



## **Economic Indicators – March 2006**

### **Economic Growth**

Preliminary estimates from the Office of National Statistics (ONS) show that Gross Domestic Product (GDP) growth stood at 1.8% in 2005, compared with 3.2% in 2004.

The average of The Treasury's independent economic forecasts predict GDP growth of 2.1% in 2006

For an explanation of GDP [click here](#)

### **Investment**

Total manufacturing investment is provisionally estimated to have fallen by 6.9% in the fourth quarter of 2005, compared with the previous quarter. Investment in private sector services increased by 2.5% in the same period.

### **Labour Market**

The number of workforce jobs increased by 9,000 between June & September 2005 and was 261,000 higher than a year previously. Over the year to September 2005, the number of production industry workforce jobs fell by 129,000. The number of service sector jobs rose by 307,000.

For an explanation of the importance of employment in manufacturing [click here](#)

### **Average Earnings**

The headline rate of growth in average earnings for the whole economy in December 2005 was 3.6%, up from 3.4% in the previous month.

Earnings continue to grow at a lower rate than a year ago, the headline rate in December 2004 was 4.4%.

### **Interest Rate**

At their February meeting the members of the Monetary Policy Committee (MPC) voted to maintain the base rate at 4.5%.

For detailed information on the implications of an interest rate cut [click here](#)