

One-click report : United Kingdom

January 28th 2020

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Saved on: March 21st 2024

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Briefing sheet

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Political and economic outlook

- After a nine-year period of weak and unstable governments, the governing Conservative Party under the prime minister, Boris Johnson, achieved an 81-seat majority in a snap general election held on December 12th 2019.
- This majority allows Mr Johnson to deliver on the result of the 2016 referendum to leave the European Union on January 31st. The UK will enter a transition period until December 31st 2020, during which it will remain in the single market and customs union.
- However, the final relationship between the UK and the EU remains highly uncertain, with many important decisions deferred to the transition period. Mr Johnson has said that he will not extend the transition, creating the risk of a "cliff edge" for many industries.
- The Economist Intelligence Unit expects that the UK will leave the transition on time, but that the deal will be limited to critical sectors, and that negotiations on other sectors will continue.
- Brexit will lead to an export shock in 2020 and 2021, expanding the current-account deficit to about 5% of GDP and slowing real GDP growth to 1.1% in both years. We expect that growth will pick up thereafter, averaging 1.7% per year in 2022-24.

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- We expect fiscal policy to be loosened, particularly as the UK exits the transition, with the fiscal deficit reaching 2.7% of GDP in 2020 and 2021, before contracting thereafter.
- We expect the Bank of England (BoE, the central bank) to cut rates twice, to 0.25%, as the UK leaves the transition period, and to begin a gradual tightening from 2022.

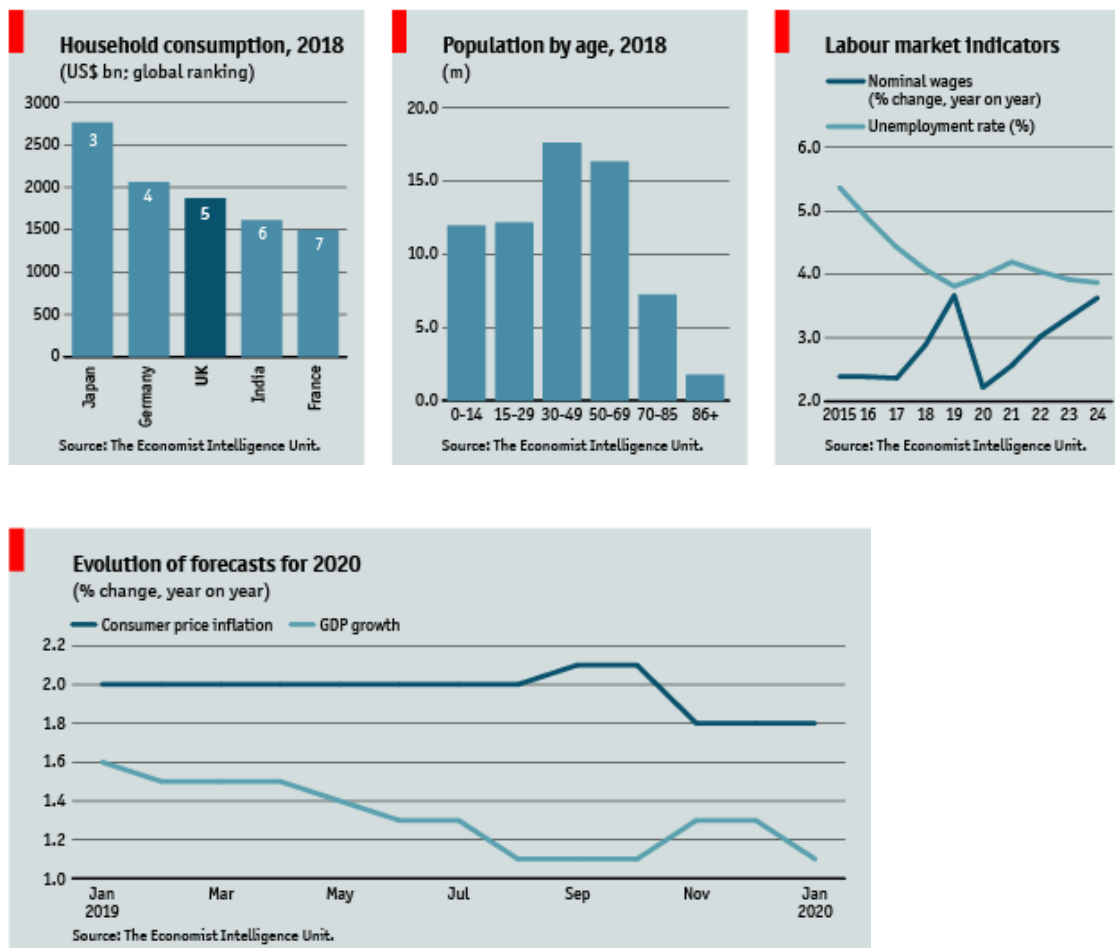
Key indicators

	2019 ^a	2020 ^b	2021 ^b	2022 ^b	2023 ^b	2024 ^b
Real GDP growth (%)	1.3	1.1	1.1	1.9	1.7	1.5
Consumer price inflation (av; %)	1.8	1.8	1.9	2.0	2.0	2.1
Government balance (% of GDP) ^c	-1.8	-2.7	-2.7	-2.4	-2.2	-2.4
Current-account balance (% of GDP)	-4.3	-4.8	-5.0	-4.8	-4.6	-4.2
Money market rate (av; %)	0.8	0.6	0.5	0.6	0.7	1.0
Unemployment rate (%)	3.8	4.0	4.2	4.0	3.9	3.9
Exchange rate £:US\$ (av)	0.78	0.78	0.77	0.74	0.72	0.71

^a Actual. ^b Economist Intelligence Unit forecasts. ^c General government.

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Market opportunities



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Key changes since November 4th

- Mr Johnson won an 81-seat majority in the election held on December 12th. As a result, we expect him to deliver Brexit on January 31st and do not expect another general election until 2024.
- Mr Johnson has promised not to extend the transition and to leave the single market in December 2020. We now expect a deal to include critical sectors, allowing the UK to leave the single market and customs union while negotiations continue in other areas.
- We expect a sharp decline in exports as the UK leaves the customs union, and as UK exporters and supply chains lose frictionless access to the EU market. Imports will also decline, albeit to a lesser extent, leading to an expanded current-account deficit
- As a result of this expedited timetable, we expect the BoE to cut rates twice, to 0.25%, in the lead up to or immediate aftermath of leaving the single market. We expect a resumption of tightening in 2022 as Brexit uncertainty recedes.

The month ahead

- January 13th—Deadline for Northern Ireland power-sharing talks: On January 2nd the UK and Ireland announced that they had relaunched talks with the Northern Irish parties on forming an executive. If the executive is not restored by January 13th, Northern Ireland must either return to direct rule from Westminster or schedule fresh elections.
- January 30th—BoE Monetary Policy Committee meeting: This will be the first interest rate decision since it was announced that Andrew Bailey would succeed Mark Carney as governor, and the penultimate meeting under Mr

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Carney. As a result of the transition, we do not expect any change, despite pressure from two members for an immediate cut.

- January 31st—UK leaves EU and enters transition period: The UK will leave the EU and enter a transition period, allowing it to negotiate new trade agreements with third countries while remaining inside the single market and customs union. Shortly thereafter negotiations will begin on the future relationship between the EU and the UK.
- TBD January or February—Cabinet reshuffle: Mr Johnson has suggested that he will dissolve the Brexit department and reshuffle several cabinet departments before the beginning of the next phase of negotiations. This will also involve a reshuffle of ministers and provide insight into the priorities of the new government.

Major risks to our forecast

Scenarios, Q4 2019	Probability	Impact	Intensity
The UK leaves the transition period on December 31st 2020 and creates a "cliff edge" for business	High	Very high	20
The new UK-EU relationship fails to resolve legal uncertainty created by Brexit	Very high	Moderate	15
Government investment in the UK's infrastructure falls short	High	Moderate	12
The expansion of the UK's air transport capacity is delayed	High	Moderate	12
The government's planned reorganisation of the civil service creates more inefficiency and reduces government bandwidth	High	Moderate	12

Note. Scenarios and scores are taken from our Risk Briefing product. Risk scenarios are potential developments that might substantially change the business operating environment over the coming two years. Risk intensity is a product of probability and impact, on a 25-point scale.

Source: The Economist Intelligence Unit.

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Forecast summary

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Forecast summary

(% unless otherwise indicated)

	2019 ^a	2020 ^b	2021 ^b	2022 ^b	2023 ^b	2024 ^b
Real GDP (% change)	1.3	1.1	1.1	1.9	1.7	1.5
Industrial production (% change)	0.2	-0.6	-0.4	0.3	0.5	1.2
Unemployment rate (av; EU/OECD harmonised measure)	3.8	4.0	4.2	4.0	3.9	3.9
Consumer price inflation (av; CPIH measure)	1.8	1.8	1.9	2.0	2.0	2.1
3-month £-LIBOR rate (av)	0.8	0.6	0.5	0.6	0.7	1.0
Bank of England base rate (end-period)	0.75	0.25	0.25	0.50	1.00	1.25
Government budget balance (% of GDP) ^c	-1.8	-2.7	-2.7	-2.4	-2.2	-2.4
Exports of goods fob (US\$ bn)	446.8	428.4	419.6	451.2	477.0	507.7
Imports of goods fob (US\$ bn)	-632.5	-630.1	-642.1	-676.0	-711.4	-746.4
Current-account balance (US\$ bn)	-120.0	-138.8	-151.2	-158.6	-162.2	-163.4
Current-account balance (% of GDP)	-4.3	-4.8	-5.0	-4.8	-4.6	-4.4
Exchange rate US\$:£ (av)	1.28	1.28	1.29	1.35	1.38	1.41
Exchange rate ¥:£ (av)	138.6	135.7	135.4	135.9	134.7	134.1

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Exchange rate €:£ (av)	1.14	1.14	1.12	1.12	1.12	1.13
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^a Actual. ^b Economist Intelligence Unit forecasts. ^c General government.

Political stability

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After three years of uncertainty following a 2016 referendum in which a major-ity of the UK voted to leave the EU, the prime minister, Boris Johnson, secured a revised withdrawal agreement from the EU and won an 81-seat majority in a snap election held on December 12th 2019 on a pledge to ratify the agreement and deliver Brexit. This will allow the UK to leave the EU on January 31st. Mr Johnson's success in the election means that, for the first time since 2010, the prime minister's party will have a large parliamentary majority and a fairly free hand in policymaking.

However, Brexit will still create considerable uncertainty in British politics. After the UK leaves the EU on January 31st, the UK will enter a transition period during which it will remain within the EU single market and customs union. This transition will legally expire on December 31st 2020, but can be extended for up to two years on agreement of both the EU and the UK before July 1st 2020. Mr Johnson has said unequivocally that he will not request an extension of the transition period, even pledging to write this into law. However, this tight deadline creates significant uncertainty for governments and businesses. Given the complexity of negotiating and implementing a final status arrangement, it is unlikely that the relationship between the UK and EU will be fully finalised by December 31st, even if a deal is secured. It is unlikely that Mr Johnson will request a formal extension, as this would be politically costly. However, a period of phased implementation or ongoing negotiations over less urgent issues will probably be necessary, even if a deal is secured in 2020, as any changes to the UK's terms of trade and customs procedures,

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particularly in Northern Ireland, will require more than a year to be implemented by businesses and the government. A new customs infrastructure will also need to be established.

The election result and the UK's departure from the EU are likely to increase strains on the union between the constituent parts of the UK. Nicola Sturgeon, the leader of the Scottish National Party (SNP), has argued that Brexit represents a material change in the relationship between Scotland and the rest of the UK since the referendum on Scottish independence in 2014, which resulted in a majority favouring the union. The SNP performed strongly in the 2019 election, winning 49 of the 59 parliamentary seats in Scotland, which Ms Sturgeon cites as justification for a second independence referendum. Mr Johnson is likely to resist calls for another independence referendum, but there is a significant risk that Ms Sturgeon may attempt to dramatise the issue through legal battles or other disruptive means.

Brexit has also exacerbated tensions in Northern Ireland. The Northern Irish protocol in the withdrawal agreement is unpopular among Northern Ireland's Unionists and nationalist communities in the North and the Republic of Ireland, as it establishes regulatory barriers between Northern Ireland and the UK, and customs barriers between Northern Ireland and the Republic of Ireland. The Democratic Unionist Party (DUP), which supported the previous government, lost two of its ten seats in the election and, as a result, there are for the first time more nationalist members of parliament elected from Northern Ireland than unionists. One public opinion poll has shown majority support in Northern Ireland for Irish unification for the first time. On January 2nd the UK and Irish governments restarted talks among the Northern Irish parties on the formation of an executive (the previous executive collapsed in 2017). If an agree-ment is not reached by January 13th, civil servants will lose their statutory authority to take day-to-day decisions. In that event, either new Northern Ireland Assembly elections would need to be held, or Northern Ireland would have to return to direct rule by Westminster, both of which could further ex-acerbate tensions.

The government plans to reorganise the civil service. This will include abolish-ing the Department for Exiting the EU and moving its functions to the Cabinet Office. Other changes that have been mooted include recreating a

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department of climate change, and merging the departments of trade and business to focus on productivity growth.

Election watch

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Given the magnitude of the Conservative majority, The Economist Intelligence Unit expects the government to last a full term. Under the Fixed-Term Parliaments Act (FTPA) that governs elections, the next general election is scheduled for May 2nd 2024, but the Conservative manifesto pledged to repeal the FTPA. General elections are traditionally held in the spring or summer of the fifth year of a parliament, and local elections are held on the same day.

International relations

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Brexit has opened up a range of possibilities for the future UK-EU relationship. Although the current withdrawal agreement is similar in most respects to the deal negotiated by Theresa May, the former prime minister, it creates a separate protocol for Northern Ireland, to avoid the presence of physical border checks with the Republic of Ireland. This agreement thereby allows the rest of the UK to diverge substantially with the EU. Under this agreement, Northern Ireland will remain within a regulatory union with the EU for most goods. Although it will remain in the UK

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customs and value-added tax (VAT) areas, customs and VAT checks will be conducted by the UK on the EU's behalf at ports in the Irish Sea for any goods bound for the EU. These arrangements will be subject to revision every four years by a majority vote in the Northern Ireland Assembly.

