GLAECONOMICS

# London's Economy Today

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## Rising uncertaintly around Brexit

By **Gordon Douglass**, Supervisory Economist
and **Eduardo Orellana**, Economist

**On 15 January Parliament voted against the withdrawal agreement that the Government had negotiated with the EU. Following this vote the Government said it would consult with MPs on the path forward and on 21 January the Prime Minister said she would focus on altering the Northern Ireland backstop part of her negotiated deal. Despite this as of yet there is little certainty around what type of Brexit deal could pass the Commons. On 29 January Parliament voted in favour of replacing the backstop agreement and the Prime Minister is expected to try to negotiate this with the EU. However, EU leaders have expressed reluctance at renegotiating the agreement with the UK.**

The continuing uncertainty around what, if any, withdrawal agreement will be in place by the Article 50 deadline (29 March) has caused a large degree of short-term economic uncertainty. This appears to have had some dampening effect on parts of the economy with the Royal Institution of Chartered Surveyors (RICS) finding in the latest survey of their members that a net balance of 28% of respondents expect house prices in England and Wales to fall in the next three months. This is the

## Also in this issue



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The main economic indicators for London are available to download from the London Datastore.

biggest expectation of a fall in the 21 years since the survey began in October 1998. This has been in part blamed on Brexit uncertainty with Simon Rubinsohn, RICS's Chief Economist, saying "it is hardly a surprise with ongoing uncertainty about the path to Brexit dominating the news agenda, that even allowing for the normal patterns around the Christmas holidays, buyer interest in purchasing property in December was subdued. This is also very clearly reflected in a worsening trend in near-term sales expectations".

Further evidence of the drag that this uncertainty is having on the UK economy comes from the Bank of England Agents' summary of business conditions for Q4 2018. This found that business contacts "reported a reluctance to commit to capital investment in the short term, preferring to wait for more clarity on the UK's future trading relationship with the EU. However, contacts continued to invest in projects aimed at increasing efficiency and productivity, particularly when faced with growing labour constraints and rising costs. There was increased investment in contingency infrastructure, such as warehousing, logistics and port capacity. And business and consumer services contacts invested in compliance-related IT upgrades".

## UK economic picture was mixed at the end of 2018

January saw the publication of a number of statistics looking at the performance of the UK economy in the last part of 2018. The Office for National Statistics (ONS) published their estimate of GDP growth for the three months up to November 2018. This showed growth of 0.3% in those months compared to the 0.4% growth seen in the three months to October 2018. Commenting on these results, Rob Kent-Smith, Head of National Accounts at the ONS, said that "growth in the UK economy continued to slow in the three months to November 2018 after performing more strongly through the middle of the year. Accountancy and housebuilding again grew but a number of other areas were sluggish". He added that "manufacturing saw a steep decline, with car production and the often-erratic pharmaceutical industry both performing poorly".

In contrast to this picture of slightly moderating but continued growth, some retail sales data published in January was less optimistic. Data from the ONS showed that for Great Britain estimates of the quantity of items bought decreased by 0.2% in the three months to December "with declines across all main sectors except fuel". And "when compared with the previous month, the quantity bought in December 2018 decreased by 0.9%, as all sectors except food stores and fuel stores declined on the month". Over 2018 as a whole the ONS found that the quantity of items bought in retail sales saw an increase of 2.7%, a higher rate of increase compared to the 2.0% increase seen in 2017 but lower than the increases seen in 2014 to 2016 (Figure 1).

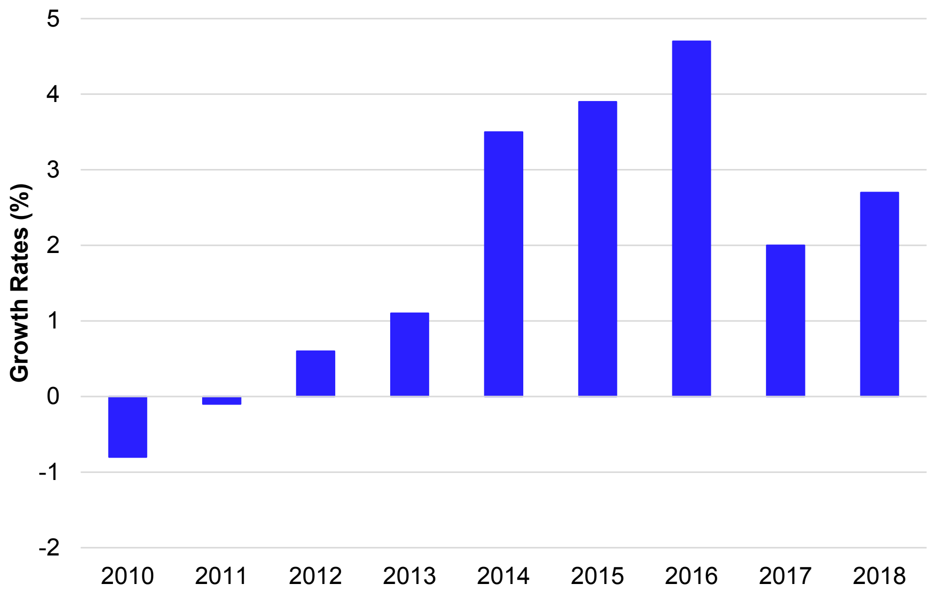
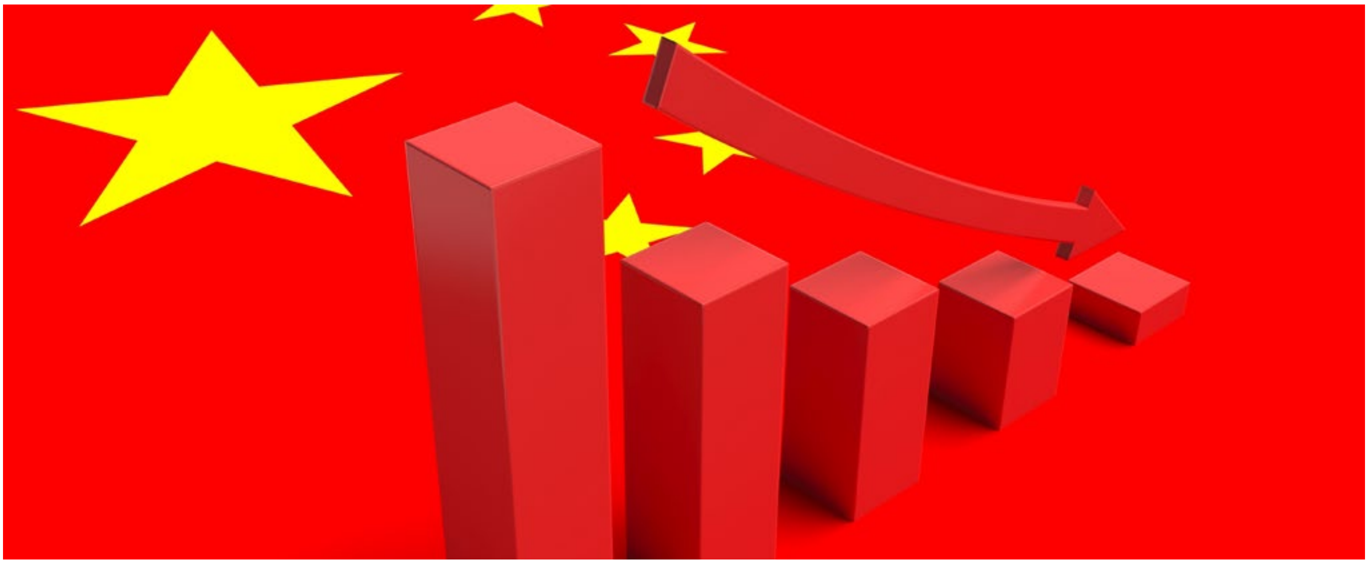



