4*	*6.0*	*6.0*	*3.9*	*1.5*	*0.5*	*2.6*	*2.8*	*4.0*	*3.6*
Q3	*2.0*	*–0.4*	*0.2*	*5.0*	*4.8*	*4.4*	*3.0*	*0.4*	*1.0*	*2.4*	*3.4*	*4.2*	*2.6*
Q4	*3.8*	*1.3*	*1.8*	*1.5*	*5.6*	*4.7*	*1.5*	*1.2*	*1.6*	*3.4*	*4.7*	*2.0*	*3.2*
2002 Q1	*4.8*	*1.3*	*2.6*	*1.0*	*0.3*	*2.9*	*1.3*	*2.0*	*2.1*	*2.9*	*4.6*	*–0.3*	*2.9*
Q2	*5.3*	*1.4*	*1.7*	*–0.1*	*–2.3*	*2.9*	*1.0*	*2.5*	*1.5*	*3.8*	*3.5*	*2.6*	*2.5*
Q3	*5.5*	*2.5*	*3.2*	*2.2*	*0.2*	*3.4*	*0.8*	*3.0*	*1.1*	*4.0*	*2.0*	*3.4*	*2.9*
Q4	*4.8*	*5.1*	*3.5*	*3.0*	*–1.6*	*2.4*	*1.5*	*2.7*	*0.9*	*3.1*	*1.8*	*6.0*	*2.4*
2003 Q1	*2.3*	*6.0*	*0.4*	*4.3*	*1.7*	*4.9*	*2.1*	*3.3*	*0.4*	*3.6*	*–0.6*	*8.1*	*2.4*
Q2	*2.7*	*7.6*	*0.2*	*8.1*	*2.8*	*4.3*	*2.1*	*3.3*	*0.6*	*2.0*	*1.0*	*11.2*	*2.4*
Q3	*3.2*	*5.8*	*1.3*	*5.5*	*0.7*	*5.4*	*2.3*	*4.1*	*0.5*	*2.8*	*1.8*	*11.5*	*2.7*
Q4	*3.4*	*4.3*	*1.2*	*3.6*	*1.8*	*8.3*	*2.4*	*3.4*	*0.3*	*4.4*	*2.3*	*12.2*	*3.3*
2004 Q1	*5.7*	*5.1*	*3.3*	*0.8*	*4.0*	*8.4*	*2.1*	*2.9*	*0.1*	*5.3*	*2.9*	*13.8*	*3.9*
Q2	*5.7*	*5.0*	*5.5*	*–0.9*	*2.0*	*8.5*	*2.2*	*1.9*	*–0.1*	*4.3*	*6.6*	*10.0*	*4.2*
Q3	*4.8*	*4.9*	*2.5*	*2.8*	*4.2*	*7.6*	*1.8*	*1.1*	*0.2*	*3.9*	*3.3*	*10.5*	*3.6*
Q4	*3.3*	*5.0*	*4.3*	*2.1*	*5.2*	*5.8*	*1.5*	*1.1*	*0.1*	*2.9*	*2.2*	*11.4*	*3.0*
2005 Q1	*1.1*	*2.8*	*4.5*	*2.3*	*4.2*	*4.7*	*1.3*	*0.5*	*0.8*	*2.1*	*4.0*	*9.0*	*2.4*
Q2	*0.3*	*2.0*	*2.5*	*2.3*	*6.9*	*4.7*	*1.3*	*1.0*	*1.2*	*3.8*	*–0.1*	*9.2*	*2.2*
Q3	*..*	*..*	*..*	*..*	*..*	*..*	*..*	*..*	*..*	*..*	*..*	*..*	*2.2*

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

Gross value added chained volume indices at basic prices by category of output: service industries



Source : see data on Table 2.8

2.10 Summary capital accounts and net lending/net borrowing

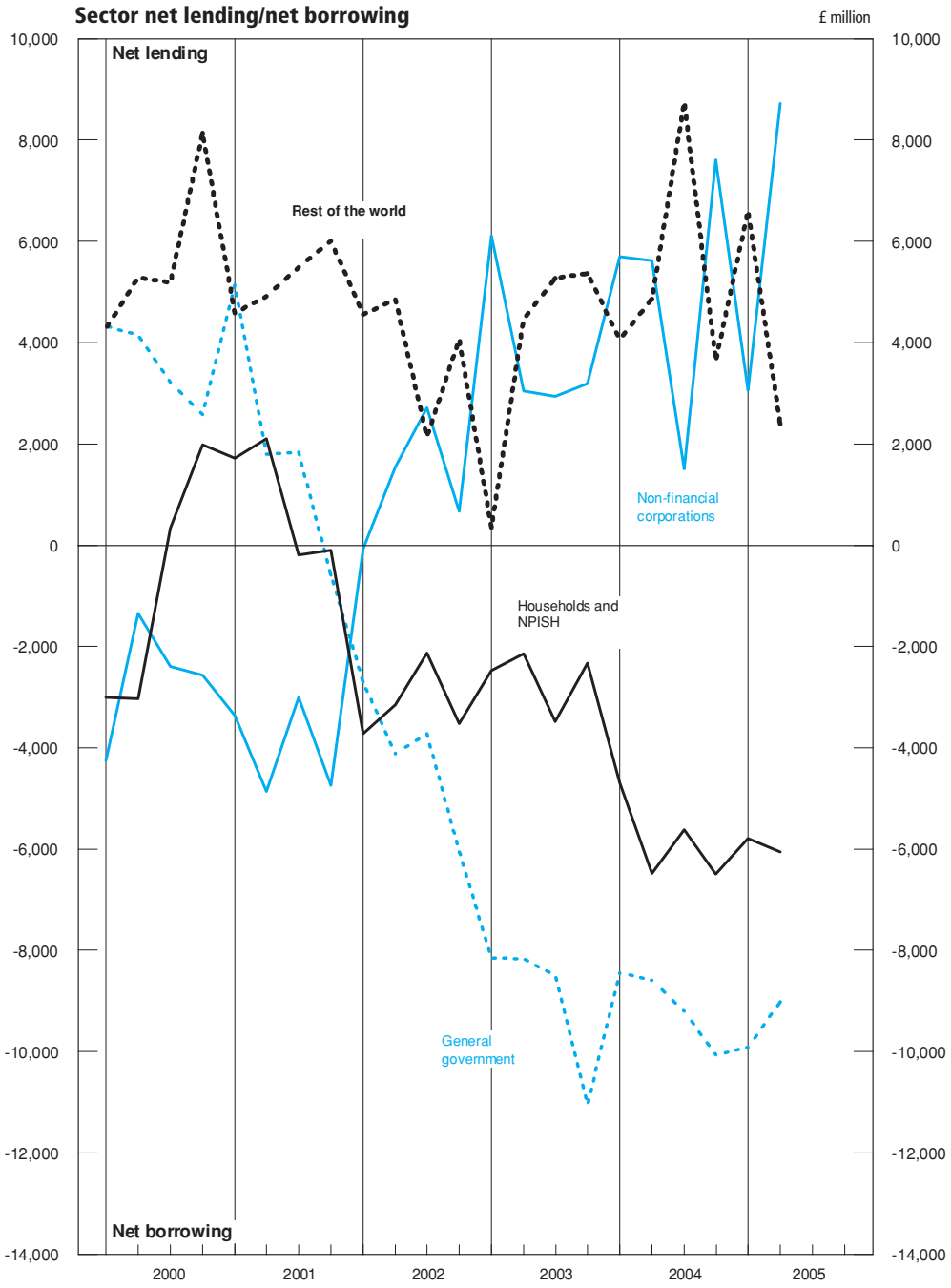
£ million

	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	RPJV	GZQW	RQBZ	RQAX	RPPS	GZQE	RPYP	RPYO	RPQC	GZQU	RPZF	RPZE
2001	89 893	2 661	103 976	1 208	–9 450	–	7 300	–43	25 272	–4 081	13 929	–916
2002	107 576	2 098	99 453	1 431	15 325	–	6 732	–36	1 602	–3 674	15 602	–1 087
2003	116 456	3 316	99 413	1 241	18 972	–	3 452	–3	–13 036	–5 525	18 244	–957
2004	126 726	3 130	104 693	1 564	23 498	–	3 915	–6	–11 668	–4 877	20 809	–1 071
Quarterly												
2001 Q1	22 815	599	25 568	271	–5 721	–	2 368	–9	8 635	–749	2 966	–222
Q2	21 835	627	26 171	305	–1 717	–	2 239	–11	6 420	–1 229	3 621	–221
Q3	23 676	719	26 324	331	–2 789	–	1 342	–11	6 372	–1 152	3 617	–234
Q4	21 567	716	25 913	301	777	–	1 351	–12	3 845	–951	3 725	–239
2002 Q1	25 584	517	25 016	379	2 755	–	843	–11	1 880	–1 054	3 803	–284
Q2	26 944	350	24 705	330	2 068	–	1 196	–10	192	–647	3 900	–233
Q3	27 663	561	24 418	358	4 060	–	3 068	–9	1 026	–971	4 019	–238
Q4	27 385	670	25 314	364	6 442	–	1 625	–6	–1 496	–1 002	3 880	–332
2003 Q1	29 099	729	22 061	282	6 274	–	2 120	–3	–2 249	–1 560	4 546	–205
Q2	27 352	947	24 024	332	3 677	–	876	–	–2 759	–1 468	4 190	–256
Q3	29 280	850	25 990	364	3 902	–	148	1	–2 867	–1 304	4 573	–252
Q4	30 725	790	27 338	263	5 119	–	308	–1	–5 161	–1 193	4 935	–244
2004 Q1	31 741	825	25 710	350	4 037	–	318	–	–3 104	–1 118	4 470	–249
Q2	31 800	897	25 862	395	5 772	–	765	–2	–2 024	–1 389	5 441	–272
Q3	28 661	680	26 652	424	6 368	–	1 324	–2	–3 012	–1 223	5 244	–280
Q4	34 524	728	26 469	395	7 321	–	1 508	–2	–3 528	–1 147	5 654	–270
2005 Q1	30 388	1 714	27 302	396	5 973	–	–524	–2	–2 158	–1 956	6 060	–265
Q2	34 609	1 029	25 653	411	4 559	–	153	–1	–2 424	–1 179	5 695	–280

	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	RPQL	GZQI	RPZV	RPZU	RQAW	RPYN	RPZD	RPZT	RQCH	DJDS
2001	44 352	3 023	43 996	–152	–15 981	–16 707	8 178	3 531	20 979	–
2002	34 691	2 876	50 268	–176	4 864	8 629	–16 587	–12 525	15 619	–
2003	40 969	3 876	55 475	–210	15 290	15 523	–35 848	–10 420	15 455	–
2004	34 700	4 238	62 496	–276	20 430	19 589	–36 283	–23 282	21 327	–1 781
Quarterly										
2001 Q1	12 161	418	10 881	–25	–3 363	–8 080	5 142	1 723	4 578	–
Q2	11 344	1 266	10 540	–36	–4 867	–3 945	1 791	2 106	4 915	–
Q3	10 640	747	11 628	–44	–3 009	–4 120	1 837	–197	5 489	–
Q4	10 207	592	10 947	–47	–4 742	–562	–592	–101	5 997	–
2002 Q1	7 468	787	12 028	–47	–68	1 923	–2 693	–3 726	4 564	–
Q2	9 218	556	12 968	–45	1 543	882	–4 122	–3 149	4 846	–
Q3	9 278	697	12 149	–43	2 713	1 001	–3 726	–2 131	2 143	–
Q4	8 727	836	13 123	–41	676	4 823	–6 046	–3 519	4 066	–
2003 Q1	9 343	1 156	13 018	–46	6 110	4 157	–8 150	–2 473	355	–
Q2	10 282	779	13 255	–49	3 047	2 801	–8 161	–2 145	4 457	–
Q3	10 130	863	14 525	–55	2 938	3 753	–8 492	–3 477	5 278	–
Q4	11 214	1 078	14 677	–60	3 195	4 812	–11 045	–2 325	5 365	–
2004 Q1	9 460	1 100	15 318	–64	5 698	3 719	–8 443	–4 694	4 062	–342
Q2	8 018	1 197	15 766	–68	5 620	5 009	–8 582	–6 483	4 864	–428
Q3	8 992	935	15 611	–71	1 501	5 046	–9 199	–5 613	8 754	–489
Q4	8 230	1 006	15 801	–73	7 611	5 815	–10 059	–6 492	3 647	–522
2005 Q1	9 117	1 877	16 863	–76	3 055	6 499	–9 909	–5 793	6 604	–457
Q2	10 327	926	17 382	–79	8 726	4 407	–9 018	–6 050	2 395	–460

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;
Part 2 (Lower) Columns 1, 3-10 020 7533 6031; Column 2 020 7533 5985


Sector net lending/net borrowing
£ million
Net lending
Net borrowing
Rest of the world
Non-financial corporations
Households and NPISH
General government
10,000
8,000
6,000
4,000
2,000
0
-2,000
-4,000
-6,000
-8,000
-10,000
-12,000
-14,000
2000
2001
2002
2003
2004
2005

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

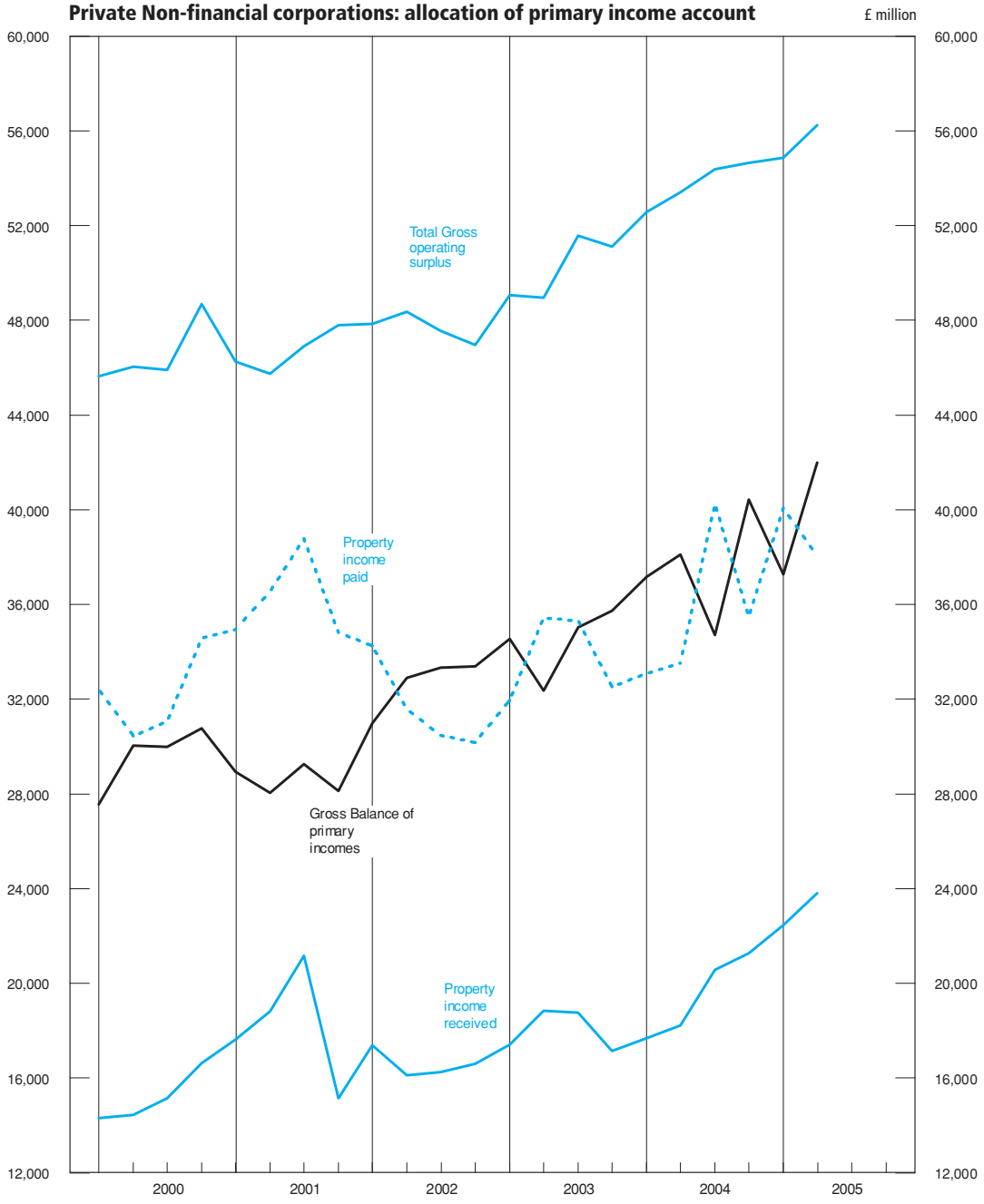
£ million

	Resources							Uses				
	Gross operating surplus							Property income payments				
	Gross trading profits											
	Continental shelf companies	Others[1]	Rental of buildings	*less* Inventory holding gains	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
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	15 726	136 579	8 948	–958	160 295	45 712	206 007	104 695	51 609	23 965	101 312	13.3
1997	14 002	149 176	9 254	–361	172 071	48 067	220 138	111 546	56 250	26 541	108 592	13.4
1998	11 701	153 282	9 724	753	175 460	49 543	225 003	110 015	51 578	31 095	114 988	13.2
1999	13 669	157 101	10 742	–1 801	179 711	48 045	227 756	118 244	61 101	31 016	109 512	12.1
2000	20 936	156 678	11 657	–2 941	186 330	60 525	246 855	128 508	55 846	37 912	118 347	12.4
2001	19 696	154 292	12 304	434	186 726	72 749	259 475	145 111	77 516	39 419	114 364	11.4
2002	19 132	161 586	12 885	–2 856	190 747	66 330	257 077	126 455	61 580	36 459	130 622	12.2
2003	18 631	172 608	13 652	–4 148	200 743	72 178	272 921	135 219	71 336	36 007	137 702	12.2
2004	18 897	186 020	14 225	–4 113	215 029	77 738	292 767	142 343	70 649	41 104	150 424	12.6
Quarterly												
1995 Q1	2 966	31 468	2 264	–1 738	34 960	9 221	44 181	21 980	9 747	5 620	22 201	12.6
Q2	3 113	30 827	2 336	–1 588	34 688	10 022	44 710	22 293	9 732	5 959	22 417	12.7
Q3	2 934	31 550	2 379	–1 181	35 682	11 776	47 458	25 500	13 092	6 112	21 958	12.2
Q4	3 111	31 306	2 400	18	36 835	11 929	48 764	25 858	13 647	6 407	22 906	12.5
1996 Q1	3 529	32 829	2 331	–800	37 799	10 997	48 796	27 293	12 654	6 119	21 503	11.5
Q2	3 935	33 170	2 248	–102	39 409	12 005	51 414	24 196	11 156	5 964	27 218	14.4
Q3	4 087	34 782	2 192	–208	40 849	10 185	51 034	25 512	12 420	5 895	25 522	13.3
Q4	4 175	35 798	2 177	152	42 238	12 525	54 763	27 694	15 379	5 987	27 069	14.0
1997 Q1	3 891	36 976	2 247	–23	43 124	10 951	54 075	25 631	12 345	6 125	28 444	14.4
Q2	3 294	37 239	2 294	239	43 083	11 608	54 691	27 945	14 723	6 623	26 746	13.2
Q3	3 454	37 747	2 341	–506	43 039	13 883	56 922	28 519	15 210	6 627	28 403	13.8
Q4	3 363	37 214	2 372	–71	42 825	11 625	54 450	29 451	13 972	7 166	24 999	12.1
1998 Q1	3 161	36 871	2 414	107	43 101	13 795	56 896	30 385	15 077	7 545	26 511	12.6
Q2	3 105	37 239	2 424	53	42 788	11 590	54 378	26 444	11 541	7 735	27 934	13.0
Q3	2 780	39 682	2 435	315	44 757	11 711	56 468	26 385	11 509	7 965	30 083	13.6
Q4	2 655	39 490	2 451	278	44 814	12 447	57 261	26 801	13 451	7 850	30 460	13.7
1999 Q1	2 603	38 895	2 592	–302	44 006	7 978	51 984	18 758	7 482	7 464	33 226	15.1
Q2	3 018	40 192	2 647	–440	45 681	14 108	59 789	36 939	23 479	7 413	22 850	10.2
Q3	3 955	38 736	2 715	–645	44 398	11 297	55 695	29 934	14 595	7 806	25 761	11.3
Q4	4 093	39 278	2 788	–414	45 626	14 662	60 288	32 613	15 545	8 333	27 675	12.0
2000 Q1	4 626	38 558	2 801	–702	45 649	14 310	59 959	32 410	15 181	8 844	27 549	11.7
Q2	5 134	38 494	2 875	–830	46 057	14 446	60 503	30 455	12 370	9 405	30 048	12.7
Q3	5 407	38 882	2 953	–799	45 922	15 138	61 060	31 071	12 127	9 615	29 989	12.5
Q4	5 769	40 744	3 028	–610	48 702	16 631	65 333	34 572	16 168	10 048	30 761	12.7
2001 Q1	5 450	36 936	3 039	329	46 265	17 627	63 892	34 961	15 759	10 406	28 931	11.7
Q2	5 348	36 862	3 071	5	45 747	18 820	64 567	36 530	19 491	9 929	28 037	11.2
Q3	4 697	39 808	3 093	–52	46 904	21 158	68 062	38 796	21 835	10 107	29 266	11.6
Q4	4 201	40 686	3 101	152	47 810	15 144	62 954	34 824	20 431	8 977	28 130	11.0
2002 Q1	4 329	41 071	3 181	–733	47 848	17 375	65 223	34 242	18 302	9 077	30 981	11.9
Q2	4 774	41 177	3 193	–762	48 382	16 111	64 493	31 588	15 336	9 123	32 905	12.4
Q3	4 771	39 943	3 232	–384	47 562	16 242	63 804	30 462	14 917	9 083	33 342	12.3
Q4	5 258	39 395	3 279	–977	46 955	16 602	63 557	30 163	13 025	9 176	33 394	12.2
2003 Q1	5 116	41 381	3 337	–761	49 073	17 415	66 488	31 951	15 883	9 146	34 537	12.4
Q2	4 047	42 817	3 393	–1 286	48 971	18 853	67 824	35 453	19 072	8 851	32 371	11.6
Q3	4 951	44 101	3 442	–912	51 582	18 770	70 352	35 302	19 538	8 904	35 050	12.4
Q4	4 517	44 309	3 480	–1 189	51 117	17 140	68 257	32 513	16 843	9 106	35 744	12.4
2004 Q1	4 700	45 273	3 507	–908	52 572	17 688	70 260	33 098	16 459	9 585	37 162	12.7
Q2	4 718	45 963	3 534	–799	53 416	18 219	71 635	33 515	16 016	10 189	38 120	12.9
Q3	4 883	46 990	3 570	–1 051	54 392	20 562	74 954	40 240	21 750	10 569	34 714	11.7
Q4	4 596	47 794	3 614	–1 355	54 649	21 269	75 918	35 490	16 424	10 761	40 428	13.2
2005 Q1	4 895	47 471	3 651	–1 143	54 874	22 469	77 343	40 076	21 312	11 227	37 267	12.2
Q2	5 270	47 748	3 687	–453	56 252	23 804	80 056	38 048	18 156	11 985	42 008	13.5

1 Quarterly alignment adjustment included in this series.
2 Total resources equals total uses.

Source: Office for National Statistics; Enquiries 020 7533 6014

Private Non-financial corporations: allocation of primary income account



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

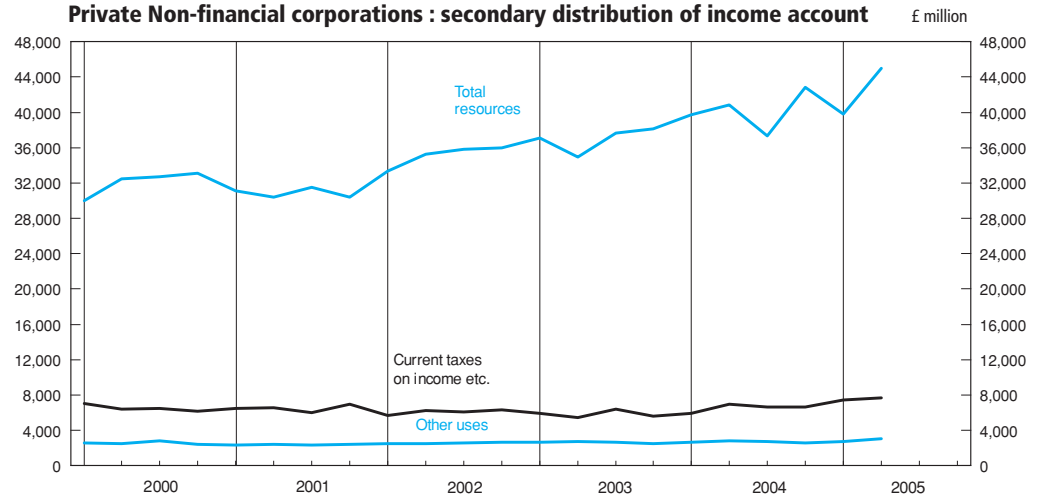
£ million

	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
1995	89 482	7 704	97 186	18 953	8 104	70 129	433	70 562	64 444	4 542	388	1 188
1996	101 312	8 420	109 732	23 080	9 938	76 714	428	77 142	72 778	1 672	263	2 429
1997	108 592	7 097	115 689	28 558	7 576	79 555	671	80 226	81 089	3 949	401	–5 213
1998	114 988	8 179	123 167	26 877	8 623	87 667	1 081	88 748	90 180	4 533	1 287	–7 252
1999	109 512	7 875	117 387	22 608	8 444	86 335	958	87 293	94 463	6 174	1 036	–14 380
2000	118 347	9 990	128 337	26 188	10 403	91 746	405	92 151	96 873	5 512	776	–11 010
2001	114 364	9 229	123 593	26 061	9 640	87 892	1 621	89 513	98 035	5 941	1 138	–15 601
2002	130 622	9 889	140 511	24 432	10 311	105 768	1 093	106 861	96 819	2 677	1 212	6 153
2003	137 702	10 199	147 901	23 461	10 633	113 807	2 692	116 499	95 556	3 954	862	16 127
2004	150 424	10 380	160 804	26 223	10 826	123 755	2 603	126 358	100 325	4 467	1 119	20 447
Quarterly												
1995 Q1	22 201	1 825	24 026	4 252	1 922	17 852	127	17 979	14 794	–268	121	3 332
Q2	22 417	1 936	24 353	5 420	2 032	16 901	98	16 999	16 117	2 234	125	–1 477
Q3	21 958	1 953	23 911	4 368	2 049	17 494	102	17 596	16 460	1 695	87	–646
Q4	22 906	1 990	24 896	4 913	2 101	17 882	106	17 988	17 073	881	55	–21
1996 Q1	21 503	2 238	23 741	6 109	3 336	14 296	125	14 421	17 497	1 218	63	–4 357
Q2	27 218	2 219	29 437	5 660	2 369	21 408	102	21 510	17 426	322	71	3 691
Q3	25 522	1 994	27 516	5 944	2 124	19 448	96	19 544	18 437	1	57	1 049
Q4	27 069	1 969	29 038	5 367	2 109	21 562	105	21 667	19 418	131	72	2 046
1997 Q1	28 444	1 771	30 215	7 017	1 888	21 310	233	21 543	19 263	740	64	1 476
Q2	26 746	1 757	28 503	7 763	1 901	18 839	164	19 003	20 458	515	94	–2 064
Q3	28 403	1 739	30 142	6 909	1 848	21 385	131	21 516	20 059	1 714	103	–360
Q4	24 999	1 830	26 829	6 869	1 939	18 021	143	18 164	21 309	980	140	–4 265
1998 Q1	26 511	2 217	28 728	6 768	2 328	19 632	343	19 975	21 896	1 376	256	–3 553
Q2	27 934	2 099	30 033	6 829	2 210	20 994	220	21 214	22 381	30	381	–1 578
Q3	30 083	1 891	31 974	6 712	2 002	23 260	248	23 508	23 326	954	379	–1 151
Q4	30 460	1 972	32 432	6 568	2 083	23 781	270	24 051	22 577	2 173	271	–970
1999 Q1	33 226	2 037	35 263	5 543	2 264	27 456	344	27 800	23 303	2 180	301	2 016
Q2	22 850	1 925	24 775	4 841	2 038	17 896	199	18 095	23 035	861	315	–6 116
Q3	25 761	1 608	27 369	5 868	1 722	19 779	216	19 995	24 096	1 275	191	–5 567
Q4	27 675	2 305	29 980	6 356	2 420	21 204	199	21 403	24 029	1 858	229	–4 713
2000 Q1	27 549	2 475	30 024	7 059	2 592	20 373	315	20 688	23 769	1 358	193	–4 632
Q2	30 048	2 429	32 477	6 410	2 526	23 541	20	23 561	23 549	1 123	157	–1 268
Q3	29 989	2 734	32 723	6 491	2 833	23 399	34	23 433	24 256	1 481	158	–2 462
Q4	30 761	2 352	33 113	6 228	2 452	24 433	36	24 469	25 299	1 550	268	–2 648
2001 Q1	28 931	2 253	31 184	6 489	2 354	22 341	200	22 541	24 862	734	238	–3 293
Q2	28 037	2 377	30 414	6 591	2 480	21 343	439	21 782	24 713	1 424	326	–4 681
Q3	29 266	2 262	31 528	6 011	2 365	23 152	485	23 637	24 730	1 606	297	–2 996
Q4	28 130	2 337	30 467	6 970	2 441	21 056	497	21 553	23 730	2 177	277	–4 631
2002 Q1	30 981	2 392	33 373	5 709	2 496	25 168	333	25 501	24 196	828	336	141
Q2	32 905	2 396	35 301	6 282	2 501	26 518	300	26 818	24 183	529	282	1 824
Q3	33 342	2 501	35 843	6 108	2 607	27 128	392	27 520	24 017	406	306	2 791
Q4	33 394	2 600	35 994	6 333	2 707	26 954	68	27 022	24 423	914	288	1 397
2003 Q1	34 537	2 562	37 099	5 964	2 669	28 466	541	29 007	22 504	–419	197	6 725
Q2	32 371	2 616	34 987	5 479	2 724	26 784	653	27 437	24 478	–454	264	3 149
Q3	35 050	2 602	37 652	6 378	2 711	28 563	786	29 349	23 775	2 251	254	3 069
Q4	35 744	2 419	38 163	5 640	2 529	29 994	712	30 706	24 799	2 576	147	3 184
2004 Q1	37 162	2 577	39 739	5 960	2 687	31 092	749	31 841	25 218	492	269	5 862
Q2	38 120	2 734	40 854	6 987	2 845	31 022	742	31 764	24 668	1 232	273	5 591
Q3	34 714	2 614	37 328	6 644	2 726	27 958	537	28 495	25 367	1 328	293	1 507
Q4	40 428	2 455	42 883	6 632	2 568	33 683	575	34 258	25 072	1 415	284	7 487
2005 Q1	37 267	2 611	39 878	7 479	2 754	29 645	1 561	31 206	25 590	1 768	242	3 606
Q2	42 008	2 964	44 972	7 674	3 078	34 220	879	35 099	25 730	–75	305	9 139

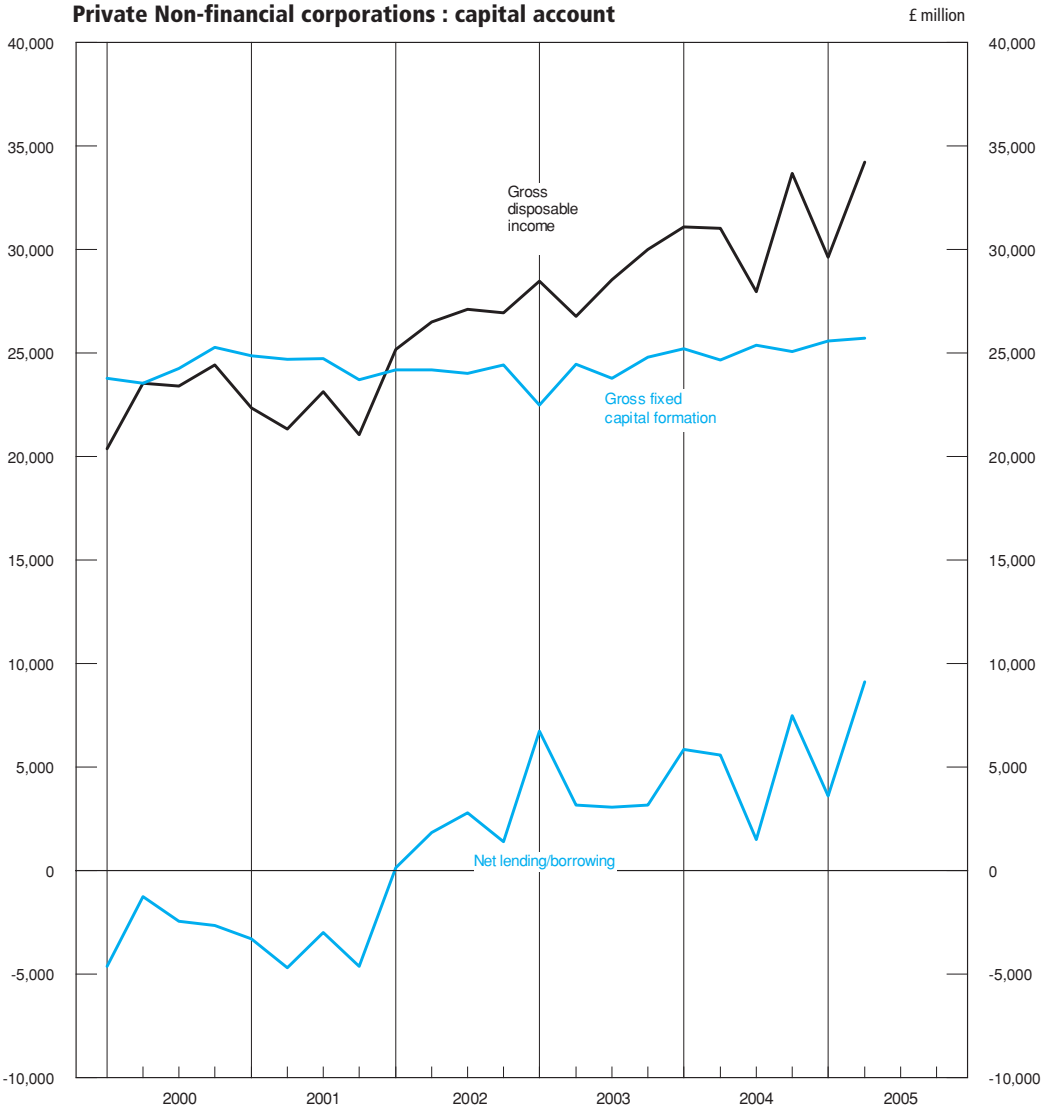
1 Quarterly alignment adjustment included in this series.
2 Social contributions and other current transfers.
3 Total resources equals total uses.
4 Social benefits and other current transfers.
5 Also known as gross saving.
6 Acquisitions less disposals of valuables and non-produced non-financial assets.
7 Gross of fixed capital consumption.

