GLAECONOMICS

London's Economy Today

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UK economic growth falls sharply as concern increases for businesses in the Central Activities Zone

By **Mike Hope**, Economist, and **Eduardo Orellana**, Economist

UK GDP fell by more than a fifth in the second quarter of 2020. This is the biggest fall in quarterly GDP on record, and the UK has officially entered a recession with two successive quarters of negative growth. The decline is steeper than for France and Germany although this may in part be explained due to the UK's later lockdown as the virus likely reached the UK later. Amongst the major European economies only Spain has suffered comparably with a slightly larger fall in output over the first half of the year (Figure 1).

Of other major world economies so far the US has contracted by a similar extent to Germany, while China's recovery in the second quarter was such that it grew over the first half of the year.

Also in this issue

Datastore

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

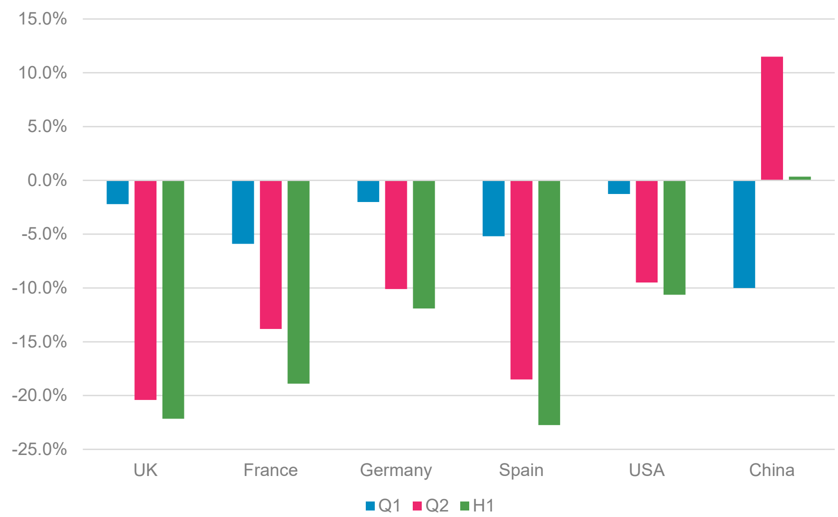


Figure 1: Growth, Q1, Q2, and H1 2020 in key world economies

Source: ONS, Eurostat, OECD, and US Bureau of Economic Affairs

The recovery has begun

GDP grew by 8.7% in June according to monthly data from the Office for National Statistics (ONS) (although this data can be highly volatile). An ONS Deputy National Statistician, Jonathan Athow commented, "the economy began to bounce back in June with shops reopening, factories beginning to ramp up production and housebuilding continuing to recover. Despite this, GDP in June still remains a sixth below its level in February, before the virus struck". Business confidence is improving, and in July for the first month since February business activity increased across a majority of businesses in London (although this is still not the case for the employment index) – as reported in the indicator section of this publication.

There remains, though, considerable uncertainty around the future path of the economy. The Bank of England (BoE) in its latest quarterly Monetary Policy Report has become more positive in its assessment of the prospects for the UK economy. It is estimating in its central forecast a contraction for the whole of 2020 of -9.5%, and a recovery of 9.0% growth in 2021, and the economy exceeding its level in 2019 by 2022. In contrast, the National Institute of Economic and Social Research (NIESR) is a little more pessimistic in its forecast. It expects the economy to contract by -10.1% this year, and not to have recovered its 2019 level in 2022 (Figure 2).

The differences in the forecasts will reflect in part views on how the pandemic will evolve, and the effectiveness of public policy measures in tackling the public health and economic consequences. Notably, NIESR has concerns about scarring in the labour market, and the risk of rising long-term unemployment. In mitigation, it has argued for the extension of the Coronavirus Job Retention Scheme from October 2020 to June 2021.

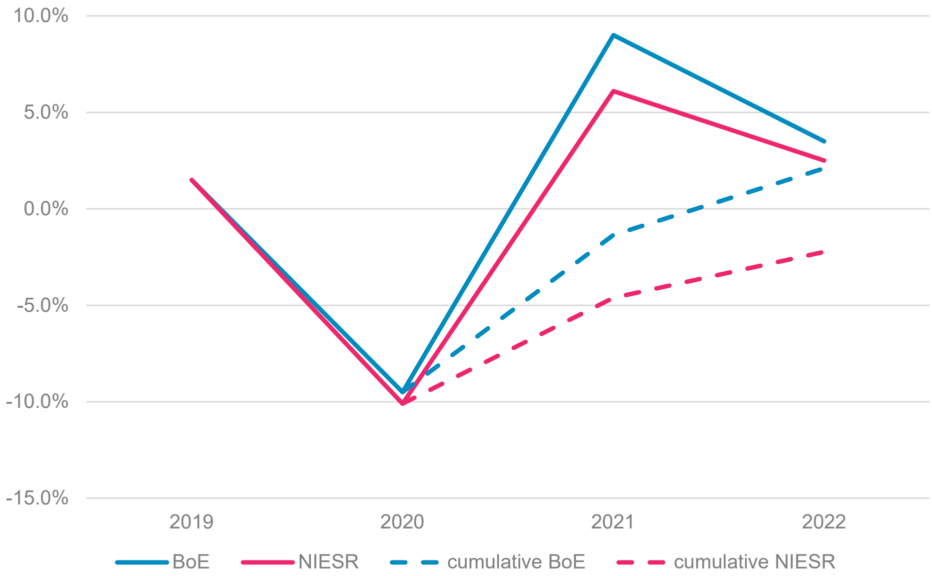


Figure 2: UK GDP growth forecasts 2020-22, and cumulative growth 2020 onwards, BoE and NIESR

Source: BoE Monetary Policy Report, and National Institute Economic Review, both August 2020

More comfortingly, the Financial Policy Committee of the BoE, "judges banks to be resilient to a very wide range of possible [future] outcomes". The Financial Stability Report notes that, "UK households and businesses have needed support from the financial system to weather the economic disruption associated with Covid-19. Reflecting the resilience that has been built up since the global financial crisis and, alongside the extraordinary policy responses of the Government and of the Bank of England, the financial system has so far been able to provide that support".

As a further point there are gainers as well as losers from the changes in the economy. Exceptionally for a major Western economy, the US stock market by mid-August had recovered all of its losses earlier in the year. The big technology companies of Alphabet (Google's parent), Amazon, Apple, Facebook, and Microsoft account for a quarter of the rally, and a fifth of the S&P index. Perhaps needless to say these companies are not representative of the broader US economy.

While people are gradually going out more in London, they are still travelling into the CAZ much less

Week-on-week there is more recreational activity in London (Figure 3). Noticeably there has been an increase in restaurant bookings on Mondays – Wednesdays since the Eat Out to Help Out scheme came into effect earlier this month. Across the UK the Government estimated that people had ordered 64m discounted meals in the first three weeks in August, and 85,000 restaurants were taking part.

