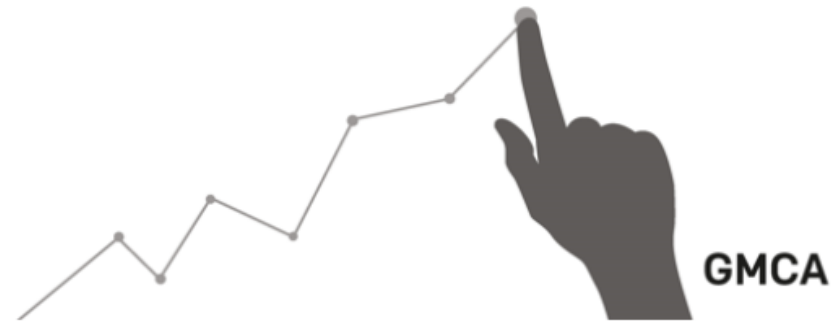


Economic Resilience Dashboard

Tracking the GM Economy



There are many economic uncertainties at this time. These arise from world economic conditions and the continued economic uncertainty due to the ongoing issues with BREXIT and the UK's future trading relationship with Europe

In response to this, an economic resilience dashboard has been developed to monitor how the national and GM economy is performing, in order to identify and potential economic shocks

For this reason, the dashboard primarily focuses on leading economic indicators (as opposed to lagging indicators) to ensure the dashboard is as forward-looking as possible

These indicators are grouped under economic themes – Economic Resilience, Business & Sectors, and Residents

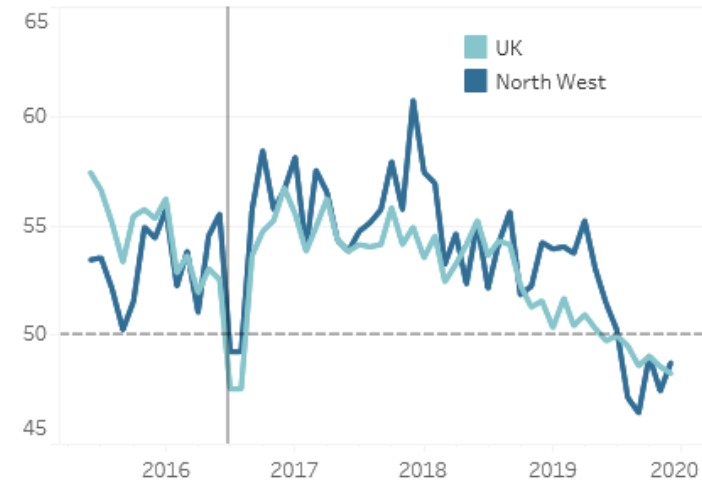
National Indicators

Yield Spread



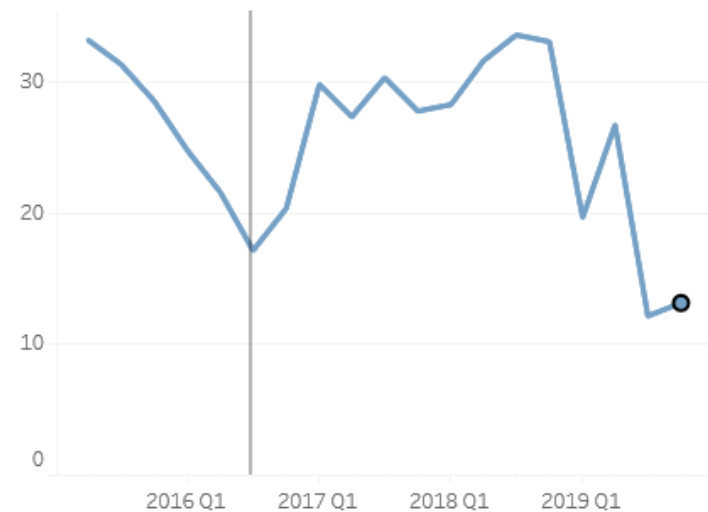
Regional Indicators

Regional PMI

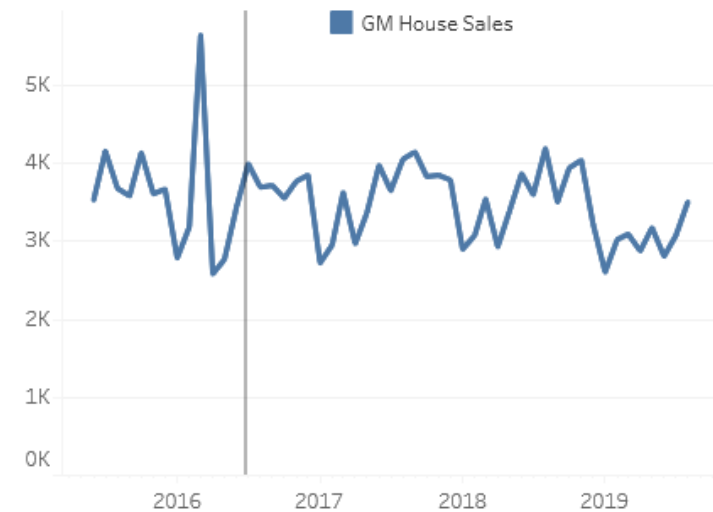


Greater Manchester Indicators

GM Index



GM House Sales



ECONOMIC RESILIENCE

The economic resilience variables track how the national, regional, and GM economy is performing at a macro level to identify any potential economic shocks

Yield Spread

Having been mostly in negative territory since July, the yield spread stayed just above zero in December 2019. The small difference between yields on long term and short term bonds continues to show a lack of confidence in the market. Whilst this move is positive, it still remains substantially below the most of the last five years, including the dip experienced in August 2016.

