

Gross Domestic Product (GDP) –UK Regions and Countries: July to September 2020 (Q3)¹

Key Points:

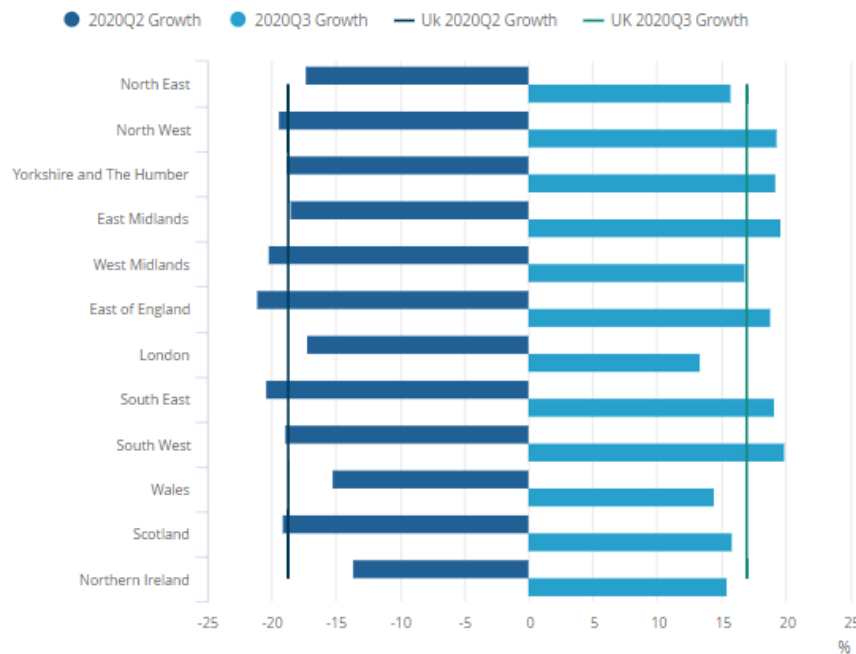
- Quarter on Quarter GDP analysis shows for the West Midlands region there was negative growth of 20.2% and negative growth of 18.5% in the East Midlands in 2020 Q2. The UK had negative growth of 18.8% over the same period. This was followed by positive GDP growth in the West Midlands by 16.8% and also for the East Midlands by 19.6% in 2020 Q3. For the UK there was positive growth of 16.9% in 2020 Q3.
- Quarter on Quarter a year earlier (2019 Q3 to 2020 Q3) GDP analysis shows for the West Midlands region there was negative growth of 11.3% - the highest negative growth seen across all twelve regions. The East Midlands had negative growth of 6.4%. Over the same period, for the UK there was negative growth of 7.5%.
- For the West Midlands region, there was positive growth in GDP for three sectors in 2020 Q3 from the previous quarter, with production increasing by 14.9%, services by 16.0% and construction by 38.3%. The fourth sector, agriculture, forestry and fishing recorded at 0% over the same period.
- For the East Midlands region, there was positive growth in GDP for three sectors in 2020 Q3 from the previous quarter, with production increasing by 25.4%, services by 17.4% and construction by 34.5%. The fourth sector, agriculture, forestry and fishing had negative growth of 1.3% over the same period.

Full Briefing:

- Quarter on Quarter GDP analysis shows for the West Midlands region there was negative growth of 20.2% and negative growth of 18.5% in the East Midlands in 2020 Q2. The UK had negative growth of 18.8% over the same period.
- This was followed by positive GDP growth in the West Midlands by 16.8% and also for the East Midlands by 19.6% in 2020 Q3. For the UK there was positive growth of 16.9% in 2020 Q3.
- There was positive growth in GDP across all twelve UK regions in 2020 Q3, where the South West had an increase of 19.9%. The smallest rise in growth in 2020 Q3 was for London (+13.3%) and Wales (+14.4%).

