Statistical bulletin

# GDP, UK regions and countries: April to June 2019

Quarterly economic activity within the countries of the UK (England, Wales, Scotland and Northern Ireland) and the nine English regions (North East, North West, Yorkshire and The Humber, East Midlands, West Midlands, East of England, London, South East, and South West).

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Next release:
To be announced

## Notice

### 20 February 2020

Annual estimates for 2017 for Regional GDP within this release do not currently align with the regional accounts publication. The regional accounts represent our best estimates of regional economic activity, and therefore we recommend 2017 data are viewed in the latest Regional Accounts release.

We intend to align these data for this period in the next Regional GDP, UK regions and countries release which is due to be published in April.

The statistics in this release are currently experimental and are therefore subject to review and ongoing method changes.

### 31 July 2026

We will be introducing substantial methods and data changes to our existing quarterly regional gross domestic product (GDP) outputs. We will introduce the changes in our Update on reinstating quarterly regional GDP estimates for England and Wales article series. When we fully reinstate the output we will start a new series for statistical articles, datasets, and a quality and methodology guide.

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# 1 . Other pages in this release

- Regions of the UK
- Methodology used to produce these estimates
- GDP in the North East
- GDP in the North West
- GDP in Yorkshire and The Humber
- GDP in the East Midlands
- GDP in the West Midlands
- GDP in the East of England
- GDP in London
- GDP in the South West
- GDP in the South East
- GDP in Wales
- GDP in Scotland, published by the Scottish Government
- GDP in Northern Ireland, published by the Northern Ireland Statistics and Research Agency

# 2 . Main points

- In Quarter 2 (Apr to June) 2019, growth was negative 0.1% and 0.2% in England and Scotland respectively, while Northern Ireland and Wales grew by 0.3% and 0.4% respectively.
- The growth seen in Wales in Quarter 2 2019 partially reverses the fall in Quarter 1 (Jan to Mar) of 0.6%.
- Of the nine English regions, the area with the highest growth in Quarter 2 2019 was London (1.0%).
- London showed the largest positive growth in gross domestic product (GDP) in Quarter 2 2019 compared with the same quarter a year earlier, at 4.5%; this was more than double any other region.
- Estimates for Scotland and Northern Ireland in this release are consistent with those published by the Scottish Government and the Northern Ireland Statistics and Research Agency (NISRA) respectively.
- Data are presented here for Quarter 2 2012 onwards; these data are consistent with the Blue Book 2019-consistent regional accounts estimates that were published in December.

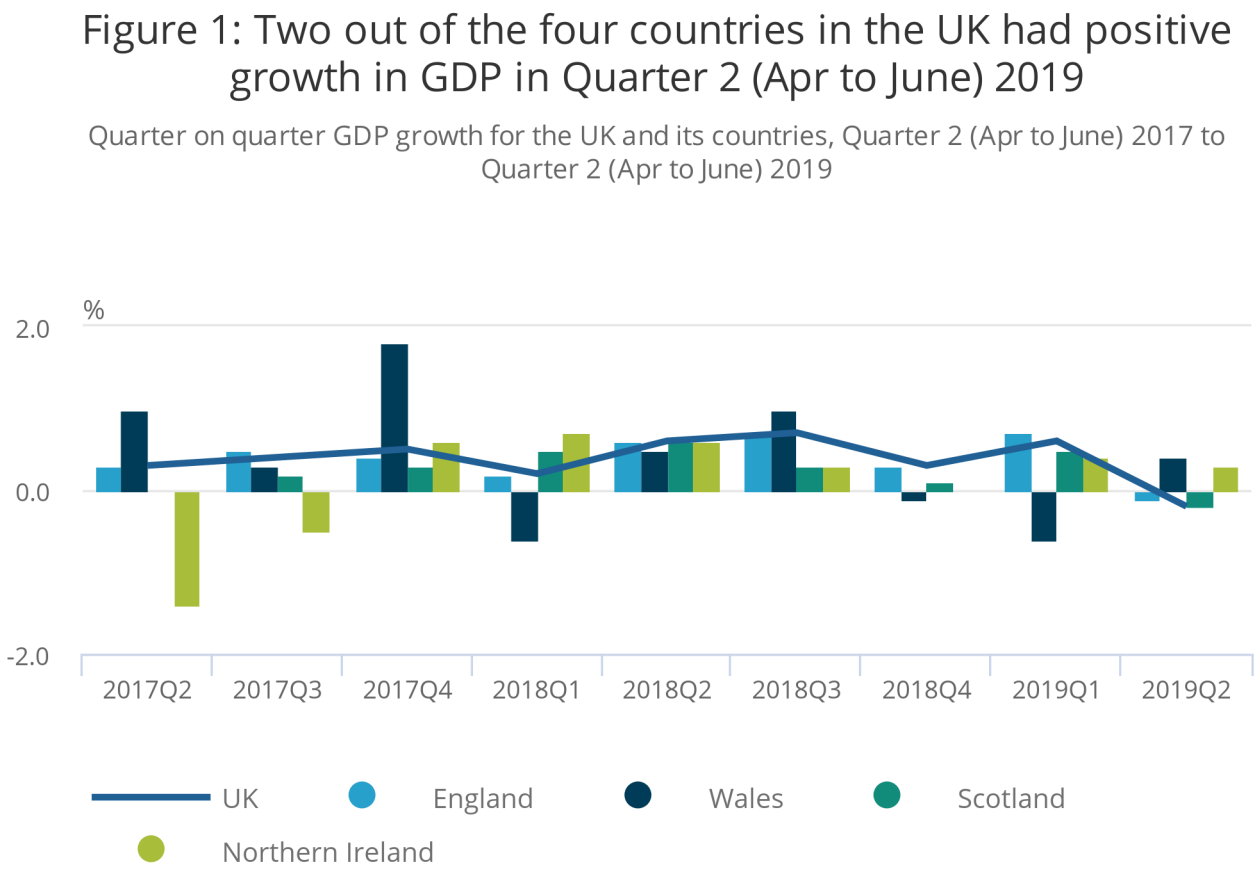
These estimates are designated as Experimental Statistics while they are still in development, and they should be interpreted with some caution. Regional data can be volatile and quarterly movements should be considered alongside the long-term trend. To assist with this, quarter on same quarter a year ago data are published alongside the latest quarter on quarter estimates.

