Pulse

A monthly snapshot of the UK Economy from www.barometeroftrade.com

Date of Report: 07/04/2025

Summary

After the impending US tariffs were announced at the start of this month, global stock markets have plummeted wiithout exception, in what has been labeled "the biggest change to global trade in 100 years.. The FTSE 100 has dropped by over 10% from 1st to 7th April and today sit at their lowest point since March last year, despite a strong performance in Q1 of 2025.

Not all UK industries will be negatively affected: the food and drink industry has already seen a stark downturn in orders; the chemical import industry on a whole will look to seize opportunities by quickly diversifying to deal with other more cost-effective nations; while the aircraft industry have not set any changes in the works as tariff plans do not appear to increase costs whatsoever.

UK inflation fell by more than expected in February, driven by a drop in clothing and shoe prices due to an unusually high number of sales. The Chief Secretary to the Treasury pledged to go "further and faster on growth through our plan for change".

What's happened since last month?

Index		Change	Period
GDP Growth	DOWN	-0.7%	Q3-Q4
£ to € (Euro)	DOWN	-1.3%	Mar-Apr
£ to $ (US Dollar)	UP	1.8%	Mar-Apr
£ to ¥ (Yen)	UP	1.1%	Mar-Apr
£ to ¥ (Yuan)	UP	1.5%	Mar-Apr
£ to ₹ (Rupee)	DOWN	-0.2%	Mar-Apr
FTSE 100	DOWN	-2.7%	Mar-Apr
FTSE 250	DOWN	-3.9%	Mar-Apr
CPI	DOWN	-0.2%	Jan-Feb
RPI	DOWN	-0.2%	Jan-Feb
Retail Sales	UP	1.8%	Nov-Feb
Mortgage Approvals	DOWN	-0.8%	Jan-Feb
Unemployment	NONE	0.0%	Jan-Feb
Consumer Confidence	UP	1.0%	Feb-Mar
Energy Prices	UP	0.4%	Feb-Mar
Crude Oil Prices	DOWN	-5.5%	Jan-Feb
Petrol Prices	UP	0.6%	Feb-Mar
Diesel Prices	UP	0.5%	Feb-Mar
Base Rate: 4.5%	NONE	0.00%	Mar-Apr

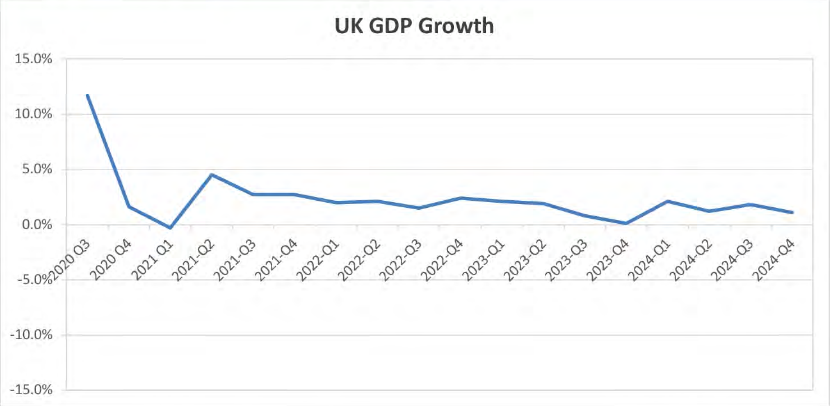
Figures based on most recent month/period available

What's happened since this time last year?

Index		Change	Period
GDP Growth	UP	1.0%	Q4-Q4
£ to € (Euro)	UP	2.4%	Apr-Apr
£ to $ (US Dollar)	UP	2.8%	Apr-Apr
£ to ¥ (Yen)	UP	1.3%	Apr-Apr
£ to ¥ (Yuan)	UP	3.2%	Apr-Apr
£ to ₹ (Rupee)	UP	5.6%	Apr-Apr
FTSE 100	UP	8.8%	Apr-Apr
FTSE 250	DOWN	-0.6%	Apr-Apr
CPI	DOWN	-0.6%	Feb-Feb
RPI	DOWN	-1.1%	Feb-Feb
Retail Sales	UP	2.1%	Feb-Feb
Mortgage Approvals	UP	8.3%	Feb-Feb
Unemployment	UP	0.4%	Feb-Feb
Consumer Confidence	UP	2.0%	Mar-Mar
Energy Prices	UP	2.8%	Mar-Mar
Crude Oil Prices	DOWN	-9.7%	Feb-Feb
Petrol Prices	DOWN	-3.5%	Mar-Mar
Diesel Prices	DOWN	-0.5%	Mar-Mar
Base Rate: 4.5%	DOWN	0.75%	Apr-Apr

