

London's Economy Today

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The economic fallout from the disruption in the Strait of Hormuz continues

By **Jubair Ahmed**, Economist, **Gordon Douglass**, Supervisory Economist and **Sixia Zhang**, Economist

Since the opening of hostilities between the US and Israel and Iran on 28 February the economic effects of this conflict have become more evident. Despite the announcement of a ceasefire on 7 April the Strait of Hormuz has remained severely restricted to shipping. Iran has maintained that the Strait is closed while the US announced a separate blockade of Iranian ports from 13 April. Peace negotiations between the US and Iran have been mediated by Pakistan but have so far not led to any permanent end to the conflict.

This blockade of the Strait has seen “global observed oil inventories [fall] by 85 mb in March, with stocks outside of the Middle East Gulf drawn down by a significant 205 mb (-6.6 mb/d) as flows through the Strait of Hormuz were choked off” [according to the International Energy Agency \(IEA\)](#). This is affecting industry and consumers in many ways with the IEA observing that “households and businesses using LPG [Liquefied Petroleum Gas] have also been impacted, while flight cancellations across the Middle East, parts of Asia and Europe have led to a sharp drop in jet fuel consumption. A growing number of countries have implemented policies to reduce demand, while others have put in place measures to shield consumers from the full impact of rising fuel prices”. In particular IEA Director Fatih Birol said in mid-April that Europe has “maybe six weeks” of remaining jet fuel supplies.



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Datastore

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

While energy prices have moved swiftly, the impact on food prices is still evolving. [The International Food Policy Research Institute states](#) that “up to 30% of global fertilizer trade passed through the Strait of Hormuz from the Persian Gulf to export markets around the world, as well as an estimated 20% of liquified natural gas (LNG), a key fertilizer feedstock”. This has led to concerns for rising food costs with analysis by the World Food Programme last month suggesting that nearly 45 million more people could face acute food shortages if the disruption continues into the year.

UK inflation picks up in March

In the UK the inflationary impacts of the war are starting to show up in official data. According to the latest [Consumer Price Inflation \(CPI\) bulletin](#) from the Office for National Statistics (ONS), CPI inflation increased to 3.3% in the 12 months to March 2026, after holding at 3% in both January and February (Figure 1). CPIH inflation (a broader measure that includes owner occupiers' housing costs and Council Tax) also climbed, reaching 3.4% year-on-year, up from 3.2%. The ONS reports that transport costs (especially motor fuels) were the largest contributor to the increase in the annual CPI rate between February and March – reflecting higher global energy prices. Core CPI fell slightly (from 3.2% to 3.1%), but services inflation rose again and remains notably stronger than goods inflation.

Despite having fallen back substantially from its 2022 peak, inflation remains clearly above the Bank of England's 2% target and has moved outside the Bank's ± 1 percentage point tolerance band. With fuel and energy-driven pressures picking up, and further upside risks from the conflict in the Middle East still to fully feed through, the Bank's Monetary Policy Committee voted 8-1 to maintain interest rates at their current level at their meeting on 30 April but noted that they would continue to monitor the situation and act accordingly to make sure inflation met its target in the medium term.

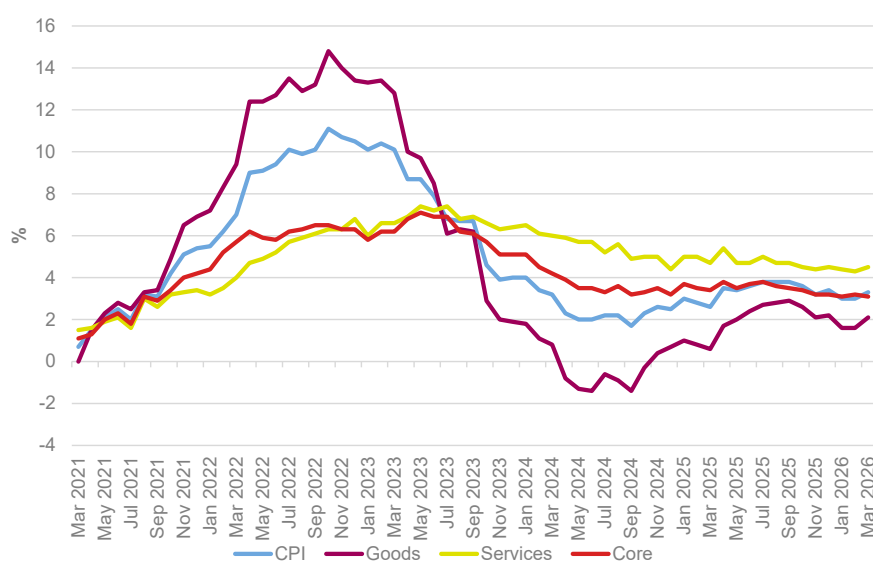


Figure 1: CPI, goods, services and core annual inflation rates, UK, March 2021 to March 2026

Source: ONS, GLA Economics

UK economy picks up pace, but Iran-driven energy squeeze lies ahead

The latest [monthly UK GDP data](#) from the ONS show that the economy grew by 0.5% in February 2026, following monthly growth of 0.1% in both January and December 2025. Looking at the three-month picture, real GDP increased by 0.5% in the three months to February, up from 0.3% in the three months to January and no growth in the three months to December (Figure 2). February's monthly rise was broad-based: the services and production sectors both expanded by 0.5%, while construction output grew by 1.0%.

Over the three months to February, services output rose by 0.5% and remained the main driver of GDP growth, supported by growth in wholesale and retail trade, information and communication, and transport

and storage. Production output increased by 1.2%, marking a third consecutive three-month rise, while construction output fell by 2%, reflecting continued weakness in new work, particularly private housing. Compared with a year earlier, GDP in the three months to February was 0.8% higher, with services up 1.1% and construction down 1.8%. For London, this mix of solid service-sector growth and weak construction-sector growth points to an economy increasingly reliant on the capital's services base, with housing-related construction still weighing on overall output.

The data release pre-dates the start of the conflict in Iran at the end of February, so any impact of higher energy costs or weaker external demand will only begin to show in subsequent releases, raising questions over how long the recent momentum can be sustained.

