

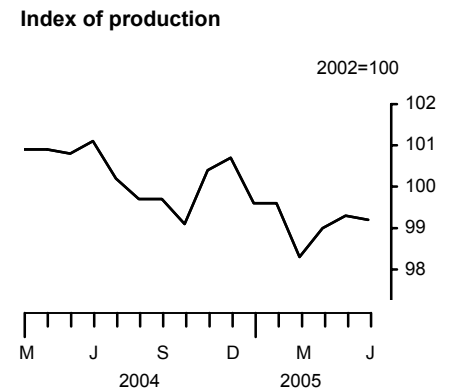
5 August 2005

Coverage
United Kingdom
Theme
The Economy

Index of production June 2005

In the second quarter of 2005, the seasonally adjusted chained volume index for the output of the production industries remained unchanged compared with the previous quarter.

Between May and June output of the manufacturing industries rose by 0.2 per cent (note that monthly growth rates are volatile, see background note 2). There were significant increases in output of 1.5 per cent in the food, drink and tobacco industries and 1.9 per cent in the chemicals and man-made fibres industries. The most significant decrease in output was 1.8 per cent in the transport equipment industries.



In the latest quarter, manufacturing output decreased by 0.3 per cent, mining and quarrying output increased by 1.1 per cent and output of the electricity, gas and water supply industries increased by 1.4 per cent, compared with the previous quarter.

		Production	Mining and quarrying	Manufacturing	Electricity gas and water	
2002 weights		1000.0	121.4	790.5	88.1	
		Production index level	Percentage change: latest three months on previous three months			
Year	Month					
2004	Jan	99.6	0.7	1.0	0.9	-1.1
	Feb	99.6	0.2	1.1	0.3	-1.6
	Mar	98.3	-0.9	-0.4	-0.9	-1.4
2005	Apr	99.0	-1.3	-0.5	-1.5	0.1
	May	99.3	-1.1	0.8	-1.6	1.2
	Jun	99.2	0.0	1.1	-0.3	1.4

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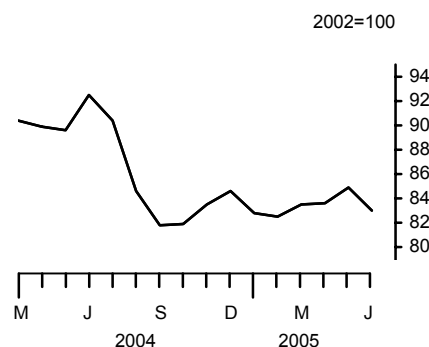
Next publication date
6 September 2005



Mining and quarrying

In the latest quarter, mining and quarrying output rose by 1.1 per cent compared with the previous quarter but was 7.5 per cent lower than the same period a year ago. Between May and June, mining and quarrying output decreased by 2.2 per cent due to a fall in oil and gas production.

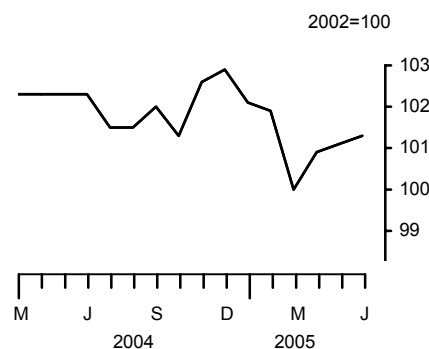
Mining & quarrying



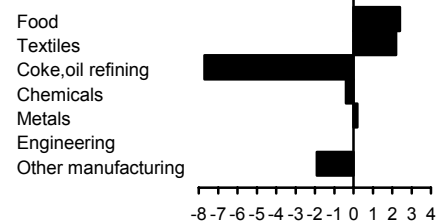
Manufacturing

Manufacturing output in the latest quarter fell by 0.3 per cent compared with the previous quarter. There were significant decreases in output of 2.8 per cent in the pulp, paper, printing and publishing industries and 7.7 per cent in the coke, refined petroleum and nuclear fuel industries. There was a significant increase in output of 2.4 per cent in the food, drink and tobacco industries. Manufacturing output in the latest quarter was 1.2 per cent lower than the same period a year ago.

