Economic Webinar: November 2021

Presented by UK Industry Analysts:
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Agenda

State of the Economy

Construction

Services

Retail and Wholesale

Shipping Crisis

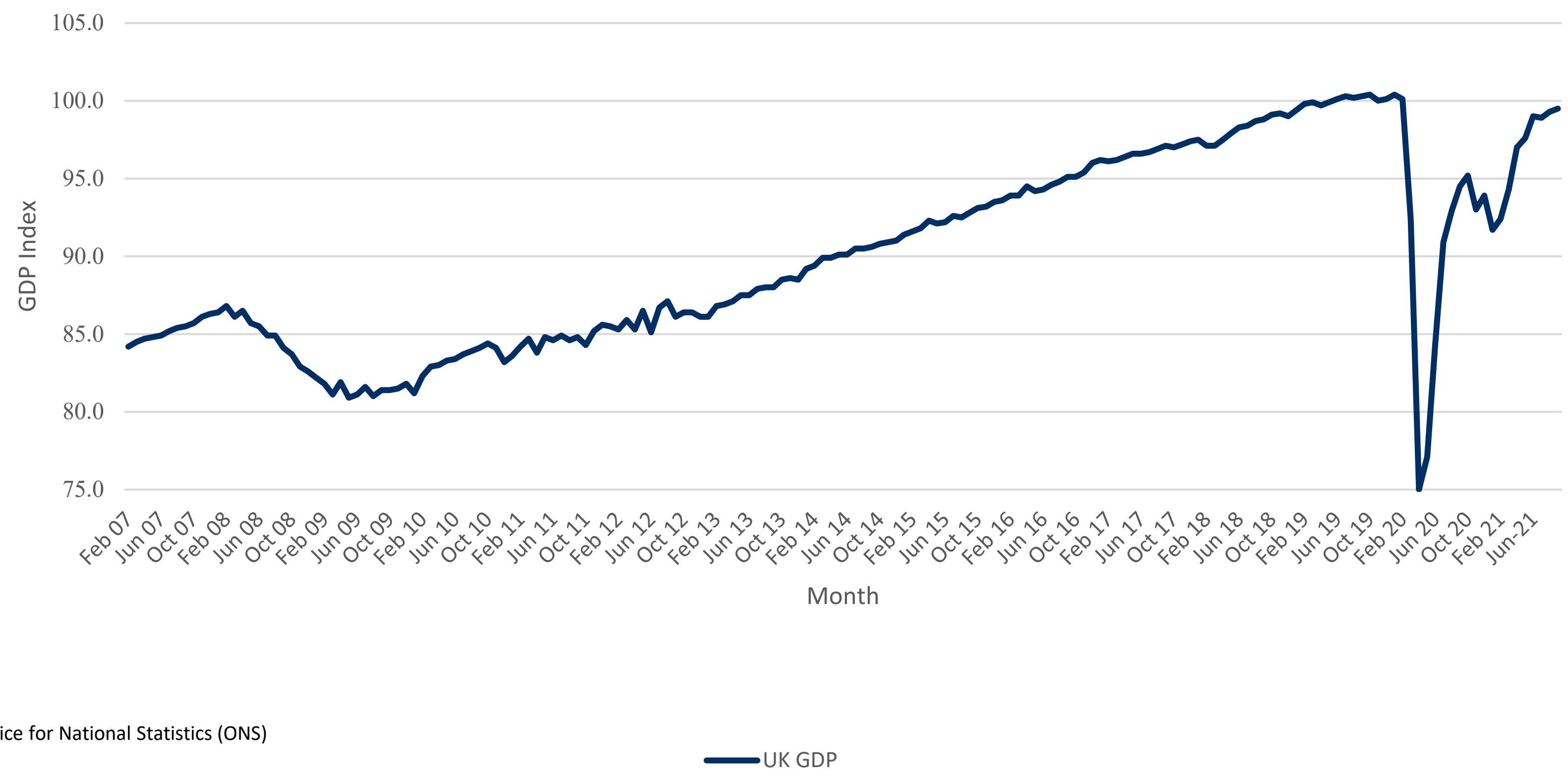
State of the Economy

Gross Domestic Product

- Gross domestic product (GDP) is estimated to have grown by 0.6% in September 2021 but remains 0.6% below its pre-coronavirus (COVID-19) pandemic level (February 2020).
- Services output grew by 0.7% while Construction output increased by 1.3% also grew by 1.3% over September 2021.

Monthly UK GDP Index

Gross domestic product (GDP) remains 0.6% below its pre-coronavirus (COVID-19) pandemic level (February 2020).



