

Gross domestic product preliminary estimate 3rd Quarter 2009



Date: 23 October 2009

Coverage: United Kingdom **Theme:** The Economy

The chained volume measure of gross domestic product (GDP) decreased 0.4 per cent in the third quarter of 2009.

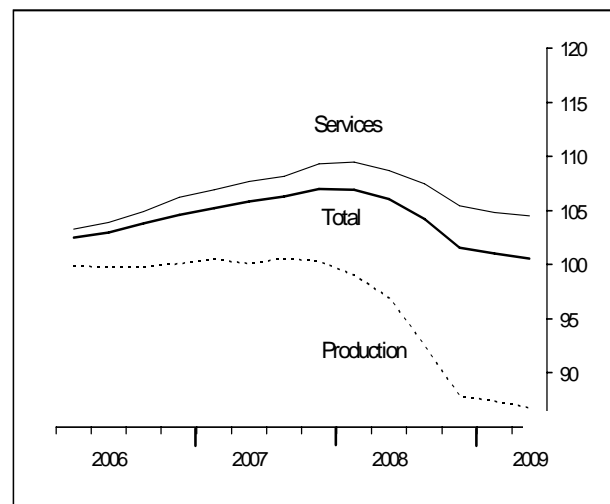
The decline in output was due to decreases in all component aggregate series.

Output of the service industries decreased 0.2 per cent.

Output in the production industries decreased 0.7 per cent.

GDP decreased 5.2 per cent between 2009 Q3 and 2008 Q3.

Output
Chained volume measure
Index (2005 =100)



GDP at market prices

Percentage change: latest quarter on previous quarter

		Chained volume indices 2005=100	GDP	Total Production Industries	Total Services
		Seasonally adjusted			
2007	Q3	105.8	0.5	-0.4	0.8
	Q4	106.3	0.5	0.5	0.4
	Q1	107.0	0.7	-0.2	1.0
2008	Q2	106.9	-0.1	-1.3	0.1
	Q3	106.1	-0.7	-2.2	-0.7
	Q4	104.2	-1.8	-4.5	-1.2
	Q1	101.6	-2.5	-5.1	-1.9
2009	Q2	101.0	-0.6	-0.5	-0.6
	Q3	100.6	-0.4	-0.7	-0.2

Contributions to Growth

Distribution, hotels and restaurants, total production and construction showed a larger decline in overall growth compared with the previous quarter. Business services and finance and transport, storage and communication showed a smaller decline in overall growth compared with the previous quarter. Government and other services showed a very small increase in overall growth compared with the previous quarter.

Distribution, hotels and restaurants was the largest contributor to the negative growth this quarter. Total production and construction also had significant contributions to the decline.

Index of Production

The production industries decreased 0.7 per cent compared with a decrease of 0.5 per cent in the previous quarter.

Manufacturing decreased 0.2 per cent. Mining and quarrying decreased 3.5 per cent and Electricity, gas and water supply decreased 0.6 per cent.

The production industries decreased 10.4 per cent between 2009 Q3 and 2008 Q3.

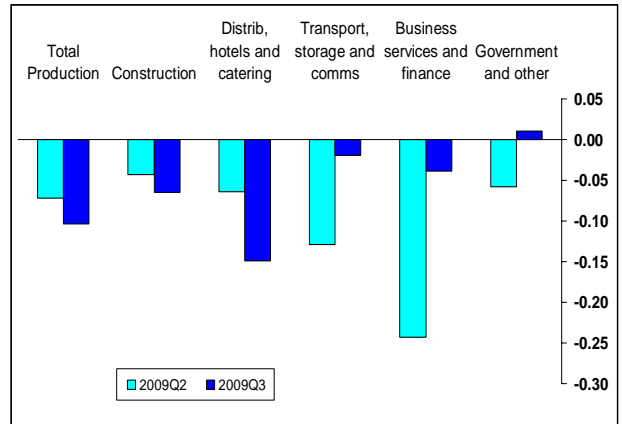
Construction

Construction decreased 1.1 per cent compared with a decrease of 0.8 per cent in the previous quarter.