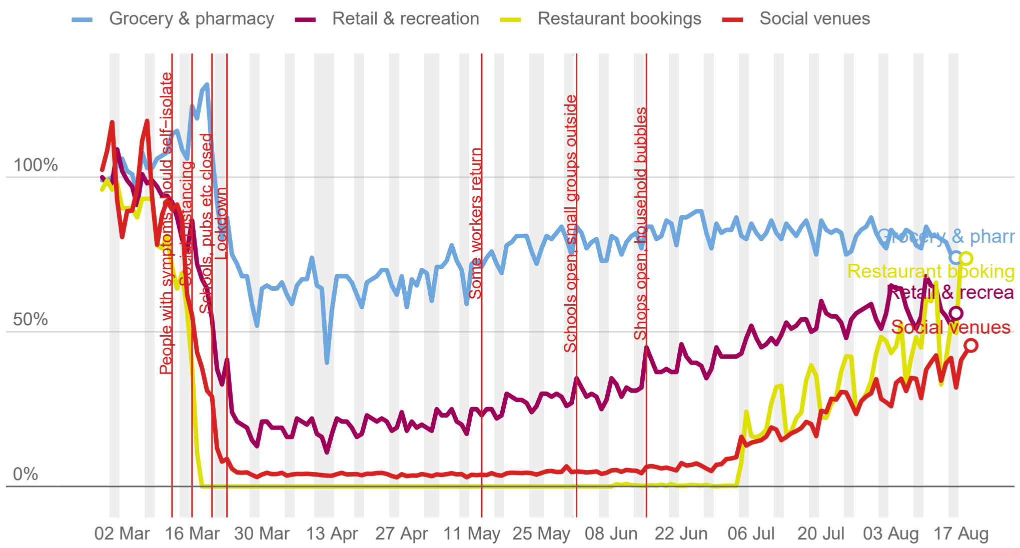


Figure 3: Retail and recreational activity in London, March – August 2020

Source: Grocery and retail metrics from Google Mobility, social venues (bars, event spaces etc) from Purple public Wifi and restaurant bookings from OpenTable

Note: Vertical red lines show changes in social distancing rules. Vertical grey bands show weekends and public holidays.

There remains, though, amongst many Londoners considerable reluctance to go out and do things. Across a range of social activities the predominant tendency is to engage less than before even at a future time when the public health risk has been further diminished (Figure 4).

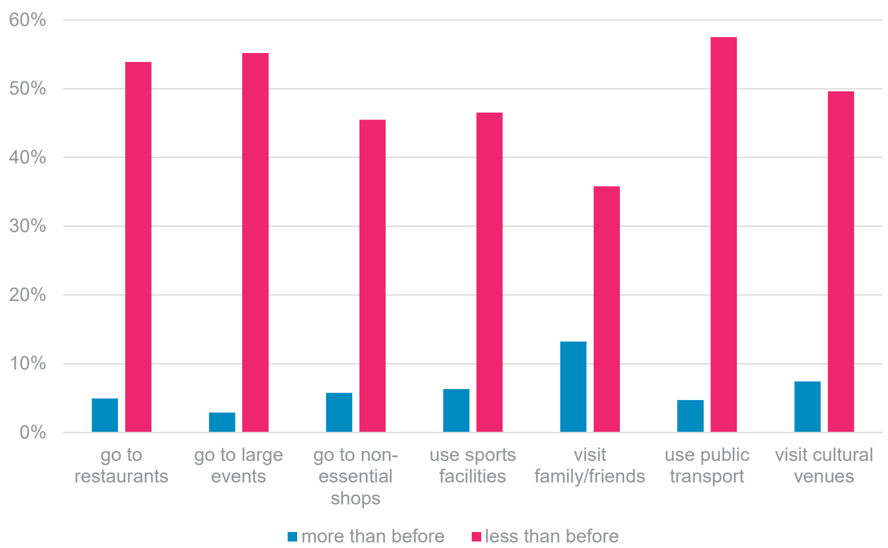


Figure 4: Intentions to engage in social activities when the threat from the Coronavirus has reduced

Source: YouGov survey for GLA Opinion Research, fieldwork 28-31 July 2020

Note: figure does not include people for each activity who intend to engage the same as before or who don't know

The Centre for Cities High streets recovery tracker is reporting that footfall in London is recovering the slowest of all the cities across the UK, and in July was at 23% of its level before the pandemic. One of the reasons people are staying at home is that homeworking is more common in London than any other region – the ONS estimates that 57.2% of workers in the Capital are doing this some of the time. The indicator section of this publication reports that bus and tube travel has declined dramatically in the last few months, although it has recovered slightly recently.

The recovery may also not be even across all areas of London. This is particularly acute for the central local authorities of Camden, the City of London, and Westminster. Thirty-one per cent of the capital's employee jobs of 5.2m, or 1.58m in 2018, are here while 6% of London's population of 8.9m in 2018, or 0.53m, live here according to ONS figures. That is, there were over 1m people working in central London, who did not live there, and 0.5m such people in the City of London alone. This is before taking into consideration international and domestic tourists.

Although 24% of respondents to a YouGov survey for the GLA in July reported that they were likely to travel into central London in the first week in August, 66% said they were not likely. Around half of the 66% thought they would have travelled into central London if it had not have been for the virus – that is around a third of Londoners are not currently travelling into central London who would otherwise have done this. Additionally, there are fewer commuters from outside London, and fewer tourists visiting London.

The sums of money not spent by people not coming into London have the potential to be very large. The Centre for Economics and Business Research has calculated that the pandemic has resulted in £2.3 billion of spending in shops, pubs and eateries near London employment hubs being lost or displaced between March and June.

London's labour market may also be more at risk when the furlough scheme ends

The London and the UK labour markets continue to be buoyant. For the three months to June the London employment rate was 76.5%, and the UK rate was 76.4%.

At the same time major employers have continued to announce job losses including Gatwick Airport, William Hill, Dixons Carphone, Marks and Spencer, and Pizza Express. One in three British businesses are planning job cuts in the third quarter of this year according to a survey conducted by the Chartered Institute of Personnel and Development. Confidence is at its lowest since the survey started in its current form in 2013. More positively, almost half of employers are expecting to take on new recruits.

The growth in people on Universal Credit (UC) has been higher in London than the rest of Great Britain, and higher for the under 25s than the over 25s (Figure 5). The recipients who are still in employment are the people who are still likely to be furloughed (at the end of June there were 1.3m furloughed workers in London, and some will not have entitlement to UC). For London additional recipients in this group are around half the additional recipients not in employment.

