

Statistical bulletin

Business investment in the UK: January to March 2025 revised results

Estimates of short-term indicators of investment in non-financial assets; business investment, and asset and sector breakdowns of total gross fixed capital formation.

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Correction

3 July 2025 13:55

The subheading for Figure 2 and some text referencing the figure has been changed. No data is impacted. We apologise for any inconvenience caused.

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1 . Main points

- UK business investment increased by 3.9% in Quarter 1 (Jan to Mar) 2025, revised down from a 5.9% increase in the provisional estimate.
- The largest contributors to the increase in business investment were increases in transport equipment and ICT equipment and other machinery and equipment, partially offset by decreases in intellectual property products (IPP).
- UK business investment is 6.1% above the level seen in the same quarter a year ago.
- UK whole economy investment (technically known as gross fixed capital formation (GFCF)), which includes business and public sector investment, increased by 2.0% in Quarter 1 2025, revised down from a 2.9% increase in the provisional estimate.
- UK GFCF is 3.5% above the level seen in the same quarter a year ago.
- This release contains datasets for Quarter 1 2025 business investment revised results.

2 . Business investment and whole economy investment data

This bulletin contains the latest updates to UK business investment and UK whole economy investment (technically known as gross fixed capital formation (GFCF)), which includes business and public sector investment data. Only Quarter 1 (Jan to Mar) 2025 data are open to revision.

Figure 1: Gross fixed capital formation (GFCF) and business investment both increased to record levels this quarter

UK business investment and whole economy investment, chained volume measure, seasonally adjusted, Quarter 1 (Jan to Mar) 1997 to Quarter 1 2025

Notes

1. Q1 refers to Quarter 1 (Jan to Mar), Q2 refers to Quarter 2 (Apr to June), Q3 refers to Quarter 3 (July to Sept) and Q4 refers to Quarter 4 (Oct to Dec).
2. UK business investment, chained volume measure, seasonally adjusted, excluding the reclassification of British nuclear fuels (BNFL) in Quarter 2 2005.
3. Quarter 2 2020 showed the largest fall on record for GFCF, excluding the reclassification of British Nuclear Fuels (BNFL) in Quarter 2 2005.
4. Index is referenced to Quarter 1 2022 equals 100.

Business investment

UK business investment increased by 3.9% in Quarter 1 2025 and is 6.1% above where it was in the same quarter a year ago.

The Quarter 1 2025 increase is mainly caused by increases in transport equipment and ICT equipment and other machinery and equipment, with a smaller increase in buildings. This is partially offset by a decrease in intellectual property products (IPP), as shown in Figure 2.

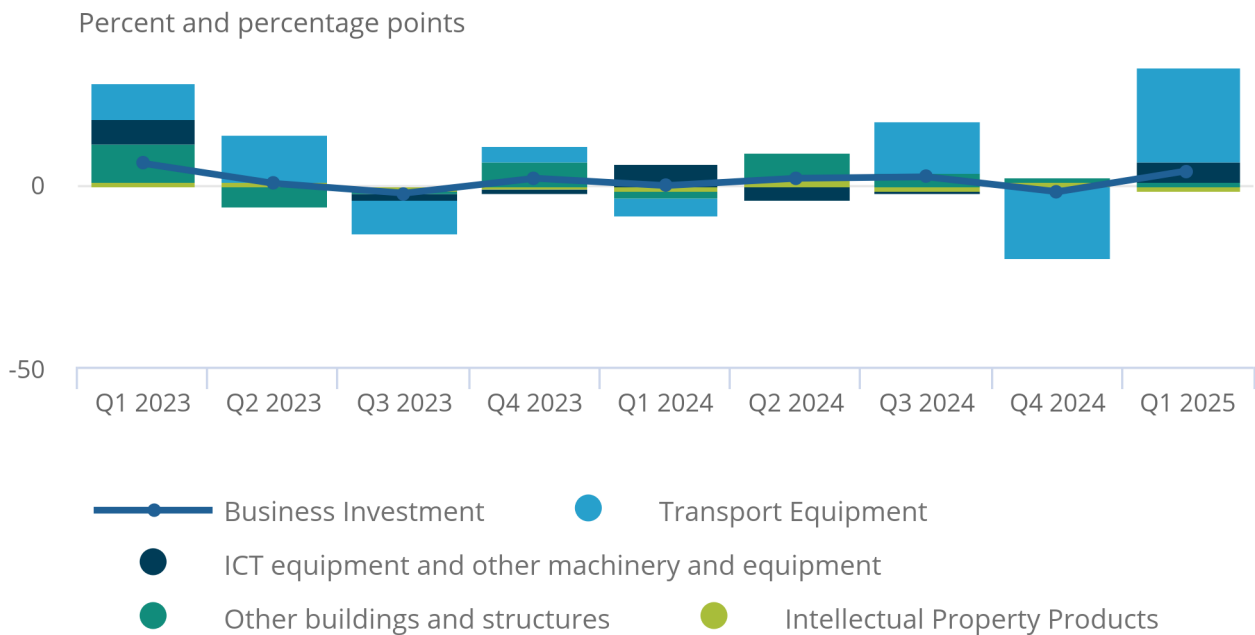
The strength of investment in transport equipment this quarter comes from the relative increase in aircraft investment compared to the previous quarter.