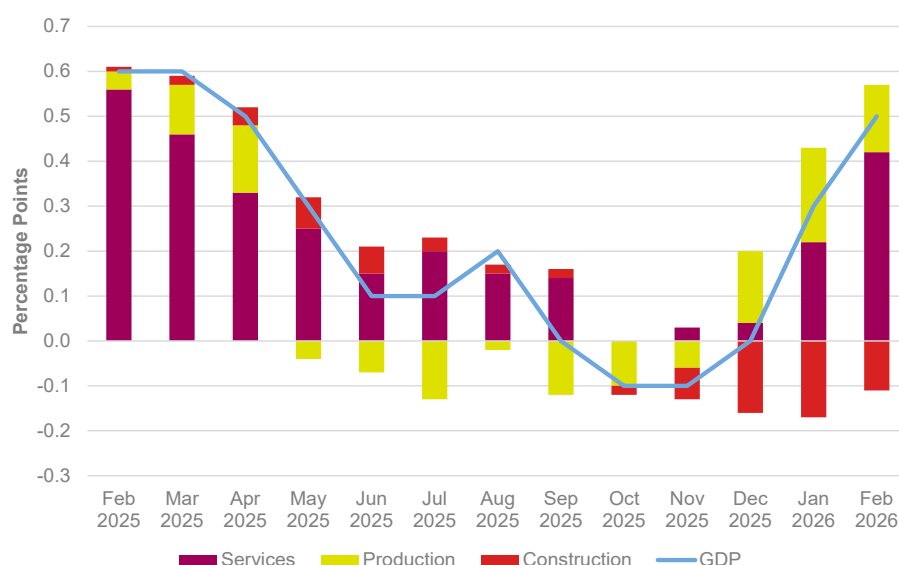


Figure 2: UK real three-month GDP growth, February 2025 to February 2026

Source: ONS

IMF forecasts modest UK growth, while OECD downgrades UK outlook

The [IMF's April 2026 World Economic Outlook](#) projects that UK real GDP will grow by 0.8% in 2026, 1.3% in 2027 and 1.4% in 2028. This leaves the UK expanding at a similar pace to the Eurozone on average and in the middle of the G7 distribution – but slower than the US and Canada. On inflation, the IMF expects UK consumer prices to remain above target in the near term, with CPI inflation averaging 3.2% in 2026 and easing to 2.4% in 2027 and 2.1% in 2028. Globally, it forecasts world output rising by 3.1% in 2026, 3.2% in 2027 and 3.1% in 2028. Advanced economies as a group are projected to grow by 1.8%, 1.7%, and 1.7% during the same period. The US economy is forecast to expand by 2.3%, 2.1% and 1.9%, and the Eurozone by 1.1%, 1.2% and 1.2%.

By contrast, the [OECD's March 2026 Economic Outlook](#) adopts a more cautious view for the UK. It now forecasts UK GDP growth of around 0.7% in 2026, down from the 1.2% it projected previously, with a modest pick-up expected in 2027 and 2028. The OECD state that the downward revisions to forecast growth reflect its exposure to higher energy import costs following the conflict in the Middle East and warns that a prolonged period of elevated oil and gas prices would further depress UK growth while keeping inflation elevated. The report also revises the UK inflation forecast upwards, now expecting annual CPI inflation to rise to around 4% on average in 2026 (the highest rate in the G7), before easing in 2027 and 2028. The OECD again points to concerns about the UK's "[thin fiscal buffers](#)", and resulting limited room for substantial fiscal loosening (without undermining fiscal rules).

Beyond economic forecasts, concern have also been expressed about the level of global stock markets with the Bank of England stating that they expect them to decline as they believe they do not currently reflect the risks to the global economy. Thus the Bank's Deputy Governor Sarah Breeden told the BBC in April that "there's a lot of risk out there and yet asset prices are at all-time highs. We expect there will be

an adjustment at some point". With her adding that "the thing that really keeps me awake at night is the likelihood of a number of risks crystallising at the same time – a major macroeconomic shock, confidence in private credit goes, AI and other risky valuations readjust – what happens in that environment and are we prepared for it?"

London's labour market retains weak underlying momentum

Despite some labour market indicators moving in a positive direction there are also some signs of it softening in the capital. So, the number of payrolled employees living in London continued to decline in March 2026. By age, the largest falls continue to be among those aged 16–24 and 25–34.

At the same time, London's unemployment rate is still very high but economic inactivity continued to edge down in London, standing just above the record low reached in October 2024. As a result, the employment rate is now above its level a year earlier.

In more detail, the data shows that the most timely estimate of payrolled employees (subject to revision) showed a decrease of 5,250 (-0.1 percentage points (pp)) in the number of payrolled employees in London between February 2025 and March 2026, and a decrease of 0.6% on the year. London's unemployment rate was estimated at 7.4%, an increase on the quarter and an increase of 0.8pp from a year earlier. While London's inactivity rate (the measure of those not looking and/or not available to work) was estimated at 19.7%. This was a decrease of 1.1pp on the previous year, and a decrease on the quarter. It is lower than the UK-wide estimate of 21.0%. And the employment rate in London was estimated at 74.3% for the three months ending February 2026, an increase of 0.4pp on the same period in the previous year, and an increase on the quarter. London's employment rate was lower than the UK average (75.0%).

GLA Economics will continue to monitor these (and other) aspects of London's economy over the coming months in our analysis and publications, which can be found on [our publications page](#) and on the [London Datastore](#).

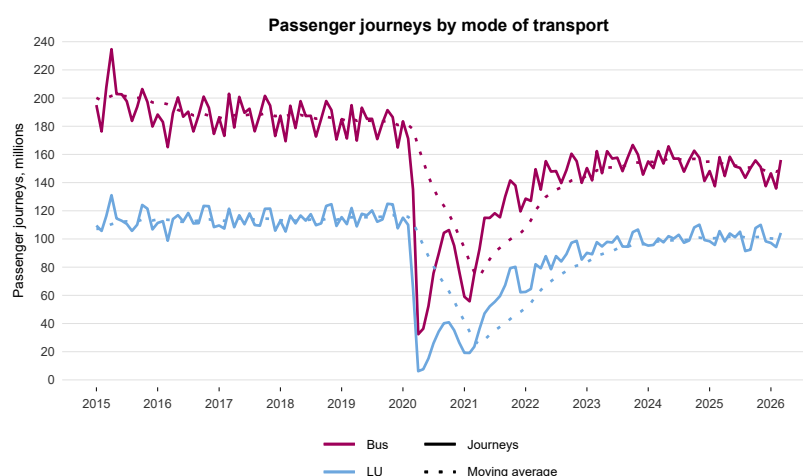
Economic indicators

The underlying trend in passenger journeys on London public transport increased in March 2026

- 260.4 million passenger journeys were registered in March 2026, 30.3 million more than in February.
- In the latest period, 104.3 million of all journeys were underground journeys and 156.1 million were bus journeys.
- The 13-period moving average in the total number of passenger journeys rose slightly from 247.9 million in the previous period to 250.0 million in the latest period.

