

Quarterly national accounts



2nd quarter 2011

Coverage: **UK**

Date: **5 October 2011**

Geographical Area: **UK**

Theme: **Economy**

Headline figures are:

- UK gross domestic product (GDP) in volume terms increased by 0.1 per cent in the second quarter of 2011.
- Output of the production industries fell by 1.2 per cent, within which manufacturing rose by 0.2 per cent.
- Output of the service and construction industries increased by 0.2 per cent and 1.1 per cent respectively.
- Household final consumption expenditure decreased by 0.8 per cent in volume terms in the latest quarter.
- In current price terms, compensation of employees increased by 0.4 per cent in 2011 quarter two.

Summary

This bulletin contains information on the quarterly national accounts for 2011 quarter two. The estimates in this statistical bulletin are consistent with the dataset to be published in this year's Blue Book.

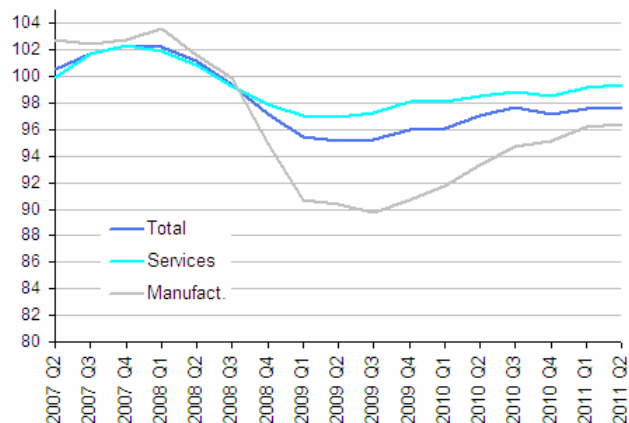
This release incorporates estimates based on the new Standard Industrial Classification 2007 for the first time. In addition, the base year and reference year for chained volume estimates have both moved on from 2006 to 2008.

Key Data 2011 Q2

	At current market prices		At chain volume measures		
	Gross domestic product	Compensation of employees	Gross domestic product	Household expenditure	Gross fixed capital formation
Seasonally adjusted					
2010 Q1	1.5	1.2	0.2	0.0	4.3
Q2	1.5	0.2	1.1	0.6	-2.1
Q3	1.1	-0.1	0.6	-0.2	1.1
Q4	0.4	-0.2	-0.5	-0.1	-0.5
2011 Q1	0.9	0.8	0.4	-0.6	-2.8
Q2	0.5	0.4	0.1	-0.8	1.7

Source: Office for National Statistics

Output indices, CVM



GDP analysed by output categories, chained volume measures (Tables B1 and B2)

See Annex A for growth rates back to 2009 Q2.

This is the first publication of GDP based on the new Standard Industrial Classification (SIC) 2007. For more detail, please see the attached article

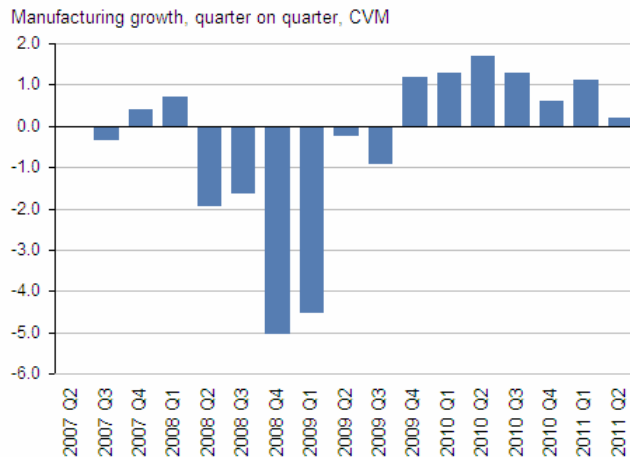
<http://www.ons.gov.uk/ons/rel/elmr/economic-and-labour-market-review/no--12--december-2009/economic---labour-market-review.pdf>

The output of the agriculture, forestry & fishing sector decreased by 0.9 per cent in the second quarter of 2011 compared with a rise of 11.2 per cent in the first quarter of 2011.

The output of the production industries decreased by 1.2 per cent in the second quarter of 2011. This compares with a decrease of 0.1 per cent in the first quarter of 2011. In the year 2010, output of the production industries increased by 1.9 per cent.

Mining & quarrying output fell by 6.6 per cent in the latest quarter. This compares with a fall of 4.9 per cent in the previous quarter.

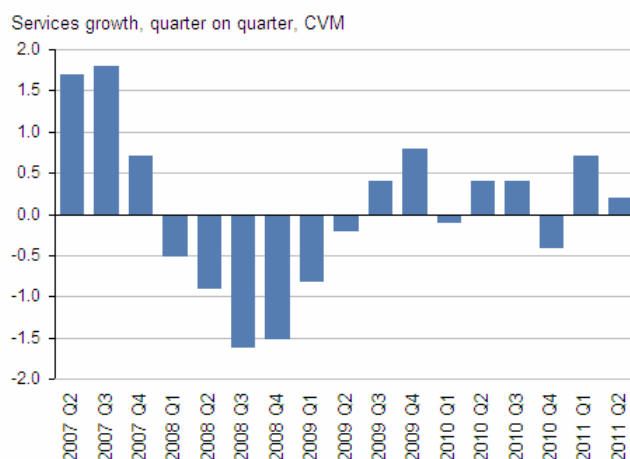
Manufacturing output rose by 0.2 per cent in the latest quarter, compared with a rise of 1.1 per cent in the first quarter of 2011.



Output in both electricity, gas & air conditioning supply and water supply, sewerage & waste management decreased in the second quarter of 2011, by 1.7 per cent and 2.7 per cent respectively. This compares with a fall of 4.9 per cent in electricity, gas & air conditioning supply and a rise of 5.0 per cent in water supply, sewerage & waste management in 2011 quarter one.

Construction output is estimated to have increased by 1.1 per cent in 2011 quarter two. This compares with a fall of 2.7 per cent in 2011 quarter one. In the year 2010, construction output rose by 8.2 per cent. For further information on construction revisions please see background note 4.

Services output increased by 0.2 per cent in the second quarter of 2011, compared with an increase of 0.7 per cent in the first quarter of 2011. For the year 2010, services output increased by 1.2 per cent.



Output of the distribution, hotels & restaurants sector rose by 0.4 per cent in 2011 quarter two, compared with a rise of 1.0 per cent in 2011 quarter one. The main drivers for the rise in the latest quarter were wholesale and accommodation.