Figure 2: Business investment has increased this quarter, after decreasing in the previous quarter

Business investment growth by asset, chained volume measure, seasonally adjusted, Quarter 1 (Jan to Mar) 2023 to Quarter 1 2025

Figure 2: Business investment has increased this quarter, after decreasing in the previous quarter

Business investment growth by asset, chained volume measure, seasonally adjusted, Quarter 1 (Jan to Mar) 2023 to Quarter 1 2025



Source: Business investment in the UK from the Office for National Statistics

Notes:

1. Q1 refers to Quarter 1 (Jan to Mar), Q2 refers to Quarter 2 (Apr to June), Q3 refers to Quarter 3 (July to Sept) and Q4 refers to Quarter 4 (Oct to Dec).

Whole economy investment

UK GFCF increased by 2.0% in Quarter 1 2025 and is 3.5% above where it was in the same quarter a year ago.

The main contributor to the increase in GFCF in the latest quarter is transport equipment, with a smaller contribution from ICT equipment and other machinery equipment. However, this positive contribution is partially offset by falls in IPP, and in other buildings and structures and transfer costs.

Government investment decreased by 1.7% in Quarter 1 2025, revised up from a 2.7% decrease in the provisional estimate. This is the first period of negative growth for government investment since Quarter 1 (Jan to Mar) 2024.

3 . Revisions to business investment and whole economy investment data

Business investment

In this release, UK business investment for Quarter 1 (Jan to Mar) 2025 has been revised down to a 3.9% increase from a 5.9% increase in the provisional estimate. This revision is mainly caused by negative revisions for ICT equipment and other machinery and equipment, buildings, and intellectual property products (IPP), partially offset by positive revisions to transport equipment. Revisions partly reflect later survey data in addition to revisions to our seasonal adjustment models. No GDP balancing adjustments were applied to estimates for Q1 2025. Further information on the GDP balancing process can be found in our [GDP Quarterly National Accounts, UK: January to March 2025 bulletin](#).

Whole economy investment

UK whole economy investment (technically known as GFCF), which includes business and public sector investment, increased by 2.0% in Quarter 1 2025, revised down from a 2.9% increase in the provisional estimate. This downwards revision is the result of negatively revised contributions from ICT equipment and other machinery and equipment, other buildings and structures and transfer costs, and IPP, partially offset by upwards revisions to transport equipment.