Manufacturing



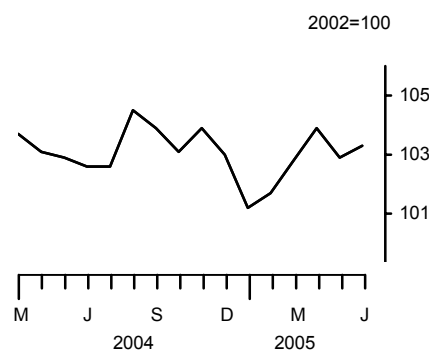
Percentage change on previous three months



Electricity, gas and water supply

Output of the electricity, gas and water supply industries in the latest quarter rose by 1.4 per cent compared with the previous quarter. Between May and June, output increased by 0.5 per cent. In the latest quarter, output in this sector was 0.5 per cent higher compared to the same period a year ago.

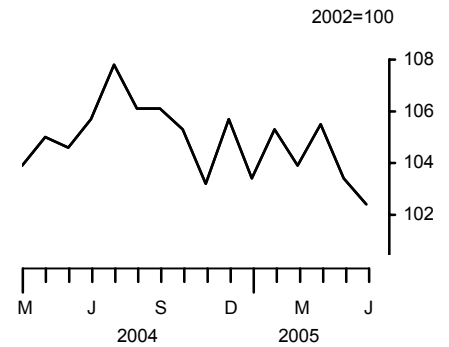
Electricity, gas & water



Market sectors

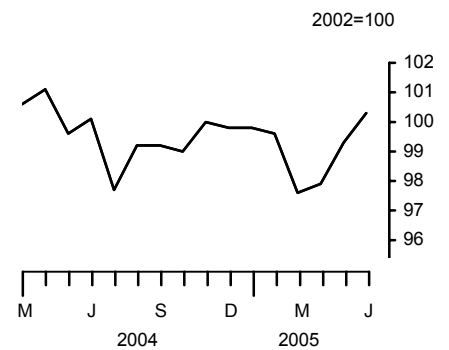
In the latest quarter, output of the consumer durable goods industries fell by 0.4 per cent compared with the previous quarter and was 1.3 per cent lower than the same period a year ago.

Consumer durables



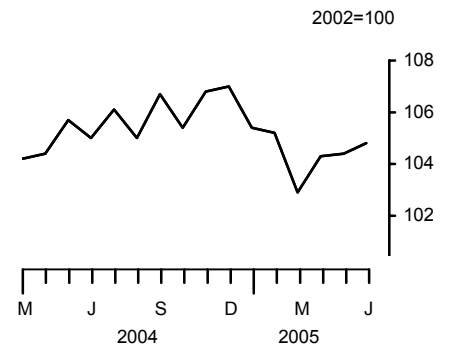
Output in the consumer non-durable goods industries rose by 0.2 per cent in the latest quarter compared with the previous quarter but was 1.1 per cent lower than the same period a year ago.

Consumer non-durables



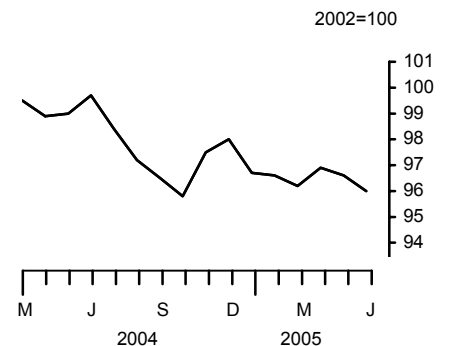
In the latest quarter, output of the capital goods industries was flat compared with the previous quarter and was 0.5 per cent lower than in the same period a year ago.

Capital goods



Output in the intermediate goods and energy industries was flat in the latest quarter compared with the previous quarter and was 2.7 per cent lower than the same period a year ago.

Intermediate goods and energy



Revisions

This release conforms to the standard revisions policy for National Accounts. In this release the periods open for revision are April and May 2005. Table IOP5AR shows the revisions to the estimates previously published on 6 July 2005.