Output of the transport, storage & communication sector remained unchanged in the latest quarter, compared with an increase of 0.2 per cent in the previous quarter. While growth in rail transport was strong in the latest quarter, this was offset by weakness from water transport and telecommunications.

The business services & finance sector increased by 0.3 per cent in the most recent quarter, following an increase of 0.2 per cent in the previous quarter. The main drivers for the increase in the latest quarter were legal & accounting activities and employment activities.

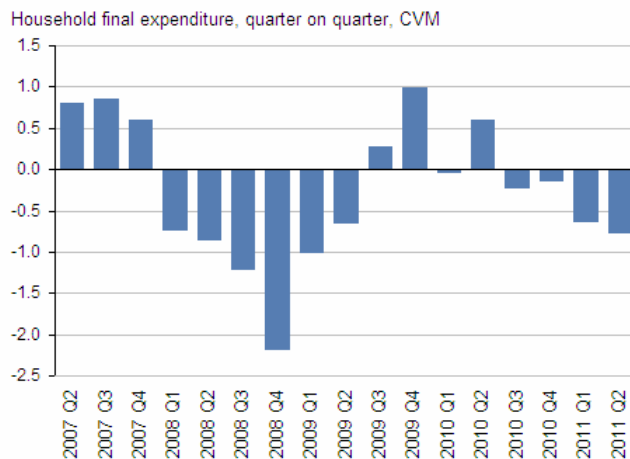
Government & other services output rose 0.2 per cent in 2011 quarter two, compared with a rise of 1.3 per cent in 2011 quarter one.

GDP analysed by expenditure categories, chained volume measures (Tables C2, E3, E4, F, G and H2)

See Annex B for growth rates back to 2009 Q2.

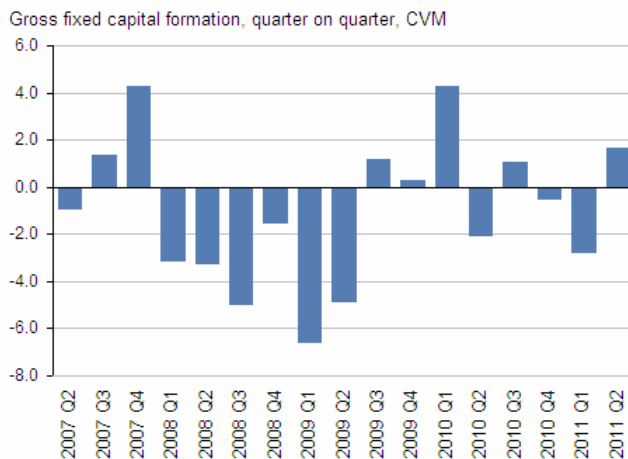
Gross domestic expenditure increased by 0.3 per cent in the second quarter of 2011.

Household final consumption expenditure fell by 0.8 per cent in the latest quarter. The largest decreases in spending were on transport and food & non-alcoholic drink. This was partly offset by an increase in spending on miscellaneous goods & services (for example financial services) and clothing & footwear.



Government final consumption expenditure increased by 1.1 per cent in 2011 quarter two, compared with an increase of 0.8 per cent in 2011 quarter one. In 2010, government final consumption expenditure increased by 1.5 per cent.

Gross fixed capital formation rose by 1.7 per cent in the latest quarter, compared with a fall of 2.8 per cent in the previous quarter. In 2010, gross fixed capital formation rose by 2.6 per cent.

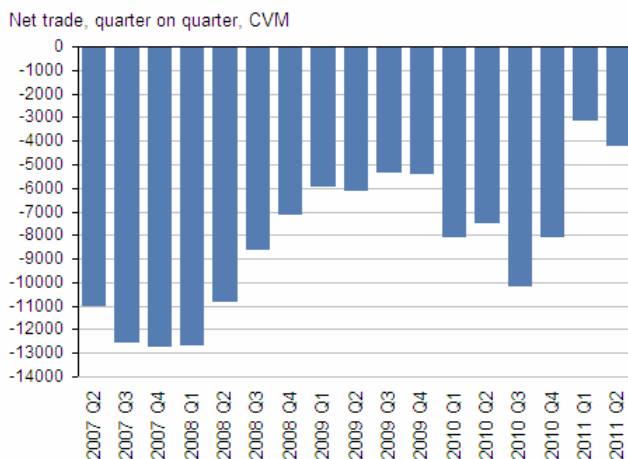


Including the alignment adjustment, the level of inventories increased by £0.5 billion in the latest quarter. In 2010, the level of inventories rose by £4.9 billion.

The deficit in net trade was £4.1 billion in 2011 quarter two, compared with a deficit in net trade of £3.1 billion in 2011 quarter one.

Exports of goods fell by 3.5 per cent in 2011 quarter two, driven by lower imports of intermediate goods, capital goods, and chemicals. These were partially offset by increased exports of fuels and precious stones & silver. Imports of goods fell by 1.0 per cent, driven by lower imports of semi-manufacture goods, less precious stones, intermediate goods and capital goods. These were partly offset by an increase in imports of fuels and consumer goods other than cars.

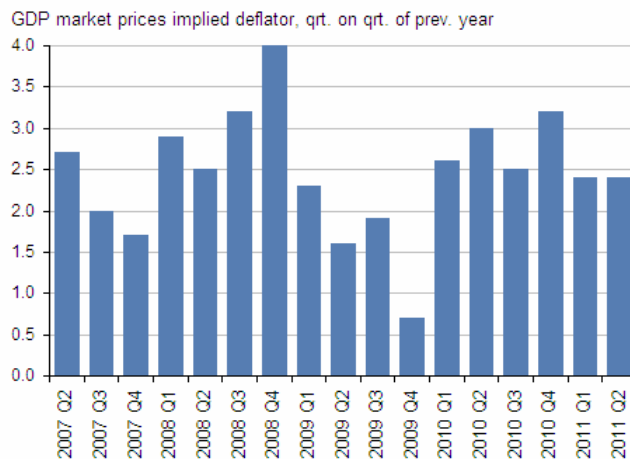
Exports of services increased by 2.0 per cent in the latest quarter, driven by increased exports of financial services, travel services and other business services. Imports of services increased by 1.8 per cent in 2011 quarter two, driven by increased imports of financial services.



GDP implied deflator

See Annex D for growth rates back to 2009 Q2.

The gross domestic product implied deflator at market prices for 2011 quarter two is 2.4 per cent above the same quarter of 2010. In the year 2010, the GDP implied deflator at market prices rose by 2.8 per cent.