Mr Johnson's withdrawal agreement does not commit to a particular relationship with the EU for the rest of the UK, but the non-binding political declaration envisages a comprehensive free-trade agreement (FTA) outside the single market and customs union. Thus, the degree of regulatory alignment between the UK and the EU is still to be determined. Mr Johnson's government is seeking to negotiate substantial market access for goods and services exporters. However, EU officials are unlikely to allow such access without commitments from the UK not to implement policies that undercut the EU on labour, environmental or social-protection standards, or provide disproportionate state aid to British firms—so-called level-playing-field assurances. Less controversial issues, such as UK participation in other EU institutions including the European Investment Bank (EIB), the European Research Council and the European Arrest Warrant, as well as data sharing agreements, are also yet to be negotiated.

After leaving the EU in January, the UK is also free to negotiate additional FTAs with other countries. Securing an FTA with the US is a stated priority for the Johnson ministry. However, the UK will probably resist conceding to what are likely to be the US's highest-priority demands: the UK's adoption of US agricultural standards, including allowing the use of genetically modified organisms (GMOs) and the adoption of sanitary and phytosanitary practices, which are unpopular in the UK and are incompatible with its continued alignment with and access to the EU agricultural sector); and preferential access for American pharmaceutical firms to the British National Health Service (NHS).

As a founding member of the UN Security Council, the UK will remain an important power on the global stage during our forecast period (2020-24) and beyond.

Policy trends

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Since mid-2017 the legislative agenda has been dominated by Brexit. The UK faces significant economic policy challenges—including low public investment, significant regional disparities, high housing costs and chronically low productivity growth—but these have been allowed to build up, as Brexit has dominated the government's agenda. Mr Johnson has signalled that he will use his sizeable majority to address these issues by the end of 2020. Meanwhile, the UK's Brexit policy is likely to create significant economic shocks in certain export sectors, which will require a policy response.

Since becoming the prime minister in July 2019, Mr Johnson has moved his party away from the austerity policies advocated by his predecessors and plans to pursue significant increases in public-sector investment, including massive investment in infrastructure, a rise in the thresholds for individual tax rates and additional current spending on the NHS, education and the police. Long-term social care is also an area of health spending that Mr Johnson's manifesto has pledged to address, although the particulars remain vague. Mr Johnson has committed to reforming the UK's immigration system after Brexit by introducing a skills-based points system to boost the UK's competitiveness.

Fiscal policy

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After a period of austerity in 2010-18, when annual real government spending grew by an average of 0.9%, fiscal policy was relaxed modestly in 2019. Under Mr Johnson the government has pledged to increase spending significantly. In his 2019 annual spending review, the chancellor of the exchequer, Sajid Javid, promised more than £13.8bn in additional spending across all government departments, concentrated in health, education and the police. On top of those commitments, the Conservative manifesto pledged an additional £2.9bn in current expenditure by 2024 and promised to raise the cap on borrowing for investment from 2% of GDP to 3%. We expect that this fiscal easing, combined with continued economic uncertainty around Brexit, will cause the budget deficit to spike in 2020 and 2021, to 2.7% of GDP in both years, as new trade barriers with the EU hold back growth. Thereafter we expect the deficit to decline to an annual average of 2.3% in 2022-24. We expect public debt to decline gradually, reaching 80.2% by 2024.

Monetary policy

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On December 20th the government announced that Andrew Bailey, the head of the Financial Conduct Authority—one of the UK's main banking regulatory agencies, will take over as governor of the Bank of England (BoE, the central

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bank) from the incumbent, Mark Carney, in March. Mr Bailey is likely to pursue broad policy continuity after Mr Carney's departure, but the decisions made by the BoE will be heavily influenced by the degree of volatility of both prices and demand created by UK-EU negotiations. The BoE has been wary of cutting rates so that it retains monetary policy space for a potential disorderly Brexit. However, the BoE's monetary policy committee, which decides interest rates, was split 7-2 in its two most recent meetings, with a minority voting to cut interest rates immediately owing to the accelerated Brexit timetable. As a result, we believe that the BoE will cut rates twice, to 0.25%, in the lead up to or immediate aftermath of the transition period's end-date. We anticipate that once Brexit uncertainty dissipates in 2022 the BoE will tighten rates again, reaching 1.25% by the end of the forecast period.

Global forecast data

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	2019	2020	2021	2022	2023	2024
Economic growth (%)						
US GDP	2.3	1.7	1.8	2.0	1.8	2.2
OECD GDP	1.6	1.5	1.8	1.9	1.8	2.0
EU28 GDP	1.4	1.4	1.7	1.7	1.6	1.8
World GDP	2.3	2.4	2.8	2.9	2.8	2.9

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World trade	1.5	2.3	3.6	3.7	3.7	3.8
Inflation indicators (% unless otherwise indicated)						
US CPI	1.8	1.6	1.9	2.1	1.8	1.8
OECD CPI	1.9	1.8	2.0	2.2	2.1	2.0
EU28 CPI	1.5	1.5	1.8	1.9	1.9	1.9
Manufactures (measured in US\$)	-0.1	1.9	4.0	4.1	3.5	3.1
Oil (Brent; US\$/b)	64.0	63.0	67.0	71.0	73.8	71.0
Non-oil commodities (measured in US\$)	-6.6	0.8	3.9	1.8	0.9	2.5
Financial variables						
US\$ 3-month commercial paper rate (av; %)	2.2	1.5	1.5	1.8	2.2	2.3
€ 3-month interbank rate (av; %)	-0.4	-0.4	-0.4	-0.4	-0.2	0.0
US\$:£ (av)	1.28	1.28	1.29	1.35	1.38	1.41
US\$:€ (av)	1.12	1.13	1.16	1.21	1.24	1.24

Economic growth

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Softening global demand and Brexit-related political turmoil began to weigh on economic activity in 2018, when real GDP growth was 1.3%, and continued in 2019, when we also estimate growth of 1.3%. Overall, 2019 data have been

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volatile owing to firms building and drawing down stockpiles, and moving scheduled holidays to the period after the initial Brexit deadline, alongside other time-shifting economic activity in preparation for no deal and general economic uncertainty. Growth in 2020 and 2021 is likely to be weak owing to the government's accelerated timetable for leaving the single market and customs union, which will constrain exports and investment, as well as consumer demand. This will be partially offset by increased government expenditure, but we expect growth to average 1.1% in both years.

Growth since the Brexit referendum has been driven by private consumption—supported by real wage growth, which reached post-crisis highs in 2019—and an estimated 2019 unemployment rate of 3.8%. However, employment growth has stalled recently, growing by an estimated 0.6% in full-year 2019, as the economy is already near full employment, and productivity growth remains low. Further growth in private consumption will be constrained—particularly as the UK exits the transition period, triggering a negative shock to sectors exporting to the EU. In particular, we expect that the erection of new trade barriers will significantly harm certain export-related sectors—particularly manufacturing—which, combined with pre-existing signs of softening labour demand, will lead to flat or negative job growth in 2020 and 2021.

Gross capital formation stalled in 2018 and turned negative in the second and third quarters of 2019, following a first-quarter increase driven by construction and machinery investment, as well as Brexit-related inventory stockpiling. We estimate investment growth at 0.4% in full-year 2019, underpinned primarily by the construction sector. Mr Johnson's government has made stimulating investment and productivity a priority. With an already tight labour market and low productivity growth, this will be necessary to make up for any decline in consumer demand. However, we forecast that continued business uncertainty around the final UK-EU relationship and a lag in implementing pro-investment government policies will keep investment subdued, at 0.6% in 2020. Investment will begin to rise in 2021, to 2.1%, as Brexit uncertainty recedes, and will gather pace thereafter, reaching its pre-Brexit level of 3.6% by 2024.

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We forecast that export growth will turn negative in 2020 and 2021 as increased regulatory and administrative barriers to trade are erected. Imports will also decline. However, although suppressed demand and increased trade frictions after Brexit will constrain imports, the scale of the decline will be limited by the UK's generally lower barriers to trade and a strengthened pound. Therefore the external balance will continue to be a drag on GDP growth. Exports and imports will increase again from 2022 as businesses adjust to the new terms of trade, but both will remain below their pre-Brexit trend.

Economic growth

%	2019 ^a	2020 ^b	2021 ^b	2022 ^b	2023 ^b	2024 ^b
GDP	1.3	1.1	1.1	1.9	1.7	1.5
Private consumption	0.8	1.1	0.7	0.8	1.3	0.9
Government consumption	1.3	3.5	2.8	2.5	2.3	2.3
Gross fixed investment	0.4	0.6	2.1	2.8	3.6	3.6
Exports of goods & services	0.9	-2.0	-1.9	2.0	1.9	2.4
Imports of goods & services	3.1	-0.5	-1.9	1.1	2.4	2.9
Domestic demand	1.3	1.5	1.0	1.7	1.9	1.7
Agriculture	0.2	0.1	0.3	0.7	0.5	0.5
Industry	0.2	-0.6	-0.4	0.3	0.5	1.2
Services	1.6	1.5	1.4	2.3	2.0	1.6

^a Actual. ^b Economist Intelligence Unit forecasts.

Inflation

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We expect price pressures to remain subdued in 2020-24—after averaging an estimated 1.8% in 2019—given Brexit-related uncertainty, structural retail disinflationary trends and our expectation of relatively low global oil prices. From 2021 we expect demand to increase steadily as post-Brexit uncertainty declines. However, this will be offset by a gradually tightening monetary stance and a strengthening of sterling, causing inflation to remain stable, at an average of 2% in 2021-24.

Exchange rates

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The value of sterling has been tied closely to Brexit developments and is expected to remain volatile throughout the transition period and its immediate aftermath, before strengthening as uncertainty recedes. Following Mr Johnson's election victory, sterling briefly strengthened to US\$1.35:£1, before declining to US\$1.30:£1 after Mr Johnson reiterated his opposition to extending the transition period. Owing to the UK's large current-account deficit, movements in sterling are tied to international capital investment, which has generally responded positively to Mr Johnson's domestic agenda and negatively to his Brexit agenda. As a result, we expect sterling to remain volatile

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throughout 2020 and 2021 as Brexit negotiations progress. We expect a gradual appreciation of the currency after the UK leaves the transition period, reaching US\$1.41:£1 by the end of the forecast period.

External sector

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We estimate the current-account deficit at 4.3% of GDP in full-year 2019. We expect that the UK's departure from the EU single market and customs union will inflate the current-account deficit, as increased trade barriers with the EU post-Brexit will cause exports to decrease sharply in 2020 and 2021 as the new terms of trade are implemented. Imports will also be hit, although strength-ening sterling will partly offset this, as will the UK's generally low barriers to imports. As a result, the current-account deficit will expand to 4.8% in 2020, before peaking at 5% in 2021. The current-account deficit will gradually narrow throughout the remainder of the forecast period as exporters find new markets and build new supply chains. However, this narrowing will be limited by a strengthening sterling and a resilient capital account.

Country forecast overview: Business environment rankings

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Value of index ^a		Global rank ^b		Regional rank ^c	
2015-19	2020-24	2015-19	2020-24	2015-19	2020-24
7.85	7.94	17	18	11	10

^a Out of 10. ^b Out of 82 countries. ^c Out of 18 countries: Austria, Belgium, Cyprus, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, Turkey and the UK.

- The UK’s business environment score improves in the forecast period (2020-24) compared with 2015-19, and the UK rises by one place in the regional rankings, but declines by one place in the global rankings. Brexit introduces policy uncertainty, but the country’s strengths—including a pro-business policy stance, a welcoming attitude to foreign investment, and flexible labour and product markets—will continue.

Business environment at a glance

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Policy towards private enterprise and competition

2020-21: Government retains large stake in Royal Bank of Scotland. Public support for renationalisation of rail sector and utilities.

2022-24: Revamp of regulatory and competition frameworks. Continued state support underpins house prices.

Policy towards foreign investment

2020-21: Reduced foreign investor activity. Automotive sector "assurances" under previous government no longer operative.

2022-24: Infrastructure plans offer investment opportunities. Possible changes in tax policies to bolster inward investment.

Foreign trade and exchange controls

2020-21: Accelerated timetable for transition period creates significant trade uncertainty. New Northern Ireland protocol implemented. Talks begin on UK-EU free-trade agreement. Significant risk of "cliff edge" transition for businesses.

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2022-24: Expected decline in UK-EU crossborder trade. New trade agreements with other countries, including US, possible.

Taxes

2020-21: Gradual rise in personal income tax allowance, but also in total tax burden. Modest changes to business rates.

2022-24: Ongoing efforts to reduce revenue lost to growing tax avoidance and evasion. Possible changes to the value-added tax (VAT) framework if the UK leaves the EU's VAT regime after 2020.

Financing

2020-21: Monetary policy remains highly accommodative. "Ring-fencing" bank reforms and ongoing capital strengthening. Steady growth in alternative forms of debt financing.

2022-24: Loss of "passporting" rights and restrictions on EU services trade. Modest decline in City of London's status.

The labour market

2020-21: Firms defer hiring decisions amid Brexit uncertainty. Phased increase in compulsory national living wage.

2022-24: Some restrictions on free movement of labour from EU after Brexit, but likely to be flexible.

Infrastructure

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2020-21: Modest rise in spending on housing, roads and digital infrastructure. Crossrail service in London begins operation.

2022-24: Construction of high-speed rail link between London and the north of England. Possible large-scale state investment and management if a Labour government comes into office.

Technological readiness

2020-21: High e-commerce penetration and strong research base, but UK research and development (R&D) spending below EU average and limited provision of e-government services. Continued high threat from cybercrime and cyber-espionage.

2022-24: Possible weakening of research and innovation framework due to exit from—or more restricted access to—EU structural programmes (such as "Horizon 2020") and project financing schemes. Modest rise in public R&D spending.