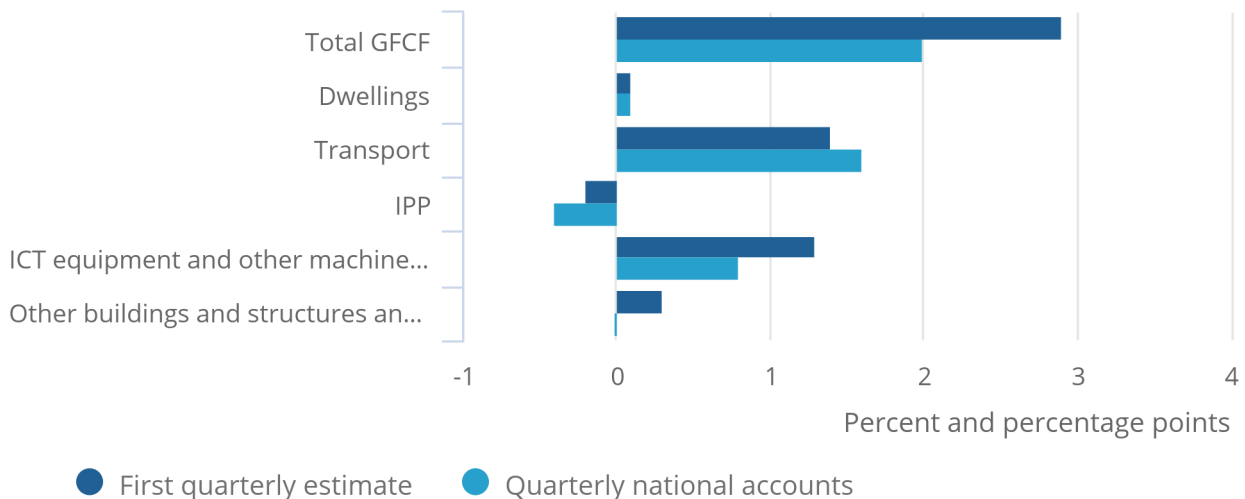
The revisions to contributions to GFCF growth in Quarter 1 (Jan to Mar) 2025 are shown in Figure 3. These revisions are the result of a combination of later data and revised seasonal adjustment.

Figure 3: Gross fixed capital formation (GFCF) growth was revised downwards for Quarter 1 2025

Revisions to UK whole economy investment contributions to growth by asset, chained volume measure, seasonally adjusted, Quarter 1 (Jan to Mar) 2025

Figure 3: Gross fixed capital formation (GFCF) growth was revised downwards for Quarter 1 2025

Revisions to UK whole economy investment contributions to growth by asset, chained volume measure, seasonally adjusted, Quarter 1 (Jan to Mar) 2025



Source: Business investment in the UK from the Office for National Statistics

Notes:

1. Q1 refers to Quarter 1 (Jan to Mar), Q2 refers to Quarter 2 (Apr to June), Q3 refers to Quarter 3 (July to Sept) and Q4 refers to Quarter 4 (Oct to Dec).

