



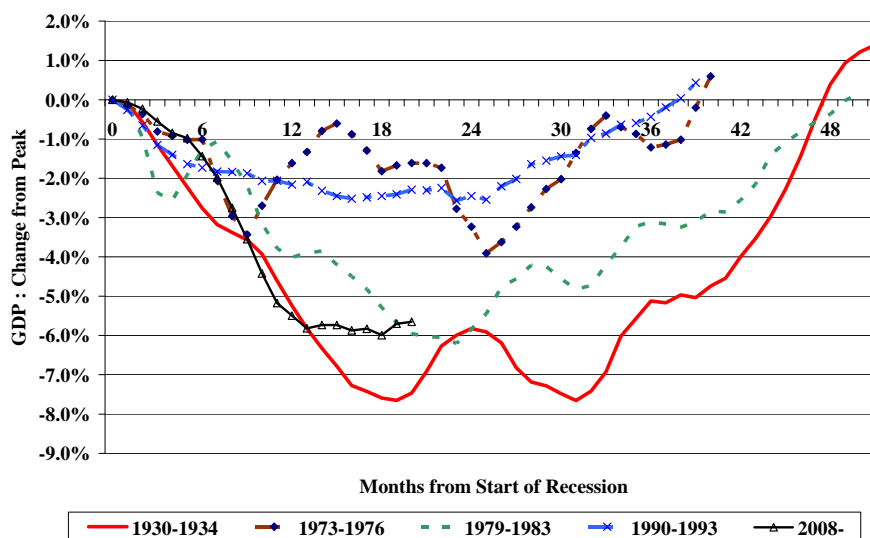
**NATIONAL INSTITUTE OF ECONOMIC AND SOCIAL RESEARCH
ESTIMATES OF MONTHLY GDP**

GROWTH IN THREE MONTHS TO NOVEMBER

Embargo until 03:00pm hours on 8th December 2009

Our monthly estimates of GDP suggest that output grew by 0.2 per cent in the three months ending in November, following on from a decline of 0.3 per cent in the three months ending in October. These figures are based on estimates which assume that the contraction in GDP in the third quarter of 2009 will, in the light of recent ONS data for the construction sector, be revised to 0.1 per cent. They give some hope that the renewed weakness which of the economy in the summer is now over and that the trough of the depression has been passed. On the basis of current information it seems likely that the growth rate in the three months ending in December will be higher than the November figure mentioned above. As the graph below shows, the broader picture of the depression is that output fell sharply for twelve months until March and has not changed very much since then.

Figure 1: The Profile of the Depression: Months from the Start of the Depression



Calculated from three-month moving averages of monthly GDP

Our track record in producing early estimates of GDP suggests that our projection for the most recent three-month period has a standard error of 0.1-0.2% point when compared to the first estimate produced by the Office for National Statistics. This comparison can be made only for complete calendar quarters. Outside calendar quarters the figures are less reliable than this and they are also likely to be less accurate in the current disturbed economic circumstances.

A paper describing the methodology used to produce the data was published in the February 2005 volume of the *Economic Journal*. From April until October 2006 our estimates were computed using the Index of Services published by ONS. However this monthly series shows considerable volatility which has caused us some problems in estimating GDP. From our November 2006 press release we have therefore reverted to using a model of private services output based on indicator variables.

This means that, while all our figures for calendar quarters are fully coherent with ONS data, our estimates of monthly private service output are not. The series can be thought of as indicating the underlying value of the ONS series.

For more information please telephone Martin Weale on 020 7654 1945.

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Table 1: Summary Table of Quarterly Growth Rates
2003=100

