

Economic impact of Covid-19 in the UK



GDP growth in 2020 Q3 was not enough to counterbalance the contraction in 2020 Q2

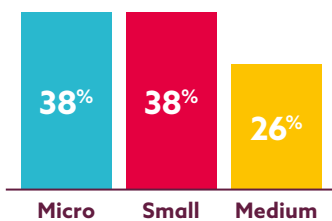


18% increase in household expenditure, against the 23% decrease in the previous quarter



Redundancies increased by 138% in the quarter to 2020 Q3

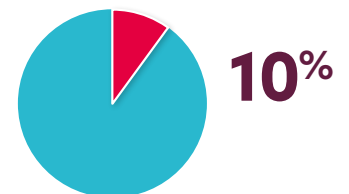
Continued impact on SMEs in the UK



SMEs with either no cash reserves, or only enough for three months

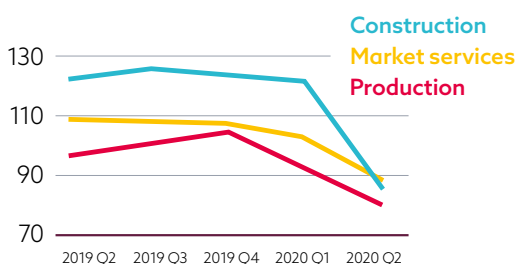


39% of SMEs were permanent non-borrowers in Q3, down from 51% in Q1

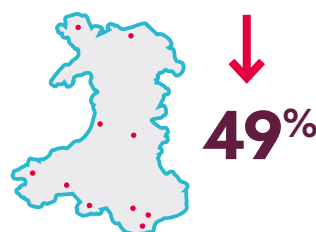


10% of SMEs have made redundancies, with smaller business more acutely impacted by the pandemic

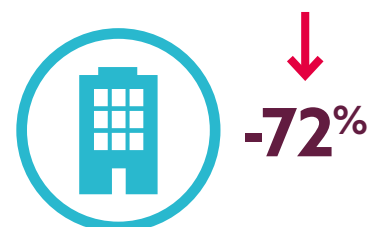
Welsh output and outlook



Welsh output indices continue to trend downwards with GDP



49% of Welsh SMEs have seen a drop in turnover compared to 60% highlighted in EIW's Q1 report



Small business confidence in Wales remains the lowest of the UK regions