Since last month a number of late responses have been received to the Monthly Production Inquiry and provisional data from the Quarterly Stocks Inquiry have replaced the previous model-based estimates. The impact of these data revisions, when combined with revisions caused by seasonal adjustment factors being re-estimated is to revise the growth rate for the Index of Production for April by +0.3% and May by +0.1%.

BACKGROUND NOTES

1. This First Release gives details of the index of output of the production industries in the United Kingdom. Index numbers of output in this First Release are on the base 2002=100 and are classified to the 2003 revision to the Standard Industrial Classification (SIC). The production industries, which accounted for 20.1 per cent of gross domestic product in 2002, cover mining and quarrying (Section C), manufacturing (Section D) and electricity, gas and water supply (Section E).

Interpreting the data

2. The monthly IoP data can be volatile. When looking at growth rates, it is recommended that users focus on the percentage change between the latest three months and the previous three months.

Status of figures and planned future revisions

3. Figures for the most recent months are provisional and subject to revision in light of (a) late responses to the Monthly Production Inquiry and (b) revisions to seasonal adjustment factors which are re-estimated every period and subject to annual review in the spring. In the next release, which will contain figures for July 2005 and will be published on 6 September, the earliest period open for revisions according to the National Accounts policy will be January 2004.

Revisions

4. One indication of the reliability of the key indicators in this release can be obtained by monitoring the size of revisions. The table below is based on the revisions which have occurred over the last five years. Please note that these indicators only report summary measures for revisions. The revised data may, themselves, be subject to sampling or other sources of error.

The table below presents a summary of the differences between the first estimates published between July 1999 and June 2004 and the estimates published 12 months later.

	Value in latest period (per cent)	Revisions between first publication and estimates twelve months later (% points)	
		Average over the last five years	Average over the last five years without regard to sign (average absolute revision)
Production output – 3 month on 3 month growth rate	0.0	0.06	0.25
Manufacturing output – 3 month on 3 month growth rate	-0.3	0.07	0.24
Production output – 1 month growth rate	0.0	0.03	0.24
Manufacturing output – 1 month growth rate	0.2	0.02	0.27

Spreadsheets giving revisions triangles of estimates for all months from December 1997 through to the current month, and the calculations behind the averages in the above table, are available on the National Statistics website at:

<http://www.statistics.gov.uk/statbase/Product.asp?vlnk=6230>

5. A statistical test has been applied to the average revisions to find out if they are statistically significantly different from zero. No such differences have been found.
6. The table uses historical data for the most recent 60 months, comparing the estimate at first publication with the estimate as published 12 months later. The numbers which underpin these averages will include normal changes due to late data and re-seasonal adjustment, but also significant methodological changes, the most recent of which occurred in October 2003 (see article "Index of Production redevelopment" in *Economic Trends*, October 2002).

Deflation

7. All series, unless otherwise quoted, are measured at constant market prices. Deflators adjust the value series to take out the effect of price changes to give the volume series.

Seasonal adjustment

8. The index numbers in this First Release are all seasonally adjusted. This aids interpretation by removing annually recurring fluctuations, for example, due to holidays or other regular seasonal patterns. Unadjusted data are also available.

Further information

9. The complete run of data in the tables of this First Release are also available to view and download in electronic format free of charge using the ONS **Time Series Data service**. Users can download the complete release in a choice of zipped formats, or view and download their own selections of individual series. The Time Series Data service can be accessed at:
<http://www.statistics.gov.uk/timeseries>

ONS provides an analysis of past revisions in the IoP and other First Releases which present time series. Details can be found at:

<http://www.statistics.gov.uk/cci/article.asp?ID=793>

ONS now publishes revisions triangles for all the main published key indicators on the National Statistics website. Details can be found at:

<http://www.statistics.gov.uk/cci/article.asp?ID=1026>

In addition, the methodology for the Index of Production is now available on the National Statistics website. Details can be found at:

<http://www.statistics.gov.uk/cci/article.asp?ID=1111>

Advance access

10. Details of the policy governing the release of new data are available from the press office. Also available is a list of those given pre-publication access to the contents of this release. Additionally, in light of the timing of this month's meeting of the Bank of England's Monetary Policy Committee, members of the committee have had pre-publication access.

