

Gross Domestic Product Preliminary Estimate, Q4 2014



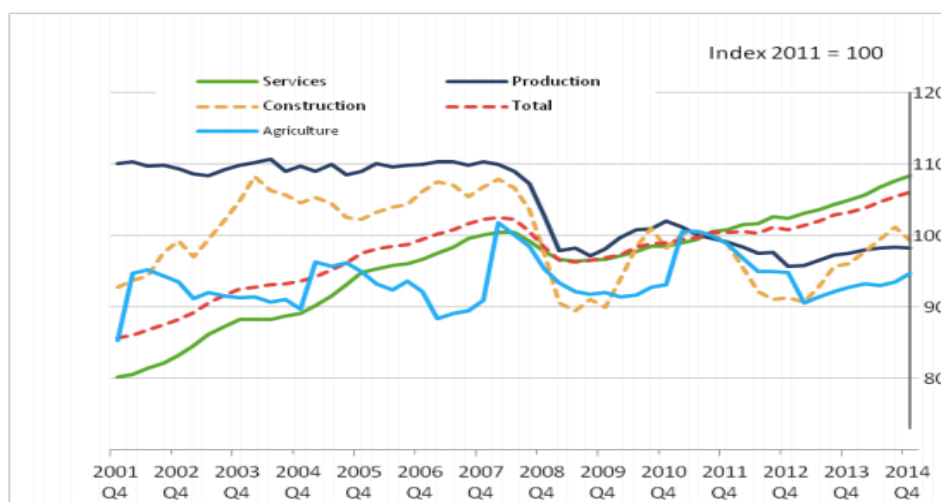
Coverage: UK
Date: 27 January 2015
Geographical Area: UK and GB
Theme: Economy

Key Points

- Change in gross domestic product (GDP) is the main indicator of economic growth. GDP is estimated to have increased by 0.5% in Q4 2014 compared with growth of 0.7% in Q3 2014.
- Output increased in two of the four main industrial groupings within the economy in Q4 2014. In order of their contribution, output increased by 0.8% in services and 1.3% in agriculture. In contrast, output decreased by 1.8% in construction and 0.1% in production.
- GDP was 2.7% higher in Q4 2014 compared with the same quarter a year ago. GDP in 2014 as a whole was up 2.6% on 2013.
- In Q4 2014 GDP was estimated to have been 3.4% higher than the pre-economic downturn peak of Q1 2008. From the peak in Q1 2008 to the trough in Q2 2009, the economy shrank by 6.0%.
- The preliminary estimate of GDP is produced using the output approach to measuring GDP. At this stage, data content is less than half of the total required for the final output estimate. The estimate is subject to revision as more data become available, but these revisions are typically small between the preliminary and third estimates of GDP.
- All figures in this release are seasonally adjusted.

