

# Monthly Economic Brief

June 2021

# **Monthly Economic Brief**

**Office of the Chief Economic Adviser**

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## Overview

Latest data show Scotland's economy has made further progress in its recovery from the pandemic, with the easing of lockdown restrictions over April and May supporting an increase in business and consumer activity and providing further confidence for a stronger economic outlook. However, the slight delay in further loosening of restrictions until July in response to the recent rise in coronavirus cases emphasises the risks from the pandemic and the economic recovery remains fragile.

The easing of restrictions in recent months has seen an improvement in both economic output and labour market conditions as businesses have resumed trading, enabling more staff to return from furlough. This has been most evident in the hospitality and recreation sectors which were most impacted by lockdown restrictions and in which we've recently seen the sharpest pick-up in activity.

In April, Scotland's GDP increased 2%, its third month of growth, and in which the latest increase was particularly driven by consumer facing parts of the services sector as businesses resumed trading from lockdown restrictions. Accompanying this, visits to retail hubs also picked up pace from April as consumers returned to physical stores and it is encouraging to see monthly consumer sentiment nearly back to positive territory. However, visits to retail hubs remain below pre-pandemic levels and higher shares of businesses in the hospitality and recreation sectors continue to report that turnover is lower than normal for the time of year, signalling that pressures on cash flow for many businesses in these sectors remains high, particularly as cost pressures for many firms have been rising.

As businesses have reopened and demand has picked-up, Scotland's labour market has also shown further signs of strengthening activity in recent months as the number of staff on furlough has gradually fallen and there has been a rise in recruitment activity. Latest survey data indicates 8.1% of the workforce were on furlough in the first half of June, down from around 20% in March, with the largest falls in accommodation and food services, arts, entertainment and recreation and wholesale and retail.

Alongside this, recruitment activity has also strengthened in April and May as vacancies for both temporary and permanent staff have risen, while the number of payrolled employees has continued to rise accompanied by a further decrease in the claimant count. Both indicators remain notably weaker than their pre-pandemic levels, however the recent improvements have been encouraging as part of the recovery from recent lockdown restrictions and with an eye to the scheduled end of the furlough scheme in September.

The challenges resulting from the pandemic and the pace of recovery continue to vary across sectors. In April, Scotland's GDP had partly recovered to 3.7% below its pre-pandemic level; its highest level of output since the start of the pandemic. Consumer facing parts of the service sector continue to remain furthest below their pre-pandemic levels, reflecting the impact of restrictions, however output from other parts of the service sector (public and private), alongside the manufacturing and construction sectors, has recovered above pre-pandemic levels, as businesses have been less directly impacted or have been able to adapt to restrictions.

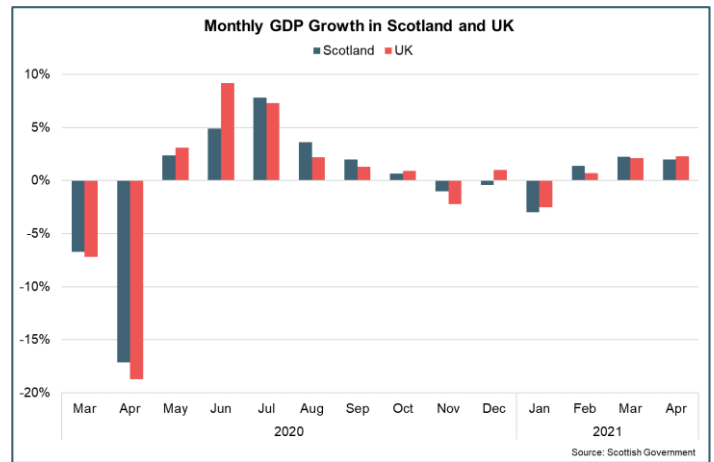
Overall, the latest economic outlook is one of improved optimism for this year, with the prospect of a more rapid recovery back to pre-pandemic levels of output than had previously been projected. This reflects the recent strong outturn data, as well as the planned further easing of restrictions and the ongoing delivery of the vaccination programme.

# Output<sup>1</sup>

Scotland's GDP grew 2.0% in April, though remains 3.7% below pre-pandemic levels.

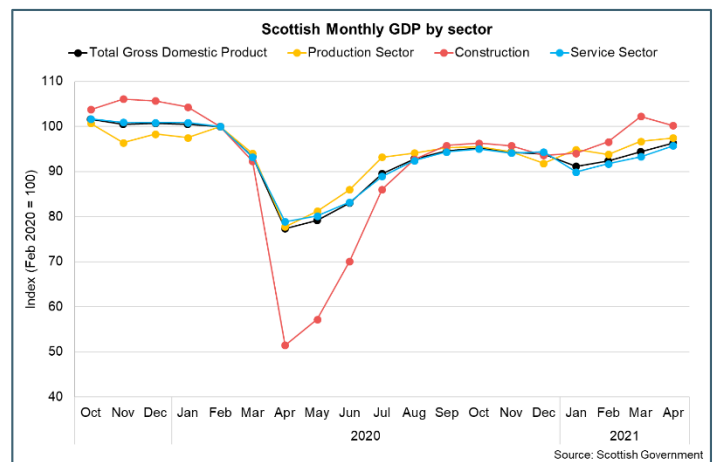
- Scotland's GDP grew 2.0% in April (UK: 2.3%), its third consecutive month of growth following the period of falling output between November and January as Covid restrictions tightened.

- Growth in April was driven by the services (2.6%) and production (0.8%) sectors offsetting a fall in construction output (-2.0%), which fell back following strong growth in March.



- Growth in consumer facing parts of the services sector were boosted by the phased easing of restrictions on consumer and business activity in April. For example, accommodation and food services output grew 61% over the month while non-food retail grew 10.7%. There was also further contribution to growth from education due to all secondary pupils returning to in-school learning, following the phased return of primary pupils in February and March.