Code of Practice

11. **National Statistics** are produced to high professional standards set out in the National Statistics Code of Practice. They undergo regular quality assurance reviews to ensure that they meet customer needs. They are produced free from any political interference. © Crown copyright 2005.

IOP5A Output of the production industries¹

2002 = 100

Section	Broad industry groups					Main industrial groupings			
	Production industries	Mining and Quarrying inc Oil and Gas Extraction	Manufacturing (Revised Definition)	Electricity, Gas and Water Supply	Oil and Gas Extraction	Consumer durables	Consumer non-durables	Capital goods	Intermediate goods and energy
	C+D+E	C	D	E	C_1	MG-DUR	MG-NDUR	MG-CAP	MG-INEN
Latest weight	1 000.0	121.4	790.5	88.1	110.7	36.9	268.7	213.4	481.0
	CKYW	CKYX	CKYY	CKYZ	CKZO	UFIU	UFJS	UFIL	JMOH
2000	104.2	106.1	104.6	98.2	107.5	96.3	98.8	110.2	105.5
2001	102.6	100.3	103.2	100.5	101.3	98.7	100.0	108.4	102.0
2002	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2003	99.5	94.9	100.1	101.2	94.4	99.2	100.0	101.4	98.4
2004	100.3	87.3	101.9	103.4	86.4	104.7	99.7	105.1	98.1
Seasonally adjusted									
2002 Q3	100.1	95.6	100.7	101.2	95.2	98.8	100.6	101.4	99.4
Q4	99.6	100.0	99.3	101.3	100.2	100.1	98.9	99.4	100.0
2003 Q1	99.4	99.6	99.4	99.3	99.4	98.3	99.1	99.9	99.4
Q2	99.1	95.2	99.5	100.2	94.6	99.0	99.5	100.7	98.1
Q3	99.5	93.5	100.2	101.6	93.2	99.2	100.6	101.6	98.1
Q4	100.1	91.1	101.1	103.5	90.4	100.3	101.0	103.4	98.1
2004 Q1	100.2	89.8	101.5	103.7	89.5	102.2	100.1	103.2	98.8
Q2	100.9	90.7	102.3	102.8	90.1	105.1	100.3	105.0	99.2
Q3	99.9	85.6	101.7	103.7	84.5	106.6	98.7	105.9	97.4
Q4	100.0	83.3	102.3	103.3	81.6	104.7	99.6	106.4	97.1
2005 Q1	99.2	82.9	101.3	101.9	81.5	104.2	99.0	104.5	96.5
Q2	99.2	83.8	101.1	103.4	82.6	103.8	99.1	104.5	96.5
2003 Mar	99.4	99.2	99.6	97.7	99.0	96.3	99.6	100.2	99.1
Apr	99.2	95.4	99.8	98.6	94.7	98.9	98.8	102.2	98.1
May	98.6	95.4	99.0	99.8	94.9	97.6	100.1	99.0	97.7
Jun	99.3	94.9	99.7	102.2	94.3	100.5	99.4	100.9	98.6
Jul	99.9	94.7	100.6	100.7	94.3	100.5	101.1	101.9	98.4
Aug	99.0	93.3	99.7	101.5	93.1	97.6	100.2	100.5	97.8
Sep	99.6	92.5	100.4	102.5	92.2	99.3	100.4	102.4	98.1
Oct	100.8	93.1	101.5	105.0	92.7	99.9	101.9	103.2	99.2
Nov	99.4	90.8	100.5	102.0	89.9	101.0	100.1	103.1	97.3
Dec	100.1	89.4	101.4	103.6	88.7	99.9	100.9	104.0	97.9
2004 Jan	100.1	90.3	101.3	103.1	90.0	101.0	100.2	102.9	98.7
Feb	99.7	88.7	100.9	104.3	88.3	101.7	99.6	102.6	98.3
Mar	100.9	90.4	102.3	103.7	90.2	103.9	100.6	104.2	99.5
Apr	100.9	89.9	102.3	103.1	89.4	105.0	101.1	104.4	98.9
May	100.8	89.6	102.3	102.9	89.1	104.6	99.6	105.7	99.0
Jun	101.1	92.5	102.3	102.6	91.9	105.7	100.1	105.0	99.7
Jul	100.2	90.4	101.5	102.6	89.6	107.8	97.7	106.1	98.4
Aug	99.7	84.6	101.5	104.5	83.5	106.1	99.2	105.0	97.2
Sep	99.7	81.8	102.0	103.9	80.5	106.1	99.2	106.7	96.5
Oct	99.1	81.9	101.3	103.1	80.3	105.3	99.0	105.4	95.8
Nov	100.4	83.5	102.6	103.9	81.7	103.2	100.0	106.8	97.5
Dec	100.7	84.6	102.9	103.0	82.7	105.7	99.8	107.0	98.0
2005 Jan	99.6	82.8	102.1	101.2	81.6	103.4	99.8	105.4	96.7
Feb	99.6	82.5	101.9	101.7	81.0	105.3	99.6	105.2	96.6
Mar	98.3	83.5	100.0	102.8	82.0	103.9	97.6	102.9	96.2
Apr	99.0 [†]	83.6 [†]	100.9 [†]	103.9 [†]	82.4 [†]	105.5 [†]	97.9 [†]	104.3 [†]	96.9
May	99.3	84.9	101.1	102.9	83.7	103.4	99.3	104.4	96.6
Jun	99.2	83.0	101.3	103.3	81.6	102.4	100.3	104.8	96.0
Percentage change, latest 3 months on:									
previous 3 months									
2005 Jun	-	1.1	-0.3	1.4	1.3	-0.4	0.2	-	-
same 3 months a year ago									
2005 Jun	-1.7	-7.5	-1.2	0.5	-8.4	-1.3	-1.1	-0.5	-2.7