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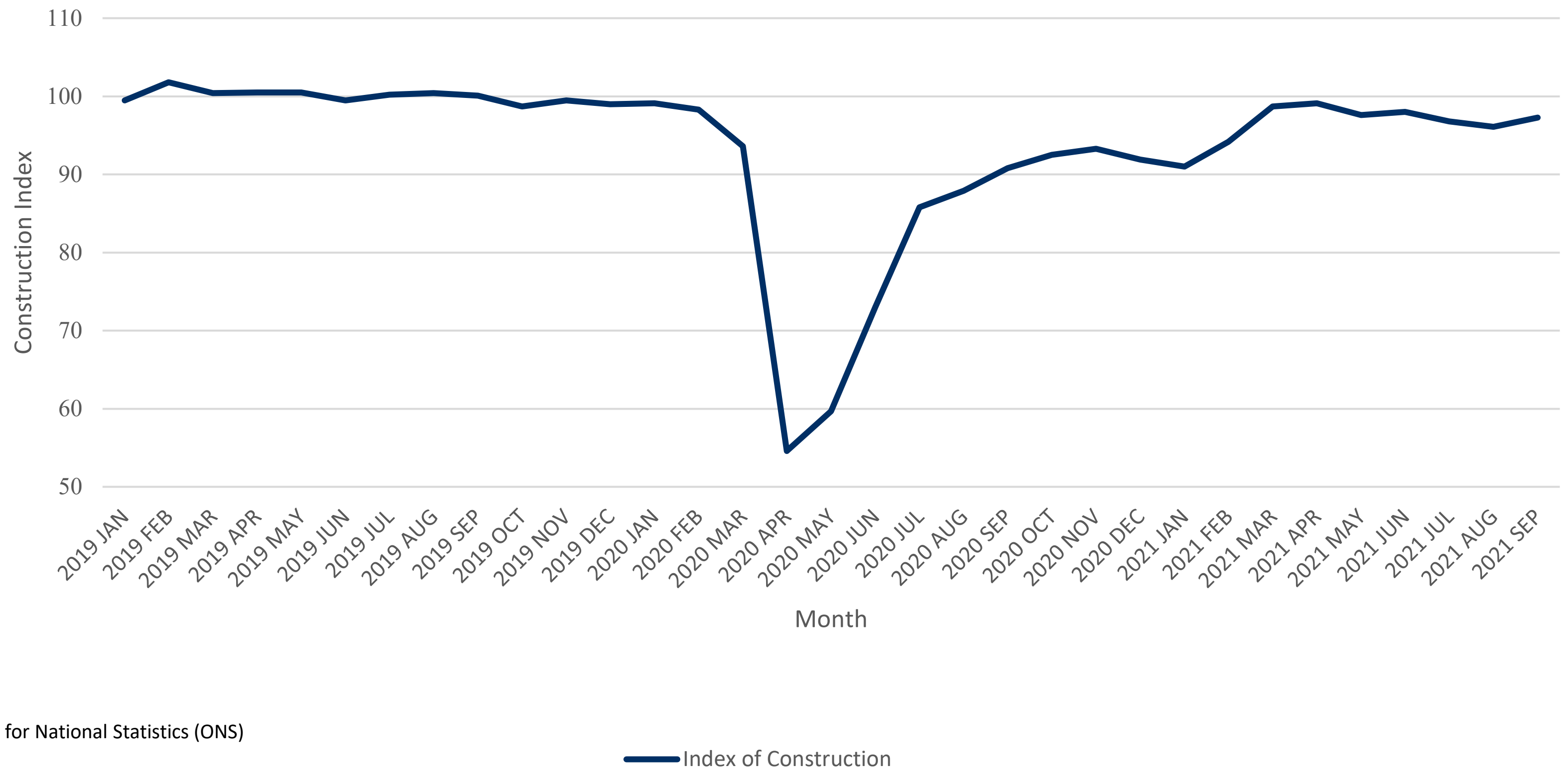
Construction

UK Index of Construction

- Monthly construction output grew 1.3% in volume terms in September 2021; new work and repair and maintenance both grew on the month, increasing by 1.3% and 1.2% respectively.

UK Index of Construction

Monthly construction output is still 1% below pre-pandemic level.



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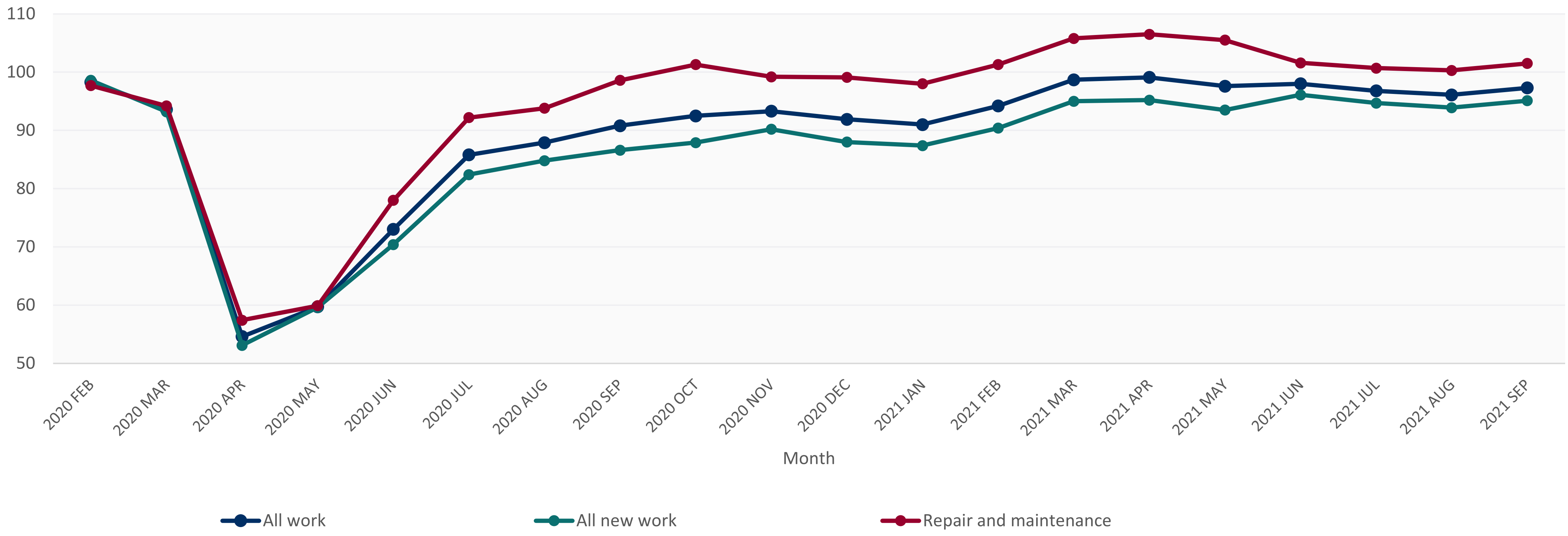
Construction output main figures

