



WHERE KNOWLEDGE IS POWER

Economic insights: COVID-19

Presented by UK Industry Analysts:

Christian Shiba

Tom Burgess

7th July 2020



Table of Contents

Table of Contents

Section	Slides
Title Slide	1
Table of Contents	2-3
Government Response	4-5
Economic indicators	6-8
Retailing	9-10
Publishing	11-12
IBISWorld COVID-19 resources	13-14

Government response

United Kingdom government response

Updated Government measures:

- Non-essential retail reopened to the public on 15 June, and the hospitality sector followed suit on the 4 July, all with social distancing measures put in place.

Other developments:

- Changes to the coronavirus job retention scheme mean employers can bring workers back to work from the 1 July.
- The government will begin to decrease furlough scheme payments in August, until its closure on 31 October.

Economic indicators

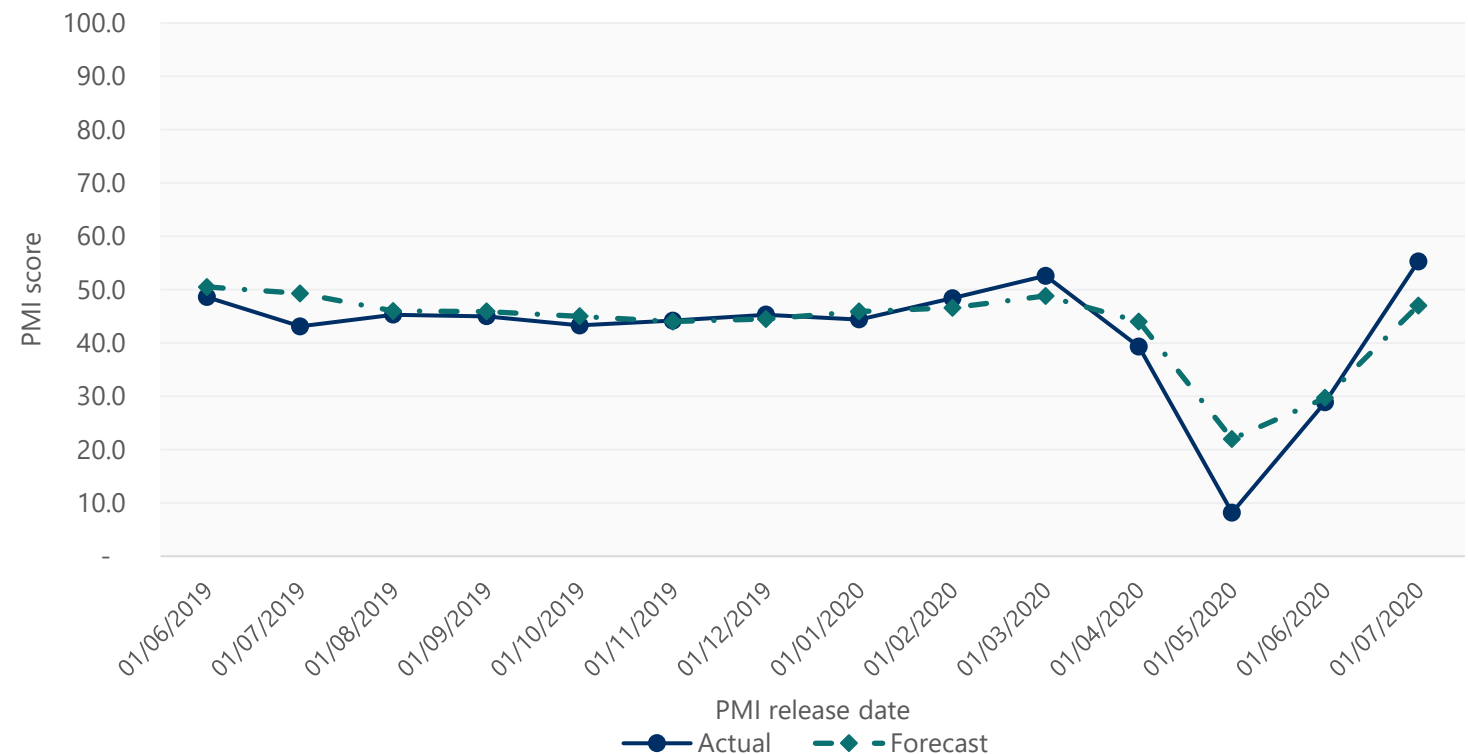
UK Construction sector

Key trends

- The PMI construction score recovered from 29.7 in May to 55.3 in June
- Growth returned to the sector faster than previously expected, as the market predicted a score of 47 in June
- Residential construction experienced its steepest rate of growth in 5 years