Source: Transport for London

Latest release: April 2026, Next release: May 2026

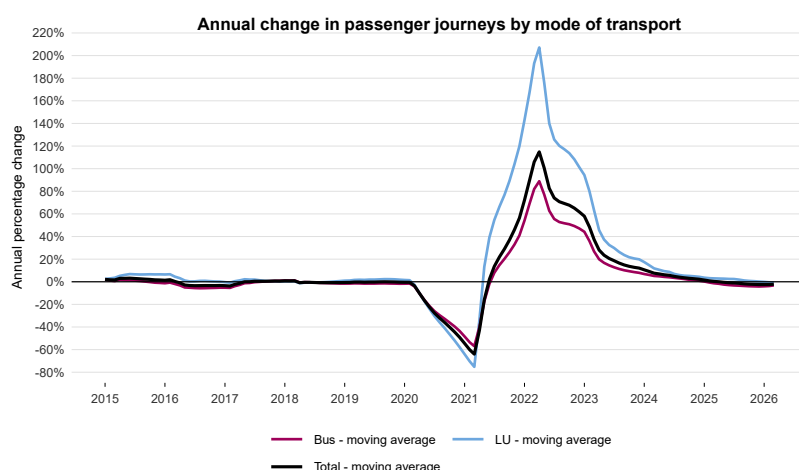


The decline in the annual growth in passenger journeys slowed

- In March 2026, the 13-period moving average annual growth rate in the total number of passenger journeys improved, from a decline of 2.5% in February to a decline of 2.2% in March.
- The moving average annual growth rate of bus journeys improved from a decline of 3.8% in February to a decline of 3.2% in March.
- The moving annual average growth rate of underground passenger journeys weakened from a decline of 0.5% in February to a decline of 0.6% in March.

Source: Transport for London

Latest release: April 2026, Next release: May 2026

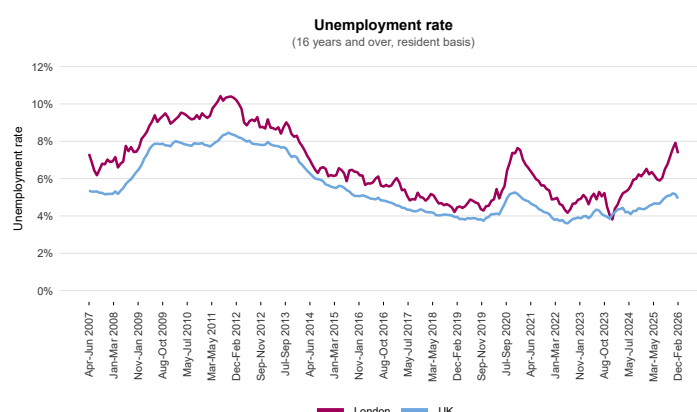


London's unemployment rate increased over the last quarter

- Around 388,000 residents aged 16 and over were unemployed in London in the period from December 2025 to February 2026.
- The unemployment rate in London for that period was 7.4%, an increase from 7.2% in the previous quarter September - November 2025.
- The UK's unemployment decreased to 4.9% in December 2025 - February 2026, from 5.1% in September - November 2025.
- The Office for National Statistics cautions that significant volatility has been observed in recent periods, and short-term changes should be treated with vigilance and used in conjunction with other indicators.

Source: ONS Labour Force Survey

Latest release: April 2026, Next release: May 2026

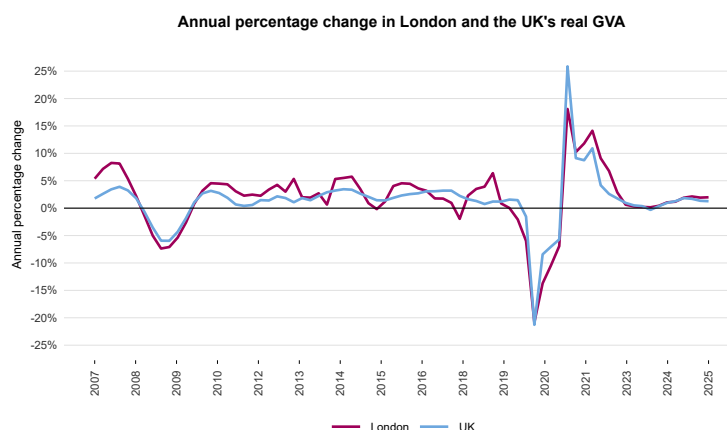


London's economy continues to expand through Q3 2025

- The ONS has published annual real GVA data for London for 2023, alongside revised figures for 1998 to 2022. Based on these revisions, GLA Economics has updated its quarterly GVA estimates for 1998 Q1 to 2023 Q4, and produced nowcasts for 2024 Q1 to 2025 Q3.
- According to the latest data, London's real GVA grew by 0.3% in 2023, matching the UK-wide growth rate. This followed a significant upward revision to 2022, with growth now estimated at 8.1%, up from the previously reported 4.8%.
- GLA Economics nowcasts that London's output rose by 1.1% in 2024.
- GLAE estimates indicate that London's economy expanded by 0.8% in Q1 2025, followed by growth of 0.4% in Q2 and 0.3% in Q3. Growth in each quarter exceeded that of the UK as a whole, which recorded increases of 0.7%, 0.3% and 0.1% respectively. By Q3 2025, London's GVA stood 6.7% above its pre-pandemic level (Q4 2019), continuing to outperform the UK overall, where output was 5.5% above its pre-pandemic level.