- Production sector growth was driven by the manufacturing sector (3.8%) with growth strengthening across food and drink (4.5%) and chemicals and refined petroleum products (4.0%). This offset falls across the other production components: mining and quarrying (-2.6%), electricity and gas supply (-5.8%) (due to maintenance at nuclear power stations) and water supply and waste management (-4.3%).

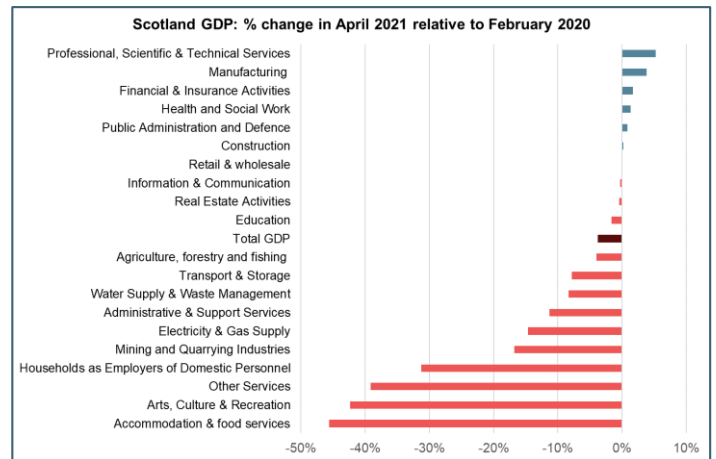


- The 3-months of growth between February and April mean that Scotland's GDP has recovered the recent fall in output over November to January and has restarted its recovery back to its pre-pandemic level in February 2020 (having initially fallen to 22.7% below in April 2020). In April 2021, Scotland's GDP was 3.7% below its pre-pandemic level, its highest level during the pandemic, and in line with the recovery in UK GDP as a whole.

<sup>1</sup> <https://www.gov.scot/collections/economy-statistics/>

- However there remain significant differences across sectors in the pace of recovery which largely continues to reflect the different levels of restrictions that have been in place over the past 15 months, and the extent to which this has, and continues to, influence demand and trading capacity within sectors.

- Parts of the services sector (both private and public) are currently operating above their pre-pandemic levels of output. Output from professional, scientific & technical services (+5.3%) and financial and insurance activities (+1.7%) has recovered relatively quickly from initial falls in output at the start of the pandemic as levels of demand resumed and businesses were able to adapt (e.g. working from home). Manufacturing output has also recovered (+3.8%) having fallen 22.9% initially between February and April 2020.



- Consumer facing parts of the services sector however have been more directly impacted by restrictions on activity over the course of the year and despite the easing of some restrictions in April, remain furthest below their pre-pandemic levels. For example, accommodation and food services output is at its highest level since July 2020, however remains 45.7% below, while arts, culture and recreation output is at its highest level since June 2020, however remains 42.4% below its pre-pandemic level.
- The overall pattern of Scottish GDP in 2021 continues to be broadly in line with the UK as a whole, as it was in 2020, with differences between months largely reflecting sector differences and the stringency and timing of restrictions.

## Business Activity

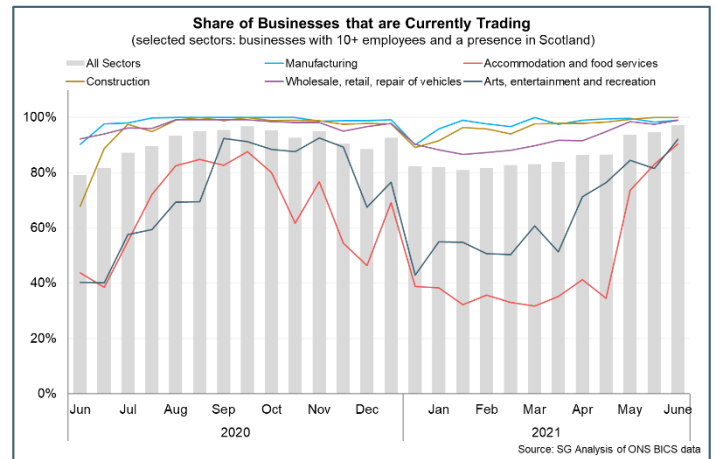
Business activity has strengthened as lockdown restrictions have eased in April/May.

### Proportion of business trading<sup>2</sup>

- The easing of restrictions over April and May has seen a strong increase in the share of businesses trading, driven by those in consumer facing services sectors (hospitality, entertainment, non-essential retail) which had closed during lockdown.

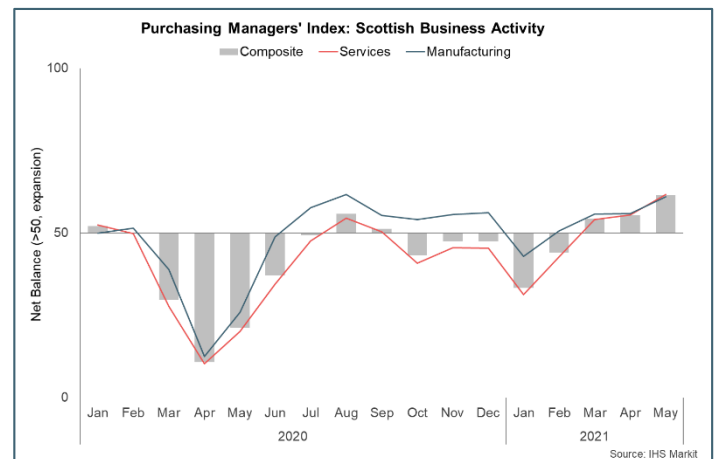
<sup>2</sup> BICS weighted Scotland estimates: data to wave 32. [https://www.gov.scot/collections/business-and-innovation-statistics/#businessimpactofcoronavirus\(covid-19\)survey\(bics\)](https://www.gov.scot/collections/business-and-innovation-statistics/#businessimpactofcoronavirus(covid-19)survey(bics))

- In the first half of June, 97% of businesses were trading, having gradually risen from the recent low point of 82% during lockdown in January, and is back around the same level as in September 2020.
- The largest increases since April have been in the accommodation and food services sector in which 90% of business are trading (up from 35% at the start of April) and in the arts, culture and recreation sector (92%, up from 51% at the start of April).
- The proportion of business trading in wholesale, retail and repair of vehicles has also increased, and as a sector has largely reopened (99%, up from 92% at the start of April). Non-consumer facing services sectors (e.g. information and communication) and manufacturing and construction have been less impacted with over 98% of business trading over this period, reflecting the ability to continue operations through home working and/or adapting operations to the restrictions in place.