Figures based on most recent month/period available

Gross Domestic Product Growth

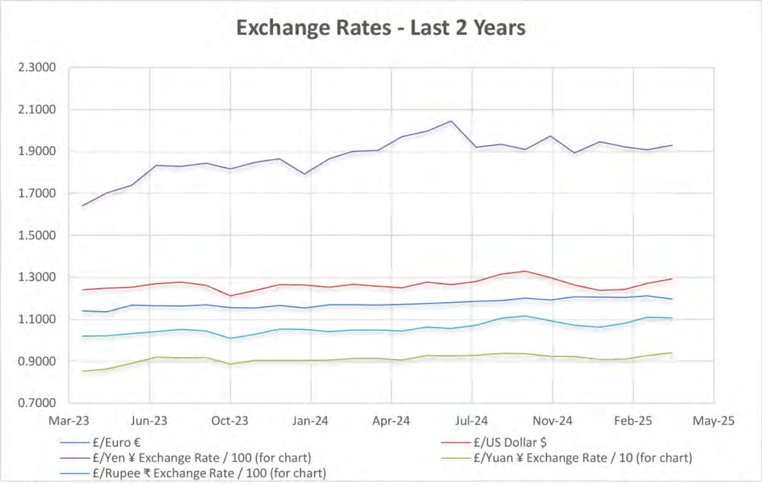


Quarter	UK GDP Growth
2020 Q3	11.7%
2020 Q4	1.6%
2021 Q1	-0.3%
2021-Q2	4.5%
2021-Q3	2.7%
2021-Q4	2.7%
2022-Q1	2.0%
2022-Q2	2.1%
2022-Q3	1.5%
2022-Q4	2.4%
2023-Q1	2.1%
2023-Q2	1.9%
2023-Q3	0.8%
2023-Q4	0.1%
2024-Q1	2.1%
2024-Q2	1.2%
2024-Q3	1.8%
2024-Q4	1.1%

GDP as percentage growth/decline against previous quarter
CP SA version ie Current Prices Seasonally Adusted

Source: Office of National Statistics

Exchange Rates

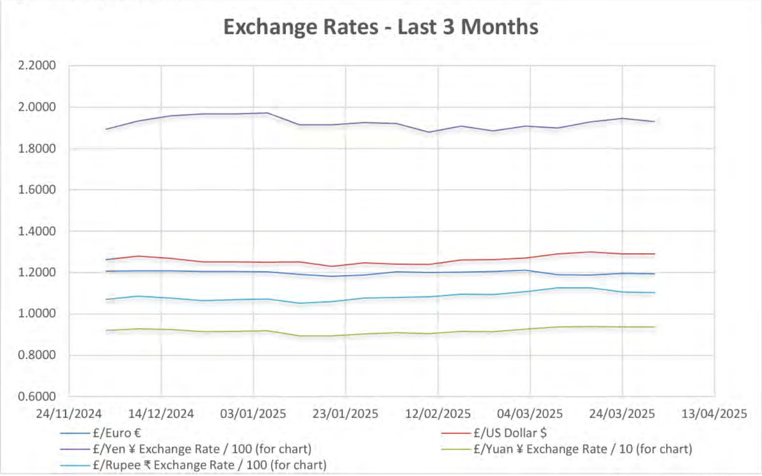


What £1 buys in € / $ / ¥ / ₹

Source: Bank Of England

Month	£/Euro €	£/US Dollar $	£/Yen ¥	£/Yuan ¥	£/Rupee ₹
Apr-23	1.1386	1.2397	164.0619	8.5264	101.9635
May-23	1.1361	1.2472	170.2179	8.6194	102.1126
Jun-23	1.1663	1.2524	173.8707	8.8883	103.1285
Jul-23	1.1634	1.2689	183.2917	9.1870	103.9601
Aug-23	1.1624	1.2762	182.8412	9.1535	105.0664
Sep-23	1.1676	1.2619	184.2626	9.1622	104.3603
Oct-23	1.1548	1.2122	181.6482	8.8503	100.8719
Nov-23	1.1528	1.2373	184.7908	9.0329	102.8772
Dec-23	1.1658	1.2635	186.4863	9.0264	105.2550
Jan-24	1.1536	1.2625	179.1929	9.0299	105.1588
Feb-24	1.1675	1.2521	186.3989	9.0432	104.0084
Mar-24	1.1677	1.2652	189.9457	9.1230	104.8320
Apr-24	1.1673	1.2567	190.4969	9.1184	104.7428
May-24	1.1693	1.2492	196.9551	9.0476	104.2801
Jun-24	1.1750	1.2772	199.5050	9.2669	106.1545
Jul-24	1.1786	1.2647	204.4370	9.2374	105.5256
Aug-24	1.1854	1.2793	191.9579	9.2762	107.1122
Sep-24	1.1881	1.3152	193.2810	9.3601	110.3496
Oct-24	1.1997	1.3289	190.8295	9.3463	111.5377
Nov-24	1.1909	1.2981	197.2971	9.2223	109.2056
Dec-24	1.2062	1.2629	189.2633	9.2101	107.0196
Jan-25	1.2045	1.2375	194.4917	9.0818	106.1101
Feb-25	1.2031	1.2412	192.0369	9.0976	107.9484
Mar-25	1.2112	1.2699	190.7384	9.2666	110.8185
Apr-25	1.1957	1.2923	192.9135	9.4083	110.6198
Last Month %	*-1.3%*	*1.8%*	*1.1%*	*1.5%*	*-0.2%*