**Figure 1: Annual growth rates for the quantity bought in total retail sales in Great Britain – 2010 to 2018 (seasonally adjusted)**

*Source: ONS*

Data compiled by KPMG with the British Retail Consortium, published in January, was also disappointing and showed that retail sales last December were flat compared to an increase of 1.4% in December 2017. Combined with a number of trading statements from retailers in January this data suggests that retailers faced a challenging end to 2018. This view is further supported by data from Barclaycard showing that nominal spending by card holders grew by 1.8% year on year in the month to 22 December, less than the growth in consumer prices. In possibly more positive news for retailers data from the ONS showed that in November 2018 real pay (that is pay data adjusted for inflation) in Great Britain was up 1.1%, the highest rate of growth since the three months to November 2016.

## Worries about the strength of the global economy as China slows



Internationally recently published data on Chinese growth in 2018 has raised concerns that the global economy may experience a slowdown over the coming year or so. Official statistics from China showed its economy grew by 6.6% in 2018 down from 6.8% in 2017 and the lowest rate of growth for a year since 1990. Data for Q4 2018 showed annualised growth of 6.4%, which was the slowest rate of growth for a quarter since the global financial crisis. Other Chinese data supported the view that the country is slowing with its exports in December falling by 4.4% compared to a year earlier, and imports falling by 7.6%. This slowdown and the continuing trade dispute between the US and China has led to worries that the Chinese economy, which has been an engine of global growth in recent years, may be in for a period of relatively slower growth.

Other indicators of a weakening global economy were visible at the end of 2018 with data from Germany's Federal Statistics Office showing its economy grew by 1.5% in 2018, which is the slowest rate since 2013. Global stock markets also performed poorly over 2018 with most of them finishing the year at a lower level than at the start. For instance, the Dow was down nearly 6% on the year, the Dax was down around 18%, the Nikkei was down over 12% while the Shanghai Composite entered a bear market (where securities have fallen by 20% or more from recent highs) in June 2018 and had fallen by nearly 25% over 2018.

Looking forward the IMF published an update to their World Economic Outlook forecast in January, which also examined recent global economic performance. They observed that global growth weakened to 3.7% in 2018 while their forecasts for 2019 and 2020 were downgraded from the ones they produced in October, which themselves had seen downgrades from their previous forecast. They noted that this "in part reflects carry over from softer momentum in the second half of 2018—including in Germany following the introduction of new automobile fuel emission standards and in Italy where concerns about sovereign and financial risks have weighed on domestic demand—but also weakening financial market sentiment as well as a contraction in Turkey now projected to be deeper than anticipated". They further observed that risks to their forecasts remain on the downside due to trade tensions, tight financial conditions, high levels of public and private debt, China's slowdown and the risk of a "no deal" Brexit.

The IMF now expects global growth of 3.5% this year before picking up slightly to 3.6% next year (Figure 2). Of the major economies the IMF expects most to see slower growth over 2019 and 2020 than they saw in 2018. The US is forecast to grow by 2.5% in 2019 and 1.8% in 2020 compared to growth of 2.9% in 2018. The Eurozone is forecast to grow by 1.6% in 2019 and 1.7% in 2020 down from 1.8% in 2018 and China is expected to see growth of 6.2% in both years compared to the 6.6% growth seen over 2018. However, the UK is expected to see a slight pickup in its rate of growth to 1.5% this year and 1.6% in 2020, compared to the 1.4% growth seen in 2018.

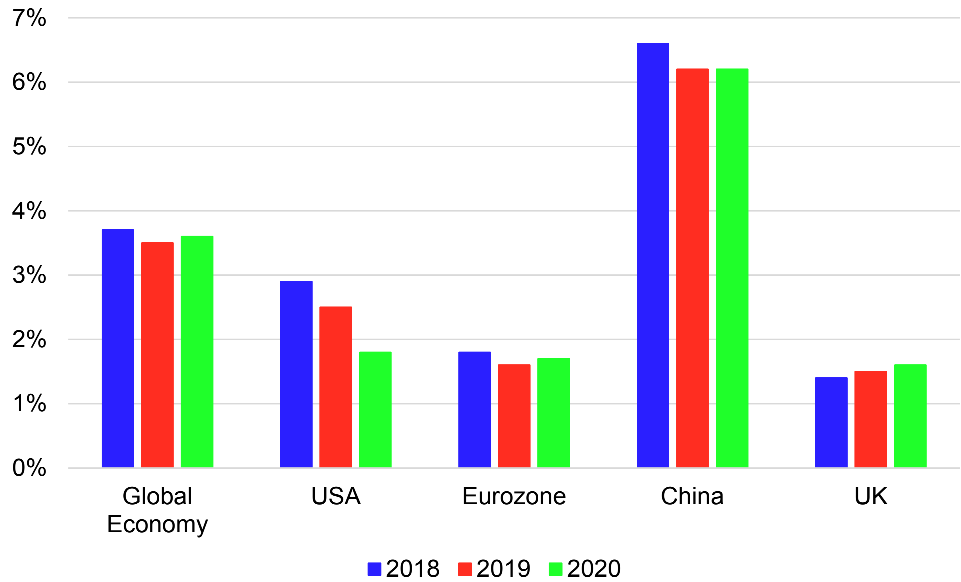



**Figure 2: Historic and forecast GDP growth rates from the IMF for selected countries and regions**

*Source: IMF*

The IMF are not alone in their concerns around the global economy; the World Bank sees risks associated with trade disputes, financial markets and also Brexit. Taking account of this they forecast global growth of 2.9% in 2019 and 2.8% in 2020, with the global slowdown being driven by slower growth in the richer economies.

## Employment in London remains strong but business surveys point to areas of concern

The capital's labour market remains buoyant with unemployment at record lows, according to the latest ONS labour market data. In the three months to November 2018 London's unemployment rate (the number of unemployed people as a percentage of the labour force) was estimated at 4.5%, lower than for a year earlier (5.2%) and the lowest estimate since comparable estimates began in 1992.