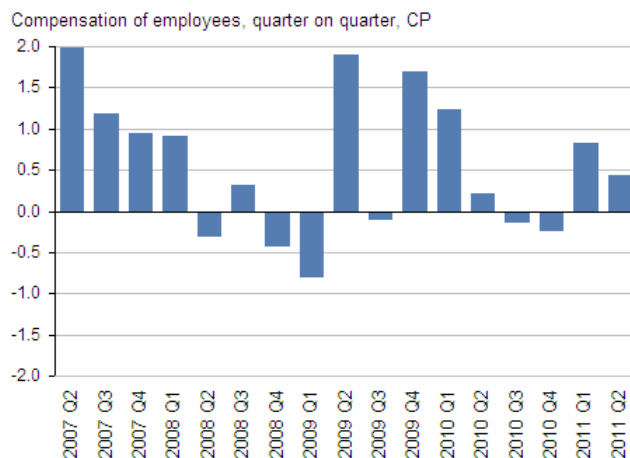


GDP analysed by income categories at current prices (Table D)

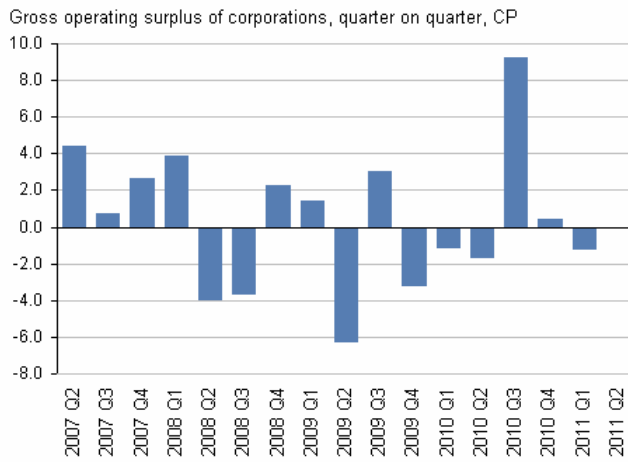
See Annex C for growth rates back to 2009 Q2

GDP at current market prices rose by 0.5 per cent in 2011 quarter two, compared with an increase of 0.9 per cent in 2011 quarter one. In 2010, GDP at current market prices increased by 4.6 per cent.

Compensation of employees increased by 0.4 per cent in 2011 quarter two, compared with an increase of 0.8 per cent in 2011 quarter one. In 2010, compensation of employees increased by 3.0 per cent.



The growth of gross operating surplus of corporations was unchanged for 2011 quarter two, compared with a fall of 1.2 per cent in 2011 quarter one. Private non-financial corporations' operating surplus fell by 0.5 per cent in the latest quarter. Financial corporations' operating surplus rose by 1.1 per cent in 2011 quarter two, compared with a fall of 9.9 per cent in 2011 quarter one. In 2010, gross operating surplus of corporations fell by 0.3 per cent.



Taxes on production less subsidies increased by 3.1 per cent in 2011 quarter two. In 2010 as a whole, taxes on production less subsidies rose by 15.9 per cent.

Economic background

GDP growth in the first and second quarters of 2011 have both been revised down by 0.1 percentage points. This is due to a combination of methodological changes, classification changes and the inclusion of new data. The weakness of growth in both quarters, particularly the second quarter, reflects a number of pressures that are being felt in the wider economy by both business and households. These include:

- continuing declines in real wage growth, which resulted in declines in consumer demand and consumer confidence;
- an uncertain labour market, which can feed through to weaker consumer confidence and consumption;
- relatively high rates of inflation and in particular high and rising commodity prices, though this is offset to some extent by relatively low growth of labour costs;
- a weakening global economic position, in particular the UK's key export markets of the euro area, wider Europe and the US;
- volatility and weakness in financial markets;
- low returns on saving.

The weakness of growth in the second quarter continues a series of weak quarterly growth rates since late 2010. The level of output at the end of the second quarter is around the same level as it was in the third quarter of 2010, so the drop in output in the fourth quarter has only now been recovered.

Further economic commentary is available at

<http://www.ons.gov.uk/ons/rel/elmr/economic-review/september-2011/new-component.html>

REVISIONS

(Table R)

GDP and components (previously published on 26 August 2011)

Revisions resulting from the incorporation of new data, replacement of forecasts, rebalancing of annual supply and use tables, new deflation methodology and rebasing data have been taken back to the first quarter of 1997.

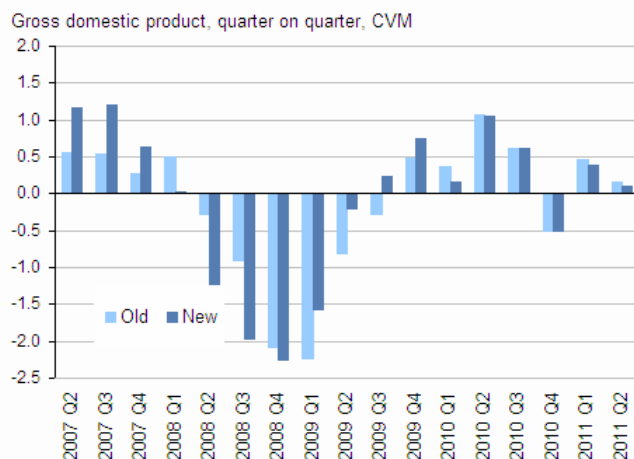
GDP growth for 2011 quarter two has been revised down by 0.1 percentage points. There has also been a downward revision of 0.1 percentage points for 2011 quarter one, and a 0.2 percentage point downward revision for 2010 quarter one.

More detail on earlier revisions is included in an article published simultaneously with this release, Myers and Lee (2011): Impact of changes in the National Accounts and Economic Commentary for 2011 quarter 2.

On an annual basis, 2010 has been revised up by 0.4 percentage points. There has also been upward revisions of 0.5 and 0.8 percentage points for 2009 and 2007 respectively. 2008 has been revised down by 1.0 percentage points. Further back in the time series, 2000 and 2002 have been revised up by 0.6 percentage points, while 2001 and 2003 have been revised up by 0.7 percentage points. 1998, 1999, 2005 and 2006 have had smaller percentage point revisions.

Economic downturn 2008-2009

As a result of the revisions described in this release and associated articles, the profile of the economic contraction between 2008 and 2009 is now estimated to be different from that previously published. The first quarter of decline is still estimated to be 2008 quarter two, but the first subsequent quarter of growth is now estimated to be 2009 quarter three, one quarter earlier than previously estimated. Although shorter, the downturn is now estimated to have been deeper than previously published, with a peak-to-trough fall of 7.1 per cent, rather than the 6.4 per cent previously estimated.



Expenditure components (chained volume measure) (previously published on 28 June 2011)

Household final consumption expenditure is unrevised in 2011 quarter one.