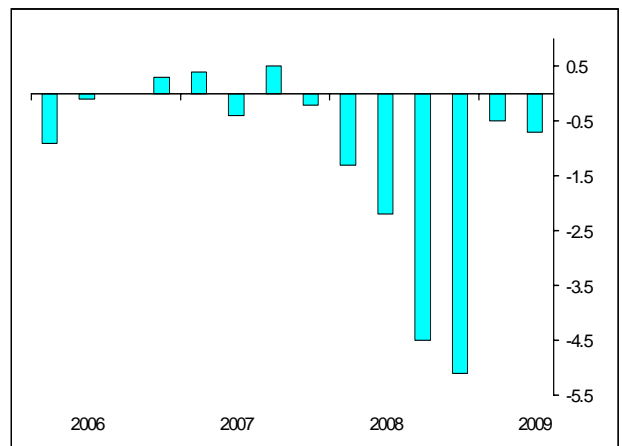
Construction decreased 13.0 per cent between 2009 Q3 and 2008 Q3 .

Distribution, Hotels and Restaurants

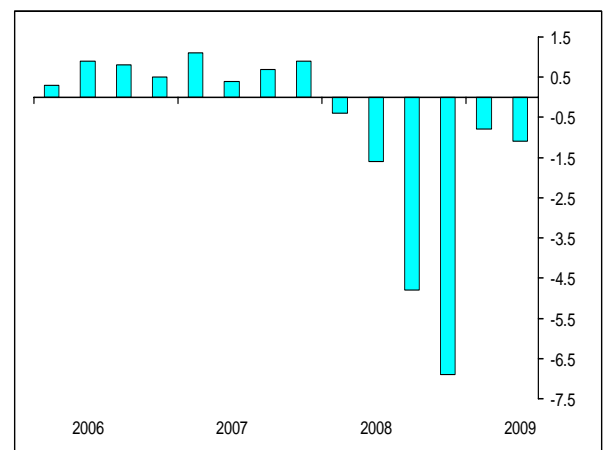
Contributions to GDP Growth
quarterly contributions



Index of Production
quarter on quarter growth per cent



Construction
quarter on quarter growth per cent

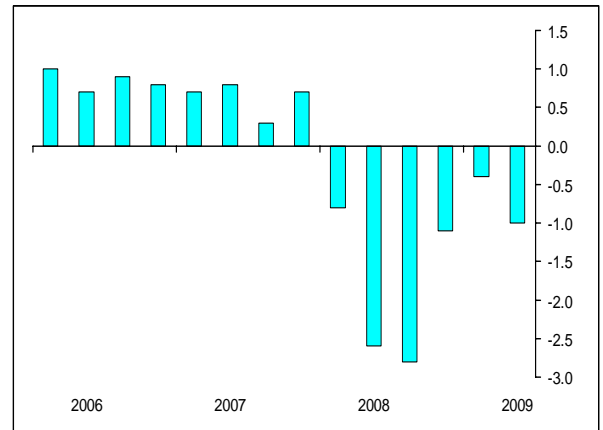


Distribution, hotels and restaurants

Distribution, hotels and restaurants decreased 1.0 per cent compared with a decrease of 0.4 per cent in the previous quarter. Wholesale and motor trades made the largest contribution to the decrease.

