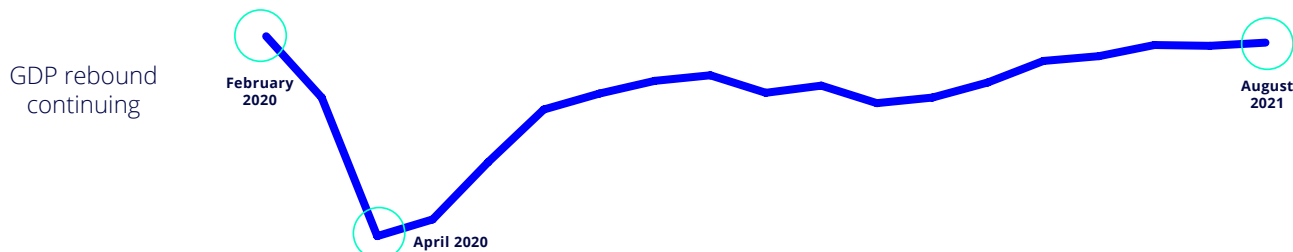


# UK Outlook Interim Update October 2021

## Recent Developments



## Consumer

Wages increasing



Excess savings unwinding



Unemployment rate

⬇️ to **4.5%**

June-August 2021

Higher inflation

**3.1%**

YoY September 2021

Lifting of COVID-19 restrictions boosting activity

Furlough scheme ended; mild Autumn Budget stimulus

Pandemic and post-Brexit bottlenecks

Bank of England to hike interest rates

### Risks

- ⬇️ Virus setbacks
- ⬇️ Persistent supply constraints
- ⬆️ Pent up demand

## Business

Composite PMI

@ **56.8**

Flash October 2021

Investment intentions positive



Global recovery underway



Upward pressure on input costs



## Outlook

	GDP	Employment	Unemployment Rate	Inflation
2020	-9.7%	-0.8%	4.5%	0.9%
2021f	6.8%	-0.6%	4.7%	2.3%
2022f	5.5%	1.6%	4.4%	3.5%

Prepared by: Bank of Ireland Economic Research Unit

Source: Bank of Ireland, ONS, HM Government, Bank of England, IHS Markit, IMF

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