¹ Please note, the Gross Domestic Product (GDP) estimates are designed as experimental statistics and should be interpreted with some caution. GDP measures the value of goods and services produced in the UK. It estimates the size of, and growth in, the economy. The main data for GDP estimates is based on turnover data from approximately 1.9 million Value Added Tax (VAT) returns. The information from the Inter-Departmental Business register on workplace employment allows ONS to apportion the VAT turnover for each business based on their employment share within a region. Source: ONS, GDP, UK regions and Countries: July to September 2020 – released May 2021.

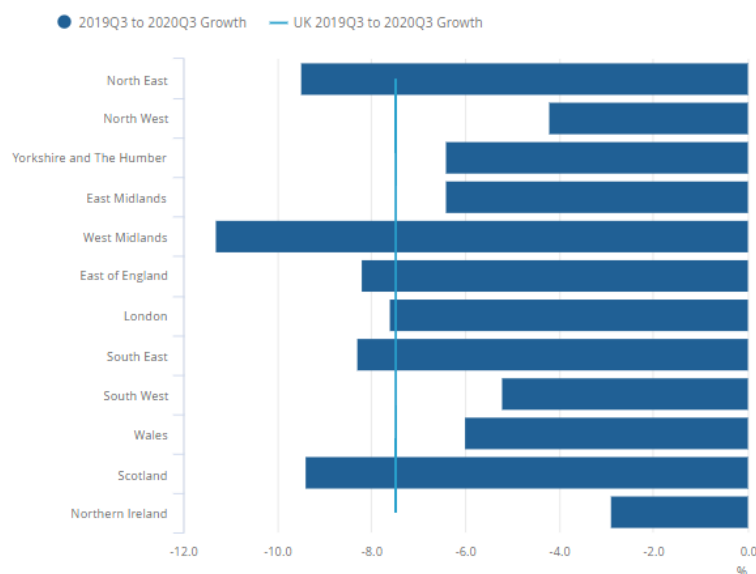
The following chart shows quarter on quarter GDP change across the UK regions for 2020 Q2 and 2020 Q3:



Source: Office for National Statistics – Regional GDP estimate

- Quarter on Quarter a year earlier (2019 Q3 to 2020 Q3) GDP analysis shows for the West Midlands region there was negative growth of 11.3% - the highest negative growth seen across all twelve regions. The East Midlands had negative growth of 6.4%. Over the same period, for the UK there was negative growth of 7.5%.
- Across the UK regions, Quarter on Quarter a year earlier analysis shows that the North East had second highest negative growth of 9.5%. The smallest declines were in Northern Ireland (-2.9%) and the North West (-4.2%).

The following chart shows quarter on quarter a year earlier (2019 Q3 to 2020 Q3) GDP change across the UK regions:



Source: Office for National Statistics – Regional GDP estimate

Industries – Quarter on Quarter Analysis

- For the West Midlands region, there was positive growth in GDP for three sectors in 2020 Q3 from the previous quarter, with production increasing by 14.9%, services by 16.0% and construction by 38.3%. The fourth sector, agriculture, forestry and fishing recorded at 0% over the same period.
- For the East Midlands region, there was positive growth in GDP for three sectors in 2020 Q3 from the previous quarter, with production increasing by 25.4%, services by 17.4% and construction by 34.5%. The fourth sector, agriculture, forestry and fishing had negative growth of 1.3% over the same period.
- Within the four sectors there was positive growth in GDP for the 18 “industries” for the West Midlands between 2020 Q2 and 2020 Q3. The highest increase was in accommodation and food services (+244.2%), activities of households as employers, undifferentiated goods and services (+40.7%) and mining and quarrying (+35.9%).
- For the East Midlands there was positive growth in GDP in 17 “industries” between 2020 Q2 and 2020 Q3. The highest increase was in accommodation and food services (+247.8%), activities of households as employers, undifferentiated goods and services (+39.1%) and education (+33.3%).
- The smallest growth for industries within the West Midlands was in financial and insurance activities (+1.2%), electricity, gas, steam and air (+1.4%) and public administration and defence (+3.5%).
- The only decline for the East Midlands was in the financial and insurance activities industry (-1.2%). The smallest growth for industries for the East Midlands was in information and communication and also public administration and defence, both at 1.6%.

The following chart shows Quarter on Quarter GDP change for the West Midlands and East Midlands by sector and industry, 2020 Q3:

