



An Experimental Statistics Publication for Scotland

ECONOMY AND LABOUR MARKET

GDP Monthly Estimate, Scotland

July 2022

28 September 2022

Gross Domestic Product (GDP) statistics measure the output of the economy in Scotland. These monthly estimates are designated as experimental official statistics, meaning they are still in development but have been released to enable their use at an early stage.

All results are seasonally adjusted and presented in real terms (adjusted to remove inflation), and relate to Scotland's onshore economy (which does not include offshore oil and gas extraction).

Main Findings

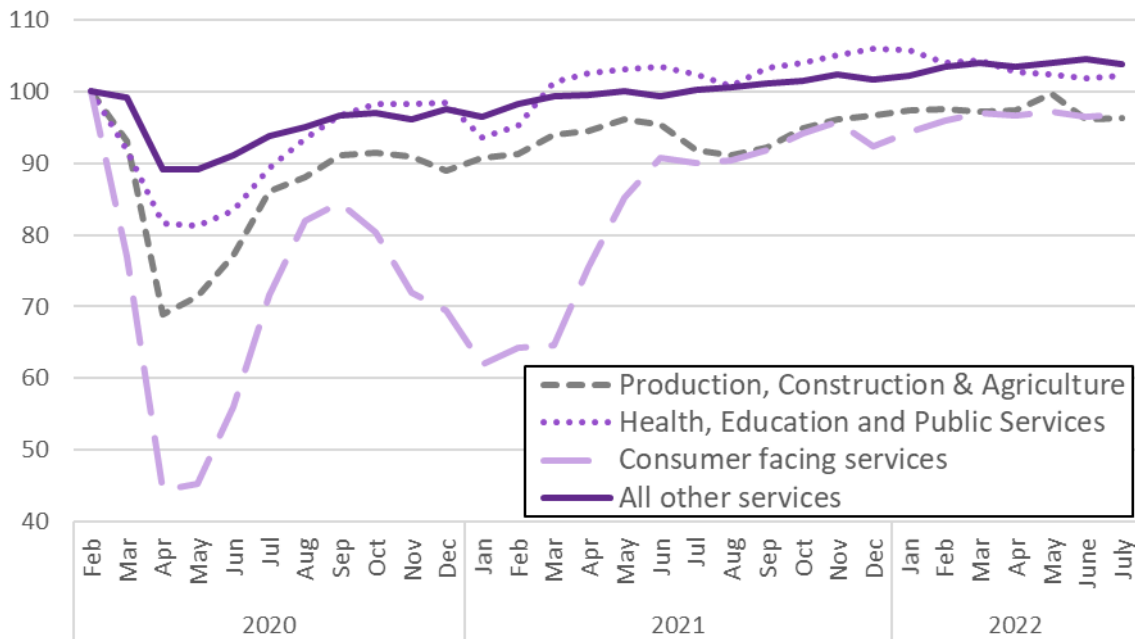
- Scotland's onshore GDP is estimated to have fallen by 0.2% in July, after falling by 0.8% in June, and is now 0.1% above the pre-pandemic level in February 2020.
- Output in the services sector, which accounts for around three quarters of the economy, is estimated to have fallen by 0.3% in July. At the broad level, output in consumer facing services grew by 0.3%, while health, education and public services output grew by 0.2%, and output in all other services fell by 0.8%.
- Overall output in production, construction and agriculture grew by 0.1% compared to the previous month.
- In the three months to July, GDP is estimated to have fallen by 0.2% compared to the previous three month period. This is a slight slowdown in growth after output remained flat (0.0% growth) in 2022 Quarter 2 (April to June). Further information on quarterly GDP can be found in the [Quarterly First Estimate for 2022 Quarter 2](#).



Industry Results

Monthly GDP by broad industry groups, February 2020 to July 2022

Chained volume measure, Feb 2020 =100



Total output in the services sector, which accounts for around three quarters of the economy, is estimated to have fallen by 0.3% in July.

Within services, at the broad level, output in consumer facing services grew by 0.3%.

Output in health, education and public services grew by 0.2% in July, after falling in each month in quarter 2, mostly due to further reductions in NHS test and trace and vaccination activities.

Output across all other services fell by 0.8% in total, with decreases led by a 3.7% fall in professional, scientific and technical services output.