Source: Office for National Statistics; Enquiries 020 7533 6014

Private Non-financial corporations : secondary distribution of income account



Private Non-financial corporations : capital account



2.13 Balance of payments: current account

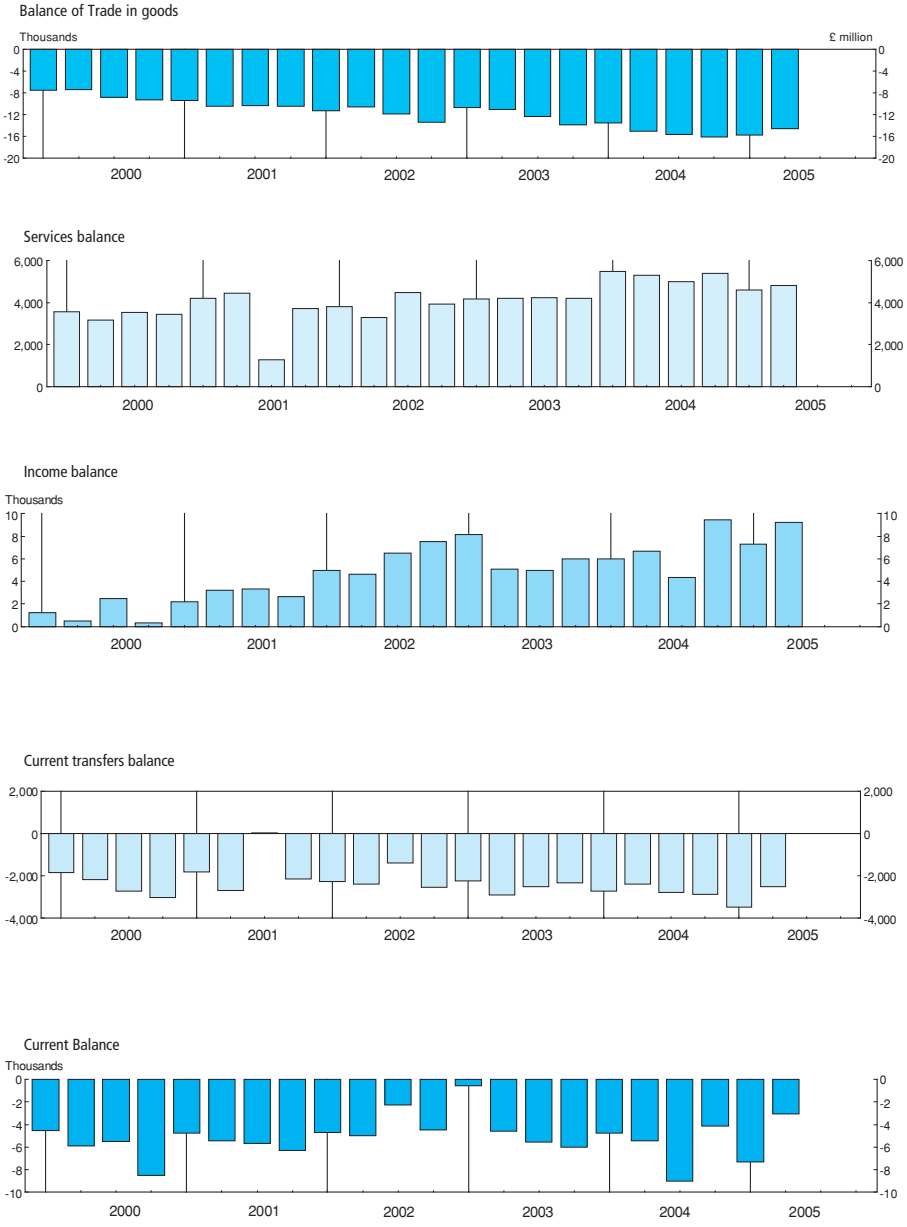
£ million

	Trade in goods and services									
	Exports of goods+	Imports of goods+	Balance of trade in goods	Exports of services	Imports of services	Services balance	Income balance	Current transfers balance	Current balance	*Current balance as % of GDP*[1]
Annual										
	BOKG	BOKH	BOKI	IKBB	IKBC	IKBD	HBOJ	IKBP	HBOP	AA6H
2000	187 936	220 912	–32 976	79 411	65 685	13 726	4 583	–9 752	–24 419	–2.6
2001	190 055	230 703	–40 648	83 061	69 358	13 703	11 371	–6 611	–22 185	–2.2
2002	186 511	233 598	–47 087	88 434	72 898	15 536	23 679	–8 615	–16 487	–1.6
2003	188 615	236 479	–47 864	93 616	76 734	16 882	24 192	–9 961	–16 751	–1.5
2004	190 950	251 210	–60 260	100 156	78 924	21 232	26 464	–10 755	–23 319	–2.0
Quarterly										
2000 Q1	44 374	51 854	–7 480	18 999	15 435	3 564	1 210	–1 825	–4 531	–1.9
Q2	46 851	54 256	–7 405	19 342	16 157	3 185	510	–2 178	–5 888	–2.5
Q3	47 445	56 289	–8 844	20 227	16 690	3 537	2 508	–2 723	–5 522	–2.3
Q4	49 266	58 513	–9 247	20 843	17 403	3 440	355	–3 026	–8 478	–3.5
2001 Q1	49 523	58 884	–9 361	21 764	17 534	4 230	2 182	–1 807	–4 756	–1.9
Q2	48 329	58 774	–10 445	21 922	17 464	4 458	3 202	–2 682	–5 467	–2.2
Q3	46 561	56 911	–10 350	18 775	17 495	1 280	3 355	29	–5 686	–2.3
Q4	45 642	56 134	–10 492	20 600	16 865	3 735	2 632	–2 151	–6 276	–2.5
2002 Q1	46 192	57 437	–11 245	21 716	17 897	3 819	4 993	–2 269	–4 702	–1.8
Q2	49 273	59 820	–10 547	21 475	18 169	3 306	4 649	–2 396	–4 988	–1.9
Q3	46 772	58 663	–11 891	22 936	18 449	4 487	6 521	–1 404	–2 287	–0.9
Q4	44 274	57 678	–13 404	22 307	18 383	3 924	7 516	–2 546	–4 510	–1.7
2003 Q1	49 034	59 686	–10 652	23 179	18 993	4 186	8 126	–2 237	–577	–0.2
Q2	46 813	57 856	–11 043	23 082	18 854	4 228	5 100	–2 898	–4 613	–1.7
Q3	46 302	58 602	–12 300	23 635	19 382	4 253	4 994	–2 501	–5 554	–2.0
Q4	46 466	60 335	–13 869	23 720	19 505	4 215	5 972	–2 325	–6 007	–2.1
2004 Q1	46 184	59 700	–13 516	24 613	19 131	5 482	5 992	–2 715	–4 757	–1.7
Q2	47 044	62 092	–15 048	24 905	19 583	5 322	6 676	–2 395	–5 445	–1.9
Q3	48 228	63 823	–15 595	24 884	19 875	5 009	4 358	–2 776	–9 004	–3.1
Q4	49 494	65 595	–16 101	25 754	20 335	5 419	9 438	–2 869	–4 113	–1.4
2005 Q1	49 129	64 864	–15 735	25 627	21 012	4 615	7 272	–3 488	–7 336	–2.5
Q2	52 056	66 646	–14 590	25 789	20 977	4 812	9 228	–2 500	–3 050	–1.0
Monthly										
2003 Jan	16 537	20 055	–3 518	7 605	6 299	1 306	..	..	..	..
Feb	16 460	19 594	–3 134	7 762	6 335	1 427	..	..	..	..
Mar	16 037	20 037	–4 000	7 812	6 359	1 453	..	..	..	..
Apr	16 545	19 139	–2 594	7 669	6 193	1 476	..	..	..	..
May	15 293	19 405	–4 112	7 712	6 349	1 363	..	..	..	..
Jun	14 975	19 312	–4 337	7 701	6 312	1 389	..	..	..	..
Jul	15 675	19 479	–3 804	7 792	6 440	1 352	..	..	..	..
Aug	15 441	19 037	–3 596	7 921	6 489	1 432	..	..	..	..
Sep	15 186	20 086	–4 900	7 922	6 453	1 469	..	..	..	..
Oct	15 729	20 174	–4 445	7 852	6 275	1 577	..	..	..	..
Nov	15 110	19 919	–4 809	7 867	6 501	1 366	..	..	..	..
Dec	15 627	20 242	–4 615	8 001	6 729	1 272	..	..	..	..
2004 Jan	15 077	20 304	–5 227	8 121†	6 440†	1 681†	..	..	..	..
Feb	15 254	19 434	–4 180	8 266	6 386	1 880	..	..	..	..
Mar	15 853	19 962	–4 109	8 226	6 305	1 921	..	..	..	..
Apr	15 720	20 737	–5 017	8 345	6 466	1 879	..	..	..	..
May	15 455	20 462	–5 007	8 301	6 510	1 791	..	..	..	..
Jun	15 869	20 893	–5 024	8 259	6 607	1 652	..	..	..	..
Jul	15 896	21 205	–5 309	8 193	6 574	1 619	..	..	..	..
Aug	15 901	21 233	–5 332	8 294	6 639	1 655	..	..	..	..
Sep	16 431	21 385	–4 954	8 397	6 662	1 735	..	..	..	..
Oct	16 202	21 741	–5 539	8 543	6 671	1 872	..	..	..	..
Nov	16 517	21 805	–5 288	8 616	6 775	1 841	..	..	..	..
Dec	16 775	22 049	–5 274	8 595	6 889	1 706	..	..	..	..
2005 Jan	16 270	21 675	–5 405	8 590	6 934	1 656	..	..	..	..
Feb	16 153	21 442	–5 289	8 575	7 011	1 564	..	..	..	..
Mar	16 706	21 747	–5 041	8 462	7 067	1 395	..	..	..	..
Apr	16 992	22 315	–5 323	8 479	7 008	1 471	..	..	..	..
May	16 895	21 995	–5 100	8 638	7 120	1 518	..	..	..	..
Jun	18 169	22 336	–4 167	8 672	6 849	1 823	..	..	..	..
Jul	17 171†	22 692†	–5 521†	8 621	7 040	1 581	..	..	..	..
Aug	17 812	23 433	–5 621	7 235	6 951	284	..	..	..	..

1 Using series YBHA: GDP at current market prices

Sources: Office for National Statistics;
Enquiries Columns 1-3 020 7533 6064; Columns 4-6 & 8 020 7533 6090;
Columns 7, 9 & 10 020 7533 6078.

Balance of Payments : Current account



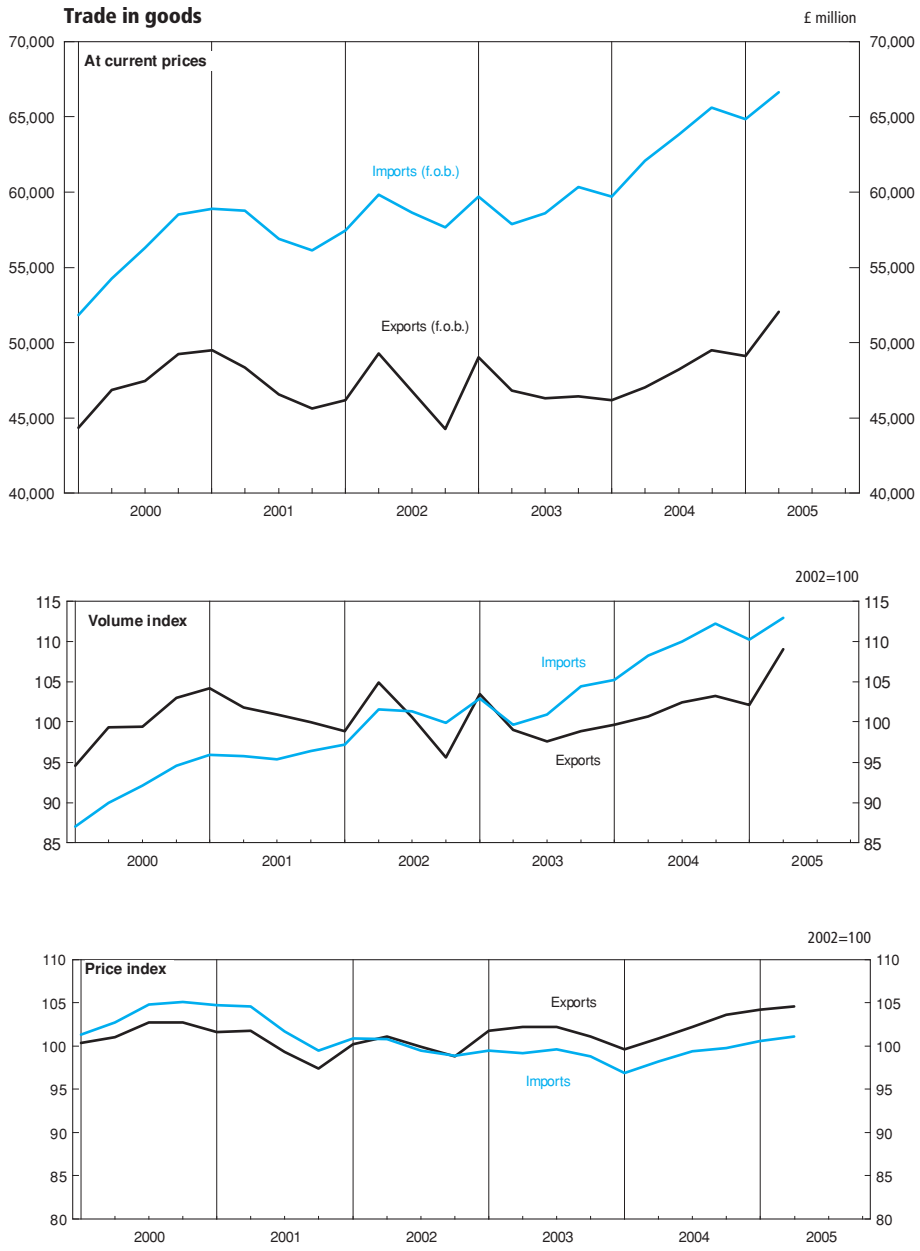
2.14 Trade in goods (on a balance of payments basis)

2002 = 100

	Volume indices (SA)		Price indices (NSA)		
	Exports	Imports	Exports	Imports	Terms of trade[1]
Annual					
	BQKU	BQKV	BQKR	BQKS	BQKT
2000	99.1	90.9	101.7	103.5	98.3
2001	101.7	95.9	100.0	102.6	97.5
2002	100.0	100.0	100.0	100.0	100.0
2003	99.7	102.0	101.8	99.3	102.5
2004	101.5	108.9	101.6	98.6	103.0
Quarterly					
2000 Q1	94.6	87.0	100.4	101.3	99.1
Q2	99.3	90.0	101.0	102.7	98.3
Q3	99.4	92.1	102.7	104.8	98.0
Q4	103.0	94.6	102.7	105.1	97.7
2001 Q1	104.2	95.9	101.6	104.7	97.0
Q2	101.8	95.8	101.8	104.6	97.3
Q3	100.9	95.4	99.3	101.7	97.6
Q4	100.0	96.4	97.4	99.5	97.9
2002 Q1	98.9	97.2	100.2	100.9	99.3
Q2	104.9	101.6	101.1	100.8	100.3
Q3	100.6	101.3	99.9	99.5	100.4
Q4	95.6	99.9	98.8	98.9	99.9
2003 Q1	103.5	102.9	101.8	99.5	102.3
Q2	99.0	99.7	102.2	99.2	103.0
Q3	97.6	100.9	102.2	99.6	102.6
Q4	98.9	104.4	101.1	98.8	102.3
2004 Q1	99.7	105.2	99.6	96.9	102.8
Q2	100.7	108.2	100.9	98.2	102.7
Q3	102.4	110.0	102.2	99.4	102.8
Q4	103.2	112.2	103.6	99.8	103.8
2005 Q1	102.1	110.2	104.2	100.6	103.6
Q2	109.0	112.9	104.6	101.1	103.5
Monthly					
2003 Jan	105.9	103.9	100.4	98.7	101.7
Feb	104.1	101.9	101.5	99.2	102.3
Mar	100.4	102.9	103.4	100.5	102.9
Apr	104.8	98.4	102.0	99.8	102.2
May	96.8	100.4	102.9	99.3	103.6
Jun	95.4	100.3	101.8	98.5	103.4
Jul	99.3	100.7	101.9	99.1	102.8
Aug	97.3	98.2	102.8	99.8	103.0
Sep	96.3	103.8	102.0	99.8	102.2
Oct	100.5	104.2	101.6	99.3	102.3
Nov	96.1	103.5	100.9	98.9	102.0
Dec	100.0	105.5	100.7	98.3	102.4
2004 Jan	97.1	107.3	99.7	97.2	102.6
Feb	99.4	103.3	98.7	96.0	102.8
Mar	102.5	104.9	100.4	97.6	102.9
Apr	101.1	108.7	100.7	97.8	103.0
May	99.0	106.5	101.7	98.9	102.8
Jun	102.1	109.4	100.3	98.0	102.3
Jul	102.4	110.8	100.6	98.3	102.3
Aug	101.1	110.0	102.3	99.6	102.7
Sep	103.7	109.3	103.7	100.4	103.3
Oct	100.3	110.9	105.3	101.1	104.2
Nov	102.7	111.3	103.9	99.9	104.0
Dec	106.5	114.4	101.7	98.3	103.5
2005 Jan	101.5	111.0	103.6	100.2	103.4
Feb	101.0	108.4	103.7	100.4	103.3
Mar	103.8	111.3	105.4	101.1	104.3
Apr	106.4	113.7	104.5	100.6	103.9
May	105.7	112.1	104.8	101.0	103.8
Jun	114.9	112.8	104.6	101.8	102.8
Jul	106.1†	113.2†	107.3†	103.7	103.5†
Aug	111.5	117.1	107.6	103.7	103.8

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

Source: Office for National Statistics; Enquiries 020 7533 6064


Trade in goods
£ million
At current prices
Imports (f.o.b.)
Exports (f.o.b.)
70,000
65,000
60,000
55,000
50,000
45,000
40,000
2000
2001
2002
2003
2004
2005
2002=100
Volume index
Imports
Exports
115
110
105
100
95
90
85
2002=100
Price index
Exports
Imports
110
105
100
95
90
85
80

2.15 Measures of UK competitiveness in trade in manufactures

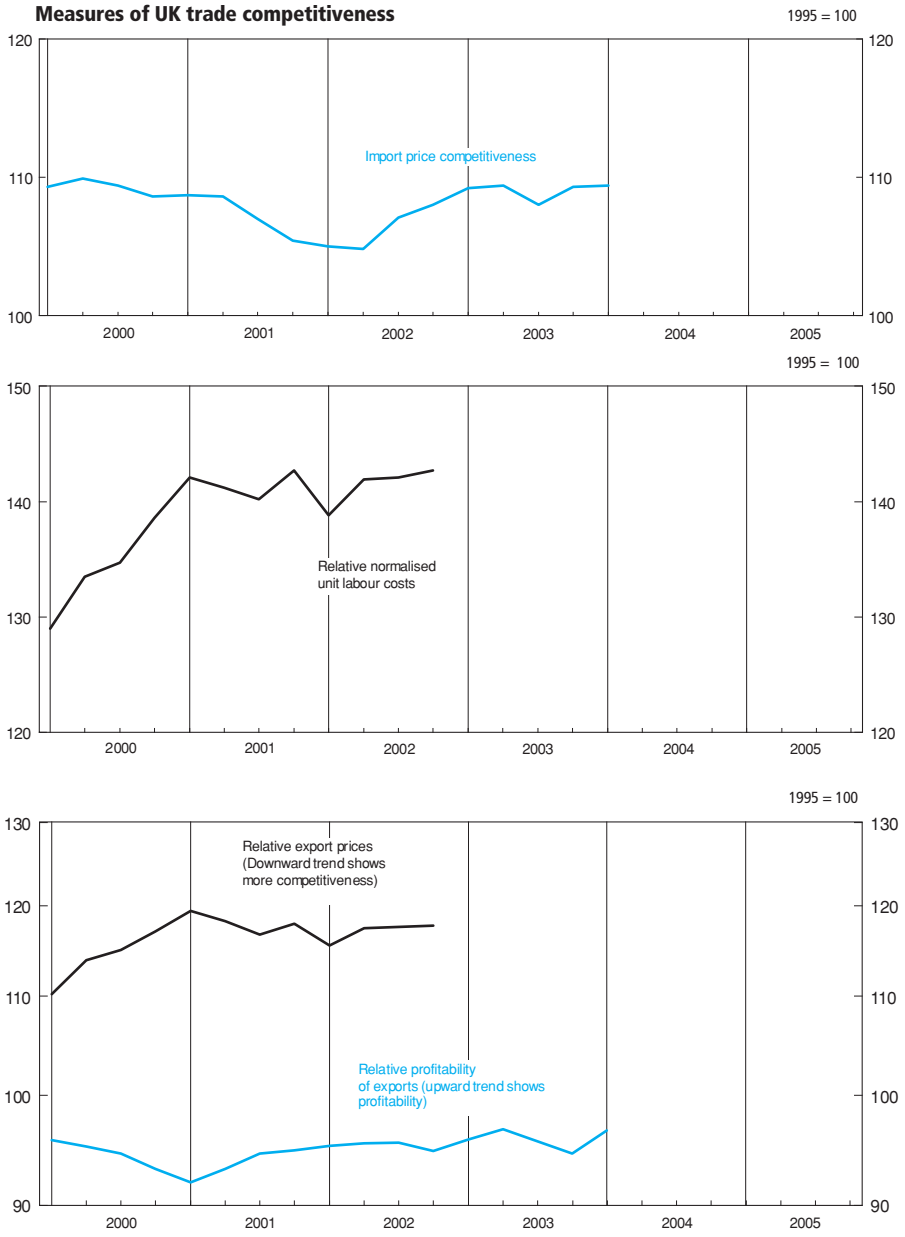
1995=100

	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] Actual	IMF index of relative unit labour costs[6] Normalised	Import price competitiveness[2,4]	Relative profitability of exports[2,4]	United Kingdom	United States	Japan	France	Germany[3]
	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)					Unit labour costs index[1,6]				
	United Kingdom	United States	Japan	France	Germany[3]	United Kingdom	United States	Japan	France	Germany[3]
	CTPN	CTPO	CTPP	CTPQ	CTPR	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


Measures of UK trade competitiveness
1995 = 100
120
110
100
Import price competitiveness
2000
2001
2002
2003
2004
2005
1995 = 100
150
140
130
120
Relative normalised
unit labour costs
1995 = 100
130
120
110
100
90
Relative export prices
(Downward trend shows
more competitiveness)
Relative profitability
of exports (upward trend shows
profitability)

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	99.4	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	95.5	102.4	110.4	1.3	183.8	*2.6*	182.0	*2.3*	173.8	*1.9*	159.7	165.4	51
Q2	98.3	103.4	111.2	1.4	186.3	*2.8*	184.0	*2.2*	175.4	*2.1*	160.9	166.6	51
Q3	100.6r†	104.2	111.2	1.2	187.4	*3.1*	184.3	*2.1*	175.6	*1.9*	160.5	166.1	50
Q4	103.3	105.1	112.0	1.4	189.2	*3.4*	185.6	*2.3*	177.1	*2.3*	162.3	167.6	50
2005 Q1	105.8	105.2	112.3	1.7	189.7	*3.2*	186.0	*2.2*	177.5	*2.1*	163.4	168.3	50
Q2	108.4	106.3	113.4	1.9	191.9	*3.0*	188.1	*2.2*	179.3	*2.2*	164.8	169.8	49
Q3	113.0p	107.4p	113.9	2.4	192.6	*2.8*	188.7	*2.4*	179.9	*2.4*	165.1	170.1	49
Monthly													
2004 Jan	95.5	102.1	110.1	1.4	183.1	*2.6*	181.4	*2.4*	173.2	*2.0*	..	..	52
Feb	94.6	102.3	110.4	1.3	183.8	*2.5*	182.0	*2.3*	173.9	*1.9*	..	..	51
Mar	96.3	102.8	110.6	1.1	184.6	*2.6*	182.5	*2.1*	174.3	*1.7*	..	..	51
Apr	97.2	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	98.1	103.6	111.3	1.6	186.8	*3.0*	184.2	*2.3*	175.6	*2.3*	..	..	51
Jul	99.1	103.8	111.0	1.4	186.8	*3.0*	183.8	*2.2*	175.1	*2.0*	..	..	51
Aug	100.4	104.2	111.3	1.3	187.4	*3.2*	184.3	*2.2*	175.7	*2.0*	..	..	50
Sep	102.2r†	104.5	111.4	1.1	188.1	*3.1*	184.7	*1.9*	176.1	*1.7*	..	..	50
Oct	105.3	105.2	111.7	1.2	188.6	*3.3*	185.1	*2.1*	176.6	*2.0*	..	..	50
Nov	103.4	105.3	111.9	1.5	189.0	*3.4*	185.4	*2.2*	176.9	*2.2*	..	..	50
Dec	101.2	104.9	112.5	1.6	189.9	*3.5*	186.4	*2.5*	177.9	*2.5*	..	..	50
2005 Jan	104.9	104.8	111.9	1.6	188.9	*3.2*	185.2	*2.1*	176.7	*2.0*	..	..	50
Feb	105.2	105.1	112.2	1.6	189.6	*3.2*	185.9	*2.1*	177.4	*2.0*	..	..	50
Mar	107.2	105.8	112.7	1.9	190.5	*3.2*	186.8	*2.4*	178.3	*2.3*	..	..	50
Apr	107.6	106.5	113.1	1.9	191.6	*3.2*	187.8	*2.3*	179.0	*2.3*	..	..	49
May	107.5	106.3	113.5	1.9	192.0	*2.9*	188.2	*2.1*	179.4	*2.2*	..	..	49
Jun	110.1	106.2	113.5	2.0	192.2	*2.9*	188.3	*2.2*	179.5	*2.2*	..	..	49
Jul	113.2	107.0	113.6	2.3	192.2	*2.9*	188.3	*2.4*	179.5	*2.5*	..	..	49
Aug	113.0p	107.3p	114.0	2.4	192.6	*2.8*	188.6	*2.3*	179.8	*2.3*	..	..	49
Sep	112.7p	108.0p	114.2	2.5	193.1	*2.7*	189.3	*2.5*	180.5	*2.5*	..	..	49

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).

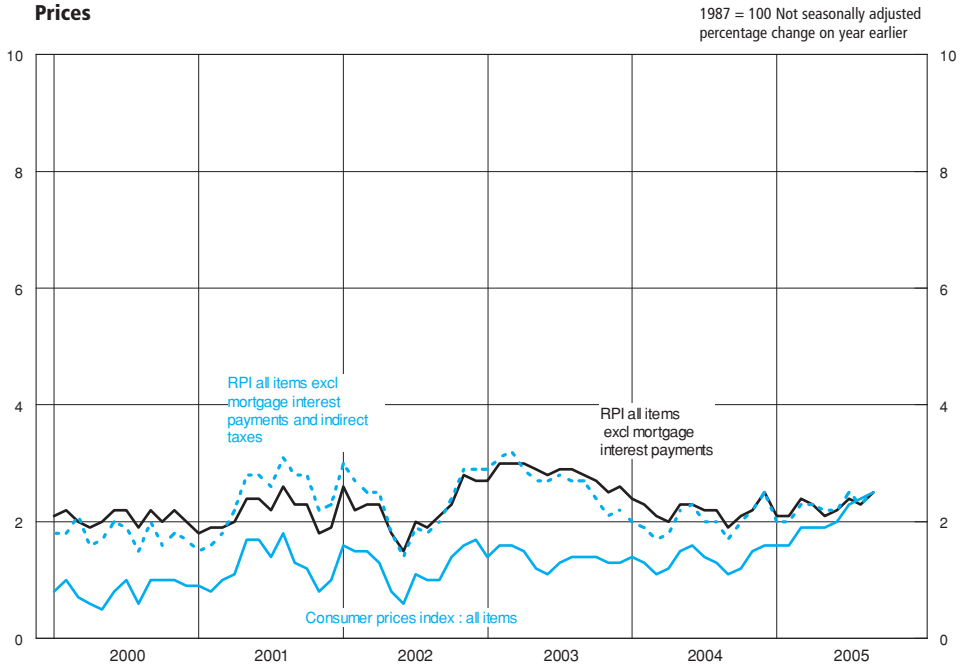
5 The taxes excluded are council tax, VAT, duties, car purchase tax and vehicle excise duty, insurance tax and airport tax.

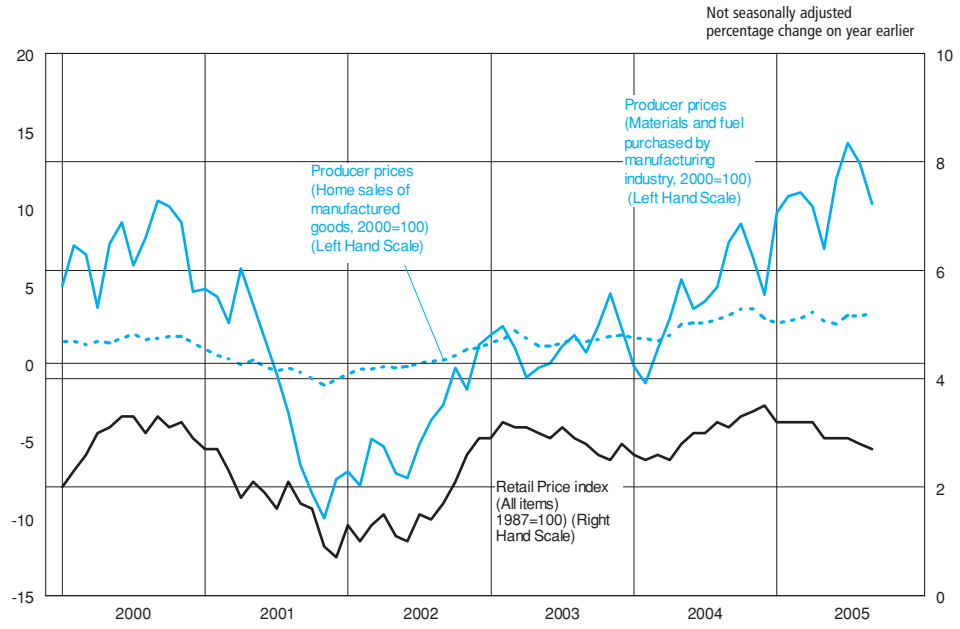
6 Pensioner price indices exclude housing costs, as these are often atypical for a pensioner household, based on RPI.