¹ Output index numbers include adjustments, as necessary, to compensate for the use of sales indicators.

[†] indicates that data are new or have been revised. The period marked is the earliest in the table to have been revised.

IOP5A Output of the production industries¹

continued

2002 = 100

Section	Coke, refined petrol & nuclear fuels	Chemicals and man-made fibres	Basic metals and metal products	Engineering and allied industries	Food, drink and tobacco	Textiles, leather and clothing	Other manufacturing
	DF	DG	DJ	DK_DM	DA	DB_DC	DD_DN
Latest weight	13.1	86.5	79.9	240.0	112.5	30.4	228.0
	CKZF	CKZG	CKZJ	AGXS	CKZA	AGVO	AGXQ
2000	103.7	94.2	106.5	112.2	98.2	121.1	101.4
2001	97.8	100.0	104.2	108.3	99.0	108.1	100.9
2002	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2003	92.4	100.9	97.7	101.1	99.9	98.1	100.3
2004	97.7	104.0	101.3	105.6	101.2	86.9	100.1
Seasonally adjusted							
2002 Q3	95.9	101.0	100.3	101.7	100.6	99.2	100.4
Q4	100.0	98.9	99.7	99.6	99.4	94.6	99.7
2003 Q1	96.2	99.2	97.8	99.9	99.9	97.4	99.7
Q2	92.5	100.5	97.4	100.7	99.3	97.9	99.4
Q3	91.0	100.8	97.4	101.1	100.0	99.8	100.8
Q4	89.9	103.3	98.2	102.7	100.3	97.4	101.2
2004 Q1	98.4	105.0	98.8	103.6	99.6	90.3	101.3
Q2	97.8	104.4	101.7	105.8	102.4	86.9	100.4
Q3	96.9	102.9	102.3	106.3	100.8	85.9	98.8
Q4	97.6	103.7	102.2	106.6	102.1	84.7	99.9
2005 Q1	106.0	103.7	101.3	104.4	102.0	83.3	99.0
Q2	97.8	103.3	101.6	104.5	104.5	85.2	97.2
2003 Mar	93.9	100.6	98.3	99.9	100.1	96.7	99.7
Apr	90.1	99.7	97.7	102.2	99.9	98.7	98.9
May	94.5	102.4	95.9	99.3	99.1	96.2	99.2
Jun	92.8	99.3	98.5	100.8	99.1	99.0	100.0
Jul	88.2	102.0	97.2	101.8	99.5	101.0	101.3
Aug	95.8	100.3	97.9	100.0	100.0	98.9	99.8
Sep	89.1	100.0	97.1	101.6	100.4	99.5	101.3
Oct	88.0	102.8	98.3	102.9	101.1	98.6	102.1
Nov	91.6	103.4	97.4	102.3	99.6	96.8	100.0
Dec	90.2	103.6	98.8	102.9	100.3	96.8	101.5
2004 Jan	95.3	105.3	98.0	102.9	99.8	93.1	101.3
Feb	100.2	104.7	98.2	103.1	98.5	88.9	100.7
Mar	99.9	105.1	100.4	104.9	100.5	88.8	101.9
Apr	100.4	105.6	100.5	105.1	101.8	87.5	101.2
May	98.0	103.7	102.9	106.3	102.8	87.5	99.2
Jun	95.2	103.9	101.7	106.0	102.5	85.8	100.6
Jul	97.1	100.2	101.6	106.8	101.0	85.9	98.8
Aug	97.7	103.7	102.2	105.4	101.1	85.2	98.9
Sep	95.9	104.8	103.3	106.9	100.4	86.5	98.7
Oct	97.8	103.9	101.2	105.5	101.4	83.8	98.3
Nov	95.6	102.9	103.0	107.1	102.1	84.6	100.6
Dec	99.6	104.4	102.4	107.0	102.7	85.7	100.7
2005 Jan	104.6	104.6	101.2	105.6	101.9	83.7	100.1
Feb	106.2	104.0	102.4	104.9	102.8	83.6	99.7
Mar	107.1	102.5	100.4	102.8	101.4	82.6	97.3
Apr	100.1 [†]	102.4 [†]	102.2 [†]	104.6 [†]	102.4 [†]	84.6 [†]	97.3 [†]
May	95.8	102.8	102.1	104.4	104.7	85.1	97.2
Jun	97.4	104.8	100.4	104.3	106.3	85.8	96.9
Percentage change, latest 3 months on:							
previous 3 months							
2005 Jun	-7.7	-0.4	0.2	-	2.4	2.2	-1.9
same 3 months a year ago							
2005 Jun	-0.1	-1.0	-0.1	-1.3	2.0	-2.0	-3.2