Selected as the most demonstrative currencies in the foreign exchange market
Figures from 1st of each month

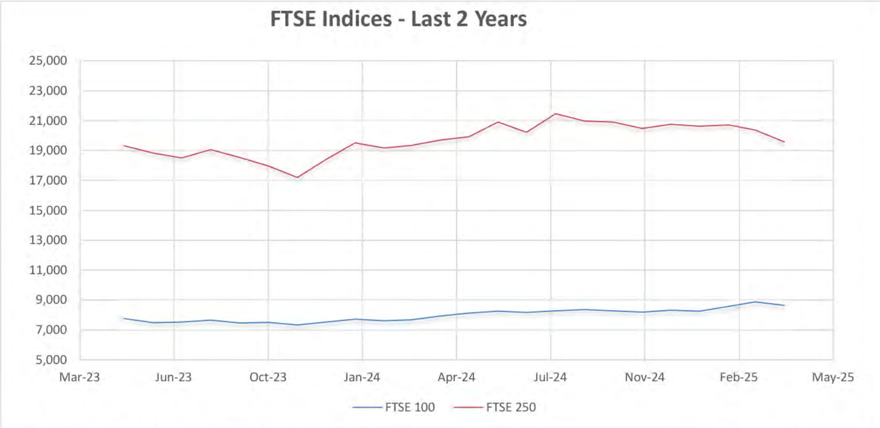


Source: Bank Of England

LAST 3 MONTHS

Date	£/Euro €	£/US Dollar $	£/Yen ¥	£/Yuan ¥	£/Rupee ₹
02/12/2024	1.2062	1.2629	189.2633	9.2101	107.0196
09/12/2024	1.2081	1.2796	193.2440	9.2885	108.5666
16/12/2024	1.2079	1.2691	195.7460	9.2550	107.7472
23/12/2024	1.2047	1.2519	196.7032	9.1510	106.5218
30/12/2024	1.2053	1.2511	196.6558	9.1567	106.9752
06/01/2025	1.2034	1.2508	197.0385	9.1971	107.2129
13/01/2025	1.1918	1.2512	191.4104	8.9352	105.2051
20/01/2025	1.1819	1.2293	191.3819	8.9432	105.9878
27/01/2025	1.1880	1.2473	192.5145	9.0398	107.6888
03/02/2025	1.2031	1.2412	192.0369	9.0976	107.9484
10/02/2025	1.2011	1.2390	187.8372	9.0538	108.3505
17/02/2025	1.2029	1.2607	190.8183	9.1601	109.4780
24/02/2025	1.2055	1.2621	188.4178	9.1487	109.3913
03/03/2025	1.2112	1.2699	190.7834	9.2666	110.8185
10/03/2025	1.1906	1.2904	189.8815	9.3684	112.6392
17/03/2025	1.1889	1.2985	192.8987	9.3852	112.5936
24/03/2025	1.1962	1.2911	194.5946	9.3788	110.5562
31/03/2025	1.1951	1.2910	193.0164	9.3795	110.3369