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 earlier
10
8
6
4
2
0
RPI all items excl mortgage interest payments and indirect taxes
RPI all items excl mortgage interest payments
Consumer prices index : all items
2000
2001
2002
2003
2004
2005


Not seasonally adjusted
percentage change on year earlier
20
15
10
5
0
-5
-10
-15
10
8
6
4
2
0
Producer prices (Home sales of manufactured goods, 2000=100) (Left Hand Scale)
Producer prices (Materials and fuel purchased by manufacturing industry, 2000=100) (Left Hand Scale)
Retail Price index (All items) 1987=100) (Right Hand Scale)
2000
2001
2002
2003
2004
2005

4.1 Labour Market Activity[1,2]

United Kingdom

Thousands, seasonally adjusted[3]

	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	MGRT	MGRW	MGRZ	MGSC	MGSF	MGSI	MGSL	MGSU
2003 Q1	24 452	3 435	83	94	28 065	1 524	29 588	17 358	46 946	74.6
Q2	24 456	3 555	88	93	28 191	1 463	29 654	17 366	47 020	74.8
Q3	24 360	3 647	108	107	28 222	1 499	29 721	17 377	47 098	74.6
Q4	24 388	3 659	99	108	28 254	1 458	29 712	17 470	47 183	74.6
2004 Q1	24 550	3 628	103	116	28 398	1 432	29 830	17 438	47 268	74.8
Q2	24 518	3 670	98	125	28 410	1 434	29 844	17 509	47 352	74.7
Q3	24 660	3 585	91	128	28 465	1 392	29 857	17 586	47 443	74.7
Q4	24 712	3 643	97	126	28 577	1 418	29 995	17 549	47 544	74.9
2005 Q1	24 806	3 627	104	126	28 663	1 408	30 071	17 574	47 646	74.9
Q2	24 841	3 618	100	116	28 675	1 434	30 109	17 638	47 747	74.7
Percentage change on quarter										
2005q1 to 2005q2	*0.1*	*-0.2*	*-3.8*	*-7.9*	*0.0*	*1.8*	*0.1*	*0.4*	*0.2*	
Percentage change on year										
2004q2 to 2005q2	*1.3*	*-1.4*	*2.0*	*-7.2*	*0.9*	*0.0*	*0.9*	*0.7*	*0.8*	
MALE										
	MGRO	MGRR	MGRU	MGRX	MGSA	MGSD	MGSG	MGSJ	MGSM	MGSV
2003 Q1	12 594	2 505	26	56	15 181	926	16 107	6 586	22 694	79.1
Q2	12 602	2 604	32	53	15 291	886	16 177	6 560	22 738	79.5
Q3	12 512	2 672	41	61	15 285	896	16 180	6 602	22 783	79.3
Q4	12 482	2 680	38	60	15 261	879	16 140	6 691	22 830	79.0
2004 Q1	12 581	2 657	42	68	15 348	841	16 190	6 688	22 878	79.4
Q2	12 544	2 695	41	73	15 353	841	16 195	6 731	22 926	79.2
Q3	12 628	2 653	35	75	15 391	815	16 206	6 769	22 976	79.3
Q4	12 646	2 685	37	75	15 443	834	16 277	6 754	23 031	79.3
2005 Q1	12 700	2 666	41	70	15 477	830	16 306	6 780	23 086	79.3
Q2	12 697	2 659	38	71	15 465	834	16 299	6 842	23 141	79.1
Percentage change on quarter										
2005q1 to 2005q2	*0.0*	*-0.3*	*-7.3*	*1.4*	*-0.1*	*0.5*	*0.0*	*0.9*	*0.2*	
Percentage change on year										
2004q2 to 2005q2	*1.2*	*-1.3*	*-7.3*	*-2.7*	*0.7*	*-0.8*	*0.6*	*1.6*	*0.9*	
FEMALE										
	MGRP	MGRS	MGRV	MGRY	MGSB	MGSE	MGSH	MGSK	MGSN	MGSW
2003 Q1	11 858	930	57	38	12 883	598	13 481	10 771	24 252	69.7
Q2	11 853	951	56	40	12 900	578	13 477	10 805	24 283	69.7
Q3	11 848	975	67	46	12 937	603	13 541	10 775	24 315	69.7
Q4	11 906	979	61	47	12 993	579	13 572	10 780	24 352	69.8
2004 Q1	11 969	971	61	48	13 049	591	13 640	10 749	24 390	70.0
Q2	11 974	975	57	52	13 057	592	13 649	10 778	24 427	69.8
Q3	12 032	933	55	53	13 073	577	13 650	10 817	24 467	69.9
Q4	12 066	958	59	50	13 134	584	13 718	10 795	24 513	70.1
2005 Q1	12 106	962	63	55	13 186	578	13 765	10 795	24 559	70.1
Q2	12 144	959	63	44	13 210	600	13 810	10 796	24 606	70.1
Percentage change on quarter										
2005q1 to 2005q2	*0.3*	*-0.3*	*0.0*	*-20.0*	*0.2*	*3.8*	*0.3*	*0.0*	*0.2*	
Percentage change on year										
2004q2 to 2005q2	*1.4*	*-1.6*	*10.5*	*-15.4*	*1.2*	*1.4*	*1.2*	*0.2*	*0.7*	

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 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 September 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
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	47 098	74.9
Q4	24 433	3 660	100	110	28 303	1 422	29 724	17 445	47 183	74.7
2004 Q1	24 463	3 615	104	121	28 302	1 429	29 731	17 513	47 268	74.6
Q2	24 454	3 659	96	121	28 330	1 387	29 717	17 601	47 352	74.5
Q3	24 713	3 603	91	123	28 530	1 463	29 993	17 399	47 443	75.0
Q4	24 719	3 642	97	127	28 586	1 378	29 963	17 502	47 544	75.0
2005 Q1	24 683	3 606	105	130	28 524	1 398	29 922	17 616	47 646	74.7
Q2	24 720	3 600	98	112	28 529	1 383	29 912	17 699	47 747	74.6
Percentage change on year										
2004q2 to 2005q2	*1.1*	*-1.6*	*2.1*	*-7.4*	*0.7*	*-0.3*	*0.7*	*0.6*	*0.6*	
MALE										
	MGTB	MGTE	MGTH	MGTK	MGTN	MGTQ	MGTT	MGTW	MGSM	MGUI
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	22 783	79.8
Q4	12 502	2 689	38	62	15 291	855	16 146	6 679	22 830	79.2
2004 Q1	12 511	2 647	44	70	15 273	851	16 124	6 745	22 878	79.0
Q2	12 510	2 684	40	71	15 305	819	16 124	6 789	22 926	79.0
Q3	12 691	2 664	35	73	15 462	840	16 302	6 653	22 976	79.7
Q4	12 648	2 692	37	77	15 454	808	16 262	6 735	23 031	79.5
2005 Q1	12 615	2 649	43	72	15 379	835	16 213	6 824	23 086	79.0
Q2	12 633	2 644	36	69	15 383	808	16 191	6 888	23 141	78.9
Percentage change on year										
2004q2 to 2005q2	*1.0*	*-1.5*	*-10.0*	*-2.8*	*0.5*	*-1.3*	*0.4*	*1.5*	*0.7*	
FEMALE										
	MGTC	MGTF	MGTI	MGTL	MGTO	MGTR	MGTU	MGTX	MGSN	MGUJ
2002 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	24 315	69.7
Q4	11 930	971	62	48	13 011	567	13 578	10 766	24 352	70.0
2004 Q1	11 952	967	60	51	13 029	578	13 608	10 767	24 390	69.9
Q2	11 945	975	56	50	13 025	568	13 593	10 812	24 427	69.7
Q3	12 022	940	56	50	13 068	623	13 691	10 746	24 467	70.0
Q4	12 071	950	60	51	13 132	570	13 702	10 767	24 513	70.2
2005 Q1	12 068	957	62	58	13 146	563	13 709	10 792	24 559	70.1
Q2	12 086	956	62	42	13 147	575	13 721	10 811	24 606	70.0
Percentage change on year										
2004q2 to 2005q2	*1.2*	*-1.9*	*10.7*	*-16.0*	*0.9*	*1.2*	*0.9*	*0.0*	*0.5*	

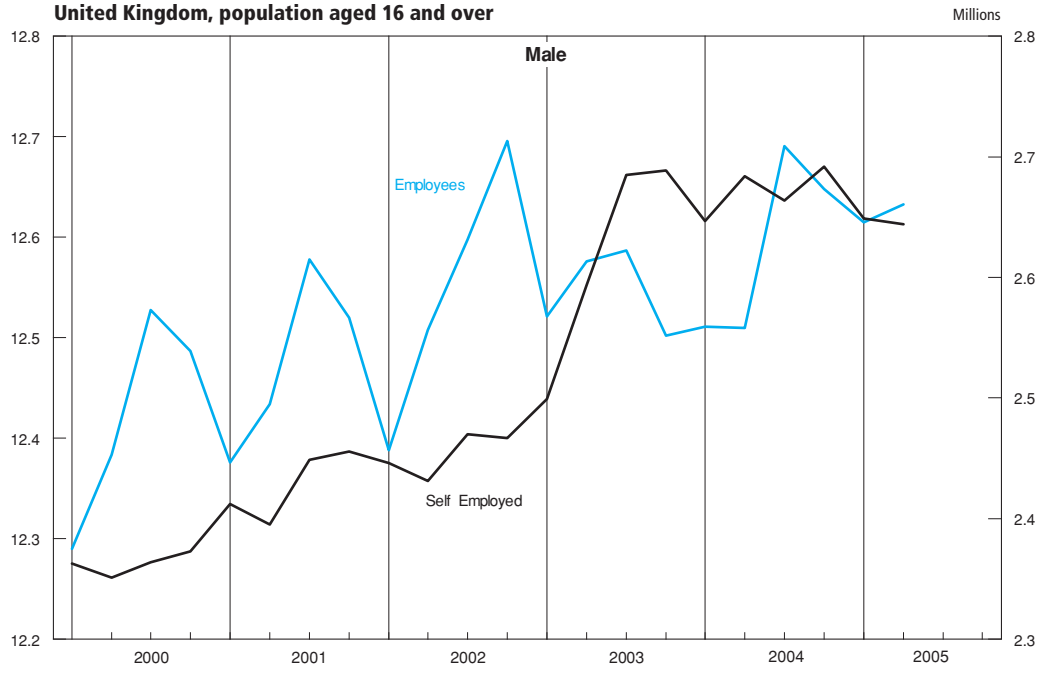
1 The data in this table have been adjusted to reflect the latest revisions to mid-year population data.

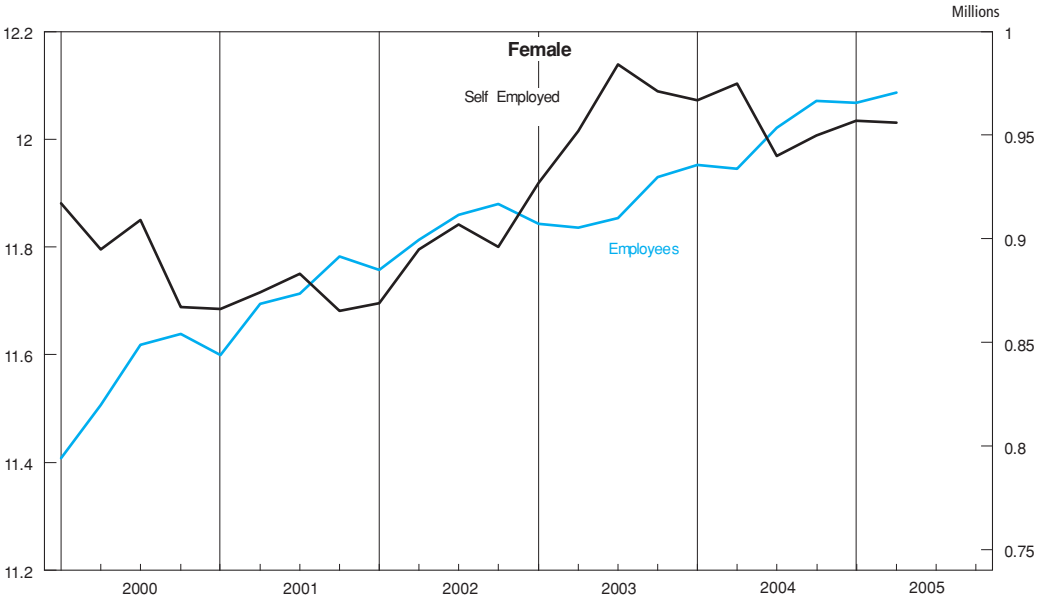
2 Data are from the Labour Force Survey which uses the definitions recommended by the International Labour Organisation (ILO), an agency of the United Nations. For details see the *Guide to Labour Market Statistics Releases.*

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.

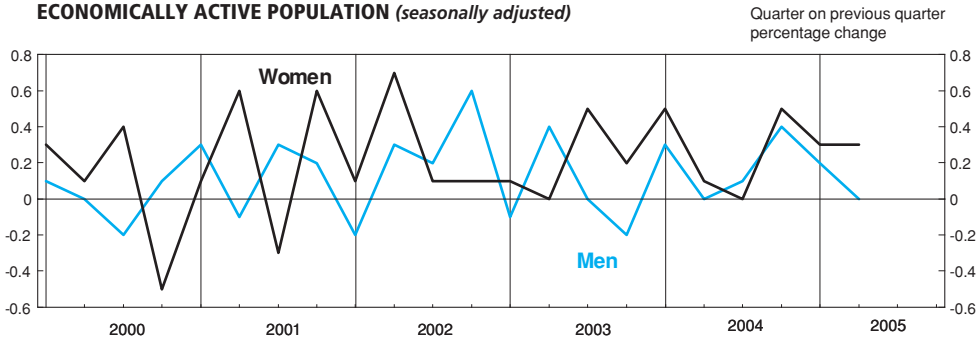
Source: Office for National Statistics; Enquiries 020 7533 6094

EMPLOYMENT Not seasonally adjusted-
United Kingdom, population aged 16 and over

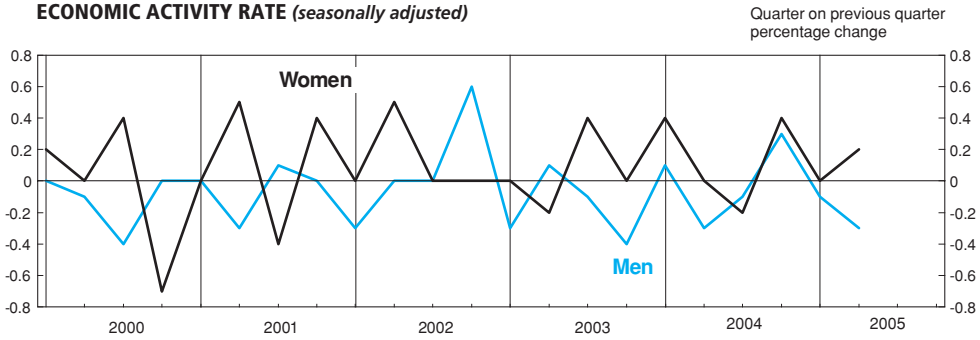




ECONOMICALLY ACTIVE POPULATION ***(seasonally adjusted)***

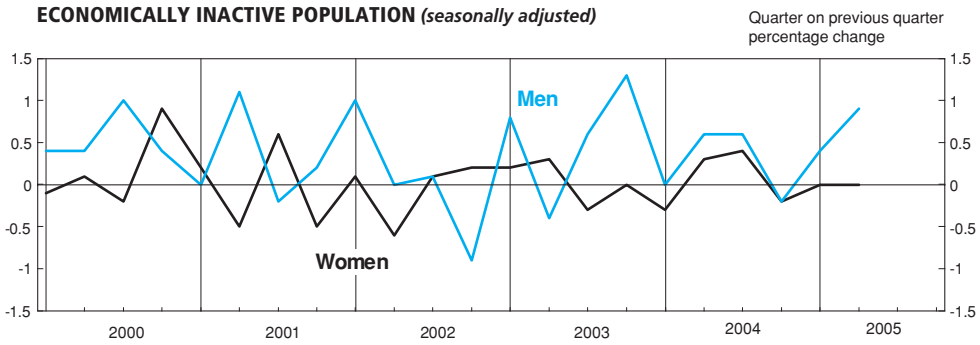


ECONOMIC ACTIVITY RATE ***(seasonally adjusted)***



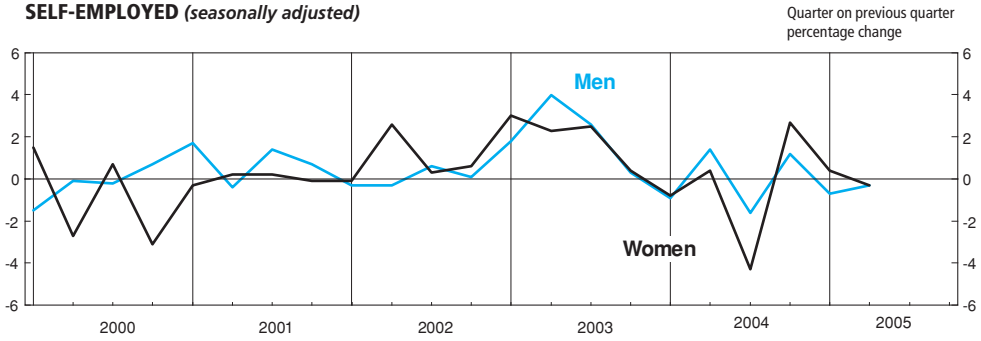
UNEMPLOYMENT ***(seasonally adjusted)***

ECONOMICALLY INACTIVE POPULATION ***(seasonally adjusted)***

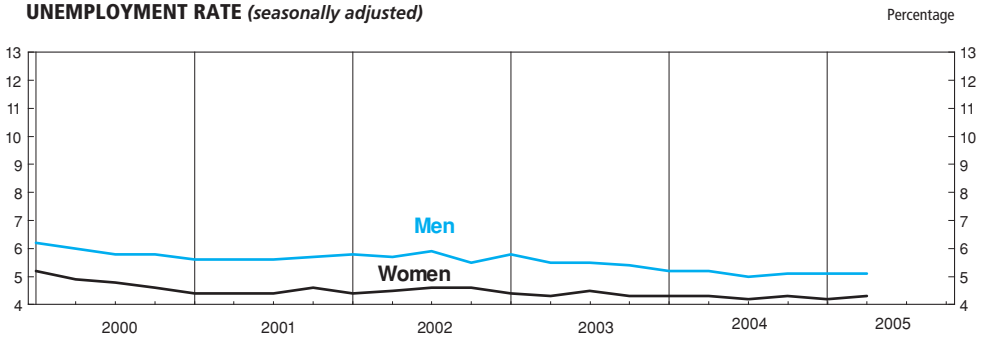


EMPLOYEES ***(seasonally adjusted)***

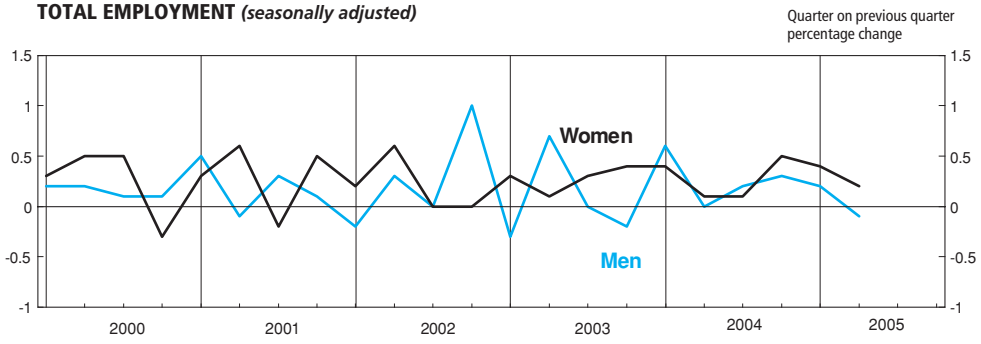
SELF-EMPLOYED ***(seasonally adjusted)***



UNEMPLOYMENT RATE ***(seasonally adjusted)***



TOTAL EMPLOYMENT ***(seasonally adjusted)***



4.3 Labour Market Activity by age[1,2]

United Kingdom

Thousands, seasonally adjusted[3]

	Total aged 16 and over			Age groups[4]							
				16 - 24		25 - 49		50 - 59/64		60/65 and over	
	Total	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
In employment											
	MGRZ	MGSA	MGSB	MGUR	MGUS	MGUU	MGUV	MGUX	MGUY	MGVA	MGVB
2003 Q3	28 222	15 285	12 937	2 118	1 945	9 145	7 800	3 687	2 561	335	631
Q4	28 254	15 261	12 993	2 124	1 983	9 113	7 833	3 691	2 535	332	643
2004 Q1	28 398	15 348	13 049	2 151	2 011	9 149	7 828	3 714	2 558	334	651
Q2	28 410	15 353	13 057	2 166	1 978	9 127	7 856	3 721	2 554	340	669
Q3	28 465	15 391	13 073	2 157	1 987	9 159	7 871	3 736	2 561	338	653
Q4	28 577	15 443	13 134	2 157	1 993	9 182	7 886	3 759	2 589	345	666
2005 Q1	28 663	15 477	13 186	2 171	1 984	9 177	7 923	3 773	2 587	356	693
Q2	28 675	15 465	13 210	2 159	1 977	9 178	7 937	3 774	2 592	355	704
Unemployed											
	MGSC	MGSD	MGSE	MGVG	MGVH	MGVJ	MGVK	MGVM	MGVN	MGVP	MGVQ
2003 Q3	1 499	896	603	342	238	404	288	141	71	..	..
Q4	1 458	879	579	331	221	399	284	139	65	10	..
2004 Q1	1 432	841	591	329	233	370	285	133	64	10	..
Q2	1 434	841	592	328	246	368	281	136	56	..	..
Q3	1 392	815	577	342	248	331	262	133	59	..	..
Q4	1 418	834	584	350	248	342	269	131	60	11	..
2005 Q1	1 408	830	578	341	231	346	278	134	60	..	..
Q2	1 434	834	600	362	249	341	278	123	64	..	10
Economically inactive											
	MGSI	MGSJ	MGSK	MGVV	MGVW	MGVY	MGVZ	MGWB	MGWC	MGWE	MGWF
2003 Q3	17 377	6 602	10 775	905	1 124	792	2 471	1 316	1 171	3 589	6 009
Q4	17 470	6 691	10 780	932	1 119	832	2 446	1 325	1 206	3 602	6 008
2004 Q1	17 438	6 688	10 749	929	1 095	827	2 453	1 318	1 188	3 614	6 014
Q2	17 509	6 731	10 778	936	1 132	853	2 432	1 320	1 203	3 622	6 010
Q3	17 586	6 769	10 817	950	1 136	864	2 442	1 318	1 197	3 638	6 042
Q4	17 549	6 754	10 795	960	1 142	841	2 433	1 310	1 171	3 642	6 049
2005 Q1	17 574	6 780	10 795	972	1 180	855	2 399	1 306	1 176	3 647	6 039
Q2	17 638	6 842	10 796	981	1 182	870	2 398	1 327	1 169	3 664	6 047
Economic activity rate (per cent) [5]											
	MGWG	MGWH	MGWI	MGWK	MGWL	MGWN	MGWO	MGWQ	MGWR	MGWT	MGWU
2003 Q3	63.1	71.0	55.7	73.1	66.0	92.3	76.6	74.4	69.2	8.7	9.6
Q4	63.0	70.7	55.7	72.5	66.3	92.0	76.8	74.3	68.3	8.7	9.8
2004 Q1	63.1	70.8	55.9	72.7	67.2	92.0	76.8	74.5	68.8	8.7	9.9
Q2	63.0	70.6	55.9	72.7	66.3	91.8	77.0	74.5	68.4	8.8	10.1
Q3	62.9	70.5	55.8	72.5	66.3	91.7	76.9	74.6	68.6	8.7	9.9
Q4	63.1	70.7	56.0	72.3	66.2	91.9	77.0	74.8	69.3	8.9	10.0
2005 Q1	63.1	70.6	56.0	72.1	65.2	91.8	77.4	74.9	69.2	9.1	10.4
Q2	63.1	70.4	56.1	72.0	65.3	91.6	77.4	74.6	69.4	9.0	10.6
Unemployment rate (per cent) [6]											
	MGSX	MGSY	MGSZ	MGWZ	MGXA	MGXC	MGXD	MGXF	MGXG	MGXI	MGXJ
2003 Q3	5.0	5.5	4.5	13.9	10.9	4.2	3.6	3.7	2.7	..	..
Q4	4.9	5.4	4.3	13.5	10.0	4.2	3.5	3.6	2.5	3.0	..
2004 Q1	4.8	5.2	4.3	13.3	10.4	3.9	3.5	3.5	2.4	2.8	..
Q2	4.8	5.2	4.3	13.2	11.1	3.9	3.5	3.5	2.2	..	..
Q3	4.7	5.0	4.2	13.7	11.1	3.5	3.2	3.4	2.2	..	..
Q4	4.7	5.1	4.3	14.0	11.1	3.6	3.3	3.4	2.3	3.0	..
2005 Q1	4.7	5.1	4.2	13.6	10.4	3.6	3.4	3.4	2.3	..	..
Q2	4.8	5.1	4.3	14.4	11.2	3.6	3.4	3.2	2.4	..	1.3

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 September 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[5,6,8]			
		Employee jobs[3,4]							
	Workforce jobs[2,3,4]	All industries	Manufacturing industry	Production industry	Service industries	Total	Percentage of workforce jobs and claimant count[7]	Total Not seasonally adjusted	Vacancies: average for three months ending in month shown[9]
Annual									
	DYDC	BCAJ	YEJA	YEJF	YEID	BCJD	BCJE	BCJA	AP2Y
2002	29 875	25 990	3 599	3 801	20 771	946.6	*3.1*	958.8	..
2003	30 213	26 105	3 415	3 602	21 064	933.3	*3.0*	945.9	..
2004	30 440	26 264	3 282	3 459	21 309	853.6	*2.7*	866.1	..
2005	30 590	26 450	3 184	3 361	21 548	..	..	..	..
Quarterly									
2001 Q1	29 643	25 817	3 858	4 065	20 322	999.7	*3.3*	1 064.1	..
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	952.5	*3.1*	1 014.6	..
Q2	29 875	25 990	3 599	3 801	20 771	950.6	*3.1*	958.1	..
Q3	29 911	25 989	3 552	3 747	20 840	946.5	*3.1*	951.8	..
Q4	29 991	26 046	3 512	3 701	20 934	937.0	*3.0*	910.6	..
2003 Q1	30 065	26 031	3 469	3 655	20 953	939.0	*3.0*	1 001.1	..
Q2	30 213	26 105	3 415	3 602	21 064	945.3	*3.0*	954.3	..
Q3	30 311	26 108	3 367	3 549	21 088	934.6	*3.0*	939.0	..
Q4	30 396	26 191	3 330	3 508	21 192	914.2	*2.9*	889.2	..
2004 Q1	30 412	26 219	3 301	3 478	21 239	885.8	*2.8*	947.2	..
Q2	30 440	26 264	3 282	3 459	21 309	861.3	*2.8*	871.8	..
Q3	30 405	26 268	3 257	3 434	21 334	836.3	*2.7*	839.0	..
Q4	30 547	26 384	3 241	3 418	21 411	831.1	*2.7*	806.7	..
2005 Q1	30 639	26 489	3 222	3 399	21 518	820.9	*2.6*	879.8	..
Q2	30 590	26 450	3 184	3 361	21 548	853.8	*2.8*	865.9	..
Q3	..	..	..	..	..	869.1	*2.8*	874.4	..
Monthly									
2004 Jan	..	..	3 315	3 493	..	893.2	*2.9*	952.4	608.3
Feb	..	..	3 310	3 487	..	884.2	*2.8*	957.0	611.2
Mar	..	26 219	3 301	3 478	21 239	879.9	*2.8*	932.0	616.4
Apr	..	..	3 294	3 471	..	871.5	*2.8*	905.2	623.3
May	..	..	3 287	3 464	..	860.9	*2.8*	869.7	628.4
Jun	..	26 264	3 282	3 459	21 309	851.5	*2.7*	840.5	632.6
Jul	..	..	3 274	3 451	..	838.2	*2.7*	841.5	646.5
Aug	..	..	3 264	3 442	..	834.8	*2.7*	847.6	647.2
Sep	..	26 268	3 257	3 434	21 334	836.0	*2.7*	827.8	643.2†
Oct	..	..	3 249	3 425	..	836.4	*2.7*	806.8	637.1
Nov	..	..	3 241	3 418	..	831.9	*2.7*	803.0	640.7
Dec	..	26 384	3 241	3 418	21 406	825.0	*2.6*	810.2	648.0
2005 Jan	..	..	3 238	3 415	..	813.8	*2.6*	872.1	655.0
Feb	..	..	3 229	3 405	..	817.7	*2.6*	885.0	647.4
Mar	..	26 489	3 222	3 399	21 518	831.3	*2.7*	882.3	636.9
Apr	..	..	3 214	3 390	..	842.1	*2.7*	871.8	632.9
May	..	..	3 197	3 373	..	856.1	*2.7*	867.6	639.1
Jun	..	26 450	3 184	3 361	21 548	863.2	*2.8*	858.2	640.9
Jul	..	..	3 175	3 352	..	864.6	*2.8*	871.0	637.0
Aug	..	..	3 166	3 343	..	867.3†	*2.8*	880.7	630.9
Sep	..	..	..	..	..	875.5	*2.8*	871.5	625.1

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.

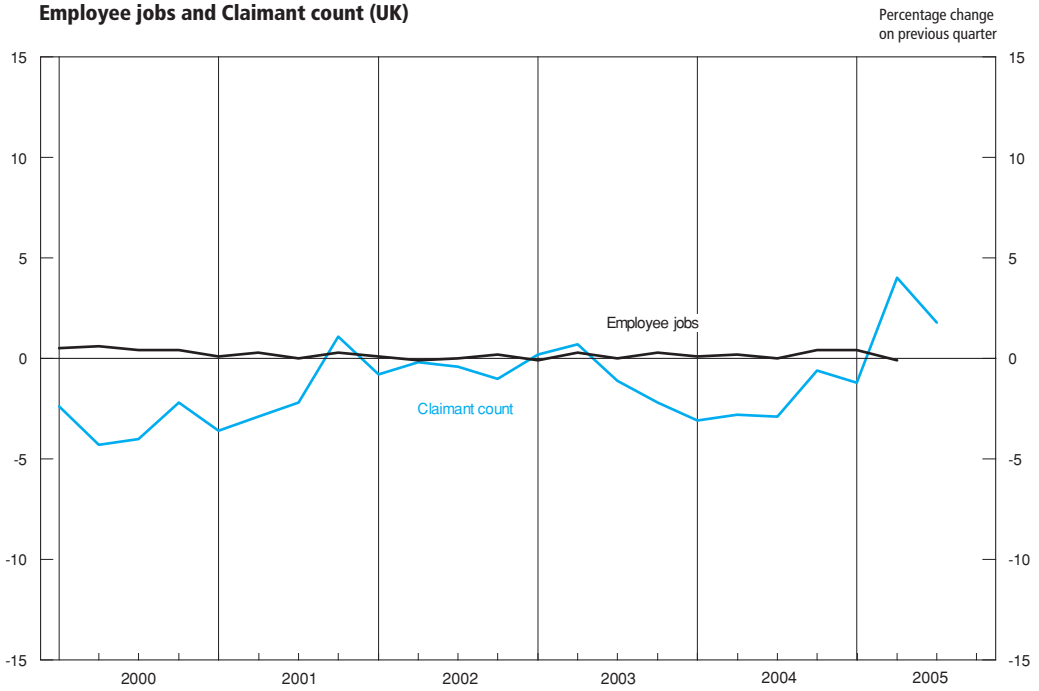
7 The denominator used to calculate claimant count unemployment rates is comprised of the workforce jobs plus the claimant count.

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

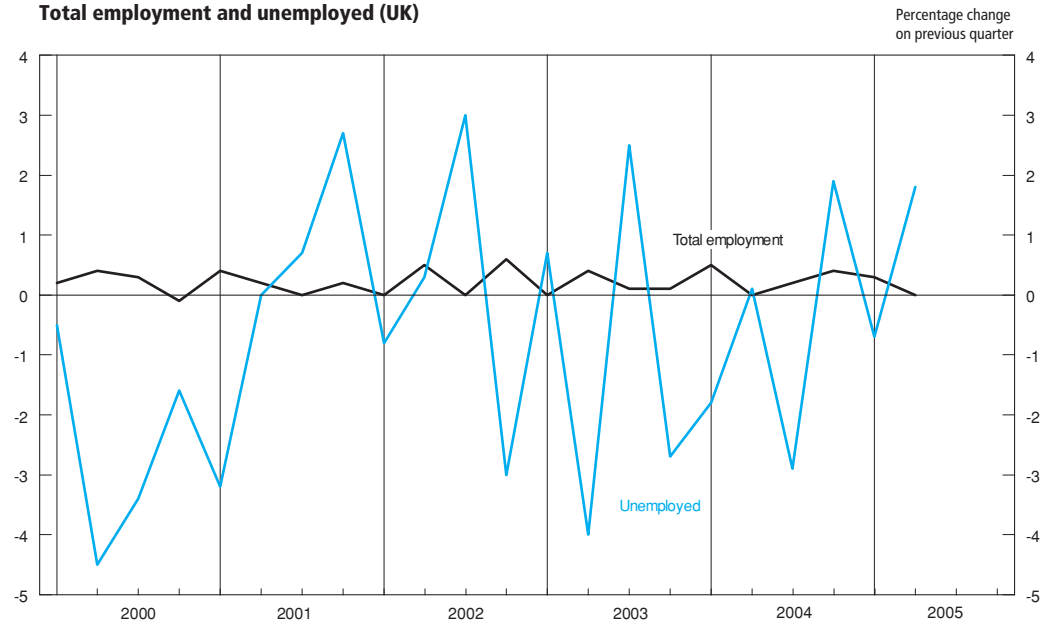
9 The ONS Vacancy Survey, a monthly business survey of the number of job vacancies held by employers across the UK economy, has been running since April 2001. The results were adopted as National Statistics in June 2003.