Regional Purchasing Managers Index

The North West regional PMI improved slightly from 47.4 in November to 48.7 in December, however, the index remains below the 50.0 threshold that indicates growth. The North West has been below the 50.0 threshold since August 2019 but is now above the UK average, which has continued to fall in December now standing at 48.2.

Greater Manchester Index

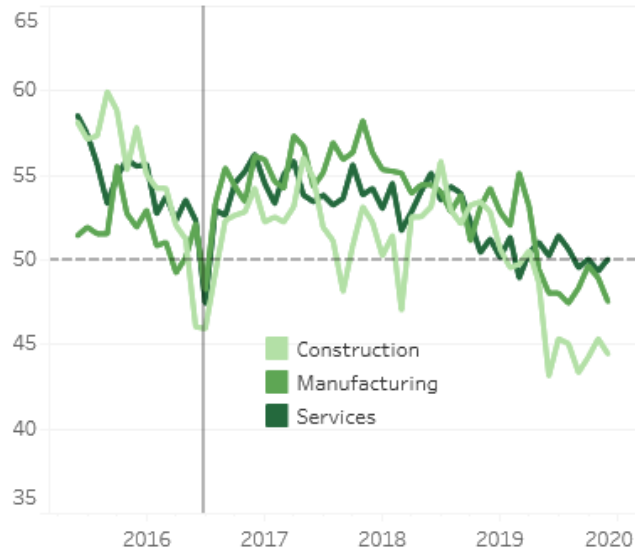
GM Chamber's key economic indicator for Greater Manchester, the Greater Manchester Index™, increased to 13.1 in Q4 2019, slightly higher than the level seen in Q3 at 12.1.

House Sales

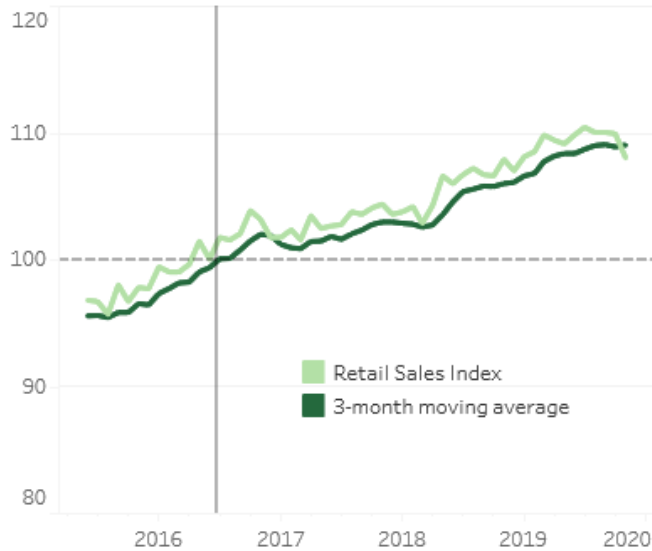
The volume of house sales in GM increased by 14.2% in August 2019 (latest available data) to 3,498, from 3,063 in July. The underlying trend indicates a slowdown in house sales, with the volume of sales down 16.4% compared to August 2018.

National Indicators

Purchasing Managers Index



Retail Sales



BUSINESS & SECTORS

The business & sectors variables track how businesses and sectors are performing to give a more in depth picture of the current economic landscape

Purchasing Managers Index

The *Manufacturing* PMI fell again to 47.5 in December, down from 48.9 in November, remaining below the 50.0 no-change mark for a eighth consecutive month. The *Services* PMI increased to 50.0 in December, up from 49.3 in November. The *Construction* PMI fell to 44.4 in December from 45.3 in November, marking the eighth consecutive month it registered below the 50.0 no-change mark.

Retail Sales

The volume (not value) of retail sales fell by 1.9% points in November 2019, continuing the slight decline in October following previous three months of stability. There was little change in the underlying trend in the retail industry, as the three-month on three-month measure, increased 0.1% in November compared with the previous three months

Export Documents

Export documents decreased by 3% month on month in November, to 3,284 from 3,397 in October, and declined by 4% y-o-y; this came after recording a 10% m-o-m increase and a 4% year on year decrease in October, showing the volatility in this measure.