Monthly index, chained volume measure, seasonally adjusted, Great Britain, February 2020 to September 2021

New work and repair and maintenance both contributed to the monthly increase in the level of all work in September 2021



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Services sector

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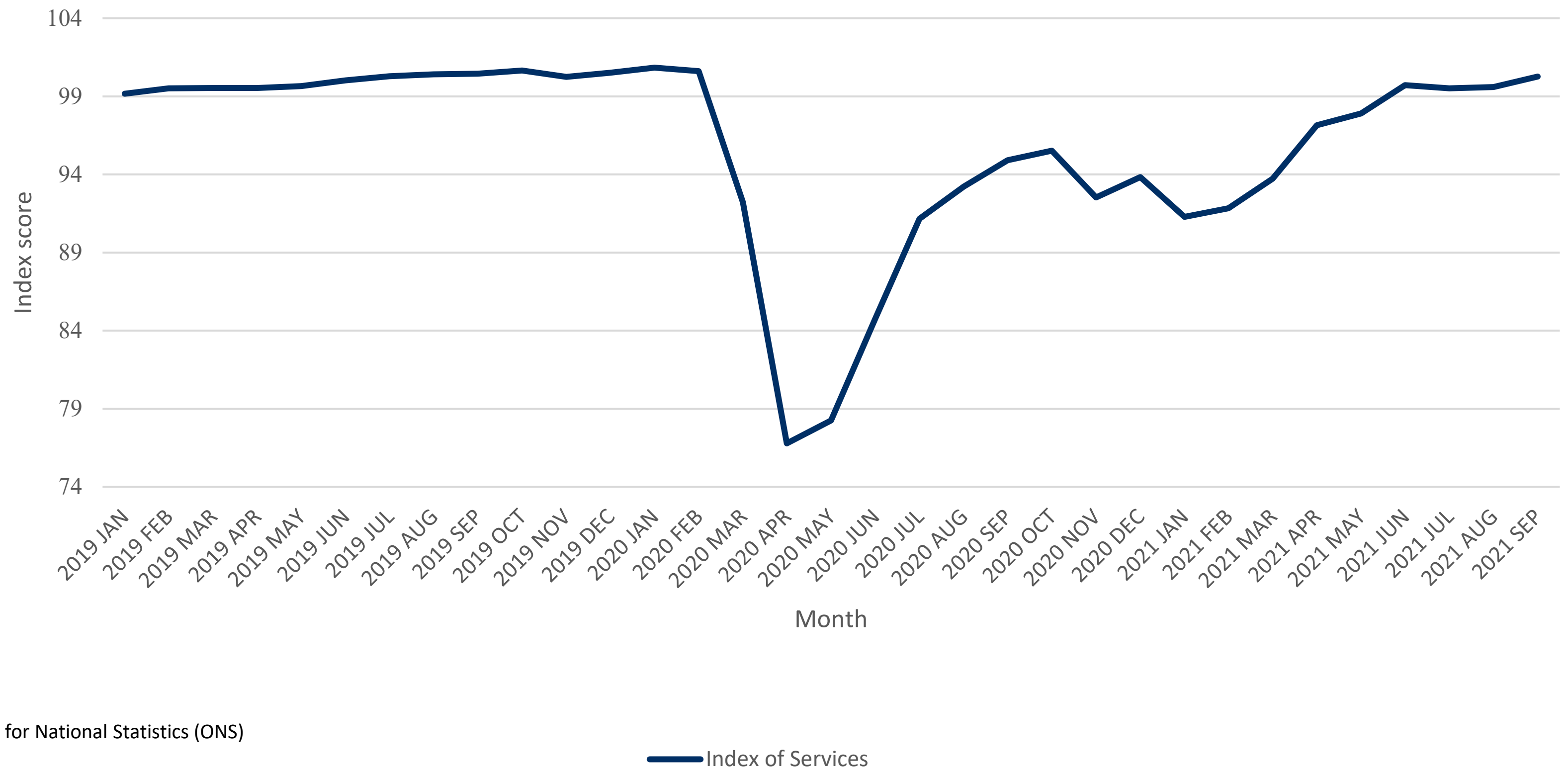
UK Index of Services

- Monthly services output grew by 0.7% between August 2021 and September 2021 but was still 0.3% below its February 2020 level.
- There were rises in 10 out of the 14 sectors in the Index of Services with largest percentage growth being in human health and social work activities (4.7%).

