

Statistical bulletin

GDP monthly estimate, UK: January 2020

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.



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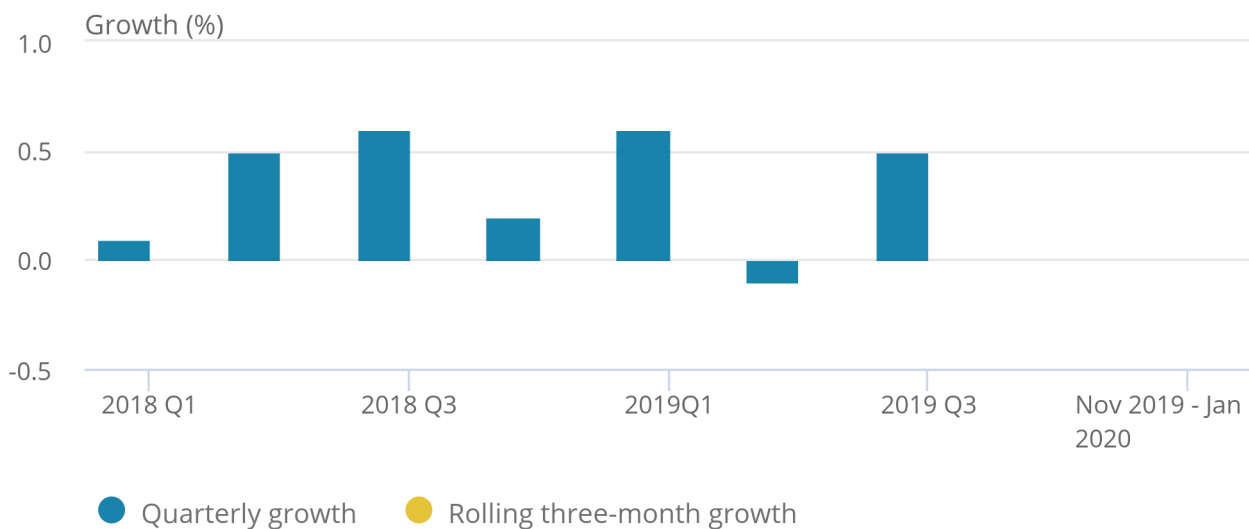
1 . UK gross domestic product (GDP) was flat in the three months to January 2020

Figure 1: GDP remained level in the three months to January 2020, following no growth in Quarter 4 (Oct to Dec) 2019

UK GDP growth, Quarter 1 (Jan to Mar) 2018 until November 2019 to January 2020

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UK GDP growth, Quarter 1 (Jan to Mar) 2018 until November 2019 to January 2020



Source: Office for National Statistics - GDP monthly 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), Q4 refers to Quarter 4 (Oct to Dec).
2. Rolling three-month estimates are calculated by comparing GDP in a three-month period with GDP in the previous three-month period. For example, GDP in November to January compared with the previous August to October.

Commenting on today’s GDP figures for the three months to January, Head of GDP Rob Kent-Smith said:

“The economy continued to show no growth overall in the latest three months. Growth in construction, driven by housebuilding, offset yet another decline in manufacturing, particularly the drinks, cars and machinery industries.

“The dominant services sector also showed no growth in the latest three months with falls in retail and telecoms balanced by strength in rentals, employment and education.”

2 . Weakening services and falling production resulted in no growth in the three months to January 2020

Table 1: A notable fall in production in the three months to January 2020 was offset by positive contributions from services and construction

	Rolling three-month growth (%)	Contribution to growth (percentage points)
Index of Services	0.0%	0.02pp
Index of Production	-1.0%	-0.13pp
Construction	1.4%	0.09pp

Source: Office for National Statistics – GDP monthly estimate

Notes

1. Rolling three-month estimates are calculated by comparing GDP in a three-month period with GDP in the previous three-month period. For example GDP in November to January compared with the previous August to October. [Back to table](#)

The services sector was flat in the three months to January 2020 following a period of subdued growth. Although construction showed relatively strong growth of 1.4% over the same period, production fell by 1.0%, continuing its longer-term decline and offsetting the growth seen in other areas.