4 . International comparisons of whole economy investment for the G7 nations

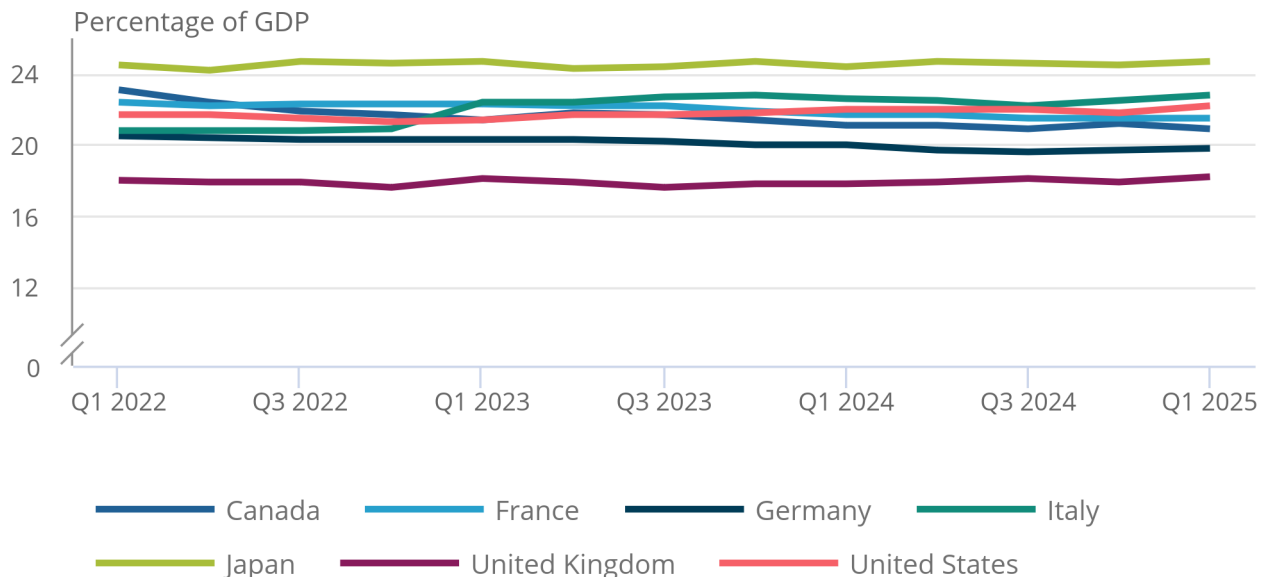
Using data collated by the Organisation for Economic Co-operation and Development (OECD) from relevant national statistical institutes, we can compare whole economy investment (labelled gross fixed capital formation (GFCF) in OECD data tables) within the G7 nations. Figure 4 shows annual whole economy investment as a percentage of GDP for the G7 nations from Quarter 1 (Jan to Mar) 2022 onwards. Whole economy investment in the UK was 18.2% of GDP in Quarter 1 2025, the lowest of the G7 nations.

Figure 4: G7 gross fixed capital formation (GFCF) as a percentage of gross domestic product (GDP)

G7 nations' GFCF as a percentage of GDP, chained volume measures, seasonally adjusted, Quarter 1 (Jan to Mar) 2022 to Quarter 1 2025

Figure 4: G7 gross fixed capital formation (GFCF) as a percentage of gross domestic product (GDP)

G7 nations' GFCF as a percentage of GDP, chained volume measures, seasonally adjusted, Quarter 1 (Jan to Mar) 2022 to Quarter 1 2025



Source: Business investment in the UK from the Office for National Statistics and the Organisation for Economic Co-operation and Development (OECD)

Notes:

1. Data for the UK were sourced from the latest GFCF and GDP series produced by the Office for National Statistics (ONS). Percentage figures were obtained by dividing GFCF by GDP for each country and quarter.
2. The Group of 7 (G7) nations is an intergovernmental organisation consisting of Canada, France, Germany, Italy, Japan, the UK and the US.
3. Data for non-UK countries were sourced from the [Organisation for Economic Co-operation and Development \(OECD\)](#) on 26 June 2025. It was the latest data available at the time of production of this bulletin and included provisional data that may subsequently have been revised.

5 . Data on business investment

[Business investment by asset](#)

Dataset | Released on 30 June 2025

Detailed breakdown of business investment by asset, in current prices and chained volume measures, non-seasonally adjusted and seasonally adjusted, UK.

[Business investment by industry and asset](#)

Dataset | Released on 30 June 2025

Detailed breakdown of business investment by industry and asset, in current prices and chained volume measures, non-seasonally adjusted and seasonally adjusted, UK.

[Gross fixed capital formation - by sector and asset](#)

Dataset | Released 30 June 2025

Sector and asset breakdowns of gross fixed capital formation (GFCF), including business investment and revisions.

[Quarterly Stocks Survey \(QSS\) and Capital Assets Survey \(QCAS\) Textual Data Analysis](#)

Dataset | Released 30 June 2025

Based on qualitative responses from businesses to our Quarterly Acquisitions and Disposals of Capital Assets Survey (QCAS) and Quarterly Stocks Survey (QSS).

[Annual gross fixed capital formation - by sector and asset](#)

Dataset | Released 01 November 2024

Annual estimates of gross fixed capital formation (investment) by industry and asset, in current prices and chained volume measures, consistent with the UK National Accounts.

6 . Glossary

7 . Data sources and quality

Quality and methodology information on strengths, limitations, appropriate uses, and how the data were created is available in our [Business investment quality and methodology information \(QMI\)](#).