UK construction PMI index

PMI index for UK construction from May 2019, until June 2020



IHS Markit/CIPS UK Construction Total Activity Index

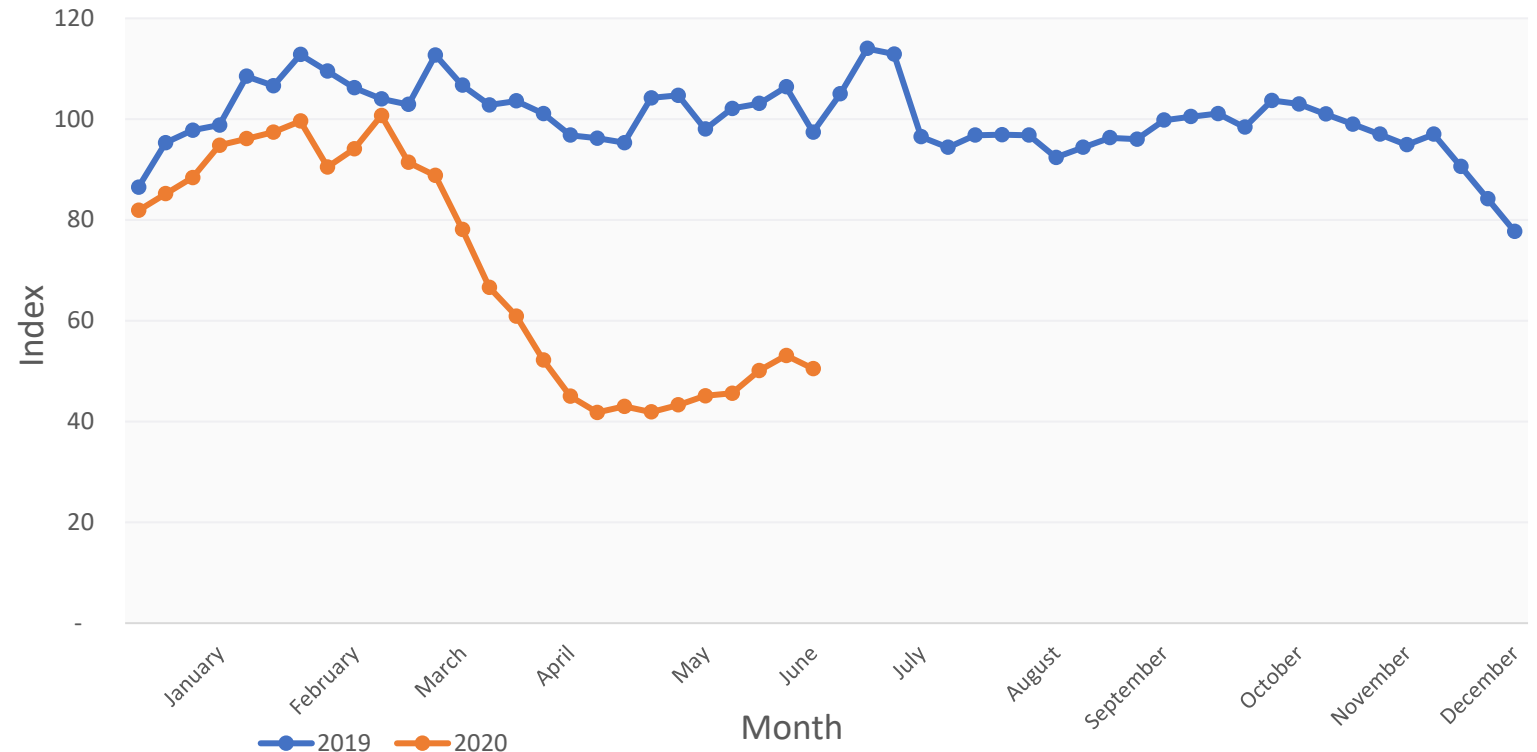
Labour market

Key trends

- Economic uncertainty reduced demand in the start of the year
- The number of job adverts fell 60% by May 2020 compared to 2019
- Vacancy numbers have slowly risen with easing restrictions
- Index signals economic recovery is underway

Online job adverts

Total weekly job adverts on vacancy aggregator, Adzuna, in the 18-months through 26 June 2020