Government expenditure has been revised up by 0.3 percentage points in 2011 quarter one.

Gross fixed capital formation in 2011 quarter one has been revised down by 0.8 percentage points.

The aligned estimate of changes in inventories has been revised down by £0.5 billion for 2011 quarter one.

Exports of goods and services growth has been revised down by 0.9 percentage points in 2011 quarter one. Imports of goods and services growth has been revised down to a fall of 2.9 per cent in 2011 quarter one compared with a fall of 2.4 per cent previously published.

Income components (previously published on 28 June 2011)

Compensation of employees has been revised down by 0.1 percentage points in 2011 quarter one from the previously published estimate.

The gross operating surplus of corporations in 2011 quarter one has been revised down by 0.2 percentage points.

Summary of statistics for 2011 Q2 quarter on quarter growth

GDP Headline	
GDP average CVM SA	Smallest increase (0.1%) for 2 quarters, since 2010 Q4, (-0.5%). Previous quarter (0.4%).
GDP CP SA	Smallest increase (0.5%) for 2 quarters, since 2010 Q4, (0.4%). Previous quarter (0.9%).
GDP deflator SA (quarter on same quarter of previous year)	Same increase (2.4%) as previous quarter (2.4%).
GDP – Output approach	
Market sector GVA CVM SA	Largest increase (0.2%) for 3 quarters, since 2010 Q3 (0.6%). Previous quarter (0.1%).
Index of production CVM SA	Largest decrease (-1.2%) for 7 quarters, since 2009 Q3 (-1.3%). Previous quarter (-0.1%).
Construction CVM SA	Largest increase (1.1%) for 3 quarters, since 2010 Q3, (3.2%). Previous quarter (-2.7%).
Index of services CVM SA	Smallest increase (0.2%) for 2 quarters, since 2010 Q4, (-0.4%). Previous quarter (0.7%).
GDP – Expenditure approach	
Household consumption CVM SA	Largest decrease (-0.8%) for 9 quarters, since 2009 Q1 (-1.0%). Previous quarter (-0.6%).
Government consumption CVM SA	Largest increase (1.1%) for 13 quarters, since 2008 Q1, (1.8%). Previous quarter (0.8%).
Gross fixed capital consumption CVM SA	Largest increase (1.7%) for 5 quarters, since 2010 Q1, (4.3%). Previous quarter (-2.8%).
Exports of goods and services CVM SA	Largest decrease (-1.3%) for 8 quarters, since 2009 Q2 (-1.3%). Previous quarter (1.5%).
Imports of goods and services CVM SA	Smallest decrease (-0.3%) for 2 quarters, since 2010 Q4 (1.6%). Previous quarter (-2.9%).
GDP – Income approach	
Compensation of employees CP SA	Smallest increase (0.4%) for 2 quarters, since 2010 Q4, (-0.2%). Previous quarter (0.8%).
Gross operating surplus of corporations CP SA	Largest increase (0.0%) for 2 quarters, since 2010 Q4, (0.4%). Previous quarter (-1.2%).

Background Notes

Forthcoming changes

1. On 29 September 2011, the ONS announced changes to its forthcoming release schedule. This announcement can be found at: <http://www.ons.gov.uk/ons/media-centre/statements/national-accounts-publication-timetable.html> . Information on the methods changes incorporated in this release can be found in Everett G (2011). 'Methods changes in Blue Book 2011'. <http://www.ons.gov.uk/ons/rel/naa1-rd/united-kingdom-national-accounts/method-changes-in-blue-book-2011/index.html>

Release policy

2. The preliminary estimate of GDP for the third quarter of 2011 will be published on 1 November 2011, followed by the second estimate of GDP on 24 November 2011. The next full set of quarterly national accounts will be published on 22 December 2011.

Treatment of Olympic ticket sales

3. An article titled 'Treatment of the Sale of Olympic Tickets in the National Accounts' is available on the National Accounts website at

<http://www.ons.gov.uk/ons/rel/naa2/second-estimate-of-gdp/q2-2011/treatment-of-the-sale-of-olympic-tickets.pdf>

Construction revisions

4. For more information on construction revisions, please see the attached link:

<http://www.ons.gov.uk/ons/rel/construction/output-in-the-construction-industry/july-2011/index.html>

Basic Quality Information for GDP Statistical Bulletin

Summary Quality reports

5. A Summary Quality Report for this Statistical Bulletin can be found on the National Statistics website at:

<http://www.ons.gov.uk/ons/rel/naa1-rd/united-kingdom-national-accounts/summary-quality-report-for-gross-domestic-product--gdp--data-releases/summary-quality-report-for-gross-domestic-product--gdp--data-releases-.pdf>

Key quality issues

6. *Common pitfalls in interpreting series:* Expectations of accuracy and reliability in early estimates are often too high. Revisions are an inevitable consequence of the trade-off between timeliness and accuracy. Early estimates are based on incomplete data.

Very few statistical revisions arise as a result of 'errors' in the popular sense of the word. All estimates, by definition, are subject to statistical 'error' but in this context the word refers to the uncertainty inherent in any process or calculation that uses sampling, estimation or modelling. Most revisions reflect either the adoption of new statistical techniques or the

incorporation of new information which allows the statistical error of previous estimates to be reduced. Only rarely are there avoidable ‘errors’ such as human or system failures and such mistakes are made quite clear when they do occur.

Reliability

7. Estimates for the most recent quarters are provisional and are subject to revision in the light of updated source information. ONS currently provides an analysis of past revisions in the GDP and other Statistical Bulletins which present time series. Details can be found at:

<http://www.ons.gov.uk/ons/rel/elmr/economic-trends--discontinued--no--604--march-2004/ons-policy-on-standards-for-presenting-revisions-in-time-series-first-releases.pdf>

ONS has a webpage dedicated to revisions to economic statistics which brings together ONS work on revisions analysis, linking to articles, revisions policies and key documentation from the Statistics Commission's report on revisions. The webpage can be found at:

<http://www.ons.gov.uk/ons/guide-method/method-quality/specific/economy/revisions/economic-statistics/index.html>

Revisions to data provide one indication of the reliability of key indicators. The tables below 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. An asterisk (*) shows that the test is significant.

8. Table 1 below shows the revisions to month 1 and month 2 estimates of GDP. The analysis of revisions between month 1 and month 2 uses month 2 estimates published from November 2006 (2006 q3) to August 2011 (2011q2). The analysis of revisions between month 2 and month 3 uses month 3 estimates published from September 2006 (2006q2) to June 2011 (2011q1).