Distribution, hotels and restaurants decreased 5.3 per cent between 2009 Q3 and 2008 Q3.

quarter on quarter growth per cent

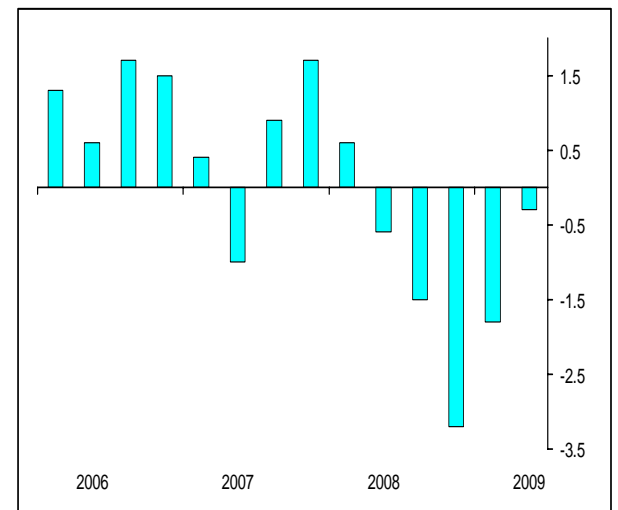


Transport, Storage and Communication

Transport, storage and communication decreased 0.3 per cent compared with a decrease of 1.8 per cent in the previous quarter. Post and telecommunications made the largest contribution to the decrease.

Transport, storage and communication decreased 6.6 per cent between 2009 Q3 and 2008 Q3.

Transport, storage and communication quarter on quarter growth per cent

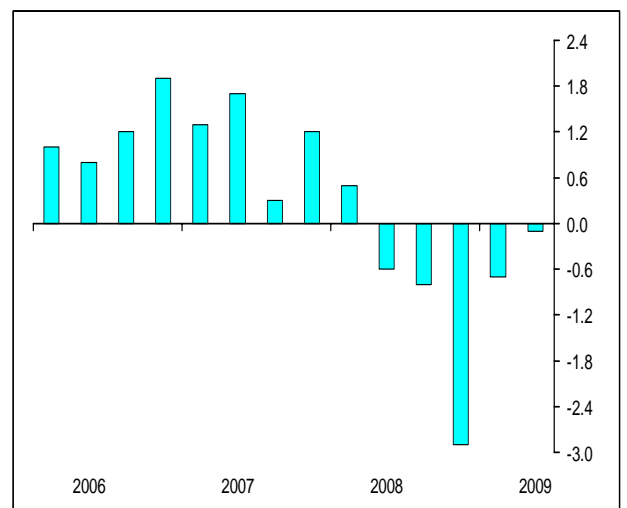


Business Services and Finance

Business services and finance decreased 0.1 per cent, compared with a decrease of 0.7 per cent in the previous quarter. Other business services made the largest contribution to the decrease.

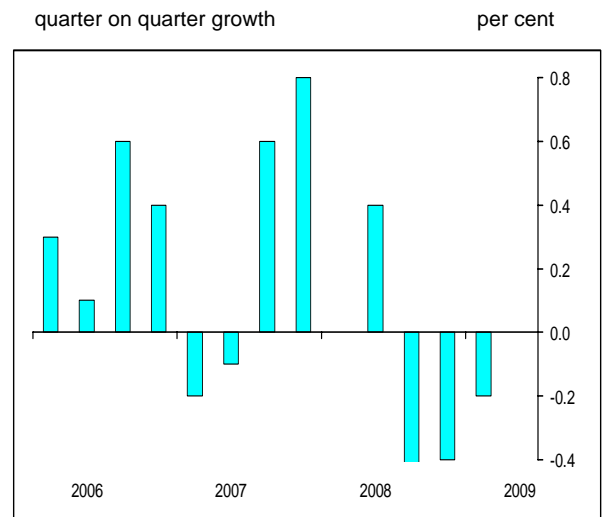
Business services and finance decreased 4.5 per cent between 2009 Q3 and 2008 Q3.

Business services and finance quarter on quarter growth per cent



Government and other services was flat for the quarter compared with a decrease of 0.2 per cent in the previous quarter. Health made the largest contribution to the improvement.

Government and other services decreased 1.2 per cent between 2009 Q3 and 2008 Q3.