UK Index of services

Monthly services output is still 0.6% below pre-pandemic level; however, admin and support service activities are just



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Index of Services - Contributors

Average monthly revenue of the main industries that contributed to volatility in the index of services

Demand for cleaning and security services has remained steady throughout the COVID-19 pandemic.

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Retail and Wholesale sector

Retail and Wholesale Index

- The Retail and Wholesale index had recovered to February levels by July 2020.
- The Retail and Wholesale sector has outperformed pre-pandemic levels since March 2021.
- The Index of Services remained lower than pre-pandemic levels until July 2021.
- The Index of Services and the Retail and Wholesale index grew by 0.7% and 0.9% in September 2021 respectively.

UK Services Index

While largely remaining in line with the index of services prior to the pandemic, wholesale and retail trade has recovered at a much faster rate than the wider sector due to the strong performance of online and food retailers.

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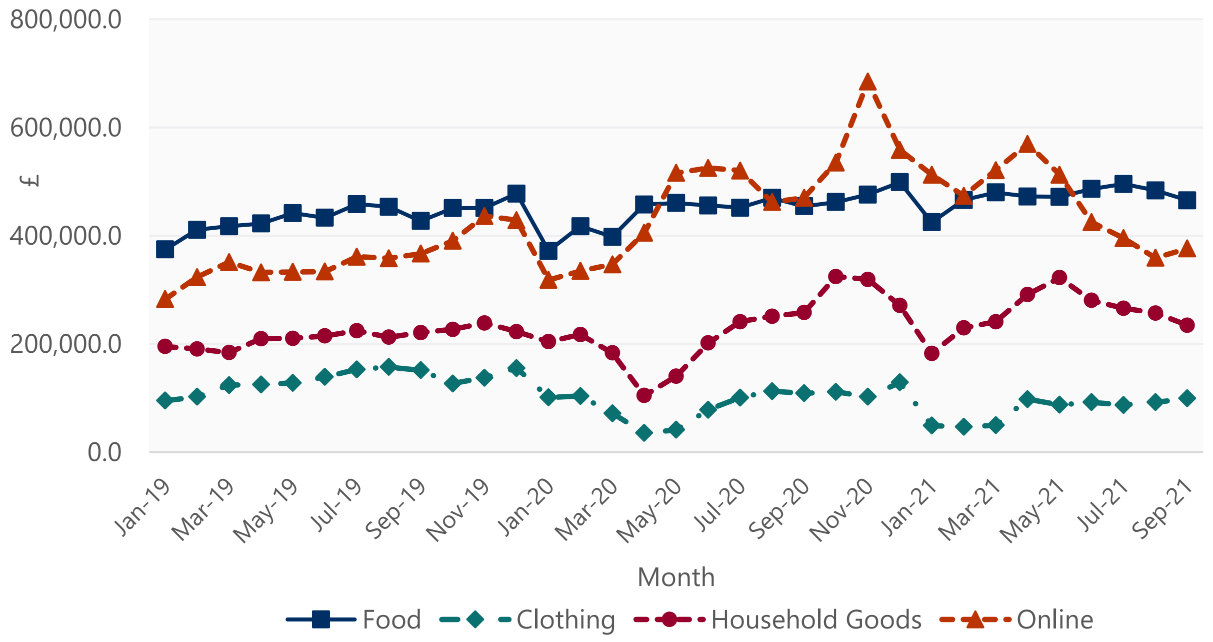
Average Weekly Revenue - Retail

Average weekly revenue of small retail businesses

Small online retailers rapidly over took small food retailers following the initial outbreak but have been declining since April 2021.



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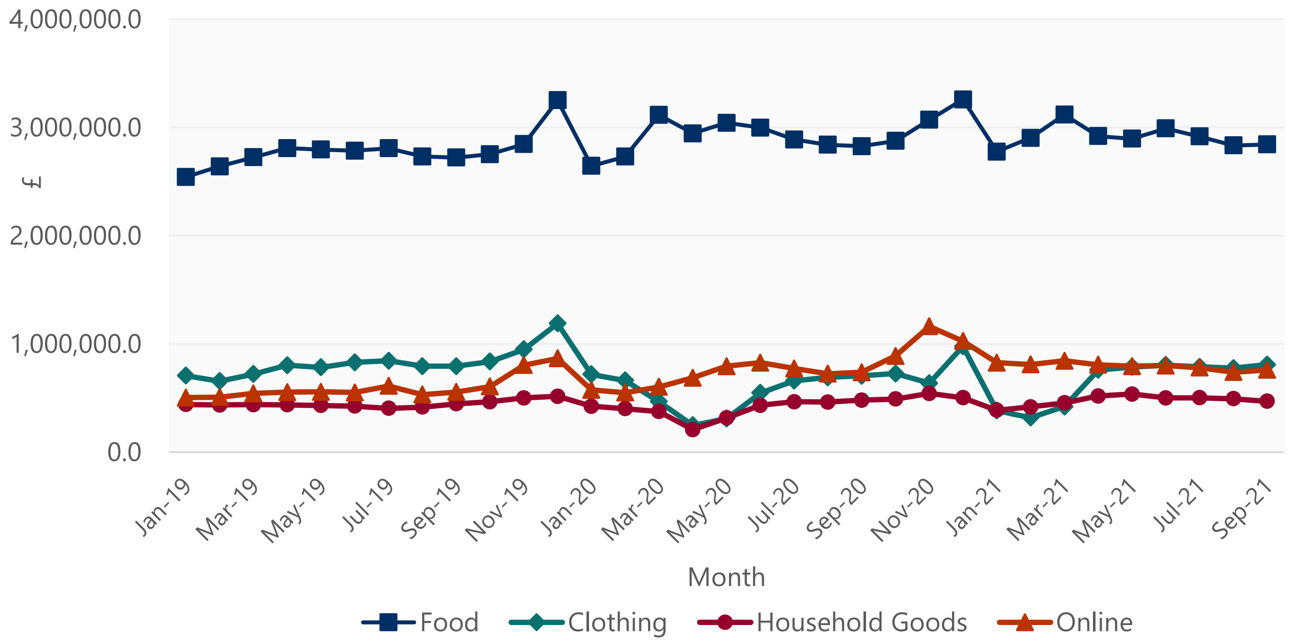
Average weekly revenue of large retail businesses