However, other measures of the strength of the capital's economy were less upbeat. For instance, the Q4 2018 Capital 500: London Quarterly Economic Survey from the London Chamber of Commerce and Industry (LCCI) found that a number of indicators had declined on the previous quarter. Colin Stanbridge, Chief Executive of the LCCI, said "the final Capital 500 survey results of 2018 make for disappointing reading. The cashflow balance fell to a record low, whilst all business confidence and economic indicators fell on last quarter. Most business performance indicators also dropped, with the employment balance and both domestic demand figures decreasing. Indeed, the slight upticks in export demand and capital investment provide the only consolation from an otherwise poor quarter".

As shown in the economic indicators section of this publication, the Purchasing Managers Index (PMI) for London, although having improved from their November 2018 levels (which showed declines in a number of them), stands at levels that show most PMI indicators of economic activity are treading water.

The RICS survey of surveyors in London showed mostly continued house price falls in the three months to December 2018 with further falls expected in the coming three months.

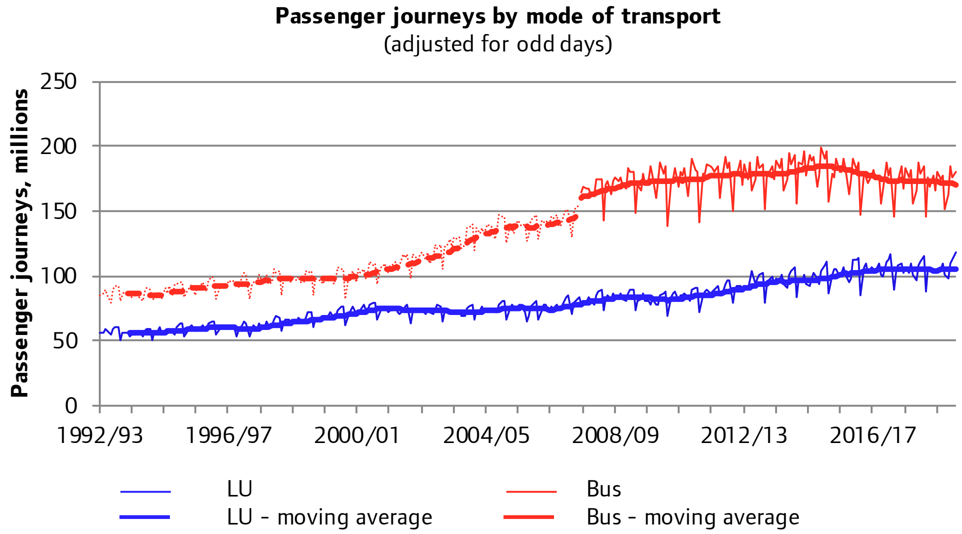
It is likely that the high economic uncertainty around Brexit will continue to have a dampening effect on London's economy until more certainty around the management of the UK's withdrawal from the EU comes about.

# Economic indicators

## TfL passenger journeys increased by 10.7 million in the latest period

- A total of 298.6 million passenger journeys were registered between 1 November and 28 November, 10.7 million more than the previous period. Both Underground and Bus journeys increased - by 5.5 million and 5.2 million, respectively -. 118.2 million of the total journeys were Underground journeys and 180.4 million were bus journeys.
- The 13-period-moving average in the total number of passenger journeys remained at 275.4 million.
- The methodology used to calculate the number of bus passenger journeys was changed by TfL on 1 April 2007. For a detailed explanation, please see LET issue 58 (June 2007).

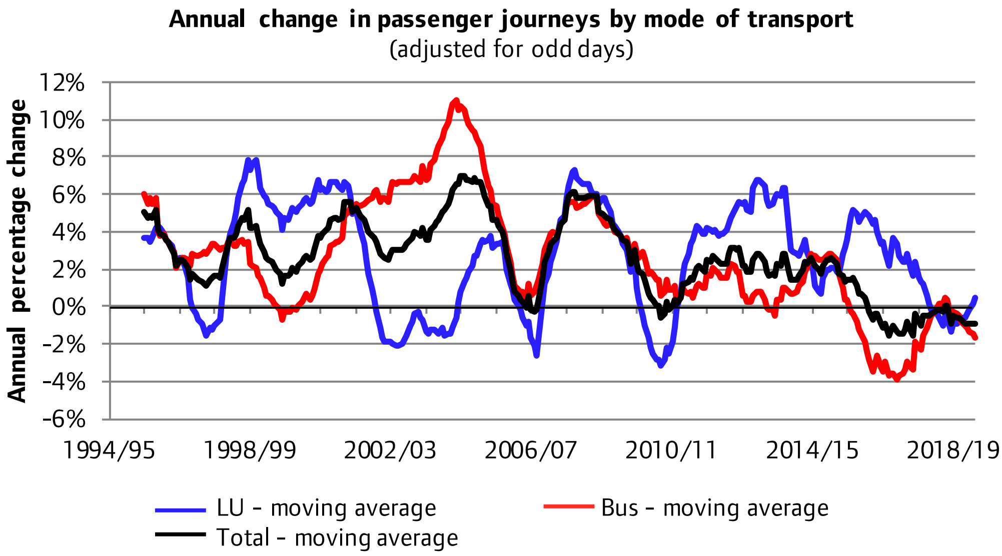
*Source: Transport for London*
*Latest release: January 2019, Next release: February 2019*




## The annual change in passenger journeys remains negative for the tenth consecutive period

- The moving average annual growth rate in the total number of passenger journeys remained unchanged on the last period at -0.9%.
- The moving average annual growth rate of Bus journeys fell to -1.7% down from -1.5% in the previous period.
- The moving average of Underground passenger journeys increased from 0.2% to 0.5%.

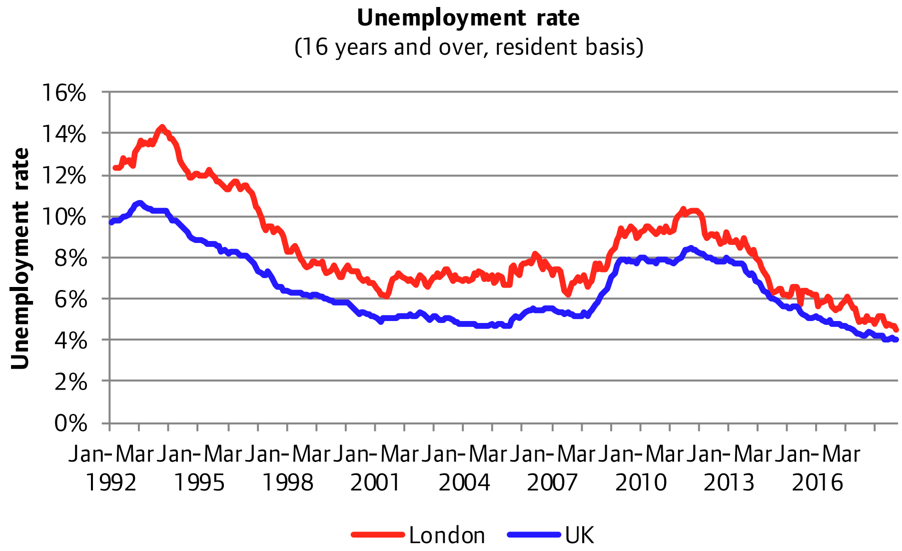
*Source: Transport for London*
*Latest release: January 2019, Next release: February 2019*



## Both London and UK unemployment rates reach historic lows

- Almost 227,000 residents 16 years and over were unemployed in London for the three-month period September-November 2018.
- The unemployment rate in London was 4.5% in that period, the lowest rate since this data set began.
- Meanwhile, the UK's unemployment rate stood at 4.0% in the three months to November 2018, also representing a joint record low of the series.