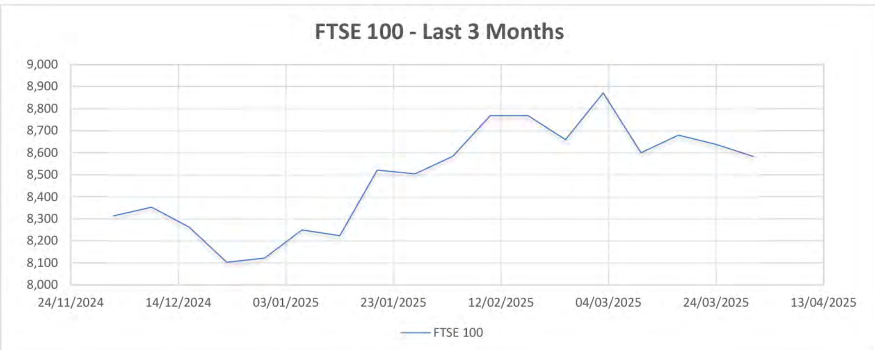
FTSE 100 & 250

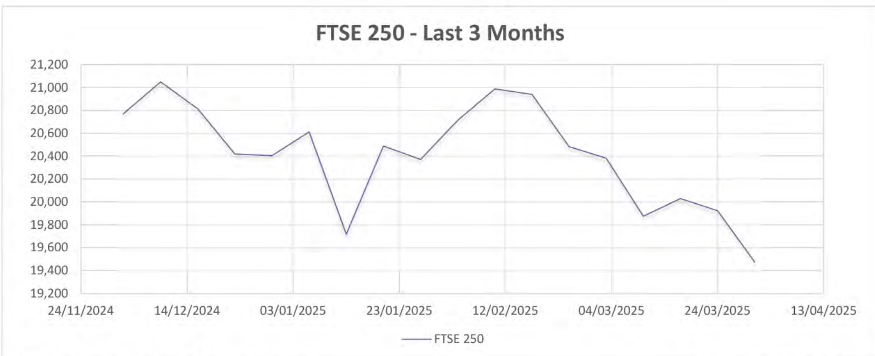


FTSE 100 - an index of the top 100 companies in UK
FTSE 250 - an index of the top 250 companies in UK

Source: London Stock Exchange

Month	FTSE 100	FTSE 250
May-23	7,773	19,314
Jun-23	7,490	18,828
Jul-23	7,527	18,508
Aug-23	7,666	19,066
Sep-23	7,465	18,537
Oct-23	7,511	17,977
Nov-23	7,342	17,186
Dec-23	7,529	18,409
Jan-24	7,722	19,512
Feb-24	7,616	19,173
Mar-24	7,683	19,354
Apr-24	7,935	19,714
May-24	8,121	19,927
Jun-24	8,263	20,900
Jul-24	8,167	20,222
Aug-24	8,283	21,459
Sep-24	8,364	20,981
Oct-24	8,277	20,915
Nov-24	8,184	20,480
Dec-24	8,313	20,769
Jan-25	8,260	20,640
Feb-25	8,584	20,712
Mar-25	8,871	20,382
Apr-25	8,635	19,591
Last Month %	*-2.7%*	*-3.9%*





FTSE 100 - an index of the top 100 companies in UK
FTSE 250 - an index of the top 250 companies in UK

Source: London Stock Exchange

LAST 3 MONTHS

Date	FTSE 100	FTSE 250
02/12/2024	8,313	20,769
09/12/2024	8,352	21,049
16/12/2024	8,262	20,813
23/12/2024	8,103	20,419
30/12/2024	8,121	20,405
06/01/2025	8,250	20,613
13/01/2025	8,224	19,718
20/01/2025	8,521	20,487
27/01/2025	8,504	20,370
03/02/2025	8,584	20,712
10/02/2025	8,768	20,986
17/02/2025	8,768	20,939
24/02/2025	8,659	20,484
03/03/2025	8,871	20,382
10/03/2025	8,600	19,875
17/03/2025	8,680	20,028
24/03/2025	8,638	19,922
31/03/2025	8,583	19,475

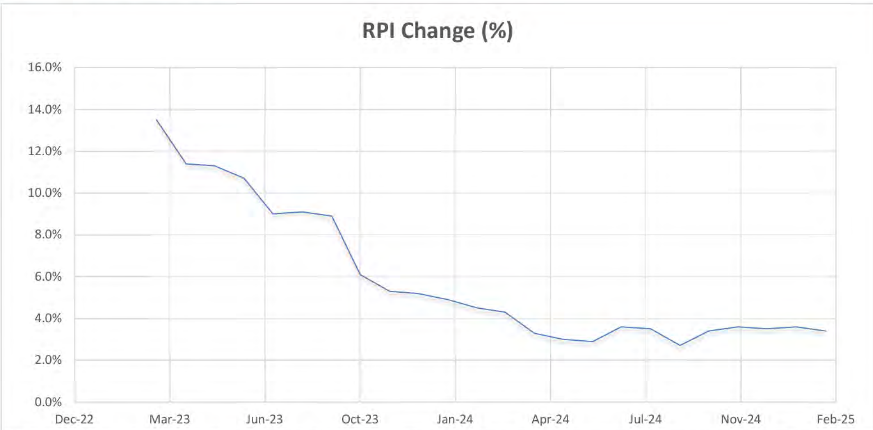
Consumer Price Index

CPI - inflation measure which examines weighted average of prices of a basket of consumer goods & services, such as transportation, food & medical care

