



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

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**OUTPUT AT LOWEST FOR TWO YEARS**

Our latest GDP figures show that output fell by 1.7% in the three months ending in January after a fall of 1.5% in the last quarter of last year. The level of economic activity has now fallen back to that at the start of January 2007 and is 3.3% below its peak of April 2008. The rate of contraction shows, so far little sign of easing but, of course, these data cannot show any benefits from the moves the government has now started to make to improve the supply of bank credit. An early easing of the rate of contraction depends on these succeeding

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.

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

	<b>Monthly Data</b>		<b>3 months ending in month shown</b>		<b>Quarterly Growth % per quarter</b>	
	<i>Industry</i>	<i>GDP</i>	<i>Industry</i>	<i>GDP</i>	<i>Industry</i>	<i>GDP</i>
<b>Jan-08</b>	100.7	112.5	101.0	112.3	-0.2%	0.3%
<b>Feb-08</b>	100.7	112.9	100.8	112.6	-0.4%	0.5%
<b>Mar-08</b>	100.4	112.7	100.6	112.7	-0.7%	0.4%
<b>Apr-08</b>	100.4	113.0	100.5	112.8	-0.5%	0.4%
<b>May-08</b>	99.4	112.7	100.1	112.8	-0.8%	0.2%
<b>Jun-08</b>	99.1	112.4	99.6	112.7	-1.0%	0.0%
<b>Jul-08</b>	98.6	112.2	99.0	112.4	-1.4%	-0.4%
<b>Aug-08</b>	97.8	112.0	98.5	112.2	-1.6%	-0.5%
<b>Sep-08</b>	97.4	111.8	97.9	112.0	-1.7%	-0.6%
<b>Oct-08</b>	95.7	110.9	97.0	111.6	-2.1%	-0.8%
<b>Nov-08</b>	93.3	110.1	95.5	111.0	-3.1%	-1.1%
<b>Dec-08</b>	91.7	109.8	93.6	110.3	-4.5%	-1.5%
<b>Jan-09</b>	90.8	109.2	91.9	109.7	-5.2%	-1.7%

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**Table 2: Output by Sector (2003=100)**

	<b>Industry</b>	<b>Agriculture</b>	<b>Construction</b>	<b>Private Services</b>	<b>Public Services</b>	<b>GDP(B)</b>	<b>GDP</b>
<b>Jan-08</b>	100.7	103.0	110.9	120.1	105.6	112.5	112.5
<b>Feb-08</b>	100.7	103.0	111.1	120.7	106.0	112.9	112.9
<b>Mar-08</b>	100.4	103.3	111.0	120.4	105.9	112.7	112.7
<b>Apr-08</b>	100.4	103.8	110.6	120.7	106.6	113.0	113.0
<b>May-08</b>	99.4	104.0	110.3	121.1	105.6	112.7	112.7
<b>Jun-08</b>	99.1	103.9	110.3	120.4	105.7	112.4	112.4
<b>Jul-08</b>	98.6	103.6	110.4	119.7	106.5	112.2	112.2
<b>Aug-08</b>	97.8	103.4	110.3	119.6	106.6	112.0	112.0
<b>Sep-08</b>	97.4	103.4	109.9	119.3	106.6	111.8	111.8
<b>Oct-08</b>	95.7	103.6	109.3	118.2	106.6	110.8	110.9
<b>Nov-08</b>	93.3	103.7	108.9	118.0	105.9	110.0	110.1
<b>Dec-08</b>	91.7	103.8	108.7	118.1	105.8	109.6	109.8
<b>Jan-09</b>	90.8	103.8	108.7	117.1	106.2	109.0	109.2

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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
<b>Jan-08</b>	101.0	103.2	110.4	119.8	105.4	112.3	112.3
<b>Feb-08</b>	100.8	103.1	110.8	120.2	105.6	112.6	112.6
<b>Mar-08</b>	100.6	103.1	111.0	120.4	105.8	112.7	112.7
<b>Apr-08</b>	100.5	103.3	110.9	120.6	106.1	112.9	112.8
<b>May-08</b>	100.1	103.7	110.6	120.7	106.0	112.8	112.8
<b>Jun-08</b>	99.6	103.9	110.4	120.7	106.0	112.7	112.7
<b>Jul-08</b>	99.0	103.8	110.3	120.4	106.0	112.4	112.4
<b>Aug-08</b>	98.5	103.7	110.3	119.9	106.3	112.2	112.2
<b>Sep-08</b>	97.9	103.5	110.2	119.5	106.6	112.0	112.0
<b>Oct-08</b>	97.0	103.5	109.8	119.0	106.6	111.5	111.6
<b>Nov-08</b>	95.5	103.6	109.4	118.5	106.4	110.9	111.0
<b>Dec-08</b>	93.6	103.7	109.0	118.1	106.1	110.1	110.3
<b>Jan-09</b>	91.9	103.8	108.8	117.7	106.0	109.5	109.7

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

	<b>Industry</b>	<b>Agriculture</b>	<b>Construction</b>	<b>Private Services</b>	<b>Public Services</b>	<b>GDP(B)</b>	<b>GDP</b>
<b>Jan-08</b>	-0.8%	2.6%	4.9%	1.2%	1.3%	1.0%	1.2%
<b>Feb-08</b>	-1.7%	0.8%	5.0%	2.9%	1.5%	1.9%	1.8%
<b>Mar-08</b>	-2.9%	-0.4%	4.1%	2.7%	1.9%	1.8%	1.4%
<b>Apr-08</b>	-2.0%	0.5%	1.9%	2.8%	3.0%	2.1%	1.8%
<b>May-08</b>	-3.0%	2.2%	-0.5%	1.7%	1.8%	0.8%	0.7%
<b>Jun-08</b>	-3.8%	3.1%	-2.1%	1.1%	0.8%	0.0%	0.0%
<b>Jul-08</b>	-5.7%	2.0%	-2.0%	-0.6%	-0.7%	-1.5%	-1.5%
<b>Aug-08</b>	-6.1%	0.0%	-1.2%	-2.7%	1.0%	-2.1%	-2.1%
<b>Sep-08</b>	-6.7%	-1.5%	-0.7%	-3.9%	2.3%	-2.5%	-2.5%
<b>Oct-08</b>	-8.1%	-1.3%	-1.8%	-4.5%	2.4%	-3.2%	-3.0%
<b>Nov-08</b>	-11.8%	-0.3%	-3.3%	-4.7%	0.2%	-4.7%	-4.3%
<b>Dec-08</b>	-16.7%	0.8%	-4.3%	-4.8%	-1.9%	-6.5%	-5.9%
<b>Jan-09</b>	-19.2%	1.0%	-3.7%	-4.3%	-2.4%	-6.9%	-6.5%

**ENDS**