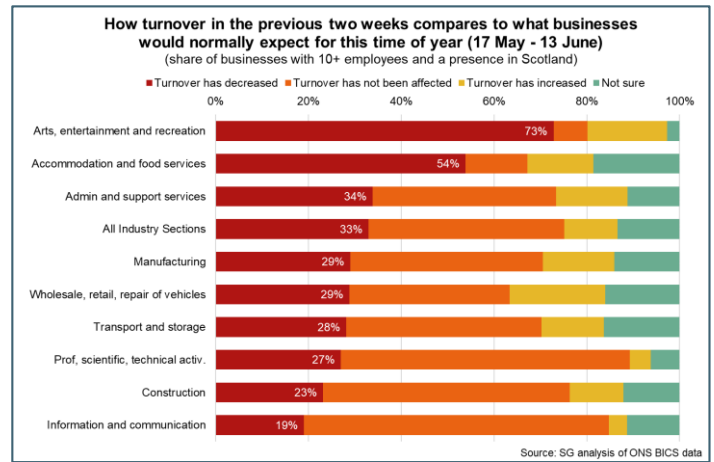
## Business output

- The increase in businesses trading as restrictions have eased is reflected in the Purchasing Managers Index (PMI)<sup>3</sup> business survey which reported a further increase in business activity in May, with strengthening growth reported across the services and manufacturing sectors.
- The rise in activity was underpinned by a strong pick-up in new business/orders across both the manufacturing and services sectors, with the former continuing to show slightly stronger demand at this stage of the recovery.
- While growth in activity and demand is strengthening, the capacity at which business are operating and turnover generated compared to what would be normally expected, continue to differ across sectors.



<sup>3</sup> IHS Markit, RBS Purchasing Managers Index, June 2021. [5e16f4a9cbbe4e088935ec338830ee60 \(markiteconomics.com\)](https://www.markiteconomics.com)

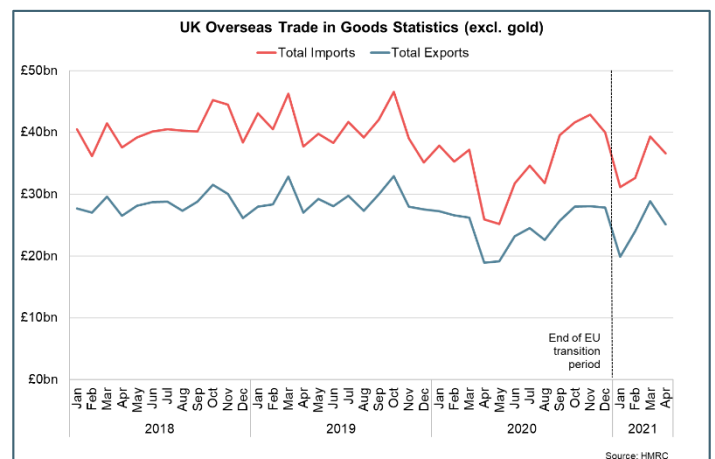
- At the start of June, 33% of businesses reported having lower turnover than normal for the time of year, while 42% reported that turnover was not affected and 12% reported that it had increased.<sup>4</sup> The arts, entertainment and recreation services sector has the highest proportion of firms (73%) reporting that business turnover is lower followed by the accommodation and food sector (54%).



- However, there are indications that conditions have gradually improved since March. The proportion of business overall reporting lower turnover has fallen from around 45% to 33%, while the proportion reporting a rise in turnover has increased from around 6% to 12%.
- Furthermore, looking to the year ahead, the PMI business survey for May showed that business optimism continued to strengthen across the services and manufacturing sectors, with easing of Covid restrictions over the coming months expected to support further strengthening in business activity.

## Trade

- Alongside a strengthening domestic environment, the international context has also strengthened in recent months supporting more stability in international trade. However, Scotland's goods exports fell 21.3% in 2020 and while there has been some recovery in UK international trade since January, latest data indicate that trade remains below pre-pandemic levels and supply chain challenges remain elevated.
- In April, UK overseas goods exports fell 13% over the month while imports fell 7%.<sup>5</sup> Looking at the first four months of 2021 as a whole, UK goods exports were down 12% and imports down 10% compared to the same period of 2018 (the most stable recent period when trade was not impacted by the pandemic and the end of the EU transition

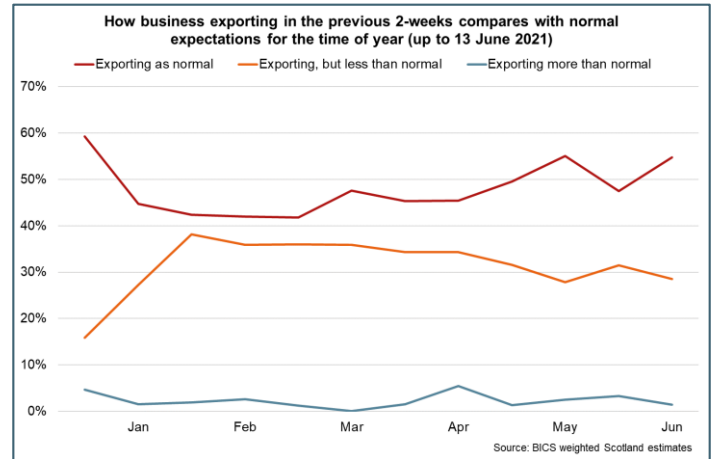


<sup>4</sup> BICS weighted Scotland estimates: data to wave 32. [https://www.gov.scot/collections/business-and-innovation-statistics/#businessimpactofcoronavirus\(covid-19\)survey\(bics\)](https://www.gov.scot/collections/business-and-innovation-statistics/#businessimpactofcoronavirus(covid-19)survey(bics))

<sup>5</sup> [UK overseas trade in goods statistics: April 2021 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/statistics/uk-overseas-trade-in-goods-statistics)

period). Over this period, exports to the EU have declined 19% and exports to non-EU countries by 4%.