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

Employee jobs and Claimant count (UK)



Total employment and unemployed (UK)



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
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	3.5	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	1.7
Q4	4.8	3.4	3.6	2.8	3.5	2.1	3.6	1.7
2003 Q1	4.7	3.3	3.4	2.8	3.5	2.1	3.6	1.7
Q2	4.6	3.3	3.4	2.9	3.5	2.1	3.7	1.7
Q3	4.5	3.2	3.3	2.9	3.5	2.1	3.7	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	3.0	2.7	3.4	2.0	3.6	1.7
Q2	4.1	2.9	2.9	2.5	3.3	2.0	3.5	1.6
Q3	3.9	2.8	2.8	2.5	3.2	1.9	3.4	1.6
Q4	3.9	2.8	2.8	2.5	3.2	1.9	3.4	1.6
2005 Q1	3.8	2.7	2.8	2.4	3.1	1.9	3.4	1.6
Q2	3.9	2.9	3.0	2.6	3.5	2.1	3.4	1.6
Q3	4.1	3.0	3.0	2.6	3.6	2.1	3.5	1.7

	South West	England	Wales	Scotland	Great Britain	Northern Ireland	United Kingdom
Quarterly							
	DPBM	VASQ	DPBP	DPBQ	DPAJ	DPBR	BCJE
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*	*5.1*	*3.5*
Q4	2.3	3.2	*4.3*	*4.3*	*3.4*	*5.2*	*3.4*
2001 Q1	2.1	3.1	*4.2*	*4.1*	*3.2*	*5.0*	*3.3*
Q2	2.1	3.0	*4.0*	*4.0*	*3.1*	*4.9*	*3.2*
Q3	2.0	2.9	*3.8*	*3.9*	*3.1*	*4.8*	*3.1*
Q4	2.0	3.0	*3.8*	*4.0*	*3.1*	*4.7*	*3.1*
2002 Q1	2.0	2.9	*3.6*	*3.9*	*3.1*	*4.6*	*3.1*
Q2	2.0	2.9	*3.6*	*3.9*	*3.0*	*4.5*	*3.1*
Q3	1.9	2.9	*3.6*	*3.9*	*3.0*	*4.3*	*3.1*
Q4	1.9	2.9	*3.5*	*3.8*	*3.0*	*4.3*	*3.0*
2003 Q1	1.9	2.9	*3.4*	*3.8*	*3.0*	*4.2*	*3.0*
Q2	1.9	2.9	*3.4*	*3.8*	*3.0*	*4.2*	*3.0*
Q3	1.9	2.9	*3.3*	*3.8*	*3.0*	*4.2*	*3.0*
Q4	1.8	2.8	*3.2*	*3.7*	*2.9*	*4.1*	*2.9*
2004 Q1	1.7	2.7	*3.1*	*3.6*	*2.8*	*3.9*	*2.8*
Q2	1.6	2.6	*3.1*	*3.5*	*2.7*	*3.7*	*2.8*
Q3	1.5	2.6	*3.0*	*3.4*	*2.7*	*3.5*	*2.7*
Q4	1.5	2.5	*3.0*	*3.4*	*2.6*	*3.5*	*2.7*
2005 Q1	1.5	2.5	*2.9*	*3.3*	*2.6*	*3.4*	*2.6*
Q2	1.6	2.7	*3.1*	*3.3*	*2.7*	*3.5*	*2.8*
Q3	1.6	2.7	*3.1*	*3.2*	*2.8*	*3.3*	*2.8*

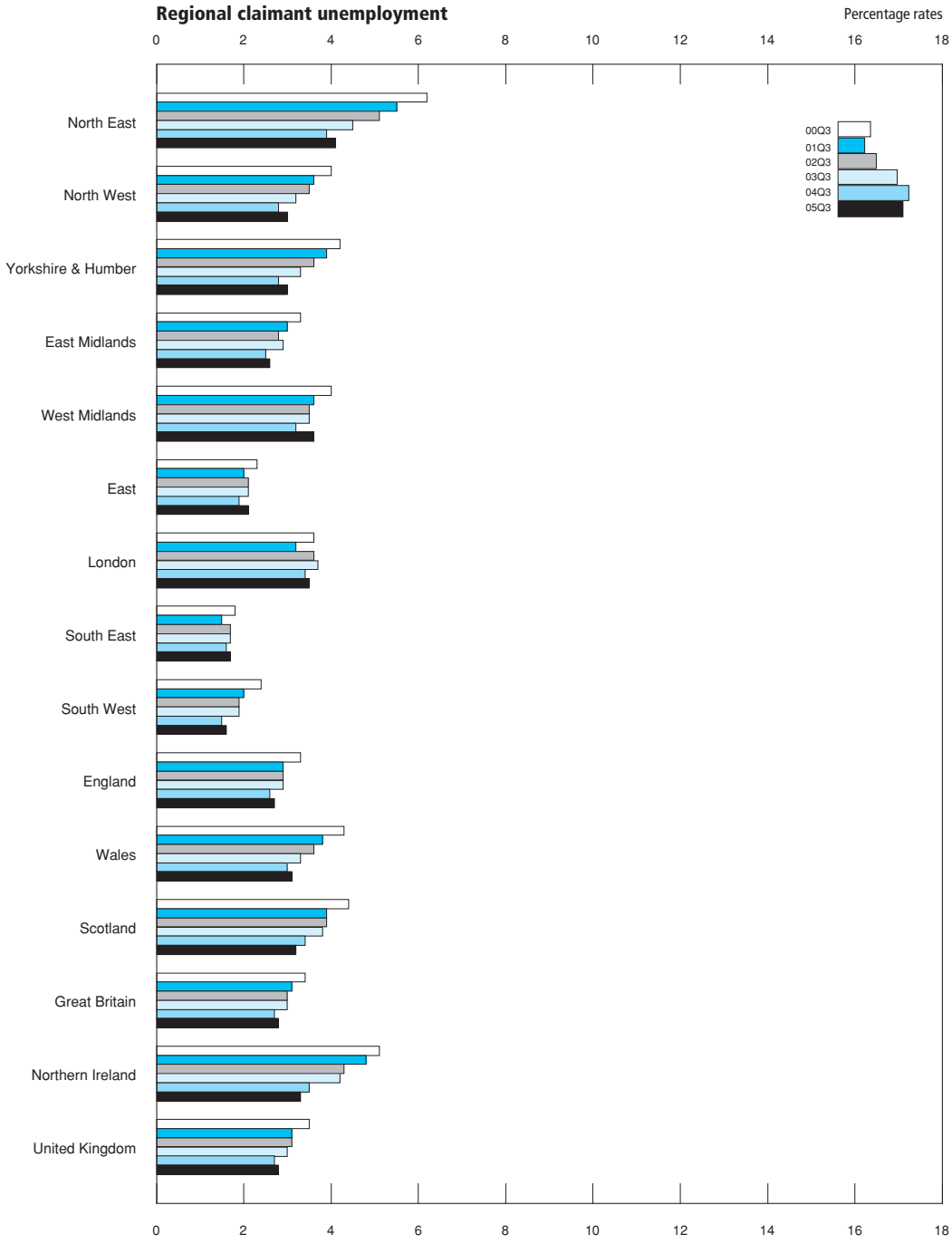
Note: Quarterly claimant count figures relate to the average of the three months in each quarter.

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

2 The seasonally adjusted figures now relate only to claimants aged 18 or over in order to maintain the consistent series, available back to 1971 for Great Britain, Northern Ireland and the United Kingdom (1974 for Wales and Scotland; 1986 for the Government Office Regions), allowing for the effect of the change in benefit regulations for under 18 year olds from September 1988. (See pages 398-400 of the November 1995 *Labour Market Trends*.) The denominators used to calculate claimant count rates are the sum of the appropriate mid-year estimates of employee jobs, the self-employed, Government-supported trainees, HM Forces and claimants of unemployment-related benefits.

3 Includes Merseyside.

Source: Office for National Statistics; Enquiries 020 7533 6094


Regional claimant unemployment
Percentage rates
0
2
4
6
8
10
12
14
16
18
North East
North West
Yorkshire & Humber
East Midlands
West Midlands
East
London
South East
South West
England
Wales
Scotland
Great Britain
Northern Ireland
United Kingdom
00Q3
01Q3
02Q3
03Q3
04Q3
05Q3

4.5A Unemployment rates[1,2] by Government Office Region

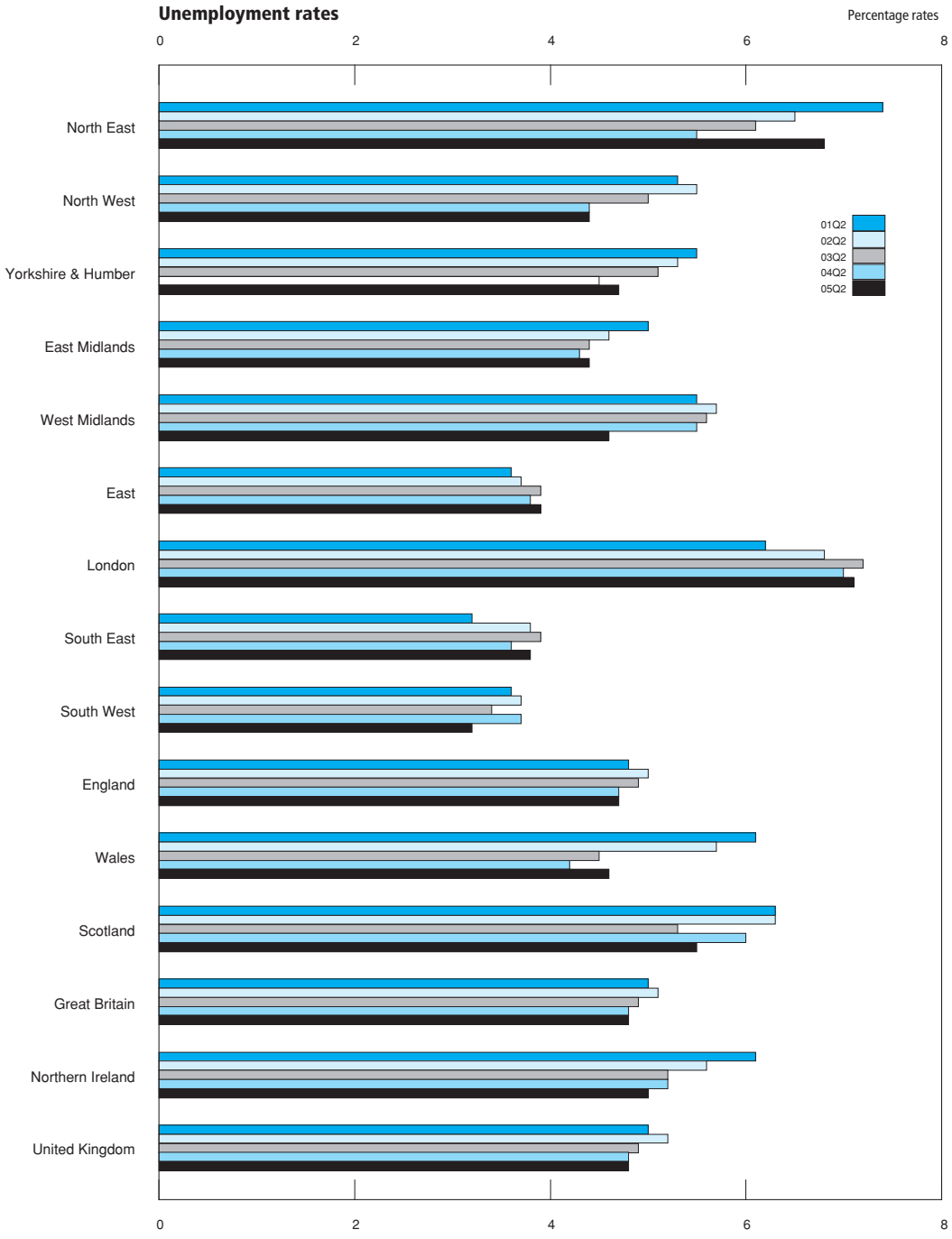
Percentages, seasonally adjusted [4]

	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	7.3	5.4	5.1	4.7	5.6	3.7	6.9	3.6
Q2	6.5	5.5	5.3	4.6	5.7	3.7	6.8	3.8
Q3	6.2	5.5	5.6	4.7	5.9	3.9	7.1	4.0
Q4	7.3	4.9	5.0	4.8	5.7	4.0	6.6	4.0
2003 Q1	6.6	4.9	5.3	4.0	6.0	4.7	7.0	3.9
Q2	6.1	5.0	5.1	4.4	5.6	3.9	7.2	3.9
Q3	6.6	4.9	4.9	4.6	5.9	3.9	7.2	3.9
Q4	6.3	4.7	5.0	4.4	5.7	3.5	7.0	3.9
2004 Q1	5.6	4.5	4.8	4.7	5.5	3.5	7.0	3.9
Q2	5.5	4.4	4.5	4.3	5.5	3.8	7.0	3.6
Q3	6.0	4.4	4.6	4.0	5.0	3.5	7.2	3.7
Q4	6.4	4.6	4.7	4.2	4.8	3.8	7.2	3.5
2005 Q1	5.7	4.8	4.3	4.3	4.7	3.9	6.7	3.7
Q2	6.8	4.4	4.7	4.4	4.6	3.9	7.1	3.8

	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	3.5	5.0	5.7	6.6	5.1	6.1	5.2
Q2	3.7	5.0	5.7	6.3	5.1	5.6	5.2
Q3	4.0	5.2	5.2	6.4	5.3	6.1	5.3
Q4	4.0	5.0	5.1	6.1	5.1	5.5	5.1
2003 Q1	3.8	5.1	4.8	6.0	5.1	5.3	5.1
Q2	3.4	4.9	4.5	5.3	4.9	5.2	4.9
Q3	3.2	5.0	4.7	5.9	5.0	5.6	5.0
Q4	3.1	4.8	4.8	5.8	4.9	6.3	4.9
2004 Q1	3.0	4.7	4.6	5.8	4.8	5.3	4.8
Q2	3.7	4.7	4.2	6.0	4.8	5.2	4.8
Q3	3.2	4.6	4.9	5.2	4.7	5.0	4.7
Q4	3.4	4.7	4.2	5.6	4.7	4.6	4.7
2005 Q1	3.6	4.6	4.5	5.6	4.7	4.8	4.7
Q2	3.2	4.7	4.6	5.5	4.8	5.0	4.8

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 September each year.

Source: Office for National Statistics; Enquiries 020 7533 6094


Unemployment rates
Percentage rates
0
2
4
6
8
North East
North West
Yorkshire & Humber
East Midlands
West Midlands
East
London
South East
South West
England
Wales
Scotland
Great Britain
Northern Ireland
United Kingdom
01Q2
02Q2
03Q2
04Q2
05Q2

4.6 Average earnings (including bonuses)

Great Britain

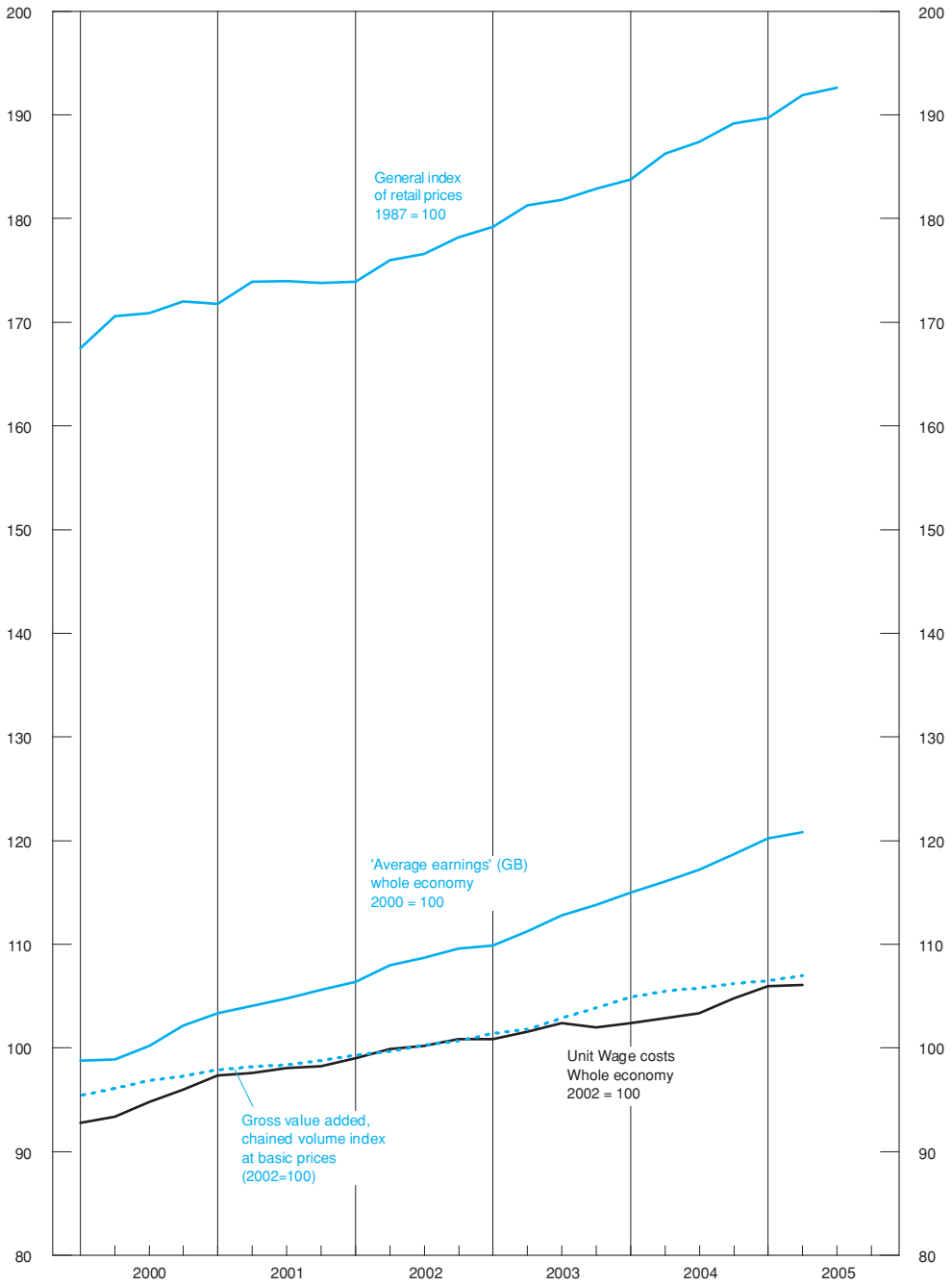
2000 = 100

	Whole economy+	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	104.5†		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		107.8†	
2003	111.9		111.3†		114.8		111.9		111.7		112.0†		110.9	
2004	116.7		116.0		119.8		116.0†		115.8†		116.7		115.7	
Monthly														
		LNNC		LNND		LNNE		LNNG		LNNF		LNNH		JJGJ
2001 Jan	103.1†	4.5†	103.3†	4.7	102.3†	3.9†	102.9†	4.6†	103.0†	4.3	103.3	4.5†	103.4†	4.7
Feb	103.6	4.7	103.7	4.8†	102.7	3.6	103.4	4.8	103.7	4.6†	103.7	4.7	103.8	4.9
Mar	103.6	4.7	103.5	4.7	103.3	3.7	102.5	4.5	102.6	4.5	103.7†	4.7	103.7	4.7
Apr	103.9	5.0	103.8	5.0	104.6	4.3	104.1	5.0	103.9	4.9	103.8	5.0	103.6	5.0†
May	104.0	5.1	103.8	5.1	104.9	5.2	104.1	4.7	103.9	4.7	103.9	5.1	103.6	5.1
Jun	104.3	5.3	104.1	5.3	105.2	5.5	104.3	5.0	104.2	4.9	104.2	5.3	103.9	5.3
Jul	104.4	5.2	104.2	5.1	105.6	5.6	104.5	4.8	104.3	4.6	104.3	5.2	103.9	5.1
Aug	104.9	4.9	104.7	4.8	105.9	5.6	104.9	4.8	104.7	4.6	104.9	4.9	104.5	4.7
Sep	105.1	4.6	104.9	4.4	105.9	5.7	105.3	4.6	105.1	4.4	105.0	4.6	104.7	4.2
Oct	105.3	4.3	105.0	4.0	106.5	5.6	105.4	4.4	105.2	4.3	105.2	4.2	104.8	3.8
Nov	105.6	3.9	105.4	3.7	106.5	5.4	105.3	3.8	105.1	3.7	105.5	3.9	105.2	3.5
Dec	105.8	3.3	105.5	2.9	106.9	5.2	105.5	3.3	105.3	3.2	105.7	3.2	105.5	2.7
2002 Jan	106.0	2.9	105.9	2.5	107.1	4.9	106.1	3.0	106.2	2.9	106.0	2.8	105.5	2.2
Feb	106.8	2.7	106.6	2.3	107.3	4.8	106.1	2.8	105.9	2.6	106.9	2.7	106.7	2.1
Mar	106.4	2.8	105.9	2.6	107.9	4.6	105.8	3.0	106.2	2.9	106.2	2.7	105.7	2.2
Apr	107.9	3.2	108.0	3.1	108.3	4.1	107.0	2.9	106.8	2.8	107.9	3.2	107.8	2.9
May	108.0	3.5	107.8	3.4	108.6	3.8	107.7	3.2	107.5	3.2	108.0	3.4	107.8	3.3
Jun	108.2	3.8	108.1	3.9	108.9	3.5	108.2	3.3	108.0	3.3	108.2	3.9	108.1	4.0
Jul	108.5	3.8	108.3	3.9	109.7	3.6	108.4	3.6	108.2	3.6	108.6	3.9	108.1	4.0
Aug	108.7	3.8	108.6	3.8	109.0	3.4	108.9	3.7	108.8	3.8	108.6	3.8	108.4	3.9
Sep	109.0	3.8	108.8	3.8	110.0	3.6	108.9	3.7	108.9	3.8	108.9	3.8	108.6	3.8
Oct	109.3	3.7	109.0	3.8	110.9	3.7	109.5	3.8	109.4	3.9	109.2	3.7	108.7	3.7
Nov	110.1	4.0	109.7	3.9	111.7	4.3	109.7	3.9	109.6	4.0	110.2	4.0	109.7	3.9
Dec	109.5	3.9	108.6	3.6	112.2	4.7	110.0	4.1	109.9	4.2	108.9	3.8	108.1	3.5
2003 Jan	109.0	3.5	108.6	3.2	112.6	5.0	110.2	4.1	110.2	4.1	108.9	3.4	107.4	2.9
Feb	109.8	3.0	109.0	2.6	112.9	5.1	110.6	4.1	110.3	4.1	109.5	2.7	108.3	1.9
Mar	110.9	3.3	110.1	2.9	113.3	5.1	111.8	4.6	112.0	4.5	110.4	3.0	109.2	2.2
Apr	110.7	3.2	110.0	2.7	113.9	5.1	110.3	4.4	110.2	4.3	110.8	3.0	109.7	2.2
May	111.4	3.3	110.9	2.9	113.6	4.9	111.1	4.0	110.9	4.0	111.6	3.3	111.0	2.7
Jun	111.7	3.0	111.1	2.5	114.7	5.0	111.4	3.1	111.3	3.2	111.9	3.1	110.9	2.5
Jul	112.6	3.4	111.9	3.0	115.6	5.1	111.8	3.1	111.7	3.1	113.0	3.6	111.9	3.0
Aug	112.6	3.5	111.9	3.0	115.5	5.6	112.2	3.0	112.0	3.1	112.8	3.8	111.8	3.1
Sep	113.2	3.7	112.5	3.3	116.0	5.6	112.8	3.2	112.6	3.2	113.2	4.0	112.3	3.4
Oct	113.4	3.7	112.8	3.3	116.1	5.4	113.0	3.3	112.9	3.2	113.4	3.9	112.5	3.4
Nov	113.7	3.6	113.1	3.3	116.4	4.8	113.7	3.5	113.5	3.4	113.7	3.7	112.8	3.3
Dec	114.3	3.8	113.9	3.9	117.0	4.4	113.6	3.4	113.4	3.3	114.5	4.1	113.4	3.7
2004 Jan	115.6	4.6	115.0	4.6	117.2	4.2	114.3	3.5	114.1	3.4	115.7	4.8	115.4	5.0
Feb	113.8	4.7	113.0	4.8	117.8	4.3	114.5	3.5	114.4	3.5	113.4	5.0	111.9	5.2
Mar	115.7	4.7	114.9	4.6	118.3	4.3	115.5	3.5	115.4	3.4	115.7	4.8	114.6	5.2
Apr	115.7	4.2	115.1	4.2	118.5	4.3	115.4	3.8	115.3	3.8	115.6	4.2	114.6	4.2
May	116.1	4.4	115.5	4.4	118.7	4.3	116.0	4.1	115.7	4.0	115.8	4.3	115.0	4.3
Jun	116.4	4.3	115.7	4.3	119.9	4.4	116.0	4.4	115.8	4.3	116.4	4.1	115.3	4.0
Jul	116.4	3.9	115.5	3.8	119.9	4.2	116.0	4.1	115.8	4.0	116.3	3.6	114.9	3.4
Aug	117.4	3.9	116.6	3.8	120.7	4.2	115.9	3.7	115.7	3.7	117.5	3.7	116.4	3.5
Sep	117.7	3.8	116.9	3.7	121.2	4.2	116.4	3.4	116.2	3.4	117.8	3.7	116.7	3.5
Oct	118.3	4.2	117.6	4.1	121.7	4.6	116.9	3.3	116.7	3.3	118.5	4.2	117.4	4.1
Nov	118.8	4.2	118.1	4.2	121.9	4.7	117.0	3.2	116.9	3.2	118.9	4.4	117.9	4.3
Dec	119.1	4.3	118.5	4.2	122.2	4.7	117.8	3.3	117.6	3.4	119.3	4.4	118.3	4.4
2005 Jan	120.1	4.2	119.4	4.1	122.7	4.6	117.8	3.2	117.7	3.3	120.2	4.3	119.6	4.1
Feb	120.2	4.6	119.6	4.6	123.3	4.6	118.6	3.5	118.5	3.5	120.5	4.8	119.5	4.9
Mar	120.3	4.5	119.5	4.6	123.3	4.5	120.0	3.5	119.6	3.5	120.7	4.8	119.5	4.9
Apr	120.6	4.6	119.7	4.6	124.3	4.6	118.9	3.5	118.7	3.4	120.8	5.0	119.6	5.1
May	120.8	4.1	119.3	3.8	127.8	5.6	118.2	3.0	118.1	2.9	121.2	4.5	119.4	4.1
Jun	121.1	4.1	120.2	3.7	125.0	5.6	119.3	2.6	119.0	2.6	121.4	4.5	120.1	4.1
Jul	121.7	4.2	120.8	3.9	125.2	5.5	120.0	2.7	119.7	2.7	122.0	4.6	120.7	4.4
Aug[1]	122.0	4.2	121.1	4.1	125.9	4.3	120.6	3.4	120.3	3.4	122.2	4.4	121.0	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

Earnings, wages, retail prices and output



4.7 Productivity and Unit Wage costs[1]

United Kingdom

2002 = 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
2002	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2003	100.9	95.3	95.2	101.5	101.6	104.4	105.1	102.0	104.2	104.8	101.7	98.5
2004	101.6	91.8	91.7	103.6	103.9	109.3	111.2	104.6	108.5	110.4	103.4	96.6†
Quarterly												
2002 Q1	99.6	101.6	101.6	99.8	99.7	98.5	98.7	99.3	97.8	98.0	99.0	99.4†
Q2	99.9	100.8	100.8	99.7	99.8	99.5	98.9	100.1	100.3	99.8	99.9	100.8
Q3	100.1	99.3	99.3	100.3	100.2	100.8	101.4	100.1	101.5	102.1	100.2	99.2
Q4	100.5	98.4	98.4	100.2	100.2	101.2	101.0	100.4	100.4	100.2	100.9	100.6
2003 Q1	100.6	97.3	97.2	100.9	100.8	102.2	102.3	101.2	101.8	101.8	100.9	100.4
Q2	100.8	95.9	95.7	100.9	101.1	103.3	104.0	101.2	103.3	103.8	101.6	98.7
Q3	101.0	94.7	94.5	101.8	101.8	105.1	106.0	102.2	104.4	105.3	102.4	98.0
Q4	101.1	93.5	93.4	102.6	102.7	107.1	108.2	103.6	107.3	108.3	102.0	97.0
2004 Q1	101.4	92.7	92.6	103.1	103.4	108.2	109.6	104.0	108.0	109.4	102.4	96.9
Q2	101.6	92.2	92.2	103.7	103.9	109.5	111.1	104.9	108.6	110.1	102.9	96.5
Q3	101.6	91.5	91.5	103.8	104.1	109.2	111.1	104.9	108.0	109.9	103.4	96.7
Q4	101.9	90.8	90.7	103.8	104.2	110.2	112.9	104.5	109.4	112.1	104.8	96.1
2005 Q1	102.2	90.2	90.1	103.7	104.2	110.0	112.6	104.5	108.6	111.4	106.0	97.7
Q2	102.4	89.2	89.1	104.2	104.5	111.1	113.6	105.2	110.0	112.7	106.1	96.8
Monthly												
2004 Jan	..	..	92.7	..	..	..	109.4	..	..	..	..	96.7†
Feb	..	..	92.6	..	..	..	109.0	..	..	..	..	97.2
Mar	..	..	92.6	..	..	..	110.5	..	..	..	..	96.8
Apr	..	..	92.3	..	..	..	111.0	..	..	..	..	96.2
May	..	..	92.2	..	..	..	111.1	..	..	..	..	96.6
Jun	..	..	92.2	..	..	..	111.1	..	..	..	..	96.6
Jul	..	..	91.9	..	..	..	110.3	..	..	..	..	97.3
Aug	..	..	91.5	..	..	..	111.0	..	..	..	..	96.7
Sep	..	..	91.1	..	..	..	112.1	..	..	..	..	96.2
Oct	..	..	90.9	..	..	..	111.5	..	..	..	..	97.0
Nov	..	..	90.6	..	..	..	113.3	..	..	..	..	95.5
Dec	..	..	90.5	..	..	..	113.8	..	..	..	..	95.8
2005 Jan	..	..	90.3	..	..	..	113.0	..	..	..	..	96.5
Feb	..	..	90.1	..	..	..	113.1	..	..	..	..	97.0
Mar	..	..	89.8	..	..	..	111.7	..	..	..	..	99.5
Apr	..	..	89.5	..	..	..	112.9	..	..	..	..	97.5
May	..	..	89.1	..	..	..	113.6	..	..	..	..	96.3
Jun	..	..	88.7	..	..	..	114.4	..	..	..	..	96.6
Jul	..	..	88.4	..	..	..	114.9	..	..	..	..	96.6
Aug	..	..	88.1	..	..	..	115.0	..	..	..	..	97.0

Percentage change, quarter on corresponding quarter of previous year

Quarterly												
	LNNO	LNNR	LNNS	A4YN	LNNP	LNNT	LNNU	LZVD	LZVM	LZVH	LOJE	LOJF
2003 Q1	1.0	–4.2	–4.3	1.1	1.1	3.8	3.6	1.9	4.1	3.9	1.9	1.0†
Q2	0.9	–4.9	–5.0	1.1	1.2	3.8	5.1	1.0	2.9	4.0	1.7	–2.0
Q3	0.9	–4.7	–4.8	1.4	1.6	4.3	4.5	2.1	2.9	3.2	2.1	–1.2
Q4	0.6	–5.0	–5.0	2.5	2.5	5.8	7.2	3.2	6.8	8.1	1.1	–3.5
2004 Q1	0.8	–4.7	–4.7	2.2	2.6	5.9	7.2	2.8	6.1	7.4	1.5	–3.5
Q2	0.8	–3.8	–3.7	2.8	2.8	5.9	6.8	3.7	5.2	6.1	1.2	–2.3
Q3	0.6	–3.4	–3.2	2.0	2.2	3.9	4.8	2.7	3.4	4.3	1.0	–1.3
Q4	0.8	–2.9	–2.9	1.1	1.5	2.9	4.3	0.9	2.0	3.5	2.8	–0.9
2005 Q1	0.8	–2.7	–2.7	0.6	0.8	1.6	2.7	0.4	0.5	1.9	3.6	0.8
Q2	0.9	–3.2	–3.3	0.5	0.5	1.5	2.3	0.3	1.3	2.4	3.1	0.3

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 2004, ONS published details on the National Statistics website of a change in productivity methodology. Output per worker is the new headline measure.

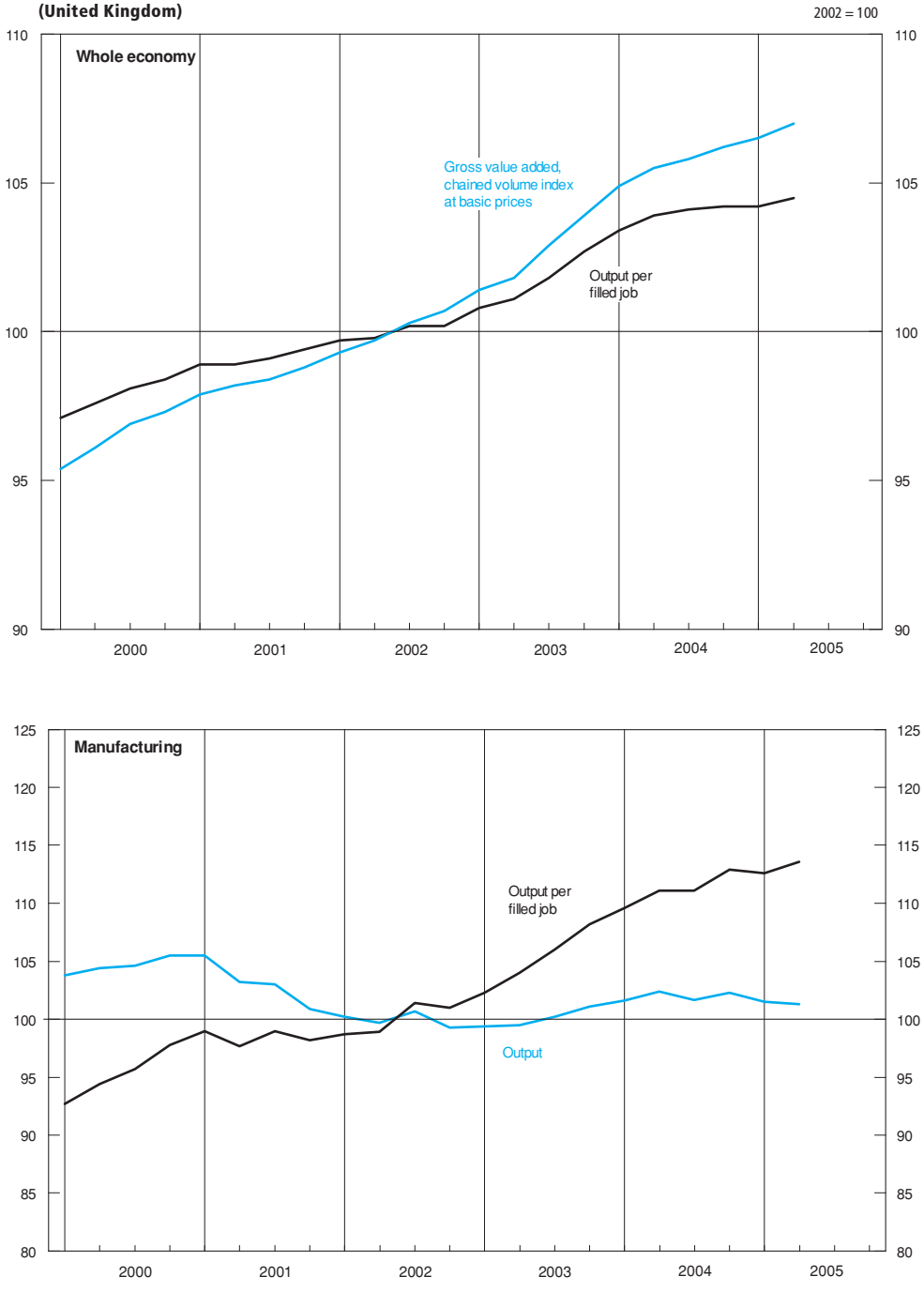
3 Output per filled job is the ratio of Gross value added at basic prices to productivity jobs.