Table 1: Revisions to early estimates of GDP growth

Revisions to GDP growth	GDP growth in latest period (per cent)	Revisions between early estimates of GDP 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	0.1	0.01	0.05
Between M2 and M3	0.1	-0.04	0.08

Table 2 shows the revisions to GDP growth and the household saving ratio between the estimate published three months after the end of the quarter and the equivalent estimate three years later. For GDP and Household saving ratio, the analysis uses month 3 estimates first published from September 2003 (2003 q2) to June 2008 (2008q1) for GDP.

Table 2: Revisions to month 3 estimates of GDP growth and the household saving ratio

	GDP growth 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)
GDP growth (quarterly, CVM)	0.1	0.00	0.17
Household saving ratio	n/a	-0.95	1.21

Revisions triangles for the main components of GDP from expenditure, output and income approaches are also available at the link above.

An article titled 'Understanding the quality of early estimates of Gross Domestic Product', which was first published in December 2009, is available on the National Statistics website at

<http://www.ons.gov.uk/ons/rel/gva/gross-domestic-product-preliminary-estimate/understanding-the-quality-of-early-estimates-of-gross-domestic-product/understanding-the-quality-of-early-estimates-of-gross-domestic-product-.pdf>

Coherence

9. Historic experience shows that the output approach provides the best timely approach to measuring GDP growth. GDP growth according to the expenditure and income approaches is therefore brought into line with that recorded by output.

Further information

10. Latest copies of this and other ONS releases are available under Press Releases on the National Statistics website:

<http://www.ons.gov.uk/ons/publications/index.html>

More information on household expenditure can be found at:

<http://onspreview-oat/ons/rel/consumer-trends/blue-book-2011--improvements-to-household-expenditure-estimates/q2-2011/art---blue-book-2011--improvements-to-household-expenditure-estimates.html>

More information underlying the National Accounts can be found at:

<http://www.ons.gov.uk/ons/rel/naa1-rd/united-kingdom-national-accounts/2010-edition/uk-national-accounts---a-short-guide.pdf>

11. Details of the policy governing the release of new data are available from the press office. Also available is a list of the names of those given pre-publication access to the contents of this bulletin.

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Annex A - growth and contributions to growth – output components

Growth, quarter-on-quarter, for the output components of GDP

Component	2009 Q2	2009 Q3	2009 Q4	2010 Q1	2010 Q2	2010 Q3	2010 Q4	2011 Q1	2011 Q2
Agriculture	0.2	-0.1	2.4	-0.4	-0.1	-0.4	-10.1	11.2	-0.9
Total Production	-0.3	-1.3	0.3	1.3	1.2	0.3	0.1	-0.1	-1.2
<i>of which Manufacturing</i>	-0.2	-0.9	1.2	1.3	1.7	1.3	0.6	1.1	0.2
Construction	-2.5	0.6	0.3	0.9	8.2	3.2	-1.8	-2.7	1.1
Total Services	-0.2	0.4	0.8	-0.1	0.4	0.4	-0.4	0.7	0.2
Distn, hotels & catering	-0.2	0.0	2.2	-0.5	0.7	0.6	-1.0	1.0	0.4
Transport, storage & comms	-1.4	0.6	2.3	1.9	1.6	1.2	0.7	0.2	0.0
Business services & finance	-0.4	-0.2	0.1	-0.1	-0.5	0.0	-0.3	0.2	0.3
Government & other	0.6	1.4	0.3	-0.6	0.8	0.5	-0.6	1.3	0.2

Contribution to growth, quarter-on-quarter, for the output components of GDP

Component	2009 Q2	2009 Q3	2009 Q4	2010 Q1	2010 Q2	2010 Q3	2010 Q4	2011 Q1	2011 Q2
Agriculture	0.0	0.0	0.0	0.0	0.0	0.0	-0.1	0.1	0.0
Total Production	-0.1	-0.2	0.1	0.2	0.2	0.1	0.0	0.0	-0.2
<i>of which Manufacturing</i>	0.0	-0.1	0.1	0.1	0.2	0.2	0.1	0.1	0.0
Construction	-0.1	0.0	0.0	0.1	0.5	0.2	-0.1	-0.2	0.1
Total Services	-0.2	0.3	0.6	0.0	0.3	0.3	-0.3	0.5	0.2
Distn, hotels & catering	0.0	0.0	0.3	-0.1	0.1	0.1	-0.1	0.1	0.1
Transport, storage & comms	-0.1	0.0	0.2	0.1	0.1	0.1	0.1	0.0	0.0
Business services & finance	-0.1	-0.1	0.0	0.0	-0.1	0.0	-0.1	0.1	0.1
Government & other	0.1	0.3	0.1	-0.2	0.2	0.1	-0.1	0.3	0.0

Components may not sum to totals due to rounding

Growth, quarter on same quarter of previous year, for the output components of GDP

Component	2009 Q2	2009 Q3	2009 Q4	2010 Q1	2010 Q2	2010 Q3	2010 Q4	2011 Q1	2011 Q2
Agriculture	-16.2	-15.5	-14.1	2.1	1.8	1.4	-10.9	-0.5	-1.3
Total Production	-9.9	-9.8	-5.1	0.0	1.5	3.2	2.9	1.5	-0.9
<i>of which Manufacturing</i>	-11.0	-10.3	-4.4	1.3	3.3	5.6	5.0	4.8	3.2
Construction	-16.6	-12.9	-7.9	-0.7	10.2	13.0	10.6	6.7	-0.3
Total Services	-4.0	-2.0	0.3	1.0	1.6	1.6	0.4	1.2	1.0
Distn, hotels & catering	-7.4	-4.1	1.2	1.4	2.4	3.0	-0.2	1.3	1.0
Transport, storage & comms	-8.2	-5.9	-2.3	3.4	6.6	7.2	5.5	3.8	2.2
Business services & finance	-5.2	-3.6	-2.3	-0.7	-0.7	-0.5	-0.9	-0.6	0.1
Government & other	1.9	3.3	4.3	1.6	1.8	0.9	0.0	2.0	1.3

Contribution to growth, quarter on same quarter of previous year, for the output components of GDP

Component	2009 Q2	2009 Q3	2009 Q4	2010 Q1	2010 Q2	2010 Q3	2010 Q4	2011 Q1	2011 Q2
Agriculture	-0.1	-0.1	-0.1	0.0	0.0	0.0	-0.1	0.0	0.0
Total Production	-1.7	-1.7	-0.9	0.0	0.3	0.5	0.5	0.3	-0.1
<i>of which Manufacturing</i>	-1.4	-1.3	-0.6	0.1	0.4	0.7	0.6	0.6	0.4
Construction	-1.1	-0.8	-0.5	0.0	0.6	0.7	0.6	0.4	0.0
Total Services	-3.0	-1.5	0.2	0.8	1.3	1.3	0.3	0.9	0.7
Distn, hotels & catering	-1.1	-0.6	0.2	0.2	0.3	0.4	0.0	0.2	0.1
Transport, storage & comms	-0.6	-0.4	-0.2	0.2	0.5	0.5	0.4	0.3	0.2
Business services & finance	-1.6	-1.1	-0.7	-0.2	-0.2	-0.2	-0.3	-0.2	0.0
Government & other	0.4	0.8	1.0	0.4	0.5	0.2	0.0	0.5	0.3