- Key exporting sectors for Scotland followed this pattern. Relative to March, monthly exports of Scotch Whisky were down 9% in April (the first four months of 2021 were 4% down on the same period in 2018), while exports of fish fell 8% in April (the first four months of 2021 were 72% down on same period in 2018).
- More recent business survey data for Scotland indicates that in the first half of June, 55% of businesses were exporting as normal (up from 42% at the start of February) while 29% were exporting less than normal for the time of year (down from 38% at the start of February) indicating some stabilisation over the period.<sup>6</sup>
- However, the flash UK PMI business survey for June signalled that export new orders remained soft, relative to total new orders growth, while ongoing pressure in global supply chains was evident with a further deterioration in the suppliers' delivery time index to its lowest level since April 2020.<sup>7</sup>

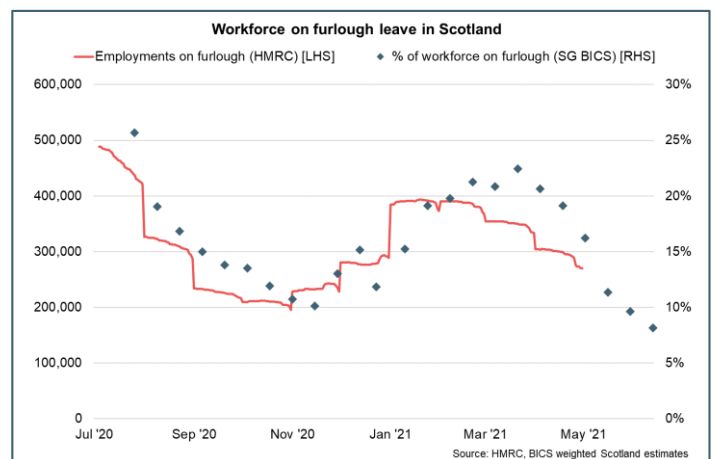


## Labour Market

There are signs of improved recruitment activity as lockdown restrictions start to ease.

### Coronavirus Jobs Retention Scheme (CJRS)<sup>8</sup>

- The CJRS has been supporting the retention of jobs and incomes since March 2020 and is currently set to remain in place until the end of September 2021.
- The number of jobs supported by the furlough scheme rose to 393,100 in January during the recent lockdown, though has gradually fallen as restrictions have eased and businesses have resumed trading and started to increase capacity.



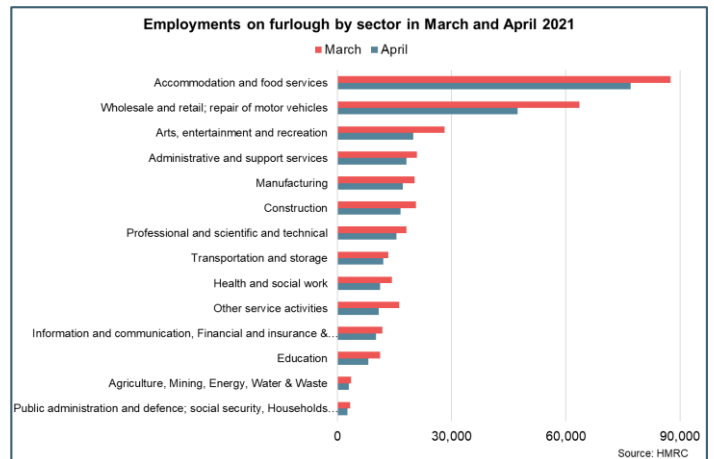
<sup>6</sup> BICS weighted Scotland estimates: data to wave 32. [https://www.gov.scot/collections/business-and-innovation-statistics/#businessimpactofcoronavirus\(covid-19\)survey\(bics\)](https://www.gov.scot/collections/business-and-innovation-statistics/#businessimpactofcoronavirus(covid-19)survey(bics))

<sup>7</sup> IHS Markit / CIPS Flash UK Composite PMI: [d108a5cb9b0e4c03a0a94c108a743862 \(markiteconomics.com\)](https://www.markiteconomics.com/d108a5cb9b0e4c03a0a94c108a743862)

<sup>8</sup> [Coronavirus Job Retention Scheme statistics: 3 June 2021 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/statistics/coronavirus-job-retention-scheme-statistics)

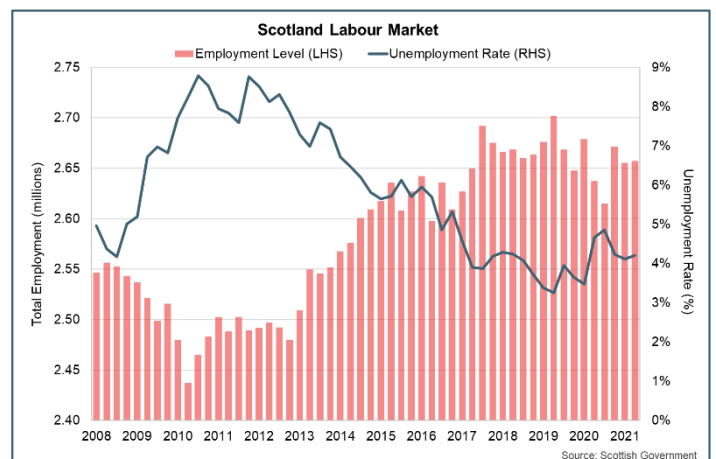


- At the end of April, 269,800 employments (11%) in Scotland were furloughed, down 98,600 (27%) since the end of February. This remains higher than the low of 195,200 (8%) furloughed jobs at the end of October 2020, however more recent business survey data indicates that the proportion of staff on furlough continued to fall into the first half of June.<sup>9</sup>
- The accommodation and food services sector (77,000) and the wholesale and retail sector (47,300) continue to have the highest number of employments on furlough, followed by the arts, entertainment and recreation sector (19,900) at the end of April. However, they have also had the largest falls over the month as restrictions on the consumer facing services sector have eased (down 10,490, 16,300, and 8,270 respectively).