# 3 . Analysis of regional GDP growth

# England and Wales had positive growth in GDP in Quarter 2 (Apr to June) 2019

**Figure 1: Two out of the four countries in the UK had positive growth in GDP in Quarter 2 (Apr to June) 2019**

**Quarter on quarter GDP growth for the UK and its countries, Quarter 2 (Apr to June) 2017 to Quarter 2 (Apr to June) 2019**




**Source: Office for National Statistics – Regional GDP estimate**

**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).

UK gross domestic product (GDP) growth was negative 0.2% in Quarter 2 (Apr to June) 2019. This followed positive growth of 0.6% in Quarter 1 (Jan to Mar) 2019.

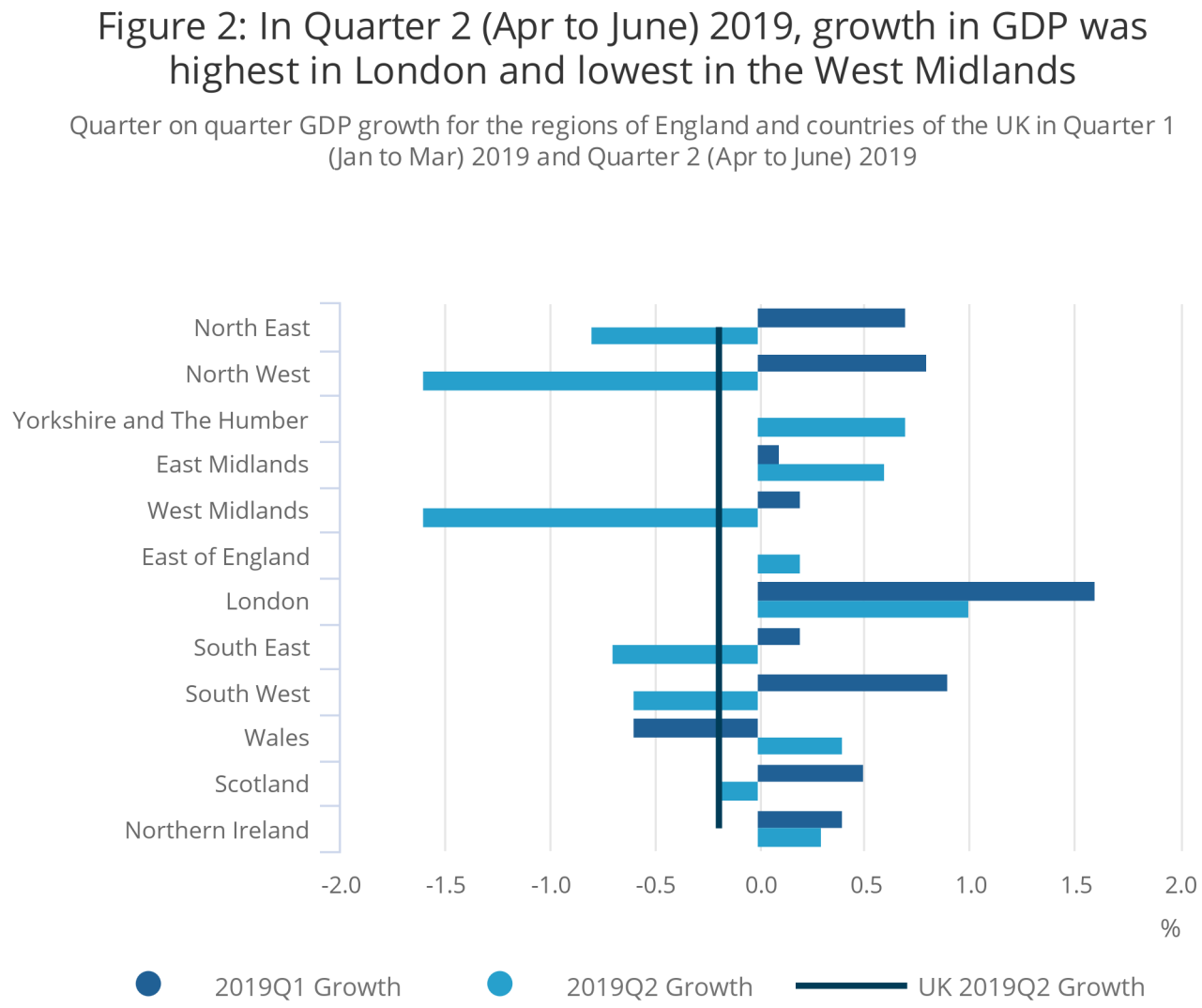
Two of the four countries in the UK (England and Wales) had positive quarter on quarter growth in Quarter 2 2019. Growth was highest in Wales (0.4%), reversing the fall of 0.6% in Quarter 1 2019, and lowest in Scotland (negative 0.2%).