Market opportunities: Social indicators and living standards

[United Kingdom](#) | [Business](#) | [Market opportunities](#) | [Social indicators and living standards](#)

May 7th 2019

Social indicators and living standards

	2018		2023	
	Western Europe (av)		Western Europe (av)	
Health				
Healthcare spending (% of GDP)	9.8	10.4	10.3	10.7
Healthcare spending (US\$ per head)	4,166	4,496	5,149	5,586
Infant mortality rate (per 1,000 live births)	4.2	3.5	4.0	3.4
Physicians (per 1,000 population)	2.9	3.9	3.1	4.1
Food and beverages				
Food, beverages & tobacco (% of household spending)	11.7	17.2	11.9	16.9
Meat consumption (kg per person)	85.3	89.4	87.9	94.3
Milk consumption (litres per person)	240.3	257.8	247.2	270.9
Coffee & tea consumption (kg per person)	4.4	6.1	4.5	6.4
Consumer goods in use (per 1,000 population)				
Passenger cars	521	537	518	553
Telephone main lines	535	446	542	453

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Mobile phone subscribers	1,434	1,529	1,446	1,671
Television sets	1,126	804	1,248	881
Personal computers	982	913	1,110	1,005
Households				
No. of households (m)	27.1	186.8	28.0	195.5
No. of people per household (av)	2.5	2.2	2.4	2.2
Income and income distribution				
Median household income (US\$)	58,320	51,056	68,690	59,549
Average monthly wage (US\$)	3,712	3,757	4,745	4,509
Gini index	33.2 ^a	31.7 ^a	–	–

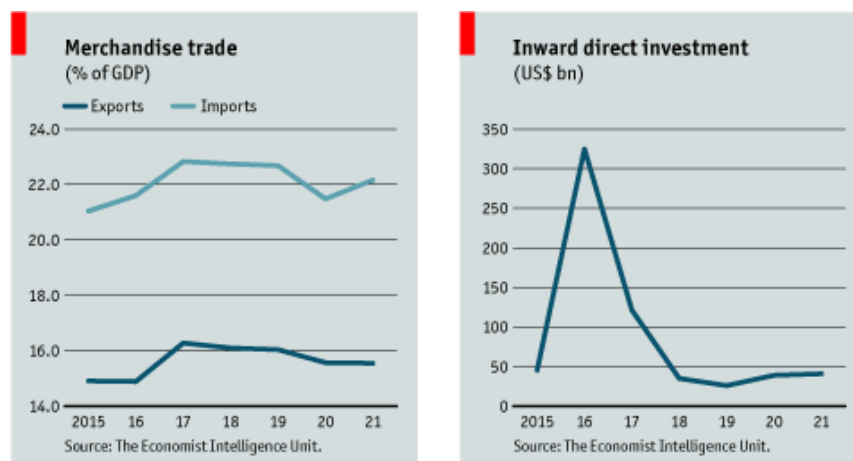
^a Latest available year.

Sources: UN Statistical Office; World Bank; Food and Agriculture Organisation (FAO); Euromonitor; World Health Organisation (WHO); national statistical offices; Pyramid Research; Economist Intelligence Unit estimates and forecasts.

Global position

[United Kingdom](#) | [Regulation](#) | [Global position](#)

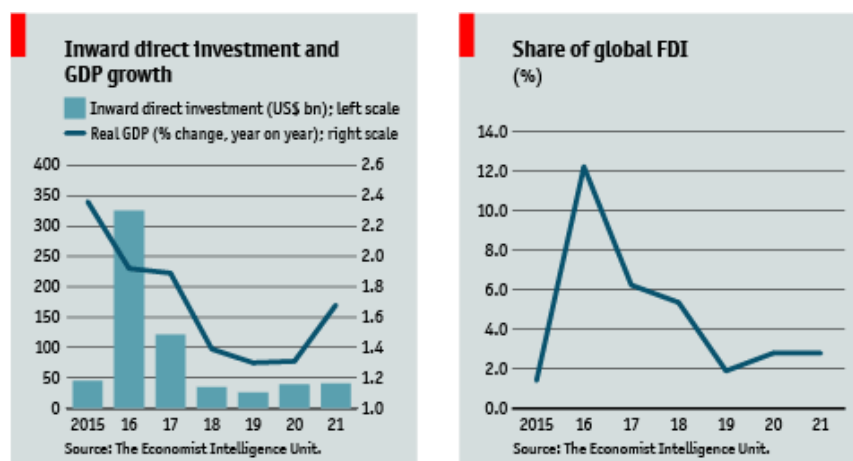
December 1st 2019



The outlook for the UK has become much more uncertain following the 2016 referendum vote to leave the EU. The UK began the formal process of exiting the bloc in March 2017 when it triggered Article 50 of the Lisbon Treaty. This provided for a two-year exit time frame, although the UK has since asked for three Article 50 extensions, with departure now expected on or by January 31st 2020. A general election takes place in the meantime, on December 12th 2019. The UK and EU have negotiated a withdrawal agreement that allows for a transition period lasting until end-2020 (with an extension possible), during which the UK would retain most aspects of EU membership. Looking beyond the transition period, the UK and EU intend to work towards a free-trade agreement, with the degree of regulatory alignment between the two parties still to be determined. Real GDP growth is expected to be relatively

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subdued during the next few years, reflecting Brexit-related uncertainties. The UK still has much to offer as an investment destination. Existing clusters and economies of scale in sectors such as pharmaceuticals, biotechnology, software development and financial services will remain powerful magnets for foreign entrants, while significant potential exists for large-scale, long-term investments in the energy and transport sectors.



Regulatory/market assessment

[United Kingdom](#) | [Regulation](#) | [Regulatory/market assessment](#)

December 1st 2019

- In October 2019 the government stated its intention to implement legislation expanding its powers to block business transactions that can pose national security risks. Development of the reform was halted after the calling

One-click report : United Kingdom ,March 21st 2024

of a general election scheduled for mid-December 2019. Discussions were also cut short on a proposed digital sales tax targeting foreign companies that do substantial business in the UK but pay relatively little tax there.

- In November 2019 the government declared a moratorium on hydraulic fracturing (fracking), which took immediate effect. The move follows the publication of a report from the Oil and Gas Authority, an industry regulator, on the difficulties of predicting the environmental and safety impacts of the practice.
- A March 2019 reform ends the so-called Swedish derogation, which excludes agency workers from the right to pay parity with permanent employees in the company where they are assigned if they are paid between work assignments. The measure takes effect in April 2020.

Regulatory/market watch

[United Kingdom](#) | [Regulation](#) | [Regulatory/market watch](#)

December 1st 2019

- Negotiated in October 2019, the most recent withdrawal agreement between the UK and EU sets a new Brexit deadline at January 31st 2020, following three extensions from the initial target of March 29th 2019. The agreement allows for a transition period lasting until end-2020 (with a possible two-year extension), during which the UK retains most aspects of EU membership including participation in the single market and customs union.
- The withdrawal agreement states that the UK and EU will work towards a free-trade agreement that will clarify their future relationship following the conclusion of the transition period. It envisages that the UK will leave the EU single market and customs union (with special arrangements for Northern Ireland), leaving it free to negotiate trade deals with non-EU countries.

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- The withdrawal agreement still requires ratification by the UK and EU to take effect. Results from the UK's general election scheduled for mid-December 2019 will determine how and whether the country passes the agreement in its current form.
- Brexit has put into question the privileged access that nationals from the European Economic Area (the EU plus Iceland, Liechtenstein and Norway) and Switzerland currently enjoy to the UK's labour market. While workers already in the UK can apply for "settled status", the direction of policies targeting new labour migrants remains in flux and inevitably will reflect the composition of government following the December 2019 election.
- Brexit has also compromised the UK's continued access to EU development funding, which will end following the conclusion of the proposed transition period. The Conservative government has proposed the development of a UK Shared Prosperity Fund to replace the EU programmes, but this had not been finalised as of end-November 2019.
- Brexit will mean that the European Court of Justice no longer has broad powers to challenge UK tax law—a particularly contentious area in the past. After leaving the EU, the UK will likely have to balance its new abilities to reform EU laws and overturn precedent with the need to maintain a competitive business environment.
- In November 2019 Prime Minister Boris Johnson announced the Conservative Party would scrap a planned reduction in the corporate income tax rate from 19% to 17% in April 2020, if it wins the upcoming general election. The move aims to support spending on public services.
- Brexit raises the possibility of divergence between UK and EU competition law. The exact outcome will depend on the model the UK adopts in its future relationship with the EU and will likely involve a slow process. EU competition rules would continue to apply to UK companies conducting business within EU member states after the UK leaves the bloc.

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- The recent withdrawal agreement proposes that Northern Ireland would stay within a regulatory union with the EU for most goods, remaining in the UK customs and value-added tax (VAT) areas and with checks conducted by the UK on the EU's behalf for any goods bound for the EU across the Irish Sea. The arrangement would be subject to revision every four years by a majority vote in the Northern Ireland Assembly.

Long-term outlook: The long-term outlook

[United Kingdom](#) | [Economy](#) | [Long-term outlook](#) | [Long-term outlook](#)

May 7th 2019

	2019-30	2031-50	2019-50
Population and labour force (% change; annual av)			
Total population	0.44	0.31	0.39
Working-age population	0.18	0.11	0.11
Working-age minus total population	-0.31	-0.20	-0.26
Labour force	0.43	0.20	0.30
Growth and productivity (% change; annual av)			
Growth of real GDP per head	1.0	1.4	1.3
Growth of real GDP	1.4	1.7	1.6
Labour productivity growth	1.7	1.5	1.7
Growth of capital stock	2.7	2.4	2.6

One-click report : United Kingdom ,March 21st 2024

Total factor productivity growth	0.6	0.7	0.7
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Initial conditions: From the early 1990s up to 2008 the economic performance of the UK improved relative to that of many of its regional peers, owing in part to a sharp rise in labour utilisation. A similar pattern emerged in the wake of the global financial crisis, with strong employment growth fuelling a comparatively strong recovery in the UK. The pace of economic growth has since softened, and The Economist Intelligence expects more subdued activity to continue over the next few years, amid Brexit uncertainty, lower investment and weak productivity growth. We do not expect Brexit to have an obvious negative effect on long-term growth prospects, as many of the factors underpinning this in our model are not related to EU membership. A UK departure from the EU would have a negative effect on some sources of growth such as external trade, but it may have a modestly positive effect on others, such as deregulation and fiscal transfers.

In the long-term forecast horizon, we expect economic performance to remain relatively robust. This reflects our view that the country’s policymakers will adjust to the new reality over time and develop new pro-growth strategies. With comparatively robust demographic tailwinds—we do not anticipate a sharp post-Brexit tightening of immigration—trend rates of UK real GDP growth will be stronger than in Europe’s other large economies. For example, our forecast for average annual UK real GDP growth of 1.6% in 2019-50 (the long-term forecast period) compares with 1.4% in Germany and 1.5% in France.

Small regulatory barriers aid investment

In terms of long-term growth prospects, the UK’s advantages have traditionally included a comparatively low regulatory burden, a flexible labour market and a business environment that is conducive to foreign investment. These areas of economic management will be affected by Brexit, but we expect them to remain advantages for the UK. On the negative side, factors that tend to constrain the UK’s long-term outlook include over-reliance on wealth

effects generated by the volatile financial and real estate sectors, high levels of private-sector debt and a deficit in "intermediate" labour market skills. These have contributed to the development of an unbalanced economy. Levels of productivity in the UK, in terms of output per hour worked, lag well behind those in the US, Germany and France. This weak trend is worrying and will weigh on medium- and long-term growth if not reversed. It is possible that a Brexit shock would result in a policy shake-up that will address some of the shortcomings that have underpinned this poor productivity performance, although there is little evidence of sufficient political support for such a shift.

The labour force participation rate is higher than the OECD average

Demographic trends: The working-age population is forecast to rise gradually over the long-term horizon, and the share of the population aged 65 or over will continue to increase. By 2050 those aged 65 and older are projected to account for 25.4% of the population (up from 18.7% in 2018). The share of the working-age population peaked at 66% in 2008-09 and is forecast to decline steadily, to 58.3% by 2050. The labour force participation rate is just below 80%—slightly lower than in Denmark and Norway, but much higher than the OECD average. This suggests that some scope exists for raising participation levels, but less than in most of the UK's peers.

External conditions: The UK is a highly trade-dependent economy, and thus its departure from the world's largest trading bloc would have implications for its long-term prospects. Proponents of Brexit argue that it would unleash the UK's trading potential in other parts of the world, but we are sceptical about this argument. First, this new latitude in trade policy—as an EU member the UK is prohibited from agreeing trade deals on its own behalf—will probably come at the price of weaker trade links with the EU, which is the UK's most significant trading partner. Second, there are deeper factors than EU membership that have hampered the UK's ability to expand its exports to the world outside the EU, such as weaker policy supports than are offered in many other EU countries, and a business culture that is less familiar with and enthusiastic about tackling the challenges involved in trading with new markets.

The EU will probably remain the UK's main export destination after Brexit

Multilateral trade-liberalisation talks have been foundering in the face of increased political resistance, particularly in Europe and the US. Moreover, global trade growth has slowed in the wake of the financial crisis—in part because of the changing structure of global supply chains—and remains at risk from an increase in protectionist sentiment. The development of the emerging economies in Asia, South America and parts of Africa will present opportunities and challenges for UK companies. Amid some volatility—and a softer pace of expansion in China—we expect relatively solid growth to continue across the emerging world, changing the shape of the global economy and the role of major players on the world stage. Regardless of the precise contours of the UK's post-Brexit settlement, the EU is likely to remain the UK's most important export destination. Given the demographic, structural and political headwinds that the bloc faces, we expect the EU's long-term growth rate to remain modest. The underlying weakness of the euro zone also represents a significant tail risk to the UK, as it remains conceivable that it could lead to a partial or complete break-up of the currency bloc. This would be highly disruptive for the UK economy and its financial system.

Institutions and policy trends: The UK is a healthy democracy with a well-entrenched rule of law (guaranteeing security of contracts), liberalised product markets and a rigorous competition policy regime. The country's decision to leave the EU represents a break with decades of policy consensus. It remains too early to gauge how effectively policymakers and institutions will cope with the challenges involved in taking the UK out of the EU. Questions remain about the capacity of the government and bureaucracy to handle what lies ahead.

Long-term prospects depend on an improvement in productivity

Long-term performance: The UK has less scope for raising labour force participation than most other developed economies, so its long-term economic prospects will depend on raising productivity. It will have to meet three major challenges in this regard: improving its human capital by boosting intermediate and vocational skills; raising the

One-click report : United Kingdom ,March 21st 2024

quality of infrastructure for land transport; and relaxing the UK's strict planning regulations, which have contributed to a boom-bust cycle in the residential housing market, raised commercial rents, reduced competition and prevented firms from operating at their most efficient scale. A number of factors could prevent the UK from closing the productivity gap with some of its peers. Examples include the relative scarcity of land, which will require GDP growth to be balanced against other social objectives, and the UK's relatively low share of spending on R&D. The economy is forecast to grow at a respectable pace until 2050. However, many emerging market economies will expand far more rapidly. Not only are their demographic profiles more favourable, but they also have significant potential for catch-up in areas ranging from institutional quality, regulatory efficiency and education to the application of information and communications technology (ICT).