Source: Office of National Statistics

Month	CPI (%)
Mar-23	10.1%
Apr-23	8.7%
May-23	8.7%
Jun-23	7.9%
Jul-23	6.8%
Aug-23	6.7%
Sep-23	6.7%
Oct-23	4.6%
Nov-23	3.9%
Dec-23	4.0%
Jan-24	4.0%
Feb-24	3.4%
Mar-24	3.2%
Apr-24	2.3%
May-24	2.0%
Jun-24	2.0%
Jul-24	2.2%
Aug-24	2.2%
Sep-24	1.7%
Oct-24	2.3%
Nov-24	2.6%
Dec-24	2.5%
Jan-25	3.0%
Feb-25	2.8%

Retail Price Index

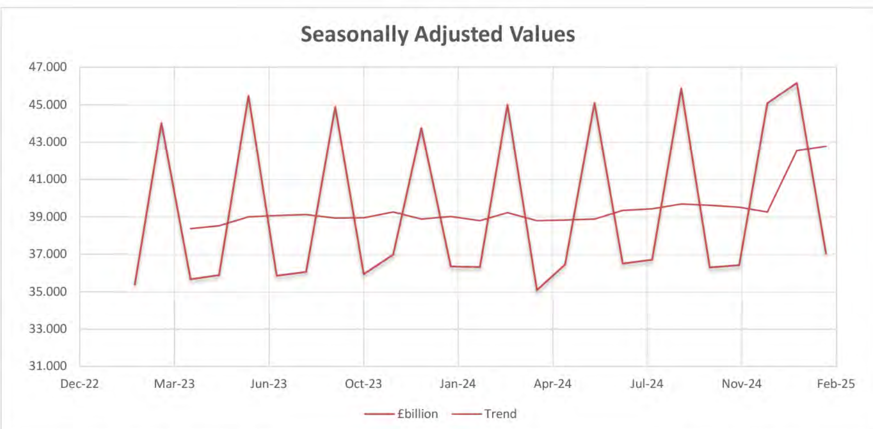


RPI - inflation measure which is broadly the same as CPI but also includes home costs e.g. mortgage repayments/rent/council tax

Source: Office of National Statistics

Month	RPI (%)
Mar-23	13.5%
Apr-23	11.4%
May-23	11.3%
Jun-23	10.7%
Jul-23	9.0%
Aug-23	9.1%
Sep-23	8.9%
Oct-23	6.1%
Nov-23	5.3%
Dec-23	5.2%
Jan-24	4.9%
Feb-24	4.5%
Mar-24	4.3%
Apr-24	3.3%
May-24	3.0%
Jun-24	2.9%
Jul-24	3.6%
Aug-24	3.5%
Sep-24	2.7%
Oct-24	3.4%
Nov-24	3.6%
Dec-24	3.5%
Jan-25	3.6%
Feb-25	3.4%

Retail Sales



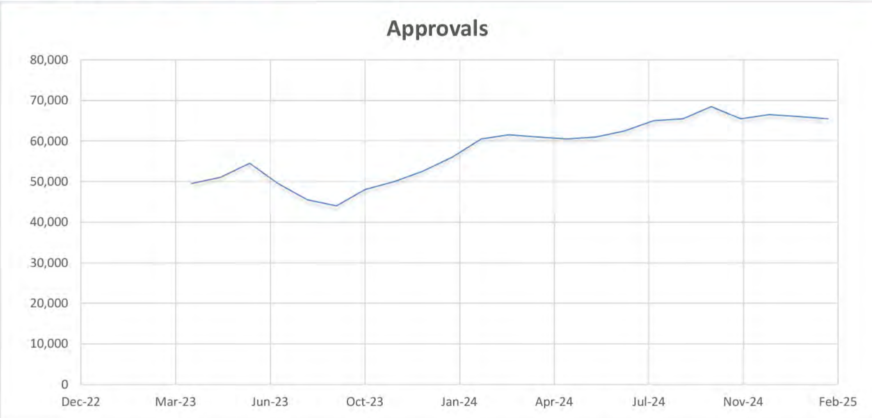
Total Retail Sales Excluding Automotive Fuel
Figures based on weeks; every 3rd month is a 5-week month