### Official labour market statistics

- The latest labour market statistics for February – April 2021 show Scotland's employment rate was 74.2% (up 0.3 percentage points over the year),<sup>10</sup> the unemployment rate was 4.2% (down 0.5 percentage points of the year) and the inactivity rate was 22.6% (up 0.1 percentage points over the year).
- The headline labour market indicators continue to compare well against historical trends, however only show a partial picture of the labour market as people on furlough are considered employed. Wider labour market indicators provide further insight into the challenges that have emerged in the labour market during the pandemic, however there are signs of improvement in recent months.



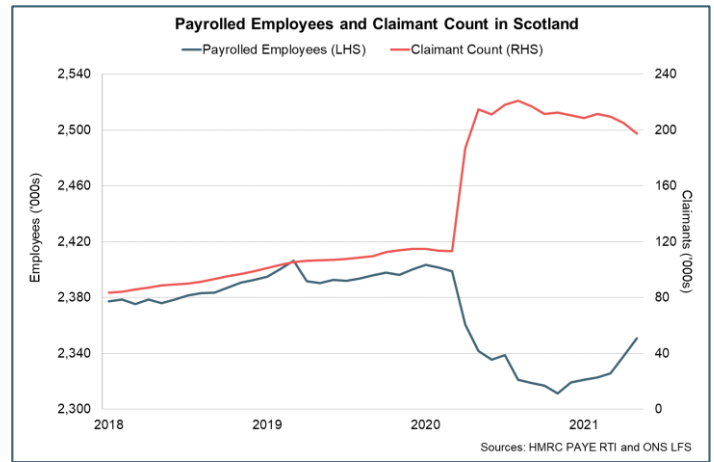
### PAYE payrolled employment and Claimant Count

- The more timely Pay As You Earn (PAYE) Real Time Information data show that the number of payrolled employees in Scotland (2.35 million) increased by 13,041 (0.6%) over the month and has increased by 39,522 (1.7%) from its recent low in November.

<sup>9</sup> BICS weighted Scotland estimates: data to wave 32. [https://www.gov.scot/collections/business-and-innovation-statistics/#businessimpactofcoronavirus\(covid-19\)survey\(bics\)](https://www.gov.scot/collections/business-and-innovation-statistics/#businessimpactofcoronavirus(covid-19)survey(bics))

<sup>10</sup> <https://www.gov.scot/collections/labour-market-statistics/>

- Despite recent progress, the number of payrolled employees in Scotland remains 50,350 (2.1%) lower (UK: -1.9%) than its pre-pandemic level in February 2020.<sup>11</sup>

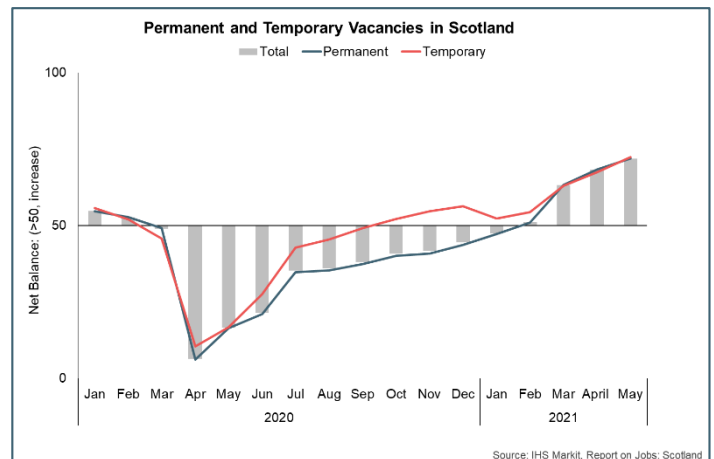


- Similarly, Scotland's Claimant Count (the number of claimants of Job Seekers Allowance and claimants of Universal Credit claiming principally for the reason of being unemployed) fell 3.7% in May to 197,500; a claimant count rate of 6.2%. This continues its recent downward trend, having fallen 11% from its peak in August 2020. However, the claimant count remains 83,800 (74%) higher than its pre-pandemic level in February 2020, signalling (alongside the payroll data) that the number of people that are unemployed or employed with low income and/or low hours has increased significantly during the pandemic.<sup>12</sup>

### Demand for staff

- Business survey data has also reported an increase in demand for staff and recruitment activity in recent months as restrictions have eased and firms have prepared to resume further trading activity.

- In May, demand for both temporary and permanent staff in Scotland continued to strengthen and was broad based across sectors.<sup>13</sup>
- This corresponds with UK vacancy data for March to May 2021 which showed UK job vacancies grow 24% over the quarter and recover to 27,000 (-3.4%) below their pre-pandemic level in Q1 2020.