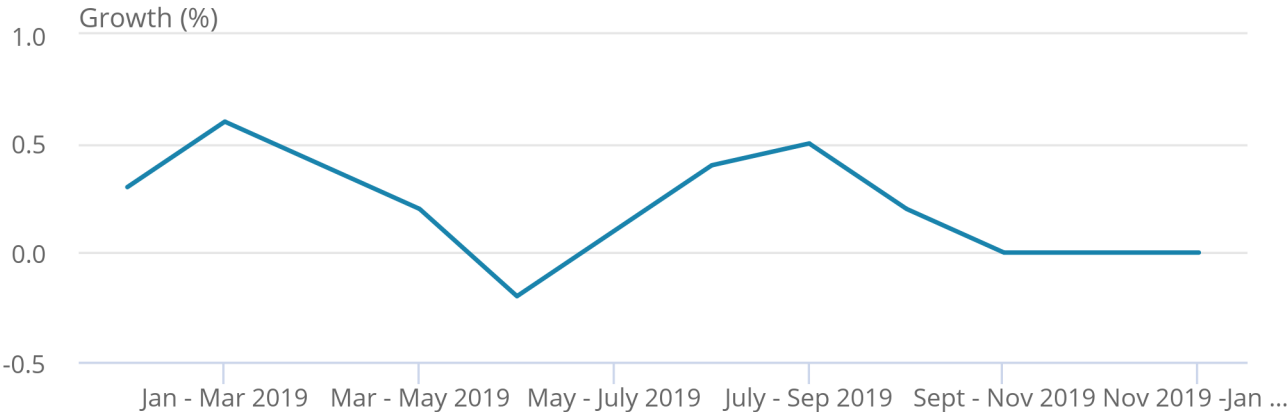
3 . Rolling three-month growth was 0.0% in the three months to January 2020

Figure 2: GDP was flat in the three months to January 2020 for the third consecutive month

Growth, three-months on previous three-months, UK, December 2018 to February 2019 until November 2019 to January 2020

Figure 2: GDP was flat in the three months to January 2020 for the third consecutive month

Growth, three-months on previous three-months, UK, December 2018 to February 2019 until November 2019 to January 2020



Source: Office for National Statistics - GDP monthly estimate

Notes:

- 1. Rolling three-month estimates are calculated by comparing GDP in a three-month period with GDP in the previous three-month period. For example, GDP in November to January compared with the previous August to October.

Rolling three-month growth was zero in January 2020, the same as Quarter 4 (Oct to Dec) 2019.

Rolling three-month growth is based on output gross value added (GVA) and so there will be discrepancies in the time series with our quarterly estimates of gross domestic product (GDP), which include information on the expenditure and income approaches to measuring GDP.

4 . GDP was flat in the month of January 2020

Table 2: Breakdown of GDP and its components' growth rates by month

	November 2019	December 2019	January 2020
GDP	-0.3%	0.3%	0.0%
Index of Services	-0.4%	0.3%	0.1%
Index of Production	-1.1%	0.1%	-0.1%
Manufacturing	-1.6%	0.3%	0.2%
Construction	2.4%	0.4%	-0.8%
Agriculture	-0.2%	-0.6%	0.1%

Source: Office for National Statistics - GDP monthly estimate

Gross domestic product (GDP) showed no growth in January 2020, with growth in services offset by falls in production and construction.

The monthly growth rate for GDP is volatile and so it should be used with caution and alongside other measures, such as the three-month growth rate, when looking for an indicator of the longer-term trend of the economy. However, it is useful in highlighting one-off changes that can be masked by three-month growth rates.

5 . The services sector was flat in the three months to January 2020

Figure 3: Falls in retail and wholesale trade have contributed to weakening services growth in the most recent period

Rolling three-month on three-month growth, December 2017 to February 2018 until November 2019 to January 2020

Figure 3: Falls in retail and wholesale trade have contributed to weakening services growth in the most recent period

Rolling three-month on three-month growth, December 2017 to February 2018 until November 2019 to January 2020



Source: Office for National Statistics - GDP monthly estimate

Notes:

1. Rolling three-month estimates are calculated by comparing GDP in a three-month period with GDP in the previous three-month period. For example, GDP in November to January compared with the previous August to October.