Components may not sum to totals due to rounding

Annex A - growth and contributions to growth – output components

Growth, year-on-year, for the output components of GDP

Component	2003	2004	2005	2006	2007	2008	2009	2010
Agriculture	-1.8	-1.4	6.8	-3.1	-3.7	16.2	15.2	-1.5
Total Production	-0.3	0.9	-0.8	0.0	0.5	-2.8	-9.0	1.9
<i>of which Manufacturing</i>	-0.2	2.1	-0.2	1.7	0.8	-2.6	-9.6	3.8
Construction	4.8	5.1	-2.5	0.7	2.1	-2.8	13.5	8.2
Total Services	4.5	3.0	3.4	3.3	4.4	-0.5	-2.6	1.2
Distn, hotels & catering	2.4	3.8	0.0	3.7	4.8	-2.8	-4.6	1.7
Transport, storage & comms	3.9	3.1	3.4	2.2	5.8	-0.2	-5.7	5.7
Business services & finance	5.7	3.2	5.7	5.7	6.4	-0.2	-4.3	-0.7
Government & other	4.8	2.2	2.7	0.8	1.0	0.4	2.3	1.1

Contribution to growth, year-on-year, for the output components of GDP

Component	2003	2004	2005	2006	2007	2008	2009	2010
Agriculture	0.0	0.0	0.0	0.0	0.0	0.1	-0.1	0.0
Total Production	-0.1	0.2	-0.2	0.0	0.1	-0.5	-1.5	0.3
<i>of which Manufacturing</i>	0.0	0.3	0.0	0.2	0.1	-0.3	-1.2	0.5
Construction	0.3	0.3	-0.2	0.1	0.1	-0.2	-0.9	0.5
Total Services	3.2	2.3	2.4	2.5	3.3	-0.4	-2.0	0.9
Distn, hotels & catering	0.4	0.5	0.0	0.5	0.7	-0.4	-0.7	0.2
Transport, storage & comms	0.3	0.2	0.2	0.1	0.4	0.0	-0.4	0.4
Business services & finance	1.5	0.9	1.6	1.7	1.9	-0.1	-1.3	-0.2
Government & other	1.1	0.5	0.6	0.2	0.2	0.1	0.5	0.3

Annex B – growth and contributions to growth – expenditure components

Growth, quarter-on-quarter, for the expenditure components of GDP

Component	2009 Q2	2009 Q3	2009 Q4	2010 Q1	2010 Q2	2010 Q3	2010 Q4	2011 Q1	2011 Q2
Household final consumption expenditure	-0.7	0.3	1.0	0.0	0.6	-0.2	-0.1	-0.6	-0.8
NPISH final consumption expenditure	0.1	0.3	0.3	-0.7	4.1	1.8	0.6	-0.8	3.1
General government final consumption expenditure	-0.6	0.8	0.6	0.6	0.3	-0.1	0.1	0.8	1.1
Gross capital formation	2.8	-2.4	0.0	6.9	2.6	9.7	-6.7	-5.6	3.0
- of which GFCF	-4.8	1.2	0.3	4.3	-2.1	1.1	-0.5	-2.8	1.7
Exports	-1.3	0.6	3.4	-0.3	3.7	0.2	3.9	1.5	-1.3
less Imports	-1.1	-0.2	3.3	2.3	2.8	2.6	1.6	-2.9	-0.3

Contribution to growth, quarter-on-quarter, for the expenditure components of GDP

Component	2009 Q2	2009 Q3	2009 Q4	2010 Q1	2010 Q2	2010 Q3	2010 Q4	2011 Q1	2011 Q2
Household final consumption expenditure	-0.4	0.2	0.6	0.0	0.4	-0.1	-0.1	-0.4	-0.5
NPISH final consumption expenditure	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.1
General government final consumption expenditure	-0.1	0.2	0.1	0.1	0.1	0.0	0.0	0.2	0.3
Gross capital formation	0.4	-0.3	0.0	1.0	0.4	1.5	-1.1	-0.9	0.4
- of which GFCF	-0.8	0.2	0.0	0.6	-0.3	0.2	-0.1	-0.4	0.2
Exports	-0.4	0.2	0.9	-0.1	1.0	0.1	1.1	0.5	-0.4
less Imports	-0.3	-0.1	1.0	0.7	0.9	0.8	0.5	-1.0	-0.1
Net trade	-0.1	0.2	0.0	-0.8	0.2	-0.8	0.6	1.4	-0.3

Components may not sum to totals due to rounding

Growth, quarter on same quarter of previous year, for the expenditure components of GDP

Component	2009 Q2	2009 Q3	2009 Q4	2010 Q1	2010 Q2	2010 Q3	2010 Q4	2011 Q1	2011 Q2
Household final consumption expenditure	-5.0	-3.5	-0.4	0.6	1.8	1.3	0.2	-0.4	-1.7
NPISH final consumption expenditure	-4.3	-3.3	-0.4	0.0	4.0	5.5	5.8	5.7	4.7
General government final consumption expenditure	-0.3	0.1	-0.3	1.4	2.3	1.5	0.9	1.1	1.9
Gross capital formation	-22.2	-15.2	-6.9	7.3	7.1	20.3	12.2	-1.0	-0.6
- of which GFCF	-16.7	-11.3	-9.8	0.7	3.6	3.5	2.7	-4.3	-0.6
Exports	-12.6	-11.1	-4.6	2.4	7.6	7.1	7.6	9.5	4.3
less Imports	-15.4	-13.1	-5.9	4.3	8.5	11.6	9.8	4.1	0.9

Contribution to growth, quarter on same quarter of previous year, for the expenditure components of GDP