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 industries[1]

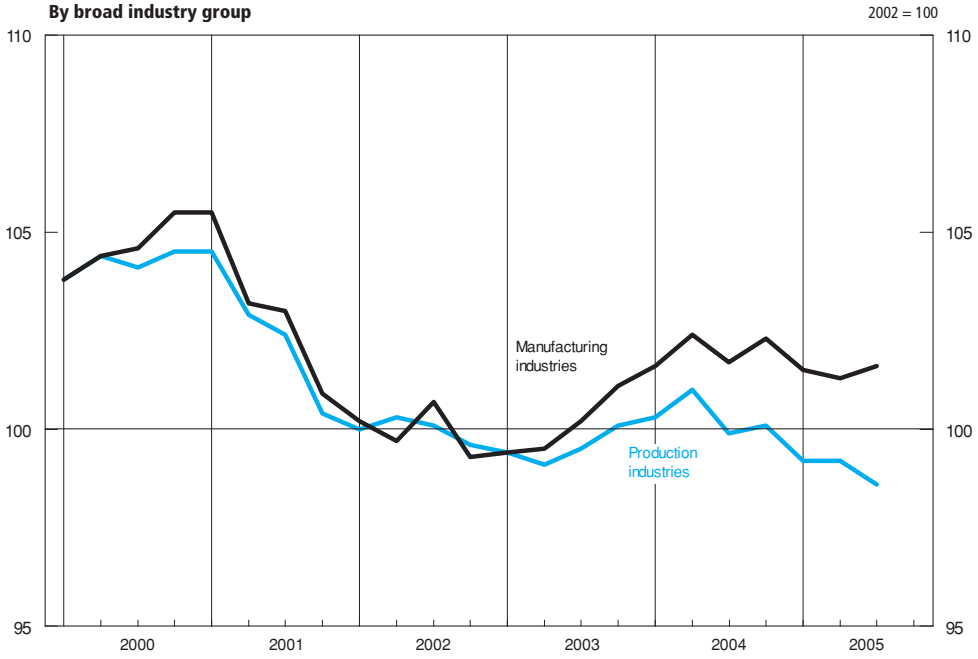
2002 = 100

	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
2002 weights	*1 000*	*121*	*88*	*790*	*37*	*269*	*213*	*481*
Annual								
	CKYW	CKYX	CKYZ	CKYY	UFIU	UFJS	UFIL	JMOH
2000	104.2	106.1	98.2	104.6	96.3	98.8	110.2	105.5
2001	102.6	100.3	100.5	103.2	98.7	100.0	108.4	102.0
2002	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2003	99.5	94.9	101.2	100.1	99.2	100.0	101.4	98.4
2004	100.3	87.2	103.3	102.0	104.7	99.9	105.3	98.0
Quarterly								
2000 Q1	103.8	110.2	96.9	103.8	96.6	99.0	108.2	105.3
Q2	104.4	108.7	99.2	104.4	96.2	99.2	109.6	105.9
Q3	104.1	105.0	98.1	104.6	96.0	98.5	110.3	105.5
Q4	104.5	100.8	98.5	105.5	96.3	98.3	112.6	105.3
2001 Q1	104.5	99.3	102.1	105.5	99.6	100.0	113.8	103.6
Q2	102.9	101.9	101.1	103.2	98.2	99.6	108.4	102.8
Q3	102.4	100.8	99.9	103.0	98.1	100.3	108.0	101.8
Q4	100.4	99.2	98.8	100.9	98.9	100.1	103.4	99.7
2002 Q1	100.0	100.1	98.2	100.2	102.0	100.4	99.6	99.9
Q2	100.3	104.3	99.4	99.7	99.1	100.1	99.6	100.8
Q3	100.1	95.6	101.2	100.7	98.8	100.6	101.4	99.4
Q4	99.6	100.0	101.3	99.3	100.1	98.9	99.4	100.0
2003 Q1	99.4	99.6	99.3	99.4	98.3	99.1	99.9	99.4
Q2	99.1	95.2	100.2	99.5	99.0	99.5	100.7	98.1
Q3	99.5	93.5	101.6	100.2	99.2	100.6	101.6	98.1
Q4	100.1	91.1	103.5	101.1	100.3	101.0	103.4	98.1
2004 Q1	100.3	89.6	104.1	101.6	102.0	100.4	103.5	98.7
Q2	101.0	90.1	102.9	102.4	104.8	100.4	105.2	99.1
Q3	99.9	85.9	103.6	101.7	107.0	98.9	105.9	97.4
Q4	100.1	83.3	102.8	102.3	104.9	100.0	106.5	96.9
2005 Q1	99.2	82.7	101.5	101.5	104.4	99.4	104.6	96.3
Q2	99.2	83.0	102.5	101.3	103.4	99.5	105.2	95.9
Q3	98.6	77.4	100.7	101.6	..	..	..	..
Monthly								
2003 Jul	99.9	94.7	100.7	100.6	100.5	101.1	101.9	98.4
Aug	99.0	93.3	101.5	99.7	97.6	100.2	100.5	97.8
Sep	99.6	92.5	102.5	100.4	99.3	100.4	102.4	98.1
Oct	100.8	93.1	105.0	101.5	99.9	101.9	103.2	99.2
Nov	99.4	90.8	102.0	100.5	101.0	100.1	103.1	97.3
Dec	100.1	89.4	103.6	101.4	99.9	100.9	104.0	97.9
2004 Jan	100.1	90.1	103.0	101.4	100.9	100.5	103.2	98.5
Feb	99.8	88.6	105.1	101.0	101.5	99.9	102.9	98.3
Mar	101.0	90.1	104.0	102.3	103.6	101.0	104.3	99.4
Apr	101.0	89.7	103.1	102.4	104.6	101.5	104.5	98.8
May	100.8	88.9	103.0	102.4	104.2	99.7	106.0	98.9
Jun	101.1	91.8	102.5	102.4	105.7	100.1	105.2	99.5
Jul	100.4	91.7	103.0	101.4	108.4	97.7	105.8	98.8
Aug	99.7	84.7	104.2	101.5	106.4	99.4	105.0	97.0
Sep	99.7	81.3	103.5	102.1	106.3	99.5	106.8	96.2
Oct	99.1	81.8	102.5	101.4	105.4	99.3	105.7	95.6
Nov	100.4	83.5	103.4	102.7	103.4	100.4	106.9	97.3
Dec	100.7	84.6	102.4	102.9	105.8	100.1	106.9	97.8
2005 Jan	99.6	82.7	100.9	102.1	103.4	100.4	105.1	96.5
Feb	99.5	82.3	101.4	102.0	105.6	100.0	105.1	96.3
Mar	98.4	83.3	102.2	100.3	104.2	98.0	103.7	95.9
Apr	99.1	83.3	103.2	101.1	105.5	98.4	104.9	96.5
May	99.3	84.4	102.3	101.3	103.0	99.6	105.1	96.3
Jun	99.1	81.3	102.0	101.5	101.9	100.6	105.6	95.1
Jul	98.7†	78.0†	101.2†	101.6	102.4†	100.4	105.9†	94.3†
Aug	97.8	73.0	100.2	101.4	103.3	99.3	105.5	93.2

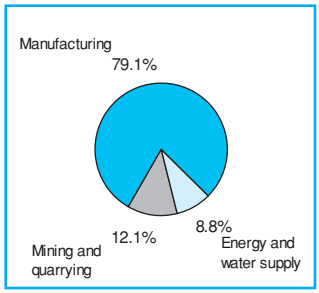
1 The figures contain, where appropriate, an adjustment for stock changes.

Source: Office for National Statistics; Enquiries 01633 812059

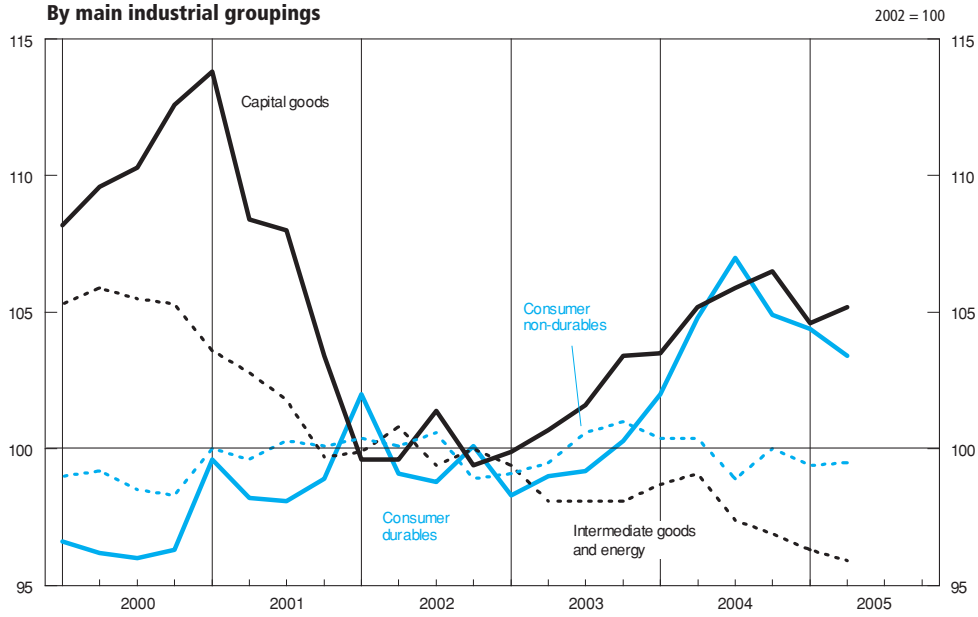
Index of output of the production industries
By broad industry group



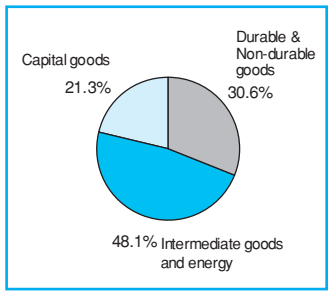
Share of output in 2002



By main industrial groupings



Share of output in 2002



5.2 Engineering and construction : output and orders

Seasonally adjusted Index numbers at constant prices[1]

	Engineering (2000 =100)									Construction(GB)[5] (2000=100)	
	Total			Home			Export				
	Orders[2] on Hand	New[3] Orders	Turnover	Orders[2] on Hand	New[3] Orders	Turnover	Orders[2] on Hand	New[3] Orders	Turnover	Gross output+[4]	Orders received
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	92.7	80.8	84.5	104.8	88.0	91.8	72.1	71.2	74.8	106.3	102.5
2003	92.7	78.9	81.6	108.7	87.9	90.2	65.5	66.8	70.3	111.7	97.8
2004	89.3	78.3	82.1	103.2	83.9	89.2	65.9	70.8	72.6	115.2	104.8
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	94.9	81.5	85.3	105.0	87.8	92.1	77.9	73.2	76.2	105.3	107.6
Q2	93.6	80.4	84.7	105.4	89.3	92.5	73.8	68.5	74.5	104.7	90.7
Q3	93.8	81.8	84.4	106.4	89.4	91.7	72.6	71.7	74.8	106.8	109.2
Q4	92.7	79.5	83.6	104.8	85.5	91.1	72.1	71.3	73.6	108.5	102.5
2003 Q1	90.9	76.4	81.1	103.4	85.3	90.7	69.8	64.4	68.5	108.7	104.7
Q2	91.7	79.7	81.5	104.9	88.9	90.4	69.3	67.4	69.7	110.4	95.8
Q3	91.5	78.7	81.6	106.0	88.1	90.2	66.8	66.0	70.2	113.5	98.0
Q4	92.7	80.8	82.2	108.7	89.3	89.3	65.5	69.5	72.6	114.4	92.7
2004 Q1	93.7	78.6	80.3	108.7	83.1	86.6	68.3	72.7	72.0	117.1	108.5
Q2	92.5	78.4	82.5	106.3	82.2	88.8	69.2	73.2	74.1	114.2	106.2
Q3	90.2	77.4	82.8	103.7	83.1	89.9	67.3	69.6	73.4	115.1	99.8
Q4	89.3	78.9	82.7	103.2	87.3	91.6	65.9	67.7	71.0	114.3	104.8
2005 Q1	89.4	78.2	80.8	100.8	82.9	89.4	70.1	71.9	69.4	114.2	106.5
Q2	89.3	78.4	81.2	99.9	84.9	89.5	71.3	69.8	70.3	115.2	115.8†
Monthly											
2003 Aug	91.7	77.7	80.3	106.1	90.5	88.5	67.2	60.5	69.4	..	80.7
Sep	91.5	78.4	81.8	106.0	86.7	90.5	66.8	67.3	70.3	..	102.3
Oct	92.3	82.6	82.5	107.3	92.1	90.7	66.8	69.8	71.6	..	87.3
Nov	94.0	84.6	81.3	110.0	95.5	88.8	66.9	70.0	71.4	..	102.7
Dec	92.7	75.3	82.7	108.7	80.2	88.5	65.5	68.7	74.9	..	88.2
2004 Jan	94.0	81.3	80.0	108.9	84.1	87.1	68.7	77.6	70.7	..	90.2
Feb	91.6	68.9	79.8	106.6	72.1	84.4	66.2	64.5	73.7	..	126.1
Mar	93.7	85.7	81.0	108.7	93.0	88.2	68.3	76.0	71.5	..	109.2
Apr	92.0	72.3	81.1	105.0	69.6	87.2	69.9	75.9	73.0	..	103.4
May	92.8	82.9	82.6	105.7	88.1	88.9	71.0	76.0	74.4	..	111.3
Jun	92.5	79.9	83.7	106.3	89.0	90.4	69.2	67.6	74.9	..	103.9
Jul	92.8	81.7	83.5	106.8	89.0	90.6	69.1	72.0	74.1	..	109.5
Aug	91.1	73.2	82.0	104.5	76.2	88.3	68.2	69.1	73.7	..	100.6
Sep	90.2	77.2	82.9	103.7	84.2	90.9	67.3	67.8	72.3	..	89.2
Oct	89.2	75.3	81.8	102.5	82.5	90.6	66.5	65.7	70.0	..	101.3
Nov	88.8	79.5	83.5	102.3	88.7	93.3	66.0	67.2	70.6	..	107.6
Dec	89.3	82.0	82.9	103.2	90.7	90.9	65.9	70.3	72.3	..	105.5
2005 Jan	89.5	79.4	81.3	104.0	90.4	90.7	65.0	64.7	68.9	..	103.5†
Feb	89.5	78.4	81.3	103.0	83.2	90.5	66.5	71.8	69.2	..	99.7
Mar	89.4	76.8	79.7	100.8	75.1	87.1	70.1	79.2	70.0	..	116.5
Apr	88.8	77.5	82.3	101.9	90.8	89.9	66.5	59.7	72.4	..	106.7
May	89.4	80.2	80.6	101.1	82.0	88.8	69.7	77.8	69.8	..	128.6
Jun	89.3	77.5	80.7	99.9	81.8	89.9	71.3	71.8	68.6	..	112.1
Jul	90.1†	79.8†	80.8†	100.5†	86.0†	88.9†	72.6†	71.4†	70.0†	..	104.0
Aug	91.8	85.2	82.0	102.7	95.8	90.8	73.4	71.1	70.4	..	113.0

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.

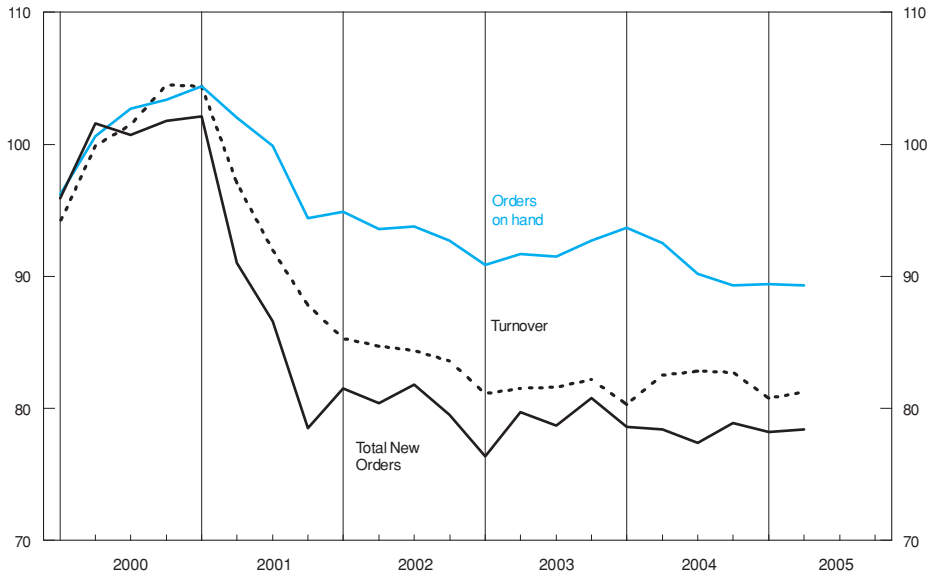
4 This index is based upon a gross output series which includes repair and maintenance estimates, unrecorded output by self-employed workers and small firms and output by the direct labour departments of the public sector.

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

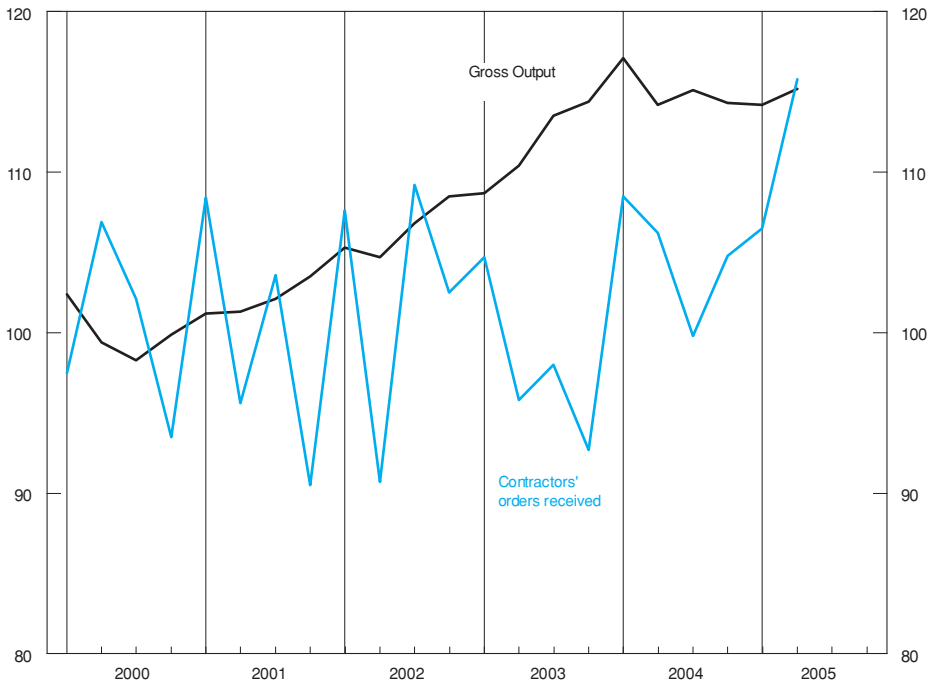
Engineering industries: turnover and orders

Volume indices 2000 = 100



Construction industries (GB) : output and orders

Volume indices 2000 = 100



5.3 Motor vehicle and steel production

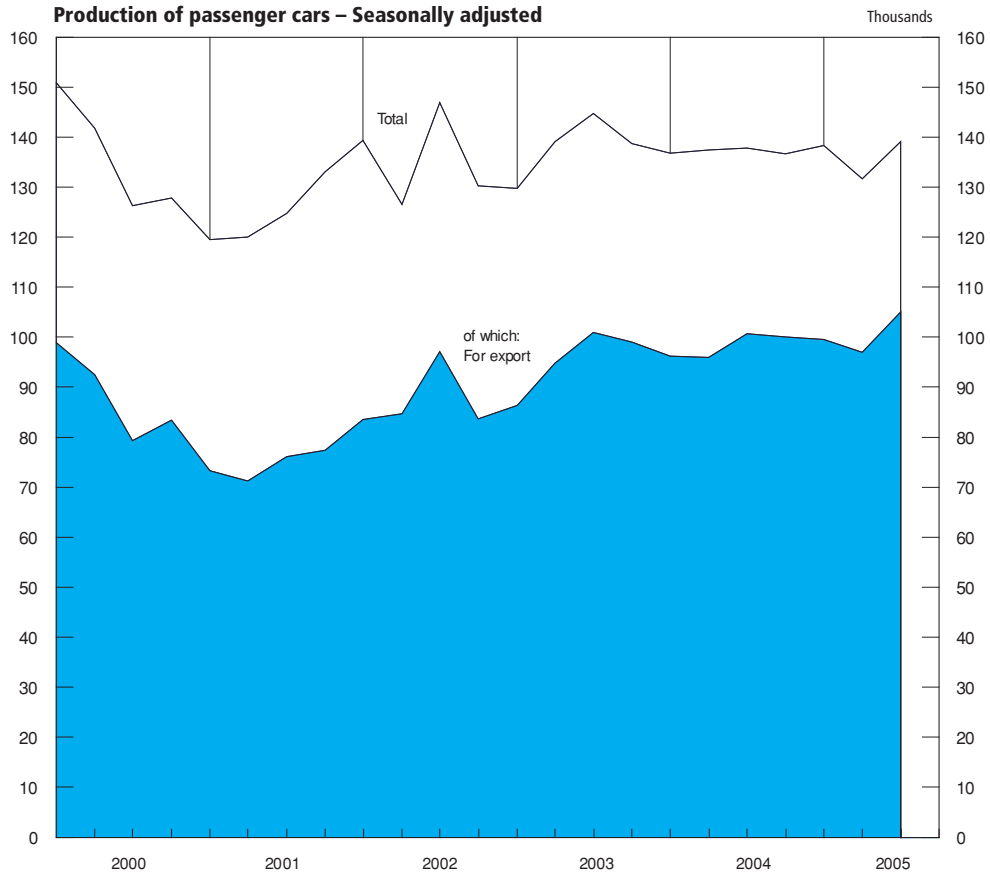
	Passenger cars[1]				Commercial vehicles[1]				
	Not seasonally adjusted		Seasonally adjusted		Not seasonally adjusted		Seasonally adjusted		Crude steel production (NSA)[2] (thousand tonnes)
	Total production (thousands)	*of which* for export (thousands)	Total production (thousands)	*of which* for export (thousands)	Total production (thousands)	*of which* for export (thousands)	Total production (thousands)	*of which* for export (thousands)	
Annual									
	FFAA	FFAB	FFAO	FFAP	FFAC	FFAD	FFAQ	FFAR	BCBS
2000	136.8	88.6	136.8	88.6	14.3	6.3	14.4	6.4	15 154.6
2001	124.4	74.5	124.4	74.5	16.1	8.0	16.1	8.0	13 542.7
2002	135.7	87.3	135.8	87.3	15.9	9.5	15.9	9.5	11 667.1
2003	138.1	95.3	138.1	95.3	15.7	8.6	15.7	8.6	13 128.4
2004	137.2	98.3	137.2	98.3	17.4	10.7	17.4	10.7	13 765.8
Quarterly									
2000 Q1	164.8	105.0	150.9	98.9	16.7	8.4	15.3	7.8	4 442.5
Q2	144.4	97.6	141.9	92.6	17.3	8.2	16.7	8.0	4 019.8
Q3	111.7	63.2	126.4	79.4	9.5	3.5	11.9	4.5	3 288.7
Q4	126.3	88.6	127.9	83.4	13.7	5.2	13.6	5.1	3 403.6
2001 Q1	129.0	75.5	119.5	73.3	17.2	6.6	15.5	6.1	3 651.7
Q2	124.1	76.5	120.1	71.3	16.6	7.7	15.6	7.2	3 729.6
Q3	111.9	61.0	124.8	76.1	14.5	7.4	17.9	9.3	3 205.5
Q4	132.4	85.1	133.1	77.4	16.1	10.3	15.3	9.5	2 955.9
2002 Q1	149.9	85.0	139.4	83.5	16.7	8.4	15.3	8.0	3 046.3
Q2	133.5	94.0	126.6	84.7	14.8	9.4	14.4	8.9	3 060.0
Q3	130.6	80.7	147.0	97.1	14.9	9.3	17.4	10.8	2 801.9
Q4	128.7	89.3	130.3	83.7	17.3	10.9	16.7	10.3	2 758.9
2003 Q1	141.4	91.5	129.8	86.4	16.5	9.3	15.2	9.0	3 081.0
Q2	144.4	101.3	139.1	94.8	15.5	8.3	15.0	8.0	3 258.7
Q3	130.4	85.8	144.8	101.0	13.4	6.9	15.5	8.1	3 264.3
Q4	136.2	102.7	138.8	99.1	17.6	9.7	17.2	9.2	3 524.4
2004 Q1	148.5	101.2	136.8	96.3	19.3	10.4	17.9	10.1	3 380.7
Q2	142.7	102.3	137.5	96.0	16.9	11.2	16.5	10.7	3 681.4
Q3	126.3	88.3	137.9	100.7	15.6	9.7	18.0	11.1	3 405.2
Q4	131.4	101.5	136.7	100.1	17.9	11.4	17.4	10.8	3 298.5
2005 Q1	144.3	99.1	138.4	99.6	18.4	11.3	17.1	10.7	3 310.9
Q2	138.7	105.3	131.7	97.0	18.2	10.7	18.1	10.4	3 523.8
Q3	125.7	91.5	139.1	105.0	14.9	9.2	17.7	11.0	3 094.4
Monthly									
2003 Jul	146.3	93.1	144.1	98.3	15.2	7.6	16.6	8.4	1 245.8*
Aug	91.4	57.5	145.0	100.4	7.8	3.8	14.9	7.6	977.8
Sep	153.5	106.8	145.3	104.3	17.1	9.2	15.0	8.3	1 040.7
Oct	153.4	113.8	138.6	96.8	16.8	9.5	15.4	8.6	1 198.0*
Nov	142.9	110.5	134.8	99.3	19.0	9.8	17.2	9.5	1 117.8
Dec	112.4	83.8	142.9	101.1	17.0	9.9	19.0	9.6	1 208.6*
2004 Jan	141.3	96.4	138.7	97.9	20.5	9.6	19.6	11.0	1 009.3
Feb	141.1	93.0	131.9	92.2	17.3	10.0	16.4	9.9	1 024.9
Mar	163.1	114.3	139.7	98.8	20.2	11.7	17.7	9.3	1 346.5*
Apr	129.6	95.7	136.6	98.1	15.7	10.1	16.0	10.2	1 155.5
May	143.1	102.3	139.3	92.9	16.9	11.9	17.4	11.5	1 160.7
Jun	155.5	108.9	136.7	97.1	18.2	11.6	16.2	10.5	1 365.2*
Jul	140.5	100.5	145.2	107.4	14.9	10.1	16.7	11.3	1 042.6
Aug	83.2	56.7	132.5	97.2	10.2	5.7	18.1	9.8	1 015.8
Sep	155.3	107.6	136.0	97.6	21.7	13.3	19.1	12.2	1 346.8*
Oct	135.1	107.2	134.1	102.0	18.6	12.2	18.1	11.4	1 091.5
Nov	149.3	114.4	140.4	102.1	20.1	12.3	17.0	10.3	1 001.4
Dec	109.7	82.8	135.7	96.3	14.9	9.7	17.0	10.6	1 205.6*
2005 Jan	136.0	89.2	137.0	95.1	17.7	10.7	17.0	11.0	1 033.5
Feb	143.5	98.3	138.8	100.6	18.0	10.7	17.2	10.5	1 016.8
Mar	153.3	109.9	139.4	103.1	19.6	12.6	17.2	10.5	1 260.6*
Apr	139.8	105.1	140.1	100.3	18.9	11.4	20.1	11.9	1 161.8
May	132.0	99.1	130.2	94.3	17.5	10.7	17.9	10.1	1 147.5
Jun	144.3	111.7	124.9	96.5	18.3	10.0	16.3	9.3	1 214.5*
Jul	130.2	93.8	134.7†	99.9†	14.2	8.5	17.3	10.4	966.4
Aug	97.1	71.8	145.9	113.9	10.8	6.8	18.3	11.2	1 193.5*†
Sep	149.9	108.9	136.8	101.2	19.7	12.4	17.6	11.4	934.5[3]

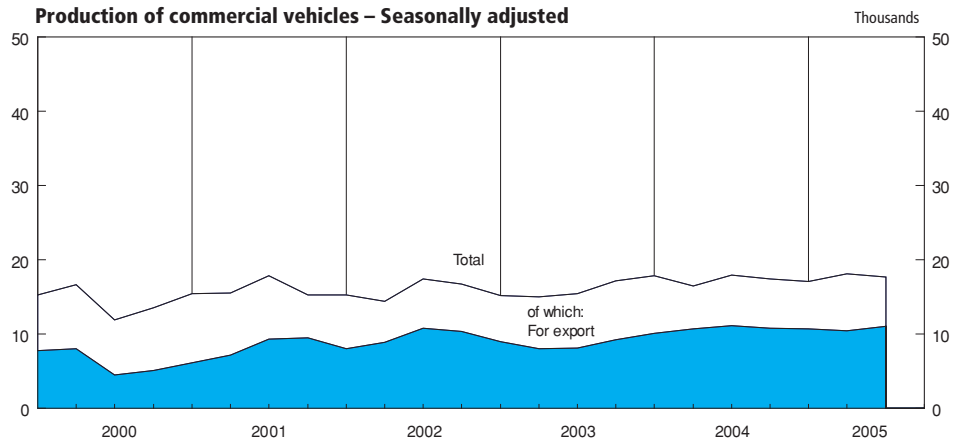
1 Annual and quarterly figures are monthly averages.

2 The totals are for 'usable steel' in accordance with the system used by the EC and the IISI, **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


Production of passenger cars – Seasonally adjusted
Thousands
160
150
140
130
120
110
100
90
80
70
60
50
40
30
20
10
0
Total
of which:
For export
2000
2001
2002
2003
2004
2005


Production of commercial vehicles – Seasonally adjusted
Thousands
50
40
30
20
10
0
Total
of which:
For export
2000
2001
2002
2003
2004
2005

5.4 Indicators of fixed investment in dwellings

	Fixed investment in dwellings (£ million, chained volume measures, reference year 2002)	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	32 006	7 122	162.7	16.8	0.3	139.9	20.9	0.3	134 234
2002	34 499	7 805	164.5	16.2	0.2	149.2	19.3	0.2	161 533
2003	36 056	8 219	177.4	16.2	0.3	158.2	17.2	0.3	186 427
2004	38 879	9 472	193.6	19.0	0.2	166.1	19.6	0.1	205 818
Quarterly									
2001 Q1	7 911	1 767	39.2	5.7	0.2	32.5	5.6	0.1	130 771
Q2	7 891	1 772	43.7	4.2	–	34.4	4.7	0.1	130 774
Q3	8 252	1 822	43.5	3.2	–	35.5	4.6	0.1	135 507
Q4	7 952	1 761	36.3	3.7	0.1	37.5	5.9	0.1	137 368
2002 Q1	8 006	1 916	41.7	5.4	0.1	33.6	5.1	–	143 996
Q2	8 396	1 782	42.5	3.8	0.1	36.8	4.6	0.2	157 646
Q3	8 829	2 031	44.0	3.4	–	36.4	4.7	–	164 293
Q4	9 268	2 075	36.3	3.6	–	42.4	4.9	–	173 254
2003 Q1	8 824	2 095	44.2	5.0	0.1	34.6	4.5	0.1	175 947
Q2	8 835	2 108	46.9	4.4	0.2	39.3	4.1	0.1	187 676
Q3	9 165	1 894	45.8	3.8	–	37.5	4.5	–	188 711
Q4	9 232	2 123	40.6	3.0	0.1	46.8	4.1	0.1	193 373
2004 Q1	9 487	2 346	46.9	6.5	–	34.0	5.1	–	194 276
Q2	9 747	2 287	52.0	4.3	0.1	43.0	4.1	0.1	204 679
Q3	9 790	2 488	51.2	3.6	–	43.5	4.7	–	212 505
Q4	9 855	2 351	43.5	4.6	–	45.6	5.8	–	211 812
2005 Q1	9 730	2 237	..	..	..	..	..	..	214 704
Q2	9 714	2 699†	..	..	..	..	..	..	216 780
Monthly									
2003 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	..	796	..	..	..	..	..	..	195 426
Apr	..	880	..	..	..	..	..	..	201 796
May	..	697	..	..	..	..	..	..	203 015
Jun	..	710	..	..	..	..	..	..	209 225
Jul	..	758	..	..	..	..	..	..	211 663
Aug	..	889	..	..	..	..	..	..	211 314
Sep	..	841	..	..	..	..	..	..	214 537
Oct	..	742	..	..	..	..	..	..	214 509
Nov	..	805	..	..	..	..	..	..	212 354
Dec	..	803	..	..	..	..	..	..	208 574
2005 Jan	..	649	..	..	..	..	..	..	212 952
Feb	..	777	..	..	..	..	..	..	213 093
Mar	..	811	..	..	..	..	..	..	218 067
Apr	..	967	..	..	..	..	..	..	213 950
May	..	777†	..	..	..	..	..	..	217 361
Jun	..	958	..	..	..	..	..	..	219 029
Jul	..	941	..	..	..	..	..	..	221 548
Aug	..	806	..	..	..	..	..	..	220 141

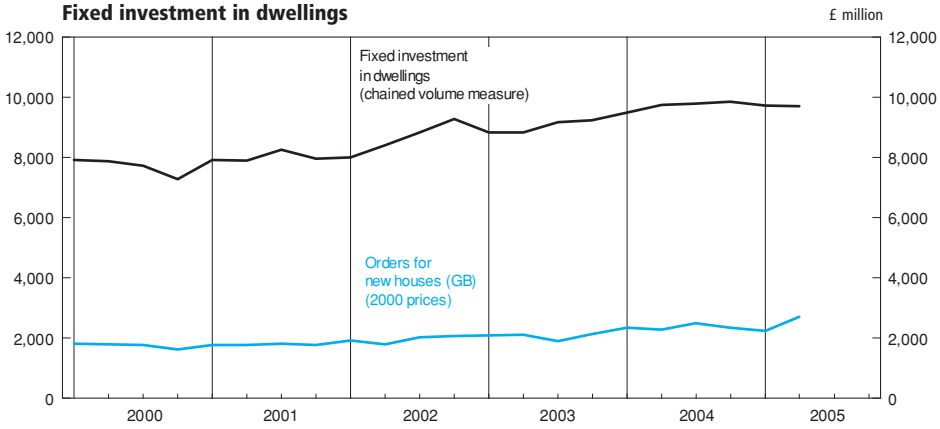
1 Monthly data collection ceased after March 2003. Great Britain seasonally adjusted data are no longer updated. Seasonally adjusted data for England are available from the website of the Office of the Deputy Prime Minister: **www.odpm.gov.uk**

2 Includes registered and non-registered social landlords.

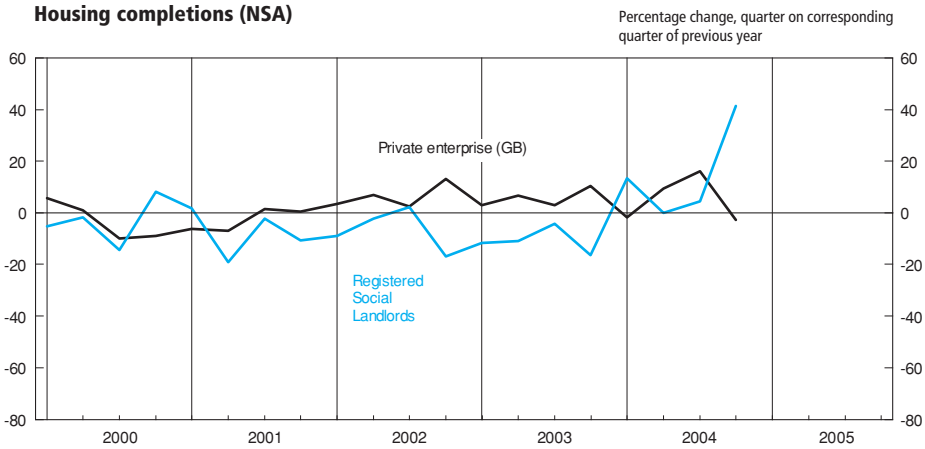
3 Series based on mortgage lending by all financial institutions rather than building societies only, as previously published. This change has been made necessary because of the mergers. takeovers and conversions to plc status affecting the building society sector. The series is based on the Office of the Deputy Prime Ministers' 5% survey of mortgage lenders (at completion stage), 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 prices.