UK supermarkets continue to dominate the large retail landscape, while clothing retailers were worst affected by the pandemic.



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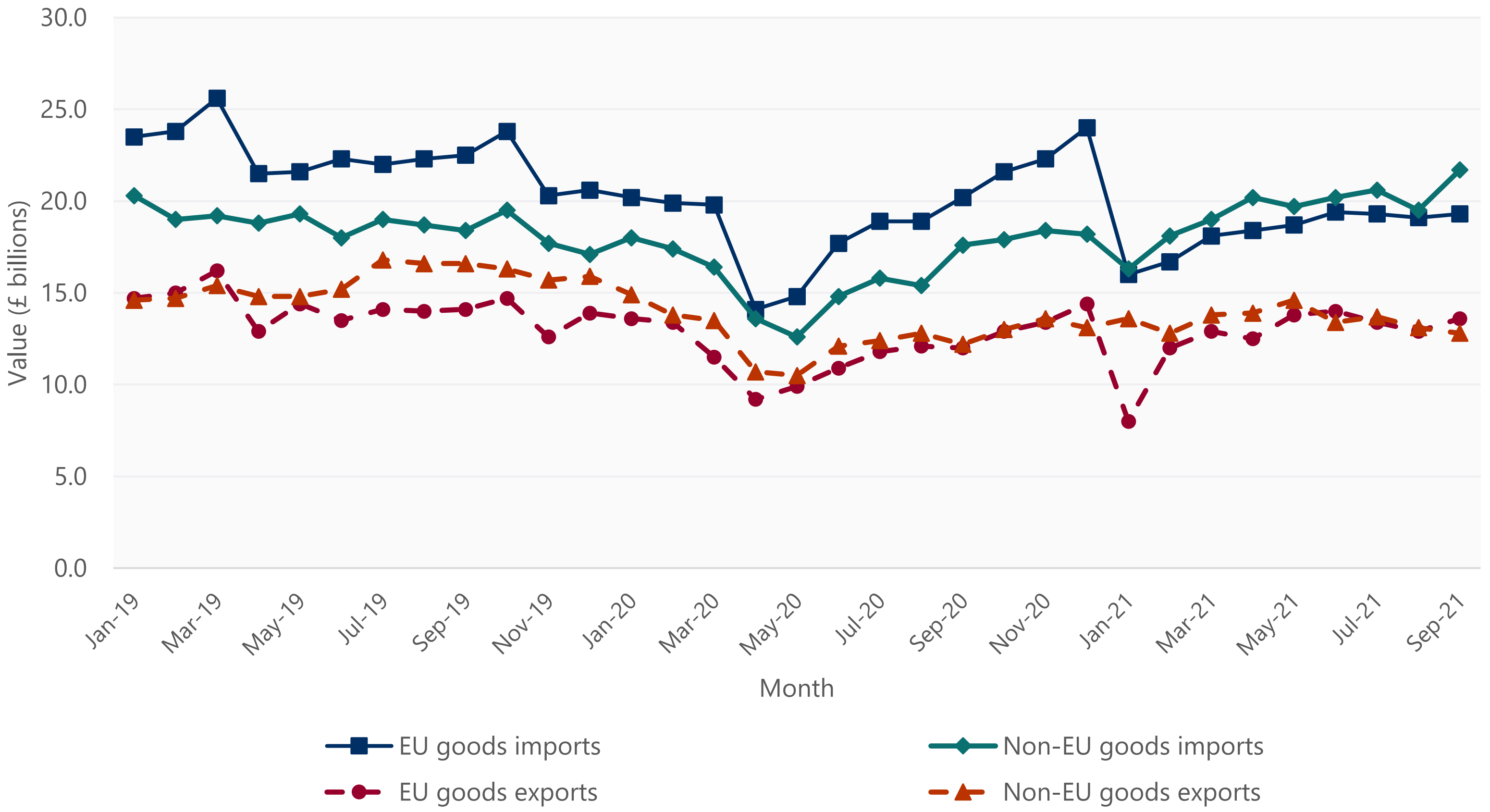
Shipping Disruptions

Trade

- Clear signs of stockpiling in the build up to December 2020 deadline of transition period
- In January, EU imports and exports fell 30% and 41.9% respectively
- EU exports able to recover from January 2021 drop, while EU imports remain far below pre-Brexit levels
- Non-EU imports rose 23.3% in the year through September 2021

EU and non-EU goods imports and exports

Excludes non-monetary gold and other precious metals, with EU and non-EU countries, January 2019 to August 2021