Source: ONS and GLA Economics calculations

Latest release: December 2025, Next release: June 2026

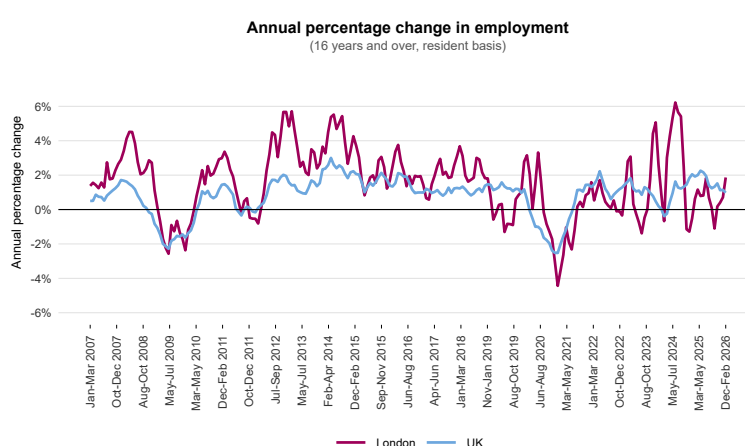


London's year-on-year employment growth rate rose in the quarter to February 2026

- Around 4.9 million London residents aged 16 and over were in employment during the three-month period from December 2025 to February 2026.
- London's annual change in employment rose by 1.9% in the year to this quarter, compared with a 0.2% growth in the quarter leading up to November 2025.
- Employment in the UK as a whole grew by 1% in the year to this quarter, a decrease from the 1.5% growth in the previous quarter.
- The Office for National Statistics cautions that significant volatility has been observed in recent periods, and short-term changes should be treated with vigilance and used in conjunction with other indicators.

Source: ONS Labour Force Survey

Latest release: April 2026, Next release: May 2026

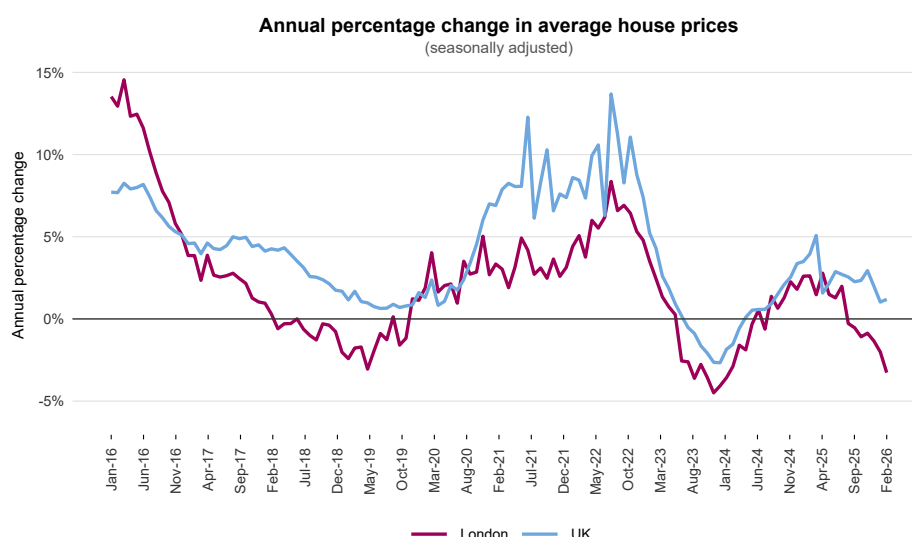


On an annual basis house prices fell in London in February 2026

- In February 2026, the average house price in London was £548,000 while in the UK it was £269,000.
- Average house prices in London fell by 3.3% year-on-year in February 2026, a larger drop than the 2% decrease in January.
- Average house prices in the UK rose by 1.2% on an annual basis in February, a larger change than the increase of 1% in the year to January.

Source: Land Registry and ONS

Latest release: April 2026, Next release: May 2026

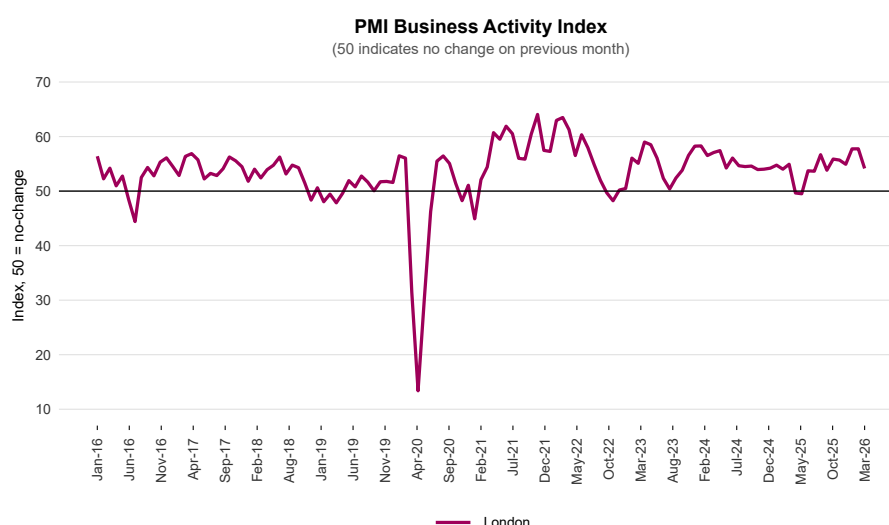


In March 2026, the sentiment of London's PMI business activity index moderated

- The business activity PMI index for London private firms decreased from 57.8 in February to 54.2 in March.
- 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.

Source: IHS Markit for NatWest

Latest release: April 2026, Next release: May 2026

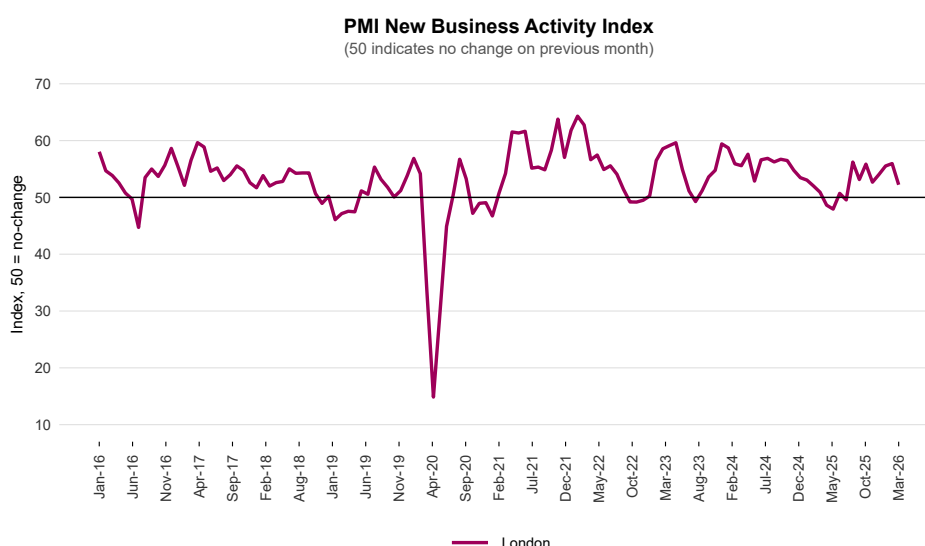


In March 2026, the sentiment of London's PMI new business activity slowed

- The PMI new business index in London decreased from 56.0 in February to 52.2 in March.
- An index reading above 50.0 indicates an increase in new orders on average across firms from the previous month.