BACKGROUND NOTES

Release policy

1. This release includes information available up to 19 October 2009.

Estimates of UK output, income and expenditure will be published on 25 November 2009. A full set of quarterly national accounts will be published on 22 December 2009. The preliminary estimate of GDP for the fourth quarter of 2009 will be published on 26 January 2010.

2. Revisions to data provide one indication of the reliability of key indicators. Tables 1 and 2 show summary information on the size and direction of the revisions which have been made to data covering a five year period. A statistical test has been applied to the average revision to find out if it is statistically significantly different from zero. The result of the test is that the average revision is not statistically different from zero. The data used are consistent with that used in more detailed analysis that have been published in *Economic Trends*. The most recent article was published on the National Statistics website on 11 December 2006 and can be found at:

<http://www.statistics.gov.uk/cci/article.asp?ID=1694>

- 2a. Table 1 below shows the revisions between the early estimates of GVA. The analysis of revisions between month 1 and month 2 uses month 2 estimates published from November 2004 (2004q3) to August 2009 (2009q2). The analysis of revisions between month 2 and month 3 uses month 3 estimates published from December 2004 (2004q3) to September 2009 (2009q2).

Table 1: Revisions to early estimates of GVA growth

Revisions to GVA growth	GVA Growth in the latest period (per cent)	Revisions between early estimates of GVA growth (quarterly, CVM)	
		Average over the last five years	Average over the last five years without regard to sign (average absolute revision)
Between M1 and M2	-0.4	-0.01	0.03
Between M2 and M3	-0.4	-0.05	0.08

Table 2 below shows the revisions to GVA growth between the estimate published three months after the end of the quarter and the equivalent estimate three years later. The analysis uses month 3 estimates first published from December 2001 (2001q3) to September 2006 (2006q2).

Table 2: Revisions to month 3 estimates of GVA growth

	Value in latest period (per cent)	Revisions between first publication and estimates three years later	
		Average over the last five years	Average over the last five years without regard to sign (average absolute revision)
GVA growth (quarterly, CVM)	-0.4	0.09	0.21

Spreadsheets giving revisions triangles (real time databases) of estimates from 1992 to date, and the calculations behind the averages in both tables is available on the National Statistics website at:

<http://www.statistics.gov.uk/statbase/Product.asp?vlnk=13560>

Revisions triangles for the main components of gross value added by industry are also available at the link above.

An article by E George and D Obuwa 'National Accounts' Revisions Analyses: A summary to April 2005' is available on the National Statistics website at :

<http://www.statistics.gov.uk/cci/article.asp?ID=1140>

This article presents a summary of revisions analyses published up to April 2005 in ONS First Releases, including some more detailed analysis of revisions to GDP.

Next publication: Wednesday 25 November 2009

Issued by: Office for National Statistics, Government Buildings, Cardiff Road, Newport NP10 8XG

Media Contact :

Telephone **Media Relations Office** **0845 6041858**

Emergency on-call **07867 906553**

Email **press.office@ons.gsi.gov.uk**

Statistical Contact :

Telephone **Harry Duff** **01633 456771**

Email **harry.duff@ons.gov.uk**

Website:

www.ons.gov.uk

GDP QUARTERLY TABLES

Quarter-on-quarter percentage growth

Component	2008 Q3	2008 Q4	2009 Q1	2009 Q2	2009 Q3
Agriculture	-0.5	-1.5	-0.8	-2.9	-1.6
Total Production	-2.2	-4.5	-5.1	-0.5	-0.7
Manufacturing	-2.3	-5.1	-5.4	-0.1	-0.2
Extraction	-1.8	-2.5	-3.7	-0.6	-3.5
Utilities	-1.3	-1.9	-3.8	-3.6	-0.6
Construction	-1.6	-4.8	-6.9	-0.8	-1.1
Total Services	-0.7	-1.2	-1.9	-0.6	-0.2
Distn, hotels & catering	-2.6	-2.8	-1.1	-0.4	-1.0
Transport, storage & comms	-0.6	-1.5	-3.2	-1.8	-0.3
Business services & finance	-0.6	-0.8	-2.9	-0.7	-0.1
Government & other	0.4	-0.6	-0.4	-0.2	0.0