Source: Office of National Statistics

Month	£billion
Feb-23	35.388
Mar-23	44.022
Apr-23	35.671
May-23	35.885
Jun-23	45.469
Jul-23	35.851
Aug-23	36.067
Sep-23	44.872
Oct-23	35.944
Nov-23	36.976
Dec-23	43.755
Jan-24	36.356
Feb-24	36.312
Mar-24	44.990
Apr-24	35.077
May-24	36.453
Jun-24	45.106
Jul-24	36.503
Aug-24	36.711
Sep-24	45.868
Oct-24	36.292
Nov-24	36.416
Dec-24	45.077
Jan-25	46.163
Feb-25	37.058

Year-On-Year Change 0.746 *billion*
2.05%

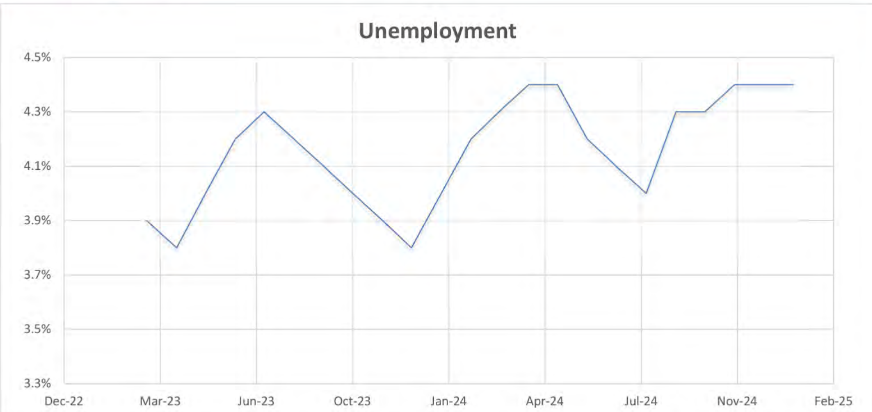
Mortgage Approvals



Source: Bank of England

Month	Approvals
Apr-23	49,500
May-23	51,000
Jun-23	54,500
Jul-23	49,500
Aug-23	45,500
Sep-23	44,000
Oct-23	48,000
Nov-23	50,000
Dec-23	52,500
Jan-24	56,000
Feb-24	60,500
Mar-24	61,500
Apr-24	61,000
May-24	60,500
Jun-24	61,000
Jul-24	62,500
Aug-24	65,000
Sep-24	65,500
Oct-24	68,500
Nov-24	65,500
Dec-24	66,500
Jan-25	66,000
Feb-25	65,500
Last Month %	*-0.8%*

Unemployment



Unemployment as percentage of available workforce;
figures relating to quarter ending in month shown

Source: Office of National Statistics

Month	Unemployment
Mar-23	3.9%
Apr-23	3.8%
May-23	4.0%
Jun-23	4.2%
Jul-23	4.3%
Aug-23	4.2%
Sep-23	4.1%
Oct-23	4.0%
Nov-23	3.9%
Dec-23	3.8%
Jan-24	4.0%
Feb-24	4.2%
Mar-24	4.3%
Apr-24	4.4%
May-24	4.4%
Jun-24	4.2%
Jul-24	4.1%
Aug-24	4.0%
Sep-24	4.3%
Oct-24	4.3%
Nov-24	4.4%
Dec-24	4.4%
Jan-25	4.4%

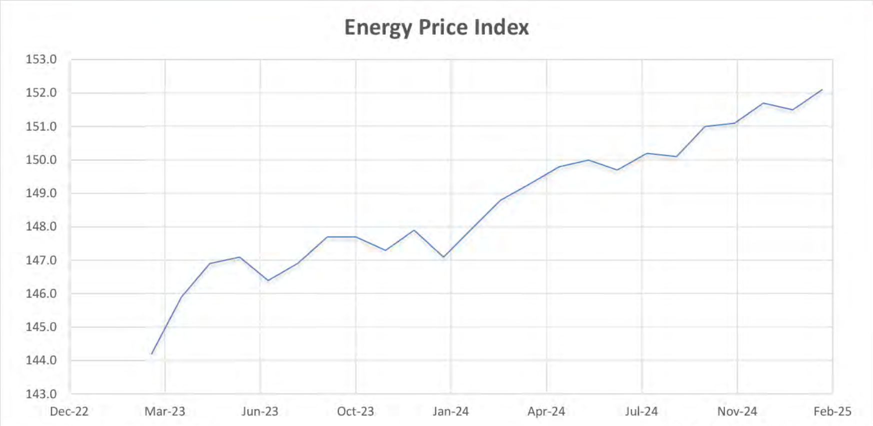
Consumer Confidence

Survey of 2,000 consumers rating the relative level of past and future economic conditions
including personal financial situation, climate for major purchases, overall economic situation and savings level.