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

Fixed investment in dwellings



Housing completions (NSA)



5.5 Number of property transactions[1,2,3]

Thousands

	Number of property transactions		
	Not seasonally adjusted England & Wales	Seasonally adjusted England & Wales[4,5]	Not seasonally adjusted England, Wales & N. Ireland
	FTAP		FTAR
2000	1 433		1 471
2001	1 458		1 497
2002	1 586		1 627
2003	1 345		1 397
2004	1 786		1 830
		FTAQ	
2000 Q1	367	392	379
Q2	348	356	356
Q3	379	346	388
Q4	339	338	349
2001 Q1	327	346	337
Q2	347	363	360
Q3	396	369	405
Q4	387	379	396
2002 Q1	342	374	351
Q2	395	410	404
Q3	457	417	468
Q4	392	385	404
2003 Q1	340	361	359
Q2	306	323	320
Q3	358	327	369
Q4	340	333	349
2004 Q1	447	470	457
Q2	452	459	463
Q3	491	447	504
Q4	396	411	406
2005 Q1	322	351	329
Q2	363	358	375
Q3	464	417	478
2000 Jan	137	136	140
Feb	112	128	116
Mar	118	128	122
Apr	97	114	100
May	122	120	126
Jun	129	122	130
Jul	127	117	130
Aug	134	117	137
Sep	117	112	121
Oct	123	112	127
Nov	117	111	121
Dec	98	114	101
2001 Jan	123	113	127
Feb	99	117	102
Mar	105	116	108
Apr	101	115	105
May	121	122	126
Jun	125	125	128
Jul	132	120	135

	Number of property transactions		
	Not seasonally adjusted England & Wales	Seasonally adjusted England & Wales[4,5]	Not seasonally adjusted England, Wales & N. Ireland
Aug	140	125	143
Sep	124	124	127
Oct	140	125	143
Nov	137	131	141
Dec	110	123	112
2002 Jan	131	120	134
Feb	108	127	110
Mar	104	127	106
Apr	129	135	132
May	137	140	140
Jun	129	135	132
Jul	152	134	154
Aug	166	149	171
Sep	139	134	144
Oct	147	131	151
Nov	127	124	131
Dec	118	131	122
2003 Jan	131	121	137
Feb	103	120	109
Mar	106	119	113
Apr	101	113	108
May	101	106	105
Jun	103	105	107
Jul	132	115	135
Aug	112	106	116
Sep	114	106	118
Oct	120	108	124
Nov	110	109	113
Dec	111	116	113
2004 Jan	157	151	160
Feb	148	171	152
Mar	142	147	145
Apr	140	151	143
May	145	152	148
Jun	167	156	172
Jul	175	151	179
Aug	159	148	163
Sep	158	148	162
Oct	138	142	142
Nov	124	132	128
Dec	134	136	136
2005 Jan	108	107	109
Feb	112	126	114
Mar	102	119	105
Apr	112	117	115
May	113	119	116
Jun	139	123	144
Jul	137	127	141
Aug	157	137	162
Sep	170	153	175

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 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: HM Revenue and Customs; Enquiries 020 7147 2941

5.6 Change in inventories
Chained volume measures[1]

Reference year 2002, £ million

	Mining and quarrying	Manufacturing industries: Materials and fuel	Work in progress	Finished goods	Total	Electricity, gas and water supply	Distributive trades: Wholesale[2]	Retail[2]	Other industries[3]	Change in inventories
Level of inventories at end-December 2004	1034	16 155	15 931	19 676	51 762	1726	27 873	26 080	45 284	153 759
Quarterly	FAEA	FBNF	FBNG	FBNH	DHBM	FAEB	FAJX	FBYN	DLWX	CAFU
2001 Q1	63	–652	325	–133	–459	–214	566	–130	1 215	1 040
Q2	–45	–200	331	224	354	190	–76	–160	1 112	1 375
Q3	93	352	271	32	656	88	519	229	76	1 662
Q4	–15	93	–413	45	–275	–15	–299	1 076	1 647	2 119
2002 Q1	48	118	36	615	769	–63	13	674	–264	1 177
Q2	–30	–82	–159	–128	–369	140	810	1 112	–1 269	394
Q3	–20	–115	341	–263	–37	–66	431	–74	246	480
Q4	–26	–311	–222	–588	–1 121	–110	–643	–94	2 852	858
2003 Q1	–25	540	137	34	711	67	169	167	–986	103
Q2	53	–385	–130	–215	–730	–5	–583	455	423	–387
Q3	–86	–213	–246	279	–180	–41	275	274	2 097	2 339
Q4	1	–34	–266	–228	–528	–1	369	247	2 459	2 547
2004 Q1	7	–89	60	–613	–642	156	40	1 047	543	1 151
Q2	–4	–96	–356	361	–91	–165	1 441	–617	613	1 177
Q3	–41	100	–80	219	239	5	–398	794	695	1 294
Q4	–1	–24	–271	–38	–333	–82	181	405	1 356	1 526
2005 Q1	–	265	175	–31	409	–108	–10	–168	1 649	1 772
Q2	–28	–213	–69	–245	–527	225	12	–192	456	–54

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 1-8 020 7533 6264; Columns 9-10 020 7533 6031

5.7 Inventory ratios

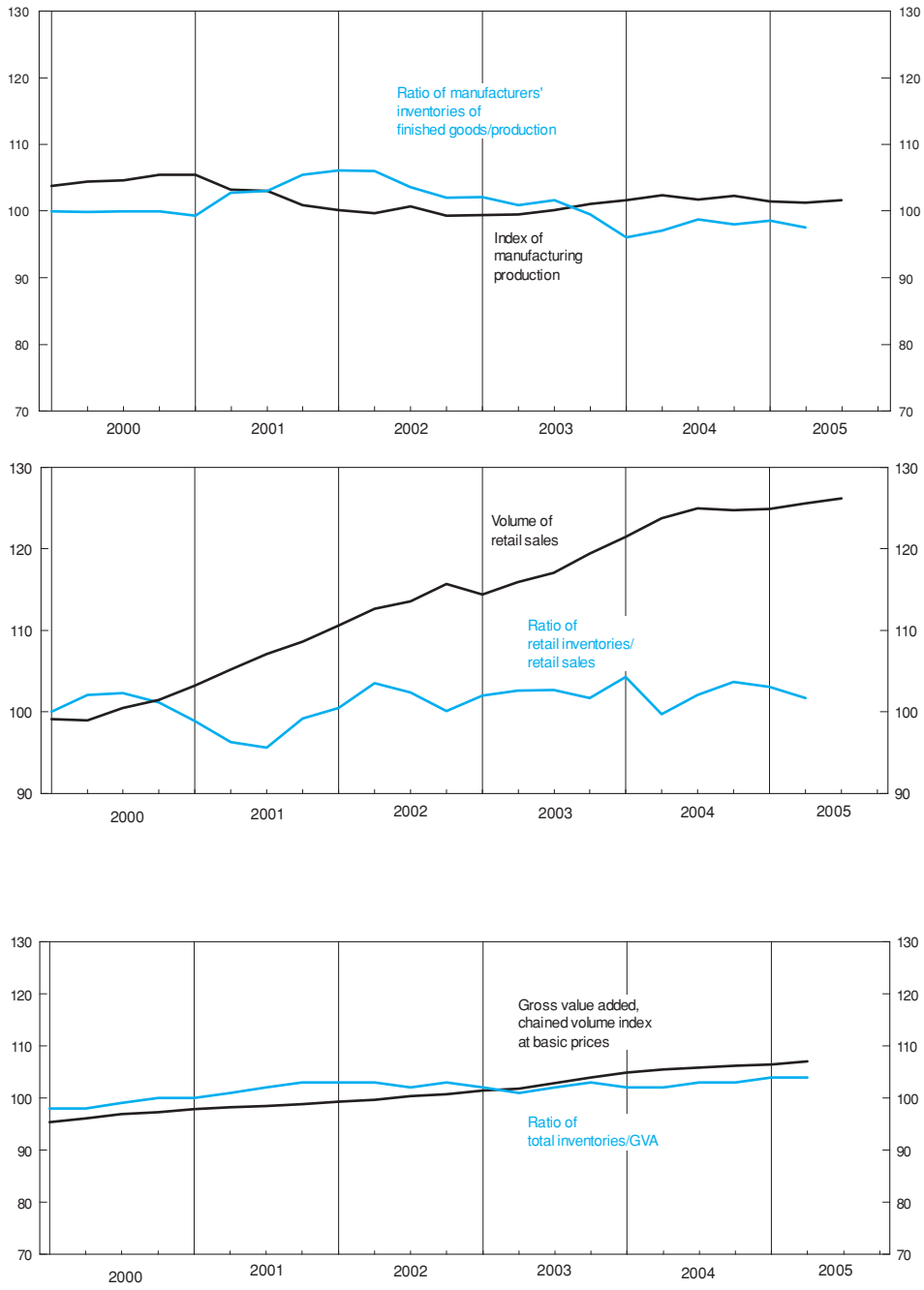
	Manufacturers' inventories[1] to manufacturing production: Materials and fuel	Work in progress	Finished goods	Total inventories	Retail inventories[1] to retail sales[2]	Total inventories[1,3] to gross value added
Quarterly	FAPG	FAPH	FAPI	FAPF	FAPC	FDCA
2001 Q2	98.6	105.3	102.8	102.3	96.3	101
Q3	100.9	107.1	103.0	103.6	95.6	102
Q4	103.6	106.8	105.5	105.3	99.2	103
2002 Q1	101.8	104.5	106.1	104.2	100.5	103
Q2	101.8	104.0	106.0	104.1	103.5	103
Q3	100.1	105.0	103.6	103.0	102.4	102
Q4	99.7	105.2	102.0	102.3	100.1	103
2003 Q1	102.8	105.9	102.1	103.5	102.0	102
Q2	100.4	105.0	100.9	102.0	102.6	101
Q3	98.4	102.8	101.6	101.0	102.7	102
Q4	97.3	100.2	99.5	99.1	101.7	103
2004 Q1	96.4	100.2	96.1	97.5	104.3	102
Q2	95.1	97.3	97.1	96.5	99.7	102
Q3	96.3	97.4	98.8	97.6	102.1	103
Q4	95.6	95.2	98.0	96.4	103.7	103
2005 Q1	97.9	97.0	98.6	97.9	103.1	104
Q2	96.8	96.8	97.6	97.1	101.7	104

1 Chained volume measure: reference year 2002.
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 1-6 020 7533 6264

Inventory ratios

chained volume measures, seasonally adjusted (reference 2002 = 100)



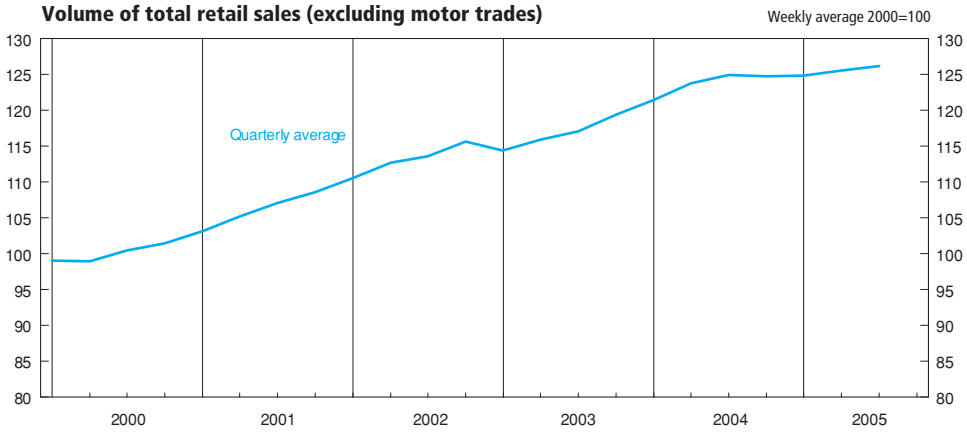
5.8 Retail sales, new registrations of cars and credit business (Great Britain)

	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	
				Predominantly non-food stores									
		All retailers	Predominantly food stores	Total	Non-specialist stores	Textile, clothing and footwear	Household goods stores	Other stores	Non-store and repair			Credit cards[6]	Other[6]
Sales in 2000 £ million	*207 149*	*207 149*	*89 041*	*106 359*	*18 781*	*27 880*	*27 699*	*31 999*	*11 749*				
Annual													
	EAQV	EAPS	EAPT	EAPV	EAPU	EAPX	EAPY	EAPW	EAPZ	BCGT	RLMH	VZQX	VZQY
2001	105.9	106.1	104.1	107.8	106.0	109.4	109.8	105.7	106.0	2 577.5	17 701†	6 283†	11 503†
2002	111.1	112.7	108.2	116.4	110.4	121.0	117.9	114.7	113.2	2 682.0	21 173	7 620	13 611
2003	114.0	116.6	111.8	121.5	113.7	128.9	123.0	118.4	107.5	2 646.2	20 252	8 908	11 509
2004	119.2	123.6	116.4	130.2	117.7	139.0	131.5	128.8	117.7	2 598.8	22 991	9 964	13 020
Quarterly													
2001 Q1	102.9	103.2	102.8	103.8	104.4	105.0	105.9	100.5	100.4	704.2	3 270†	1 353†	2 121†
Q2	105.4	105.2	103.7	106.5	106.0	107.1	109.6	103.6	105.8	617.7	4 532	1 698	2 772
Q3	107.0	107.1	104.6	108.9	106.7	110.7	110.1	107.7	110.1	725.6	4 208	1 228	2 979
Q4	108.1	108.6	105.5	111.1	107.5	113.9	112.9	109.1	108.6	530.0	5 691	2 004	3 631
2002 Q1	109.9	110.6	106.7	114.5	108.8	118.4	115.0	114.2	104.7	758.7	4 944	1 952	3 104
Q2	111.1	112.7	108.0	116.7	109.3	120.6	117.1	117.2	111.5	650.0	4 696	1 677	2 959
Q3	111.7	113.6	109.0	116.9	111.5	122.2	118.1	114.4	118.3	744.6	6 108	2 047	4 016
Q4	113.5	115.7	111.0	119.1	113.1	124.2	120.7	116.6	121.3	528.7	5 425	1 944	3 532
2003 Q1	112.4	114.4	110.0	118.9	110.8	126.2	118.8	117.4	107.6	737.6	4 919	2 216	2 755
Q2	113.3	115.9	111.7	120.4	112.5	127.9	122.6	116.6	106.5	642.7	5 574	2 540	3 004
Q3	114.6	117.1	112.6	122.1	114.0	130.4	123.7	118.2	106.2	742.8	5 133	2 200	2 940
Q4	116.3	119.4	113.5	125.3	117.1	132.2	126.7	122.8	110.1	523.1	4 626	1 952	2 810
2004 Q1	117.9	121.5	114.5	128.3	115.9	137.2	128.8	127.2	113.5	762.2	5 906	2 403	3 352
Q2	119.7	123.8	116.1	130.8	118.9	139.8	131.1	129.7	118.9	629.8	5 811	2 483	3 324
Q3	120.3	125.0	117.3	132.0	119.6	140.3	134.1	130.3	119.1	709.9	5 966	2 680	3 328
Q4	119.9	124.8	117.7	131.3	118.2	140.8	132.8	129.4	120.4	496.9	5 308	2 398	3 016
2005 Q1	119.8	124.9	118.9	130.2	120.1	141.2	130.9	125.9	122.1	697.9	5 919	2 325	3 448
Q2	120.4	125.6	119.1	131.2	116.9	144.3	130.3	128.8	125.7	594.4	4 413	1 406	3 006
Q3	120.6	126.2	119.7	132.2	117.1	143.8	130.9	132.0	120.9	..	3 485	1 245	2 335
Monthly													
2004 Jan	117.6	120.8	113.9	127.5	115.1	136.8	127.6	126.6	112.3	199.6	1 955†	722†	1 233†
Feb	117.7	121.2	114.5	127.8	116.4	135.9	128.8	126.6	112.0	92.3	1 975	566	1 410
Mar	118.2	122.3	114.9	129.2	116.2	138.6	129.7	128.2	115.7	470.3	1 954	1 235	719
Apr	119.0	122.8	115.3	129.9	118.1	139.6	130.1	128.2	115.0	191.1	1 744	819	925
May	119.8	123.9	116.2	130.8	119.9	140.7	130.5	128.9	120.1	197.6	1 836	693	1 143
Jun	120.2	124.5	116.7	131.5	118.7	139.1	132.3	131.6	121.0	241.1	2 235	934	1 301
Jul	119.7	124.0	116.3	131.1	118.3	137.0	134.2	130.8	119.1	188.2	1 941	944	997
Aug	120.1	124.7	117.4	131.7	120.9	142.1	132.9	127.9	117.0	87.3	2 238	956	1 282
Sep	121.0	125.9	118.0	133.1	119.7	141.6	135.0	131.8	120.8	434.4	1 994	870	1 123
Oct	120.3	125.1	117.9	131.7	118.5	141.6	132.6	130.1	119.2	171.8	1 687	781	906
Nov	120.7	125.7	118.3	132.4	120.0	142.1	134.7	129.4	120.1	175.6	1 816	808	1 008
Dec	118.9	124.0	117.2	130.0	116.6	139.1	131.4	128.8	121.5	149.5	1 679	609	1 070
2005 Jan	119.9	125.0	119.6	129.8	119.5	139.1	133.2	124.6	122.7	180.0	2 322	1 070	1 252
Feb	119.8	125.0	118.7	130.2	119.2	142.4	130.3	126.0	126.1	77.5	1 722	704	1 018
Mar	119.8	124.6	118.5	130.5	121.3	142.0	129.4	126.7	118.4	440.4	1 816	696	1 120
Apr	120.0	125.4	118.7	130.5	117.0	143.5	129.4	128.1	129.7	178.9	1 300	320	980
May	119.6	124.9	118.6	130.4	116.0	143.4	129.8	128.1	123.2	189.2	1 772	714	1 058
Jun	121.2	126.4	119.7	132.3	117.7	145.7	131.4	129.9	124.4	226.3	1 327	349	978
Jul	120.5	125.7	119.9†	131.1†	115.7†	143.2	129.8	130.5†	121.4†	175.3	1 214	347	867
Aug	120.5†	125.9†	118.6	132.4	117.6	143.5	130.9†	132.7	122.8	84.2	1 321	469	852
Sep	120.8	126.8	120.4	133.0	117.8	144.5	131.9	132.7	119.1	..	1 249	431	817

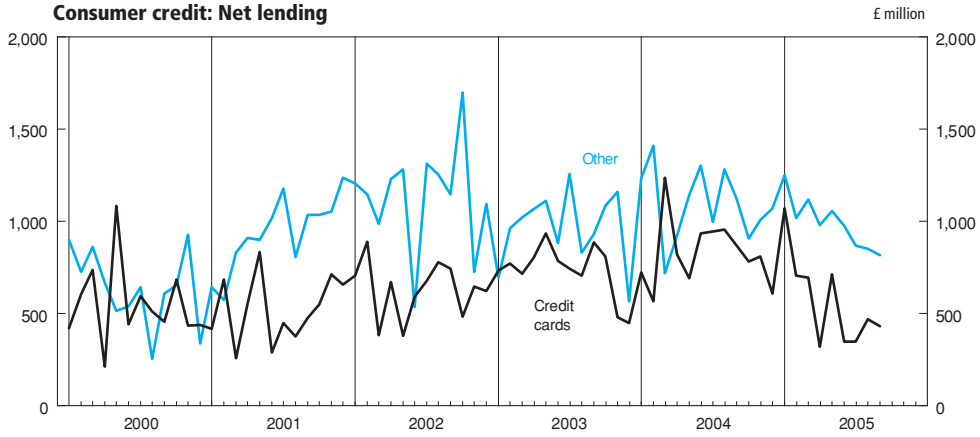
1 Great Britain only. The motor trades are excluded. Information for periods earlier than those shown is available from ONS Newport (tel 01633 812509).
2 The retail sales index has been rebased using detailed information from the 2000 Annual Business inquiry. Further information is available via the 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)



Consumer credit: Net lending



5.9 Inland energy consumption: primary fuel input basis

Million tonnes of oil equivalent

	Seasonally adjusted and temperature corrected[7] (annualised rates)						
				Primary electricity[5]			
	Coal[1]	Petroleum[2]	Natural gas[3]	Nuclear	Wind and natural flow Hydro[4]	Net imports[6]	Total
Annual							
	FDAI	FDAJ	FDAK	FDAL	FDAM	FDAW	FDAH
2000	40.0	77.8	98.6	19.7	0.5	1.2	237.8
2001	43.1	76.6	96.7	20.8	0.4	0.9	238.6
2002	40.0	75.3	98.7	20.0	0.5	0.7	235.3
2003	42.9	74.9	97.7	20.0	0.4	0.2	236.1
2004	42.0	77.4	100.0	18.1	0.6	0.6	238.9
Quarterly							
2000 Q1	38.9	81.3	110.8	20.1	0.6	1.1	252.8
Q2	40.6	74.4	95.3	19.8	0.4	1.3	231.8
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	242.2
2001 Q1	45.6	75.8	108.8	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	84.6	21.8	0.5	0.9	229.7
Q4	39.8	77.8	100.6	22.6	0.5	0.7	242.0
2002 Q1	42.1	77.9	108.2	21.2	0.6	0.6	250.6
Q2	35.8	76.3	95.9	20.0	0.7	1.0	229.6
Q3	38.4	76.2	88.3	19.9	0.5	0.2	223.5
Q4	43.6	70.8	102.6	18.9	0.4	1.1	237.4
2003 Q1	42.9	72.7	108.1	21.0	0.3	0.3	245.3
Q2	44.9	78.5	92.7	20.6	0.5	0.1	237.3
Q3	41.9	73.8	85.6	19.7	0.5	–0.1	221.4
Q4	41.8	74.6	104.5	18.6	0.4	0.4	240.3
2004 Q1	43.5	71.0	111.2	20.2	0.5	0.4	246.8
Q2	40.6	79.4	97.2	17.2	0.6	0.6	235.5
Q3	41.0	77.1	86.8	17.9	0.8	0.7	224.4
Q4	42.9	82.1	105.1	17.3	0.6	0.8	248.4
2005 Q1	45.2	80.0	108.3	19.3	0.5	0.5	253.8
Q2	40.4	75.0	93.0	18.3	0.6	0.7	228.0

Percentage change, quarter on corresponding quarter of previous year

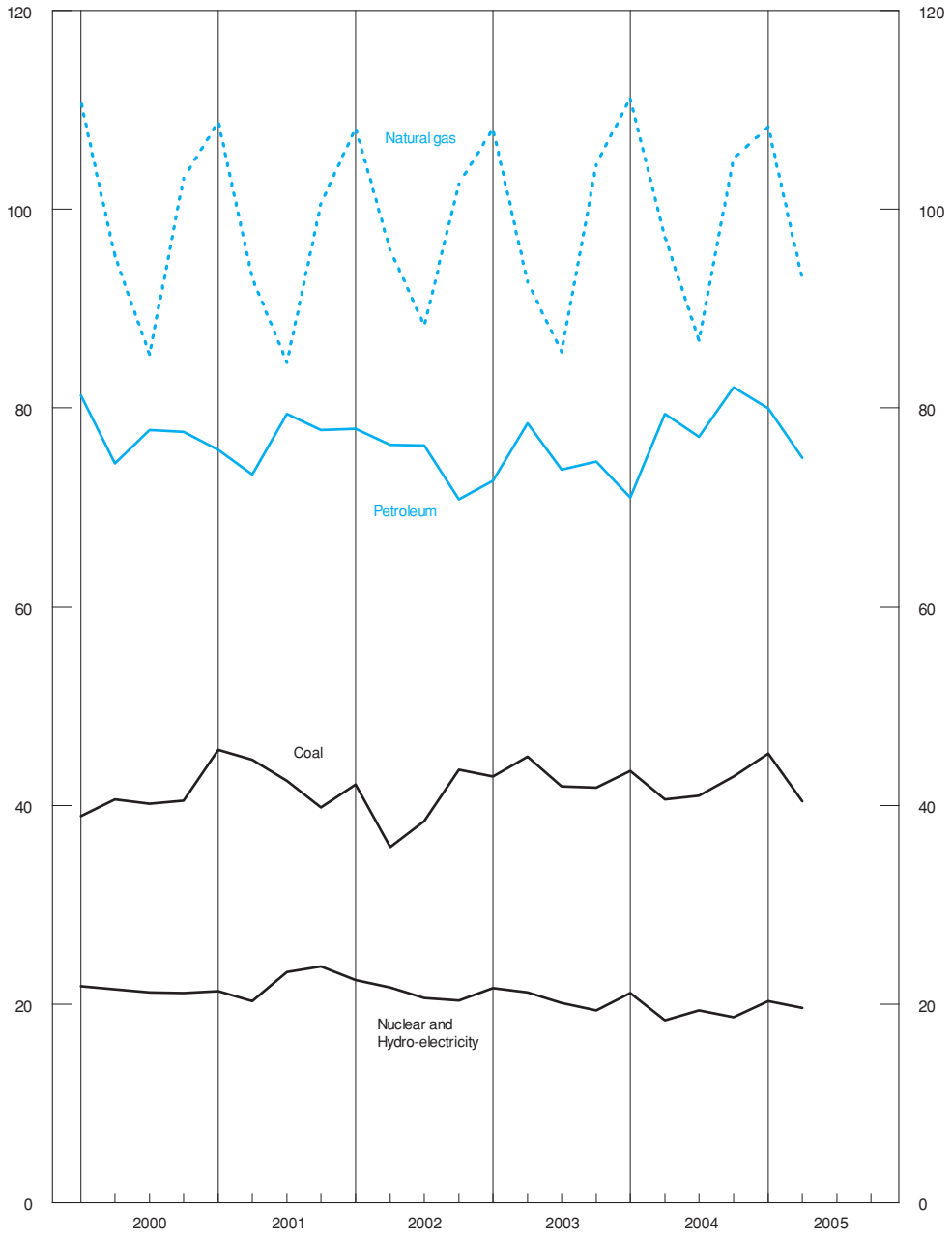
Quarterly							
	FDAP	FDAQ	FDAR	FDAS	FDAT	FDAX	FDAO
2000 Q1	*3.9*	*–0.2*	*5.4*	*–13.8*	*12.1*	*–10.6*	*1.5*
Q2	*7.7*	*–5.0*	*5.4*	*–14.6*	*–25.9*	*1.9*	*0.2*
Q3	*5.1*	*3.5*	*1.3*	*–9.9*	*–12.3*	*12.9*	*1.6*
Q4	*3.1*	*2.0*	*–0.2*	*–7.7*	*6.2*	*–5.1*	*0.4*
2001 Q1	*17.2*	*–6.7*	*–1.8*	*–1.0*	*–43.8*	*–*	*–0.5*
Q2	*9.9*	*–1.5*	*–2.3*	*–4.2*	*–9.6*	*–30.3*	*–0.3*
Q3	*5.7*	*2.1*	*–1.0*	*12.8*	*4.7*	*–29.0*	*2.3*
Q4	*–1.6*	*0.3*	*–2.4*	*16.6*	*6.1*	*–45.0*	*–0.1*
2002 Q1	*–7.7*	*2.7*	*–0.5*	*6.8*	*73.8*	*–43.7*	*–0.4*
Q2	*–19.8*	*4.1*†	*3.0*	*5.6*	*73.5*	*5.5*	*–0.7*
Q3	*–9.6*	*–4.1*	*4.4*	*–8.8*	*11.4*	*–75.5*	*–2.7*
Q4	*9.4*	*–9.0*	*2.1*	*–16.3*	*–32.7*	*67.6*	*–1.9*
2003 Q1	*1.9*	*–6.7*	*–*	*–1.3*	*–42.4*	*–56.2*	*–2.1*
Q2	*25.5*	*2.9*	*–3.3*	*2.9*	*–29.6*	*–89.0*	*3.4*
Q3	*9.1*	*–3.1*	*–3.0*	*–0.9*	*–13.6*	*–*	*–0.9*
Q4	*–4.0*	*5.3*	*1.8*	*–1.6*	*–2.7*	*–59.6*	*1.2*
2004 Q1	*1.5*	*–2.3*	*2.8*	*–3.9*	*58.6*	*61.0*	*0.6*
Q2	*–9.7*	*1.1*	*4.9*	*–16.5*	*16.7*	*–*	*–0.8*
Q3	*–2.0*	*4.5*	*1.3*	*–9.1*	*66.1*	*–*	*1.3*
Q4	*2.5*	*10.1*	*0.6*	*–7.3*	*64.6*	*92.5*	*3.5*
2005 Q1	*3.8*	*12.7*	*–2.6*	*–4.1*	*–7.0*	*8.8*	*2.8*
Q2	*–0.4*†	*–5.5*	*–4.2*†	*6.5*	*1.6*	*26.1*	*–3.1*†

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

Inland energy consumption

Million tonnes of oil equivalent, seasonally adjusted



6.1 Sterling exchange rates and UK reserves[4]

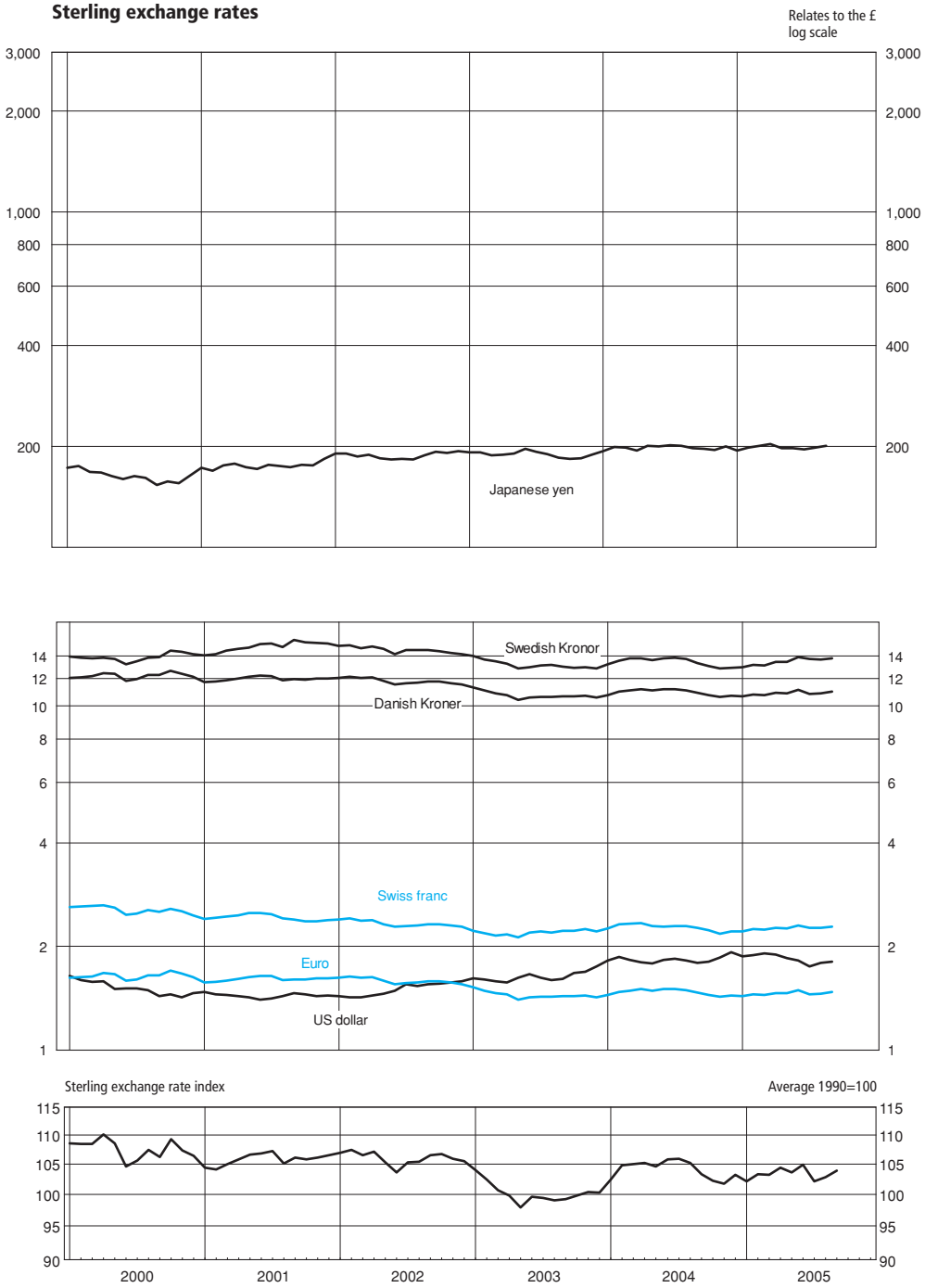
Not seasonally adjusted

	Sterling exchange rate against major currencies[1]								UK international 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
2001	174.90	1.4400	2.430	1.6087	11.987	12.944	14.886	11.2335	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										
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	1.8647†	2.206	1.4388	10.6958	11.798	12.966	14.5080	25 908	102.4
2005 Q1	197.53	1.8907	2.234	1.4424	10.7362	11.889	13.092	14.7449	25 801	102.9
Q2	199.56	1.8553	2.276	1.4744	10.9788	11.863	13.572	14.4506	26 844	104.3
Q3	198.44	1.7850	2.273	1.4635	10.9160	11.534	13.709	13.8685	..	102.9
Monthly										
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	25 840	102.1
Feb	198.10	1.8871	2.248	1.4499	10.791	12.064	13.172	14.7185	26 080	103.3
Mar	200.51	1.9078	2.237	1.4440	10.753	11.821	13.126	14.8801	25 801	103.2
Apr	203.34	1.8960	2.267	1.4652	10.916	11.980	13.433	14.7865	26 103	104.4
May	197.70	1.8538	2.258	1.4611	10.877	11.805	13.428	14.4439	26 595	103.6
Jun	197.64	1.8179	2.302	1.4952	11.132	11.805	13.854	14.1362	26 844	104.9
Jul	195.99	1.7509	2.267	1.4547	10.850	11.523	13.717	13.6141	25 950	102.1
Aug	198.48	1.7943	2.266	1.4592	10.885	11.551	13.631	13.9444	25 437	102.8
Sep	200.86	1.8081	2.287	1.4761	11.009	11.527	13.779	14.0356	..	103.9

1 Average of daily Telegraphic Transfer rates in London.
2 Prior to January 1999, a synthetic Euro has been calculated by geometrically averaging the bilateral exchange rates of the 11 Euro-area countries using "internal weights" based on each country's share of the extra Euro-area trade.
3 International reserves data are all valued at end-period market prices and exchange rates. They additionally include other reserve assets such as repos (sale and purchase agreements) and derivatives. Full details are shown in Table 1.2l of *Financial Statistics*.
4 These figures fall outside the scope of National Statistics.