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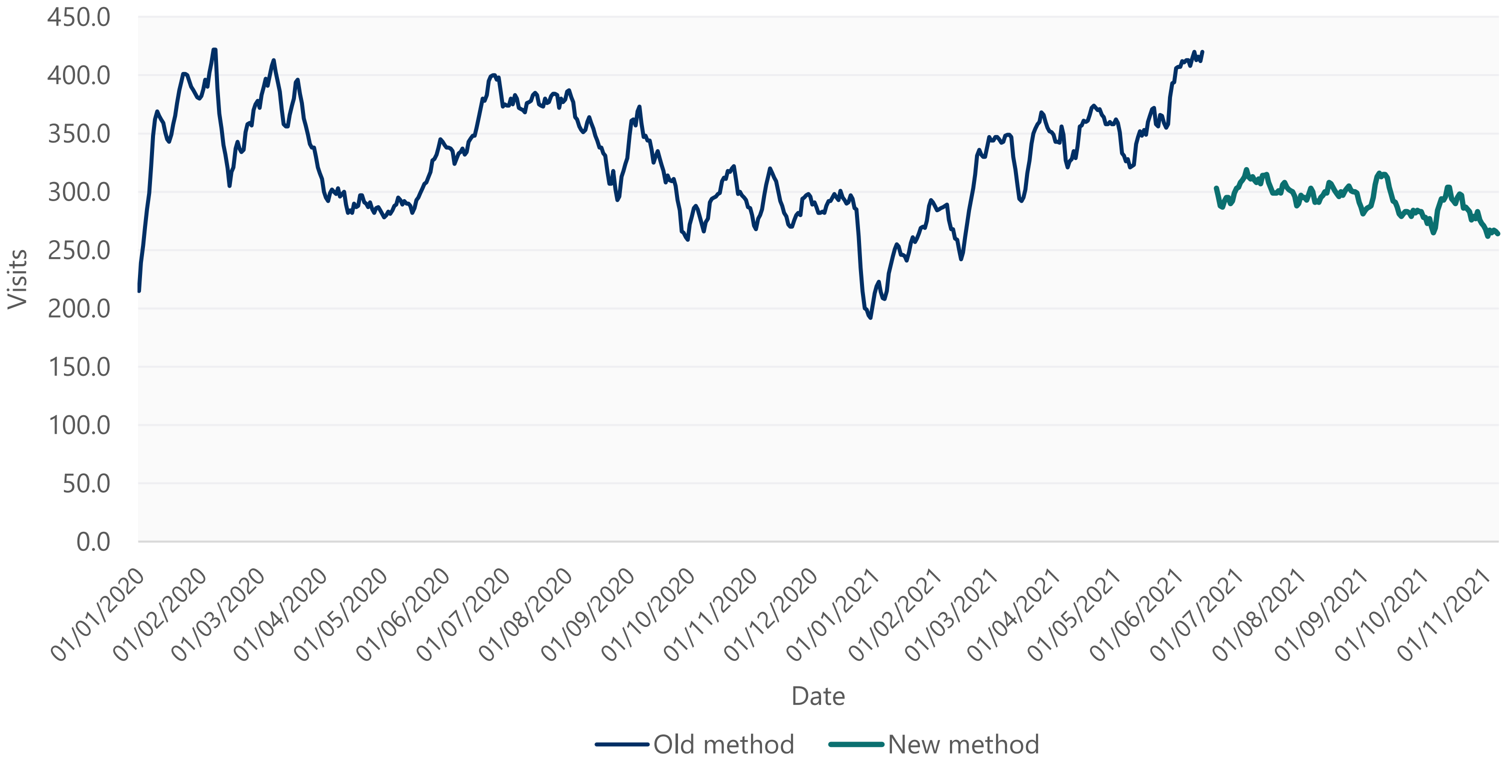
Trade – Ship Visits

- Ship visits fell significantly during lockdown periods, but recovered quickly.
- By March 2021 ship visits had reached pre-pandemic levels