Quarter-on-quarter contribution to growth

Component	2008 Q3	2008 Q4	2009 Q1	2009 Q2	2009 Q3
Agriculture	0.0	0.0	0.0	0.0	0.0
Total Production	-0.3	-0.7	-0.8	-0.1	-0.1
Manufacturing	-0.3	-0.6	-0.6	0.0	0.0
Extraction	0.0	0.0	-0.1	0.0	-0.1
Utilities	0.0	0.0	-0.1	0.0	0.0
Construction	-0.1	-0.3	-0.4	0.0	-0.1
Total Services	-0.5	-0.9	-1.5	-0.5	-0.2
Distn, hotels & catering	-0.4	-0.4	-0.2	-0.1	-0.1
Transport, storage & comms	0.0	-0.1	-0.2	-0.1	0.0
Business services & finance	-0.2	-0.2	-1.0	-0.2	0.0
Government & other	0.1	-0.1	-0.1	-0.1	0.0

GDP ANNUAL TABLES

Year-on-year growth

Component	2004	2005	2006	2007	2008
Agriculture	0.0	7.6	0.7	-4.8	0.1
Total Production	0.9	-1.3	0.0	0.3	-3.1
Manufacturing	2.2	-0.2	1.6	0.6	-2.9
Extraction	-7.6	-8.9	-7.9	-1.5	-6.6
Utilities	1.0	-0.3	-0.5	0.2	0.1
Construction	3.3	1.1	1.1	2.7	-0.4
Total Services	3.5	3.1	3.6	3.5	1.4
Distn, hotels & catering	5.4	1.5	3.4	3.1	-1.1
Transport, storage & comms	4.7	3.7	2.4	3.5	1.7
Business services & finance	4.3	5.1	6.0	5.5	2.5
Government & other	0.8	1.4	1.0	1.0	1.3

Year-on-year contribution to growth

Component	2004	2005	2006	2007	2008
Agriculture	0.0	0.0	0.0	0.0	0.0
Total Production	0.2	-0.2	0.0	0.0	-0.5
Manufacturing	0.3	0.0	0.2	0.1	-0.4
Extraction	-0.2	-0.2	-0.2	0.0	-0.1
Utilities	0.0	0.0	0.0	0.0	0.0
Construction	0.2	0.1	0.1	0.2	0.0
Total Services	2.6	2.4	2.7	2.7	1.1
Distn, hotels & catering	0.8	0.2	0.5	0.5	-0.2
Transport, storage & comms	0.3	0.3	0.2	0.3	0.1
Business services & finance	1.3	1.5	1.8	1.7	0.8
Government & other	0.2	0.3	0.2	0.2	0.3

Gross Domestic Product by Gross Value Added¹ chained volume measures of industry output at basic prices