- At a sector level, growth in vacancies over the quarter was broad based, but notably sharper in accommodation and food services (up 260%) as firms in the sector sought to recruit staff as restrictions eased. The ONS reported that there was some evidence to suggest that vacancies

<sup>11</sup> [Earnings and employment from Pay As You Earn Real Time Information, UK - Office for National Statistics \(ons.gov.uk\)](https://ons.gov.uk)

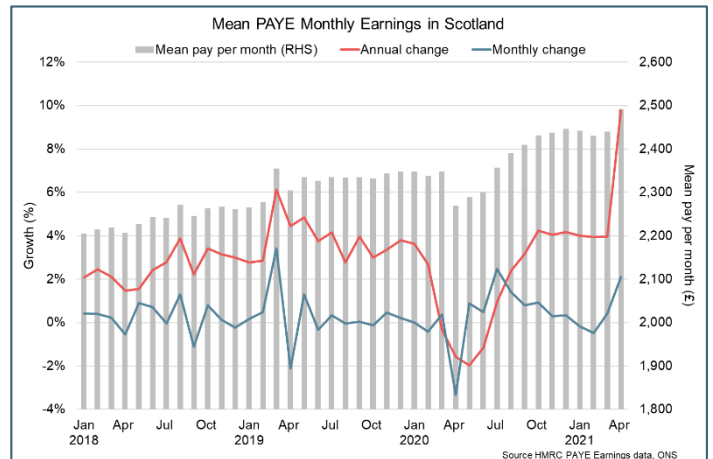
<sup>12</sup> <https://www.gov.scot/collections/labour-market-statistics/>

<sup>13</sup> IHS Markit: RBS Report on Jobs: [17902e013db242f385f189d83c9f58cb \(markiteconomics.com\)](https://www.markiteconomics.com)

in the sector had been created by workers not returning to their previous jobs as the sector reopened.<sup>14</sup>

## Earnings

- Mean PAYE monthly pay fell sharply at the start of the pandemic, however strengthened over the course of 2020 and rebounded back above its pre-pandemic level in July. Relatively robust growth over this period in part reflects lower inflows of employees over this period (at a UK level mean pay tends to be around 40% lower than for those continuously employed).<sup>15</sup>
- Following a slight fall at the start of 2021, latest data for April suggests pay growth in Scotland has returned to positive, growing 0.4% and 2.1% over March and April to £2,264. On an annual basis earnings growth strengthened to 9.8%, however that in part reflects the sharp fall in mean earnings at the start of the pandemic.
- More broadly, while mean earnings have rebounded, the picture is complex and caution needs to be used in interpreting the figures, particularly in light of the fall in the number of payrolled employees. There are compositional effects (e.g. by sector and across income levels) underlying the data which suggest that not all parts of the labour market have experienced the same rebound as the mean rate implies.

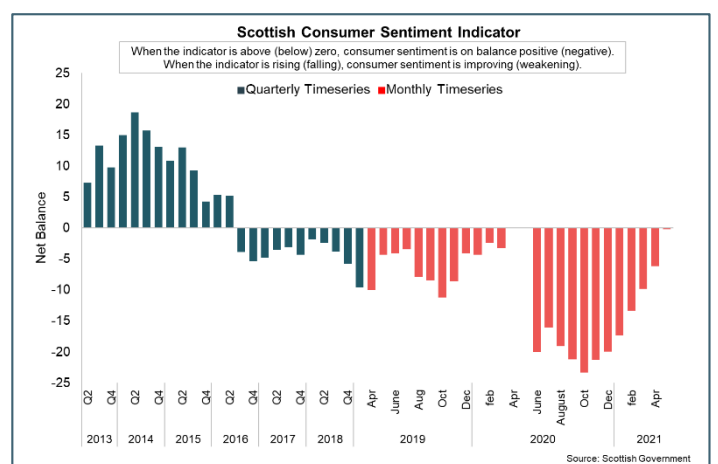


## Consumption

Consumer sentiment and activity has strengthened as restrictions have eased.

### Consumer sentiment

- Consumer sentiment in Scotland has continued to strengthen since the start of the year with the Scottish Consumer Sentiment Indicator rising to -0.2 in May.
- On balance, consumer sentiment remained negative, however rose above its pre-pandemic level reflecting that consumer sentiment regarding current circumstances



<sup>14</sup> [Vacancies and jobs in the UK - Office for National Statistics \(ons.gov.uk\)](https://ons.gov.uk)

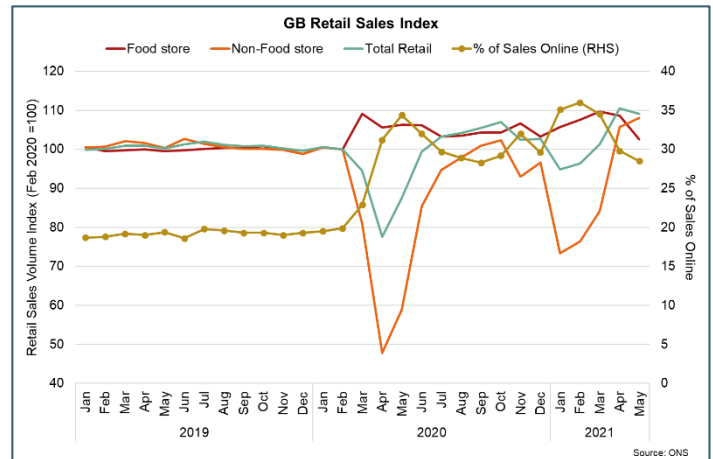
<sup>15</sup> [Earnings and employment from Pay As You Earn Real Time Information, UK - Office for National Statistics \(ons.gov.uk\)](https://ons.gov.uk)

has improved while consumers remain positive for an improvement in the outlook for the coming year.<sup>16</sup>

- Sentiment indicators have been highly sensitive to rapidly moving developments on the pandemic over the past year and will be a key factor influencing the pace at which consumption recovers as restrictions are lifted.

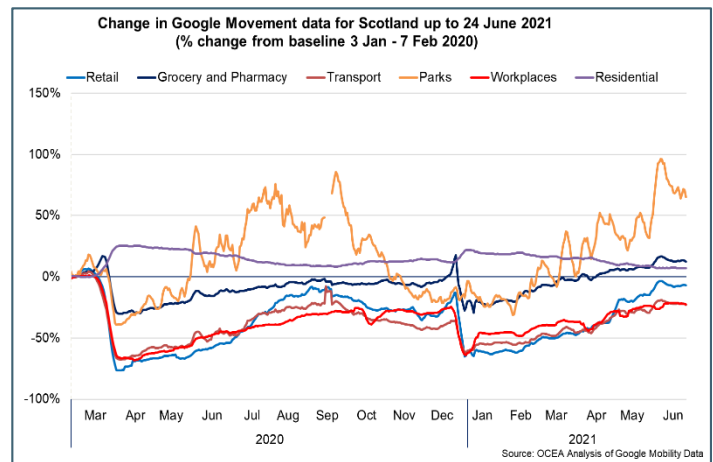
### Retail sales and visits to retail hubs

- GB retail sales volumes have strengthened since the start of the year and have risen above pre-pandemic levels as retail restrictions have eased.<sup>17</sup>
- Retail sales volumes fell 1.4% in May, having risen sharply by 9.1% in April as restrictions eased, and are 9.1% above the level of sales in February 2020.



