

Statistical bulletin

Index of Production, UK: June 2021

Movements in the volume of production for the UK production industries: manufacturing, mining and quarrying, energy supply, and water and waste management. Figures are seasonally adjusted.



Release date: 12 August 2021

Next release: 10 September 2021

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1. Main points

- Monthly production fell by 0.7% between May 2021 and June 2021 meaning output was 3.2% below its February 2020 level, the last month of "normal" trading conditions prior to the coronavirus (COVID-19) pandemic.
- The fall in production was led by decreases of 11.9% in mining and quarrying and 1.9% in electricity and gas; these were offset partially by a 0.2% rise in manufacturing and a 1.1% rise in water supply and sewerage.
- The 0.2% rise in manufacturing over the month was driven by an increase in output in 8 of the 13 manufacturing subsectors and was led by a rise of 7.4% in the manufacture of transport equipment; this was offset partially by a fall of 12.4% in the manufacture of basic pharmaceutical products subsector.
- Production output for Quarter 2 (Apr to June) 2021 increased by 0.5% compared with Quarter 1 (Jan to Mar) 2021.
- The COVID-19 pandemic has had a generally negative impact on production output, although each sector has been affected differently.
- Manufacturing output remains 2.3% below its February 2020 level, and mining and quarrying is 31.6% below; electricity and gas is now 5.3% above its February 2020 level, and water supply and sewerage is 4.6% above.

2. Index of Production data

Index of Production time series

Dataset DIOP | Released 12 August 2021

Movements in the volume of production for the UK production industries: manufacturing, mining and quarrying, energy supply, and water and waste management. Figures are seasonally adjusted.

Output of the production industries

Dataset | Released 12 August 2021

Index values and growth rates for production, manufacturing and the main industrial groupings in the UK.

Index of Production and industry sectors to four decimal places

Dataset | Released 12 August 2021

Monthly index values for production and the main Index of Production (IoP) sectors in the UK to four decimal places.

Monthly Business Survey turnover in production industries

Dataset | Released 12 August 2021

Monthly Business Survey (MBS) production industries' total turnover, domestic sales and exports in the UK. Figures are in current price and non-seasonally adjusted.

Export proportions for manufacturing industries

Dataset | Released 12 August 2021

Monthly, three-monthly and annual export data for the manufacturing industries, collected by the MBS at industry level in the UK.

All data related to the IoP are available on the Related data page.

3. Measuring the data

Data sources and collection

The Index of Production (IoP) uses data from a variety of sources, and is calculated by taking turnover and removing the impact of price changes, or by using direct volume estimates.

The majority of these data are collected as "turnover values" through the Monthly Business Survey (MBS). In addition, direct volume series are collected by the Department for Business, Energy and Industrial Strategy (BEIS) and the International Steel Statistics Bureau (ISSB) for steel industries.

From January 2018, Value Added Tax (VAT) data have also been included across 64 production industries for small and medium-sized businesses. For more information, see VAT turnover data in national accounts: background and methodology.

A comprehensive list of the IoP source data can be found in the <u>Gross domestic product (GDP(O)) source catalogue (XLS, 715KB)</u>.

Quality and methodology

More quality and methodology information on strengths, limitations, appropriate uses, and how the data were created is available in the <u>UK Index of Production QMI</u>.

Blue Book 2021

In Blue Book 2021 <u>a new framework</u> will be introduced to improve how we produce volume estimates of GDP for balanced years as part of the supply use process. This framework includes the implementation of double-deflated industry-level gross value added for the first time. This improvement will be reflected in the September quarterly national accounts and October monthly GDP estimates. On 28 June we published <u>Blue Book 2021 indicative impacts</u> of this change to industry level gross value added volume.

Coronavirus (COVID-19)

The Office for National Statistics' (ONS') Monthly Business Survey (MBS) is fully online, meaning that business owners can log on from any location and submit their data at an appropriate time. Most other data in the IoP come from BEIS), and therefore will be less affected than survey data.

Our latest data and analysis on the impact of coronavirus (COVID-19) on the UK economy and population is now available on a <u>new coronavirus (COVID-19) web page</u>. This will be the hub for all special coronavirus-related publications, including the fortnightly Business Impact of Coronavirus (COVID-19) Survey (BICS).

The ONS has released a <u>public statement on COVID-19</u> and the production of statistics. If you have specific queries, please email <u>media.relations@ons.gov.uk</u>.

For further and detailed analysis of the effect on our monthly Index of Production estimate, please see our article Coronavirus and the impact on output in the UK economy, published on 12 August 2021.

4. Related links

Coronavirus and the impact on output in the UK economy, UK: June 2021

Article | Released 12 August 2021

Analysis of monthly growth for the production, services and construction industries in the UK economy between May 2021 and June 2021, highlighting the early impact from the coronavirus (COVID-19) pandemic.

International comparisons of GDP during the coronavirus (COVID-19) pandemic

Article | Released 1 February 2021

The coronavirus (COVID-19) pandemic has led to record declines in gross domestic product (GDP) in advanced economies in 2020. International comparisons show that the UK has experienced the largest contraction in volume GDP amongst the G7 countries. However, international comparisons have also been complicated by how National Statistical Institutes (NSIs) record non-market output.

Comparison of motor vehicle manufacturing output statistics, UK: 1997 to 2019

Article | Released 10 January 2020

A comparison of the methodologies used to estimate motor vehicle manufacturing outputs by the Office for National Statistics (ONS) and the Society of Motor Manufacturers and Traders (SMMT).

A comparison between official estimates of UK output and diffusion indices

Article | Released 21 October 2019

The level of correlation between ONS data and IHS Markit and Chartered Institute of Procurement and Supply Purchasing Managers' Indices.

GDP monthly estimate, UK: June 2021

Bulletin | Released 12 August 2021

Gross domestic product (GDP) measures the value of goods and services produced in the UK. It estimates the size of and growth in the economy and includes the Index of Production (IoP), Index of Services (IoS) and construction output in Great Britain.

Producer price inflation, UK: June 2021

Bulletin | Released 14 July 2021

The corresponding price indices used to deflate the IoP are published in the monthly publication of UK producer price inflation.

UK manufacturers' sales by product (ProdCom): 2020 results

Bulletin | Released 1 July 2020

Product sales by manufacturers are published on an annual basis in ProdCom statistical bulletins; estimates are in current prices, unlike the chained volume measures published in the IoP release.

Energy Trends: July 2021

Bulletin | Released 29 July 2021

The data published by the Department for Business, Energy and Industrial Strategy (BEIS) in Energy Trends are used to measure the mining and quarrying, electricity and gas, and manufacture of coke and refined petroleum products sectors within this release.