The services sector showed no growth in the three months to January 2020. The main drivers behind the weakening seen in services were the wholesale, retail and motor trade sector and the information and communication sector, which fell by 0.7% and 1.0%, respectively. This fall was largely offset by increases in administrative and support services activities, and education, growing by 1.1% and 0.8%, respectively.

Services grew by 0.1% in January, with strong growth in wholesale, retail and motor trade following falls in the last two months of 2019. The main drag on growth in the most recent month was information and communication, and within that motion pictures, which performed well in December 2019.

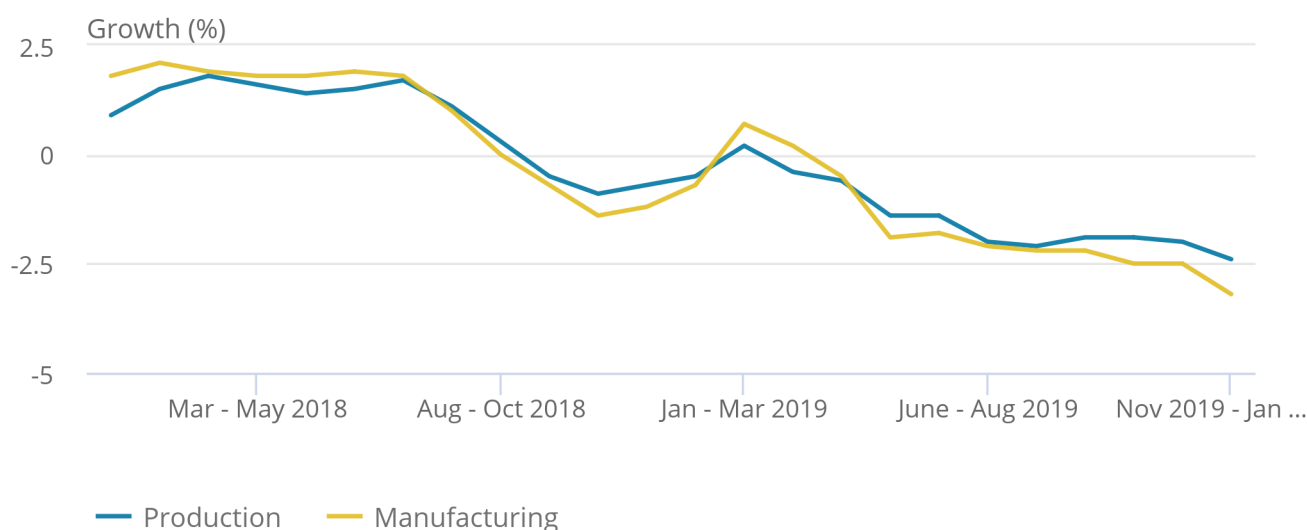
6 . Growth in the production sector was negative 1.0% in the three months to January 2020

Figure 4: Production and manufacturing showed continued weakness in the three months to January 2020

Rolling three-month on three-month a year ago growth, December 2017 to February 2018 until November 2019 to January 2020

Figure 4: Production and manufacturing showed continued weakness in the three months to January 2020

Rolling three-month on three-month a year ago growth, December 2017 to February 2018 until November 2019 to January 2020



Source: Office for National Statistics - GDP monthly estimate

Notes:

1. Rolling three-month on three-months a year ago estimates are calculated by comparing GDP in a three-month period with GDP in the same three-month from the previous year. For example, GDP in November 2019 to January 2020 compared with November 2018 to January 2019.

The production sector fell by 1.0% in the three months to January 2020, driven by widespread falls in the manufacturing industry. Elsewhere in production, mining and quarrying performed poorly in the three months to January, falling by 2.9%.

Monthly growth for production was negative 0.1% in January 2020, with energy production acting as the main drag on growth.