Source: IHS Markit for NatWest

Latest release: April 2026, Next release: May 2026

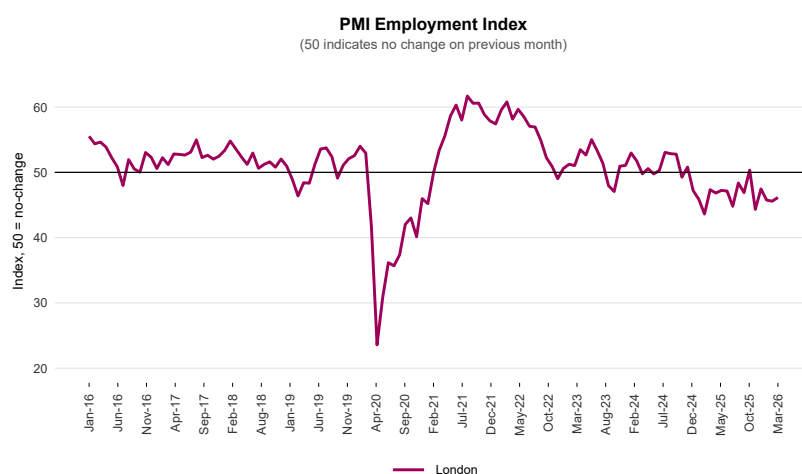


In March 2026, the sentiment of the PMI employment index in London improved

- The Employment Index for London increased from 45.6 in February to 46.2 in March.
- The PMI Employment Index shows the net balance of private sector firms of the monthly change in employment prospects. Readings above 50.0 suggests an increase, whereas a reading below 50.0 indicates a decrease in employment prospects from the previous month.

Source: IHS Markit for NatWest

Latest release: April 2026, Next release: May 2026

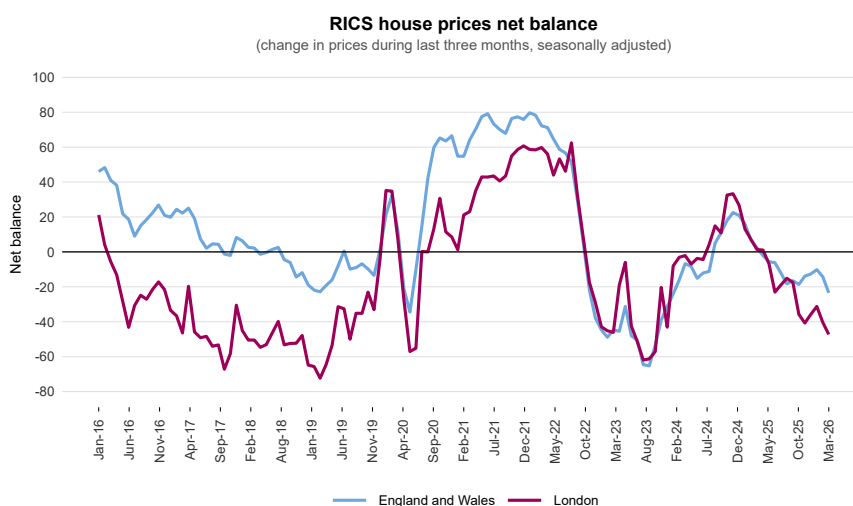


More than half of all property surveyors in London reported house price decreases in March 2026

- In March, more property surveyors in London reported falling prices than rising prices. The net balance index was -47, and it was -40 in February.
- For England and Wales, the RICS house prices net balance index dropped from -14 in February to -23 in March.
- The net balance index measures the proportion of property surveyors reporting a rise in prices minus those reporting a decline.

Source: Royal Institution of Chartered Surveyors

Latest release: April 2026, Next release: May 2026

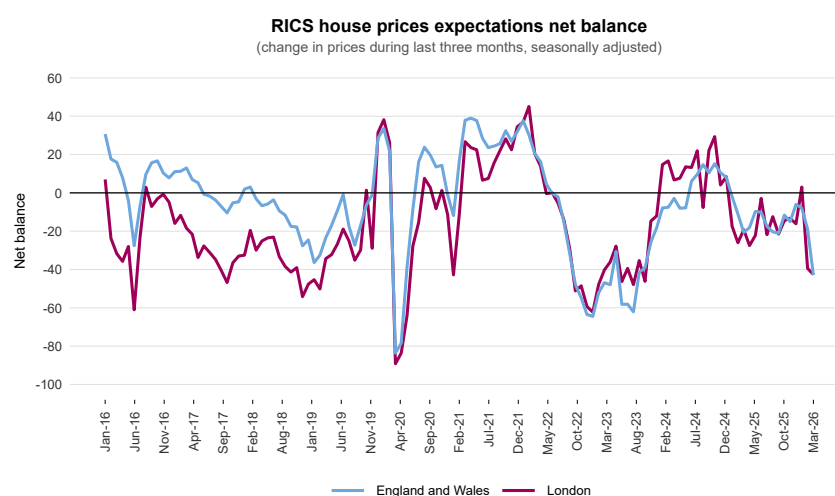


In March 2026, over half of all property surveyors expressed negative expectations for house prices in London over the next three months

- The net balance of house prices expectations in London was -43 in March, worsening from -39 in February.
- The index for England and Wales was also -43 in March, and was -19 in February.
- The net balance index measures the proportion of property surveyors reporting a rise in prices minus those reporting a decline.