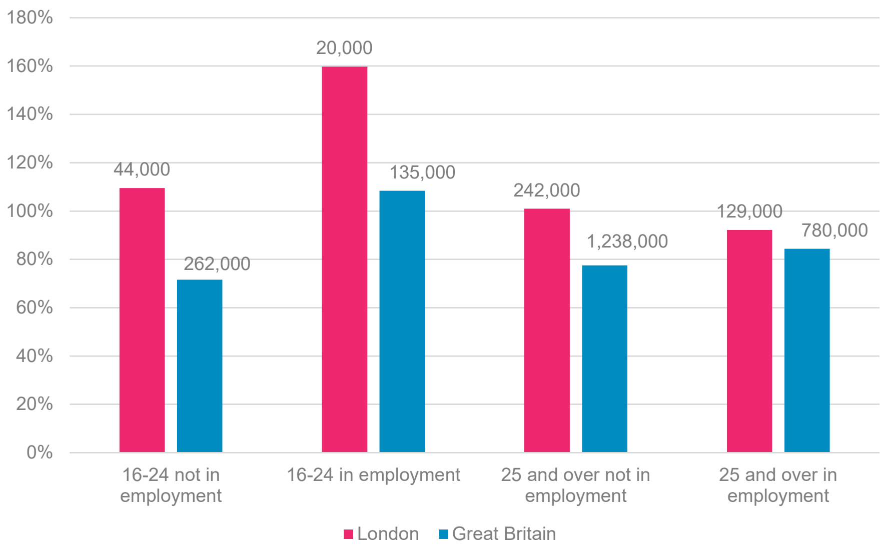


Figure 5: Percentage growth in people on Universal Credit between March and June 2020, in employment and not in employment, under 25s and 25 and over, London and Great Britain – data labels are absolute change

Source: DWP Stat-Xplore

And the impact is not even across the city. It is more common for employees in an arc from the North West to the East of London to be furloughed (on the Coronavirus Job Retention Scheme) than other parts of the city (Map 1). Jonathan Portes, a professor at King's College London, has commented, "the most visible economic impacts of the pandemic are in central London, with deserted offices and shuttered shops. But in human terms it is the poorer parts of outer London, from Brent to Newham, that have suffered most from the slowdown. While most London office workers can work from home, those employed in service sectors dependent on their presence – cleaners and security guards, sandwich shop assistants and dry cleaners – generally cannot. They tend to be disproportionately younger, lower paid, from ethnic minority backgrounds, and live in a swathe of boroughs from North West to East London".

Map 1: Take-up amongst eligible employees by residence of London local authority of the Coronavirus Job Retention Scheme for claims up to 31 July 2020

Source: YHMRC Coronavirus Job Retention Scheme statistics

Local authorities are also under financial pressure

The public health and economic effects of COVID-19 are simultaneously increasing spending and reducing income for local authorities. There are additional costs from the provision of personal protective equipment, notably for adult social care, and extra responsibilities to house rough sleepers, support those shielding at home, and help with the testing, tracing, and control of COVID-19 outbreaks. There are threats to revenue in the ability to raise council tax, business rates, and other income streams such as parking charges. The Institute for Fiscal Studies (IFS) has this month published an assessment of these pressures. It notes there is considerable uncertainty around the estimates, which derive from local authorities, and despite some additional support from the Government there is a clear conclusion that there will still be a significant funding shortfall this year, estimated at £2bn (Figure 6).

Figure 6: Baseline forecast of unmet spending and non-tax income pressures for English local authorities in 2020/21, £ billion

Source: Institute for Fiscal Studies

The IFS estimates that the shortfall in London will be greater at 4.8% of adjusted revenue expenditure than for England as a whole where the corresponding ratio is 3.6%. London is more likely than other areas to face non-tax income losses as it is relatively more densely populated, and relies on at risk income sources such as parking fees. The shortfall can only be funded through drawing down reserves, reduced services, or additional funding from Government. London boroughs have below average reserves (as a proportion of adjusted revenue expenditure) to meet the funding shortfall – 30% compared with 48% for England. So, London is comparatively more reliant on further Government support to avoid further cuts in services.

Next year's commuter rail fare increase lowest for several years

Price inflation crept up with the Consumer Prices Index rising by 1.1% in July, up from 0.8% in June. The largest contribution to change was from clothing and footwear. There was also less price discounting in July this year compared with 2019.

The July Retail Price Index (RPI) is used to set the increase in regulated rail fares for next year. This index rose to 1.6% in July from 1.1% in June. This is the lowest July estimate for the RPI since 2015. As a result commuters will see a 1.6% rise in fares from January.

London had strong growth in 2019

Despite the current risks to London's development and the uncertainty caused by the process of exiting the EU, London entered the pandemic on a reasonable footing. The capital thus had strong growth in 2019 at 5.4%, according to figures released by the ONS. This was the highest rate since 2007 and compares with a rate of 2.3% in 2018. In contrast, the UK grew at 1.3% in 2018, and 1.5% in 2019 (Figure 7).

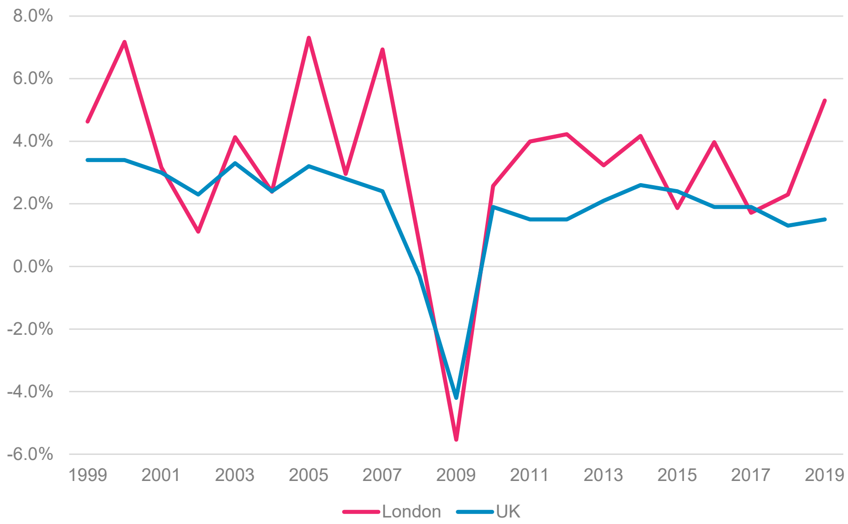


Figure 7: London and UK GDP growth rates, 1999-2019

Source: Office for National Statistics

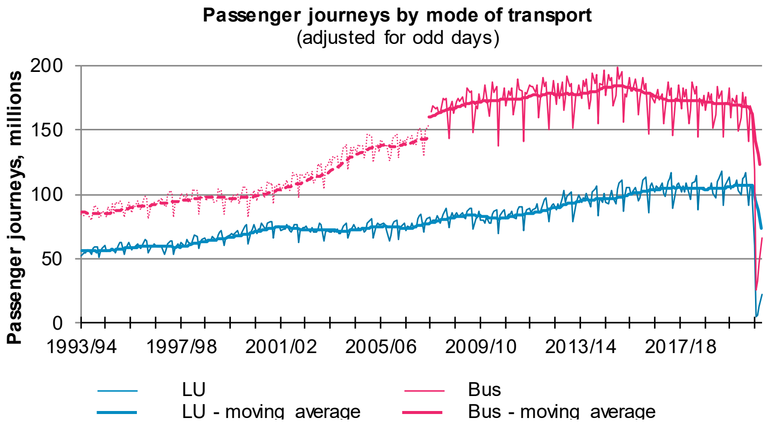
GLA Economics will continue to monitor and report on London's challenges in our publications which can be found on our publications page.

Economic indicators

In July, passenger journeys in London recovered slightly but remained low by historical standards

- Only 88.8 million passenger journeys were registered between 28 June and 25 July this year, 28.6 million more than in the last period (31 May – 27 June 2020) but still very low from a historic perspective. As a reference, passenger journeys in February – when there were no lockdown restrictions – were 271.4 million. 22.2 million of all journeys were Underground journeys and 66.6 million were bus journeys. Bus journeys until 11 July are estimates of passengers boarding as the closure of the front doors to protect the drivers prevented validation of entry. The reduced demand on both modes follows from the Government advice not to use public transport except for essential journeys.
- The 13-period-moving average in the total number of passenger journeys continued to fall from 212.2 million in the period 31 May – 27 June 2020 to 196.8 in the period 28 June - 25 July 2020.
- 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).

