

Statistical bulletin

Business investment in the UK: January to March 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.

Contact:
Gross Capital Formation team
gcf@ons.gov.uk
[+44 1633 455250](tel:+441633455250)

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1 . Main points

- UK business investment increased by 0.5% in Quarter 1 (Jan to Mar) 2024, revised down from our initial estimate of a 0.9% increase in the provisional estimate.
- The largest contributor to business investment growth was an increase in information and communication technology (ICT) and other machinery and equipment investment.
- UK business investment is 1.0% below where it was 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 0.9% in Quarter 1 2024, revised down from a 1.4% increase in the provisional estimate.
- UK GFCF is 0.8% below where it was the same quarter a year ago.

2 . Business investment and whole economy investment data

This publication 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) 2024 data is open to revision.

Figure 1: Gross fixed capital formation (GFCF) and business investment both increased for the second consecutive quarter

UK business investment and whole economy investment, chained volume measure, seasonally adjusted, Quarter 1 (Jan to Mar) 1997 to Quarter 1 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 was the largest fall on record for gross fixed capital formation excluding the reclassification of British Nuclear Fuels (BNFL) in Quarter 2 2005.
4. Index is referenced to Quarter 1 (Jan to Mar) 1997 = 100.

Download the data

[.xlsx](#)

Business investment

UK business investment increased by 0.5% in Quarter 1 (Jan to Mar) 2024 and is 1.0% below where it was the same quarter a year ago.

The Quarter 1 2024 growth is mostly driven by positive contributions from information and communication technology (ICT) equipment and other machinery and equipment investment and buildings investment. This is offset by negative contributions from intellectual property products (IPP), while contributions from transport were broadly flat.

UK business investment fell in Quarter 1 2024 relative to the same quarter a year ago. There were negative contributions from most headline components, with IPP contributing the most to the fall in business investment. Transport was the only component to contribute positively to headline business investment over this period.

Whole economy investment

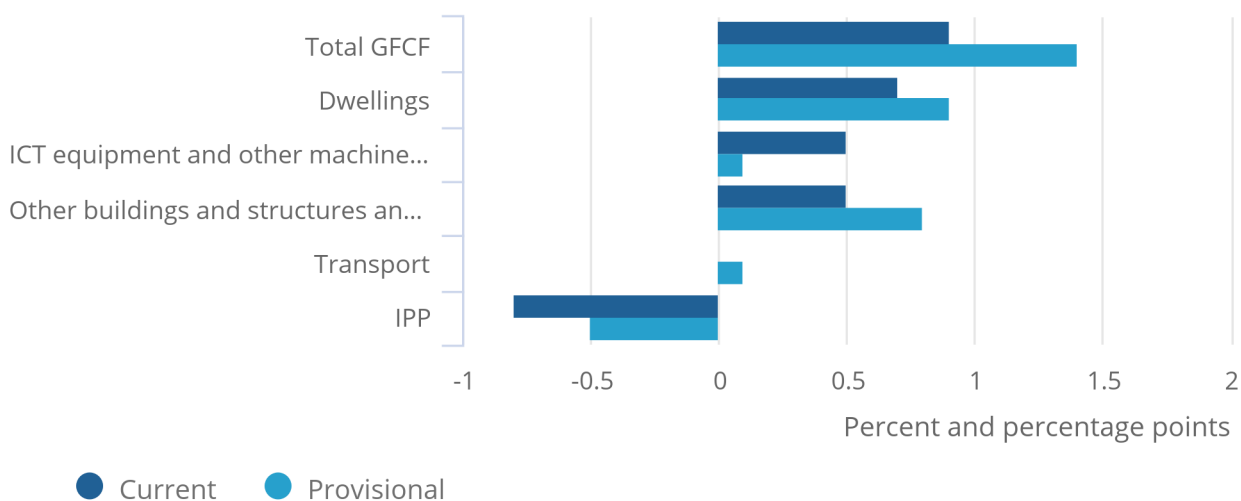
UK GFCF increased by 0.9% in Quarter 1 2024 and is 0.8% below where it was the same quarter a year ago. The main contributors to the growth in GFCF in the latest quarter are dwellings, buildings, and ICT equipment and other machinery and equipment. These positive contributions are offset by a fall in IPP relative to the previous quarter, while transport growth is flat this quarter. These contributions are highlighted in the latest quarter data in Figure 2.

Figure 2: Gross fixed capital formation (GFCF) increased in Quarter 1 2024, despite a downward contribution from intellectual property products (IPP)

Contributions to UK whole economy investment growth by asset, chained volume measure, seasonally adjusted, Quarter 1 (Jan to Mar) 2024

Figure 2: Gross fixed capital formation (GFCF) increased in Quarter 1 2024, despite a downward contribution from intellectual property products (IPP)

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

3. Revisions to business investment and whole economy investment data

Business investment

UK business investment for Quarter 1 (Jan to Mar) 2024 has been revised down to a 0.5% increase in this release from 0.9% in the provisional estimate. This revision was caused by downward contributions from intellectual property products (IPP), transport and buildings investment, and slightly offset by a positive revision to information and communication technology (ICT) equipment and other machinery and equipment investment.