Source: Royal Institution of Chartered Surveyors

Latest release: April 2026, Next release: May 2026

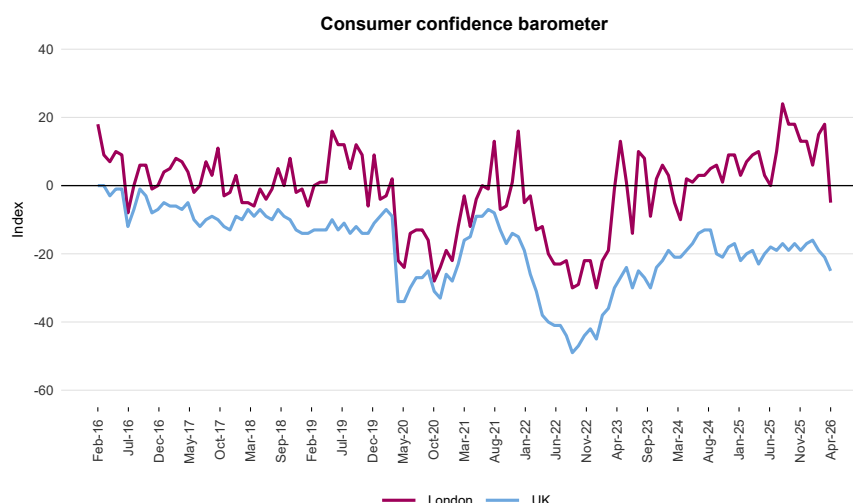


Consumer confidence in London turned negative in April 2026

- The consumer confidence index in London was -5 in April 2026; it was 18 in March.
- The sentiment for the UK decreased from -21 to -25 over the two months. The UK has not seen a positive index score since January 2016.
- 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.

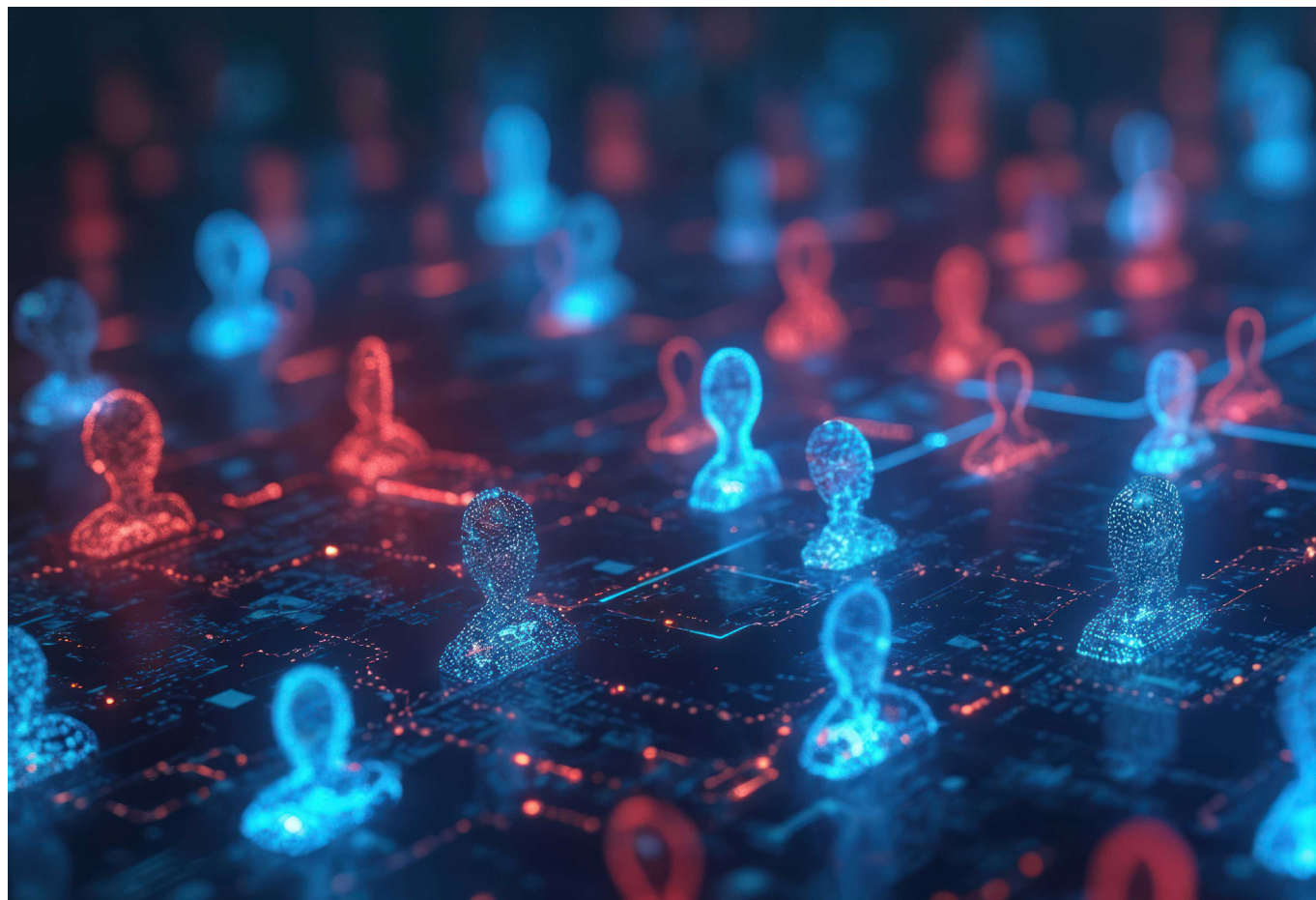
Source: GfK

Latest release: April 2026, Next release: May 2026



London's workforce exposure to generative artificial intelligence

By **Jeff Dwan-O'Reilly**, Economist



Generative Artificial Intelligence (GenAI) is evolving quickly, with the potential to reshape London's labour market. But its overall impact on employment remains uncertain. This supplement summaries the findings of recent GLA Economics research into the topic.

Introduction

How will artificial intelligence change London's labour market? In a new GLA Economics Working Paper, '[London's workforce exposure to generative artificial intelligence](#)' we use measures of GenAI exposure at a task level to help answer this question. The publication provides high-level estimates of the degree to which different types of occupations are most likely to be affected – but we note that AI has the potential to have both positive and negative impacts on jobs and the labour market. Together with near real-time job postings and business survey data, we document changes that are already happening.