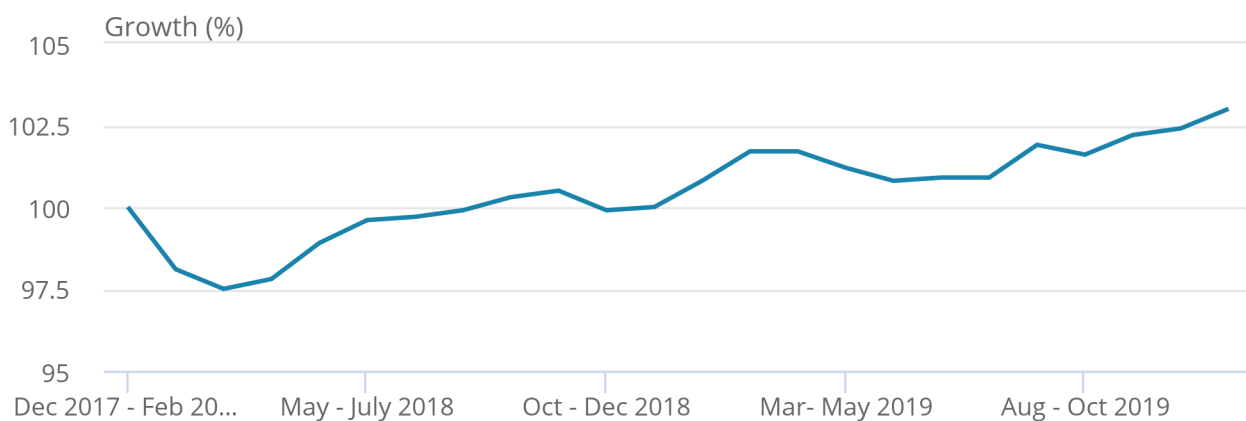
7 . Output in the construction sector grew by 1.4% in the three months to January 2020

Figure 5: Output in the construction industry over the last two years has grown overall, despite some volatility

Rolling three-month index, December 2017 to February 2018 until November 2019 to January 2020, December 2017 to February 2018 = 100

Figure 5: Output in the construction industry over the last two years has grown overall, despite some volatility

Rolling three-month index, December 2017 to February 2018 until November 2019 to January 2020, December 2017 to February 2018 = 100



Source: Office for National Statistics - GDP monthly estimate

Notes:

1. Rolling three-month estimates are calculated by comparing GDP in a three-month period with GDP in the previous three-month period. For example, GDP in November to January compared with the previous August to October.

Growth in construction was 1.4% in the three months to January 2020. This increase was driven by private new housing, non-housing repair and maintenance, and private commercial. The strong growth is in part related to the weakness seen in October 2019 now moving into the base period.

The month-on-month growth in January 2020 was negative 0.8%. This fall was driven by private commercial and private housing repair and maintenance.

8 . Things you need to know about this release

UK National Accounts following the UK's exit from the European Union

As the UK leaves the EU, it is important that our statistics continue to be of high quality and are internationally comparable. During the transition period, those UK statistics that align with EU practice and rules will continue to do so in the same way as before 31 January 2020.

After the transition period, we will continue to produce our national accounts statistics in line with the UK Statistics Authority's [Code of Practice for Statistics](#) and in accordance with internationally agreed statistical guidance and standards.

The Withdrawal Agreement outlines a need for UK gross national income (a fundamental component of the national accounts, which includes gross domestic product (GDP)) statistics to remain in line with those of other EU countries until the EU budgets are finalised for the years in which we were a member. To ensure comparability during this cycle, the national accounts will continue to be produced according to [European System of Accounts \(ESA\) 2010](#) definitions and standards.

Identifying recessions

Early estimates of GDP are subject to uncertainty, with more mature estimates leading to revisions as we receive more comprehensive data from a wide range of survey and administrative sources. On 16 April we will be publishing an article in the [Economic review](#), which will outline our latest thinking and analysis on how we communicate the uncertainty associated with changes in the economy. Typically, most interest in the uncertainty associated with estimating GDP comes around turning points in the economy – as such this will be an important focus of the article.

9 . Quality and methodology

Quality and methodology information on strengths, limitations, appropriate uses, and how the data were created is available in the [Gross domestic product QML](#).

10 . Related links

[Construction output in Great Britain: January 2020](#)

Bulletin | 11 March 2020

Short-term measures of output by the construction industry in Great Britain and contracts awarded for new construction work in Great Britain.

[Index of Production, UK: January 2020](#)

Bulletin | 11 March 2020

Movements in the volume of production for the UK production industries: manufacturing, mining and quarrying, energy supply, and water and waste management.

[Index of Services, UK: January 2020](#)

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Monthly movements in output for the services industries.

GVA3 Monthly GDP based on GVA (Gross Value Added) ¹
Chained volume indices of gross value added at basic prices ^{2,3,4,5}

seasonally adjusted 2016=100

Section	Industry sections (SIC2007)																						
	Total GVA at basic prices	Agriculture, forestry and fishing	Total production industries	Mining & quarrying	Manufacturing	Electricity gas, steam and air	Water supply, sewerage etc	Construction ⁶	Total service industries	Wholesale and retail: motor vehicles and motorcycles	Transport and storage	Accommodation and food service activities	Information and communication	Financial and insurance activities	Real estate activities	Professional, scientific and technical activities	Administrative and support service activities	Public administration and defence	Education	Human health and social work activities	Arts, entertainment and recreation	Other service activities	Activities of households as employers, undifferentiated goods and services
	A-T	A	B-E	B	C	D	E	F	G-T	G	H	I	J	K	L	M	N	O	P	Q	R	S	T
2016 weights	1000	7	138	10	100	17	10	60	796	104	43	30	63	73	138	75	48	47	59	75	15	21	4
Percentage change, latest month on same month a year ago																							
	ED2R	ED2S	ED2T	ED2U	ED2V	ED2W	ED2X	ED2Y	ED2Z	ED32	ED33	ED34	ED35	ED36	ED37	ED38	ED39	ED3A	ED3B	ED3C	ED3D	ED3E	ED3F
2018 Jan	1.4	-0.9	0.6	1.9	1.9	-5.4	-4.2	0.6	1.6	2.0	0.6	2.1	6.1	-0.9	-0.3	4.7	5.1	0.6	-0.4	0.4	0.7	1.4	6.1
Feb	1.3	-2.6	1.7	3.1	2.1	3.6	-4.4	0.0	1.3	2.0	-0.7	-0.9	4.7	-0.4	0.2	4.6	3.6	0.4	-0.5	0.3	0.6	2.1	4.4
Mar	1.2	-3.2	2.3	-1.5	2.2	10.4	-3.9	-2.6	1.3	0.9	-1.4	0.9	5.9	-0.8	0.6	5.0	2.7	0.2	-0.1	0.1	0.0	2.3	4.8
Apr	1.5	-3.0	1.6	8.3	1.4	1.6	-0.2	-1.6	1.8	1.9	0.2	0.5	4.5	-0.9	0.7	6.5	6.6	-0.2	0.2	-0.2	0.3	0.3	3.4
May	1.6	-3.1	0.9	5.5	1.8	-8.0	1.5	0.1	1.9	4.4	1.3	1.8	4.7	-1.0	0.8	5.1	3.6	0.0	0.5	-0.4	1.5	-0.1	1.9
Jun	1.8	-3.6	1.8	1.3	2.2	-4.1	4.7	1.0	1.9	3.2	3.2	3.6	2.4	-1.1	0.9	4.5	4.8	0.6	0.6	-0.3	2.9	1.8	1.0
Jul	2.1	-4.1	1.9	7.9	1.8	-1.1	2.6	1.5	2.3	4.8	2.8	1.8	4.1	-1.5	0.9	5.5	4.4	1.4	0.8	0.1	1.2	1.8	0.8
Aug	2.0	-4.3	1.6	10.3	1.2	-1.7	3.5	-0.1	2.3	4.0	2.8	2.4	5.9	-1.3	0.7	4.9	4.0	1.7	0.8	0.4	0.9	-0.4	3.4
Sep	1.7	-3.9	-0.2	2.5	-0.1	-4.1	2.5	1.0	2.1	3.1	2.6	3.9	6.5	-1.2	0.8	4.3	2.8	1.6	0.9	0.7	2.1	-1.5	2.8
Oct	2.1	-2.5	-0.6	4.3	-1.2	-0.5	1.5	3.3	2.5	3.7	2.9	4.5	5.1	-0.8	0.8	5.6	4.1	1.3	1.4	1.6	2.4	-0.5	6.6