Daily ship visits

Rolling seven day average ship visits 1 January 2020 to 03 October 2021



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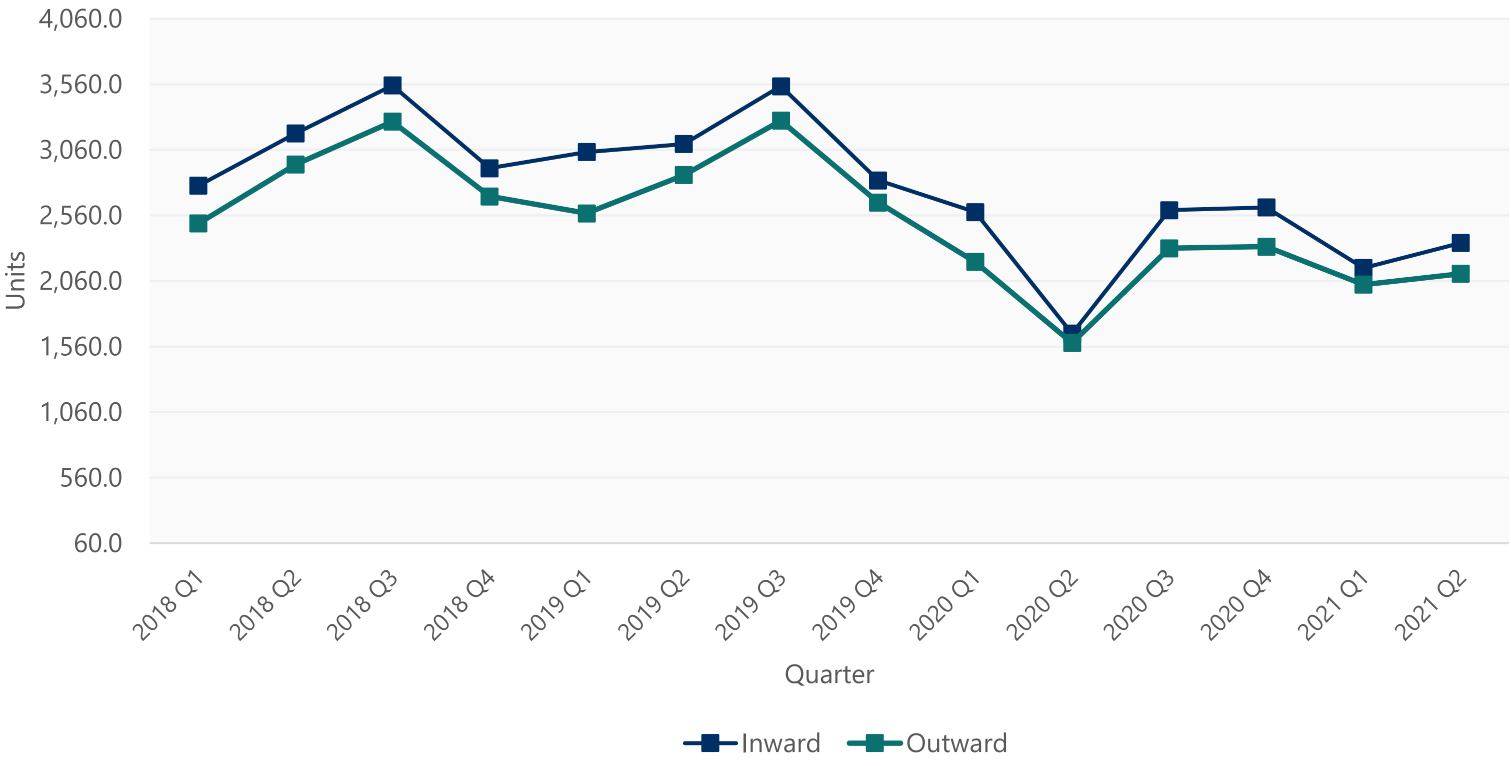
Data collection method chaged from 14 June 2021 onwards

Trade – Major Port Traffic

- UK ports still operating far below capacity despite recovery in ship visits
- Drops over the first half of 2020 and first quarter of 2021 caused by COVID-19 and Brexit respectively