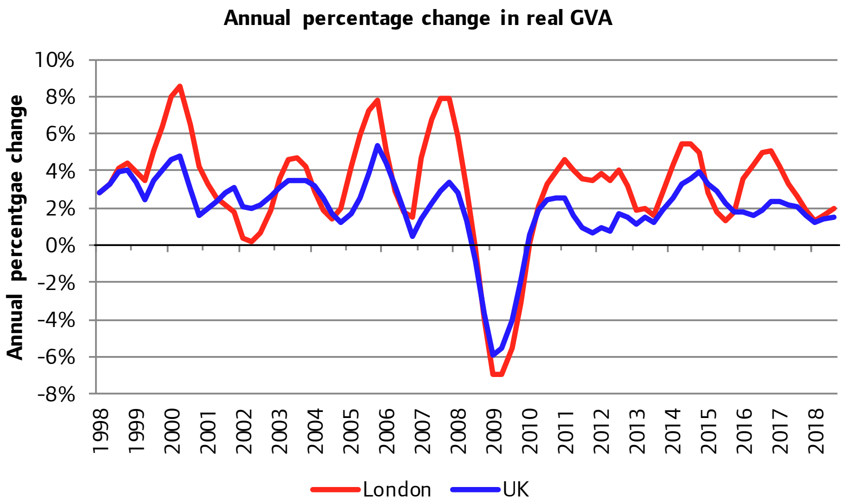
*Source: ONS Labour Force Survey*
*Latest release: January 2019, Next release: February 2019*




## London's annual output growth was 2.0% in Q3 2018

- London's annual GVA growth rate rose to 2.0% during the third quarter of 2018, the highest rate since Q3 2017.
- In the UK, annual output growth was 1.5% in Q3 2018, 0.1 percentage points higher than the previous quarter but still representing one of the weakest rates of annual growth in the last five years.
- From LET Issue 165 (May 2016), GLA Economics now reports our own GVA estimates for London and ONS data for the UK.

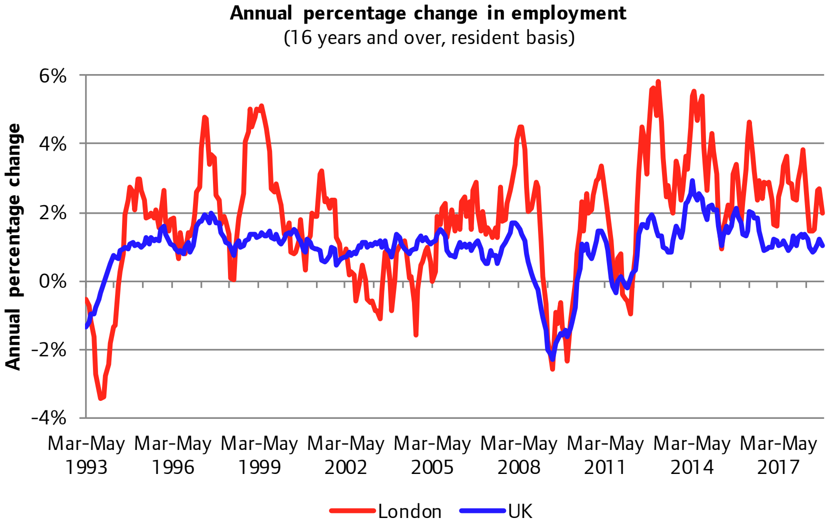
*Source: ONS and GLA Economics*
*Latest release: January 2019, Next release: April 2019*



## Annual growth in employment in London continues

- More than 4.76 million residents over 16 years old were employed in London during the three-month period September-November 2018.
- The rate of annual employment growth for the capital increased from 1.5% in June-August 2018 to 2.0% in September-November 2018.
- For the same period, the UK employment rate grew at an annual rate of 1.0%, 0.1 percentage points higher than the previous quarter.

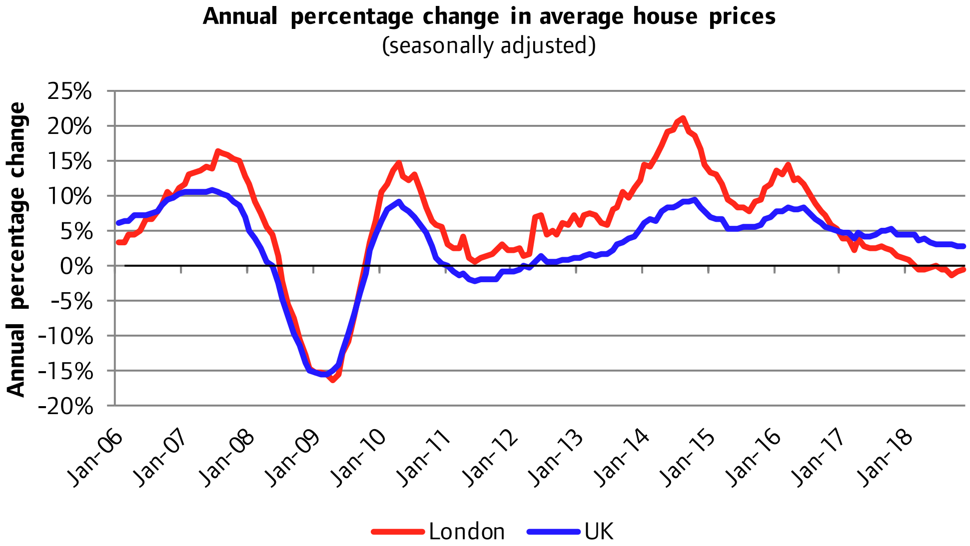
*Source: ONS Labour Force Survey*
*Latest release: January 2019, Next release: February 2019*




## Contraction in average house prices in London persists

- In November 2018, the average house price in London fell to £475,070, while for the UK the average increased to £228,909.
- The annual growth rate in average house prices in London was -0.6% in the year to November, very similar to the -0.7% fall seen in the year to October. London house prices have been contracting since March 2018.
- By contrast, average house prices in the UK grew by 2.9% in the year to November 2018, 0.2 percentage points faster than in October.