Revisions

In line with [our National Accounts Revisions Policy](#), the data are open to revision for Quarter 1 (Jan to Mar) 2025 for current price (CP) data, and chained volume measure (CVM) estimates.

Data in this bulletin

All data in this bulletin are presented in chained volume measure (CVM), unless otherwise specified. This means the effect of price changes is removed from the data (in other words, the data are deflated).

In Quarter 1 2025, the Quarterly Acquisitions and Disposals of Capital Assets Survey (QCAS), the largest data source for gross fixed capital formation (GFCF) and business investment, had a response rate of 77.7% for estimates used in the revised release.

Adjustments

Large capital expenditure tends to be reported later in the data collection period than smaller capital expenditure. This means that larger expenditures are often included in the revised (month three) results but are not reported in time for the provisional (month two) results. This can result in upward revisions in the later estimates for business investment and GFCF. Following investigation of the impact of this effect, from Quarter 3 (Jul to Sept) 2013, a bias adjustment was introduced in the provisional estimate.

This adjustment was suspended in Quarter 3 2020 because of uncertainties surrounding the effect of the coronavirus (COVID-19) pandemic. However, the bias adjustment was reintroduced to business investment and GFCF, after further investigation and analysis of its impact since Quarter 4 (Oct to Dec) 2021. As usual, we have removed the bias adjustment for the revised release.

Producer prices publications

Business prices data with corrected chain-linking methods have been used in this release for producer price indices (PPI), import prices indices (IPI) and export price indices (EPI). In line with the National Accounts revisions policy, updated data have only been used from January 2025 onwards.

Corrected service producer price indices (SPPI) have not been included. Further analysis will be made on the corrected SPPI dataset, and we provisionally intend to include this in our GDP monthly estimate, UK: June 2025 bulletin and our GDP first quarterly estimate, UK: April to June 2025 bulletin on 14 August. The full implementation of updated business prices data will be managed in line with the National Accounts revisions policy with the full time series update being included in our GDP quarterly national accounts, UK: April to June 2025 release on 30 September 2025 and Blue Book 2025 publication.

Further information on the chain-linking error in the producer prices dataset are detailed in our producer prices publications update.

Accredited official statistics

These accredited official statistics were independently reviewed by the [Office for Statistics Regulation](#) in September 2013. They comply with the standards of trustworthiness, quality and value in the [Code of Practice for Statistics](#) and should be labelled "accredited official statistics".

8 . Related links

[GDP quarterly national accounts, UK: January to March 2025](#)

Bulletin | Released 30 June 2025

Revised quarterly estimate of gross domestic product (GDP) for the UK. Uses additional data to provide a more precise indication of economic growth than the first estimate.

[National balance sheet estimates for the UK: 2024](#)

Bulletin | Released 11 December 2024

Annual estimates of the market value of financial and non-financial assets for the UK, providing a measure of the nation's wealth.

[Capital stocks and fixed capital consumption](#)

Bulletin | Released 29 November 2024

Annual estimates of the value and types of non-financial assets used in the production of goods or services within the UK economy and their loss in value over time.

[Experimental regional gross fixed capital formation \(GFCF\) estimates by asset type, UK](#)

Article | Released 8 December 2023

Gross fixed capital formation estimates broken down by asset type, international territorial levels and local authority districts.

[Investment in intangible assets in the UK: 2022](#)

Article | Released 25 November 2024

Estimates of investment, both purchased and own-account production, of intangible assets, and investment in intangible assets by industry. These are official statistics in development.

[Volume Index Capital Services \(VICS\), annual, UK](#)

Dataset | Released 23 May 2025

Annual Volume Index of Capital Services estimates for the UK market sector. These are official statistics in development.

[A short guide to gross fixed capital formation and business investment](#)

Article | Released 25 May 2017

This article provides a useful background of how to interpret, compare and analyse statistics regarding gross fixed capital formation and business investment.

9 . Cite this statistical bulletin

Office for National Statistics (ONS), released 30 June 2025, ONS website, statistical bulletin, [Business investment in the UK: January to March 2025 revised results](#)