Whole economy investment

UK whole economy investment (technically known as gross fixed capital formation (GFCF)), which includes business and public sector investment, was revised down to a 0.9% increase in this release from 1.4% in the provisional estimate. These changes from the provisional estimate can be seen in Figure 2. This downwards revision is the result of downwards revised contributions from most of the headline GFCF components: buildings, IPP, dwellings and transport. ICT equipment and other machinery and equipment investment was the only component with an upwards revision to its contribution.

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

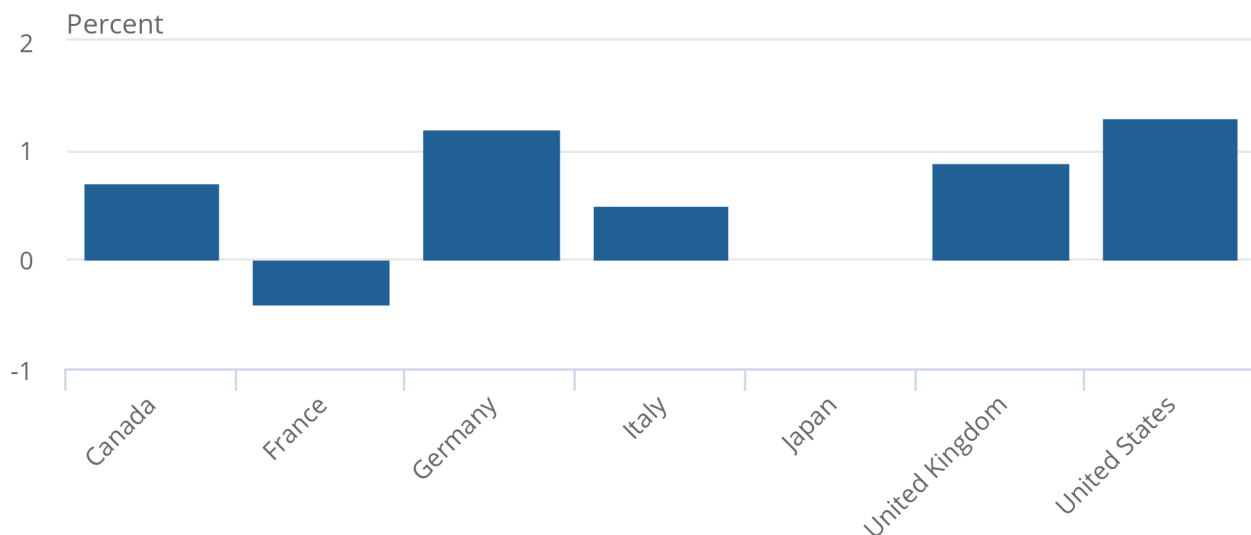
Using data collated by the Organisation for Economic Co-operation and Development (OECD) from relevant national statistical institutes, we can compare whole economy investment (labelled gross fixed capital formation (GFCF) in OECD data tables) within the G7 nations. Figure 3 shows quarterly whole economy investment growth for the G7 nations in Quarter 1 (Jan to Mar) 2024.

Figure 3: G7 nations GFCF growth Quarter 1 2024

G7 nations gross fixed capital formation (GFCF) growth, chained volume measures, seasonally adjusted, Quarter 1 (Jan to Mar) 2024

Figure 3: G7 nations GFCF growth Quarter 1 2024

G7 nations gross fixed capital formation (GFCF) growth, chained volume measures, seasonally adjusted, Quarter 1 (Jan to Mar) 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 was sourced from OECD on 19 June 2024, and was the latest data available at the time of production of this bulletin and included provisional data and may subsequently have been revised.

5 . Business investment data

[Business investment by asset](#)

Dataset | Released on 28 June 2024

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 June 2024

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 1 2024.

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

Dataset | 28 June 2024

Sector and asset breakdowns of gross fixed capital formation (GFCF), including business investment and revisions, in current prices and chained volume measures, non-seasonally adjusted and seasonally adjusted, UK.

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

Dataset | Released 28 June 2024

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 31 October 2023

Annual sector and asset breakdowns of gross fixed capital formation (GFCF), in current prices and chained volume measures, non-seasonally adjusted and seasonally adjusted, UK.

6 . Glossary

7 . Measuring the data

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 only period open for revision in this publication is Quarter 1 (Jan to Mar) 2024.

Data within this bulletin

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

In Quarter 1 (Jan to Mar) 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 75.9% 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 lead to a tendency toward upward revisions in the later estimates for business investment and GFCF. Following investigation of the impact of this effect, from Quarter 3 (July to Sept) 2013, a bias adjustment was introduced in the provisional estimate.

This adjustment was suspended in Quarter 2 (Apr to June) 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. The bias adjustment, as usual, has been removed for the revised release.

8 . Related links

[GDP quarterly national accounts UK: January to March 2024](#)

Bulletin | Released 28 June 2024

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.

[The national balance sheet and capital stocks, preliminary estimates, UK: 2024](#)

Bulletin | Released 13 June 2024

Preliminary annual estimates of the national balance sheet, by type of financial and non-financial asset for the UK. Includes estimates of net capital stocks that are used in the production process and their loss of value over time.

[Capital stocks and fixed capital consumption, UK: 2023](#)

Bulletin | Released 8 December 2023

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: 1997 to 2022](#)

Article | Released 8 December 2023

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

[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 28 June 2024, ONS website, statistical bulletin, [Business investment in the UK: January to March 2024 revised results](#)