Income and market size

	2018	2030	2050
Income and market size			
Population (m)	66.6	70.6	75.4
GDP (US\$ bn at market exchange rates)	2,829	3,972	7,931
GDP per head (US\$ at market exchange rates)	42,490	56,280	105,220
Private consumption (US\$ bn)	1,870	2,610	4,990
Private consumption per head (US\$)	28,090	36,980	66,200
GDP (US\$ bn at PPP)	3,075	4,475	9,350
GDP per head (US\$ at PPP)	46,180	63,400	124,040
Exports of goods & services (US\$ bn)	847	1,278	2,923

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Imports of goods & services (US\$ bn)	888	1,317	2,959
Memorandum items			
GDP per head (at PPP; index, US=100)	74.4	72.2	72.8
Share of world population (%)	0.88	0.85	0.81
Share of world GDP (% at market exchange rates)	3.36	2.86	2.30
Share of world GDP (% at PPP)	2.31	2.01	1.78
Share of world exports of goods & services (%)	3.43	3.19	2.82

Automotive

[United Kingdom](#) | [Automotive](#) | [Overview](#)

January 17th 2020

- The UK is the world's 13th-largest automotive manufacturer and sixth-largest vehicle market, according to the International Organisation of Motor Vehicle Manufacturers (OICA). Output expanded steadily between 2010 and 2016, but it has since fallen sharply amid Brexit-related disruption, weaker domestic and export demand, regulatory changes and a shift away from diesel.
- Vehicle production fell by 8.3% in 2018, to a four-year low of 1.6m units—well below its 1998 peak of 2m units. Car production in January-November 2019 was down by another 14.5% year on year, according to data from the Society

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of Motor Manufacturers and Traders (SMMT). Commercial vehicle (CV) production, which makes up less than 5% of the total, also declined.

Income and demographics

	2015 ^a	2016 ^a	2017 ^a	2018 ^a	2019 ^a	2020 ^b	2021 ^b	2022 ^b	2023 ^b	2024 ^b
Nominal GDP (US\$ bn)	2,930.0 ^c	2,703.7 ^c	2,670.7 ^c	2,858.8 ^c	2,792.9	3,034.0	3,210.1	3,262.5	3,323.9	3,653.3
Population (m)	65.4 ^c	65.8 ^c	66.7 ^c	67.1	67.5	67.9	68.2	68.5	68.8	69.0
GDP per head (US\$ at PPP)	42,334 ^c	43,418 ^c	44,924 ^c	45,526	46,959	48,164	49,665	50,438	51,335	52,688
Private consumption per head (US\$)	28,886 ^c	26,754 ^c	26,021 ^c	27,893	27,296	29,275	30,791	31,073	31,424	33,864
No. of households ('000)	26,994	27,119	27,472	27,607	27,729	27,844	27,947	28,038	28,114	28,195
No. of households with annual earnings above US\$5,000 ('000)	26,994	27,119	27,472	27,607	27,729	27,844	27,947	28,038	28,114	28,195
No. of households with annual earnings above US\$10,000 ('000)	26,994	27,119	27,472	27,607	27,729	27,844	27,947	28,038	28,114	28,195
No. of households with annual earnings above US\$50,000 ('000)	18,132	16,237	15,725	17,387	16,797	18,167	19,148	19,419	19,669	20,909
No. of households with net wealth over US\$1m ('000)	982	851	1,036	932	1,001	1,150	1,318	1,285	1,451	1,648

^a Economist Intelligence Unit estimates. ^b Economist Intelligence Unit forecasts. ^c Actual.

Source: The Economist Intelligence Unit.

- Political drift since mid-2016, when the country voted to leave the EU, ended with the December election, which delivered a solid majority for the pro-Brexit Conservative Party. The prime minister, Boris Johnson, has formed a unified government and has vowed to "get Brexit done" by the January 31st deadline.

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- While this will bolster consumer and business confidence in the short term, a further deadline looms at the end of 2020, when the transition period ends. The Economist Intelligence Unit expects only a limited trade deal to be achieved by then, leaving several issues over mutual recognition and regulation unresolved.
- New-car sales have been in decline since reaching a record in 2016, and fell by a further 2.4% in 2019. We expect another decline in 2020, and annual sales will remain volatile in subsequent years. We expect new-car sales to expand at a compound annual growth rate (CAGR) of just 0.7% over our 2020-24 forecast period as a whole.
- The CV market reversed two years of decline in 2019, when it expanded by an estimated 3.5%. It is likely to dip in 2020 and again in 2022, but to post a CAGR of 1.3% in 2020-24. Risks to these forecasts are fairly high, given remaining uncertainties over Brexit.

Consumer goods

[United Kingdom](#) | [Consumer goods](#) | [Overview](#)

November 12th 2019

- Retail sales volumes in the UK have expanded steadily over recent years, supported by employment gains, low inflation, consumer borrowing and retail discounting. This resilience has contrasted with weak consumer sentiment and widespread pessimism over the UK's planned exit from the EU (Brexit). Underlying volume growth is softer than in 2014-16, however, and economic prospects are deteriorating amid a slowing labour market and the likelihood of ongoing Brexit-related uncertainty and disruption.
- Brexit developments in 2020 will be heavily influenced by the outcome of an early general election to be held on December 12th 2019. Opinion polls point to a Conservative Party majority, but a hung parliament is also quite

One-click report : United Kingdom ,March 21st 2024

possible. The former could lead to some progress on a revised withdrawal agreement, but with lengthy and complex negotiations over a new UK-EU trade deal yet to begin, Brexit will continue to dominate UK debate. With still no consensus in parliament or from voters over how to reshape the UK's relationship with its main trading partner, a damaging "no-deal" Brexit, a second referendum or no Brexit at all remain possible outcomes. Given this uncertainty, consumer demand is expected to be relatively subdued.

- According to Planet Retail, a provider of global retail intelligence, sales volumes expanded by 1.1% in 2018. The Economist Intelligence Unit estimates that sales growth will have accelerated slightly in 2019, to 1.7%, supported by firmer real-income gains. Our core forecast is for more subdued retail demand in 2020-22, amid ongoing Brexit-related economic strains, with a mild strengthening thereafter. Over the five-year forecast period (2020-24) we expect sales volume growth to average 0.7% a year, compared with 1.3% a year in 2015-19.
- For the food and non-food sectors, any form of Brexit would most likely lead to increased tariff and non-tariff barriers, higher consumer prices and supply-chain disruption, with a significant impact on the agricultural and food manufacturing sectors. More severe, and prolonged, negative effects would result from a no-deal Brexit.

Income and demographics

	2015 ^a	2016 ^a	2017 ^a	2018 ^a	2019 ^a	2020 ^b	2021 ^b	2022 ^b	2023 ^b	2024 ^b
Nominal GDP (US\$ bn)	2,930.0 ^c	2,703.7 ^c	2,670.7 ^c	2,858.8 ^c	2,771.6	2,925.0	3,127.2	3,293.5	3,431.7	3,600.2
Population (m)	65.4 ^c	65.8 ^c	66.7 ^c	67.1	67.5	67.9	68.2	68.5	68.8	69.0
GDP per head (US\$ at PPP)	42,334 ^c	43,418 ^c	44,924 ^c	45,526	46,819	47,888	49,364	50,541	51,718	53,196
Private consumption per head (US\$)	28,886 ^c	26,754 ^c	26,021 ^c	27,893	27,077	28,242	29,955	31,466	32,754	34,307
No. of households ('000)	26,994	27,119	27,472	27,607	27,729	27,844	27,947	28,038	28,114	28,195
No. of households with annual earnings above US\$5,000 ('000)	26,994	27,119	27,472	27,607	27,729	27,844	27,947	28,038	28,114	28,195

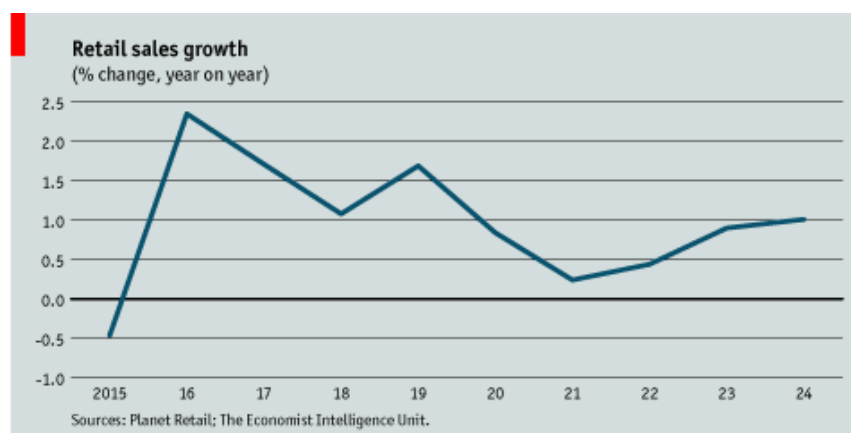
One-click report : United Kingdom ,March 21st 2024

No. of households with annual earnings above US\$10,000 ('000)	26,994	27,119	27,472	27,607	27,729	27,844	27,947	28,038	28,114	28,195
No. of households with annual earnings above US\$50,000 ('000)	18,021	16,038	15,482	17,038	16,606	17,464	18,641	19,603	20,311	21,076
No. of households with net wealth over US\$1m ('000)	982	851	1,036	932	976	1,151	1,252	1,435	1,595	1,775

^a Economist Intelligence Unit estimates. ^b Economist Intelligence Unit forecasts. ^c Actual.

Source: The Economist Intelligence Unit.

- The UK is Europe's biggest online retail market, but robust internet sales have gone hand in hand with a steady fall in the number of high-street stores and retail employment. These trends will persist, amid rising mobile e-commerce (m-commerce), although annual growth rates will moderate as internet retail matures. A new digital services tax will take effect in 2020, which will target large technology groups such as Amazon, eBay and Apple (all US).



Energy

[United Kingdom](#) | [Energy](#) | [Overview](#)

December 18th 2019

- Total UK energy consumption has trended gradually lower since the mid-1990s, but was fairly stable in 2018 at an estimated 177m tonnes oil equivalent (toe). This compares with 209m toe a decade earlier. Together, natural gas and oil account for three-quarters of the energy mix. The Economist Intelligence Unit expects total consumption to fall gradually over the next decade, amid subdued economic growth and improving energy efficiency.
- The UK retains significant supplies of coal, oil and natural gas, but production is not sufficient to meet domestic demand. Given reliance on imports (for about 35% of primary energy demand), exposure to volatility in global energy prices will persist. Unusually cold weather in early 2018, which boosted demand, highlighted the UK's dependence on gas imports and its limited gas storage facilities (less than 2% of annual consumption).
- Consumption data for 2018 published by the Department for Business, Energy and Industrial Strategy (BEIS) indicated a further sharp decline in coal usage, alongside modest falls in demand for oil and gas. Electricity consumption was broadly stable, within which solid growth in renewables (mainly wind power and biomass) offset a fall in nuclear.
- UK carbon emissions fell for a sixth consecutive year in 2018, by a provisional 2.5%. Driven primarily by the shift from coal for electricity generation towards gas and renewables, the UK has already achieved its EU-mandated target to reduce greenhouse gas emissions by 20% from 1990 levels by 2020—emissions in 2018 were an estimated 44% lower. However, total transport emissions have barely changed over the past 30 years.
- The UK's scheduled exit from the EU in early 2020 will mean that it will no longer be required to meet EU-mandated climate targets (such as a 40% cut in emissions from 1990 levels). However, the UK's 2008 Climate

One-click report : United Kingdom ,March 21st 2024

Change Act still mandates a medium-term reduction of the country’s carbon footprint by 2050. This was amended by the previous Conservative government in mid-2019, replacing an existing target of lowering emissions by 80% from 1990 levels with a tougher objective of ”net zero” emissions by 2050.

- There is more limited scope to reduce emissions via decarbonising the energy supply, so progress will rely increasingly on behavioural shifts by households and firms, which may not be popular and would probably push up energy costs. There are also doubts over the ”green credentials” of the new hard-right Conservative government elected in December 2019.
- Until a post-Brexit UK-EU trade deal is finalised—potentially by end-2020 but more realistically some years later—uncertainty will persist over many elements of energy policy. This includes the UK’s future level of participation in the EU’s internal energy market (IEM), the emissions trading system (ETS), the Euratom Treaty for nuclear regulation, interconnector projects to the continent, and various EU research funding schemes. Changes could have implications for energy prices, security of supply and new capacity expansion. Brexit will impose new non-tariff restrictions on trade and is likely to reduce availability of skilled foreign labour. The risk of a highly disruptive ”no-deal” Brexit in early 2021 will persist.
- All of the six big energy suppliers in the UK—British Gas, EDF Energy (France), E.ON (Germany), Npower (Germany), Scottish Power and SSE (domestic producers)—have raised energy prices in recent years, citing higher wholesale energy costs and government policies—including renewables subsidies and smart-meter installation—for the increases in end-user bills.
- The dominance of the ”big six” energy suppliers is declining, amid market and regulatory pressure. Smaller players now account for about 25% of the market.

Energy: key indicators

	2017 ^a	2018 ^a	2019 ^b	2020 ^c	2021 ^c	2022 ^c	2023 ^c	2029 ^c

One-click report : United Kingdom ,March 21st 2024

GDP (US\$ bn at market exchange rates)	2,671	2,859	2,789	3,024	3,197	3,246	3,306	3,972
Real GDP (% change, year on year)	1.9	1.4	1.2	1.3	1.7	1.1	1.1	2.0
Population (m)	66.7	67.1	67.5	67.9	68.2	68.5	68.8	70.3
Population (% change, year on year)	1.4	0.6	0.6	0.5	0.5	0.4	0.4	0.3
Gross domestic energy consumption (ktoe)	175,883	176,884	176,897	176,225	176,175	175,804	175,661	174,607
Gross domestic energy consumption (% change, year on year)	-1.8	0.6	0.0	-0.4	0.0	-0.2	-0.1	-1.5

^a Actual. ^b Economist Intelligence Unit estimates. ^c Economist Intelligence Unit forecasts.

Note. Forecasts for 2024-28 are available via The Economist Intelligence Unit's data tool.

Sources: The Economist Intelligence Unit; © OECD/IEA 2018 IEA statistics, www.iea.org/statistics, licence: www.iea.org/t&c.