More information about the drivers for these changes can be found in the data tables that accompany this publication and the data published by the Scottish Government and Northern Ireland Statistics and Research Agency (NISRA).

## Growth in GDP was highest in London and lowest in West Midlands in Quarter 2 (Apr to June) 2019

**Figure 2: In Quarter 2 (Apr to June) 2019, growth in GDP was highest in London and lowest in the West Midlands**

**Quarter on quarter GDP growth for the regions of England and countries of the UK in Quarter 1 (Jan to Mar) 2019 and Quarter 2 (Apr to June) 2019**




**Source: Office for National Statistics – Regional GDP estimate**

**Notes:**

1. Q1 refers to Quarter 1 (Jan to Mar) and Q2 refers to Quarter 2 (Apr to June).

Of the countries of the UK and the regions of England, the West Midlands, North West, North East, South East, South West and Scotland had negative growth in Quarter 2 2019. This followed positive growth in all six regions in Quarter 1 2019. London had the highest growth in Quarter 2 2019, at 1.0%.

Table 1: Percentage growth in the countries and regions of the UK, Quarter 1 (Jan to Mar) 2018 and Quarter 2 (Apr to June) 2019

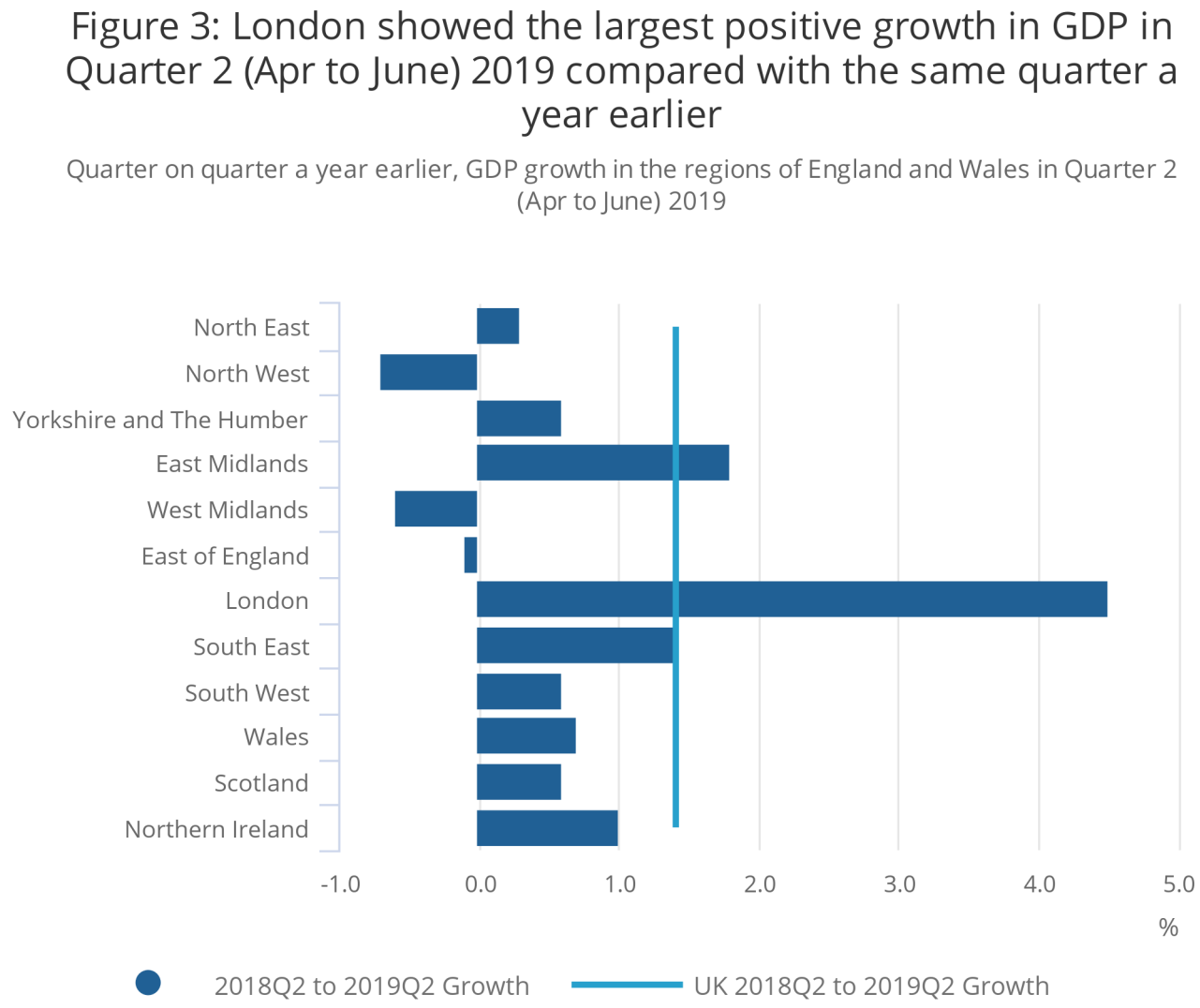
| Country or region | Growth in Quarter 1 (Jan to Mar) 2019 | Growth in Quarter 2 (Apr to Jun) 2019 |
|---|---|---|
| **North East** | 0.7% | -0.8% |
| **North West** | 0.8% | -1.6% |
| **Yorkshire & The Humber** | 0.0% | 0.7% |
| **East Midlands** | 0.1% | 0.6% |
| **West Midlands** | 0.2% | -1.6% |
| **East of England** | 0.0% | 0.2% |
| **London** | 1.6% | 1.0% |
| **South East** | 0.2% | -0.7% |
| **South West** | 0.9% | -0.6% |