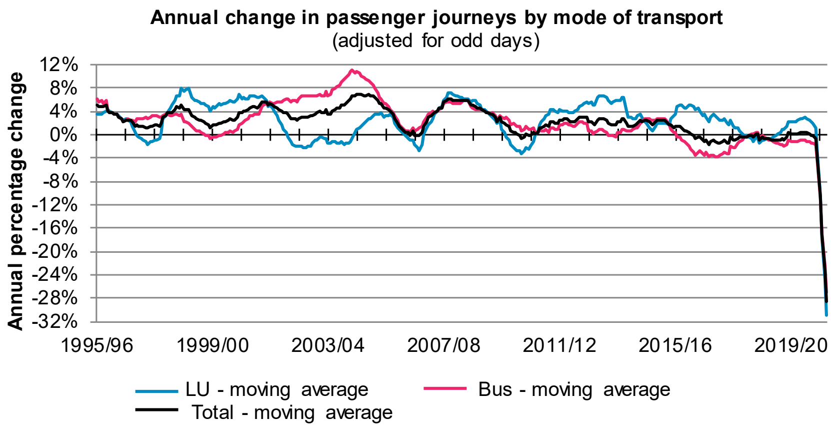
Source: Transport for London
Latest release: August 2020, Next release: September 2020



The moving average annual change in passenger journeys in London reached a new historic low in July 2020

- The moving average annual growth rate in the total number of passenger journeys was -28.6% in the period 28 June to 25 July 2020, down from -23.2% in the period 31 May – 27 June 2020, and reached a new historic low.
- The moving average annual growth rate of bus journeys decreased from -22.4% to -27.1% between the above-mentioned periods.Likewise, the moving average of Underground passenger journeys went down from -24.6% to -30.9% in those periods.
- The reduced demand on both modes follows from the Government advice not to use public transport except for essential journeys.

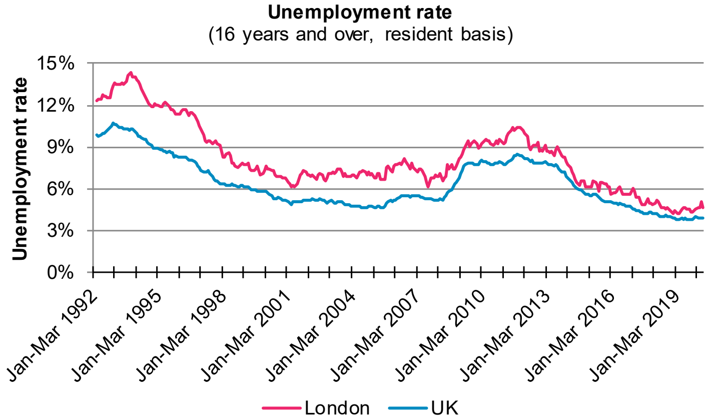
Source: Transport for London
Latest release: August 2020, Next release: September 2020



In the second quarter of the year, London's unemployment rate remained broadly unchanged - despite the very large output fall - due to the Coronavirus Job Retention Scheme

- More than 235,200 residents 16 years and over were unemployed in London in the period April-June 2020.
- The unemployment rate in London was 4.6% in that period, broadly unchanged compared to the first quarter of the year (4.7%). Thanks to furloughing on the Coronavirus Job Retention Scheme London's unemployment rate did not soar in Q2 2020 when there was a very large fall in output. A small increase in London's inactivity rate (0.4pp) might have had an impact as well. The claimant count in London increased by 145% between March and June 2020.
- Similarly, the UK's unemployment rate was 3.9% in the second quarter of 2020, the same rate as in the first quarter.

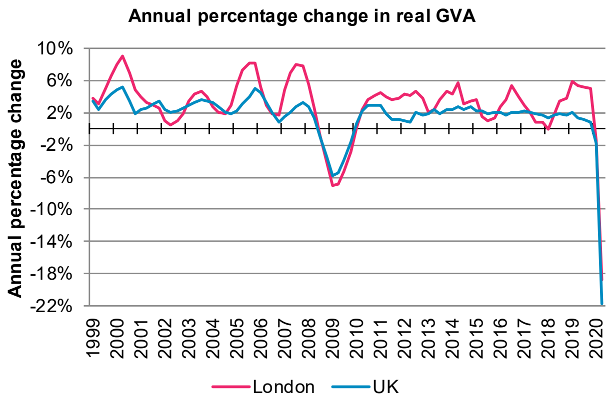
Source: ONS Labour Force Survey
Latest release: August 2020, Next release: September 2020



London's economy is estimated to have fallen by 18.7% annually in the second quarter of the year, following an annual contraction of 1.5% in Q1 2020

- London's real GVA registered the deepest contraction of the historic series in Q2 2020 (-18.7% annually), which adds to the -1.5% annual growth rate seen in the first quarter of the year. Both rates are GLA Economics estimates. This historic negative shock caused by the Covid-19 outbreak takes place after London's real output grew by 5.4% in 2019 – according to ONS data - which is the highest growth rate since 2007 despite last year's Brexit-related uncertainty.
- The UK's real GVA annual growth rate for Q2 2020 was -21.7% - also the lowest rate of the historic series – which adds to an annual fall by 1.8% in the first quarter of the year.
- London's real GVA quarterly estimates for both the period Q1 1999 to Q4 2012 and the two most recent quarters have been produced by GLA Economics. Estimates for the intervening period are outturn data from the ONS, which does not publish quarterly estimates for London's real GVA prior to 2013.

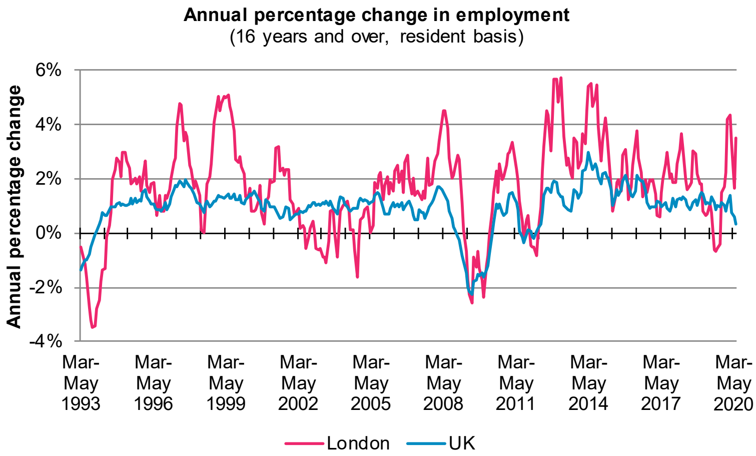
Source: ONS and GLA Economics calculations
Latest release: August 2020, Next release: October 2020



London's employment growth rate was 3.5% in the year to Q2 2020

- Over 4.83 million London residents over 16 years old were in employment during the three-month period April-June 2020.
- The rate of employment growth in the capital was 3.5% in the year to Q2 2020, down from 4.4% in the year to the first quarter of 2020. However, ONS data shows that 22.3% of persons in employment in Q2 2020 were furloughed workers under the new Government's Coronavirus Job Retention Scheme.
- By the second quarter of the year, the UK's employment grew annually at a rate of 0.3% which is 1.1 percentage points below the same rate in Q1 2020.