Figure 4: GDP and main components, Q4 2014

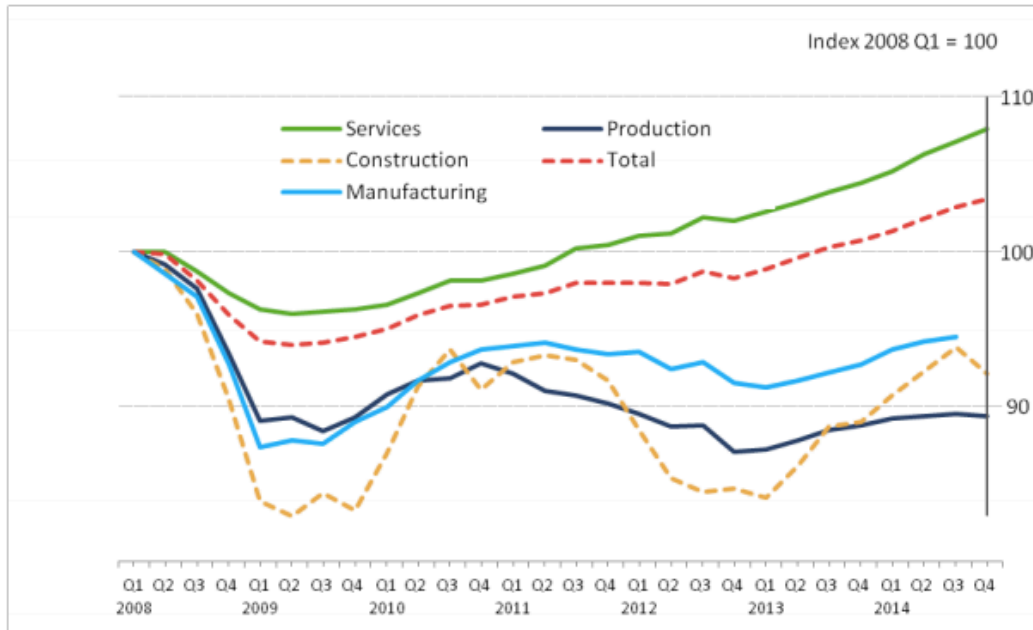
United Kingdom, 2001-2014



Source: Office for National Statistics

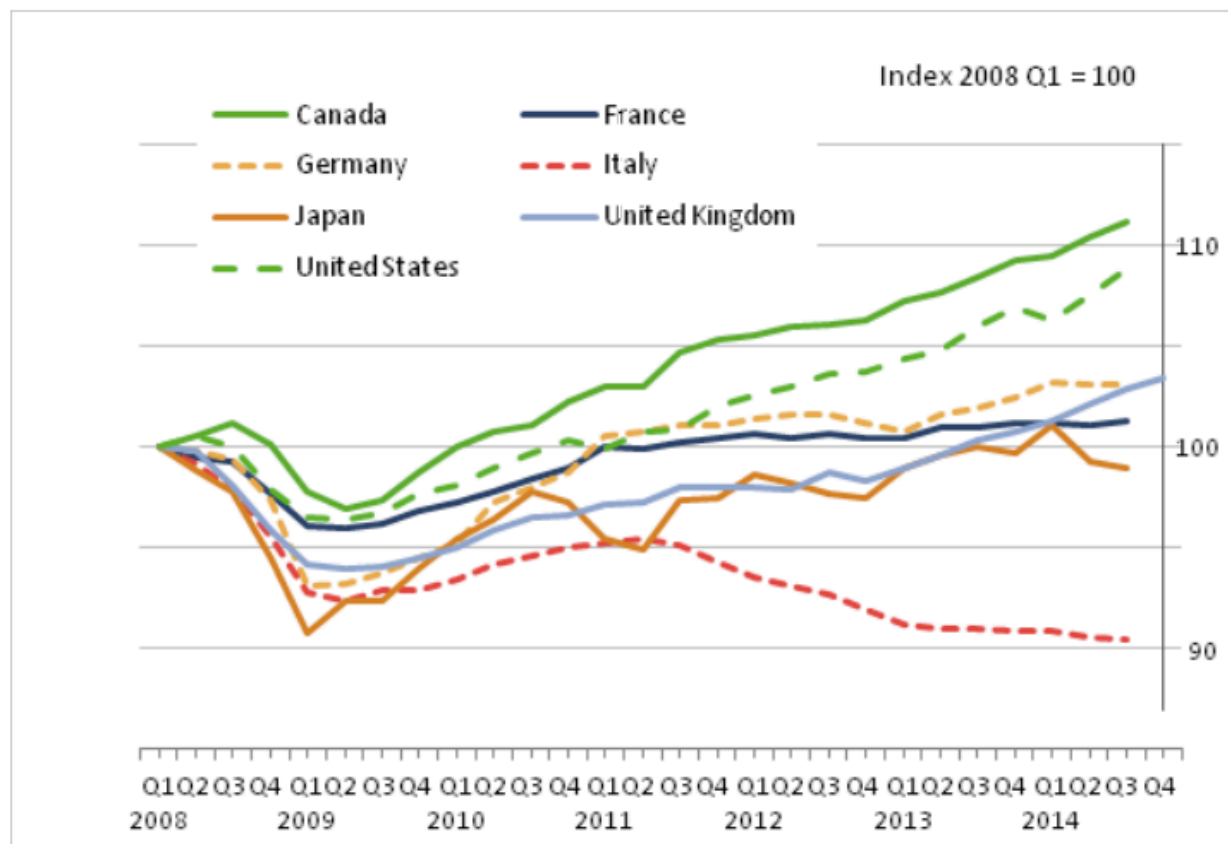
Figure 5: GDP and main components relative to Q1 2008 level