Financial services

[United Kingdom](#) | [Finance](#) | [Overview](#) | [Financial services](#) | [Overview](#)

January 28th 2020

- London is currently one of the two leading global financial centres (along with New York) and has the largest share of many international markets. The UK financial sector—banking, insurance, fund management, securities and alternative investment—plays a significant role in the economy. In 2018 it accounted for 6.1% of GDP and employed 3.3% of the workforce, according to Eurostat. It makes a substantial contribution to the balance of payments and tax revenue.
- Political drift since mid-2016, when the country voted to leave the EU, ended with the December 2019 election, which delivered a large majority for the pro-Brexit Conservative Party, aided by an unpopular Labour Party

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One-click report : United Kingdom ,March 21st 2024

opposition. The prime minister, Boris Johnson, has formed a unified government and the UK will formally leave the EU on January 31st 2020, entering a relatively short "transition period" that the government insists will expire at the end of 2020. Status quo UK-EU arrangements will mostly apply in this period, during which negotiations will take place on a post-Brexit trading agreement. The British electorate and the constituent nations of the UK remain deeply split over the Brexit issue.

- A stable majority government and a clearer "direction of travel" on Brexit may generate a short-term increase in consumer and business confidence, but the underlying economic backdrop remains weak and a further Brexit deadline looms at the end of 2020. The government's stated intention to exit the single market and customs union, with or without some form of UK-EU deal, creates the risk of a "cliff edge" for the financial services sector (and other industries) when the transition period ends. The Economist Intelligence Unit expects a limited trade deal to be achieved by end-2020, but one that will most likely leave many issues over mutual recognition and regulation unresolved.
- Headline real GDP growth has been modest, if resilient, in recent years, averaging 1.9% in 2016 and 2017, before slowing to 1.3% in 2018. Amid modest real-income gains, flat investment and softer global demand, we estimate real GDP growth of 1.3% in 2019. Growth in 2020-21 is likely to be weaker owing to the accelerated timetable for leaving the single market and customs union, which will constrain exports, investment and consumer demand. This will be partially offset by increased government expenditure, but we expect growth to average 1.1% in both years. Downside risks stem from the possibility of a disorganised withdrawal. In a disorderly Brexit, a range of UK asset prices, such as the exchange rate, equities, and corporate and government debt, as well as bank funding costs, would be expected to adjust sharply, tightening financial conditions for UK households and businesses.
- Sterling depreciated sharply against the US dollar and the euro after the Brexit referendum. It has since recovered a little ground on a trade-weighted basis, but at end-2019 it was about 7% weaker than just before the Brexit vote, and

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almost 15% weaker than in mid-2015. Changes in the value of sterling (in either direction) will remain heavily influenced by Brexit developments.

- Benchmark ten-year UK government bond yields averaged 1.5% in 2018, up slightly from a year earlier, but declined to a record-low 0.9% in 2019. The main London stockmarket indices have followed broad global trends, falling sharply in late 2018 and rebounding in 2019, but their overall performance has lagged almost all major indices in the UK's peer economies since the Brexit vote. Firms and sectors directly exposed to the domestic market have generally fared less well than listed foreign firms, which have benefited from the weaker level of sterling.
- We expect London to retain its status as one of the world's main financial centres, especially in the trading of foreign exchange and derivatives, but a loss of influence and post-Brexit restrictions on financial services trade with the EU are inevitable, even in a best-case scenario. Reaching agreement on the many elements of a complex new trading arrangement will be difficult and time-consuming (taking years rather than months) and financial services firms in the UK will almost certainly face restrictions from a loss of "passporting" (the right for UK-regulated financial companies to do business in the EU). A future trading and regulatory regime for financial services would most likely be based on a so-called enhanced equivalence framework, which would allow firms to retain some access to the bloc, albeit more limited in most areas than is currently the case. A problem of this approach for UK-based companies is that market access could be withdrawn unilaterally by the EU if it deemed that UK regulation had strayed too far from its standards, implying a constant degree of uncertainty.
- UK and EU regulators have agreed and implemented a number of temporary arrangements to try to reduce the potential disruption to financial markets of a disorderly "no-deal" Brexit. In the large euro-clearing market, for example, which is dominated by London-based firms, a 12-month window of "equivalence rights" would allow EU-based derivatives traders to continue using UK clearing houses and market infrastructure in the event of a no-deal Brexit. UK regulators have established a temporary permissions regime that would allow EU-based firms passporting into the UK to continue existing regulated business for a limited period after a no-deal Brexit.

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Income and demographics

	2015 ^a	2016 ^a	2017 ^a	2018 ^a	2019 ^a	2020 ^b	2021 ^b	2022 ^b	2023 ^b	2024 ^b
Nominal GDP (US\$ bn)	2,930.0 ^c	2,703.7 ^c	2,670.7 ^c	2,864.2 ^c	2,817.8	2,908.5	3,028.5	3,296.4	3,500.0	3,688.1
Population (m)	65.4 ^c	65.8 ^c	66.7 ^c	67.1	67.5	67.9	68.2	68.5	68.8	69.0
GDP per head (US\$ at PPP)	42,334 ^c	44,042 ^c	45,516 ^c	46,481	47,958	49,088	50,319	51,526	52,793	53,860
Private consumption per head (US\$)	28,886 ^c	26,754 ^c	26,021 ^c	27,931	27,272	27,974	28,889	30,681	32,029	33,078
No. of households ('000)	26,994	27,119	27,472	27,607	27,729	27,844	27,947	28,038	28,114	28,195
No. of households with annual earnings above US\$5,000 ('000)	26,994	27,119	27,472	27,607	27,729	27,844	27,947	28,038	28,114	28,195
No. of households with annual earnings above US\$10,000 ('000)	26,994	27,119	27,472	27,607	27,729	27,844	27,947	28,038	28,114	28,195
No. of households with annual earnings above US\$50,000 ('000)	18,132	16,237	15,725	17,387	16,815	17,283	17,981	19,306	20,245	21,045
No. of households with net wealth over US\$1m ('000)	982	851	1,036	932	1,005	1,053	1,186	1,345	1,506	1,639

^a Economist Intelligence Unit estimates. ^b Economist Intelligence Unit forecasts. ^c Actual.

Source: The Economist Intelligence Unit.

- Financial services companies currently serving the EU from the UK will continue to relocate some of their operations and staff to within the bloc, so as to ensure continued passporting provisions of the single market. Although outflows from the UK of financial sector employees (and related tax revenue) have so far been fairly modest, it is likely that this trend will continue as competing financial services hubs, primarily Frankfurt and Paris,

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gradually increase in size and influence. European policymakers will enhance post-Brexit policy efforts to attract major financial functions away from London.

- The UK was a notable casualty of the global market turmoil of 2008-09, with unprecedented measures taken to rescue and support the banking sector. Its underlying resilience has since improved, as banks have bolstered their capital and liquidity buffers amid tighter regulation and major restructuring, although some institutions (such as the Royal Bank of Scotland, RBS) remain fragile.
- The broader environment for the UK banking sector will remain challenging against a backdrop of low profitability, high household indebtedness, weaker economic growth prospects and Brexit-related uncertainty. Bank margins will continue to be squeezed by continued low or negative interest rates and as the Basel III capital requirements are implemented.
- Total lending growth has gradually softened since early 2018 and we expect subdued credit demand in 2020-24 (our forecast period), amid Brexit-related strains and modest global growth. There has been a steady rise in alternative forms of debt financing, which will continue throughout the forecast period.
- In August 2016—largely in response to the Brexit vote—the Bank of England (BoE, the central bank) announced a package of stimulus measures, including a cut in its policy interest rate and an expansion of its quantitative easing (QE) asset purchase programme. In November 2017 the BoE reversed this interest-rate move, implementing its first rate rise (to 0.5%) for more than a decade. In August 2018 the BoE raised its policy rate to 0.75%. Since early 2019 the BoE has shifted to a more dovish stance, and policy loosening appears likely in 2020. A no-deal Brexit would almost certainly trigger a range of policy stimulus measures from the BoE.

Healthcare

[United Kingdom](#) | [Healthcare](#) | [Spending](#)

December 15th 2019

Overview

- In 2018 total current expenditure on health in the UK was equivalent to 9.8% of GDP, according to OECD data, similar to the previous five years. This was a lower share than in Germany and France (both 11.2%), but above the OECD average of 8.8%. Despite modest funding, the UK's state-funded National Health Service (NHS) offers universal access to comprehensive healthcare services, delivering fairly good health outcomes.
- However, a period of lower funding growth has contributed to rising waiting times, increasing staff shortages, deteriorating finances at NHS providers and reduced social care services. Although the NHS has been partially ring-fenced from recurring austerity budgets, real-term growth in its funding has averaged less than 1% a year since 2009, according to OECD data. This is far lower than the average growth of 3.7% a year since the NHS was founded in 1948.
- Real-term spending growth is expected to accelerate slightly over the 2020-24 forecast period, despite weakening public finances. In 2018 the Conservative government set out a five-year spending plan targeting real-term growth

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of 3.4% a year. Ahead of the December 2019 general election, the Conservative Party (which won the election by a large margin) promised substantial additional spending on the NHS, although this included previous pledges.

Income and demographics

	2015 ^a	2016 ^a	2017 ^a	2018 ^a	2019 ^a	2020 ^b	2021 ^b	2022 ^b	2023 ^b	2024 ^b
Nominal GDP (US\$ bn)	2,930.0 ^c	2,703.7 ^c	2,670.7 ^c	2,858.8 ^c	2,789.4	3,024.4	3,196.8	3,246.2	3,306.2	3,609.5
Population (m)	65.4 ^c	65.8 ^c	66.7 ^c	67.1	67.5	67.9	68.2	68.5	68.8	69.0
GDP per head (US\$ at PPP)	42,334 ^c	43,418 ^c	44,924 ^c	45,526	46,817	47,983	49,435	50,209	51,057	52,757
Private consumption per head (US\$)	28,886 ^c	26,754 ^c	26,021 ^c	27,893	27,214	29,234	30,746	31,030	31,386	33,810
No. of households ('000)	26,994	27,119	27,472	27,607	27,729	27,844	27,947	28,038	28,114	28,195
No. of households with annual earnings above US\$5,000 ('000)	26,994	27,119	27,472	27,607	27,729	27,844	27,947	28,038	28,114	28,195
No. of households with annual earnings above US\$10,000 ('000)	26,994	27,119	27,472	27,607	27,729	27,844	27,947	28,038	28,114	28,195
No. of households with annual earnings above US\$50,000 ('000)	18,021	16,038	15,482	17,038	16,707	18,114	19,098	19,370	19,623	20,863
No. of households with net wealth over US\$1m ('000)	982	851	1,036	932	988	1,121	1,303	1,300	1,587	1,692

^a Economist Intelligence Unit estimates. ^b Economist Intelligence Unit forecasts. ^c Actual.

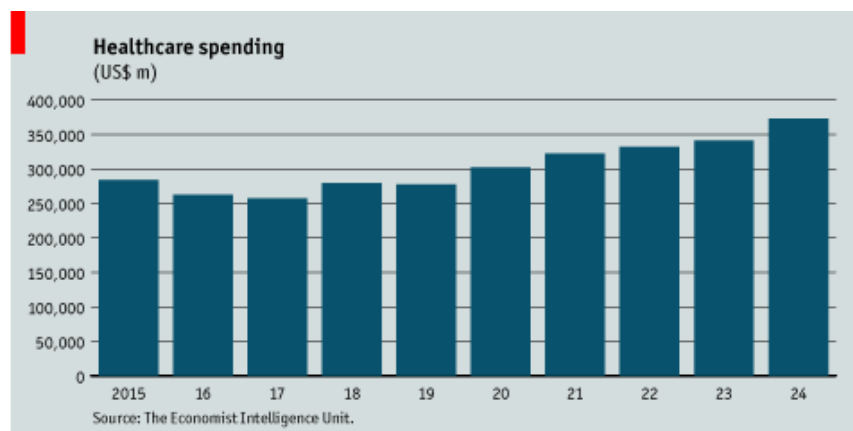
Source: The Economist Intelligence Unit.

- The Economist Intelligence Unit forecasts that total health spending (public and private) will rise at a compound annual growth rate (CAGR) of 4.1% in nominal local-currency terms in 2020-24, driven by a growing burden of chronic disease. This suggests that real growth will be lower than the government's target. Pharmaceutical sales will

One-click report : United Kingdom ,March 21st 2024

rise at a CAGR of 3.8% in nominal local-currency terms. Despite tight spending controls, we expect prices of imported medicines to rise.

- This forecast reflects the economic uncertainties posed by the UK's planned exit from the EU. After several delays to Brexit, November's election result has given the Conservatives a large enough majority to move the UK into a transition arrangement at the end of January 2020. A negotiated transition deal should then come into force, minimising the disruption to pharmaceutical supply chains and NHS services. However, the government will struggle to secure a permanent Brexit deal before the transition period expires at the end of 2020, with further delays possible.



Funding sources

- Healthcare provision is dominated by the NHS, which is financed primarily via general taxation. Public expenditure (including compulsory contributions) accounted for 77% of current health spending in 2018, according

One-click report : United Kingdom ,March 21st 2024

to the OECD. This share has fallen slightly over the past decade. It is lower than in Germany (85%) and France (83%), but above the OECD average (74%).

