

CURRENT ECONOMIC INDICATORS – UNITED KINGDOM

August 2018

U.K. economy at a glance

Quarterly economic indicators							
	Q4-16	Q1-17	Q2-17	Q3-17	Q4-17	Q1-18	Q2-18
Year-over-year % change unless otherwise indicated							
Real GDP							
Quarter-over-quarter annualized % change	3.00	1.58	0.85	1.41	1.43	0.94	1.46
	1.70	1.77	1.83	1.71	1.32	1.16	1.31
Current account balance (US\$ millions, sa)	-24647	-20270	-29808	-25901	-25934	-24667	-
% of GDP	-3.96	-3.23	-4.58	-3.87	-3.79	-3.41	-
BOE/GFK NOP Survey: Inflation expectations	2.8	2.9	2.8	2.8	2.9	2.9	2.9

Monthly economic indicators							
	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18
Year-over-year % change unless otherwise indicated							
Labour market							
Employment (3-month moving average)	1.34	1.24	1.38	1.22	0.98	-	-
Unemployment rate (3-month moving average, %)	4.2	4.2	4.2	4.2	4.0	-	-
Average earnings (3-month moving avg., y-o-y %)	2.8	2.8	2.6	2.6	2.5	2.4	-
Housing market							
Nationwide housing price	3.13	2.16	2.06	2.59	2.42	2.01	2.51
Halifax house price	1.93	2.35	4.10	0.32	1.80	4.33	4.52
RICS house price balance (% change in last 3 months)	6.7	-1.7	-0.5	-7.4	-1.5	2.9	4.1
Manufacturing & industrial production							
PMI - manufacturing (sa, 50+=Expansion)	54.9855	54.8543	54.8277	53.8171	54.2296	54.3025	54.0323
Industrial production	1.47	2.68	3.09	1.89	1.19	1.18	-
Manufacturing production	2.36	2.66	2.47	1.08	1.57	1.47	-
Merchandise trade							
Trade balance (millions of GBP)	-10812	-8899	-11499	-12755	-12526	-11383	-
Exports	8.39	4.91	1.47	-6.37	-1.18	6.51	-
Imports	4.86	-1.32	-1.66	3.99	1.87	-0.02	-



CURRENT ECONOMIC INDICATORS – UNITED KINGDOM

August 2018

U.K. economy at a glance (cont.)

	Monthly economic indicators						
	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18
Year-over-year % change unless otherwise indicated							
Consumer							
Retail sales	4.43	3.99	3.30	3.06	6.21	4.32	4.96
Retail sales volume	1.49	1.38	1.18	1.17	4.36	2.85	3.73
GFK consumer confidence (% balance)	-9	-10	-7	-9	-7	-9	-10
Prices							
CPI	2.96	2.74	2.44	2.43	2.42	2.42	2.52
Period to period % change	-0.48	0.48	0.10	0.38	0.38	0.00	0.00
Core CPI	2.86	2.64	2.34	2.23	2.22	2.03	2.03
Period to period % change	-0.57	0.48	0.19	0.38	0.38	-0.19	0.00
Retail price index	4.0	3.6	3.3	3.4	3.3	3.4	3.2
All items excl mortgage interest payments	4.0	3.6	3.4	3.4	3.4	3.4	3.3
PPI	2.84	2.65	2.45	2.54	2.99	3.26	3.07
Net Sector Input: Mfg Materials & Fuels	4.35	3.89	4.47	5.61	9.60	10.29	10.86
Financial market at a glance							
Official bank rate*	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000
2-year yield**	0.58	0.72	0.78	0.81	0.72	0.67	0.71
5-year yield**	0.90	1.11	1.08	1.11	1.06	0.99	0.98
10-year yield**	1.41	1.63	1.53	1.53	1.52	1.43	1.38
USD/GBP**	1.38240	1.39610	1.39760	1.40790	1.34700	1.32940	1.31620
FTSE 100 index**	6.72	0.21	-3.66	0.34	3.60	2.59	3.45

* End of period

** Average over period

The material contained in this report is the property of Royal Bank of Canada and may not be reproduced in any way, in whole or in part, without express authorization of the copyright holder in writing. The statements and statistics contained herein have been prepared by RBC Economics Research based on information from sources considered to be reliable. We make no representation or warranty, express or implied, as to its accuracy or completeness. This publication is for the information of investors and business persons and does not constitute an offer to sell or a solicitation to buy securities.