United Kingdom, 2008-2014



Source: Office for National Statistics

Figure 6: Quarterly growth in GDP across the G7 nations



Source: Office for National Statistics

UK Data

Industry Analysis

Agriculture

Agriculture output increased by 1.3% in Q4 2014, following an increase of 0.5% in the previous quarter. Between Q4 2013 and Q4 2014, agriculture output increased by 2.1%.

Production

The Index of Production decreased by 0.1% in Q4 2014, following an increase of 0.2% in the previous quarter. Energy supply contributed the most to the decrease, contracting by 2.8%. Between Q4 2013 and Q4 2014, production output increased by 0.7%.

Construction

Construction output decreased by 1.8% in Q4 2014, following an increase of 1.6% in the previous quarter. Between Q4 2013 and Q4 2014, construction output increased by 3.5%.

Distribution, hotels & restaurants

The index for distribution, hotels & restaurants increased by 1.3% in Q4 2014, following an increase of 0.7% in the previous quarter. Retail made the largest positive contribution to the increase. Between Q4 2013 and Q4 2014, distribution, hotels & restaurants output increased by 4.7%.

Transport, storage & communication

The index for transport, storage & communication increased by 1.1% in Q4 2014, following an increase of 1.2% in the previous quarter. Computer programming, consultancy & related activities made the largest contribution to the increase. Between Q4 2013 and Q4 2014, transport, storage & communication output increased by 4.5%.

Business services & finance

The index for business services & finance increased by 0.9% in Q4 2014, following an increase of 1.0% in the previous quarter. Architectural & engineering activities made the largest positive contribution to the increase. Between Q4 2013 and Q4 2014, business services & finance output increased by 4.0%.

Government & other services

The index for government & other services showed no growth for Q4 2014, following an increase of 0.2% in the previous quarter. The largest positive contribution came from human health activities, while the largest negative contribution came from libraries, archives, museums & other cultural activities. Between Q4 2013 and Q4 2014, government & other services output increased by 1.0%.

Table 7: Growth, year-on-year, for the output components of GDP

United Kingdom, 2010-2014

	Per cent (%)				
	2010	2011	2012	2013	2014
Agriculture, forestry & fishing	-0.1	8.4	-4.6	-3.9	2.1
Total Production	3.1	-0.8	-2.7	-0.5	1.5
Mining & quarrying (Extraction)	-3.9	-14.1	-10.8	-2.5	0.2
Manufacturing	4.7	1.8	-1.3	-0.7	2.5
Electricity, gas, steam & air (Utilities)	4.0	-6.2	-0.8	0.3	-5.0
Water supply, sewerage etc.	-0.3	5.3	-0.9	3.4	0.7
Construction	8.5	2.2	-7.5	1.4	6.0
Total Services	1.4	2.1	2.0	1.9	3.0
Distribution, hotels & restaurants	1.6	2.0	1.5	3.5	4.4
Transport, storage & communication	3.6	1.8	1.4	1.4	2.6
Business services & finance	1.2	3.2	3.0	2.5	3.9
Government & other services	0.6	0.9	1.4	0.3	1.1

Table source: Office for National Statistics