2005 = 100

Analysis by categories of output³

	Production					Service industries							Gross domestic product at market prices ^{4,5}	Gross value added excluding oil & gas
	Agriculture, hunting, forestry and fishing	Mining & quarrying inc oil & gas extraction	Manu- facturing	Electricity gas and water supply	Total	Construction	Distribution hotels and catering; repairs	Transport, storage and commun- ication	Business services and finance	Government and other services	Total			
2005 Weights²	7	25	133	15	172	63	146	72	304	236	759	1000	978	
Index numbers														
	GDQA					GDQB	GDQE	GDQH	GDQN	GDQU	GDQS	YBEZ	JUNT	
2004	92.9	109.7	100.2	100.3	101.3	99.0	98.5	96.4	95.1	98.6	97.0	97.9	97.4	
2005	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
2006	100.7	92.1	101.6	99.5	100.0	101.1	103.4	102.4	106.0	101.0	103.6	102.9	103.3	
2007	95.9	90.7	102.2	99.7	100.3	103.8	106.7	106.0	111.9	102.0	107.2	105.5	106.1	
2008	96.0	84.7	99.2	99.7	97.2	103.4	105.5	107.8	114.7	103.3	108.7	106.1	106.9	
2005 Q4	100.2	96.6	99.5	100.1	99.2	99.4	101.5	101.6	102.5	100.4	101.6	101.0	101.1	
2006 Q1	102.0	97.8	101.1	103.1	100.8	100.2	102.1	100.6	104.5	100.6	102.4	102.1	102.3	
Q2	100.2	91.3	101.5	99.2	99.8	100.5	103.1	102.0	105.5	100.8	103.3	102.5	102.9	
Q3	101.7	90.9	101.5	98.5	99.8	101.4	103.8	102.6	106.4	101.0	103.9	103.0	103.4	
Q4	99.0	88.5	102.2	97.1	99.8	102.2	104.8	104.3	107.7	101.5	104.9	103.8	104.3	
2007 Q1	96.8	91.0	102.0	98.4	100.1	102.6	105.6	105.9	109.8	102.0	106.2	104.6	105.0	
Q2	96.2	91.6	102.4	98.2	100.5	103.7	106.3	106.4	111.2	101.8	106.9	105.2	105.8	
Q3	95.0	90.4	101.9	99.7	100.1	104.1	107.2	105.3	113.2	101.7	107.7	105.8	106.4	
Q4	95.6	90.0	102.3	102.3	100.6	104.8	107.5	106.2	113.5	102.3	108.2	106.3	107.0	
2008 Q1	95.0	86.3	102.9	100.8	100.3	105.8	108.2	108.0	114.8	103.2	109.3	107.0	107.9	
Q2	97.1	85.9	101.3	100.9	99.0	105.4	107.4	108.7	115.4	103.2	109.4	106.9	107.8	
Q3	96.7	84.4	98.9	99.6	96.9	103.8	104.7	108.0	114.7	103.7	108.7	106.1	106.8	
Q4	95.2	82.3	93.8	97.7	92.5	98.8	101.8	106.3	113.9	103.0	107.5	104.2	104.8	
2009 Q1	94.4	79.2	88.8	94.0	87.9	92.0	100.6	102.9	110.6	102.6	105.5	101.6	102.2	
Q2	91.7	78.8	88.7	90.6	87.4	91.3	100.2	101.1	109.7	102.4	104.8	101.0	101.6	
Q3	90.2	76.0	88.5	90.0	86.8	90.2	99.2	100.8	109.6	102.4	104.5	100.6	101.2	
Preliminary estimate														
2009 Q3	90.2	76.0	88.5	90.0	86.8	90.2	99.2	100.8	109.6	102.4	104.5	100.6	101.2	
Percentage changes: annual and latest quarter on previous quarter														
	GDQV					GDQW	GDQZ	GDRC	GDRI	GDRP	GDRN	IHYP	JUNW	
2004	-	-7.6	2.2	1.0	1.1	3.3	5.4	4.7	4.3	0.8	3.5	3.0	3.1	
2005	7.6	-8.9	-0.2	-0.3	-1.3	1.1	1.5	3.7	5.1	1.4	3.1	2.2	2.6	