[†] indicates that data are new or have been revised. The period marked is the earliest in the table to have been revised.

IOP5AR Revisions to previously published output of the production industries

2002 = 100

Section	Broad industry groups					Main industrial groupings			
	Production industries C+D+E	Mining and Quarrying inc Oil and Gas Extraction C	Manufacturing (Revised Definition) D	Electricity, Gas and Water Supply E	Oil and Gas Extraction C_1	Consumer durables MG-DUR	Consumer non-durables MG-NDUR	Capital goods MG-CAP	Intermediate goods and energy MG-INEN
Latest weight	1 000.0	121.4	790.5	88.1	110.7	36.9	268.7	213.4	481.0
	CKYW	CKYX	CKYY	CKYZ	CKYO	UFIU	UFJS	UFIL	JMOH
2000	-	-	-	-	-	-	-	-	-
2001	-	-	-	-	-	-	-	-	-
2002	-	-	-	-	-	-	-	-	-
2003	-	-	-	-	-	-	-	-	-
2004	-	-	-	-	-	-	-	-	-
Seasonally adjusted									
2002 Q2	-	-	-	-	-	-	-	-	-
Q3	-	-	-	-	-	-	-	-	-
Q4	-	-	-	-	-	-	-	-	-
2003 Q1	-	-	-	-	-	-	-	-	-
Q2	-	-	-	-	-	-	-	-	-
Q3	-	-	-	-	-	-	-	-	-
Q4	-	-	-	-	-	-	-	-	-
2004 Q1	-	-	-	-	-	-	-	-	-
Q2	-	-	-	-	-	-	-	-	-
Q3	-	-	-	-	-	-	-	-	-
Q4	-	-	-	-	-	-	-	-	-
2005 Q1	-	-	-	-	-	-	-	-	-
2003 Feb	-	-	-	-	-	-	-	-	-
Mar	-	-	-	-	-	-	-	-	-
Apr	-	-	-	-	-	-	-	-	-
May	-	-	-	-	-	-	-	-	-
Jun	-	-	-	-	-	-	-	-	-
Jul	-	-	-	-	-	-	-	-	-
Aug	-	-	-	-	-	-	-	-	-
Sep	-	-	-	-	-	-	-	-	-
Oct	-	-	-	-	-	-	-	-	-
Nov	-	-	-	-	-	-	-	-	-
Dec	-	-	-	-	-	-	-	-	-
2004 Jan	-	-	-	-	-	-	-	-	-
Feb	-	-	-	-	-	-	-	-	-
Mar	-	-	-	-	-	-	-	-	-
Apr	-	-	-	-	-	-	-	-	-
May	-	-	-	-	-	-	-	-	-
Jun	-	-	-	-	-	-	-	-	-
Jul	-	-	-	-	-	-	-	-	-
Aug	-	-	-	-	-	-	-	-	-
Sep	-	-	-	-	-	-	-	-	-
Oct	-	-	-	-	-	-	-	-	-
Nov	-	-	-	-	-	-	-	-	-
Dec	-	-	-	-	-	-	-	-	-
2005 Jan	-	-	-	-	-	-	-	-	-
Feb	-	-	-	-	-	-	-	-	-
Mar	-	-	-	-	-	-	-	-	-
Apr	0.2	-0.1	0.4	-0.1	-0.1	0.7	0.3	0.6	-
May	0.4	-	0.5	-	-0.1	0.6	0.8	0.7	-