Source: Adzuna
Index - 2019 average = 100

Retailers

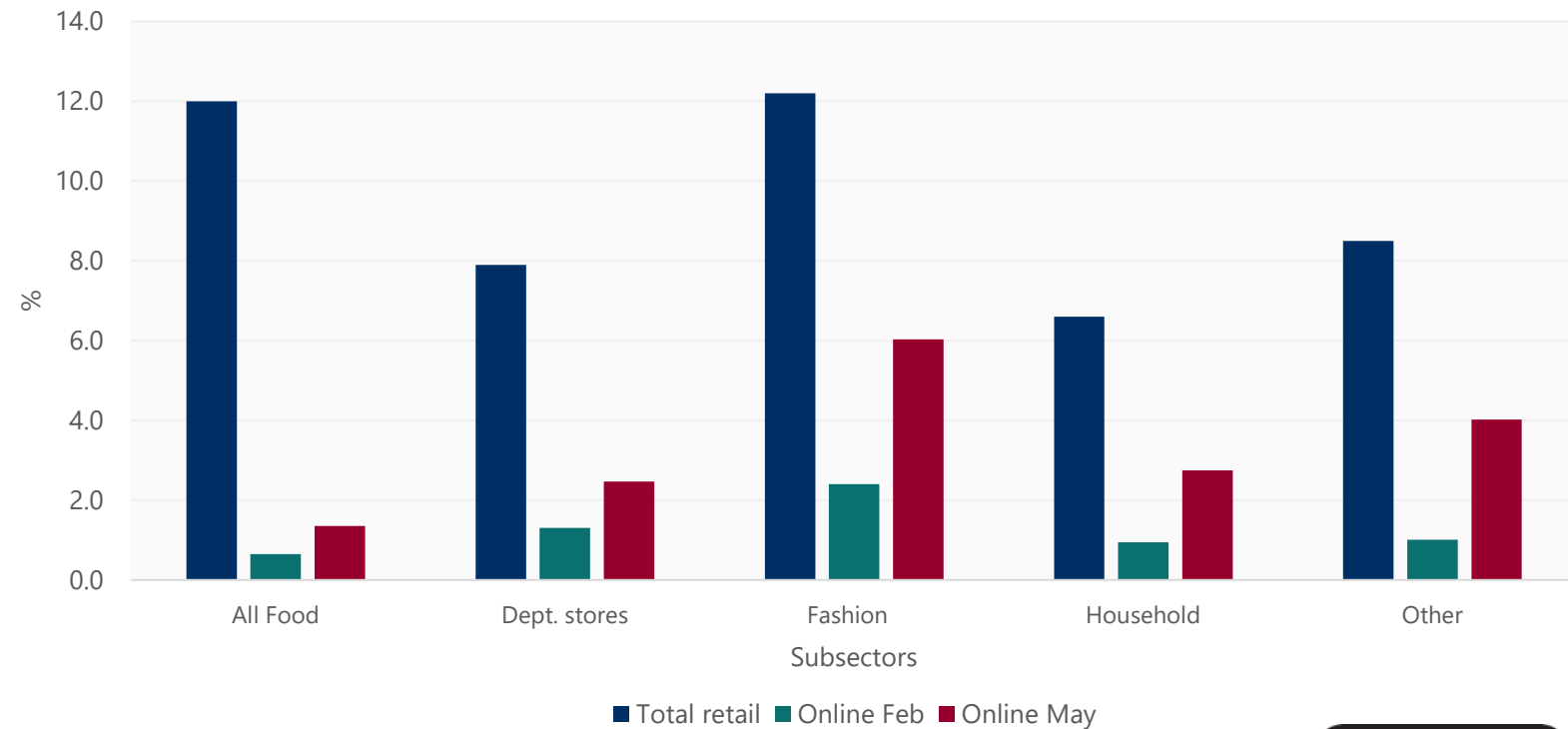
UK retail sector

Key facts

- 2019 saw total retail sales value falling by 0.1%, the first contraction in 24 years
- Online sales accounted for 33.4% of all retail in May 2020
- The retail sector rebounded by 12% in May on the month before
- The sector remains 13.1% below February levels

Retail and online retail as a proportion of total UK retail

The share of total retailing by subsector, compared to online retailing in February and May



Publishing

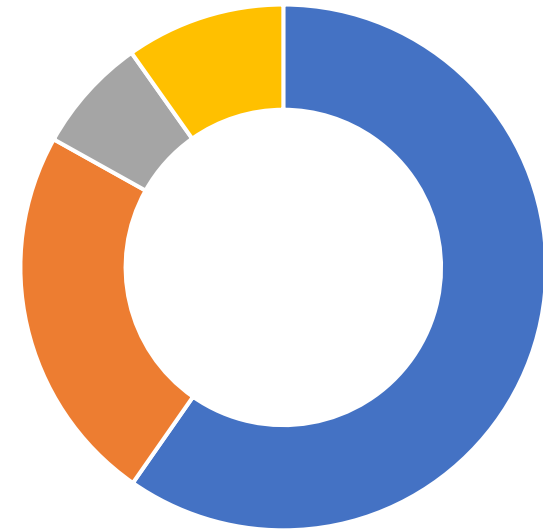
Publishing

Key facts

- Game sales have risen dramatically since the start of the outbreak
- Revenue for software publishers is anticipated to grow
- Sales of physical newspapers have fallen by over one-third
- Demand from advertisers has become limited

Computer game sales

Major markets by proportion of revenue, 2020-21



■ Digital sales

■ Supermarkets

■ Specialist retailers

■ Other retailers

Source: IBISWorld

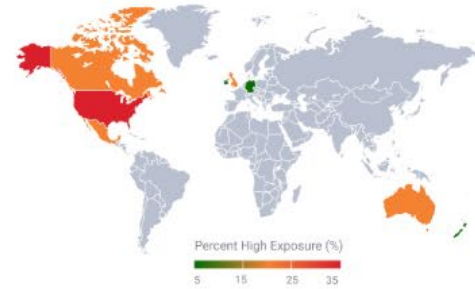
IBISWorld COVID-19 resources

Coronavirus Insights

IBISWorld is closely monitoring the COVID-19 pandemic's effects on industries and providing insights and analysis to keep you in the know. Scroll down to find insightful articles, on demand webinars and useful statistics.

We're also providing our [Exposure Analysis Tool](#) to help you detect potential points of exposure that will inform your strategy. This top-level analysis provides an indicator of exposure to early disruptions already resulting from the virus as well as areas of interest for potential further research.

Industry Exposure Intensity by Country



Latest Articles

Coronavirus Insights

Jun 30 2020 UNITED KINGDOM

How disruption from COVID-19 is affecting SMEs

IBISWorld assesses how SMEs have been affected by business disruptions stemming from the coronavirus outbreak.

Podcasts

Jun 25 2020 UNITED KINGDOM

COVID-19 and the UK Hospitality Sector

IBISWorld analysts look at how the coronavirus outbreak has affected the hospitality sector and how the sector is likely to perform through its gradua ...

Coronavirus Insights

Jun 23 2020 UNITED KINGDOM

COVID-19: UK Industry Fast Facts

A list of how the spread of the coronavirus has affected each sector of the UK economy.