2006	0.7	-7.9	1.6	-0.5	-	1.1	3.4	2.4	6.0	1.0	3.6	2.9	3.3	
2007	-4.8	-1.5	0.6	0.2	0.3	2.7	3.1	3.5	5.5	1.0	3.5	2.6	2.7	
2008	0.1	-6.6	-2.9	0.1	-3.1	-0.4	-1.1	1.7	2.5	1.3	1.4	0.6	0.7	
2005 Q4	0.1	-1.1	-0.5	0.8	-0.5	-0.2	1.4	1.2	1.8	-	1.1	IHYQ 0.7	JUNU 0.8	
2006 Q1	1.8	1.2	1.6	2.9	1.6	0.9	0.5	-1.0	1.9	0.2	0.8	1.1	1.1	
Q2	-1.7	-6.6	0.4	-3.7	-0.9	0.3	1.0	1.3	1.0	0.3	0.8	0.4	0.6	
Q3	1.5	-0.5	0.1	-0.8	-0.1	0.9	0.7	0.6	0.8	0.1	0.6	0.5	0.5	
Q4	-2.6	-2.6	0.6	-1.4	-	0.8	0.9	1.7	1.2	0.6	1.0	0.8	0.9	
2007 Q1	-2.3	2.8	-0.2	1.4	0.3	0.5	0.8	1.5	1.9	0.4	1.2	0.7	0.7	
Q2	-0.5	0.8	0.4	-0.3	0.4	1.1	0.7	0.4	1.3	-0.2	0.7	0.6	0.7	
Q3	-1.3	-1.4	-0.5	1.6	-0.4	0.4	0.8	-1.0	1.7	-0.1	0.8	0.5	0.6	
Q4	0.6	-0.5	0.4	2.6	0.5	0.7	0.3	0.9	0.3	0.6	0.4	0.5	0.6	
2008 Q1	-0.6	-4.1	0.5	-1.4	-0.2	0.9	0.7	1.7	1.2	0.8	1.0	0.7	0.8	
Q2	2.2	-0.4	-1.6	-	-1.3	-0.4	-0.8	0.6	0.5	-	0.1	-0.1	-0.1	
Q3	-0.5	-1.8	-2.3	-1.3	-2.2	-1.6	-2.6	-0.6	-0.6	0.4	-0.7	-0.7	-0.9	
Q4	-1.5	-2.5	-5.1	-1.9	-4.5	-4.8	-2.8	-1.5	-0.8	-0.6	-1.2	-1.8	-1.9	
2009 Q1	-0.8	-3.7	-5.4	-3.8	-5.1	-6.9	-1.1	-3.2	-2.9	-0.4	-1.9	-2.5	-2.5	
Q2	-2.9	-0.6	-0.1	-3.6	-0.5	-0.8	-0.4	-1.8	-0.7	-0.2	-0.6	-0.6	-0.6	
Q3	-1.6	-3.5	-0.2	-0.6	-0.7	-1.1	-1.0	-0.3	-0.1	-	-0.2	-0.4	-0.3	
Preliminary estimate														
2009 Q3	-1.6	-3.5	-0.2	-0.6	-0.7	-1.1	-1.0	-0.3	-0.1	-	-0.2	-0.4	-0.3	
Percentage changes: latest quarter on corresponding quarter of previous year														
2009 Q3	GDRQ -6.6	-10.0	-10.6	-9.6	-10.4	GDRR -13.0	GDRU -5.3	GDRX -6.6	GDSG -4.5	GDSK -1.2	GDSI -3.8	IHYR -5.2	JUNV -5.2	

1 Estimates are not accurate to the last digit shown.

2 Weights may not sum to the totals due to rounding.

3 Components of output are valued at basic prices, which excludes taxes less subsidies on products, whereas GDP is valued at market prices.

4 Includes an implicit statistical discrepancy compared with the sum of the previous columns, because the GDP aggregate takes account of other information based on income and expenditure.

5 In this, the preliminary estimate of GDP, series YBEZ (GDP chained volume indices) appears alongside GVA industry components as output is the sole contributor to GDP change for the latest quarter at this stage.

Next publication: **Wednesday 25 November 2009**

Issued by: Office for National Statistics, Government Buildings, Cardiff Road, Newport NP10 8XG

Media Contact :

Telephone **Media Relations Office** **0845 6041858**

Emergency on-call **07867 906553**

Email **press.office@ons.gsi.gov.uk**

Statistical Contact :

Telephone **Harry Duff** **01633 456771**

Email **harry.duff@ons.gov.uk**

Website:

www.ons.gov.uk