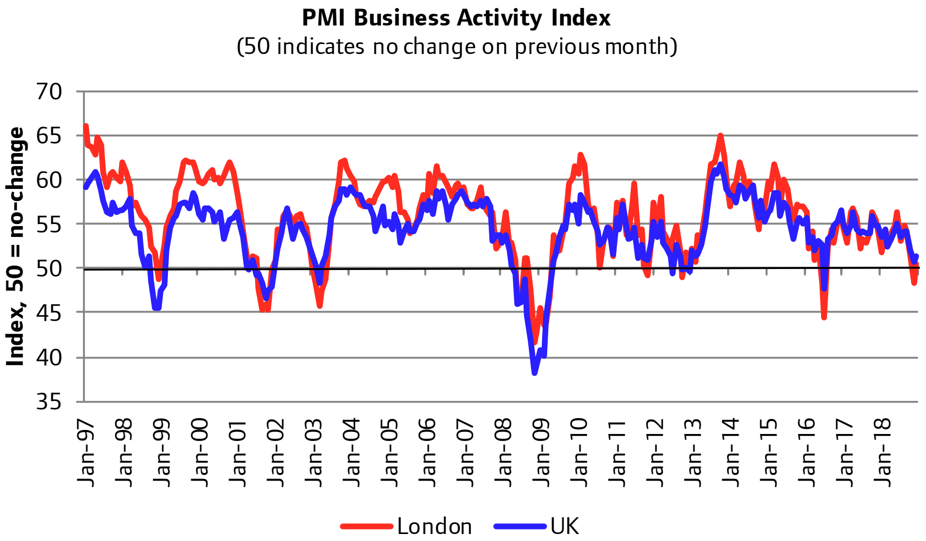
*Source: Land Registry and ONS*
*Latest release: January 2019, Next release: February 2019*



## London business activity increased slightly in December

- The Purchasing Managers' Index (PMI) survey shows the monthly business trends at private sector firms. Index readings above 50.0 suggest a month-on-month increase in activity on average across firms, while readings below indicate a decrease.
- The business activity index for London private firms was 50.6 in December, up from 48.3 in November.
- The UK index also increased from 50.8 in November to 51.4 in December.

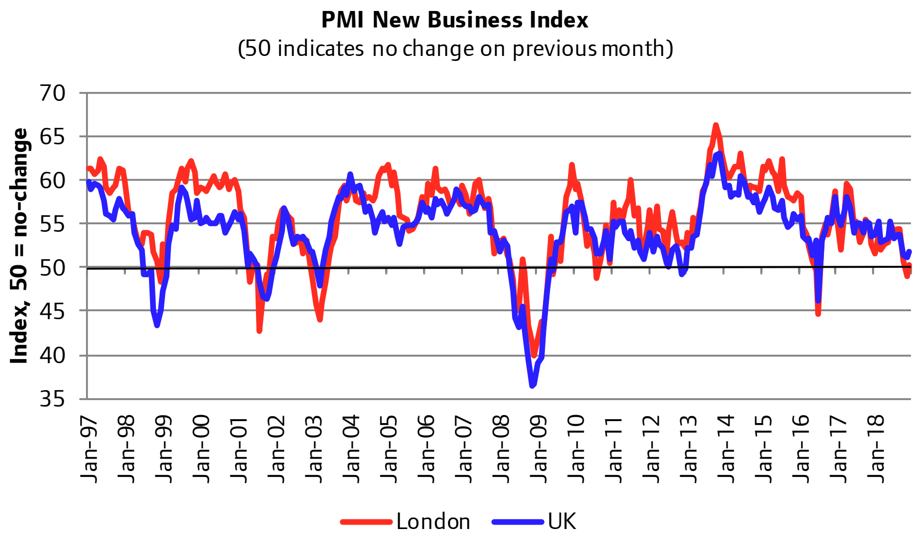
*Source: IHS Markit*
*Latest release: January 2019, Next release: February 2019*




## New business index in London was slightly positive in December

- The PMI New Business Index was 50.2 in London in December, a small increase after the lowest level since July 2016 which was reached in November (48.9).
- For the UK, the index went up to 51.7 in December, from 51.1 in November.
- An index reading above 50.0 indicates an increase in new orders from the previous month, while a reading below 50.0 indicates a decline in new orders.

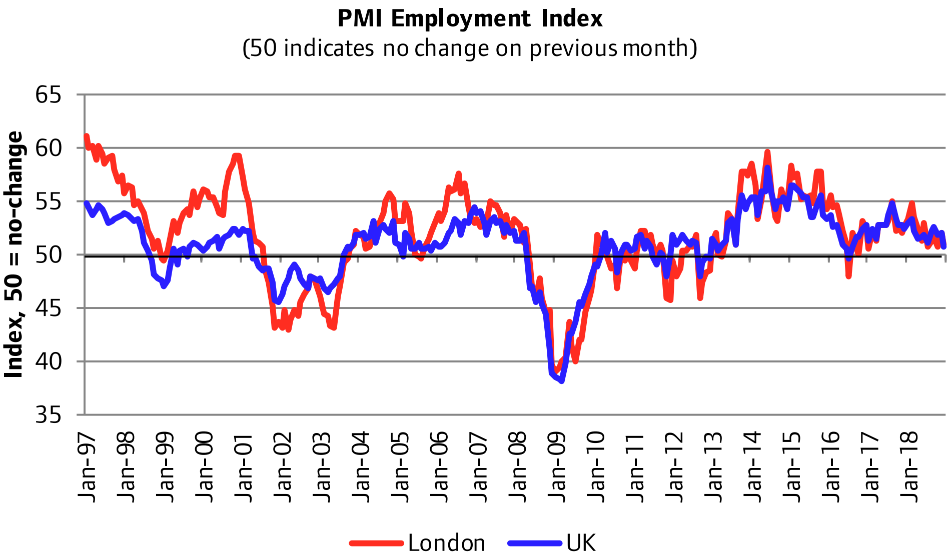
*Source: IHS Markit*
*Latest release: January 2019, Next release: February 2019*



## Employment for private sector firms in London grew less in December

- The PMI Employment Index shows the net balance of private sector firms of the monthly change in employment. Readings above 50.0 suggests an increase, whereas a reading below indicates a decrease in employment from the previous month.
- The Employment Index for London was 50.9 in December, down from 52.0 in November.
- The index also decreased for the UK in December to 50.7 from 52.0 in the previous month.