Source: Trading Economics

Month	Value
Apr-23	-30
May-23	-27
Jun-23	-24
Jul-23	-30
Aug-23	-25
Sep-23	-21
Oct-23	-30
Nov-23	-24
Dec-23	-22
Jan-24	-19
Feb-24	-21
Mar-24	-21
Apr-24	-19
May-24	-17
Jun-24	-14
Jul-24	-13
Aug-24	-13
Sep-24	-20
Oct-24	-21
Nov-24	-18
Dec-24	-17
Jan-25	-22
Feb-25	-20
Mar-25	-19
Last Month %	*2.0%*

Energy Prices

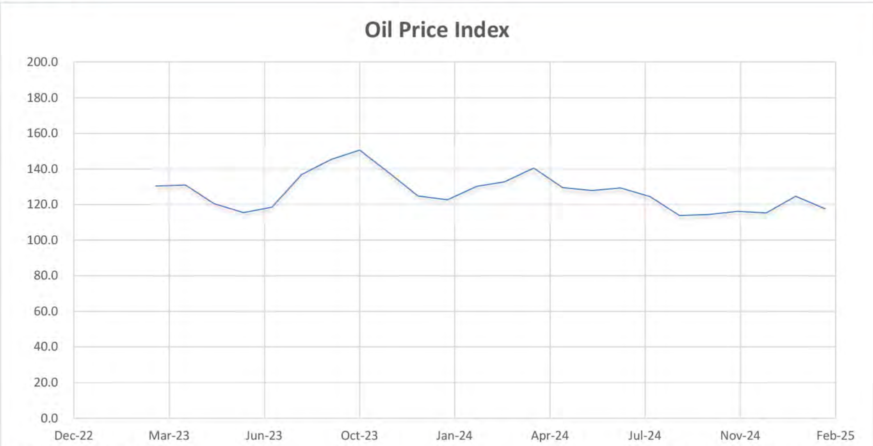


Based on starting index of 100 in 2010

Source: Office of National Statistics

Month	Price Index
Mar-23	144.2
Apr-23	145.9
May-23	146.9
Jun-23	147.1
Jul-23	146.4
Aug-23	146.9
Sep-23	147.7
Oct-23	147.7
Nov-23	147.3
Dec-23	147.9
Jan-24	147.1
Feb-24	148.0
Mar-24	148.8
Apr-24	149.3
May-24	149.8
Jun-24	150.0
Jul-24	149.7
Aug-24	150.2
Sep-24	150.1
Oct-24	151.0
Nov-24	151.1
Dec-24	151.7
Jan-25	151.5
Feb-25	152.1
Last Month %	*0.4%*

Oil Prices

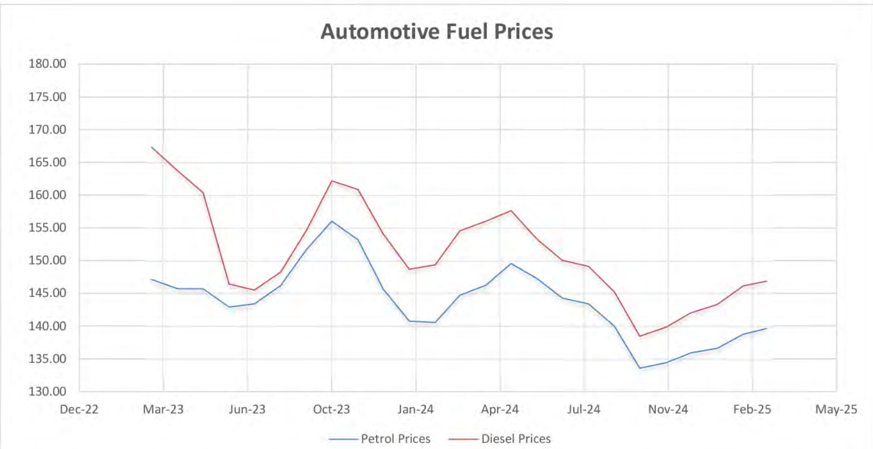


Crude Oil Price Index; 2010=100

Source: Office of National Statistics

Month	Oil Prices
Mar-23	130.5
Apr-23	131.0
May-23	120.6
Jun-23	115.5
Jul-23	118.5
Aug-23	136.9
Sep-23	145.4
Oct-23	150.5
Nov-23	137.8
Dec-23	124.9
Jan-24	122.7
Feb-24	130.3
Mar-24	132.7
Apr-24	140.6
May-24	129.5
Jun-24	127.9
Jul-24	129.3
Aug-24	124.5
Sep-24	113.9
Oct-24	114.5
Nov-24	116.2
Dec-24	115.3
Jan-25	124.6
Feb-25	117.7
Last Month %	*-5.5%*