Healthcare: key indicators

	2015 ^a	2016 ^a	2017 ^a	2018 ^b	2019 ^b	2020 ^c	2021 ^c	2022 ^c	2023 ^c	2024 ^c
Life expectancy, average (years)	80.9	80.9	81.0	81.0	81.1 ^a	81.2	81.3	81.4	81.5	81.6
Life expectancy, male (years)	78.9	79.0	79.1	79.2	79.3 ^a	79.4	79.5	79.7	79.9	80.0
Life expectancy, female (years)	82.7	82.8	82.8	82.8	82.9 ^a	82.9	83.0	83.1	83.1	83.2
Infant mortality rate (per 1,000 live births)	4.4	4.3	4.3 ^b	4.2	4.2	4.1	4.1	4.0	4.0	4.0
Healthcare spending (£ bn)	185.7	193.6	199.5	209.1	217.1	225.8	235.1	245.1	255.1	265.4
Healthcare spending (% of GDP)	9.7	9.7	9.6	9.8	9.9	10.0	10.1	10.2	10.3	10.3
Healthcare spending (US\$ bn)	283.9	262.3	257.2	279.3	277.3	302.1	322.6	332.1	341.2	372.9
Healthcare spending (US\$ per head)	4,341	3,986	3,854	4,160	4,106	4,451	4,729	4,848	4,962	5,402
Healthcare (consumer expenditure; US\$ bn)	32.5	31.8	32.1	34.7	34.4	37.5	39.8	40.6	41.4	44.8
Doctors (per 1,000 people)	2.8	2.8	2.9 ^b	2.9	2.9	3.0	3.0	3.1	3.1	3.2
Hospital beds (per 1,000 people)	2.6	2.6 ^b	2.6 ^b	2.5	2.5	2.5	2.5	2.4	2.4	2.4

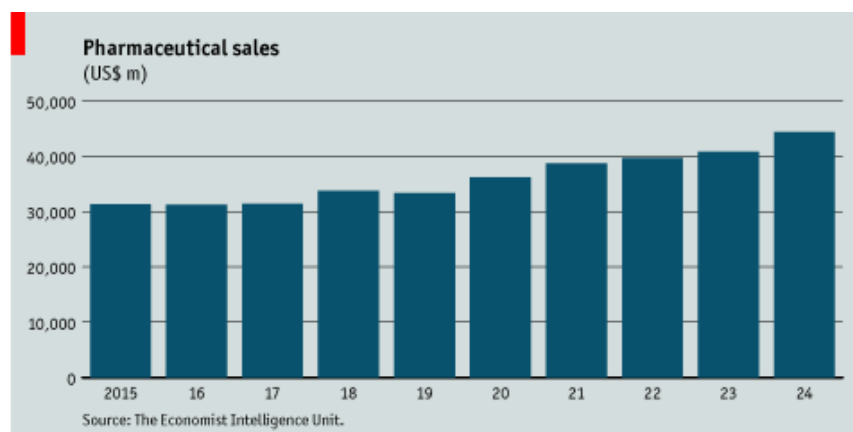
^a Actual. ^b Economist Intelligence Unit estimates. ^c Economist Intelligence Unit forecasts.

Sources: US Bureau of Census; UN; OECD; World Bank; The Economist Intelligence Unit.

- NHS care is free at point of delivery, but fixed charges are levied (in England) for most prescription medicines and dental care, with some exemptions. Devolution since 1999 means that most NHS funding and commissioning occurs under separately controlled frameworks in the four UK nations, with clear variations in some policy areas.

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- The Health and Social Care Act 2012 reorganised NHS England funding flows in order to give general practitioners (GPs) control over health commissioning. Management of about 70% of funding was passed to 191 clinical commissioning groups (CCGs). The reforms did not apply in Scotland, Wales or Northern Ireland. The number of CCGs is expected to fall significantly from 2020 under the NHS long-term plan unveiled in January 2019.



- Total NHS spending increased from £124.7bn in the 2017/18 financial year to £126.3bn in 2018/19. Of the 2018/19 total, £114bn went to NHS England, with Scotland, Wales and Northern Ireland sharing the rest under a formula related to population size. The Conservative government's spending plans imply that by 2022/23 the annual budget for NHS England will have risen by £20.5bn (US\$26bn) a year in real terms, with budgets for the other three UK regions (Scotland, Wales and Northern Ireland) rising at the same rate.
- In September 2019 the government unveiled additional spending of £1.5bn in 2020/21 for social care services, which are separate from the NHS budget and fall under the remit of local authorities. This will only partially

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reverse a sharp real-term drop in social care spending since 2010, which has exacerbated strains on the wider healthcare system.

Private health insurance

- Voluntary (or private) spending on healthcare accounted for 22.9% of the UK's total health expenditure in 2018, according to the OECD. Of this, out-of-pocket (OOP) spending accounted for 16% of total health spending, with 3% coming from private health insurance and the remainder from charitable or company schemes, according to government data.
- The share of OOP spending has risen gradually in recent years, but the private health insurance market has remained broadly flat, reflecting the dominance of the NHS. In 2017 there were 4m private health policies covering 7m people, paying total premiums of £4.8bn, according to LaingBuisson, a consultancy firm. The self-pay market for private health treatment is small but growing, and was worth £1.1bn in 2017, according to LaingBuisson.
- The leading independent healthcare group is Bupa, with 2.2m policyholders in 2018. Other major insurers include AXA PPP, Aviva and VitalityHealth.

Telecommunications

[United Kingdom](#) | [Telecommunications](#) | [Overview](#)

November 22nd 2019

- Mobile telephony accounts for a majority of telecommunications connections in the UK. The mobile penetration rate has fallen slightly in recent years, amid a largely saturated market. The Economist Intelligence Unit forecasts a partial rebound in the forecast period (2020-24), rising to 119.4% by 2024. We expect the number of mobile

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subscriptions to expand at a compound annual growth rate (CAGR) of 0.8%. Growth will be driven in part by an increase in machine-to-machine (M2M) connections.

- Fixed-line penetration is forecast to decline, falling gradually to 45% in 2024. There were an estimated 40 broadband subscriptions per 100 people in 2019, with total internet penetration at almost 96% of the population. We forecast a gradual rise, to 43 broadband subscriptions per 100 people by 2024.
- In March 2017 the government unveiled a national digital strategy that aims to complete the roll-out of fourth-generation (4G) technology by 2020, alongside £1bn (US\$1.3bn) in spending for fifth-generation (5G) technology and fibre broadband deployment. In April 2018 the government announced modest investments of £1bn in developing artificial intelligence (AI). In October 2019 the government and Ofcom, the telecoms regulator, backed a proposal by the UK's four main mobile network operators (MNOs) for a shared rural 4G network to remove connectivity "not-spots".
- In July 2018 the UK set targets to achieve "full fibre coverage" for 15m premises by 2025 and national coverage by 2033. Boris Johnson, who became prime minister in July 2019, has pledged to achieve nationwide full fibre coverage by 2025, but has not provided any details on how this target will be met. The government's 2018 plans called for the majority of the population to have 5G mobile coverage by 2027. Since mid-2019 all four main MNOs have launched commercially available 5G services, with EE being the first.

Telecoms penetration

	2015 ^a	2016 ^a	2017 ^a	2018 ^a	2019 ^b	2020 ^c	2021 ^c	2022 ^c	2023 ^c	2024 ^c
Telephone main lines (m) ^d	33.2	33.6	32.2	32.0	31.8	31.7	31.6	31.4	31.2	31.2
Telephone main lines (per 100 people) ^e	50.8	51.1	48.3	47.6	47.1	46.6	46.3	45.9	45.4	45.2
Mobile subscriptions (m) ^e	79.3	78.9	79.2	78.9	79.3	79.8	80.8	81.5	82.0	82.4

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Mobile subscriptions (per 100 people) ^e	121.2	120.0	118.6	117.5	117.5	117.6	118.4	119.0	119.2	119.4
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^a Actual. ^b Economist Intelligence Unit estimates. ^c Economist Intelligence Unit forecasts. ^d Data has been revised due to change in source. Data 2008 onward includes VoIP subscriptions. ^e Data has been revised due to change in source.

Sources: GlobalData; The Economist Intelligence Unit.

One-click report : United Kingdom ,March 21st 2024

Data and charts: Annual trends charts

[United Kingdom](#) | [Economy](#) | [Charts and tables](#) | [Annual trends charts](#)

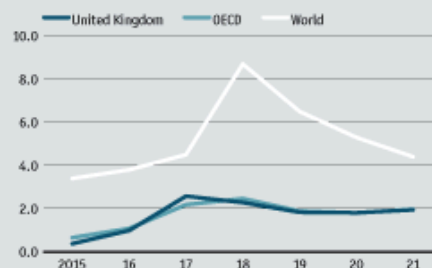
January 4th 2020

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Annual trends charts

Real GDP growth
(% change)

Source: The Economist Intelligence Unit.

Consumer price inflation
(av; %)

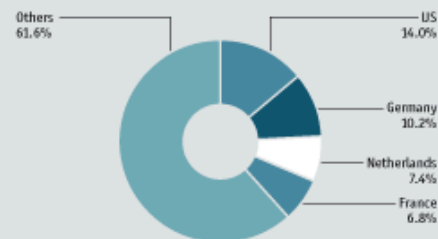
Source: The Economist Intelligence Unit.

Gross fixed investment
(% of GDP)

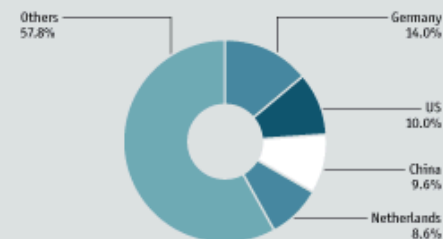
Source: The Economist Intelligence Unit.

Current-account balance
(% of GDP)

Source: The Economist Intelligence Unit.

Leading export markets, 2018
(share of total)

Source: The Economist Intelligence Unit.

Leading import suppliers, 2018
(share of total)

Source: The Economist Intelligence Unit.

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Data and charts: Quarterly trends charts

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January 4th 2020

One-click report : United Kingdom ,March 21st 2024

Quarterly trends charts

Real GDP growth
(% change)

Source: The Economist Intelligence Unit.

Consumer price inflation
(av; %)

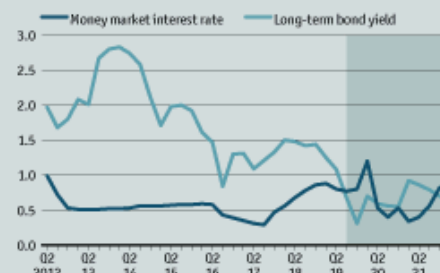
Source: The Economist Intelligence Unit.

Imports and domestic demand
(% change)

Source: The Economist Intelligence Unit.

Exports of goods and services
(% change)

Source: The Economist Intelligence Unit.

Interest rates
(av; %)

Source: The Economist Intelligence Unit.

Exchange rate
(US\$:£; av)

Source: The Economist Intelligence Unit.

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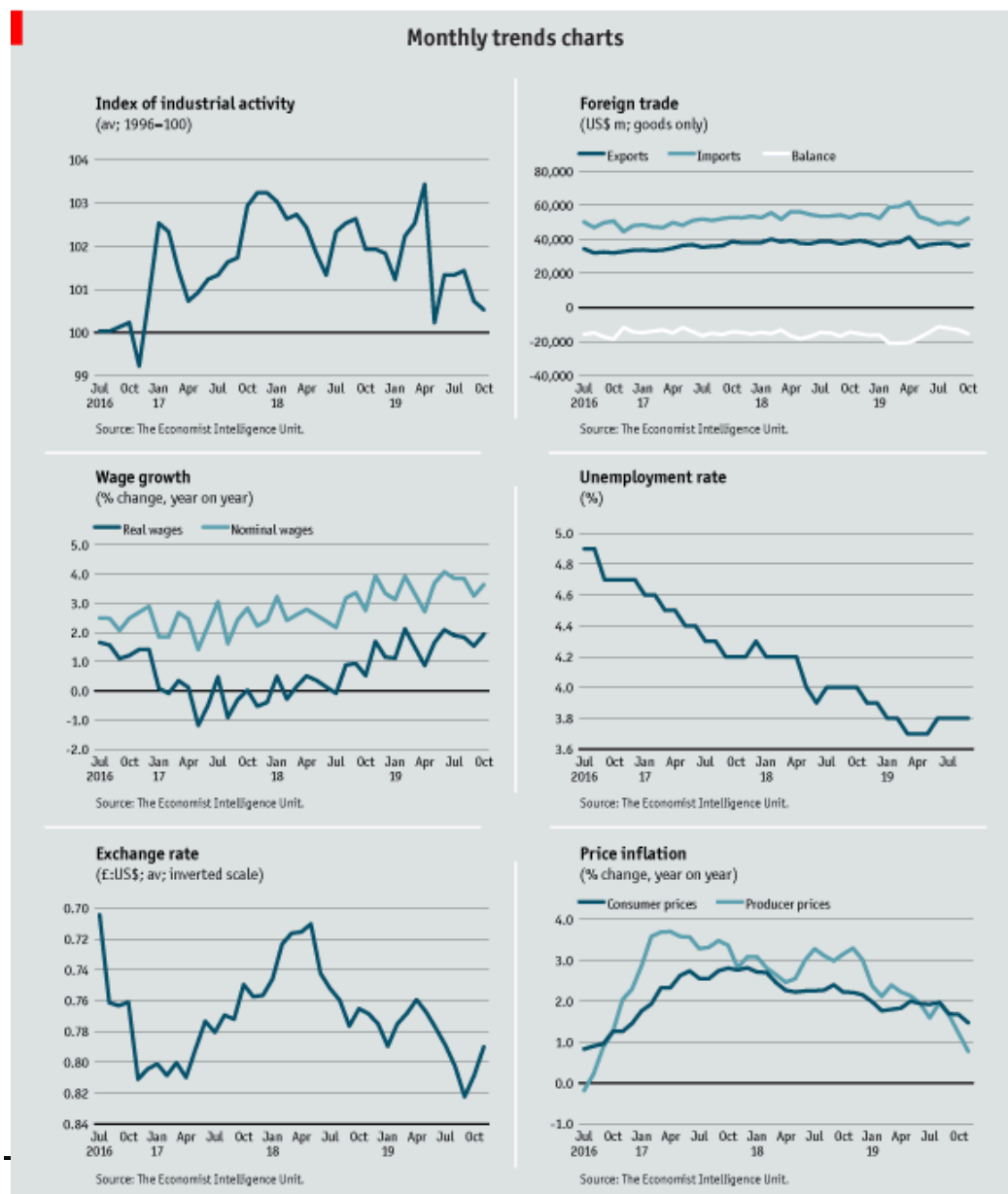
One-click report : United Kingdom ,March 21st 2024

Data and charts: Monthly trends charts

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One-click report : United Kingdom ,March 21st 2024



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One-click report : United Kingdom ,March 21st 2024

Data summary: Gross domestic product, current market prices

[United Kingdom](#) | [Economy](#) | [Charts and tables](#) | [GDP at current market prices](#)