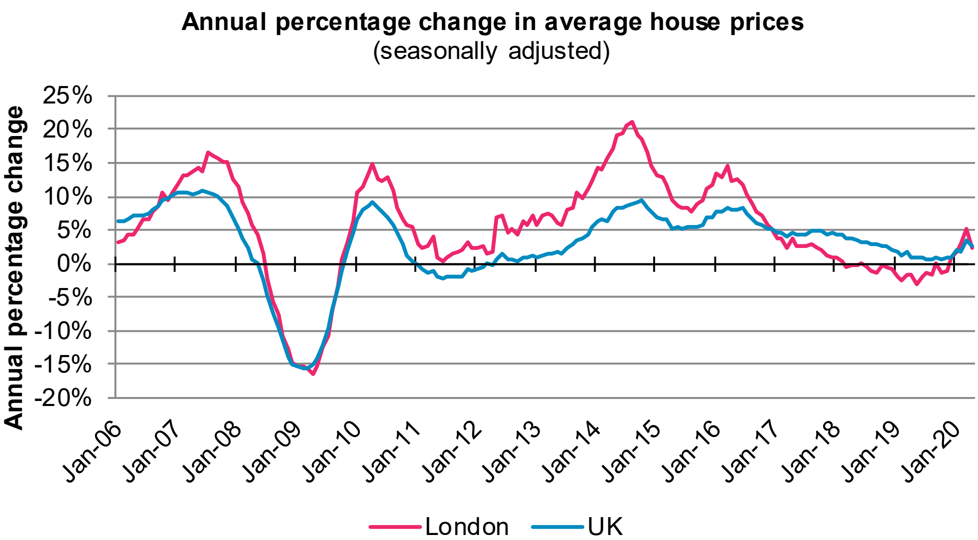
Source: ONS Labour Force Survey
Latest release: August 2020, Next release: September 2020



London house prices increased by 2.3% in annual terms in April

- In April 2020, the average house price in London was £480,486 while for the UK it was £233,830.
- The annual growth rate in average house prices in London was 2.3% in April 2020, down from 5.1% in March 2020.
- Average house prices in the UK rose by 2.6% in annual terms last April, 0.7 percentage points below the same rate in March.

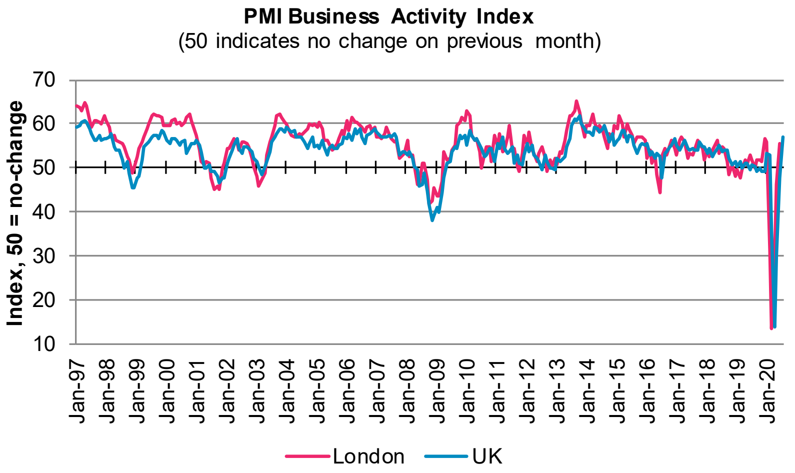
Source: Land Registry and ONS
Latest release: August 2020, Next release: September 2020



In July, London's PMI business activity increased on average across businesses for the first time since February

- The Business activity PMI index at London private firms reached 55.5 in July from 46.2 in June. This is the first time a majority of firms are seeing an improvement in business activity since February, after a large fall by historic standards in the index between March and June.
- Similarly, the UK index rose from 47.7 in June to 57.0 in June.
- The Purchasing Managers' Index (PMI) survey shows the monthly business trends at private sector firms. Index readings above 50 suggest a month-on-month increase in activity on average across firms, while readings below 50 indicate a decrease.

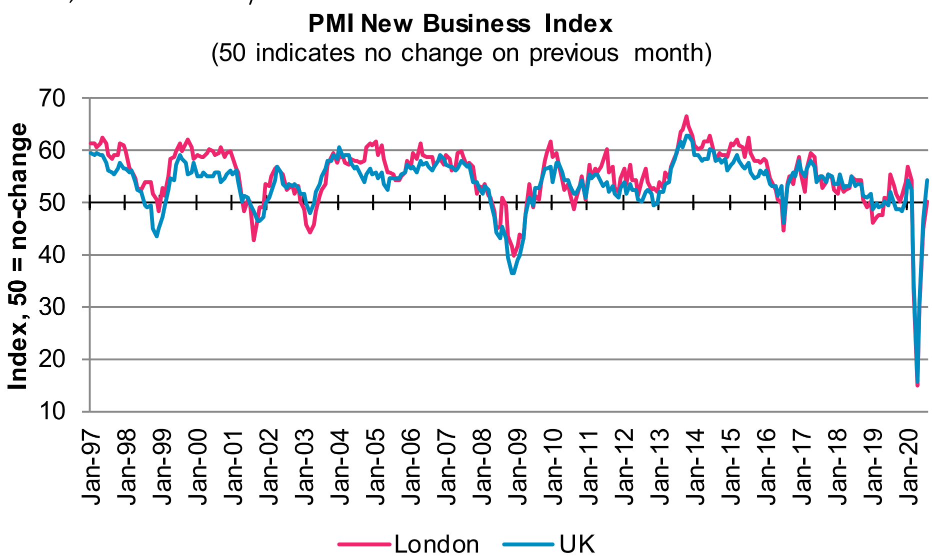
Source: IHS Markit
Latest release: August 2020, Next release: September 2020



In July, PMI new business activity in London increased on average across businesses for the first time since February

- The PMI New Business Index in London went up to 50.4 in July from 44.9 in June. This not only shows a continuation of the upward trend started in May but also July is the first month with positive expectations for new business across the business community since February.
- The UK index was also above 50.0 in July (54.4), up from 47.0 in June.
- An index reading above 50.0 indicates an increase in new orders from the previous month.