- Food sales fell 5.7% over the month, potentially reflecting some shift to consumption in hospitality venues as restrictions eased, while non-food stores saw a 2.3% growth in sales volumes over the month with the volume of sales 8% higher than they were in February 2020.

- In May, the proportion of retail sales conducted online remained notably higher than prior to the pandemic at 28.5%, compared to 20% in February 2020. The share of sales online fell slightly in May (down from 29.8% in April) with some evidence of consumers returning to physical stores as restrictions eased. Google mobility data for Scotland show visits to retail have strengthened at a more rapid pace since April as restrictions have eased and in June were back to 7% below pre-pandemic levels having been over 60% below at the start of the year.



### Household Savings and Consumer Credit

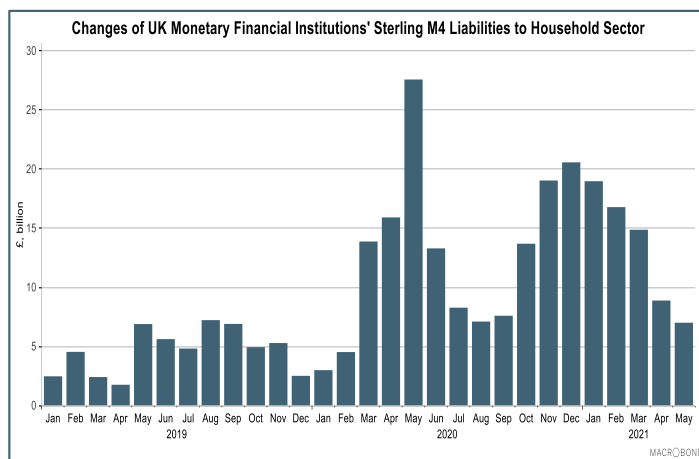
- At an aggregate level, household savings have increased significantly during the pandemic and consumers have made significant net-repayments on consumer credit, as restrictions have

<sup>16</sup> [https://www.gov.scot/collections/economy-statistics/#scottishconsumersentimentindicator\(scsi\)](https://www.gov.scot/collections/economy-statistics/#scottishconsumersentimentindicator(scsi)) Due to the coronavirus pandemic, data was not collected in the last two weeks of March 2020 and in April and May 2020.

<sup>17</sup> [Retail sales, Great Britain - Office for National Statistics \(ons.gov.uk\)](https://www.ons.gov.uk/retail-sales-great-britain)

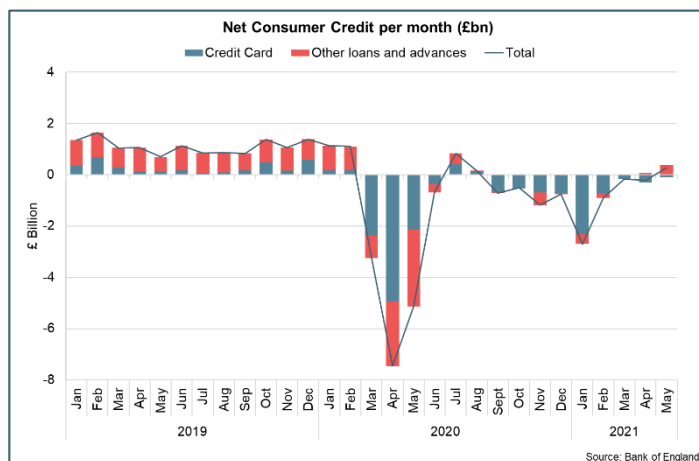
caused expenditure to fall while support schemes have helped protect household incomes. This has not been the case across the whole economy, with lower income households facing more significant financial challenges. Furthermore, latest data show the pace of savings and net-repayments has slowed in recent months as restrictions start to ease.

- At an aggregate level, net flows from households into deposit-like accounts was £7 billion in May. This is the lowest value since September 2020 and continues the downward trend since January, however it remains notably higher than the monthly average of £4.7 billion in the year to February 2020.<sup>18</sup>



- Consumers have also made significant net-repayments of credit since the start of the pandemic. The pace of repayment has slowed since February and latest data for May showed consumers borrowed more during the month than they paid off for the first time since August 2020.

- The £0.3 billion increase in net borrowing was modest overall and driven by an increase in 'other loans and advances' such as car dealership finance and personal loans which was partially offset by a further net repayment on credit card lending.



- Overall, the extent to which households subsequently spend accumulated savings and increase borrowing as restrictions ease remains uncertain. As the outlook improves, latest survey data show an increasing share of people planning to spend a proportion of their additional savings.<sup>19</sup>

## Interest rate and inflation

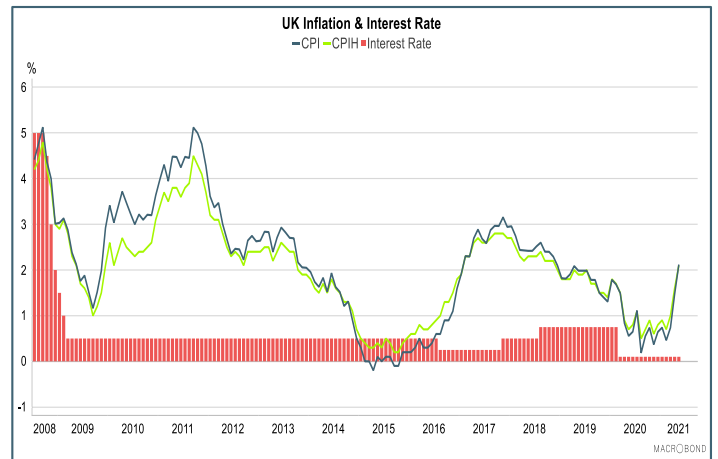
- The inflation rate has risen sharply in recent months, both in the UK and internationally. The UK Consumer Prices Index (CPI) increased by 2.1% in the 12 months to May, up from 1.5% to April, its highest rate since July 2019.<sup>20</sup>