Component	2009 Q2	2009 Q3	2009 Q4	2010 Q1	2010 Q2	2010 Q3	2010 Q4	2011 Q1	2011 Q2
Household final consumption expenditure	-3.0	-2.2	-0.3	0.4	1.1	0.8	0.1	-0.2	-1.1
NPISH final consumption expenditure	-0.1	-0.1	0.0	0.0	0.1	0.1	0.1	0.1	0.1
General government final consumption expenditure	-0.1	0.0	-0.1	0.3	0.5	0.3	0.2	0.2	0.4
Gross capital formation	-3.9	-2.5	-1.1	1.0	1.0	2.9	1.7	-0.1	-0.1
- of which GFCF	-2.8	-1.9	-1.6	0.1	0.5	0.5	0.4	-0.7	-0.1
Exports	-3.7	-3.3	-1.4	0.7	2.1	2.0	2.2	2.7	1.2
less Imports	-5.0	-4.3	-1.9	1.3	2.5	3.4	2.9	1.3	0.3
Net trade	1.3	0.9	0.5	-0.6	-0.4	-1.4	-0.8	1.4	0.9

Components may not sum to totals due to rounding

Annex B – growth and contributions to growth – expenditure components

Growth, year-on-year, for the expenditure components of GDP

Component	2003	2004	2005	2006	2007	2008	2009	2010
Household final consumption expenditure	3.3	3.1	2.2	1.8	2.7	-1.4	-3.5	1.0
NPISH final consumption expenditure	-1.0	0.5	-0.3	0.2	0.4	-2.2	-3.6	3.8
General government final consumption expenditure	4.4	3.4	2.2	1.5	0.6	1.6	-0.1	1.5
Gross capital formation	3.8	5.1	2.0	6.3	9.9	-6.6	19.1	11.7
- of which GFCF	1.1	5.1	2.4	6.4	8.1	-4.8	13.4	2.6
Exports	1.9	5.1	7.7	11.7	-1.3	1.3	-9.5	6.2
less Imports	1.9	6.7	7.4	10.2	-0.9	-1.2	12.2	8.5

Contribution to growth, year-on-year, for the expenditure components of GDP

Component	2003	2004	2005	2006	2007	2008	2009	2010
Household final consumption expenditure	2.1	1.9	1.4	1.2	1.7	-0.9	-2.2	0.6
NPISH final consumption expenditure	0.0	0.0	0.0	0.0	0.0	-0.1	-0.1	0.1
General government final consumption expenditure	1.0	0.8	0.5	0.3	0.1	0.3	0.0	0.4
Gross capital formation	0.6	0.8	0.3	1.0	1.7	-1.2	-3.3	1.7
- of which GFCF	0.2	0.8	0.4	1.0	1.4	-0.8	-2.3	0.4
Exports	0.5	1.3	2.0	3.2	-0.4	0.4	-2.8	1.7
less Imports	0.6	1.9	2.2	3.2	-0.3	-0.4	-3.9	2.5
Net trade	-0.1	-0.6	-0.2	0.1	-0.1	0.8	1.1	-0.8

Components may not sum to totals due to rounding

Annex C – growth and contributions to growth – income components

Growth, quarter-on-quarter, for the income components of GDP

Component	2009 Q2	2009 Q3	2009 Q4	2010 Q1	2010 Q2	2010 Q3	2010 Q4	2011 Q1	2011 Q2
Compensation of employees	1.9	-0.1	1.7	1.2	0.2	-0.1	-0.2	0.8	0.4
GOS of corporations	-6.2	3.0	-3.2	-1.1	-1.7	9.3	0.4	-1.2	0.0
Other income	-1.8	0.8	2.7	4.8	2.4	0.7	1.8	3.0	0.1
Taxes less subsidies on products and production	4.7	5.1	3.4	2.9	11.8	-5.9	2.2	3.5	3.1

Contribution to growth, quarter-on-quarter, for the income components of GDP

Component	2009 Q2	2009 Q3	2009 Q4	2010 Q1	2010 Q2	2010 Q3	2010 Q4	2011 Q1	2011 Q2
Compensation of employees	1.0	-0.1	0.9	0.7	0.1	-0.1	-0.1	0.4	0.2
GOS of corporations	-1.4	0.7	-0.7	-0.2	-0.3	1.9	0.1	-0.3	0.0
Other income	-0.2	0.1	0.3	0.5	0.3	0.1	0.2	0.4	0.0
Taxes less subsidies on products and production	0.5	0.6	0.4	0.3	1.4	-0.8	0.3	0.4	0.4

Components may not sum to totals due to rounding

Growth, quarter on same quarter of previous year, for the income components of GDP

Component	2009 Q2	2009 Q3	2009 Q4	2010 Q1	2010 Q2	2010 Q3	2010 Q4	2011 Q1	2011 Q2
Compensation of employees	1.0	0.6	2.7	4.8	3.1	3.0	1.1	0.7	0.9
GOS of corporations	-6.3	0.2	-5.2	-7.5	-3.0	2.9	6.7	6.6	8.4
Other income	-14.8	-14.6	-5.6	6.5	11.0	10.9	10.0	8.2	5.8
Taxes less subsidies on products and production	-13.8	-3.7	1.8	17.1	24.9	11.9	10.6	11.3	2.7

Contribution to growth, quarter on same quarter of previous year, for the income components of GDP

Component	2009 Q2	2009 Q3	2009 Q4	2010 Q1	2010 Q2	2010 Q3	2010 Q4	2011 Q1	2011 Q2
Compensation of employees	0.5	0.3	1.5	2.6	1.7	1.7	0.6	0.4	0.5
GOS of corporations	-1.4	0.0	-1.2	-1.7	-0.7	0.6	1.4	1.4	1.7
Other income	-1.8	-1.8	-0.7	0.7	1.2	1.2	1.1	0.9	0.7
Taxes less subsidies on products and production	-1.7	-0.4	0.2	1.8	2.7	1.4	1.2	1.3	0.3

Components may not sum to totals due to rounding

Growth, year-on-year, for the income components of GDP

Component	2003	2004	2005	2006	2007	2008	2009	2010
Compensation of employees	5.0	4.9	4.9	5.3	5.4	2.5	0.8	3.0
GOS of corporations	7.7	8.0	4.0	9.5	6.4	3.0	-3.8	-0.3
Other income	9.0	4.4	5.0	3.1	6.8	0.8	12.2	9.6
Taxes less subsidies on products and production	4.5	5.3	1.7	5.2	5.7	-1.0	-7.3	15.9

Contribution to growth, year-on-year, for the income components of GDP

Component	2003	2004	2005	2006	2007	2008	2009	2010
Compensation of employees	2.7	2.6	2.6	2.9	2.9	1.4	0.4	1.7
GOS of corporations	1.6	1.7	0.9	2.0	1.4	0.7	-0.9	-0.1
Other income	1.1	0.6	0.6	0.4	0.8	0.1	-1.5	1.1
Taxes less subsidies on products and production	0.6	0.7	0.2	0.6	0.7	-0.1	-0.9	1.8