	Monthly Data		3 months ending in month shown		Quarterly Growth % per quarter	
	<i>Industry</i>	<i>GDP</i>	<i>Industry</i>	<i>GDP</i>	<i>Industry</i>	<i>GDP</i>
Jan-08	100.4	106.8	100.5	106.5	0.3%	0.4%
Feb-08	100.6	107.3	100.5	106.8	0.1%	0.7%
Mar-08	100.0	106.9	100.3	107.0	-0.2%	0.6%
Apr-08	99.9	107.2	100.2	107.1	-0.3%	0.7%
May-08	99.1	107.1	99.7	107.1	-0.8%	0.2%
Jun-08	98.1	106.4	99.0	106.9	-1.3%	-0.1%
Jul-08	97.1	106.2	98.1	106.6	-2.1%	-0.6%
Aug-08	96.9	106.1	97.4	106.2	-2.4%	-0.8%
Sep-08	97.0	106.0	97.0	106.1	-2.1%	-0.7%
Oct-08	94.4	104.7	96.1	105.6	-2.1%	-0.9%
Nov-08	92.3	104.4	94.6	105.0	-2.9%	-1.1%
Dec-08	90.7	103.5	92.5	104.2	-4.8%	-1.8%
Jan-09	88.2	102.1	90.4	103.3	-5.9%	-2.1%
Feb-09	87.7	101.6	88.9	102.4	-6.0%	-2.5%
Mar-09	87.5	101.0	87.8	101.6	-5.0%	-2.5%
Apr-09	87.6	101.1	87.6	101.3	-3.1%	-2.0%
May-09	86.9	100.6	87.3	100.9	-1.8%	-1.5%
Jun-09	87.4	101.3	87.3	101.0	-0.6%	-0.6%
Jul-09	87.7	101.1	87.3	101.0	-0.3%	-0.3%
Aug-09	85.4	100.1	86.8	100.9	-0.6%	-0.1%
Sep-09	86.5	101.4	86.5	100.9	-0.9%	-0.1%
Oct-09	86.5	100.6	86.1	100.7	-1.4%	-0.3%
Nov-09	86.4	101.1	86.5	101.0	-0.4%	0.2%

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Table 2: Output by Sector (2003=100)

	Industry	Agriculture	Construction	Private Services	Public Services	GDP(B)	GDP
Jan-08	100.4	94.8	105.6	111.5	102.9	107.2	106.8
Feb-08	100.6	94.8	105.9	112.1	103.4	107.7	107.3
Mar-08	100.0	95.4	105.9	111.7	103.2	107.3	106.9
Apr-08	99.9	96.6	105.7	112.1	103.8	107.7	107.2
May-08	99.1	97.3	105.4	112.4	103.0	107.5	107.1
Jun-08	98.1	97.5	105.1	111.4	102.9	106.7	106.4
Jul-08	97.1	97.2	104.7	110.9	103.7	106.5	106.2
Aug-08	96.9	96.7	103.9	110.8	103.6	106.3	106.1
Sep-08	97.0	96.2	102.7	110.2	103.7	106.1	106.0
Oct-08	94.4	95.6	101.0	109.0	103.4	104.8	104.7
Nov-08	92.3	95.1	99.0	109.6	102.9	104.5	104.4
Dec-08	90.7	94.9	96.4	108.6	102.7	103.6	103.5
Jan-09	88.2	94.9	93.5	107.1	102.9	102.2	102.1
Feb-09	87.7	94.5	91.7	106.6	102.4	101.7	101.6
Mar-09	87.5	93.8	90.8	105.5	102.5	101.1	101.0
Apr-09	87.6	92.7	90.9	105.6	102.4	101.2	101.1
May-09	86.9	91.7	91.2	105.0	102.2	100.7	100.6
Jun-09	87.4	90.7	91.8	105.9	102.6	101.4	101.3
Jul-09	87.7	89.9	92.8	105.3	102.5	101.1	101.1
Aug-09	85.4	89.3	93.4	104.5	102.2	100.1	100.1
Sep-09	86.5	89.0	93.7	106.7	102.0	101.4	101.4
Oct-09	86.5	89.0	93.7	105.0	101.8	100.6	100.6
Nov-09	86.4	89.0	93.7	106.1	101.8	101.1	101.1

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Table 3: Output in Quarter Ending in Month Shown (2003=100)