<sup>18</sup> [Money and Credit - May 2021 | Bank of England](#)

<sup>19</sup> [How have households spending expectations changed since last year | Bank of England](#)

<sup>20</sup> [Consumer price inflation, UK - Office for National Statistics](#)

- The increase in May was driven mainly by transport (motor fuels), clothing and footwear, and recreation and culture goods (e.g. games, toys, hobbies), while there was a smaller upward contribution from restaurants and hotels (meals and sales of alcohol) as restrictions eased. There are some base effects that are continuing to play out in the inflation rate with comparisons to the early stages of the pandemic when lockdown lead to a sharp fall in demand.
- The CPI rate is currently marginally above the Bank of England's 2% inflation target for the first time since July 2019. At their June meeting, the Monetary Policy Committee (MPC) made no change to monetary policy, maintaining the Bank Rate at 0.1% and the current programme of Quantitative Easing.<sup>21</sup>
- The MPC expect the inflation rate to temporarily rise above 3% in 2021 before easing back towards the 2% target. This in part reflects the fading out of previous energy price falls while more recent rises in energy prices feed through. On the supply side, business surveys continue to signal increasing input cost pressures (e.g. raw materials) which are expected to pass through to consumers as restrictions ease and demand strengthens.



## GDP growth outlook

Optimism for the economic outlook continues to improve.

- At a global level, world GDP is estimated to have fallen around 3.5% in 2020 and on aggregate has returned to pre-pandemic activity levels with the OECD forecasting growth of 5.8% in 2021 and 4.4% in 2022.<sup>22</sup> However the OECD set out that the global economy will remain below pre-pandemic expectations at the end of 2022, and alongside the latest IMF forecasts, highlight that the strength and pace of recovery is expected to vary significantly across countries.<sup>23</sup>
- At a UK level, in May, the Bank of England<sup>24</sup> forecast UK GDP to grow 7.25% in 2021, returning to pre-pandemic levels in Q4 2021, while unemployment is expected to peak at 5.5% and inflation to rise temporarily above its 2% target. At the MPC meeting in June, global and domestic activity had been stronger than initially expected, with the Bank revising up their near term expectation of GDP growth in Q2 2021 to 5.5% while inflation is expected to rise temporarily above 3% during the year.

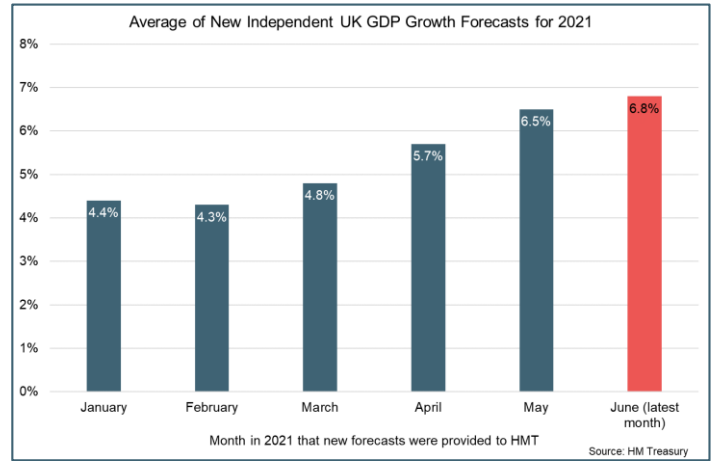
<sup>21</sup> [Bank Rate maintained at 0.1% - June 2021 | Bank of England](https://www.bankofengland.co.uk/monetary-policy-report/2021/june-2021)

<sup>22</sup> [OECD Economic Outlook](https://www.oecd.org/economic-outlook/)

<sup>23</sup> <https://www.imf.org/en/Publications/WEO/Issues/2021/03/23/world-economic-outlook-april-2021>

<sup>24</sup> <https://www.bankofengland.co.uk/monetary-policy-report/2021/may-2021>

- The latest average of new independent UK forecasts<sup>25</sup> published by HM Treasury in June reports that UK GDP is expected to grow 6.8% in 2021. Reflecting the general improvement in optimism for the outlook, the average new forecast for 2021 has risen each month since February and is up 0.3 percentage points from the average new forecast in May.



- In January, the Scottish Fiscal Commission<sup>26</sup> forecast Scotland's GDP to fall 5% over the first quarter of 2021 during lockdown and to grow 1.8% over 2021 before returning to pre-pandemic levels at the start of 2024. As in the UK as a whole, the latest outturn data for Q1 2021 show that economic output fell by less than many independent and official forecasts had expected in the first quarter, with Scotland's GDP falling by 2.1%. The Commission will publish their next set of forecasts on 26<sup>th</sup> August.
- Reflecting the stronger outturn data, the Fraser of Allander Institute revised up their GDP forecast for 2021 to 5.9% (up from 3.6% in March) and moderated their 2022 forecast to 3.5% (down from 5.6% in March). Overall, GDP is forecast to return to pre-pandemic levels by July 2022, a quarter earlier than had previously been forecast.<sup>27</sup>

<sup>25</sup> [Forecasts for the UK economy: June 2021 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/forecasts-for-the-uk-economy-june-2021)

<sup>26</sup> <https://www.fiscalcommission.scot/forecast/scotlands-economic-and-fiscal-forecasts-january-2021/>

<sup>27</sup> [FAI Economic Commentary, 2021 Q2 | FAI \(fraserofallander.org\)](https://www.fraserofallander.org/2021/07/2021-q2-economic-commentary/)



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