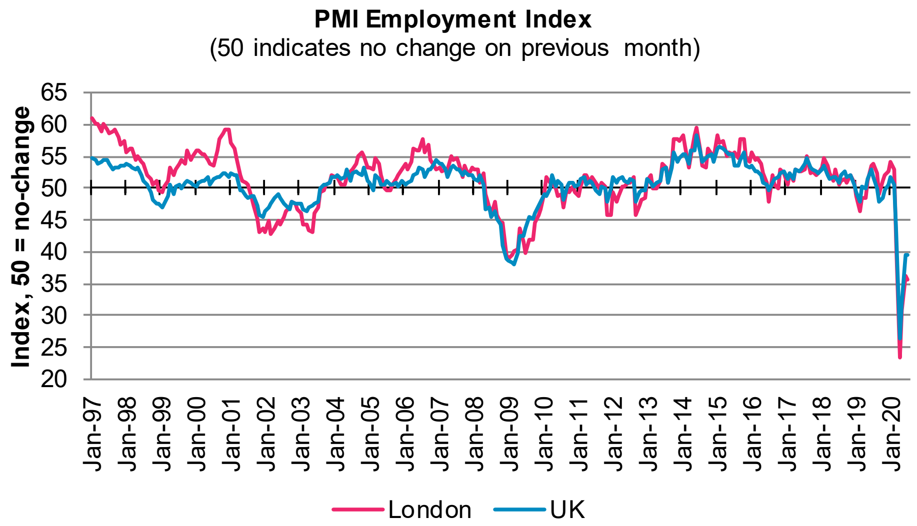
Source: IHS Markit
Latest release: August 2020, Next release: September 2020



The PMI Employment Index in London remained stagnated and below 50 in July

- The Employment Index for London decreased slightly to 35.7 in July from 36.2 in June and remains well below the neutral figure of 50.0. Since February the majority of firms have been reporting worsening employment prospects.
- The index remained unchanged for the UK at 39.6 in July.
- 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 50.0 indicates a decrease in employment from the previous month.

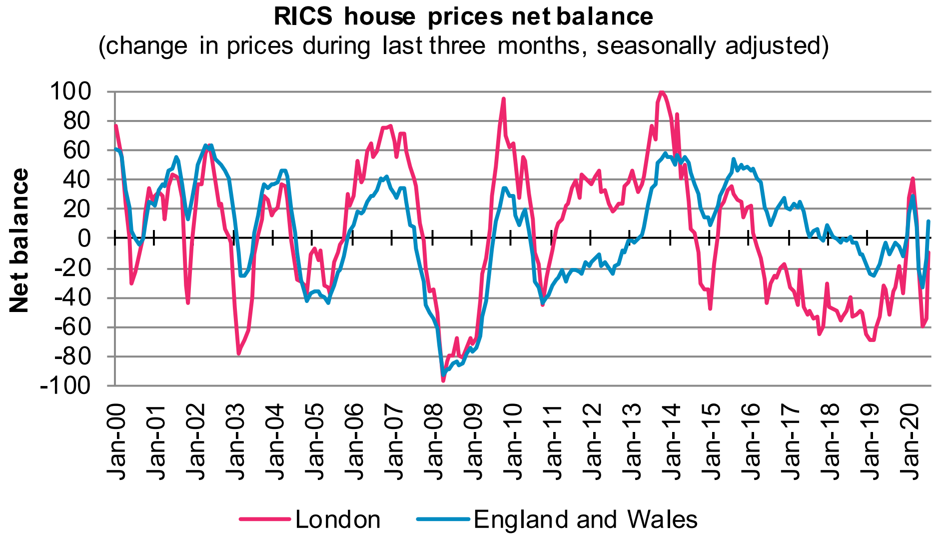
Source: IHS Markit
Latest release: August 2020, Next release: September 2020



House price changes in London improved but remained negative in the three months to July

- In the three months to July, the net balance of property surveyors reporting a rise in house prices remained negative at -10, although up from -54 in the three months to June.
- For England and Wales, the RICS house prices net balance index turned positive (12) in July after three months of negative figures.
- The net balance index measures the proportion of property surveyors reporting a rise in prices minus those reporting a decline.

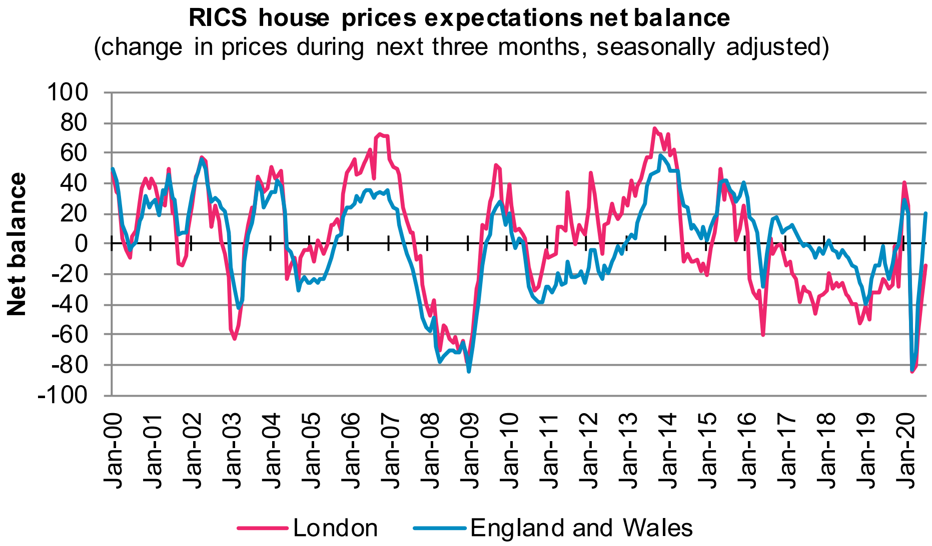
Source: Royal Institution of Chartered Surveyors
Latest release: August 2020, Next release: September 2020



In July, net expectations of future house prices in London were less negative than in the previous four months

- Between May and July, surveyors reported net expectations of a further contraction in London house prices (-15). However, this index has shown a continuous upward trend since March when it was -85.
- Sentiment in England and Wales was positive (20) in July, up from -13 in June.
- The net balance index measures the proportion of property surveyors reporting a rise in prices minus those reporting a decline.

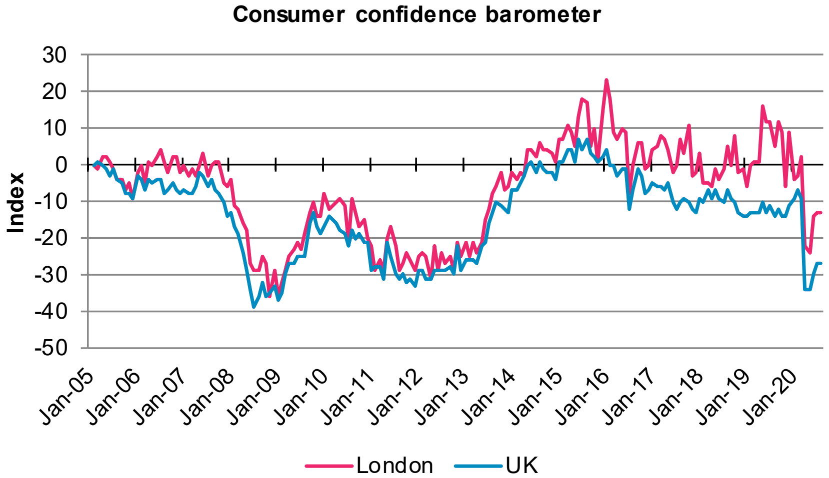
Source: Royal Institution of Chartered Surveyors
Latest release: August 2020, Next release: September 2020



In August, consumer confidence in London remained negative and broadly unchanged since June

- The consumer confidence index in London was at -13 in August, the same figure as in July and very similar to its value in June as well (-14). The August level still represents one of the lowest levels in seven years.
- In August, the sentiment for the UK remained at -27, the same rate as in July. The UK has not shown a positive index score since January 2016.
- 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.