Credit Risk

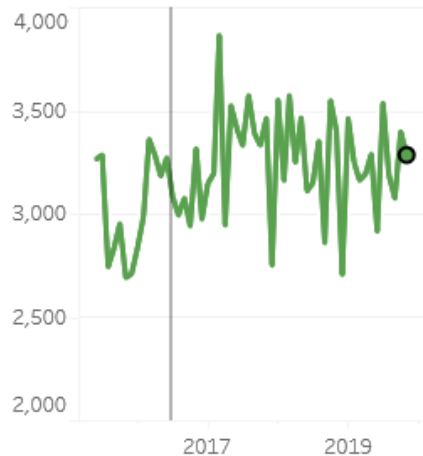
7.6% of GM firms employing 10 or more staff were reported as having 'high' credit risk in December 2019, compared with 7.0% for the UK. Firms with 10-49 employees were most likely to be reported as having 'high' credit risk, at 8.5% in GM compared to 7.6% in UK.

Inward Investment

Inward investment in GM created GVA of £4.0 million in quarter 3 of 2019/2020; this is compared to £47.1 million created and £3.8 million safeguarded in quarter 2. Financial year-to-date, Inward investment in Greater Manchester has created £97.0 million (down 69% compared to 2018/19) and safeguarded £29.5 million (down 33% compared to 2018/19). Again, this is reflective of the volatility of the measure.

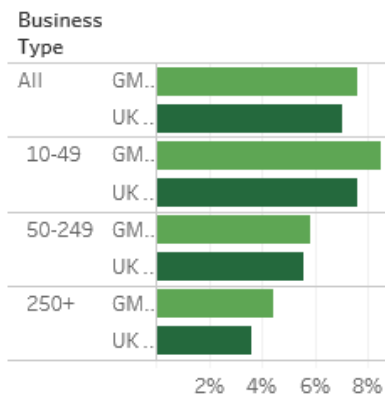
Greater Manchester Indicators

Export Documents

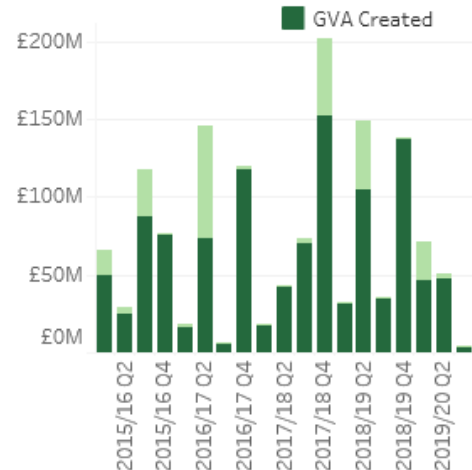


Credit Risk

% of SMEs reported as having 'high' credit risk



Inward Investment



National Indicators

Consumer Confidence



PEOPLE

The people variables track the wellbeing of people in GM in order to understand the material impacts of any potential economic downturn on GM residents

Consumer Confidence

The UK Consumer Confidence Index rose 3 points to -11 in December 2019, the highest level since July 2019. The outcome of the election cleared some uncertainty over Brexit and expectations for the general economic situation over the next 12 months has improved, as well as small increases in the big purchases climate index and personal finances outlook.

Claimant Count

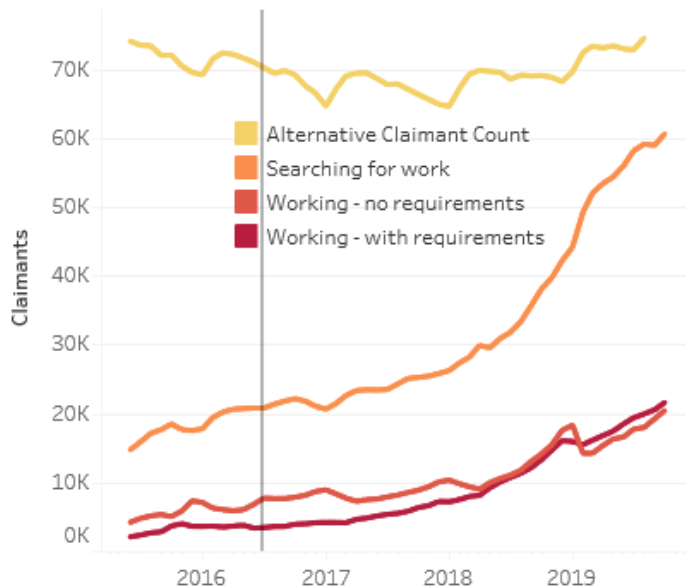
The Claimant Count – as reported by DWP in their experimental Alternative Claimant Count statistical series – in GM increased in August (latest available data) to 74,517 compared to 72,803 in July, following a couple of months of declining trends. The number of Universal Credit claimants who were *Searching for Work* continued to increase in October, rising by 3% month-on-month to 60,616; meanwhile, the number of UC claimants *Working – with requirements*, also continued to increase in October, rising 5% to 21,575, as did the number of UC claimants *Working – with no requirements*, rising 6% to 20,407

Job Vacancies

Job vacancies fell by 4.2% m-o-m in Q4 2019 to 64,712, from 67,555 in Q319. This is a 13% fall y-o-y from 74,454 in Q4 2018.

Greater Manchester Indicators

Claimant Count



Job Vacancies