UK major port freight traffic

Quarterly units of UK major port traffic



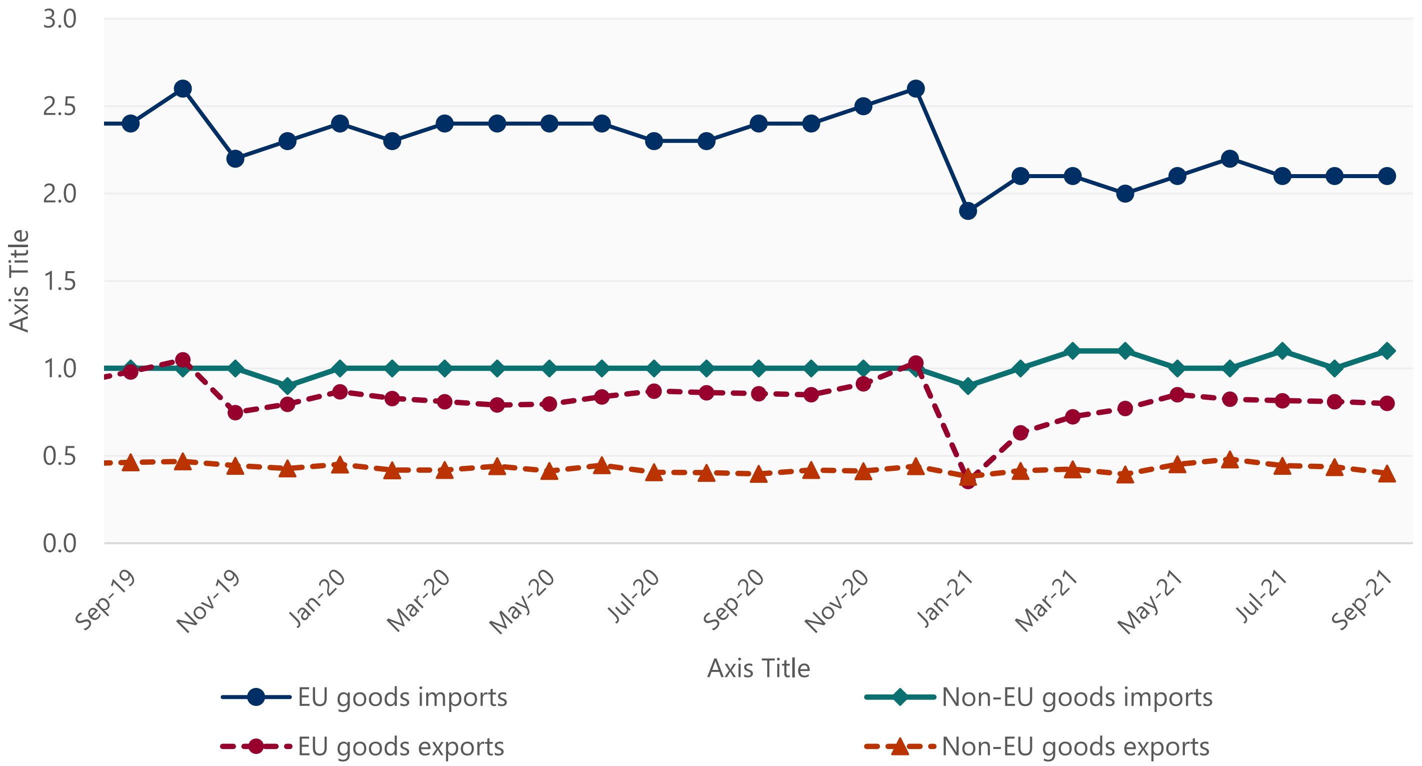
Department for Transport Statistics

Trade – Food and Live Animals

- Minor signs of stockpiling in the build up to December 2020 deadline of transition period
- In January 2021, EU imports and exports fell a respective 25.6% and 65.7%
- Total food imports fell 5.8% year on year in September 2021

Food and live animals imports and exports

Value by EU and non-EU countries, August 2019 to August 2021



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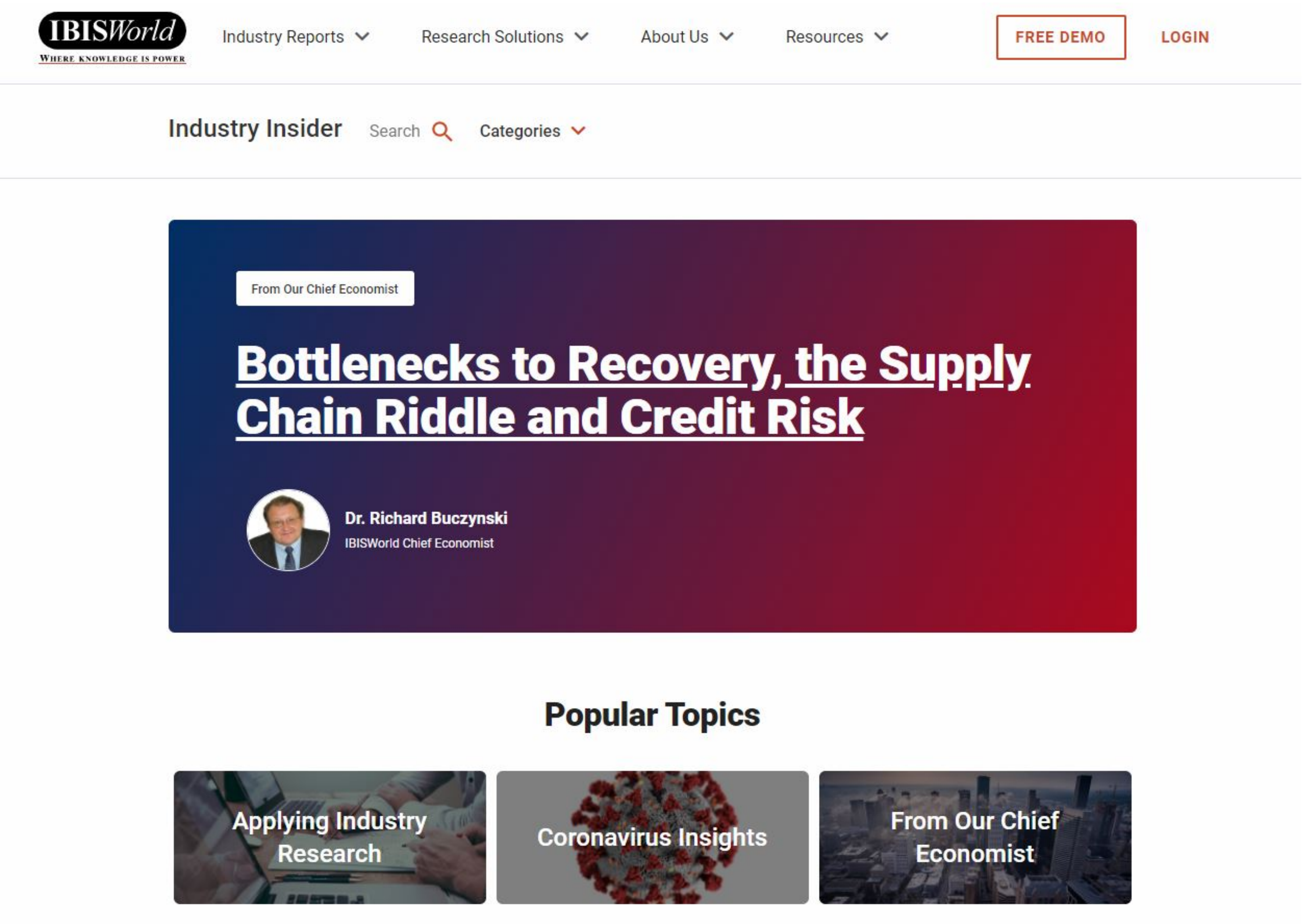

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