

Consumers and the Economic Outlook - UK - May 2021

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This report looks at the following areas:

- Key Findings
- Consumers' Response to the EU Referendum Result
- Current Financial Situation
- Changes in Financial Situation
- Financial Confidence
- Planned Financial and Spending Activity

The new wave of lockdown restrictions in late 2020 and early 2021 inevitably had a harmful impact on the economy. Consumer expenditure fell by 3.9% in the first quarter of 2021 compared to Q4 2020, mainly because of the hit to spending on non-essential retail, hospitality and transport. This contributed to a 1.5% quarterly fall in economic output, leaving GDP 8.7% below the last COVID-free quarter in Q4 2019.



“Despite the continuing upheaval caused by COVID-19, financial wellbeing and financial confidence both hit new index highs in April 2021, while planned financial activity for the next three months approached pre-pandemic levels in May, driven by increased interest in leisure and hospitality.”

– Rich Shepherd, Associate Director - Financial Services

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KEY FINDINGS

- **Real GDP remains 8.7% below pre-pandemic levels after 1.5% fall in Q1**
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What's included

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