Source: GfK NOP on behalf of the European Commission
Latest release: August 2020, Next release: September 2020



An update on London's trade

By **Mike Hope**, Economist

1 Overview

This supplement provides a summary of the latest published data on international trade. For the first time, it is possible to produce an external trade balance for London. This shows that:

- London runs a trade surplus while the UK does not.
- the sectors on which London relies for its export-oriented success are also ones which play a critical role in providing imports.

Due to limitations in the available published information GLA Economics has previously only published analyses of exports. Most recently, in 2017 it considered London's exports[1], and in February 2019 the LET supplement[2] provided additional detail on the composition of exports.

2 Methodology

The analysis in this supplement brings together data from a number of publications. Earlier this year the Office for National Statistics (ONS) published for the first time estimates of sub-national imports by sector for 2017[3]. This complemented the release of sub-national exports statistics[4] last year. This reports by the Standard Industrial Classification (SIC)[5] which is typically used for analysis by industry.

HM Revenue and Customs (HMRC) has published for some time regional goods trade statistics[6]. These adopt the Standard International Trade Classification (SITC)[7], and so are not comparable with service trade statistics at a disaggregated level. The ONS has published tables which map exports[8] and imports[9] of goods by country, industry and commodity by year for the UK which addresses this limitation. It allows the conversion of trade estimates from SITC section to SIC sector. GLA Economics has converted HMRC trade data for London at SITC section level to SIC sector using these tables for 2017.

It is then possible to combine goods and services trade data and produce trade balances for the whole of London and by sector. This supplement reports the results.

1 See An analysis of London's exports | London City Hall
2 See London's Economy Today - Issue 198 - February 2019 | London City Hall
3 See International imports of services to subnational areas of the UK - Office for National Statistics
4 See International exports of services from subnational areas of the UK - Office for National Statistics
5 See UK SIC 2007 - Office for National Statistics
6 See HM Revenue & Customs uktradeinfo - Regional Trade Statistics
7 See United Nations Statistics Division - Trade Statistics
8 See UK trade in goods by industry, country and commodity, exports - Office for National Statistics
9 See UK trade in goods by industry, country and commodity, imports - Office for National Statistics

3 London's trade

London is less import dependent than the UK. London runs a trade surplus with both the EU, and the world, while the UK as a whole is in deficit, (Figure A1). In 2017, London had a surplus of £7bn with the EU, and £30bn with the whole world, while the deficits for the UK were £66bn and £42bn respectively. Both London and the UK have trade surpluses with the world other than the EU of approaching £25bn. Around 70% of London's trade is outside the EU (whether measured as exports or imports), while for the UK as a whole the share of non-EU trade is nearer two-thirds.

London and the UK benefit from the service orientation of London's economy. In contrast with all trade, both London and the UK are in deficit with the EU and the world in goods trade, but in surplus in services trade. London had goods trade deficits in 2017 with the EU and the world of -£14bn and -£26bn respectively, while its services trade surpluses were £21bn and £57bn. London accounts for less than 20% of the national goods trade deficit with both the EU and the world. In comparison, it makes up three-quarters of the services trade surplus with the EU, and over half of the corresponding surplus with the world.

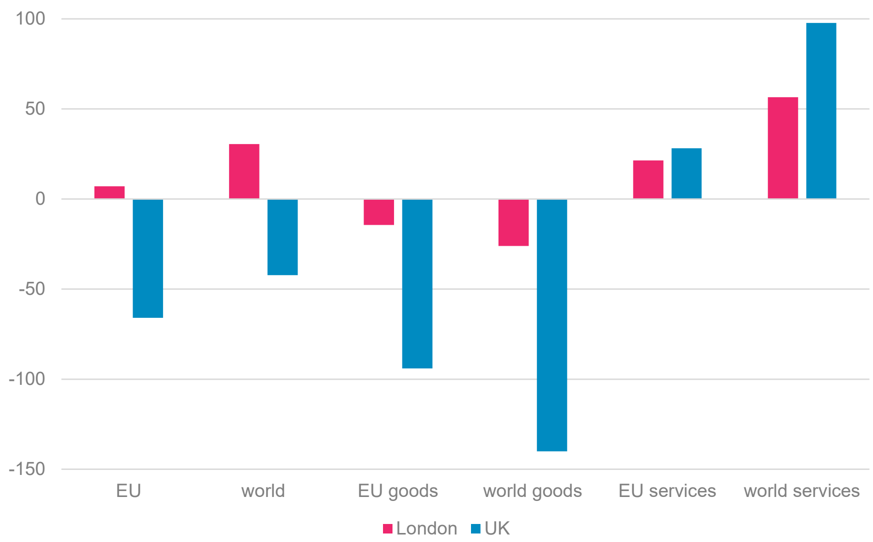


Figure A1: London and the UK trade balances, £bn 2017

Source: ONS and HMRC

Tables A1 and A2 provide some more detail for goods and services exports and imports. The value of London's service exports is three times that of its goods exports, while goods and service imports are nearly of equal value. Indeed, London accounts for 42% of UK service exports, but only for 11% of goods exports and – overall – for around a quarter of all UK exports. There is a similar pattern for imports. In relation to GVA the share of exports is around a third for both London and the UK. While imports are equally important to the UK, London is less import dependent and the value of imports is 28% of GVA.

	London	UK	London share
goods exports	36	328	11%
service exports	117	279	42%
all exports	153	607	25%
GVA	435	1,847	24%
service/goods exports	322%	85%	
goods exports/GVA	8%	18%	
service exports/GVA	27%	15%	
exports/GVA	35%	33%	

Table A1: Exports, goods and services, and output (GVA), values (£bn) and ratios, London and the UK, 2017

Source: ONS and HMRC

	London	UK	London share
goods imports	62	468	13%
service imports	60	181	33%
all imports	122	649	19%
GVA	435	1,847	24%
service/goods imports	96%	39%	
goods imports/GVA	14%	25%	
service imports/GVA	14%	10%	
imports/GVA	28%	35%	

Table A2: Imports, goods and services, and output (GVA), values (£bn) and ratios, London and the UK, 2017

Source: ONS and HMRC

4 London's trade by sector

There is a similar pattern of trade balances by sector for London and the UK, (Figure A2). Both geographies are in deficit in the Wholesale and Retail sectors. London's largest surpluses are in Finance (£24bn), Professional services (£13bn), and Information and communication (£11bn). These are amongst the sectors with the largest surpluses for the UK, and in each case London's surplus is over half of that for the UK as a whole. The other sectors with large trade balances are Manufacturing, and Wholesale.