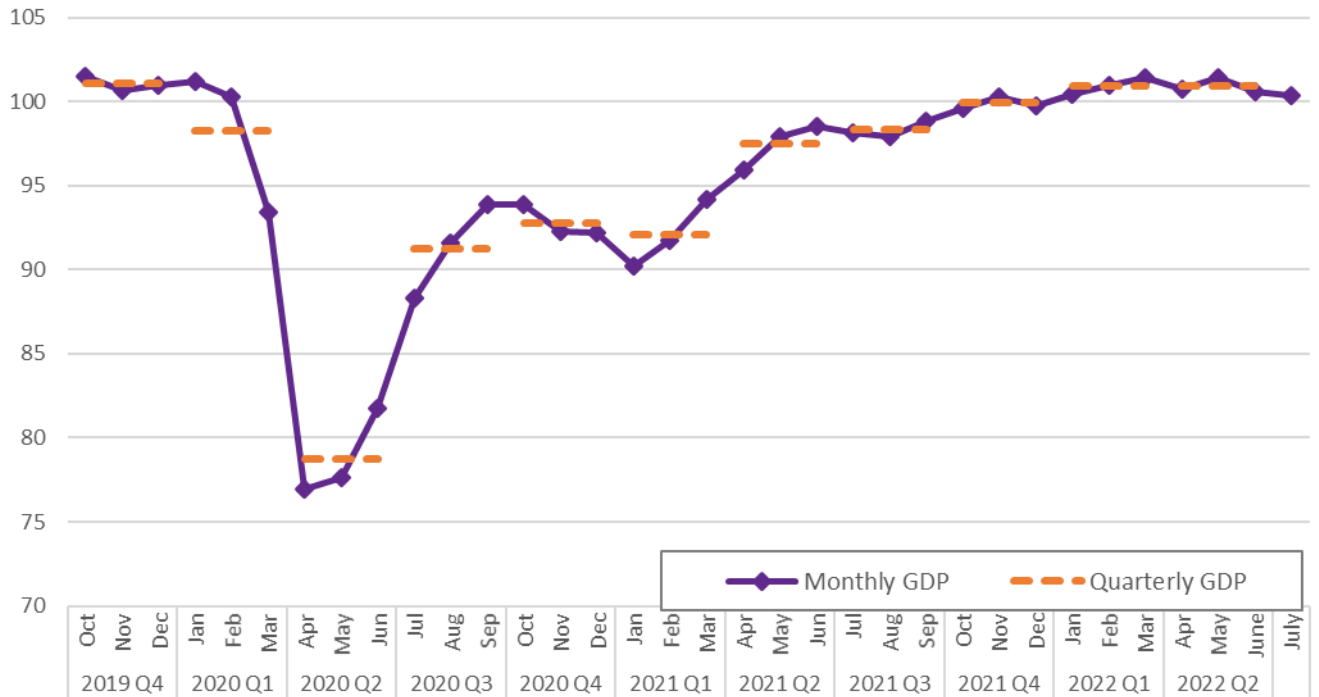
Overall output in production, construction and agriculture grew by 0.1% compared to the previous month. This includes growth of 2.5% in the water and waste management industry, rebounding after a sharp fall in June of 2.1%.

Within production, manufacturing output grew by 1.8% in July, with increased levels of output in three of the five subsectors. Manufacturing continues to be quite volatile from month to month, with output remaining below the level seen in 2019.

Construction output is estimated to have fallen by 0.8% in July, after falling by 1.3% in June.

Quarterly and monthly results

Monthly and quarterly GDP, January 2021 to July 2022
Chained volume measure, Feb 2020 =100



Notes: (1) Users are advised to be mindful that the axis on this chart does not start at zero.

Scotland’s onshore GDP is estimated to have fallen by 0.2% in July, after falling by 0.8% in June, and growing by 0.7% in May. GDP is now 0.1% above the pre-pandemic level in February 2020.

The Office for National Statistics noted some common themes reported by businesses in survey responses for the UK July Monthly GDP statistics, although they note that it is difficult to quantify these effects. The Met Office reported that mean temperatures across the UK in July were the joint-fifth warmest since 1884, with 40 degrees Celsius being exceeded for the first time in the UK (although the mean temperature in Scotland was lower). The heat seems to have had an effect on the UK economy, with the weather being reported as a reason for increased turnover in ice cream manufacturing, amusement parks, golf clubs, maintenance and repair of vehicles, boat hire, marquee hire, lidos and outdoor pools, wholesale of water coolers, wholesale of fruit and the provision of courier services, where increased deliveries of summer clothing and fans were reported.

UK-wide respondents also reported staff shortages as being an issue. Hotels and hospitality services were particularly badly affected, but comments were also received from manufacturers of health and beauty products, sheet metal fabricators, haulage companies, solicitors, and cleaning companies.

For the three months to July, GDP is estimated to have fallen by 0.2% compared to the previous three month period. This is a slight slowdown in growth after output remaining flat (0.0% growth) between 2022 Quarter 1 and 2022 Quarter 2.

Monthly GDP is much more volatile than quarterly GDP, particularly in recent months. The chart above shows that monthly GDP has seen quite large rises and falls since the start of 2022.

Revisions

Estimates in this release remain consistent with the GDP Quarterly First Estimate for 2022 Quarter 2 published on 31 August, and there are no revisions to quarterly growth rates (3 month on 3 month growth at March, June, September, December) relative to the June GDP release. The monthly path within each quarter is open for revision throughout time, but results are constrained to the previous estimates at the quarterly level.

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Experimental statistics are a subset of newly developed or innovative official statistics undergoing evaluation. They are published to involve users and stakeholders in the assessment of their suitability and quality at an early stage. The Office for Statistics Regulation publishes guidance on experimental statistics [here](#).

The Scottish Government is developing these estimates on an ongoing basis, and is grateful to the ONS, BEIS, and other departments and businesses which have assisted in the identification or delivery of earlier data sources which enable the timely production of monthly GDP. We welcome any feedback on the development of these statistics, using the contact details below.

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