January 6th 2020

Gross domestic product, at current market prices

	2015 ^a	2016 ^a	2017 ^a	2018 ^a	2019 ^a	2020 ^b	2021 ^b	2022 ^b	2023 ^b	2024 ^b
Expenditure on GDP (£ bn at current market prices)										
GDP	1,916.9	1,995.5	2,071.7	2,144.3	2,205.9	2,273.0	2,342.5	2,446.3	2,536.2	2,625.0
Private consumption	1,235.9	1,299.1	1,346.9	1,404.0	1,441.8	1,484.1	1,524.1	1,559.6	1,596.0	1,625.0
Government consumption	373.7	381.5	386.7	396.2	417.4	448.6	478.7	505.3	532.3	569.3
Gross fixed investment	324.6	343.7	357.1	362.6	378.5	378.7	388.6	415.4	443.4	466.4
Exports of goods & services	530.0	567.5	629.1	656.5	669.5	668.3	670.5	693.6	717.8	745.7
Imports of goods & services	556.5	599.8	654.2	686.3	705.3	711.7	717.5	730.1	755.8	783.8
Stockbuilding	9.2	3.5	6.0	6.1	4.0	5.0	-2.0	2.5	2.4	2.4
Domestic demand	1,943.4	2,027.8	2,096.6	2,169.0	2,241.7	2,316.4	2,389.5	2,482.8	2,574.2	2,663.1
Expenditure on GDP (US\$ bn at current market prices)										
GDP	2,930.0	2,703.7	2,670.7	2,864.2	2,817.8	2,908.5	3,028.5	3,296.4	3,500.0	3,688.1
Private consumption	1,889.1	1,760.1	1,736.3	1,875.4	1,841.7	1,899.1	1,970.4	2,101.6	2,202.5	2,283.1
Government consumption	571.2	516.9	498.5	529.3	533.2	574.0	618.9	680.9	734.6	799.9

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Gross fixed investment	496.2	465.7	460.3	484.4	483.5	484.6	502.5	559.8	611.9	655.3
Exports of goods & services	810.2	768.9	811.0	876.9	855.2	855.2	866.9	934.6	990.6	1,047.7
Imports of goods & services	850.6	812.7	843.4	916.7	900.9	910.7	927.6	983.8	1,043.0	1,101.3
Stockbuilding	14.0	4.8	7.7	8.2	5.1	6.4	-2.6	3.4	3.3	3.4
Domestic demand	2,970.5	2,747.5	2,702.8	2,897.2	2,863.5	2,964.0	3,089.2	3,345.6	3,552.3	3,741.6
Economic structure (% of GDP at current market prices)										
Household consumption	64.5	65.1	65.0	65.5	65.4	65.3	65.1	63.8	62.9	61.9
Government consumption	19.5	19.1	18.7	18.5	18.9	19.7	20.4	20.7	21.0	21.7
Gross fixed investment	16.9	17.2	17.2	16.9	17.2	16.7	16.6	17.0	17.5	17.8
Stockbuilding	0.5	0.2	0.3	0.3	0.2	0.2	-0.1	0.1	0.1	0.1
Exports of goods & services	27.7	28.4	30.4	30.6	30.4	29.4	28.6	28.4	28.3	28.4
Imports of goods & services	29.0	30.1	31.6	32.0	32.0	31.3	30.6	29.8	29.8	29.9
Memorandum item										
National savings ratio (%)	12.5	12.2	14.0	12.9	13.1	12.1	11.5	12.3	12.9	13.4

^a Actual. ^b Economist Intelligence Unit forecasts.

One-click report : United Kingdom ,March 21st 2024

Data summary: Gross domestic product, at constant prices

[United Kingdom](#) | [Economy](#) | [Charts and tables](#) | [GDP at constant prices](#)

January 6th 2020

Gross domestic product, at constant prices

	2015 ^a	2016 ^a	2017 ^a	2018 ^a	2019 ^a	2020 ^b	2021 ^b	2022 ^b	2023 ^b	2024 ^b
Real expenditure on GDP (£ bn at chained 2013 prices)										
GDP	1,957.9	1,995.5	2,033.2	2,060.5	2,088.1	2,110.6	2,133.2	2,174.2	2,212.1	2,244.9
Household consumption	1,253.3	1,299.0	1,327.8	1,348.7	1,360.1	1,375.4	1,385.1	1,396.5	1,415.1	1,428.1
Government consumption	377.9	381.5	382.5	384.2	389.1	402.8	414.0	424.4	434.2	444.1
Gross fixed investment	331.6	343.7	349.3	348.5	349.8	351.7	359.2	369.1	382.5	396.4
Exports of goods & services	552.4	567.5	602.1	609.5	615.0	602.6	591.2	603.1	614.8	629.7
Imports of goods & services	574.6	599.8	620.8	633.2	652.8	649.7	637.1	644.4	659.8	678.7
Stockbuilding (% of GDP)	16.1	3.6	-9.0	-5.5	4.0	5.0	-2.0	2.5	2.4	2.4
Domestic demand	1,978.5	2,027.8	2,051.7	2,079.3	2,105.3	2,137.7	2,158.8	2,195.2	2,236.8	2,273.7
Real expenditure on GDP (% change)										
GDP	2.4	1.9	1.9	1.3	1.3	1.1	1.1	1.9	1.7	1.5
Household consumption	3.0	3.6	2.2	1.6	0.8	1.1	0.7	0.8	1.3	0.9
Government consumption	1.8	1.0	0.3	0.4	1.3	3.5	2.8	2.5	2.3	2.3
Gross fixed investment	3.7	3.6	1.6	-0.2	0.4	0.6	2.1	2.8	3.6	3.6

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Exports of goods & services	3.8	2.7	6.1	1.2	0.9	-2.0	-1.9	2.0	1.9	2.4
Imports of goods & services	5.4	4.4	3.5	2.0	3.1	-0.5	-1.9	1.1	2.4	2.9
Stockbuilding (% contribution to GDP growth)	-0.3	-0.6	-0.6	0.2	0.5	0.0	-0.3	0.2	0.0	0.0
Domestic demand	2.6	2.5	1.2	1.3	1.3	1.5	1.0	1.7	1.9	1.7
Real contribution to GDP growth (% points)										
Private consumption	1.9	2.3	1.4	1.0	0.6	0.7	0.5	0.5	0.9	0.6
Government consumption	0.3	0.2	0.0	0.1	0.2	0.7	0.5	0.5	0.4	0.5
Gross fixed investment	0.6	0.6	0.3	0.0	0.1	0.1	0.4	0.5	0.6	0.6
External balance	-0.5	-0.5	0.7	-0.2	-0.7	-0.4	0.1	0.2	-0.2	-0.2
Memorandum items										
Industrial production (% change)	1.0	1.2	1.7	0.1	0.2	-0.6	-0.4	0.3	0.5	1.2
Real personal disposable income (% change)	5.3	0.4	1.3	2.4	-0.2	0.5	0.7	1.8	2.3	2.6

^a Actual. ^b Economist Intelligence Unit forecasts.

One-click report : United Kingdom ,March 21st 2024

Data summary: Gross domestic product by sector of origin

[United Kingdom](#) | [Economy](#) | [Charts and tables](#) | [GDP by sector of origin](#)

January 6th 2020

Gross domestic product by sector of origin

	2015 ^a	2016 ^a	2017 ^a	2018 ^a	2019 ^a	2020 ^b	2021 ^b	2022 ^b	2023 ^b	2024 ^b
Origin of GDP (£ bn at chained 2010 prices)										
GDP at factor cost	1,744.2	1,778.1	1,813.5	1,843.5	1,868.2	1,888.3	1,908.6	1,945.2	1,979.1	2,008.5
Agriculture	12.8	12.1	12.8	12.4	12.4	12.4	12.4	12.5	12.6	12.7
Industry	344.0	350.8	362.0	364.0	364.7	362.5	361.0	362.1	363.9	368.3
Services	1,387.5	1,415.2	1,438.7	1,467.1	1,491.1	1,513.4	1,535.1	1,570.5	1,602.5	1,627.5
Origin of GDP (real % change)										
Agriculture	1.0	-5.6	5.8	-3.0	0.2	0.1	0.3	0.7	0.5	0.5
Industry	1.9	2.0	3.2	0.5	0.2	-0.6	-0.4	0.3	0.5	1.2
Services	2.2	2.0	1.7	2.0	1.6	1.5	1.4	2.3	2.0	1.6
Origin of GDP (% of factor cost GDP)										
Agriculture	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Industry	20.3	19.7	19.7	19.6	19.4	19.1	18.8	18.5	18.3	18.2

One-click report : United Kingdom ,March 21st 2024

Services	79.0	79.6	79.6	79.7	79.9	80.2	80.5	80.8	81.0	81.1
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Memorandum item

Industrial production (% change)	1.0	1.2	1.7	0.1	0.2	-0.6	-0.4	0.3	0.5	1.2
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^a Actual. ^b Economist Intelligence Unit forecasts.

Data summary: Growth and productivity

[United Kingdom](#) | [Economy](#) | [Charts and tables](#) | [Growth and productivity](#)

January 6th 2020

Growth and productivity

	2015 ^a	2016 ^a	2017 ^a	2018 ^a	2019 ^a	2020 ^b	2021 ^b	2022 ^b	2023 ^b	2024 ^b
Growth and productivity (%)										
Labour productivity growth	0.6	0.4	0.9	0.1	0.7	1.2	1.2	1.3	1.3	1.2
Total factor productivity growth	0.4	0.1	0.4	-0.1	0.3	0.6	0.5	0.9	0.8	0.5
Growth of capital stock	2.3	2.5	2.4	2.0	1.8	1.7	1.7	1.9	2.1	2.3
Growth of potential GDP	1.8	1.7	1.7	1.5	1.2	1.2	1.2	1.8	1.7	1.5
Growth of real GDP	2.4 ^c	1.9 ^c	1.9 ^c	1.3 ^c	1.3 ^c	1.1	1.1	1.9	1.7	1.5
Growth of real GDP per head	1.8 ^c	1.3 ^c	0.5 ^c	0.7 ^c	0.8	0.5	0.6	1.5	1.3	1.1

^a Economist Intelligence Unit estimates. ^b Economist Intelligence Unit forecasts. ^c Actual.

One-click report : United Kingdom ,March 21st 2024

Data summary: Economic structure, income and market size

[United Kingdom](#) | [Economy](#) | [Charts and tables](#) | [Economic structure, income and market size](#)

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Economic structure, income and market size

	2015 ^a	2016 ^a	2017 ^a	2018 ^a	2019 ^a	2020 ^b	2021 ^b	2022 ^b	2023 ^b	2024 ^b
Population, income and market size										
Population (m)	65.4	65.8	66.7	67.1	67.5 ^c	67.9	68.2	68.5	68.8	69.0
GDP (US\$ bn at market exchange rates)	2,930	2,704	2,671	2,864	2,818	2,908	3,029	3,296	3,500	3,688
GDP per head (US\$ at market exchange rates)	44,804	41,097	40,024	42,659	41,726 ^c	42,844	44,402	48,124	50,897	53,434
Private consumption (US\$ bn)	1,889	1,760	1,736	1,875	1,842	1,899	1,970	2,102	2,203	2,283
Private consumption per head (US\$)	28,886	26,754	26,021	27,931	27,272 ^c	27,974	28,889	30,681	32,029	33,078
GDP (US\$ bn at PPP)	2,768	2,897	3,037	3,121	3,239	3,332	3,432	3,529	3,630	3,718
GDP per head (US\$ at PPP)	42,334	44,042	45,516	46,481	47,958 ^c	49,088	50,319	51,526	52,793	53,860
Personal disposable income (£ bn)	1,323	1,346	1,383	1,453	1,476	1,509	1,550	1,601	1,655	1,713
Personal disposable income (US\$ bn)	2,022	1,824	1,783	1,940	1,885	1,931	2,004	2,158	2,284	2,406
Growth of real disposable income (%)	5.3	0.4	1.3	2.4	-0.2	0.5	0.7	1.8	2.3	2.6
Memorandum items										
Share of world population (%) ^d	0.89	0.89	0.89	0.89	0.89 ^c	0.88	0.88	0.88	0.88	0.88
Share of world GDP (% at market exchange rates)	3.95	3.59	3.35	3.39	3.27	3.25	3.18	3.31	3.31	3.31

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Share of world GDP (% at PPP)	2.41	2.42	2.40	2.34	2.31	2.26	2.26	2.23	2.19	2.14
Share of world exports of goods (%)	2.71	2.58	2.51	2.43	2.42	2.26	2.07	2.12	2.10	2.12

^a Actual. ^b Economist Intelligence Unit forecasts. ^c Economist Intelligence Unit estimates.

Data summary: Fiscal indicators

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January 6th 2020

Fiscal indicators

	2015 ^a	2016 ^a	2017 ^a	2018 ^a	2019 ^a	2020 ^b	2021 ^b	2022 ^b	2023 ^b	2024 ^b
Fiscal indicators (% of GDP)										
Government expenditure	42.3	41.5	41.1	40.9	41.2	42.2	42.5	41.7	41.3	41.5
Interest ^c	2.3	2.4	2.7	2.4	2.0	1.7	1.5	1.4	1.5	1.5
Non-interest ^c	40.0	39.1	38.4	38.5	39.2	40.5	40.9	40.2	39.8	40.0
Government revenue ^c	37.7	38.2	38.7	38.7	39.4	39.6	39.7	39.3	39.1	39.1
Budget balance ^c	-4.6	-3.4	-2.4	-2.3	-1.8	-2.7	-2.7	-2.4	-2.2	-2.4
Primary balance ^c	-2.3	-0.9	0.2	0.2	0.2	-0.9	-1.2	-0.9	-0.7	-0.9
Government debt ^d	86.9	86.8	86.2	85.7	83.6	82.8	82.3	81.1	80.5	80.2

^a Actual. ^b Economist Intelligence Unit forecasts. ^c General government. ^d General government, gross public debt (Maastricht definition).

Includes impact of financial sector interventions in Northern Rock, Bradford & Bingley and compensation payments to Icelandic bank

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One-click report : United Kingdom ,March 21st 2024

depositors. Does not include impact of reclassification of Royal Bank of Scotland and Lloyds Banking Group as public corporations by the Office for National Statistics. Does not include impact of gilt transactions with the Bank of England. End-period.