Source: Bank of England: Enquiries 020 7601 4342

Sterling exchange rates



6.2 Monetary aggregates[1,3]

	M0				M4			
	Amount outstanding[2] (NSA)				Amount outstanding (NSA)			
	£ million	Annual percentage change	Amount outstanding (£ million) +	Velocity of circulation: ratio	£ million	Annual percentage change	Amount outstanding (£ million) +	Velocity of circulation: ratio
Annual								
	AVAD	VQNB	AVAE	AVAM	AUYM	VQLC	AUYN	AUYU
2001	37 319	8.0	35 093†	29.75	942 433	6.7	943 779†	1.09
2002	39 540	6.0	37 221	28.98	1 008 678	7.3	1 010 044	1.08
2003	42 317	7.0	39 916	28.49	1 081 121	7.3	1 082 557	1.07
2004	44 466	5.1	42 228	28.27†	1 179 089†	9.3†	1 180 662	1.03
Quarterly								
						VQRY		
2001 Q1	32 489	8.4	33 112†	29.92	905 800	8.3	905 488†	1.10
Q2	32 896	6.5	33 285	30.01†	921 571	7.6	917 806	1.10†
Q3	33 797	6.2	33 942	29.67	937 071	8.4	939 758	1.08
Q4	37 319	8.0	35 093	29.40	942 433	6.7	943 779	1.08
2002 Q1	35 157	8.2	35 545	29.06	955 196	5.7	955 419	1.09
Q2	36 225	10.1	36 648	29.12	975 699	6.1	971 068	1.09
Q3	36 511	8.0	36 668	28.94	989 473	5.9	992 548	1.08
Q4	39 540	6.0	37 221	28.80	1 008 678	7.3	1 010 044	1.07
2003 Q1	37 184	5.8	37 892	28.84	1 020 595	7.1	1 021 217	1.07
Q2	38 403	6.0	38 919	28.35	1 047 982	7.9	1 042 504	1.07
Q3	39 348	7.8	39 500	28.40	1 051 120	6.6	1 054 588	1.07
Q4	42 317	7.0	39 916	28.39	1 081 121	7.3	1 082 557	1.06
2004 Q1	39 812	7.1	40 583	28.43	1 101 901	7.9	1 102 840	1.05
Q2	41 109	7.0	41 435	28.24	1 133 485	8.0	1 127 094	1.04
Q3	41 748	6.1	41 779	28.19	1 148 459	9.0	1 152 505	1.03
Q4	44 466	5.1	42 228	28.24	1 179 089†	9.3†	1 180 662	1.02
2005 Q1	42 395	6.5	42 664	28.06	1 216 926	10.6	1 218 055	1.00
Q2	42 656	3.8	43 001	28.16	1 251 426	10.6	1 244 033	0.98
Monthly								
						VQLC		
2003 Jan	37 230	4.0	37 338†	..	994 390	6.7	1 003 071†	..
Feb	36 946	6.3	37 687	..	1 004 814	6.8	1 011 626	..
Mar	37 184	5.8	37 892	..	1 020 595	7.1	1 017 658	..
Apr	38 590	9.1	38 597	..	1 029 193	8.1	1 028 393	..
May	38 827	8.9	38 990	..	1 033 199	8.2	1 030 165	..
Jun	38 403	6.0	38 919	..	1 047 982	7.9	1 039 855	..
Jul	38 938	8.0	39 210	..	1 036 608	7.3	1 038 566	..
Aug	39 579	7.9	39 450	..	1 040 203	6.2	1 039 887	..
Sep	39 348	7.8	39 500	..	1 051 120	6.6	1 051 028	..
Oct	39 416	7.3	39 656	..	1 054 713	6.4	1 054 041	..
Nov	40 149	8.0	39 974	..	1 070 453	7.1	1 068 073	..
Dec	42 317	7.0	39 916	..	1 081 121	7.3	1 079 956	..
2004 Jan	40 222	8.0	40 177	..	1 080 398	8.7	1 089 853	..
Feb	39 448	6.8	40 245	..	1 087 970	8.4	1 096 209	..
Mar	39 812	7.1	40 583	..	1 101 901	7.9	1 099 219	..
Apr	40 799	5.7	40 792	..	1 109 089	7.6	1 106 145	..
May	40 668	4.7	41 070	..	1 121 331	8.3	1 117 618	..
Jun	41 109	7.0	41 435	..	1 133 485	8.1	1 124 437	..
Jul	41 115	5.6	41 392	..	1 133 394	9.2	1 133 607	..
Aug	41 489	4.8	41 471	..	1 143 082	9.8	1 144 838	..
Sep	41 748	6.1	41 779	..	1 148 459	9.0	1 148 169	..
Oct	41 721	5.8	41 951	..	1 158 196†	9.6	1 158 754	..
Nov	42 222	5.2	42 026	..	1 166 521	8.9	1 165 472	..
Dec	44 466	5.1	42 228	..	1 179 089	9.3†	1 175 070	..
2005 Jan	42 700	6.2	42 442	..	1 177 416	9.2	1 189 358	..
Feb	41 757	5.9	42 609	..	1 188 970	9.5	1 199 851	..
Mar	42 395	6.5	42 664	..	1 216 926	10.6	1 213 557	..
Apr	42 188	3.4	42 732	..	1 223 991	10.5	1 221 882	..
May	42 426	4.3	42 830	..	1 242 306	11.1	1 239 324	..
Jun	42 656	3.8	43 001	..	1 251 426	10.6	1 240 807	..
Jul	43 127	4.9	43 407	..	1 256 147	11.1	1 255 904	..
Aug	44 078	6.2	44 039	..	1 254 891	10.0	1 257 193	..

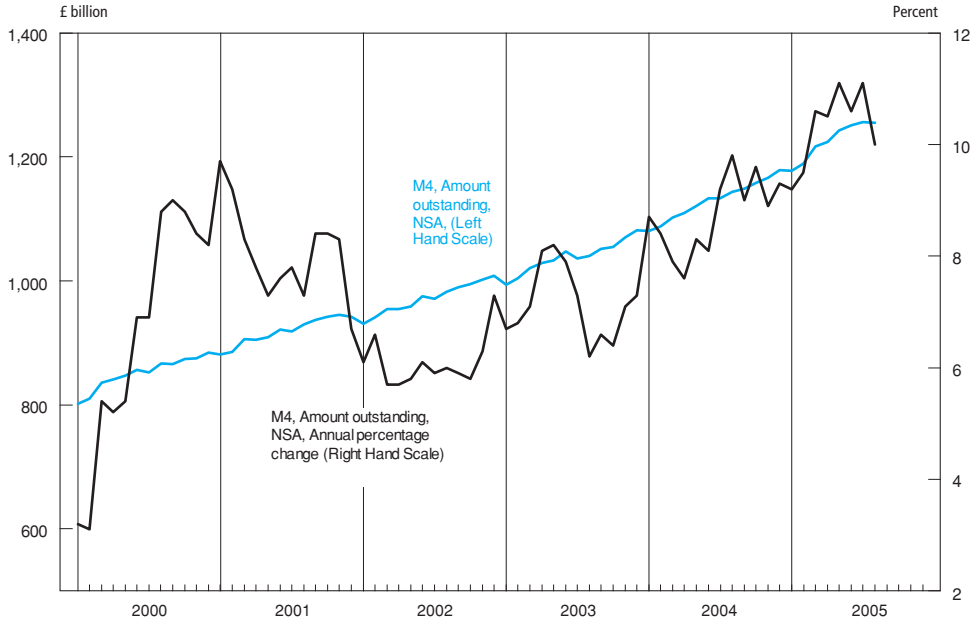
1 A fuller range of monetary aggregates is published monthly in the ONS publication *Financial Statistics*.

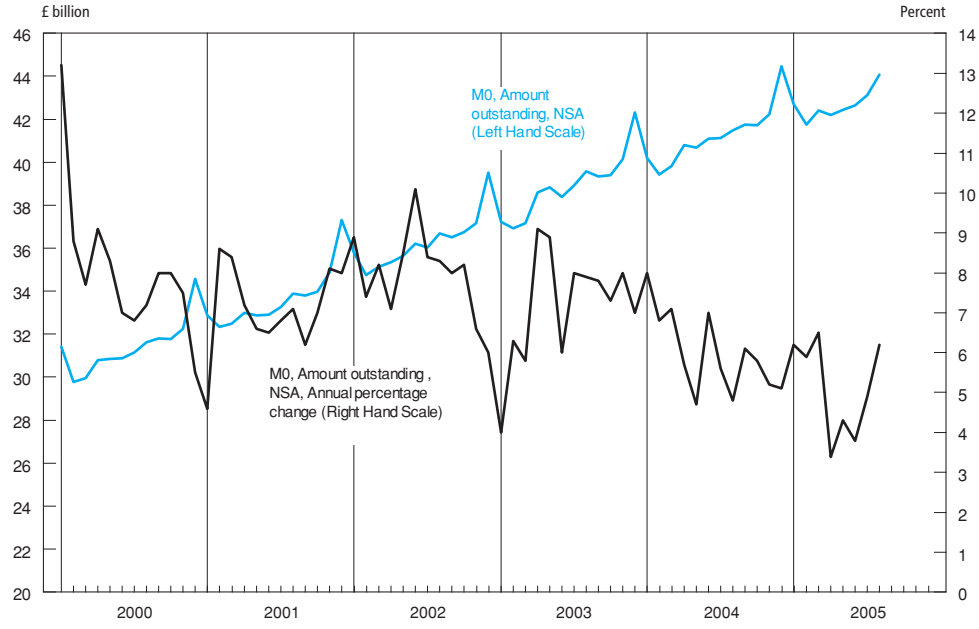
2 The monthly figures for M0 give the average of the amounts outstanding each Wednesday during the calendar month.

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]

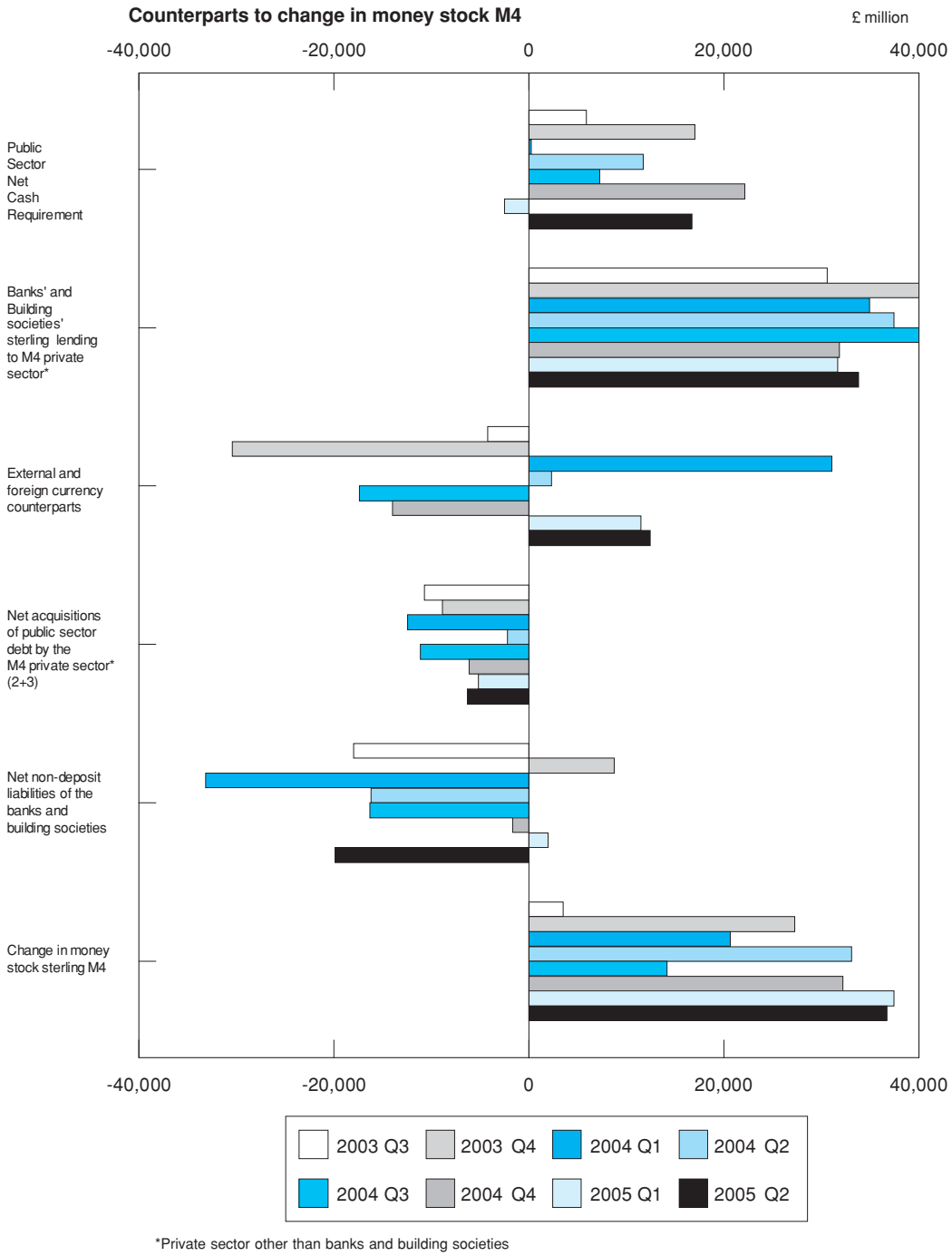
£ million, not seasonally adjusted

	Public Sector Net Cash Requirement+[3]	Purchases by the M4[2] private sector of: Central government debt	Purchases by the M4[2] private sector of: Other public sector debt	External and foreign currency financing of public sector: Purchase of British government stocks by overseas sector	External and foreign currency financing of public sector: Other	Public sector contribution M4	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	External and foreign currency counterparts	M4
	1	*2*	*3*	*4*	*5*	*6*	*7*	*8*	*9*	*10*	*11*
Annual											
	ABEN	RCMD	AVBV	AVBZ	AQGA	AVBF	AVBS	AVBW	AVBX	VQLP	AUZI
2001	–2 756†	7 532†	191	318	4 194	8 842	82 446	–21 638	–10 784	–17 763	58 868
2002	18 286	–9 118	–110	–897	1 588	11 543	107 655	–24 966	–25 295	–22 480	68 936
2003	38 857	–31 990	–473	10 378	–3 067	–7 048	127 712	–26 782	–20 721	–40 222	73 163
2004	41 406	–30 713	–1 257	2 235	–158	7 042	156 087	4 351†	–67 393	1 956†	100 087†
Quarterly											
2001 Q1	–12 440†	3 275†	–268	–2 356	3 734	–3 343	31 075	–7 737	1 272	–1 647	21 267
Q2	6 413	2 980	233	4 549	1 000	6 078	21 194	–7 294	–4 293	–10 843	15 685
Q3	–6 101	4 437	95	–2 931	1 287	2 648	15 710	7 253	–8 868	11 470	16 744
Q4	9 372	–3 160	131	1 056	–1 827	3 459	14 467	–13 860	1 105	–16 743	5 172
2002 Q1	–6 213	2 907	–260	–1 045	2 398	–124	24 732	–7 112	–3 149	–3 669	14 347
Q2	7 093	–4 272	101	–266	–1 001	2 188	24 507	1 725	–8 180	991	20 239
Q3	393	–2 114	93	–1 960	208	540	34 214	–8 568	–11 055	–6 400	15 131
Q4	17 013	–5 639	–44	2 374	–17	8 939	24 202	–11 011	–2 911	–13 402	19 219
2003 Q1	–332	–4 234	31	1 934	430	–6 038	21 783	2 403	–4 478	901	13 670
Q2	16 293	–8 454	–210	2 855	–2 099	2 676	34 559	–1 491	–7 010	–6 444	28 735
Q3	5 860	–10 530	–184	980	–1 222	–7 056	30 591	–2 048	–17 996	–4 249	3 492
Q4	17 036	–8 772	–110	4 609	–176	3 370	40 779	–25 646	8 763	–30 430	27 266
2004 Q1	240	–11 916	–534	978	1 670	–11 519	34 934	30 365	–33 164	31 056	20 616
Q2	11 746	–1 830	–413	2 204	–136	7 162	37 475	4 666	–16 202	2 325	33 101
Q3	7 259	–11 045	–79	125	–1 441	–5 431	51 828	–15 867	–16 337	–17 433	14 193
Q4	22 161	–5 922	–231	–1 072	–251	16 830	31 850	–14 813†	–1 690	–13 992†	32 177†
2005 Q1	–2 522	–4 802	–388	8 258	1 411	–14 558	31 682	18 351	1 975	11 504	37 450
Q2	16 734	–6 033	–282†	5 428	–302	4 689†	33 826†	18 171	–19 934	12 442	36 752
Monthly											
2003 Jul	–6 086†	–2 452†	–235	–1 339	880	–6 555	7 726	–661	–11 591	1 557	–11 081
Aug	3 482	–5 703	53	228	–771	–3 166	5 309	–9 991	11 451	–10 989	3 603
Sep	8 464	–2 375	–3	2 091	–1 331	2 665	17 557	8 605	–17 856	5 183	10 971
Oct	–1 582	–5 265	–96	–1 161	3 016	–2 766	23 106	–21 928	5 455	–17 751	3 867
Nov	5 593	1 029	–41	7 050	–49	–518	9 928	8 874	–3 004	1 775	15 281
Dec	13 024	–4 536	28	–1 280	–3 143	6 654	7 744	–12 593	6 312	–14 455	8 118
2004 Jan	–14 395	513	–292	–786	3 019	–10 368	20 959	7 267	–18 911	11 072	–1 054
Feb	–82	–4 648	237	1 267	225	–5 536	4 713	12 058	–3 579	11 016	7 656
Mar	14 716	–7 781	–479	497	–1 574	4 386	9 263	11 039	–10 673	8 968	14 014
Apr	–2 229	–2 119	–170	–1 908	80	–2 530	10 350	6 575	–7 158	8 563	7 237
May	3 234	–1 609	–61	1 168	–68	328	8 737	3 278	289	2 042	12 631
Jun	10 741	1 898	–182	2 944	–148	9 364	18 389	–5 187	–9 333	–8 279	13 234
Jul	–6 966	–4 350	243	–947	–117	–10 243	14 260	944	–5 116	1 773	–156
Aug	3 302	2 306	–164	3 248	409	2 605	15 348	–6 258	–1 683	–9 097	10 013
Sep	10 922	–9 001	–157	–2 176	–1 733	2 208	22 219	–10 553	–9 538	–10 110	4 337
Oct	–1 531	–2 344	–61	1 345	–56	–5 337	14 820	–5 622†	5 881	–7 023†	9 742†
Nov	9 019	188	–36	–1 944	286	11 401	2 130	–1 090	–2 770	1 139	9 671
Dec	14 673	–3 766	–134	–473	–480	10 766	14 901	–8 101	–4 802	–8 108	12 764
2005 Jan	–16 823	–4 508	6	927	1 714	–20 539	16 670	–3 665	6 002	–2 878	–1 530
Feb	669	2 050	–187	2 650	–406	–523	4 483	14 821	–7 221	11 766	11 560
Mar	13 632	–2 344	–207	4 681	103	6 504	10 529	7 194	3 194	2 616	27 421
Apr	–946	1 293	–281†	1 939	–37	–1 909	8 526	2 727	–2 275	751	7 068
May	5 175	–4 125	170	–677	–129	1 768	13 408†	19 051	–13 670	19 599	20 557
Jun	12 506	–3 202	–172	4 166	–135	4 830†	11 892	–3 606	–3 989	–7 908	9 126
Jul	–8 448	1 164	112	2 810	–552†	–10 533	18 227	–2 516	–453†	–5 877	4 726
Aug	4 668	2 887	121	4 021	–160	3 495	5 230	–15 571	5 595	–19 751	–1 250

For most periods the relationships between the columns are as follows:
6 = 1 + 2 + 3 - 4 + 5 ; 10 = 4 + 5 + 8
11 = 1 + 2 + 3 + 7 + 9 + 10

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 This table does not contain National Statistics data.

Source: Bank of England; 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 Social Benefits	Net current grants abroad	Other current grants	Interest paid to private sector and RoW	Total current expenditure	Operating surplus	Taxes on production	Taxes on income and wealth	Taxes on capital	Other Current taxes	Compulsory social contributions	Interest/divide from private/RoW	Rent and other current transfers	Total current receipts
Annual	GZSN	NMRL	ANLY	GZSI	NNAI	ANLO	ANLT	ANBP	NMYE	ANSO	NMGI	MJBC	ANBO	ANBQ	ANBS	ANBT
2002	210 654	5 266	123 288	–539	24 218	21 534	384 421	16 278	138 328	142 716	2 381	20 360	63 410	4 852	2 426	390 751
2003	231 543	6 243	130 308	–855	28 780	22 721	418 740	17 293	145 759	144 021	2 416	22 555	71 540	4 836	2 123	410 543
2004	245 922	6 779	138 562	–428	30 984	23 613	445 432	17 512	154 272	155 918	2 881	24 310	77 345	5 470	1 908	439 616
Quarterly																
2002 Q1	50 871	1 204	30 075	12	5 409	5 236	92 807	4 037	32 658	45 805	556	4 812	17 103	1 158	670	106 799
Q2	52 712	1 332	29 977	–126	6 067	5 437	95 399	3 933	33 908	28 544	607	5 172	15 142	1 187	512	89 005
Q3	53 264	1 360	30 500	–375	6 845	4 631	96 225	4 099	35 794	35 492	619	5 221	15 278	1 230	743	98 476
Q4	53 807	1 370	32 736	–50	5 897	6 230	99 990	4 209	35 968	32 875	599	5 155	15 887	1 277	501	96 471
2003 Q1	56 276	1 207	30 829	–75	7 227	5 321	100 785	4 217	34 044	46 210	545	5 204	17 222	1 243	661	109 346
Q2	57 925	2 044	31 540	–185	7 388	5 813	104 525	4 118	36 439	29 368	606	5 686	17 670	1 169	484	95 540
Q3	58 272	1 461	32 810	–295	6 709	5 398	104 355	4 269	36 514	36 110	631	5 823	18 245	1 173	491	103 256
Q4	59 070	1 531	35 129	–300	7 456	6 189	109 075	4 689	38 762	32 333	634	5 842	18 403	1 251	487	102 401
2004 Q1	60 282	1 489	32 922	–222	8 197	5 465	108 133	4 443	36 806	47 567	650	5 850	20 830	1 260	487	117 893
Q2	60 702	1 848	34 103	–187	7 275	5 680	109 421	4 130	38 359	32 050	731	6 115	18 284	1 348	484	101 501
Q3	61 831	1 567	34 551	–36	8 305	5 799	112 017	4 193	38 727	39 641	759	6 214	18 836	1 397	469	110 236
Q4	63 107	1 875	36 986	17	7 207	6 669	115 861	4 746	40 380	36 660	741	6 131	19 395	1 465	468	109 986
2005 Q1	63 897	1 932	33 891	–374	9 103	6 441	114 890	4 460	37 361	54 710	713	6 172	21 763	1 452	465	127 096
Q2	65 022	1 577	35 816	71	7 189	6 519	116 194	4 174	39 541	35 244	804	6 528	19 410	1 287	445	107 433

Sources: Office for National Statistics;
Enquiries 020 7533 5987

6.5 Public sector key fiscal indicators[1]

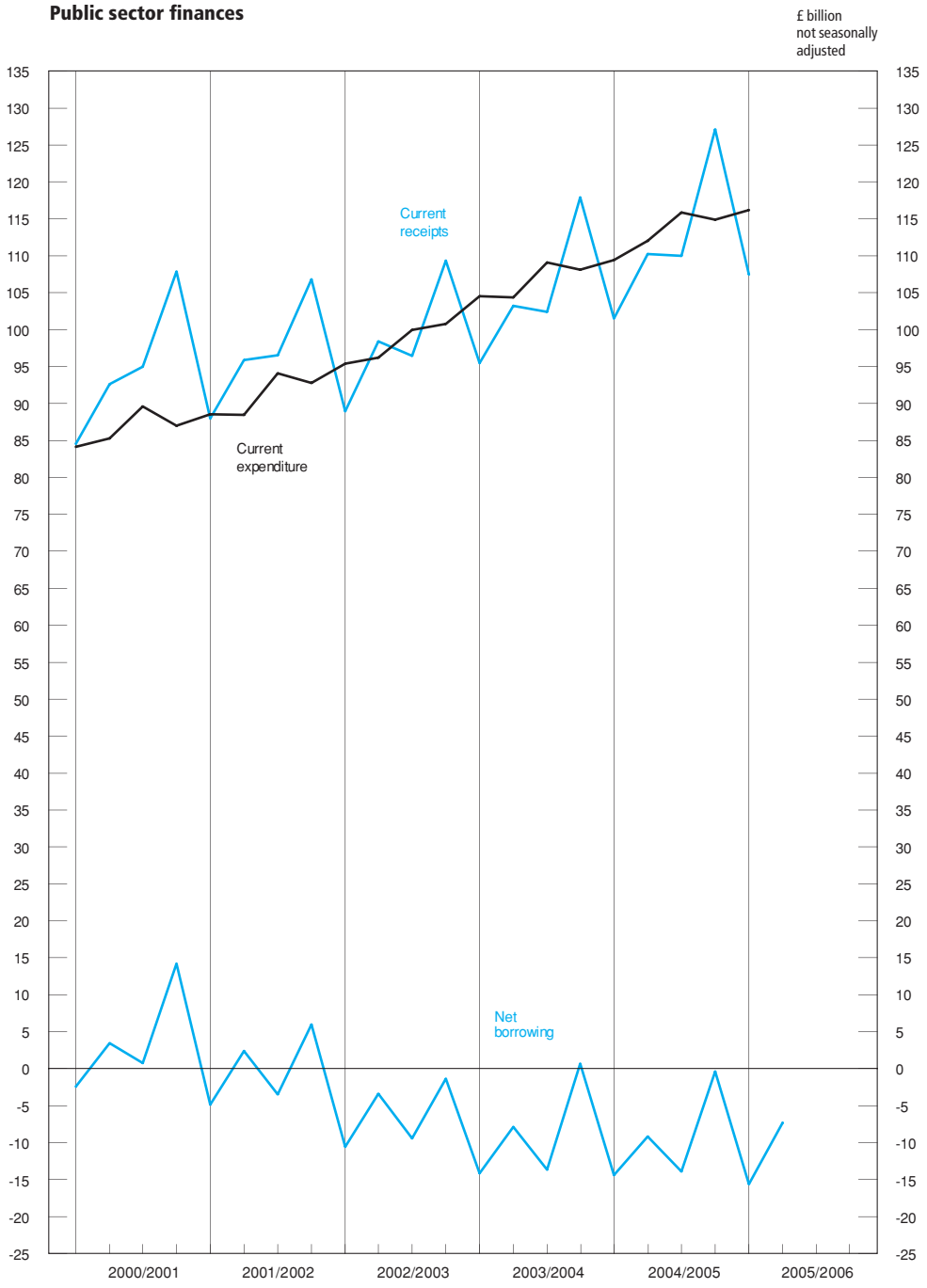
£ million[5], not seasonally adjusted

	Surplus on current budget[2]		Net investment[3]		Net borrowing[4]		Net cash requirement		Public sector net debt	
	General Government	Public Sector	General Government	Public Sector	General Government	Public Sector	General Government	Public Sector	£ billion[6]	% of GDP[7]
Annual	ANLW	ANMU	-ANNV	-ANNW	NNBK	ANNX	RUUS	RURQ	RUTN	RUTO
2002	–5 100	–7 365	10 752	9 972	–15 852	–17 337	16 421	18 227	345.2	32.1
2003	–20 694	–22 422	15 037	14 489	–35 731	–36 911	38 214	38 965	376.9	33.2
2004	–19 575	–21 079	16 708	15 664	–36 726	–36 743	41 317†	41 284	419.0	35.3
Quarterly										
2002 Q1	11 257	10 703	4 891	4 713	6 366	5 990	–6 383	–6 323	311.7	30.1
Q2	–9 200	–9 763	1 068	785	–10 268	–10 548	7 126	7 069	318.7	30.4
Q3	–764	–1 179	2 618	2 224	–3 382	–3 403	–145	402	321.8	30.3
Q4	–6 393	–7 126	2 175	2 250	–8 568	–9 376	15 823	17 079	345.2	32.1
2003 Q1	5 806	4 956	5 942	6 285	–136	–1 329	–1 305	–413	342.4	31.4
Q2	–12 006	–12 493	2 015	1 613	–14 021	–14 106	16 404	16 286	350.8	31.7
Q3	–4 285	–4 624	3 444	3 200	–7 729	–7 824	6 036	5 923	356.1	31.8
Q4	–10 209	–10 261	3 636	3 391	–13 845	–13 652	17 079	17 169	376.9	33.2
2004 Q1	6 542	6 122	5 515	5 430	1 027	692	486†	115	377.3	32.8
Q2	–11 223	–11 797	2 931	2 588	–14 351	–14 385	11 518	11 655	390.2	33.5
Q3	–5 173	–5 850	3 695	3 316	–9 222	–9 166	6 966	7 335	396.4	33.7
Q4	–9 721	–9 554	4 567	4 330	–14 180	–13 884	22 347	22 179	419.0	35.3
2005 Q1	8 752	8 315	8 367	8 710	284	–395	–2 094	–2 568	416.7	34.6
Q2	–11 906	–12 745	3 157	2 820	–15 234	–15 565	15 434	16 712	432.5	35.5
Q3	..	–1 841	..	5 456	–7 649	–7 297	8 354	8 209	440.0	35.5

1 National accounts entities as defined under the European System of Accounts 1995 (ESA95).
2 Net saving, plus capital taxes.
3 Gross capital formation, plus payments less receipts, of investment grants less depreciation.
4 Net borrowing = surplus on current budget minus net investment.
5 Unless otherwise stated
6 Net amount outstanding at end of period.
7 Net debt at end of the month, Gross domestic product at market prices for 12 months centred on the end of the month.