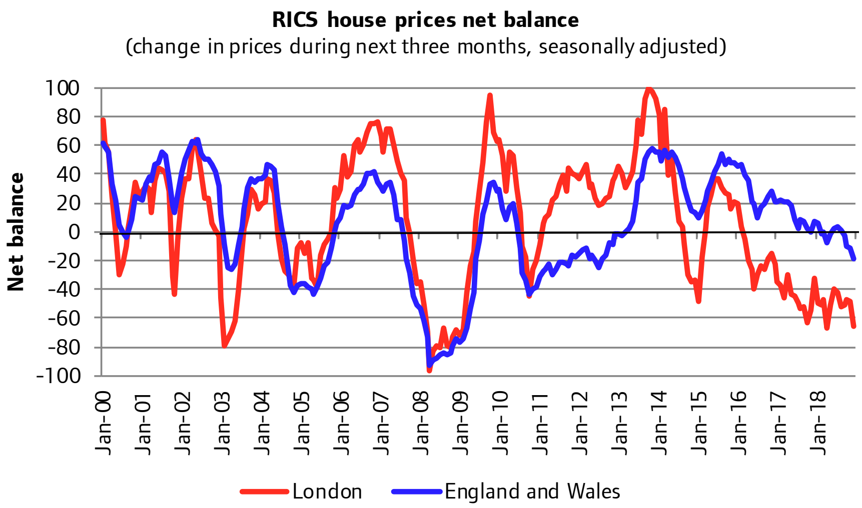
*Source: IHS Markit*
*Latest release: January 2019, Next release: February 2019*




## Even more surveyors report falling London house prices

- In the three months to December 2018, the net balance of property surveyors reporting house prices rises fell to -66 from -48 in November. The index has now been negative since the three-month period to February 2016.
- For England and Wales, the RICS house prices net balance index also fell from -11 in November to -19 for the three months to December 2018.
- The net balance index measures the proportion of respondents reporting a rise in prices minus those reporting a decline.

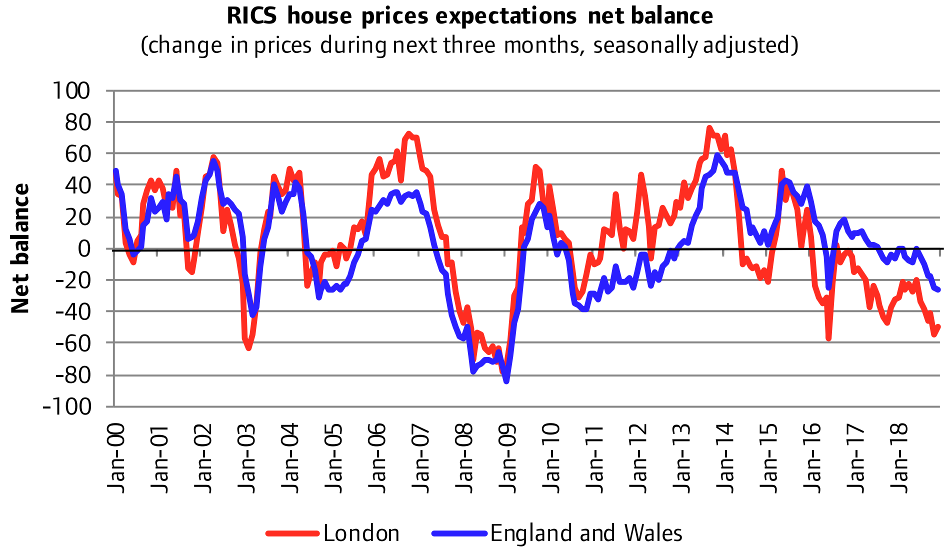
*Source: Royal Institution of Chartered Surveyors*
*Latest release: January 2019, Next release: February 2019*



## Most surveyors continue to have negative house prices expectations

- In December, most surveyors continued to have negative expectations for the next three months for house prices in London. The RICS index was -50 for this month, up from -55 in November.
- London remains the region with the most negative expectations for house prices.
- Sentiment in England and Wales was also more negative in December (-27) compared to November (-25).

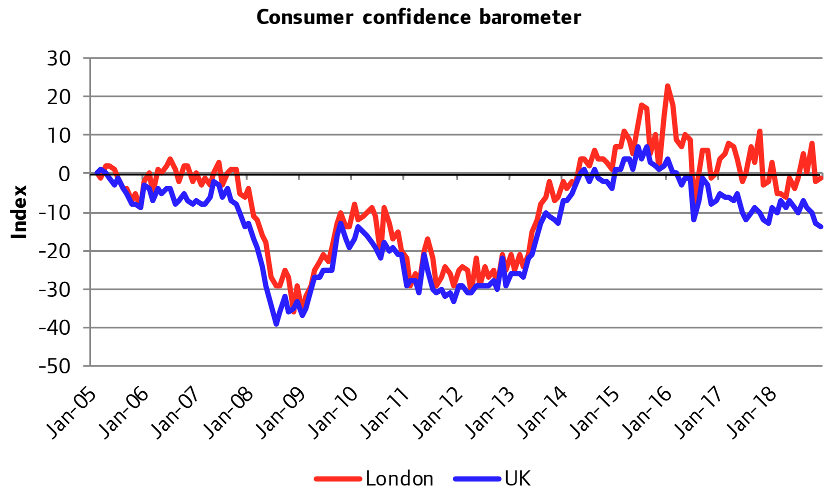
*Source: Royal Institution of Chartered Surveyors*
*Latest release: January 2019, Next release: February 2019*




## Consumer confidence in London was slightly negative in December

- The GfK index of consumer confidence reflects people's views on their financial position and the general economy over the past year and in the next 12 months. A score above zero suggests positive opinions; a score below zero indicates negative sentiment.
- The consumer confidence index in London was -1 in December, slightly up from -2 in November 2018.
- Sentiment was also negative for the UK in December (-14), experiencing a small decline compared to November (-13). The UK has not shown a positive index score since January 2016.

*Source: GfK NOP on behalf of the European Commission*
*Latest release: December 2018, Next release: January 2019*



# Regional, sub-regional and local Gross Value Added estimates for London, 1998-2017

By **Eduardo Orellana**, Economist


**In December 2018, the Office for National Statistics (ONS) released provisional estimates of regional, sub-regional and local gross value added (GVA) for 2017[1] and updated historic data from 1998. This supplement presents the main London findings from this release.**

Using the balanced approach GVA(B), London's total GVA was above £425 billion in 2017, up 3.0% in real terms on 2016. GVA(B) became a national statistic in November 2018, meaning that its methodology has been assessed by the Office for Statistics Regulation as fully compliant with the Code of Practice for Statistics. This approach takes both the income approach (GVA(I)) and the alternative production approach (GVA(P)) to measure the economy and combines them into a single estimate which allows for more granular breakdowns and for the data to be presented in constant prices.

In 2017, London's GVA(B) accounted for 23.8% of the UK's total output - the largest share of the historic series which started at 19.2% in 1998 -. London was also the region with the highest GVA(B) per workforce job – the usual measure of labour productivity - in the UK at £72,371 for the same year, 41.1% higher than the UK average which was £51,297.

