

Statistical bulletin

# Business investment in the UK: October to December 2024 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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# 1 . Main points

- UK business investment decreased by 1.9% in Quarter 4 (Oct to Dec) 2024, revised up from a 3.2% decrease in the provisional estimate.
- The largest contributors to the fall in business investment were decreases in transport, partially offset by increases in buildings and intellectual property products (IPP).
- UK business investment is 1.8% 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, decreased by 0.6% in Quarter 4 2024, revised up from a 0.9% decrease in the provisional estimate.
- UK GFCF is 2.2% above the level seen in the same quarter a year ago.

## 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. Data are open to revision from Quarter 1 (Jan to Mar) 2023 to Quarter 4 (Oct to Dec) 2024 for current price (CP) data and chained volume measure (CVM) estimates.

### **Figure 1: Gross fixed capital formation (GFCF) and business investment both decreased in Quarter 4 (Oct to Dec) 2024 for the first time since Quarter 3 (July to Sept) 2023**

**UK business investment and whole economy investment, chained volume measure, seasonally adjusted, Quarter 1 (Jan to Mar) 1997 to Quarter 4 (Oct to Dec) 2024**

#### 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.

## Business investment

UK business investment decreased by 1.9% in Quarter 4 2024 and is 1.8% above where it was in the same quarter a year ago.

The Quarter 4 2024 decrease is mainly caused by negative contributions from transport. This is partially offset by positive contributions from other buildings and structures and intellectual property products (IPP), as shown in Figure 2.

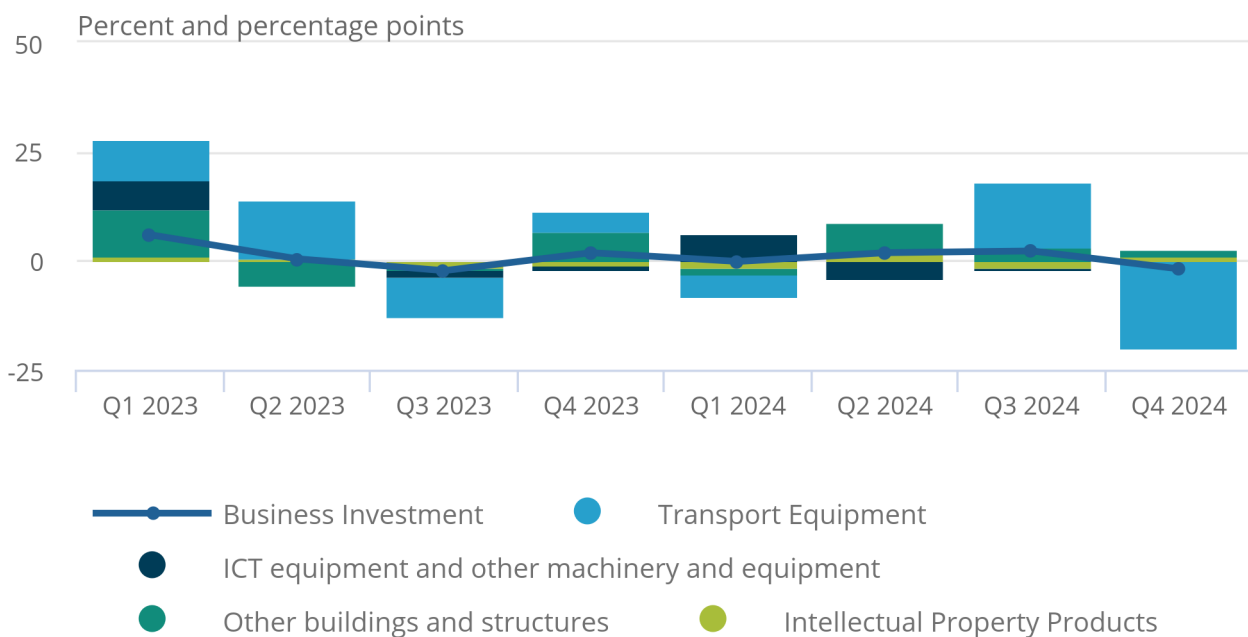
The decrease in transport investment is partly the result of a reaction to the increase in the previous quarter, where the positive growth in Quarter 3 2024 was mainly caused by aircraft investment.