| **England** | 0.7% | -0.1% |
| **Wales** | -0.6% | 0.4% |
| **Scotland** | 0.5% | -0.2% |
| **Northern Ireland** | 0.4% | 0.3% |
| **United Kingdom** | 0.6% | -0.2% |

Source: Office for National Statistics – Regional GDP estimate

## London showed the largest positive growth in GDP in Quarter 2 (Apr to June) 2019 compared with the same quarter a year earlier

**Figure 3: London showed the largest positive growth in GDP in Quarter 2 (Apr to June) 2019 compared with the same quarter a year earlier**

**Quarter on quarter a year earlier, GDP growth in the regions of England and Wales in Quarter 2 (Apr to June) 2019**




**Source: Office for National Statistics – Regional GDP estimate**

**Notes:**

1. Q2 refers to Quarter 2 (Apr to June).

Of the countries and regions of the UK, two had growth in Quarter 2 2019 that was above the UK level when compared with the same quarter a year earlier. These were London (4.5%), which grew twice as much as any other region, and the East Midlands (1.8%).

The North West, West Midlands and East of England had negative growth in Quarter 2 2019 when compared with the same quarter a year earlier, at negative 0.7%, negative 0.6% and negative 0.1% respectively.

More information about the low-level industries for these changes can be found in the data tables for Wales and the regions of England and the data published by the Scottish Government and NISRA.

# 4 . GDP growth by main industrial sector for the English regions and Wales

Data for Scotland and Northern Ireland are not shown here as they are published by the Scottish Government and Northern Ireland Statistics and Research Agency (NISRA).