As can be observed in Figure A1, over two-thirds of London's GVA(B) was produced in Inner London in 2017, with Inner London - West alone accounting for 44.4% of the total. Indeed, Inner London - West had a higher GVA(B) than all UK regions or nations except for the South East (and of course, London). Inner London - West also saw the greatest change in its relative importance to London's economy having previously accounted for 39.5% of London's GVA(B) in 1998. The increase in Inner London – East was only 2 percentage points. In contrast, all parts of Outer London declined in importance by 2-3 percentage points compared to 1998.

1 ONS, December 2018, 'Regional economic activity by Gross Value Added (balanced), UK: 1998 to 2017'.

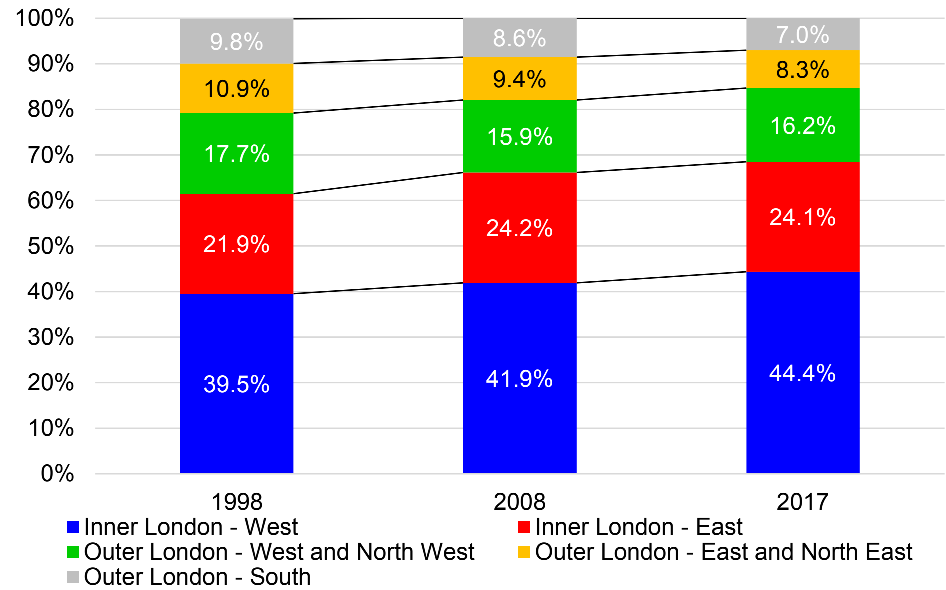



**Figure A1: Geographic breakdown of headline[2] real London GVA(B) 1998 - 2017**

*Source: Regional Accounts, ONS*

Going into the more detailed geographical breakdown provided by the balanced approach data, Figure A2 shows that Westminster and the City of London were the local authorities (LAs) with the highest output in London in 2017 (£62.5 and £59.6 billion, respectively). These two LAs alone accounted for almost 29% of total London GVA(B). By contrast, Haringey with £4.2 billion and Barking and Dagenham with £3.4 billion were the London LAs with the lowest GVA(B) in the same year.

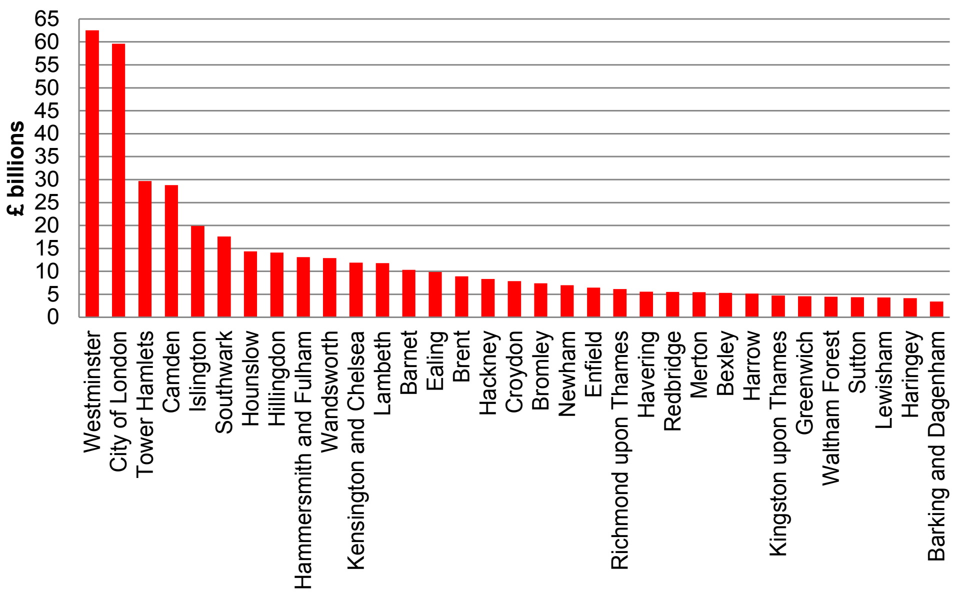



**Figure A2: Real GVA(B) by London local authority in 2017**

*Source: ONS*

The real GVA(B) growth rates between 1998 and 2017 among the 33 London's LAs are presented in Table A1. The fastest rates of real GVA(B) growth were seen in Hounslow and Camden at 170% and 130% respectively. In contrast, Croydon and Barking and Dagenham saw the slowest rates of real GVA(B) growth of 10% and 4%, respectively.

2 UK includes Extra-Regio (which comprises compensation of employees and gross operating surplus which cannot be assigned to regions)

| Rank | LA | % increase | Rank | LA | % increase | Rank | LA | % increase |
|---|---|---|---|---|---|---|---|---|
| 1 | Hounslow | 170% | 12 | Newham | 69% | 23 | Lewisham | 39% |
| 2 | Camden | 130% | 13 | Kensington and Chelsea | 56% | 24 | Greenwich | 35% |
| 3 | Tower Hamlets | 126% | 14 | Brent | 55% | 25 | Waltham Forest | 35% |
| 4 | City of London | 107% | 15 | Kingston upon Thames | 54% | 26 | Sutton | 35% |
| 5 | Islington | 91% | 16 | Haringey | 50% | 27 | Bexley | 34% |
| 6 | Lambeth | 88% | 17 | Barnet | 48% | 28 | Merton | 29% |
| 7 | Westminster | 86% | 18 | Redbridge | 45% | 29 | Enfield | 29% |
| 8 | Hackney | 86% | 19 | Havering | 45% | 30 | Bromley | 16% |
| 9 | Southwark | 85% | 20 | Hillingdon | 43% | 31 | Richmond upon Thames | 14% |
| 10 | Hammersmith | 77% | 21 | Ealing | 42% | 32 | Croydon | 10% |
| 11 | Wandsworth | 70% | 22 | Harrow | 41% | 33 | Barking and Dagenham | 4% |