### Figure 2: Business investment has declined this quarter, after growing positively in the previous two quarters

Contributions to UK business investment growth by asset, chained volume measure, seasonally adjusted, Quarter 1 (Jan to Mar) 2023 to Quarter 4 (Oct to Dec) 2024

### Figure 2: Business investment has declined this quarter, after growing positively in the previous two quarters

Contributions to UK business investment growth by asset, chained volume measure, seasonally adjusted, Quarter 1 (Jan to Mar) 2023 to Quarter 4 (Oct to Dec) 2024



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 decreased by 0.6% in Quarter 4 2024 and is 2.2% above where it was in the same quarter a year ago.

The main contributor to the decline in GFCF in the latest quarter is transport with a smaller contribution from dwellings. However, this negative contribution is partially offset by rises in other buildings and structures, in IPP, and in ICT equipment and other machinery and equipment.

Government investment increased by 1.5% in Quarter 4 2024, revised down from a 4.0% increase in the provisional estimate.

This is the first period of negative growth for GFCF since Quarter 3 (July to Sept) 2023, which itself followed a fall in Quarter 2 2023.

## 3 . Revisions to business investment and whole economy investment data

### Business investment

In this release, UK business investment for Quarter 4 (Oct to Dec) 2024 has been revised up to a 1.9% decrease from a 3.2% decrease in the provisional estimate. This revision is mainly caused by positive revisions for intellectual property products (IPP), transport, and ICT equipment and other machinery and equipment. Revisions partly reflect later survey data in addition to revisions to our seasonal adjustment models and the application of balancing adjustments as part of the GDP balancing process. Further information on the GDP balancing process can be found in our [GDP Quarterly National Accounts, UK: October to December 2024 bulletin](#).

Broadly positive revisions to Business Investment in Quarter 1 (Jan to Mar) 2023 and Quarter 3 (Jul to Sept) 2023 onwards were partially offset by a downwards revision to Quarter 2 (Apr to Jun) 2023. Later survey data and revisions to seasonal adjustment were the reasons behind these revisions.

## Whole economy investment

UK whole economy investment (technically known as GFCF), which includes business and public sector investment, decreased by 0.6% in Quarter 4 2024, revised up from a 0.9% decrease in the provisional estimate. This upwards revision is the result of positively revised contributions from transport, IPP and ICT equipment and other machinery and equipment, partially offset by downwards revisions to other buildings and structures and transfer costs.

The revisions to contributions to GFCF growth since Quarter 1 (Jan to Mar) 2023 can be seen in Figure 3. The largest revision over this period occurred in Quarter 2 (Apr to Jun) 2024, where an upwards revision of 0.4 percentage points was caused by an increase in contributions from ICT equipment and other machinery and equipment, and IPP.

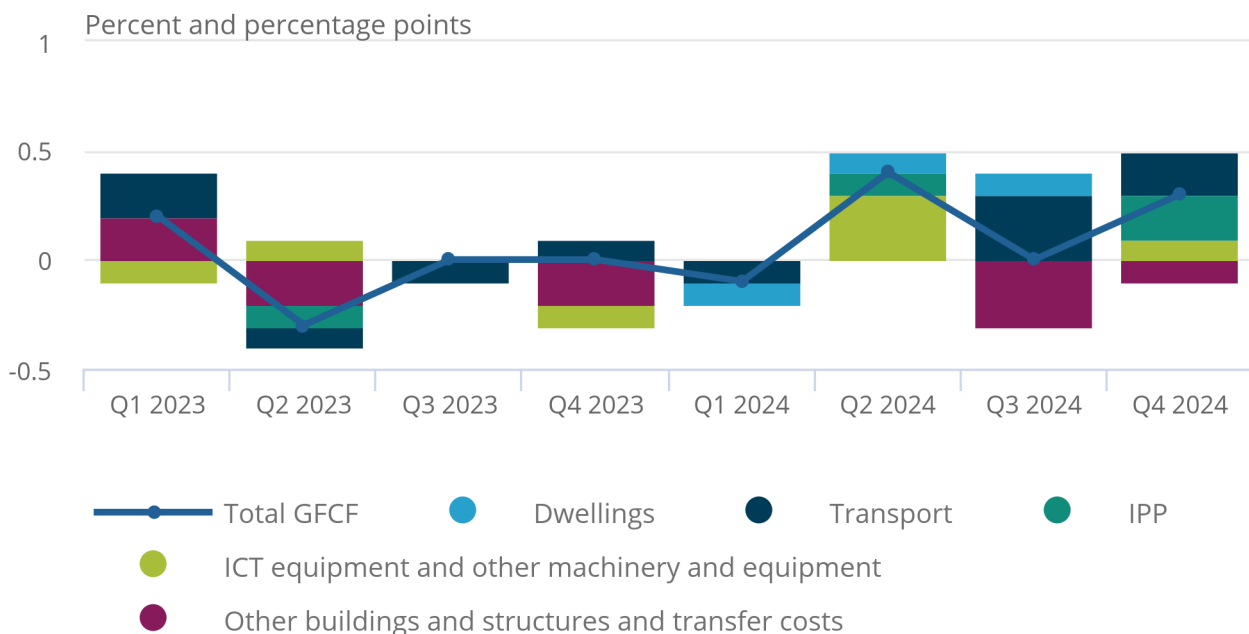
Other notable revisions include an upwards revision of 0.3 percentage points in transport in Quarter 3 (Jul to Sept) 2024 and a downwards revision of 0.3 percentage points in other buildings and structures and transfer costs in Quarter 3 2024. These revisions are the result of a combination of revised seasonal adjustment and later data.

**Figure 3: Gross Fixed Capital Formation (GFCF) growth was revised for some quarters between Quarter 1 2023 to Quarter 4 2024**

Revisions to UK whole economy investment contributions to growth by asset, chained volume measure, seasonally adjusted, Quarter 1 (Jan to Mar) 2023 to Quarter 4 (Oct to Dec) 2024

Figure 3: Gross Fixed Capital Formation (GFCF) growth was revised for some quarters between Quarter 1 2023 to Quarter 4 2024

Revisions to UK whole economy investment contributions to growth by asset, chained volume measure, seasonally adjusted, Quarter 1 (Jan to Mar) 2023 to Quarter 4 (Oct to Dec) 2024



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

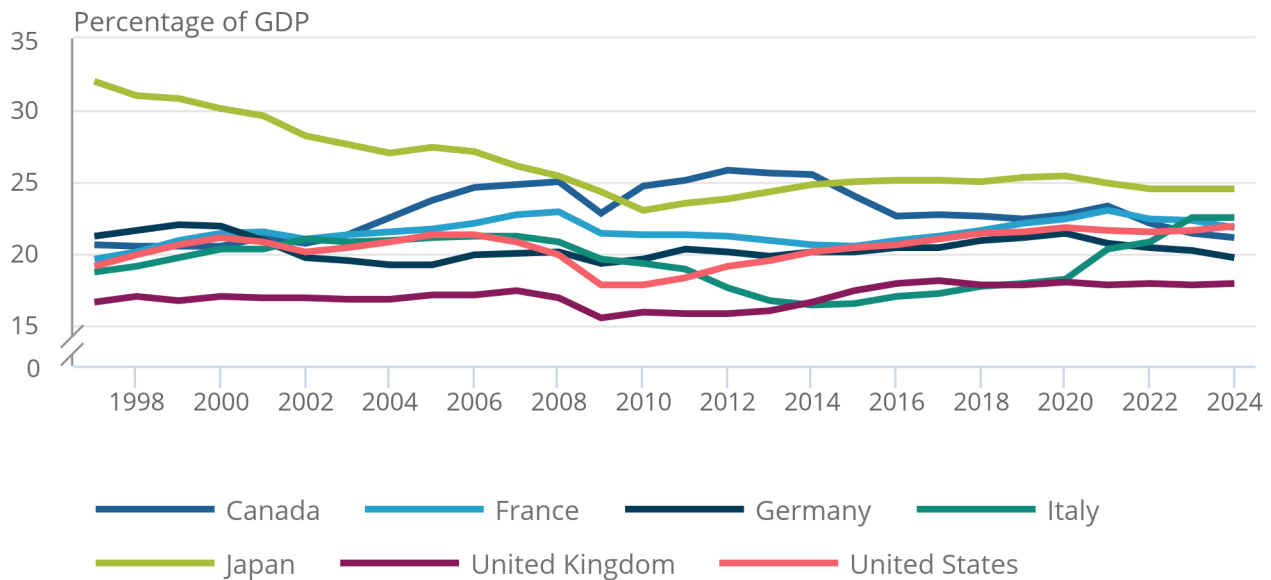
Using data collated by the Organisation for Economic Co-operation and Development (OECD) from relevant national statistical institutes, we can compare whole economy investment (labelled gross fixed capital formation (GFCF) in OECD data tables) within the G7 nations. Figure 4 shows annual whole economy investment as a percentage of GDP for the G7 nations from 1997 onwards. Whole economy investment in the UK was 17.9% of GDP in 2024, the lowest of the G7 nations.

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

G7 nations GFCF as a percentage of GDP, chained volume measures, seasonally adjusted, 1997 to 2024

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

G7 nations GFCF as a percentage of GDP, chained volume measures, seasonally adjusted, 1997 to 2024



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

**Notes:**

1. The Group of 7 (G7) nations is an intergovernmental organisation consisting of Canada, France, Germany, Italy, Japan, the UK and the US.
2. Data for non-UK countries were sourced from the [Organisation for Economic Co-operation and Development](#) (OECD) on 27 March 2025, and were the latest data available at the time of production of this bulletin, and included provisional data and may subsequently have been revised.
3. 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 year.

## 5 . Data on business investment

### [Business investment by asset](#)

Dataset | Released on 28 March 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 28 March 2025

Detailed breakdown of business investment by industry and asset, in current prices and chained volume measures, non-seasonally adjusted and seasonally adjusted, UK, Quarter 1 (Jan to Mar) 1997 to Quarter 4 (Oct to Dec) 2024.

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

Dataset | Released 28 March 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 28 March 2025

The indicators and analysis in this dataset are based on qualitative responses from comments left by responding businesses to both our Quarterly Acquisitions and Disposals of (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 from Quarter 1 (Jan to Mar) 2023 to Quarter 4 (Oct to Dec) 2024 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 4 2024, 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 78.5% 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.

## Pausing of Producer prices publications

As announced on 21 March 2025 in our [Pausing of Producer prices publications statement](#), during work to improve the systems used to create the Producer Price Index (PPI) and the Services Producer Price Indices (SPPI), our quality assurance identified a problem with the chain-linking methods used to calculate these indices.

As these detailed price data are used within GDP calculations, including GFCF, this may lead to impacts on the level of some industries with revisions to estimates for services, production and construction particularly likely in 2022 and 2023. GFCF uses in its estimates, for example, deflators derived from PPIs, SPPIs and Import Price Indices (IPI).

At an aggregate level for GDP, these revisions should be offsetting to an extent, while taken alongside regular data deliveries. Early indications suggest that there will not be a notable change in the recent economic trends seen in these data, but we will update users once more information becomes available. We do not plan any changes to the publication timetable for monthly, quarterly or annual GDP.

We will provide further information on the likely impacts as soon as is practicable.

## 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: October to December 2024](#)

Bulletin | Released 28 March 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, UK - Office for National Statistics](#)

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 - Office for National Statistics \(ons.gov.uk\)](#)

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.

### [A short guide to gross fixed capital formation and business investment - Office for National Statistics \(ons.gov.uk\)](#)

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

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