Download the data

More detail about the growth in gross domestic product (GDP) in each region can be found in the Other pages in this release.

These estimates are calculated based on site-level activity, so industry movements may differ to those at the national level, which are based on overall business activity.

# 5 . GDP, UK regions and countries data

Quarterly country and regional GDP
Dataset | Released 07 February 2020
Quarterly economic activity within Wales and the nine English regions (North East, North West, Yorkshire and The Humber, East Midlands, West Midlands, East of England, London, South East, South West).

# 6 . Glossary

## GDP

Gross domestic product (GDP) measures the value of goods and services produced in the UK. It estimates the size of and growth in the economy.

## Production

Production is the process of combining various materials or other inputs in order to generate a product for consumption. It includes output in the manufacturing (the largest component of production), mining and quarrying, energy supply, and water supply and waste management industries.

## Services

Services are activities that people or businesses provide for a consumer or other businesses. The main components of the service industries are: wholesale and retail; hotels and restaurants; transport, storage and communication; business services and finance; and government and other services.

# 7 . Measuring the data

The main data for these estimates are turnover data from approximately 1.9 million Value Added Tax (VAT) returns. Information from the Inter-Departmental Business Register (IDBR) on workplace employment allows us to apportion the VAT turnover for each business based on its employment share within a region. The quality assurance of administrative data (QAAD) report for VAT turnover data is available.

Other volume measure data are used where appropriate or where VAT data have insufficient coverage. A full list of other data sources is included in the methodology article.

A detailed analysis of these new data was published in the Economic Review on 21 October 2019.

Additional analysis has allowed us to now publish a longer back series. This includes data from Quarter 2 (Apr to June) 2012. This publication includes a consistent time series of growth rates and indices back to 2012; these data are consistent with the Blue Book 2019-consistent regional accounts estimates published in December 2019. We use a statistical algorithm to automatically align our datasets, to ensure consistency.

We welcome feedback and comments on this publication, including on presentation and further development of other data sources.

# 8 . Strengths and limitations

These data are designated as Experimental Statistics. These are statistics that are in the testing phase. We will continue to develop these statistics and seek users' views on their uses and needs for these data.

While the data sources and methods used in both our regional and national estimates of gross domestic product (GDP) are broadly similar, there are some clear differences. For example, in the extent to which Value Added Tax (VAT) data are used in the compliation of these estimates.

These estimates aim to produce the best estimates at a subnational level. However, the sum of the UK regions may not equal the national total, reflecting that there are some differences in data sources and methods. We have constrained our regional GDP estimates in such a way that minimises the changes to the region by industry quarterly growth rates using automated statistical methods. While the overall impact of this constraining on the regional estimates is small, we will continue to examine the impact of this method and consider options to determine which one is best suited to these data in advance of applying to be assessed as National Statistics.

Following the announcement by the UK Statistics Authority (UKSA) in March 2019, Construction Output Price Indices (OPIs), UK; Construction output in Great Britain; and construction new orders were re-designated as National Statistics. It was noted, however, that the subnational and subsector breakdowns were excluded from consideration because of concerns around the path of the subnational estimates of construction output. We have worked closely with the Construction Statistics Steering Group and Consultative Committee on Construction Industry Statistics (CCCIS) on improving these estimates. While these users have acknowledged the improvements in the modelling of these estimates, there is ongoing development work to improve these lower-level estimates as we ultimately look to regain National Statistic status in due course. Any developments in this area will in turn lead to improved accuracy in the regional GDP estimates.

# 9 . Related links

GDP monthly estimate, UK: November 2019
Statistical bulletin | Released 13 January 2020
Gross domestic product (GDP) measures the value of goods and services produced in the UK.

Regional economic activity by gross domestic product, UK: 1998 to 2018
Statistical bulletin | Released 19 December 2019
Annual estimates of economic activity by UK country, region and local area using GDP. Estimates are available in current market prices and in chained volume measures and include a full industry breakdown of balanced regional gross value added (GVA(B)).

GDP in Scotland
Statistical publication | Released 18 December 2019
This publication includes the updated second estimate of onshore GDP growth in real terms, additional breakdowns of GDP in nominal (cash) terms, and the main household sector statistics.

Northern Ireland Composite Economic Index
Release | Released 16 January 2020
The Northern Ireland Composite Economic Index (NICEI) is an experimental quarterly measure of the performance of the Northern Ireland economy, based on available official statistics.

Welsh short-term output indicators
Report | Released 23 January 2020
Data showing the short-term movements in the output of industries in the production, construction and market services sectors.