Nov	1.9	-2.2	-0.8	0.0	-0.9	-2.6	1.3	0.7	2.5	4.4	3.6	4.9	5.9	-1.3	0.5	5.1	3.4	1.1	1.7	1.4	2.2	-0.8	5.7
Dec	1.2	-2.8	-1.1	23.2	-2.0	-6.0	1.1	-3.6	2.1	3.7	3.6	4.0	5.3	-1.9	0.6	3.6	1.9	1.4	2.0	1.2	2.4	-1.2	4.3
2019 Jan	1.7	-2.2	-0.2	0.0	-0.6	0.8	2.6	1.5	2.0	4.5	3.6	4.1	7.1	-2.9	0.5	1.0	2.5	2.1	2.4	1.1	1.9	-3.0	2.3
Feb	2.3	-1.7	-0.1	5.4	0.6	-9.3	2.5	4.7	2.6	4.1	4.5	5.8	8.5	-4.0	0.5	3.5	4.9	2.6	2.7	1.3	2.5	-1.1	-0.2
Mar	2.3	-1.4	0.9	10.2	2.1	-11.3	1.3	4.9	2.4	5.6	5.6	3.8	6.3	-4.5	0.4	2.7	4.6	2.8	2.8	1.3	2.5	-2.9	-6.8
Apr	1.5	-1.4	-2.0	-2.2	-2.0	-4.4	1.3	3.2	2.0	4.5	4.7	2.3	7.1	-4.8	0.5	1.1	3.4	2.7	2.9	1.4	0.2	-2.6	-8.8
May	1.4	-1.4	-0.6	0.0	-1.5	3.0	2.4	2.4	1.6	2.7	2.7	1.2	6.5	-4.2	0.6	1.3	3.9	2.3	2.8	1.6	-0.4	-1.2	-9.8
Jun	1.3	-1.2	-1.6	-0.3	-2.2	0.4	0.0	0.3	1.9	2.3	1.4	3.3	7.6	-3.2	0.5	3.1	1.6	1.8	2.7	1.9	2.7	-0.9	-8.8
Jul	1.4	-1.2	-2.0	-5.2	-1.8	-3.4	-0.1	1.5	1.9	1.6	3.1	1.3	8.1	-2.0	0.6	2.1	3.1	1.4	2.7	2.1	2.1	0.3	-9.0
Aug	1.1	-1.4	-2.5	-5.7	-2.4	-4.5	0.8	1.8	1.6	2.0	1.4	1.2	4.2	-1.5	0.7	2.2	1.7	1.1	2.7	2.3	4.2	1.0	-10.0
Sep	1.1	-1.9	-1.8	4.4	-2.4	-2.5	1.0	2.6	1.5	2.5	1.0	-0.1	4.2	-2.3	0.9	1.7	1.5	1.2	2.9	2.3	0.3	2.8	-12.2
Oct	1.0	-2.4	-1.6	-5.4	-1.7	-1.3	1.0	-0.2	1.5	2.4	1.4	-1.4	5.3	-1.4	0.9	1.9	0.4	1.4	2.7	2.3	-1.4	2.8	-15.8
Nov	0.5	-2.5	-2.5	-1.7	-3.3	-0.5	1.8	2.6	0.8	0.5	-0.2	-1.0	2.7	-2.2	0.9	0.5	0.6	1.4	2.8	2.2	1.1	3.6	-16.6
Dec	1.2	-2.2	-1.8	-3.9	-2.5	-0.6	3.1	5.0	1.4	1.2	1.1	-0.6	3.4	-0.7	0.9	1.7	1.9	1.1	2.7	2.2	-0.7	5.0	-15.0
2020 Jan	0.6	-1.8	-2.9	0.8	-3.6	-6.3	4.7	1.6	1.2	0.7	1.6	-1.1	0.3	0.0	1.0	2.7	1.2	0.6	2.7	2.0	-0.5	6.9	-13.8

1 The GVA output is designated as a National Statistic.

2 Indices reflect values measured at basic prices, which exclude "taxes less subsidies on products".

3 Estimates cannot be regarded as accurate to the last digit shown.

4 Any apparent inconsistencies between the index numbers and the percentage changes shown in these tables are due to rounding.

5 A complete run of data is available on the ONS website.

6 Monthly data from the construction survey are only available from January 2010, therefore the data prior to this period are derived using statistical methods from the available quarterly data, and should therefore be treated with some caution.

Sources: For further information on these data please telephone 01633 456724 or E-mail gdp@ons.gov.uk