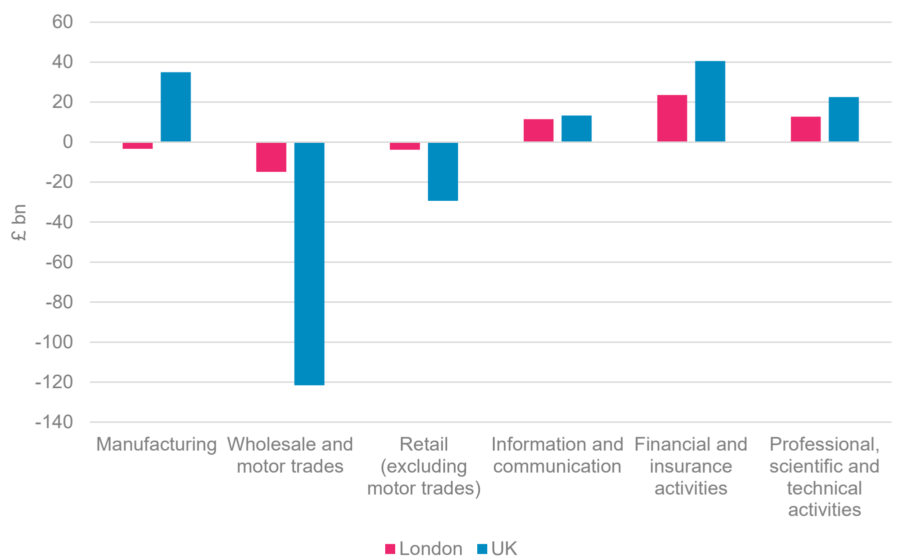


Figure A2: London and UK trade balance by key sector, £bn 2017

Source: ONS and HMRC, and GLA Economics calculations

Note: Other services is by SIC classification: Public Administration and Defence; Education; Health; Arts, Entertainment and Recreation; and Other services[10]

For both London and the UK these five sectors with the largest trade balances are also the sectors with the greatest trade, that is the sum of exports and imports. They account for around four-fifths of each of exports and imports for both geographies, (Figures A3 and A4). In 2017, London's exports were £39bn in Finance, £26bn in Information and communication, and £21bn in Professional services. Imports in these sectors were £16bn, £9bn, and £15bn respectively, although imports were higher in Manufacturing at £21bn, and Wholesale at £28bn.

10 Service imports include travel-related trade. This is purchases overseas by UK citizens, and which cannot be attributed to an economic sector. This is included in total figures for imports, but has not been included in the analysis of this section.

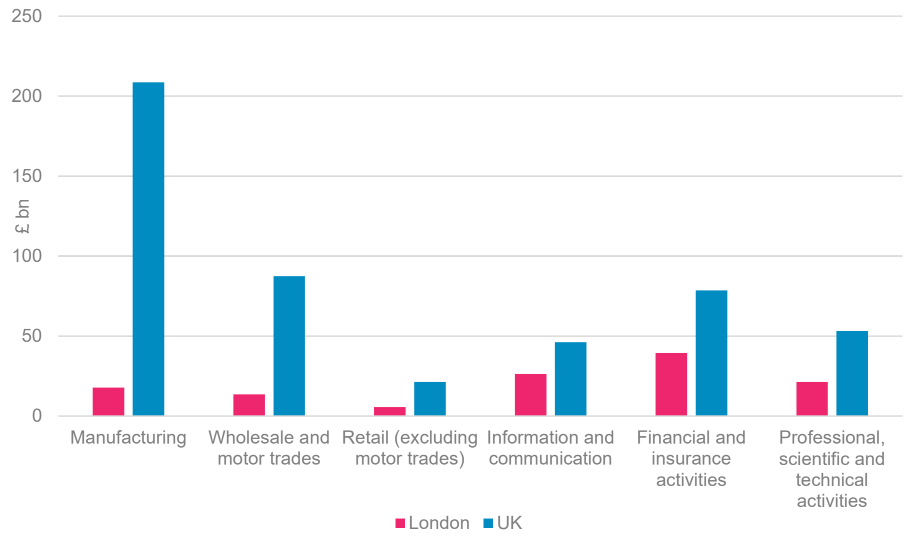


Figure A3: London and UK exports by key sector, £bn 2017

Source: ONS and HMRC, and GLA Economics calculations

Note: Other services is by SIC classification: Public Administration and Defence; Education; Health; Arts, Entertainment and Recreation; and Other services

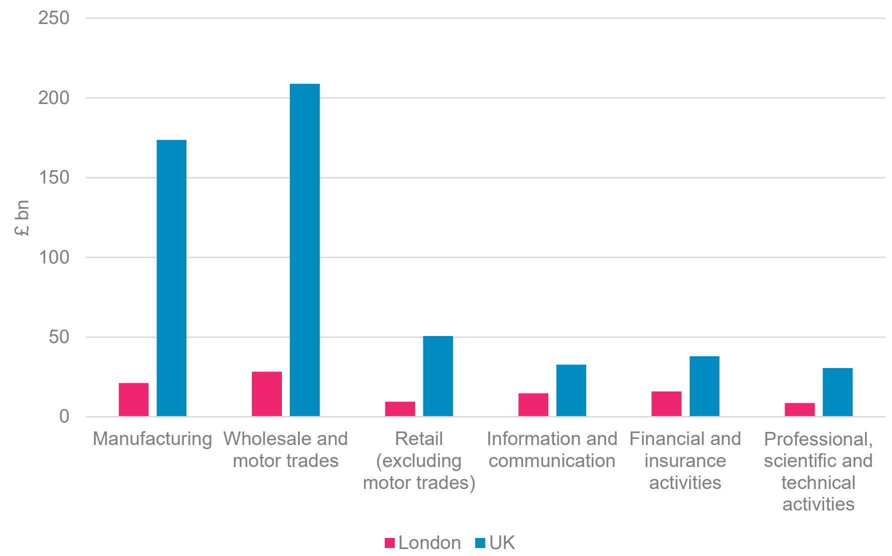


Figure A4: London and UK imports by key sector, £bn 2017

Source: ONS and HMRC, and GLA Economics calculations

Note: Other services is by SIC classification: Public Administration and Defence; Education; Health; Arts, Entertainment and Recreation; and Other services

Previous GLA Economics research[11] has demonstrated that London specialises in export-oriented service sectors. This analysis reveals that imports by these sectors are also a critical part of London's success.

5 Next steps

ONS continues to develop regional trade statistics. GLA Economics will continue to monitor trends and new information on London's trade. Other analysis on London's economy can be found on our publications page.

11 See, for example, The Evidence Base for London's Local Industrial Strategy–Final report | London City Hall

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.

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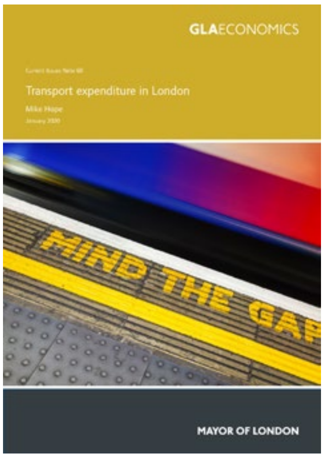
The Evidence Base for London's Local Industrial Strategy - Final report
This is the final report on the evidence base that is informing and supporting the development of London's Local Industrial Strategy, following on from the interim report published in August 2019. It presents clear, robust and comprehensive evidence on London's economy with a view to supporting the overall objective of achieving inclusive growth in London. It reports on London's strengths, key constraints, issues and risks for the five foundations of productivity introduced by the Industrial Strategy White Paper (Business Environment, People, Infrastructure, Ideas and Place), while also highlighting the linkages between the economy of London and the rest of the UK.

Download the full publication.



Transport expenditure in London
This current issues note looks at the case for continuing transport expenditure in London.

London spills over its administrative boundaries, and there are 2 million more people in it every day than its 8.8 million residents. The city relies on public transport, and so public investment – 58% of all journeys on public transport in Britain are at least in part in London. People make far more use of public transport than elsewhere in the country, and increasingly so.

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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.

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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