This evidence base provides a foundation for further work. The Mayor has just launched the [London AI and Jobs Taskforce](#), established to generate more real-world evidence on how AI is affecting the capital's labour market – and to respond with effective policy measures. Bringing together a wide range of stakeholders, it will help identify both the near-term risks and opportunities for Londoners and guide a focused set of practical policy interventions. The taskforce will take forward the analysis of this report to better understand AI-specific effects on jobs, productivity, inclusion, and job quality.

Key points

- The analysis starts by using the International Labour Organization (ILO) framework for classifying occupational exposure based on the potential for GenAI to automate tasks. All occupations are assigned to one of five levels (Table A1).

Table A1: Definitions and interpretation of GenAI exposure levels

GenAI Exposure level	Interpretation	Example occupations
Exposed: Level 4 (High task exposure, Low task exposure variability)	High and consistent exposure to GenAI across tasks within the occupation. Most current tasks in these jobs have a high potential of automation , with little variability in task-level exposure.	Administrative / clerical roles, Bookkeepers, Brokers
Exposed: Level 3 (Significant task exposure, high task exposure variability)	Above-moderate occupational exposure. Even though some key tasks remain less exposed, the overall potential of automation of the current tasks with GenAI is growing in these occupations.	Economists, Software developers, Accountants
Exposed: Level 2 (Moderate task exposure, high task exposure variability)	Moderate occupational AI exposure, with high task-level variability. These occupations include a mix of some tasks that are exposed to GenAI and others not at risk, making the impact uneven.	Management consultants, Marketing professionals, IT system designers
Exposed: Level 1 (Low task exposure, high task exposure variability)	Low overall GenAI exposure at the occupational level, but high variability across tasks. Some tasks within these occupations have an elevated automation potential, even if the occupation as a whole remains strongly reliant on tasks that have a low potential of automation.	Sales assistants, Laboratory technicians, Legal associate professionals
Limited Exposure All other occupations (Low task exposure, low-mod task exp. variability)	Occupations with minimal-low GenAI occupational exposure, where most tasks remain relatively unaffected. Low-moderate task exposure variability, also makes these occupations less likely to be impacted by AI automation, although not immune .	Carpenters, Care workers, Primary school teachers

Note: Occupational GenAI exposure scores are not forecasts of jobs losses. Rather they indicate only the technical potential for tasks within roles to be automated by GenAI.

- **At least 46% of London's workers (around 2.4 million people) are in roles where GenAI could automate a share of their tasks (Figure A1)**, based on the International Labour Organization's (ILO) occupational exposure estimates.¹ This is substantially higher than the UK average of 38%. **However, high exposure, as defined in the report, does not signal definitive job losses, nor does low exposure guarantee job and occupational security.**
- **Around 6% of workers (313,000) are in Level 4, the highest-exposure group, where most tasks could be automated using current GenAI capabilities.** A further 14% (748,000) are in Level 3, where exposure is high but varies across tasks, with some key tasks remaining less exposed. Together, these groups make up just over one-fifth of London's workforce and are the most likely to experience earlier and more pronounced role changes as GenAI adoption grows.

¹ Classified as exposed to GenAI (exposure levels 1–4), see appendix for detail on the exposure levels.

Figure A1: Almost half of London’s workforce is in GenAI-exposed occupations

London | 2022-2024 employment estimates

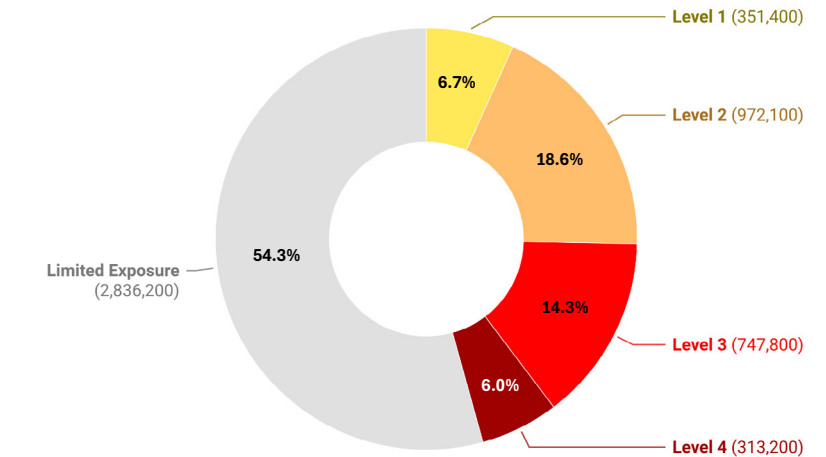
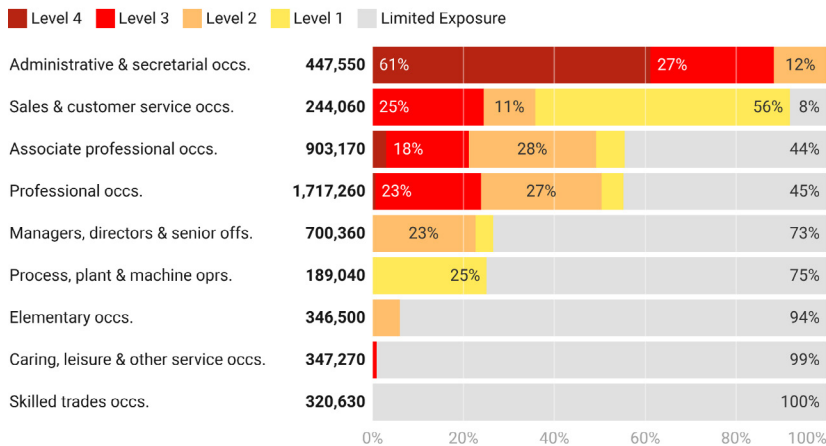


Chart: GLA Economics adaption of ILO (2025) approach • Source: ONS Annual Population Survey - Pooled Annual (2022-2024) - Percentages may not sum to 100% due to rounding. Location is place of employment. • Created with Datawrapper

- **London’s high exposure to GenAI presents both opportunity and risk.** The technology could deliver productivity gains by improving task efficiency, but it may also create a risk of disruption and reduced demand for some roles, even while increasing the need for some new or existing roles. In addition to the technology’s capabilities, longer-term GenAI labour market impacts will depend on a range of other factors, including adoption patterns, the availability of complementary skills, public trust in AI outputs and business integration strategies, as well as wider economic conditions.
- **GenAI exposure – and its potential impact – is heavily concentrated within specific occupations and industries.** Over 300,000 workers – predominantly in routine administrative roles – face the highest levels of exposure and risk of AI automation, as their clerical tasks align most closely with GenAI capabilities (Figure A2). Many professional white-collar occupations are also highly exposed, reflecting the language-, digital- and analysis-intensive nature of their work. However, roles requiring high-stakes judgement, accountability and client interaction are considered by the ILO measures to be less directly automatable. They are more likely to be reshaped through augmentation than replaced by GenAI.