**Table A1: Real GVA(B) growth rate of London's LAs 1998-2017**

*Source: ONS and GLA Economics' calculations*

GVA(B) data by London sectors for the years 1998, 2008 and 2017 are presented in Table A2. In 2017, over 31% of London's GVA was generated by the Real Estate activities (16.2%) and the Financial and insurance activities (14.9%) sectors combined, totalling £132.2 billion. The value of these industries represented 10.8% and 16.3%, respectively, of London's total GVA(B) in 1998 indicating that Real Estate activities showed the largest increase as a share of the London economy between 1997 and 2018. Professional, scientific and technical activities and Information and communication industries have also played a larger role in London's economy in the last decades, accounting for 12.1% and 11.5% of the output in 2017, respectively, compared to 8.7% and 7.4% of London's GVA in 1998. In contrast, Manufacturing had the largest decrease from 5.2% in 1998 to 1.9% in 2017.

| | 1998 | | 2008 | | 2017 | |
|---|---|---|---|---|---|---|
| | **Industry GVA (£b)** | **% of London's economy** | **Industry GVA (£b)** | **% of London's economy** | **Industry GVA (£b)** | **% of London's economy** |
| **Primary & utilities[3]** | £3.4 | 1.4% | £5.1 | 1.5% | £4.3 | 1.0% |
| **Manufacturing** | £12.7 | 5.2% | £8.7 | 2.6% | £8.2 | 1.9% |
| **Construction** | £11.9 | 4.8% | £13.3 | 4.0% | £20.1 | 4.7% |
| **Wholesale and retail trade; repair of motor vehicles** | £24.7 | 10.1% | £25.2 | 7.6% | £30.3 | 7.1% |
| **Transportation and storage** | £15.4 | 6.3% | £16.3 | 4.9% | £19.5 | 4.6% |
| **Accommodation and food service activities** | £8.0 | 3.3% | £10.0 | 3.0% | £12.5 | 2.9% |
| **Information and communication** | £18.0 | 7.4% | £30.8 | 9.3% | £48.9 | 11.5% |
| **Financial and insurance activities** | £39.9 | 16.3% | £63.5 | 19.2% | £63.4 | 14.9% |
| **Real estate activities** | £26.5 | 10.8% | £47.4 | 14.3% | £68.8 | 16.2% |
| **Professional, scientific and technical activities** | £21.4 | 8.7% | £35.7 | 10.8% | £51.6 | 12.1% |
| **Administrative and support service activities** | £10.9 | 4.5% | £13.1 | 4.0% | £24.8 | 5.8% |
| **Public administration and defence; compulsory social security** | £13.0 | 5.3% | £13.7 | 4.1% | £14.6 | 3.4% |
| **Education** | £14.8 | 6.0% | £16.6 | 5.0% | £20.0 | 4.7% |
| **Human health and social work activities** | £10.0 | 4.1% | £15.8 | 4.8% | £20.4 | 4.8% |
| **Arts and other services[4]** | £14.6 | 6.0% | £15.5 | 4.7% | £18.8 | 4.4% |
| **Total** | £245.2 | 100.0% | £330.8 | 100.0% | £426.2 | 100.0% |

**Table A2: Headline real GVA(B) in London by industry (£ billion and as per cent of total London GVA), 1998, 2008 and 2017**

*Source: Regional Accounts, ONS*

3 This includes the following sectors: Agriculture, Forestry and Fishing; Mining and Quarrying; Electricity, gas, steam and air conditioning supply; and Water supply, sewerage, waste management and remediation activities.

4 This category includes the subsectors: 'Arts, entertainment and recreation', 'Other service activities', and 'Activities of households'.

The ONS GVA(B) data by industry also highlights predictable, major differences in sectoral spread between Inner and Outer London. In 2017, Manufacturing was concentrated in Outer London (accounting for 78.3% of all London's manufacturing) while Inner London produced 95.3% of London's GVA in Financial and insurance activities; 82.9% of Professional, scientific and technical activities; and 77.4% of the Information and communication output.

The above-mentioned analysis shows that London remains as the largest economy of any region or nation of the UK, with more importance than ever for the national economy. In 2017, London's real output grew at a solid rate, continuing its historic upward trend. While, some industries such as Real estate; Information and communication; and Professional, scientific and technical activities especially contributed to this growth in the last decade.

If you found this overview of London's output interesting further details on London's economy can be found on our publications page.

# Our latest publications

We publish regularly on the state of London's economy, providing the latest economic data for London and interpret how this may affect policy. This includes analysis of recent developments in London's economy and forecasts for the next couple of years.

We provide analysis on sectors of the economy including tourism, retail, housing, health, science, technology and more.

We analyse recent developments in London's labour market, by sector and borough.

View all the GLA Economics publications on our website.


**London's Economic Outlook**

Our latest London forecast published in November 2018 suggests that:

- London's Gross Value Added (GVA) growth rate is forecast to be 1.9% in 2018. The growth rate is expected to slow slightly to 1.6% in 2019, before reaching 1.9% in 2020.
- London is forecast to see increases in the number of workforce jobs in 2018, 2019 and 2020.
- London's household income and spending are both forecast to increase over the next three years, albeit at a relatively slow rate.

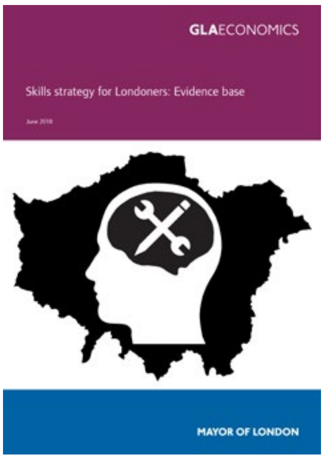
Download the full publication.


**London at night: An evidence base for a 24-hour city**

This report brings together a range of research and data on London at night. It reveals that, between 6pm and 6am, the city is buzzing with social, cultural and economic activity.

- A third of everyone working in London works at night – that is 1.6 million people.
- Cost is the main barrier to enjoying culture and leisure activities at night. This is the case across all income groups of Londoners. Over a third of Londoners say it is too expensive to go out at night.

Download the full publication.




**Skills strategy for Londoners, Evidence base**

This skills strategy evidence base supports the Mayor's skills strategy, 'Skills for Londoners'. It covers the demand for and supply of skills, inequalities in skills, employer training, and the training and education system.

- Nationally, spending on adult education has fallen since 2010 which is reflected in lower participation. Between 2012/13 and 2016/17 the number of adult Londoners (age 19+) participating in classroom-based further education fell 41%, although the number of adult apprenticeships increased by 9% in this period.

Download the full publication.

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*London's Economy Today* is published towards the end of every month. It provides an overview of the current state of the London economy, and a selection of the most up-to-date data available. It tracks cyclical economic conditions to ensure they are not moving outside the parameters of the underlying assumptions of the GLA group.

**Images**


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**About GLA Economics**
GLA Economics provides expert advice and analysis on London's economy and the economic issues facing the capital. Data and analysis from GLA Economics provide a sound basis for the policy and investment decisions facing the Mayor of London and the GLA group. The unit was set up in May 2002.

MAYOR OF LONDON