IOP5AR Revisions to previously published output of the production industries

continued

2002 = 100

Section	Coke, refined petrol & nuclear fuels	Chemicals and man-made fibres	Basic metals and metal products	Engineering and allied industries	Food, drink and tobacco	Textiles, leather and clothing	Other manufacturing
	DF	DG	DJ	DK_DM	DA	DB_DC	DD_DN
Latest weight	13.1	86.5	79.9	240.0	112.5	30.4	228.0
	CKZF	CKZG	CKZJ	AGXS	CKZA	AGVO	AGXQ
2000	-	-	-	-	-	-	-
2001	-	-	-	-	-	-	-
2002	-	-	-	-	-	-	-
2003	-	-	-	-	-	-	-
2004	-	-	-	-	-	-	-
Seasonally adjusted							
2002 Q2	-	-	-	-	-	-	-
Q3	-	-	-	-	-	-	-
Q4	-	-	-	-	-	-	-
2003 Q1	-	-	-	-	-	-	-
Q2	-	-	-	-	-	-	-
Q3	-	-	-	-	-	-	-
Q4	-	-	-	-	-	-	-
2004 Q1	-	-	-	-	-	-	-
Q2	-	-	-	-	-	-	-
Q3	-	-	-	-	-	-	-
Q4	-	-	-	-	-	-	-
2005 Q1	-	-	-	-	-	-	-
2003 Feb	-	-	-	-	-	-	-
Mar	-	-	-	-	-	-	-
Apr	-	-	-	-	-	-	-
May	-	-	-	-	-	-	-
Jun	-	-	-	-	-	-	-
Jul	-	-	-	-	-	-	-
Aug	-	-	-	-	-	-	-
Sep	-	-	-	-	-	-	-
Oct	-	-	-	-	-	-	-
Nov	-	-	-	-	-	-	-
Dec	-	-	-	-	-	-	-
2004 Jan	-	-	-	-	-	-	-
Feb	-	-	-	-	-	-	-
Mar	-	-	-	-	-	-	-
Apr	-	-	-	-	-	-	-
May	-	-	-	-	-	-	-
Jun	-	-	-	-	-	-	-
Jul	-	-	-	-	-	-	-
Aug	-	-	-	-	-	-	-
Sep	-	-	-	-	-	-	-
Oct	-	-	-	-	-	-	-
Nov	-	-	-	-	-	-	-
Dec	-	-	-	-	-	-	-
2005 Jan	-	-	-	-	-	-	-
Feb	-	-	-	-	-	-	-
Mar	-	-	-	-	-	-	-
Apr	0.2	0.4	0.1	0.6	0.9	0.4	-0.1
May	0.2	0.9	-0.8	0.8	1.6	-	0.1