

BCC comments on GDP figures for Q4 2017

Commenting on the preliminary UK GDP figures for Q4 2017, published today by the ONS, Suren Thiru, Head of Economics at the British Chambers of Commerce (BCC), said:

“The preliminary estimate of UK GDP growth indicates that the UK economy picked-up pace in the final quarter, with growth at its highest since the second half of 2016. That said, the yearly figure of 1.8% UK GDP growth is below historic trends – a particular disappointment given the rapidly improving global economy.

“Despite the improvement recorded at the end of 2017, UK economic growth is likely to become more sluggish over the coming quarters with household spending, a key determinant of UK growth, likely to remain stifled by falling real wages and weakening consumer confidence.

“Business investment is likely to remain weighed down by Brexit uncertainty and the cost of doing business in the UK. While the outlook for UK exporters is for solid growth this year, the contribution of trade to UK GDP growth is expected to remain limited by similarly solid growth in imports, with little evidence of import substitution despite their rising cost.

“With the UK economy in a more subdued period, more needs done to stimulate economic activity, including addressing the chronic skills shortages, our creaking physical and digital infrastructure and the burden of upfront business costs, that continue to weigh on the UK’s long-term growth prospects.”

Ends

Notes to editors:

The British Chambers of Commerce (BCC) sits at the heart of a powerful network of 52 Accredited Chambers of Commerce across the UK, representing thousands of businesses of all sizes and within all sectors. Our Global Business Network connects exporters with nearly 40 markets around the world. For more information, visit: www.britishchambers.org.uk

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