

London's Economy Today - Issue 242 - October 2022

Key information

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The overview

- Reverberations of mini-Budget continue to echo through the economy
- Household finances come under further strain as the cost-of-living crisis bites deeper
- Labour supply continues to shrink restraining the productive potential of the economy

Economic indicators

- The underlying trend in passenger journeys on London public transport remains upward with 211.7 million passenger journeys registered between 21 August 2022 and 17 September 2022, 15.8 million journeys more than in the previous period (24 July 2022 – 20 August 2022). In the latest period, 79.6 million of all journeys were underground journeys and 132.1 million were bus journeys.
- In September, the sentiment of London's PMI business activity index decreased but remained positive with the business activity PMI index for London private firms decreasing from 54.9 in August to 52.0 in September. The Purchasing Managers' Index (PMI) survey shows the monthly business trends at private sector firms. Index readings above 50 suggest a month-on-month increase in activity on average across firms, while readings below 50 indicate a decrease.
- Consumer confidence in London remained strongly negative in October (although increasing very slightly on the previous month) with the consumer confidence index at -29 in October an increase from -30 in September. The GfK index of consumer confidence reflects people's views on their financial position and the general economy over the past year and in the next 12 months. A score above zero suggests positive opinions; a score below zero indicates negative sentiment.

London's Economy Today supplement: London labour market projections

London's economy has generated employment at an unprecedented rate over the past 30 years, adding nearly 2m jobs since 1991. This latest work presents an interim update of GLA Economics' long-term employment

projections.

- Based on historic trends, we project employment in London to rise from 6m jobs in 2021 to 6.6m in 2031, 6.8m in 2041 and 6.9m in 2051.
- Fast growth in professional services jobs over the past 30 years has made it by far the largest sector in London's economy. While we continue to expect it to grow at a faster rate than for total jobs in London, it won't be quite as fast as in the past decade, or as fast as we expected in our last round of projections.
- The City of London, and the boroughs to its south and east (Hackney, Tower Hamlets, Newham, Greenwich and Southwark), together account for over half of the 842,000 increase in jobs projected up to 2041.

London's Economy Today data on the Datastore

- The main economic indicators for London are available to download from the [Datastore](#).

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