



# A1: Gross Domestic Product

The economy was flat in May-July 2019 compared to the previous quarter (February-April).

Real Gross Domestic Product seasonally adjusted		
	% change on qtr	% change on yr
2016	...	1.8
2017	...	1.8
2018	...	1.4
2018 Q2	0.4	1.4
Q3	0.7	1.6
Q4	0.2	1.4
2019 Q1	0.5	1.8
Q2	-0.2	1.2

Source: ONS, series: IHYP, IHYQ, IHYR

The services sector was the only positive contributor to GDP growth in this period, while output in both the production and construction sectors contracted.

In the latest calendar quarter (April-June 2019) the economy contracted by 0.2%, the first time the economy has contracted since 2012.

GDP was flat in May-June 2019 compared with the previous quarter.

Looking at month-on-month growth rates, GDP grew by 0.3% in July after zero growth in June. (These monthly figures are more volatile than the quarterly estimates.)

In cash terms, GDP was £2,118 billion in 2018.



## Forecasts

At the March 2019 Spring Statement, the Office for Budget Responsibility (OBR) forecast growth of 1.2% for 2019 and 1.4% for 2020.

The Treasury's September 2019 [survey of independent forecasts](#) for GDP growth showed an average forecast of 1.2% for 2019 and 1.0% for 2020. The 2020 forecast was 1.2% in the August survey.

Annual GDP growth forecasts (%)	2019	2020
HM Treasury average of independent forecasts (Aug 19)	1.2	1.0
OBR forecasts (Mar 19)	1.2	1.4

Source:  
Office for Budget Responsibility, *Economic and fiscal outlook*, Mar 2019  
HMT, *Forecasts for the UK economy: a comparison of independent forecasts*, Sept 2019

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## Updates

ONS, [GDP monthly estimate](#), 10 October 2019

HM Treasury, [Forecasts for the UK economy](#), 16 October 2019

OBR, [Economic and fiscal outlook](#), Autumn 2019