Data summary: Monetary indicators

[United Kingdom](#) | [Economy](#) | [Charts and tables](#) | [Monetary indicators](#)

January 6th 2020

Monetary indicators

	2015 ^a	2016 ^a	2017 ^a	2018 ^a	2019 ^a	2020 ^b	2021 ^b	2022 ^b	2023 ^b	2024 ^b
Monetary indicators										
Exchange rate US\$:£ (av)	1.53	1.35	1.29	1.34	1.28	1.28	1.29	1.35	1.38	1.41
Exchange rate €:£ (av)	1.38	1.22	1.14	1.13	1.14	1.14	1.12	1.12	1.12	1.13
Exchange rate US\$:€ (av)	1.11	1.11	1.13	1.18	1.12	1.13	1.16	1.21	1.24	1.24
Exchange rate €:£ (year-end)	1.35	1.17	1.13	1.12	1.16	1.12	1.11	1.11	1.12	1.12
Real effective exchange rate (av; 2005=100)	113.7	102.4	97.1	98.8	98.7	98.6	97.7	99.2	99.7	101.0
M4 money supply growth (%) ^c	0.6	6.2	4.8	2.3	4.8	3.4	3.0	3.0	3.4	4.0
Domestic credit growth (%)	0.3	4.2	5.4	3.2	5.2	3.6	3.2	2.6	3.0	3.6
Purchasing power parity US\$:£ (av)	1.44	1.45	1.47	1.46	1.47	1.47	1.47	1.44	1.43	1.42
3-month £-Libor rate (av; %)	0.6	0.5	0.4	0.7	0.8	0.6	0.5	0.6	0.7	1.0

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10-year government bond yield (av; %)	1.9	1.3	1.3	1.4	0.8	0.5	0.7	1.1	1.5	1.9
Bank of England base rate (%; end-period)	0.50	0.25	0.50	0.75	0.75	0.25	0.25	0.50	1.00	1.25
Lending rate (%; average mortgage SVR from UK MFIs)	4.5	4.4	4.4	4.3	4.3	4.3	4.2	4.4	4.6	4.8
Deposit rate (av; %)	1.6	1.3	0.9	0.9	0.9	1.1	1.4	1.8	2.2	2.6

^a Actual. ^b Economist Intelligence Unit forecasts. ^c Headline broad money (M4) figures from Bank of England include deposits of "intermediate other financial corporations" (IOFCs) that specialise in intermediation between banks, giving a distorted measure of underlying M4 growth.

Data summary: Employment, wages and prices

[United Kingdom](#) | [Economy](#) | [Charts and tables](#) | [Employment, wages and prices](#)

January 6th 2020

Employment, wages and prices

	2015 ^a	2016 ^a	2017 ^a	2018 ^a	2019 ^a	2020 ^b	2021 ^b	2022 ^b	2023 ^b	2024 ^b
The labour market (av)										
Labour force (m)	33.1	33.4	33.5	33.8	33.9	34.0	34.0	34.1	34.2	34.3
Labour force (% change)	0.9	0.9	0.5	0.9	0.3	0.1	0.1	0.4	0.3	0.2
Employment (m)	31.3	31.7	32.1	32.4	32.6	32.6	32.6	32.8	32.9	33.0
Employment (% change)	1.7	1.5	1.0	1.2	0.6	-0.1	-0.1	0.6	0.4	0.3

One-click report : United Kingdom ,March 21st 2024

Unemployment (m)	1.8	1.6	1.5	1.4	1.3	1.4	1.4	1.4	1.3	1.3
Unemployment rate (%; EU/OECD standardised measure)	5.4	4.9	4.4	4.1	3.8	4.0	4.2	4.0	3.9	3.9
Wage and price inflation (% except labour costs per hour)										
GDP deflator	0.6	2.1	1.9	2.1	1.5	1.9	2.0	2.5	1.9	2.0
Consumer prices (av; CPIH measure)	0.4	1.0	2.6	2.3	1.8	1.8	1.9	2.0	2.0	2.1
Producer prices (av)	-1.7	0.5	3.4	2.9	1.8	3.0	3.2	2.3	2.1	2.1
GDP deflator (av)	0.6	2.1	1.9	2.1	1.5 ^c	1.9	2.0	2.5	1.9	2.0
Private consumption deflator (av)	0.0	1.4	1.4	2.6	1.8 ^c	1.8	2.0	1.5	1.0	0.9
Government consumption deflator (av)	-0.5	1.1	1.1	2.0	4.0 ^c	3.8	3.8	3.0	3.0	4.5
Fixed investment deflator (av)	2.8	2.2	2.2	1.8	4.0 ^c	-0.5	0.5	4.0	3.0	1.5
Average nominal wages (av)	2.4	2.4	2.4	2.9	3.7	2.2	2.5	3.0	3.3	3.6
Average real wages (av)	2.0	1.4	-0.2	0.6	1.8	0.4	0.6	1.0	1.3	1.5
Unit labour costs (£-based; av)	0.4	2.1	2.3	2.9	4.5	3.0	2.8	3.2	3.5	3.9
Unit labour costs (US\$-based)	-6.9	-9.5	-2.6	6.6	-0.1	3.2	3.9	7.5	6.0	5.8
Labour costs per hour (£)	20.7 ^c	21.3 ^c	22.0 ^c	22.7 ^c	23.5 ^c	24.1	24.7	25.4	26.2	27.2
Labour costs per hour (US\$)	31.7 ^c	28.9 ^c	28.4 ^c	30.3 ^c	30.1 ^c	30.8	31.9	34.2	36.2	38.2

^a Actual. ^b Economist Intelligence Unit forecasts. ^c Economist Intelligence Unit estimates.

Data summary: Current account and terms of trade

One-click report : United Kingdom ,March 21st 2024

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January 6th 2020

Current account and terms of trade

	2015 ^a	2016 ^a	2017 ^a	2018 ^a	2019 ^a	2020 ^b	2021 ^b	2022 ^b	2023 ^b	2024 ^b
Current account (US\$ bn)										
Current-account balance	-143.6	-141.8	-93.0	-123.1	-120.0	-138.8	-151.2	-158.6	-162.2	-163.4
Current-account balance (% of GDP)	-4.9	-5.2	-3.5	-4.3	-4.3	-4.8	-5.0	-4.8	-4.6	-4.4
Goods: exports fob	436.9	402.6	434.8	460.3	446.8	428.4	419.6	451.2	477.0	507.7
Goods: imports fob	-616.6	-583.9	-609.8	-650.1	-632.5	-630.1	-642.1	-676.0	-711.4	-746.4
Trade balance	-179.7	-181.1	-175.1	-189.9	-185.7	-201.8	-222.5	-224.8	-234.4	-238.7
Services: credit	373.0	364.0	376.0	396.6	394.7	403.7	415.1	444.4	470.0	505.9
Services: debit	-233.7	-226.4	-233.3	-257.0	-253.8	-261.6	-274.7	-286.0	-297.4	-307.8
Services balance	139.3	137.6	142.7	139.6	140.9	142.1	140.4	158.4	172.5	198.1
Primary income: credit	207.2	186.4	241.1	285.4	256.0	186.3	157.3	245.4	196.6	212.5
Primary income: debit	-274.0	-252.8	-272.9	-323.7	-297.0	-230.2	-208.0	-317.6	-275.7	-313.0
Primary income balance	-66.8	-66.4	-31.8	-38.3	-41.1	-43.9	-50.8	-72.2	-79.1	-100.5
Secondary income: credit	24.9	22.8	22.7	24.4	24.0	24.8	25.8	28.1	29.8	31.4
Secondary income: debit	-61.1	-55.0	-51.6	-59.1	-58.1	-60.0	-44.1	-48.0	-51.0	-53.7

One-click report : United Kingdom ,March 21st 2024

Secondary income balance	-36.2	-32.2	-28.9	-34.7	-34.1	-35.2	-18.3	-19.9	-21.2	-22.3
Terms of trade										
Export price index (US\$-based; 2010=100)	95.1	89.0	89.9	96.3	92.4 ^c	94.1	97.5	102.4	106.0	108.7
Export prices (% change)	-14.2	-6.5	1.1	7.1	-4.0 ^c	1.9	3.6	5.0	3.5	2.6
Import price index (US\$-based; 2010=100)	96.7	88.5	89.6	95.3	90.1 ^c	91.3	95.2	99.2	102.3	104.4
Import prices (% change)	-12.9	-8.5	1.2	6.4	-5.5 ^c	1.3	4.3	4.2	3.1	2.1
Terms of trade (2010=100)	98.3	100.5	100.4	101.0	102.6 ^c	103.1	102.5	103.3	103.6	104.1
Memorandum item										
Export market growth (%)	5.1	4.2	4.8	4.6	3.5 ^c	2.0	3.6	3.7	3.6	3.7

^a Actual. ^b Economist Intelligence Unit forecasts. ^c Economist Intelligence Unit estimates.

One-click report : United Kingdom ,March 21st 2024

Data summary: Foreign direct investment

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January 6th 2020

Foreign direct investment

	2015 ^a	2016 ^a	2017 ^a	2018 ^a	2019 ^a	2020 ^b	2021 ^b	2022 ^b	2023 ^b	2024 ^b
Foreign direct investment (US\$ bn)										
Inward direct investment	45.3	324.8	121.3	35.0	26.5	17.6	30.6	60.6	79.8	98.0
Inward direct investment (% of GDP)	1.5	12.0	4.5	1.2	0.9	0.6	1.0	1.8	2.3	2.7
Inward direct investment (% of gross fixed investment)	9.1	69.7	26.4	7.2	5.5	3.6	6.1	10.8	13.0	15.0
Outward direct investment	60.2	-33.0	-138.1	-34.1	-31.5	-63.5	-89.8	-55.9	-46.0	-41.3
Net foreign direct investment	105.5	291.8	-16.8	0.9	-4.9	-45.9	-59.2	4.7	33.9	56.7
Stock of foreign direct investment	2,039.3	1,925.4	2,078.2	2,113.2	2,139.7	2,157.3	2,188.0	2,248.5	2,328.4	2,426.4
Stock of foreign direct investment per head (US\$)	31,183	29,266	31,145	31,474	31,686	31,779	32,078	32,826	33,859	35,154
Stock of foreign direct investment (% of GDP)	69.6	71.2	77.8	73.8	75.9	74.2	72.2	68.2	66.5	65.8
Memorandum items										
Share of world inward direct investment flows (%)	1.4	12.5	6.2	5.2	1.9	1.2	2.1	4.0	5.1	6.0
Share of world inward direct investment stock (%)	7.7	6.8	6.9	6.6	6.3 ^c	6.1	6.0	5.9	5.9	5.9

^a Actual. ^b Economist Intelligence Unit forecasts. ^c Economist Intelligence Unit estimates.

Political structure

[United Kingdom](#) | [Summary](#) | [Political structure](#)

January 4th 2020

Official name

United Kingdom of Great Britain and Northern Ireland

Form of state

Parliamentary monarchy

Legal system

Based on statute and common law; no written constitution; Scotland has its own system

National legislature

Bicameral; the House of Commons (the lower house of parliament) has 650 members directly elected on a first-past-the-post basis; the House of Lords (the upper house, with about 800 members) was reformed in 1999, when most hereditary peers lost their seats

Electoral system

One-click report : United Kingdom ,March 21st 2024

Universal direct suffrage from the age of 18

National elections

Most recent general election: December 12, 2019. Next election scheduled: May 2nd 2024

Head of state

Queen Elizabeth II, who acceded to the throne in 1952

National government

Cabinet headed by the prime minister, who is appointed by the monarch on the basis of ability to form a government with the support of the House of Commons. The centre-right Conservative Party took office as a majority government in December 2019

Main political parties

Conservative Party, Labour Party, Liberal Democrats, UK Independence Party (UKIP), Brexit Party, Green Party, Scottish National Party (SNP), Plaid Cymru (Welsh National Party); Northern Ireland parties: Ulster Unionist Party (UUP), Democratic Unionist Party (DUP), Alliance Party, Social Democratic and Labour Party (SDLP), Sinn Fein

Prime minister: Boris Johnson

Chancellor of the Duchy of Lancaster: Michael Gove

Chancellor of the exchequer: Sajid Javid

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Chief secretary to the Treasury: Rishi Sunak

Leader of the House of Lords & Lord Privy Seal: Baroness Evans

Leader of the House of Commons: Jacob Rees-Mogg

Minister for the Cabinet Office: Oliver Dowden

Minister without portfolio & party chair: James Cleverly

Parliamentary secretary to the Treasury & Chief Whip: Mark Spencer

Secretaries of state

Business, energy & industrial strategy: Andrea Leadsom

Defence: Ben Wallace

Digital, culture, media & sport: Nicky Morgan

Education: Gavin Williamson

Environment, food & rural affairs: Theresa Villiers

Exiting the European Union: Stephen Barclay

Foreign & Commonwealth affairs: Dominic Raab

Health & social care: Matt Hancock

Home Office: Priti Patel

Housing, communities & local government: Robert Jenrick

International development: Alok Sharma

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International trade: Liz Truss

Justice & Lord Chancellor: Robert Buckland

Northern Ireland: Julian Smith

Scotland: Alister Jack

Transport: Grant Shapps

Wales: Simon Hart

Work & pensions: Therese Coffey

Central bank governor

Mark Carney

Basic data

[United Kingdom](#) | [Summary](#) | [Basic data](#)

January 4th 2020

Land area

244,100 sq km (including inland water), of which 71% is arable and pasture land, 10% forest and 19% urban and other. England totals 130,400 sq km, Scotland 78,800 sq km, Wales 20,800 sq km and Northern Ireland 14,100 sq km

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Population

66m (official mid-year estimate, 2017)

Main towns

Population in '000 (official mid-year estimates, 2017)

Greater London (capital): 8,825

Birmingham: 1,137

Leeds: 785

Glasgow: 621

Sheffield: 578

Climate

Temperate

Weather in London (altitude 5 metres)

Hottest month, July, 13-22°C; coldest month, January, 2-6°C; driest months, March, April, 37 mm average rainfall; wettest month, November, 64 mm average rainfall

Language

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English. Welsh is also spoken in Wales, and Gaelic in parts of Scotland

Measures

Officially metric system, but the former UK imperial system is still widely used

Currency

Pound (or pound sterling) = 100 pence

Time

GMT (summer time, 1 hour ahead)

Fiscal year

April 1st to March 31st; tax year April 6th to April 5th

Public holidays

January 1st (New Year's Day), April 10th (Good Friday), April 13th (Easter Monday), May 8th (Early May Bank Holiday), May 25th (Spring Bank Holiday), August 31st (Summer Bank Holiday), December 25th and 28th (Christmas Day and Boxing Day*)

(Boxing Day is traditionally celebrated on December 26th. As that day is a Saturday in 2020, the next working day is given as holiday)

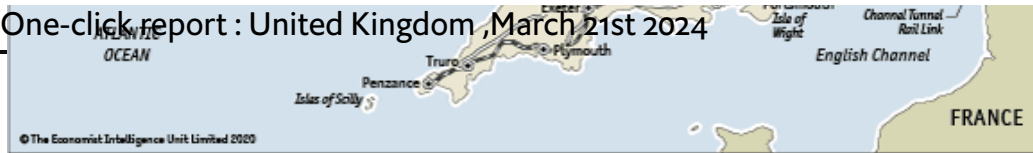
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