

## Leeds City Region Economic & Brexit Dashboard – February 2019

Indicator	Latest position	Chart	Trend	Indicator	l atast nosition
Economic		Cnart	rena	Economic	Latest position Manufacturers in Leeds City Region reported a
headlines	Recent concerns about trade tensions have escalated of late. Combined with signs of a cyclical slowdown in some major nations, the global economy has lost some momentum in late 2018 and early 2019. UK GDP growth slowed to 0.2% in Q4 2018, a marked slowdown from growth of 0.6% in Q3. The UK economy as a whole saw output decline	UK GDP growth, 2008-18	3	headlines	<ul> <li>sharp slowdown in domestic and export sales growth at the end of 2018, according to the Chambers of Commerce Quarterly Economic Survey (QES) for Q4 2018. Activity in the service sector was more buoyant.</li> <li>54% of City Region businesses told the QES that they were either confident or very confident that they could withstand potential disruption from a "no deal" scenario, with 16% not very or not at all</li> </ul>
	by 0.4% in the month of December.	$\sum_{k=0}^{\infty} \left( \frac{\partial \beta}{\partial k} \left( \frac{\partial \beta}{\partial k} \right)^{k} \left( \frac{\partial \beta}{\partial k} $			confident.
Business performance & confidence	All sectors of the economy have seen a marked slowdown at the start of 2019 according to Markit's PMI surveys. Activity in the service and construction sectors fell close to the 50 point level, which indicates declining output, in January.	Purchasing Managers Index (PMI) by sector, 2016-19	¢	Business performance & confidence	Profitability expectations declined in both sectors in Q4 with manufacturers seeing a sharper fall in confidence. Rising input prices appear to be a factor, as companies look to build up stock in advance of Brexit.
	Whilst manufacturing was a little more positive, it still experienced a slowdown. Stockpiling at the fastest rate in the survey's 27 year history helped sustain activity, but employment also fell in the sector.	Sources Markit/CIPe PMIs, 2016-19			15,500 new business bank accounts were opened over 2018 as a whole in Leeds City Region, down 5.9% on 2017 and the lowest annual total since data collection began in 2008. The number of new accounts was down 8.4% nationally over the year.
Labour market	The number of people in work in the UK increased by 167,000 in the last three months of 2018 to 32.6 million, according to ONS. The employment rate returned to a joint record high of 75.8%.	UK employment growth 2008-18	Å	Labour market	The number of people in work fell by almost 10,000 (0.7%) over the quarter. Unemployment also fell, down 1,600 (2.5%) to 63,600. The employment rate for Leeds City Region dropped from 73.7% in Q2 to 73.1% in Q3. This
	Unemployment fell by 14,000 to 1.36 million, and the number economically inactive fell by 94,000. The unemployment rate remained steady at 4%.	1000 100			employment rate is similar to Sheffield City Region (73.3%) and Greater Manchester (73%) but below West of England and D2N2 among core city LEPs.
Trade and exports	Following a slowdown in late 2018, retail sales increased by 0.7% in the three months to January, and by 3.5% on the same period a year earlier. Clothing stores enjoyed a strong January, with food stores also seeing growth.	UK retail sales, 2008-19	Å	Trade & exports	The value of goods exported from Yorkshire & Humber was largely unchanged between Q2 2018 and Q3 2018 at £4.55bn. There was a 1.6% drop in EU exports, and a 2.2% increase in trade with other markets.
	The UK's trade deficit widened to £10.4bn in the three months to December, with a £1.8bn increase in imports outpacing £1bn growth in exports.	o - - - - - - - - - - - - -			Total goods exports from the region are 11.8% higher than Q3 2017, compared to 4.3% growth nationally.
Inflation and wages	Inflation fell to 1.8% in January, below the official target of 2% for the first time since January 2017. Falling energy costs were a key factor.	Wage growth and inflation, 2008-19	<del>ر پر</del>	Housing and property	House prices in Yorkshire & Humber increased by 4.2% in the year to December 2018 to an average of £165,100. Prices increased by 2% between November and December. The region's annual growth rate is the same as the East Midlands, and only West Midlands (+5.2%) saw faster growth last year
	Average earnings increased by 3.4% in the three months to December, maintaining recent strong growth. Combined with falling inflation, real pay has increased by 1.2% in the past three months.	CPI inflation —Average regular weekly earnings 			faster growth last year. However, sales volumes were down across all regions in the year to October 2018. There were 10.7% fewer sales in this period in Yorkshire & Humber compared to a 12.3% fall nationally.



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