	Industry	Agriculture	Construction	Private Services	Public Services	GDP(B)	GDP
Jan-08	100.5	95.4	105.2	110.9	102.5	106.8	106.5
Feb-08	100.5	95.0	105.6	111.5	103.0	107.2	106.8
Mar-08	100.3	95.0	105.8	111.8	103.2	107.4	107.0
Apr-08	100.2	95.6	105.8	112.0	103.5	107.6	107.1
May-08	99.7	96.4	105.7	112.1	103.3	107.5	107.1
Jun-08	99.0	97.1	105.4	112.0	103.2	107.3	106.9
Jul-08	98.1	97.3	105.1	111.6	103.2	106.9	106.6
Aug-08	97.4	97.1	104.6	111.0	103.4	106.5	106.2
Sep-08	97.0	96.7	103.8	110.7	103.7	106.3	106.1
Oct-08	96.1	96.2	102.6	110.0	103.6	105.8	105.6
Nov-08	94.6	95.6	100.9	109.6	103.3	105.1	105.0
Dec-08	92.5	95.2	98.8	109.1	103.0	104.3	104.2
Jan-09	90.4	95.0	96.3	108.4	102.9	103.4	103.3
Feb-09	88.9	94.8	93.9	107.4	102.7	102.5	102.4
Mar-09	87.8	94.4	92.0	106.4	102.6	101.7	101.6
Apr-09	87.6	93.7	91.1	105.9	102.4	101.4	101.3
May-09	87.3	92.7	90.9	105.4	102.4	101.0	100.9
Jun-09	87.3	91.7	91.3	105.5	102.4	101.1	101.0
Jul-09	87.3	90.8	91.9	105.4	102.4	101.1	101.0
Aug-09	86.8	90.0	92.7	105.3	102.4	100.9	100.9
Sep-09	86.5	89.4	93.3	105.5	102.2	100.9	100.9
Oct-09	86.1	89.1	93.6	105.4	102.0	100.7	100.7
Nov-09	86.5	89.0	93.7	106.0	101.9	101.0	101.0

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Table 4: Growth in Quarter Ending in Month Shown over Previous Quarter (% at annual Rate)

	Industry	Agriculture	Construction	Private Services	Public Services	GDP(B)	GDP
Jan-08	0.9%	0.9%	3.6%	1.8%	2.8%	2.2%	1.7%
Feb-08	0.3%	-1.7%	4.1%	4.1%	3.8%	3.3%	2.9%
Mar-08	-1.1%	-2.5%	3.9%	4.4%	3.6%	3.0%	2.7%
Apr-08	-1.2%	0.9%	2.4%	4.1%	3.7%	2.9%	2.6%
May-08	-3.1%	5.8%	0.4%	2.2%	1.4%	1.1%	0.9%
Jun-08	-5.1%	9.1%	-1.5%	0.7%	0.0%	-0.4%	-0.4%
Jul-08	-8.0%	7.4%	-2.7%	-1.5%	-1.1%	-2.5%	-2.2%
Aug-08	-8.9%	3.0%	-4.0%	-3.7%	0.4%	-3.6%	-3.1%
Sep-08	-8.0%	-1.6%	-5.9%	-4.6%	2.0%	-3.7%	-3.0%
Oct-08	-7.9%	-4.6%	-9.3%	-5.4%	1.5%	-4.2%	-3.5%
Nov-08	-11.0%	-6.0%	-13.4%	-5.0%	-0.3%	-5.0%	-4.5%
Dec-08	-17.4%	-6.1%	-17.9%	-5.6%	-2.7%	-7.3%	-7.0%
Jan-09	-21.7%	-4.9%	-22.3%	-5.6%	-2.8%	-8.5%	-8.3%
Feb-09	-22.0%	-3.5%	-25.1%	-7.8%	-2.5%	-9.7%	-9.6%
Mar-09	-18.7%	-3.3%	-24.8%	-9.5%	-1.5%	-9.6%	-9.6%
Apr-09	-11.8%	-5.4%	-19.9%	-9.0%	-1.6%	-7.8%	-7.8%
May-09	-6.7%	-8.4%	-11.9%	-7.4%	-1.3%	-5.7%	-5.7%
Jun-09	-2.3%	-11.0%	-3.0%	-3.3%	-0.8%	-2.3%	-2.3%
Jul-09	-1.2%	-11.8%	3.7%	-1.9%	0.0%	-1.2%	-1.0%
Aug-09	-2.3%	-11.3%	7.8%	-0.4%	0.3%	-0.5%	-0.2%
Sep-09	-3.5%	-9.7%	9.1%	0.0%	-0.8%	-0.8%	-0.4%
Oct-09	-5.4%	-7.1%	7.5%	0.0%	-1.7%	-1.4%	-1.1%
Nov-09	-1.7%	-4.2%	4.6%	2.6%	-2.1%	0.5%	0.7%

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