Sources: Office for National Statistics;
Enquiries 020 7533 5984

Public sector finances



6.6 Consumer credit and other household sector borrowing

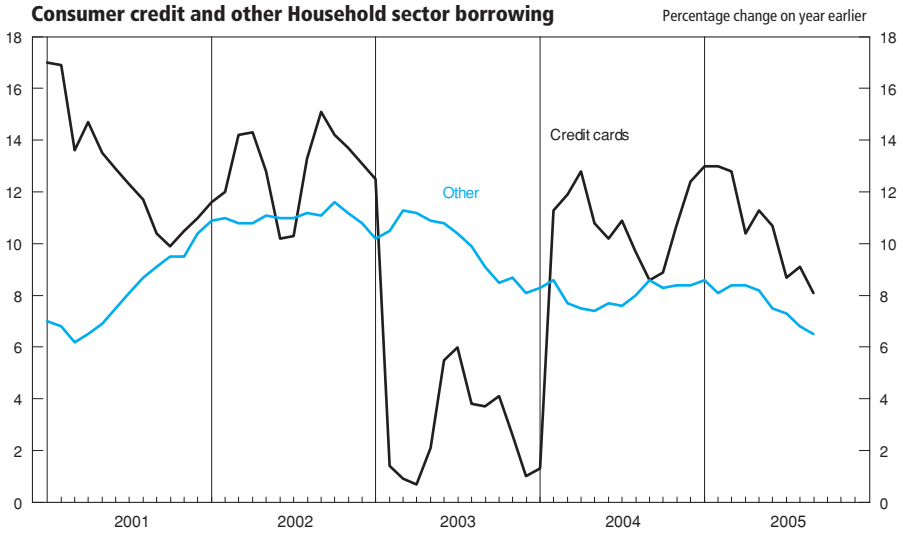
£ million

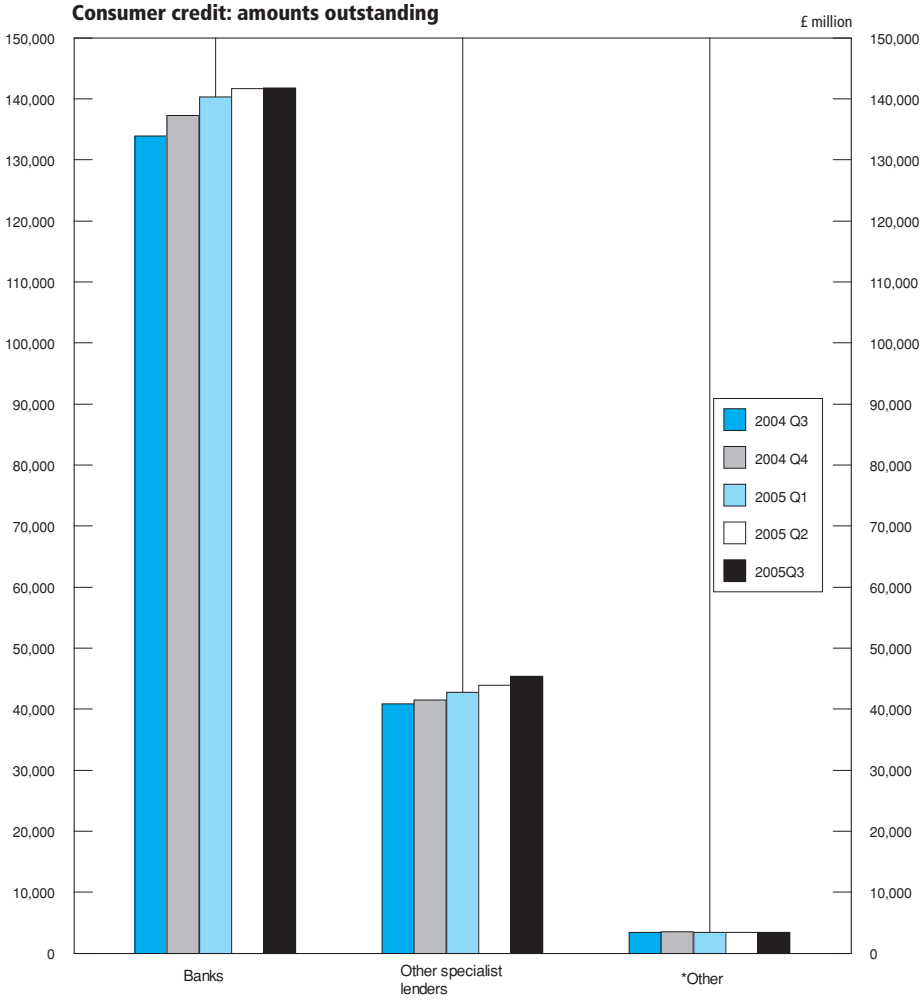
	Consumer credit								
	Total consumer credit	of which: credit cards[2]	of which: other[2]	Banks	Building Societies' Class 3 Loans	Other specialist lenders	Retailers	Insurance companies	Loans secured on dwellings (NSA[†])
Amounts outstanding: quarterly									
	VZRI	VZRJ	VZRK	VRVV	VZRG	VZRH	RLBO	VZQZ	AMWT
1999 Q1	105 906[†]	28 434[†]	77 511[†]	75 720[†]	298	25 865	2 698	1 319	464 160
Q2	109 047	29 668	79 410	77 797	312	26 767	2 691	1 383	473 585
Q3	112 288	30 752	81 583	80 461	329	27 487	2 656	1 400	485 128
Q4	115 486	32 093	83 280	82 719	297	28 301	2 775	1 462	494 951
2000 Q1	119 280	33 450	85 870	86 030	315	28 852	2 663	1 415	503 376
Q2	122 010	34 930	87 106	88 720	315	28 937[†]	2 613	1 310	514 638
Q3	124 316	36 290	88 063	91 039	349	29 130	2 554[†]	1 273	525 523
Q4	127 329	37 620	89 585	94 313	392	29 009	2 502	1 197	535 391
2001 Q1	129 068	38 009	91 127	95 812	412	29 122	2 524	1 229	546 179
Q2	132 927	39 416	93 517	100 285	424	28 329	2 509	1 221	561 121
Q3	136 046	40 001	96 048	103 451	447	28 473	2 522	1 206	576 957
Q4	140 984	41 758	99 175	107 849	436	29 103	2 478	1 178	591 152
2002 Q1	144 262	43 396	100 930	110 985	463	29 191	2 506	1 183	606 222
Q2	147 174	43 429	103 744	113 135	460	29 630	2 575	1 193	625 670
Q3	153 009	45 957	107 007	118 383	523	30 414	2 560	1 196	652 553
Q4	157 123	47 246	109 889	121 003	610	31 833	2 532	1 182	675 180
2003 Q1	156 480	43 798	112 665	116 730	625	35 664	2 523	1 033	695 615
Q2	161 136	45 788	115 302	119 667	672	37 427	2 222	933	718 271
Q3	164 396	47 632	116 724	121 946	736	38 778	2 165	824	746 267
Q4	166 397	47 760	118 754	122 890	766	39 971	2 143	701	774 548
2004 Q1	170 180	48 970	121 165	127 063	751	39 685	2 073	690	798 753
Q2	174 542	50 440	124 052	130 760	777	40 077	2 042	698	826 107[†]
Q3	178 390	51 754	126 629	134 006	836	40 901	1 986	676	853 731
Q4	182 253	53 696	128 654	137 289	904	41 570	1 936	661	876 879
2005 Q1	186 626	55 219	131 353	140 383	949	42 817	1 868	651	892 817
Q2	189 221	55 791	133 374	141 671	980	43 971	1 813	642	916 638
Q3	190 718	56 017	134 741	141 844	1 068	45 364	1 788	629	..
Amounts outstanding: monthly									
2003 Jan	157 698[†]	47 478[†]	110 220[†]	121 309[†]	601[†]	32 033	2 542[†]	1 143	..
Feb	154 699	43 602	111 097	119 899	617	30 348	2 538	1 089	..
Mar	156 083	43 674	112 409	116 252	634	35 462	2 511	1 033	..
Apr	157 438	44 151	113 287	116 891	658	36 549	2 492	990	..
May	159 231	45 023	114 208	118 218	657	36 706	2 472	959	..
Jun	160 747	45 645	115 102	119 257	684	37 534	2 216	933	..
Jul	162 241	46 328	115 913	120 873	697	37 697	2 200	904	..
Aug	163 412	46 909	116 504	121 846	713	37 677	2 199	868	..
Sep	164 229	47 628	116 601	121 878	725	38 821	2 157	824	..
Oct	165 584	48 052	117 532	122 026	733	39 884	2 151	776	..
Nov	166 169	47 898	118 270	122 660	732	40 128	2 149	732	..
Dec	166 164	47 529	118 634	122 766	739	39 994	2 138	701	..
2004 Jan	167 512	48 098	119 414	125 358	748	38 524	2 089	686	..
Feb	169 125	48 529	120 596	126 786	754	38 831	2 039	684	..
Mar	169 918	48 866	121 053	126 941	759	39 491	2 064	690	..
Apr	171 533	49 806	121 727	128 511	770	39 534	2 064	697	..
May	172 489	49 867	122 623	129 132	785	39 794	2 040	700	..
Jun	174 282	50 300	123 982	130 715	788	40 208	2 036	698	..
Jul	176 121	51 377	124 744	132 221	800	40 353	2 024	692	..
Aug	177 283	51 473	125 810	132 775	808	40 772	1 996	684	..
Sep	178 339	51 707	126 632	134 208	823	40 991	1 979	676	..
Oct	179 582	52 336	127 246	135 323	836	41 000	1 966	669	..
Nov	181 229	53 009	128 221	136 390	851	41 526	1 943	664	..
Dec	182 072	53 445	128 627	137 109	877	41 498	1 930	661	..
2005 Jan	183 962	54 333	129 630	138 388	895	41 755	1 907	658	..
Feb	185 260	54 860	130 400	139 276	914	42 128	1 881	655	..
Mar	186 386	55 118	131 268	140 392	961	42 668	1 859	651	..
Apr	186 914	54 965	131 950	140 622	942	42 936	1 834	648[†]	..
May	188 202	55 505	132 697	141 500	965	43 129	1 822	645	..
Jun	188 963	55 666	133 296	141 722	992	44 099	1 808	642	..
Jul	189 688	55 841	133 848	142 194	1 030	44 152[†]	1 790	638	..
Aug	190 522	56 136	134 386	142 381	1 048	44 419	1 792	634	..
Sep	190 759	55 895	134 863	141 980	1 053	45 487	1 782	629	..

1 These figures fall outside the scope of National Statistics.
2 From January 1999 onwards, a more accurate breakdown between credit card and 'other lending' is available.

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

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





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

6.7 Analysis of bank lending to UK residents[1,3]

Amounts outstanding

£ million, not seasonally adjusted

	Manufacturing[2]	Other production	Financial	Services	Individuals	Total loans, advances and acceptances
Total Loans, Advances, Acceptances and Sterling Commercial paper						
	TBSF	BCEX	BCFH	BCFR	TBTW	TBSA
2004 Q2	42 857	33 780	446 852	256 301	648 049	1 427 840
Q3	41 789	34 098	465 256	269 605	651 188	1 461 936
Q4	41 315	33 801	472 690	276 838	667 615	1 492 258
2005 Q1	41 160	36 157	490 834	280 212	667 560	1 515 924
Q2	43 892	40 642	497 342	296 820	674 527	1 553 222
Of which in sterling						
	TBUF	BCEY	BCFI	BCFS	TBVW	TBUA
2004 Q2	30 717	31 005	212 517	240 052	647 406	1 161 696
Q3	29 527	31 346	239 330	251 547	650 440	1 202 189
Q4	29 102	30 870	244 248	258 166	666 816	1 229 202
2005 Q1	29 449	32 943	243 283	261 800	666 693	1 234 167
Q2	30 466	36 853	250 928	277 027	673 685	1 268 959
Changes in total lending (sterling)						
	TBWF	BCEZ	BCFJ	BCFT	TBXW	TBWA
2004 Q2	268	–1 086	7 729	5 913	18 502	31 325
Q3	–700	767	12 657	12 797	16 055	41 576
Q4	–424	–476	5 318	7 083	16 490	27 991
2005 Q1	346	2 073	–3 039	3 634	2 351	5 366
Q2	1 286	3 934	15 243	15 614	8 261	44 338
Changes in total lending (foreign currencies)						
	TBYF	BCFA	BCFK	BCFU	TBZW	TBYA
2004 Q2	–720	500	–4 220	–201	74	–4 566
Q3	–38	–53	–10 122	1 646	98	–8 469
Q4	50	230	5 208	1 024	64	6 577
2005 Q1	–383	296	21 428	–109	75	21 307
Q2	1 488	517	–2 165	1 096	–42	895
Facilities granted						
	TCAF	BCFB	BCFL	BCFV	TCBW	TCAA
2004 Q2	81 948	63 173	503 124	358 914	736 411	1 743 570
Q3	80 535	65 844	525 645	375 653	739 016	1 786 692
Q4	80 540	67 658	532 527	387 539	754 796	1 823 061
2005 Q1	81 867	69 892	548 170	392 545	754 636	1 847 111
Q2	85 566	73 995	556 152	414 086	762 234	1 892 032
Of which in sterling						
	TCCF	BCFC	BCFM	BCFW	TCDW	TCCA
2004 Q2	53 145	49 808	250 019	320 813	735 564	1 409 350
Q3	51 222	52 027	279 288	335 638	738 108	1 456 283
Q4	51 962	53 583	284 725	347 690	753 817	1 491 778
2005 Q1	53 207	54 301	281 433	351 154	753 604	1 493 699
Q2	53 016	57 660	286 974	369 675	761 217	1 528 542
Changes in sterling (facilities granted)						
	TCEF	BCFD	BCFN	BCFX	TCFW	TCEA
2004 Q2	–1 370	–2 712	8 642	3 120	23 203	30 883
Q3	–1 433	2 645	15 112	16 275	15 564	48 163
Q4	741	1 556	5 837	12 516	15 823	36 473
2005 Q1	1 244	718	–5 366	3 464	2 262	2 322
Q2	86	3 383	11 378	18 933	8 669	42 448
Changes in foreign currencies (facilities granted)						
	TCGF	BCFE	BCFO	BCFY	TCHW	TCGA
2004 Q2	–3 525	217	–2 401	8	69	–5 633
Q3	237	361	–8 606	1 601	52	–6 355
Q4	–69	704	4 803	983	85	6 506
2005 Q1	158	1 487	21 216	1 621	60	24 543
Q2	3 022	194	644	1 884	–35	5 709

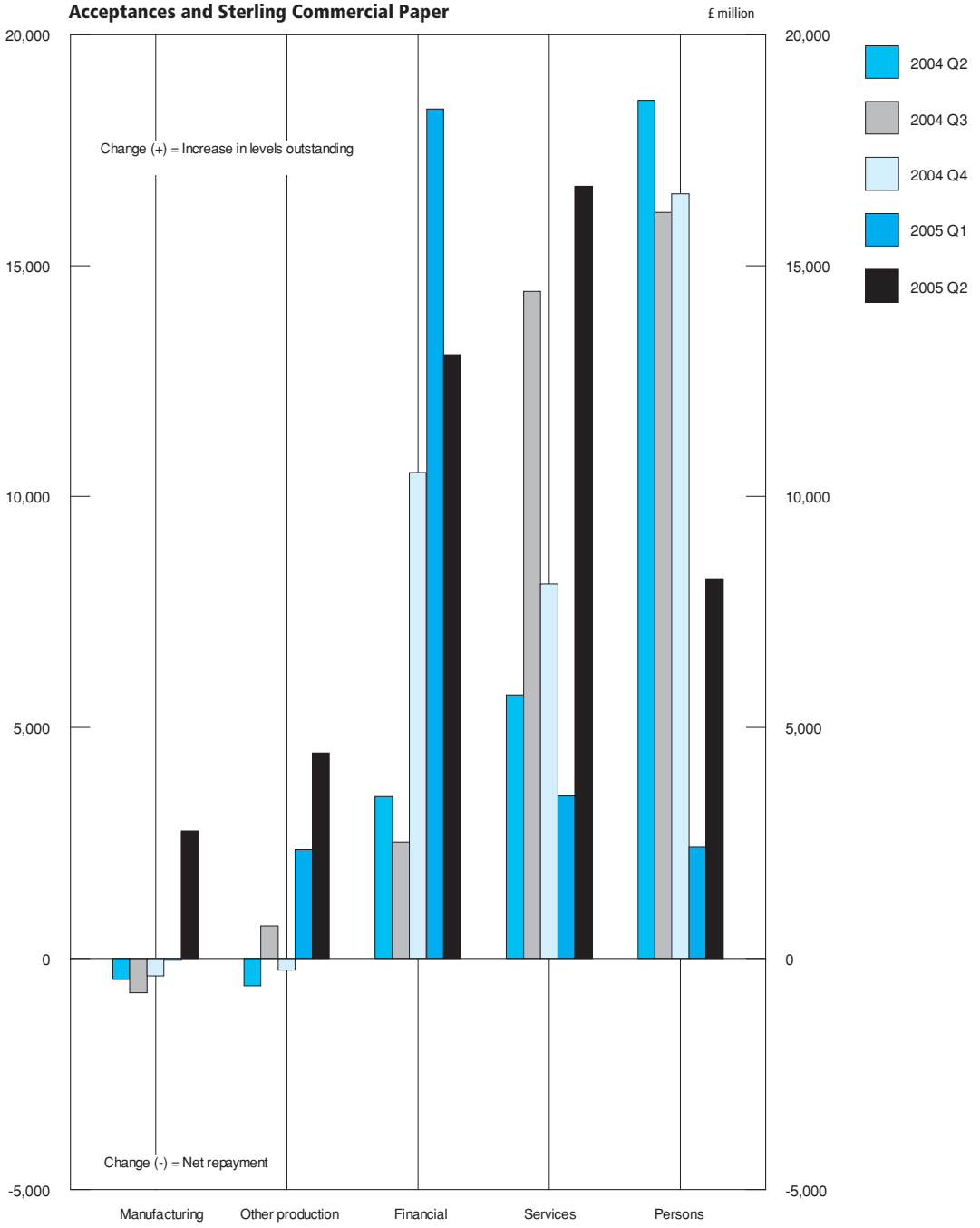
1 Comprises loans advances (including under reverse repos), finance leasing, acceptances, facilities and holdings of sterling commercial paper issued by UK residents, provided by reporting banks to their UK resident non-bank and non-building society customers. This analysis is based on Standard Industrial 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

Analysis of bank lending to UK residents: Total Loans, Advances, Acceptances and Sterling Commercial Paper



6.8 Interest rates, security prices and yields[4]

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 certif-icates of deposit 3 months bid rate	Sterling certif-icates of deposit 3 months offer rate	Selected retail banks: base rate	Euro-dollar 3 month rate	British govern-ment securities: long dated[3] - 20 years
Annual								
	AJRP	HSAJ	HSAK	HSAL	HSAM	ZCMG	AJIB	AJLX
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	4.75	4.81	4.84	4.78	4.82	..	2.56	4.77
Monthly								
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	4.69	4.77	4.80	4.76	4.80	4.75	2.38	4.58
Dec	4.75	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
Feb	4.79	4.87	4.90	4.86	4.90	4.75	2.90	4.53
Mar	4.82	4.90	4.93	4.88	4.92	4.75	3.04	4.74
Apr	4.75	4.86	4.88	4.85	4.89	4.75	3.18	4.60
May	4.70	4.79	4.81	4.78	4.82	4.75	3.31	4.41
Jun	4.57	4.69	4.73	4.69	4.73	4.75	3.51	4.29
Jul	4.48	4.54	4.56	4.53	4.57	4.75	3.67	4.33
Aug	4.43	4.52	4.54	4.51	4.55	4.50	3.84	4.34
Sep	4.45	4.52	4.55	4.52	4.56	4.50	4.07	4.26

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.


Interest rates, and security yields
Percentage rate
8
6
4
2
0
Euro-dollar
3 month rate
Inter-bank
3 month
offer rate
Inter-bank
3 month
bid rate
Long dated
government
securities
2000
2001
2002
2003
2004
2005

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 Motor vehicle industry	Manufactured output Motor vehicle industry	New dwellings[1]	Secondhand dwellings[1]	All dwellings[1]	Average price of agricultural land in England (1995 = 100)[2]
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	98.9	96.1	138.6	144.6	143.9	..
Quarterly						
2001 Q1	102.9	95.4	90.8	92.1	92.1	156[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	152[3]
Q4	99.2	94.9	117.1	121.8	121.3	148[3]
2003 Q1	99.1	94.6	119.3	124.0	123.4	136[3]
Q2	99.7	94.1	127.2	127.3	127.2	146[3]
Q3	99.9	94.5	127.9	131.1	130.7	168[3]
Q4	99.5	95.1	131.8	133.7	133.4	142[3]
2004 Q1	98.8	95.5	130.8	135.2	134.6	158[3]
Q2	99.3	96.2	137.8	143.1	142.5	157[3]
Q3	98.9	96.3	143.1	149.6	148.9	174[3]
Q4	98.8	96.5	142.6	150.7	149.8	160[3]
2005 Q1	99.2	96.9	145.1	150.1	149.5	..
Q2	99.0p	97.0p	146.5	151.6	150.9	..
Q3	100.1p	97.5p	..	..	..	..
Monthly						
2003 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	98.8	95.0	131.5	136.0	135.4	..
Feb	98.2	95.4	129.4	134.7	134.1	..
Mar	99.3	96.2	131.6	134.8	134.4	..
Apr	99.1	96.3	135.9	141.1	140.5	..
May	99.5	96.3	136.7	142.9	142.2	..
Jun	99.2	95.9	140.9	145.3	144.7	..
Jul	98.8	96.2	142.5	148.5	147.8	..
Aug	98.9	96.3	142.3	150.4	149.5	..
Sep	99.1	96.3	144.5	149.9	149.2	..
Oct	98.9	96.5	144.4	151.1	150.3	..
Nov	99.1	96.5	143.0	150.9	150.1	..
Dec	98.4	96.5	140.4	150.1	149.0	..
2005 Jan	98.9	96.6	143.9	149.6	148.9	..
Feb	99.4	96.9	144.0	148.7	148.1	..
Mar	99.2	97.1	147.4	151.9	151.3	..
Apr	98.8	96.9	144.6	150.8	150.1	..
May	99.2	97.1	146.9	151.3	150.8	..
Jun	99.1p	97.1p	148.0	152.6	152.0	..
Jul	100.1p	97.4p	149.7	154.3	153.7	..
Aug	100.0p†	97.4p†	148.8	154.4	153.7	..
Sep	100.3p	97.6p	..	..	..	..

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;

Measures of variability of selected economic series[1]

	Table	Period covered	Average percentage changes $\overline{CI}$	$\overline{I}$	$\overline{C}$	$\overline{I}/\overline{C}$	MCD or QCD	$\overline{I}/\overline{C}$ for MCD (or QCD) span
Quarterly series								
National income and components: chained volume measures, reference year 2002								
Gross Value Added (GVA) at Basic Prices	2.1	Q1 1990 to Q2 2005	*0.6*	*0.1*	*0.6*	0.2	1	0.2
Households' Final Consumption Expenditure	2.5	Q1 1990 to Q2 2005	*0.8*	*0.3*	*0.7*	0.4	1	0.4
Gross fixed capital formation	2.2, 2.7	Q1 1990 to Q2 2005	*1.6*	*0.8*	*1.3*	0.6	1	0.6
Exports: goods and services	2.2	Q1 1990 to Q2 2005	*2.0*	*1.0*	*1.4*	0.7	1	0.7
Imports: goods and services	2.2	Q1 1990 to Q2 2005	*1.9*	*0.9*	*1.6*	0.6	1	0.6
Real Households' disposable income	2.5	Q1 1990 to Q2 2005	*1.0*	*0.8*	*0.7*	1.1	2	0.4
current prices								
Gross operating surplus of private non-financial corporations	2.11	Q1 1990 to Q2 2005	*2.6*	*1.8*	*1.6*	1.1	2	0.4
Other quarterly series								
Construction output	5.2	Q1 1990 to Q2 2005	*1.2*	*0.8*	*0.8*	0.9	1	0.9
Households' saving ratio[3]	2.5	Q1 1990 to Q2 2005	*0.9*	*0.7*	*0.5*	1.5	2	0.4
Monthly series								
Retail sales (volume per week)								
Predominantly food stores	5.8	Jan 1990 to Jun 2005	*0.6*	*0.6*	*0.2*	2.4	3	0.8
Predominantly non-food stores	5.8	Jan 1990 to Jun 2005	*1.0*	*0.9*	*0.4*	2.4	3	0.7
Non-store and repair	5.8	Jan 1990 to Jun 2005	*2.1*	*2.0*	*0.5*	3.7	4	0.9
Index of industrial production								
Production industries	5.1	Jan 1990 to Jun 2005	*0.6*	*0.6*	*0.2*	2.9	4	0.8
Manufacturing industries	5.1	Jan 1990 to Jun 2005	*0.6*	*0.5*	*0.2*	2.4	3	0.8
Average earnings: whole economy	4.6	Jan 1990 to Jun 2005	*0.5*	*0.3*	*0.4*	0.8	1	0.8
Exports: value, f.o.b.[4]	2.13	Jan 1990 to Jun 2005	*2.8*	*2.6*	*0.7*	3.6	4	0.9
Imports: value, f.o.b.[4]	2.13	Jan 1990 to Jun 2005	*2.2*	*2.1*	*0.7*	3.0	3	0.9
Money stock - M0[5]	6.2	Jan 1990 to Jun 2005	*0.6*	*0.3*	*0.5*	0.6	1	0.6
Money stock - M4[5]	6.2	Jan 1990 to Jun 2005	*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.
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 CI, $\overline{I}$ and $\overline{C}$ are differences in percentage points.
4 The figures have been updated as described in an article in *Economic Trends*, No 320, June 1980.
5 As the irregular component for M0 and M4 is obtained by subtraction of the trend rather than by division, the figures for CI, $\overline{I}$ and $\overline{C}$ are expressed as percentages of the trend level in the preceding month.

Source: Office for National Statistics: Enquiries 020 7533 6243

Index of sources

Abbreviations

DEFRA – Department for Environment, Food and Rural Affairs.

ODPM – Office of the Deputy Prime Minister.

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		
In relation to output	2.8		
In relation to stocks	5.7		
Per head	2.4		UK Economic Accounts
Gross fixed capital formation (see also Fixed investment)	2.2	Office for National Statistics	First Release Monthly Digest of Statistics UK Economic Accounts
By sector and type of asset	2.7		
Dwellings	2.7		
Gross household disposable income	2.4, 2.5	Office for National Statistics	First Release Monthly Digest of Statistics UK Economic Accounts
Gross national income (per head)	2.4	Office for National Statistics	
Gross operating surplus of non-financial corpoirations	2.11	Office for National Statistics	First Release Financial Statistics UK Economic Accounts
Gross saving (corporations)	2.10	Office for National Statistics	First Release Financial Statistics UK Economic Accounts
Household final consumption expenditure		Office for National Statistics	First Release Consumer Trends Monthly Digest of Statistics
Component categories	2.6		
In relation to personal income	2.5		
In relation to total final expenditure	2.3		
Per head	2.4		
Households' income before tax	2.4, 2.5	Office for National Statistics	Monthly Digest of Statistics
Housing			
Average price of new dwellings at mortgage completion stage	5.4	ODPM	Housing Statistics
Fixed investment in dwellings	2.7, 5.4	Office for National Statistics	
Orders received by contractors for new houses	5.4	Department of Trade and Industry	Monthly Digest of Statistics Press Notice
Starts and completions	1.1, 5.4	ODPM The Scottish Executive National Assembly for Wales	Housing Statistics
Imports			
Of goods	1.1, 2.13	Office for National Statistics	First Release
Price index	1.1, 2.14		Monthly Digest of Statistics
Volume indices	2.14		
Of goods and services	2.2		First Release Monthly Digest of Statistics UK Economic Accounts
Price competitiveness (manufactures)	2.15	Office for National Statistics	
Incomes		Office for National Statistics	
Households' gross disposable income	2.5		First Release Monthly Digest of Statistics UK Economic Accounts
Households' income before tax	2.5		First Release Monthly Digest of Statistics UK Economic Accounts
Income from employment as a percentage of gross domestic product (see also Wages: Earnings)	2.3		Monthly Digest of Statistics
Inventory holding gains (non-financial corporations)	2.11	Office for National Statistics	First Release Financial Statistics UK Economic Accounts

Industrial production: index of output	5.1	Office for National Statistics	First Release Monthly Digest of Statistics
By main industrial groupings	5.1		
By selected industries	5.1		
In relation to output (gross domestic product)	2.8		
In relation to stocks (manufacturing industries)	5.7		
Inter-bank 3-month rate (see also Interest rates)	6.8	Bank of England	Monetary and Financial Statistics
Interest rates	6.8	Bank of England	Financial Statistics
Eurodollar 3-month rate			
Inter-bank 3-month bid and offer rates			Bank of England
Local authorities 3-month deposit rate			
Selected retail banks base rate			
Sterling certificates of deposit 3-month bid and offer rates			
Treasury bill yield			
International Reserves	6.1	Bank of England	Financial Statistics
Key fiscal indicators	6.5	Office for National Statistics	
Labour Force Survey	4.1, 4.2, 4.3, 4.5a	Office for National Statistics	First Release Labour Market Trends
Local authorities 3-month deposit rate (see also Interest rates)	6.8	Bank of England	
Manufacturing industries		Office for National Statistics	Monthly Digest of Statistics
Change in inventories	1.1, 5.6		First Release
Inventory ratios	5.7		
Output (constant prices)	5.1		
in constant prices	1.1		
per filled job, per hour worked	4.7		
Money stock	1.1, 6.2	Bank of England	Financial Statistics Press Notice
Motor vehicles			
New car registrations	1.1, 5.8	Department of Transport	
Production of passenger cars and commercial vehicles: total and for export	1.1, 5.3	Office for National Statistics	News Release Monthly Digest of Statistics
National accounts	2.1 - 2.15	Office for National Statistics	First Release Financial Statistics UK Economic Accounts
National disposable income at market prices	2.1	Office for National Statistics	
Non-financial corporations (see also Corporations)	2.10, 2.11, 2.12	Office for National Statistics	First Release Financial Statistics UK Economic Accounts
Operating surplus (see also Corporations)	2.3, 2.11	Office for National Statistics	First Release Financial Statistics UK Economic Accounts
Orders received			
By construction industry (see also Construction)	5.2	Department of Trade and Industry	Construction Statistics
By engineering industries (see also Engineering)	5.2	Office for National Statistics	News Release Monthly Digest of Statistics
Output			
By construction industry (see also Construction)	1.1, 2.8, 5.2	Office for National Statistics Department of Trade and Industry	Construction Statistics
By engineering industries (see also Engineering)	5.2	Office for National Statistics	News Release Monthly Digest of Statistics
Gross value added by category of	2.8		First Release Monthly Digest of Statistics
Gross value added at basic prices service inds.	2.9		
Per filled job (see also Productivity)	4.7		
Overseas trade (see Exports; Imports; Trade in goods)			
Petroleum (see also Energy)	5.9	Department of Trade and Industry	Energy Trends
Population			
Estimates per capita, income, product and spending	2.4	Office for National Statistics	

Prices			
Asset prices	6.9	Office for National Statistics DEFRA ODPM	
Average price of new dwellings at mortgage completion (see also Housing)	5.4	ODPM	Housing Statistics
Consumer prices index	1.1, 3.1	Office for National Statistics	First Release Focus on Consumer price indices Labour Market Trends
Pensioner price index	3.1	Office for National Statistics	Labour Market Trends
Producer input and output prices	1.1		
Producer price index	3.1	Office for National Statistics	First Release Monthly Digest of Statistics
Retail prices index	1.1, 3.1		First Release Labour Market Trends Focus on Consumer price indices Monthly Digest of Statistics
Private sector			
Capital account, net lending/net borrowing	2.10	Office for National Statistics	Financial Statistics
Gross fixed investment	2.3, 2.7		Monthly Digest of Statistics
Housing starts and completions (see also Housing)	5.4	ODPM	Housing Statistics Press Notice
Producer price index (see also Prices)	3.1	Office for National Statistics	First Release Monthly Digest of Statistics
Production (see Industrial production; Motor vehicles; Output; Steel)		Office for National Statistics	
Productivity (see also Output per filled job)	1.1, 4.7	Office for National Statistics	First Release Monthly Digest of Statistics Labour Market Trends
Profits (see also Companies)	2.3, 2.11	Office for National Statistics	First Release Financial Statistics UK Economic Accounts
Property income received/paid; non-financial corporations	2.11	Office for National Statistics	First Release Financial Statistics UK Economic Accounts
Property transactions	5.5	HM Revenue and Customs	
Public sector			
Expenditure and receipts	6.4	Office for National Statistics	
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Gross fixed capital formation	2.7		
Index numbers of output	2.9	Office for National Statistics	
Net cash requirement (PSNCR)	6.3, 6.5		First Release
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Purchasing power of the pound	3.1	Office for National Statistics	
Regional claimant unemployment rates (see also Unemployment)	4.5	Office for National Statistics	First Release Labour Market Trends
Retail prices index (see also Prices)	1.1, 3.1	Office for National Statistics	First Release Monthly Digest of Statistics Focus on consumer prices indices Labour Market Trends
Retail sales			
Value index numbers	5.8	Office for National Statistics	First Release Monthly Digest of Statistics
Volume index numbers	1.1, 5.8		
Ratio of distributors' stocks to retail sales	5.7		
Savings ratio, household	2.5	Office for National Statistics	First Release Financial Statistics Monthly Digest of Statistics UK Economic Accounts
Selected retail banks' rates (see also Interest rates)	6.8	Bank of England	
Service industries			
Gross value added	2.8, 2.9	Office for National Statistics	First Release

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Focus on Consumer Price Indices: September 2005. **www.statistics.gov.uk/products/p867.asp**

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