Automotive Fuel Prices



Road fuel prices; pump price pence/litre
First week of each month

Source: gov.co.uk

Month	Petrol Prices	Diesel Prices
Mar-23	147.12	167.33
Apr-23	145.72	163.71
May-23	145.71	160.35
Jun-23	142.90	146.43
Jul-23	143.40	145.52
Aug-23	146.18	148.23
Sep-23	151.71	154.65
Oct-23	156.02	162.15
Nov-23	153.20	160.86
Dec-23	145.71	154.10
Jan-24	140.78	148.66
Feb-24	140.55	149.35
Mar-24	144.73	154.53
Apr-24	146.25	156.00
May-24	149.54	157.64
Jun-24	147.27	153.26
Jul-24	144.28	150.06
Aug-24	143.42	149.10
Sep-24	139.96	145.19
Oct-24	133.59	138.46
Nov-24	134.41	139.84
Dec-24	135.93	142.04
Jan-25	136.60	143.30
Feb-25	138.74	146.13
Mar-25	139.61	146.88
Last Month %	*0.6%*	*0.5%*

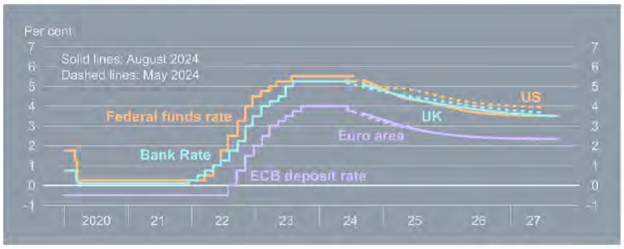
Forecasts

Summary

Economic forecasting is notoriously difficult and often depends on the mindset of the forecaster. However we have included some highlights below from the most recent quarterly Bank of England Inflation Report which provides a comprehensive analysis from many sources including their own.

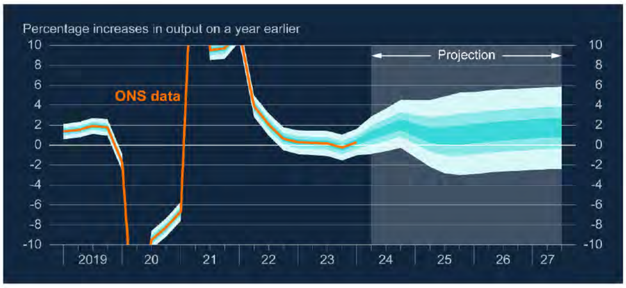
The following charts are re-produced from Bank Of England Monetary Policy Report and Financial Policy Report, August 2024.
https://www.bankofengland.co.uk/monetary-policy-report/2024/august-2024

Forecast Interest Rates



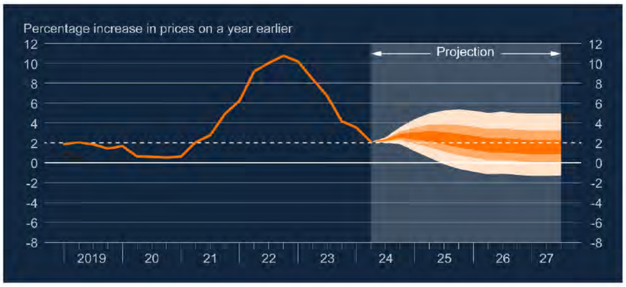
The chart shows latest forecast using solid line. The dotted line shows the previous forecast.
The Bank of England lowered the base rate to 5% in its August 2024 meeting.
Rates are now predicted to fall over the second half of 2024,
before settling around 3.5% over 2027.
Sources: Bank of England, Bloomberg, European Central Bank (ECB) and Federal Reserve (ref 1.3p7)

Forecast GDP



The fan chart shows highest probability in the central, darkest band.
Since the post-covid spike in GDP growth, the rate has fallen to 0% and has not recovered.
Over the end of 2024, there is expected to be a rise above 0% in the national GDP yet this is predicted to slow in 2025.

Forecast Inflation (CPI)



The fan chart shows highest probability in the central, darkest band.
The Government's 2% target is shown as a dotted line.
Inflation has now fallen to the targeted 2% but is expected to rise slightly over the end of 2024.
Subsequently, the rate is predicted to fall again to 2% and settle.