Components may not sum to totals due to rounding

Annex D – growth and contributions to growth – implied GDP deflators

Deflator growth, quarter-on-quarter, for the expenditure components of GDP

Component	2009 Q2	2009 Q3	2009 Q4	2010 Q1	2010 Q2	2010 Q3	2010 Q4	2011 Q1	2011 Q2
Household final consumption expenditure	0.0	0.7	0.8	1.4	1.2	0.8	1.0	1.8	0.8
NPISH final consumption expenditure	1.7	0.2	0.8	0.3	-0.4	-0.1	0.8	0.2	-0.1
General government final consumption expenditure	1.1	1.3	-0.5	0.6	0.9	-0.9	1.3	0.6	-1.8
Gross capital formation	-1.9	-0.5	0.7	2.1	-3.2	2.4	3.7	-5.7	2.3
- of which GFCF	-2.0	-0.3	0.9	0.8	-0.9	1.6	0.8	-0.9	0.8
Exports	-1.5	1.5	1.3	2.0	0.8	-0.4	0.9	3.2	1.6
less Imports	-1.7	0.3	2.2	1.7	0.7	-0.1	2.7	3.0	1.3

Quarter-on-quarter contribution to growth for GDP(E) deflator

Component	2009 Q2	2009 Q3	2009 Q4	2010 Q1	2010 Q2	2010 Q3	2010 Q4	2011 Q1	2011 Q2
Household final consumption expenditure	0.0	0.4	0.5	0.8	0.7	0.4	0.6	1.1	0.5
NPISH final consumption expenditure	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
General government final consumption expenditure	0.3	0.3	-0.1	0.1	0.2	-0.2	0.3	0.1	-0.4
Gross capital formation	-0.3	-0.1	0.1	0.3	-0.5	0.4	0.6	-0.8	0.3
- of which GFCF	-0.3	-0.1	0.1	0.1	-0.1	0.2	0.1	-0.1	0.1
Exports	-0.4	0.4	0.4	0.6	0.2	-0.1	0.3	1.0	0.5
less Imports	0.5	-0.1	-0.7	-0.5	-0.2	0.1	-0.9	-1.0	-0.4
Net trade	0.1	0.3	-0.3	0.1	0.0	-0.1	-0.6	0.0	0.1

Components may not sum to totals due to rounding

Deflator growth, quarter on same quarter of previous year, for the expenditure components of GDP

Component	2009 Q2	2009 Q3	2009 Q4	2010 Q1	2010 Q2	2010 Q3	2010 Q4	2011 Q1	2011 Q2
Household final consumption expenditure	1.4	0.5	1.1	2.8	4.1	4.2	4.4	4.8	4.5
NPISH final consumption expenditure	4.1	3.3	2.8	3.0	0.9	0.6	0.6	0.5	0.8
General government final consumption expenditure	3.3	5.8	2.6	2.6	2.3	0.1	1.9	1.9	-0.8
Gross capital formation	1.0	-0.5	-1.6	0.3	-1.0	1.9	4.9	-3.1	2.5
- of which GFCF	0.1	-0.9	-0.1	-0.6	0.5	2.5	2.3	0.6	2.3
Exports	2.3	1.7	2.1	3.3	5.7	3.8	3.3	4.5	5.4
less Imports	3.2	0.8	3.3	2.4	4.9	4.5	5.0	6.3	7.0

Quarter-on-quarter of the previous year contribution to growth for GDP(E) deflator

Component	2009 Q2	2009 Q3	2009 Q4	2010 Q1	2010 Q2	2010 Q3	2010 Q4	2011 Q1	2011 Q2
Household final consumption expenditure	0.9	0.3	0.6	1.7	2.5	2.5	2.6	3.0	2.7
NPISH final consumption expenditure	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0
General government final consumption expenditure	0.8	1.3	0.6	0.6	0.5	0.0	0.4	0.4	-0.2
Gross capital formation	0.2	-0.1	-0.2	0.0	-0.2	0.3	0.8	-0.4	0.4
- of which GFCF	0.0	-0.1	0.0	-0.1	0.1	0.4	0.3	0.1	0.3
Exports	0.6	0.5	0.6	1.0	1.7	1.1	1.0	1.4	1.7
less Imports	-0.9	-0.2	-1.0	-0.8	-1.5	-1.4	-1.6	-2.1	-2.3
Net trade	-0.3	0.3	-0.4	0.2	0.1	-0.3	-0.6	-0.6	-0.6

Components may not sum to totals due to rounding

Annex D – growth and contributions to growth – implied GDP deflators

Deflator growth, year-on-year, for the expenditure components of GDP

Component	2003	2004	2005	2006	2007	2008	2009	2010
Household final consumption expenditure	1.6	1.8	2.3	2.6	2.4	3.3	1.3	3.9
NPISH final consumption expenditure	5.7	5.0	5.9	4.9	5.4	6.6	4.0	1.3
General government final consumption expenditure	4.8	4.3	4.6	4.7	2.9	5.2	3.8	1.7
Gross capital formation	0.1	2.3	2.1	2.4	0.4	1.6	0.5	1.5
- of which GFCF	2.3	2.1	2.2	1.8	1.8	1.4	0.1	1.1
Exports	1.6	-0.5	1.2	2.5	0.0	11.6	3.3	4.0
less Imports	0.7	-0.5	3.5	2.0	0.1	12.2	3.9	4.2

Year-on-year contribution to growth for GDP(E) deflator

Component	2003	2004	2005	2006	2007	2008	2009	2010
Household final consumption expenditure	1.0	1.1	1.4	1.6	1.5	2.0	0.8	2.3
NPISH final consumption expenditure	0.1	0.1	0.1	0.1	0.1	0.2	0.1	0.0
General government final consumption expenditure	1.0	0.9	1.0	1.0	0.6	1.1	0.9	0.4
Gross capital formation	0.0	0.4	0.4	0.4	0.1	0.3	0.1	0.2
- of which GFCF	0.4	0.4	0.4	0.3	0.3	0.2	0.0	0.2
Exports	0.4	-0.1	0.3	0.7	0.0	3.2	0.9	1.2
less Imports	-0.2	0.1	-1.0	-0.6	0.0	-3.6	-1.1	-1.3
Net trade	0.2	0.0	-0.7	0.1	0.0	-0.4	-0.2	-0.2

Components may not sum to totals due to rounding

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

Media contact:
Tel **Media Relations Office 0845 604 1858**
Emergency on-call 07867 906553

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

Statistical contact:

Tel **Pete Lee 01633 456713**
Email **gdp@ons.gov.uk**

Website:
www.statistics.gov.uk/default.asp

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