

B2B Economic Outlook: Inc Impact of COVID-19 - UK - December 2020

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This report looks at the following areas:

UK GDP only slowly recovered after the last recession, but the COVID-19 induced recession of 2020 is totally different in nature and impact being far deeper with a much faster, but already slowing, recovery. The October 2020 GDP was 23.4% higher than the April 2020 level when the full lockdown was in place. However, GDP remained 7.9% lower than that recorded in February 2020 before the impact of the pandemic started to be felt.

With the vaccination roll-out having commenced in December 2020 the prospects for economic recovery gathering pace during 2021 have improved, though the first half of the year will be impacted by the further national lockdown initiated in January 2021 and the Chancellor has indicated that he anticipates a further decline in activity before improvement. The recovery of the economy will continue into 2022. The widely feared impact of a no-deal Brexit has now been averted as of late December, minimising disruption to manufacturing, agricultural and trading sectors.



"The economic impact of COVID-19 has been severe and widespread, though the effect on the separate sectors of the economy has been highly varied."

– Terry Leggett, Senior Analyst

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