Figure A2: Administrative roles at most risk of GenAI disruption, with large numbers of workers in professional roles also exposed

Distribution of GenAI exposure levels across broad occupational groups
London | 2022-2024 employment estimates | Major SOC 2020 groups

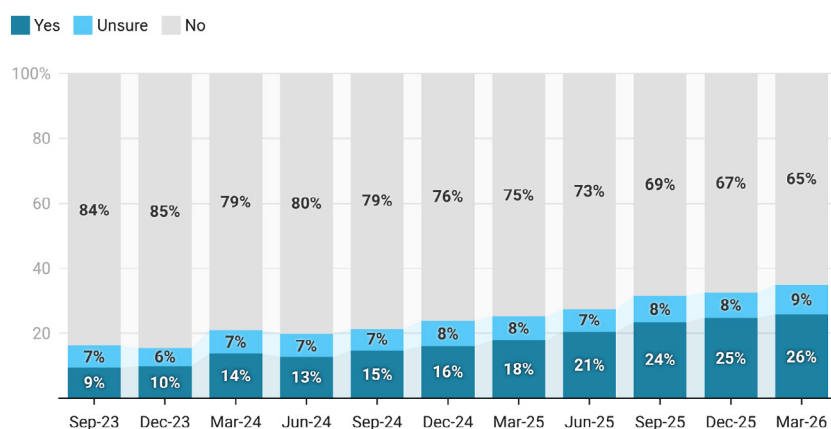


Note: Numbers in **bold** are the estimated number of total workers in each category.
Chart: GLA Economics adaptation of ILO (2025) approach • Source: ONS - Annual Population Survey - Pooled Annual (2022-2024) • Created with Datawrapper

- **ICT, finance, professional services, and public administration sectors face the highest overall exposure to GenAI.** There are industries that are fundamental to London's economy. Sectors that rely on physical presence, skilled trades, or direct interpersonal care are less directly exposed, though no sector is likely to remain entirely unaffected. Some sectors with relatively low direct exposure to GenAI – such as transport – may see faster change in the future when other forms of AI such as computer vision advance, increasing the potential of robotics and other automation technologies.
- **Exposure estimates suggest uneven impacts are likely across London's workforce.** Differences in exposure across groups largely reflect existing occupational patterns, although no group is entirely insulated from potential effects. Workers with higher levels of educational attainment are among the most exposed, reflecting their concentration in professional, knowledge-intensive occupations. Women are overrepresented in highly exposed administrative and clerical roles.
- **Many younger workers, those at the start of their professional careers, are concentrated in high-exposure digital and knowledge-intensive roles.** GenAI may also affect “stepping-stone” jobs that traditionally provide entry routes into careers, with implications both for young people trying to gain a foothold in the labour market and for longer-term talent pipelines into more senior roles.
- **Exposure alone does not drive labour market change, but early signals from GenAI adoption trends suggest it is beginning to translate into tangible workplace impacts.** Worker- and business-reported AI adoption has almost doubled over the last two years to between 26%-35% and continues to steadily rise as use cases become clearer, particularly in highly exposed knowledge-intensive sectors (Figure A3).

Figure A3: AI adoption rates are rising steadily among UK firms

Share of businesses using AI technologies
UK businesses | Sep 2023 - Mar 2026 | All business sizes



*'Yes' value imputed from question: "Which of the following AI technologies, if any, does your business currently use?"

Chart: GLA Economics • Source: ONS Business Insight and Conditions Survey • Created with Datawrapper

- Adoption (and intensity of adoption) remains uneven, with larger and more digitally mature businesses leading the uptake. Organisations' ability to manage change and the risks around data protection, quality, and accountability may be slowing use in some settings.

Figure A4: Employer demand for AI skills is growing exponentially, particularly in London

Share of online postings that explicitly contain AI expertise
Jan 2019 - Mar 2026 | 3-month moving average | Selected ITL1 regions

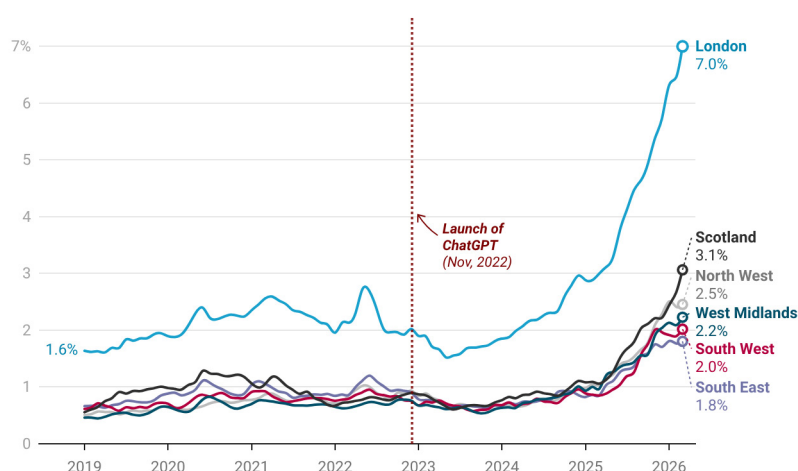


Chart: GLA Economics • Source: Lightcast UK job postings • Created with Datawrapper

- **So far, task change within roles appears to be the main employment effect**, with early adoption evidence to date pointing to tentative productivity gains, sub-task automation and role redesigns, rather than wholesale job replacement with AI. Business-reported impacts of AI adoption on specific roles broadly align with the ILO's occupational exposure patterns, with limited evidence of changes in headcount. Firms report prioritising training and upskilling of existing staff in complementary skills, and increasingly expect AI expertise when recruiting across a wide range of occupations.
- Job postings evidence aligns with rising adoption trends. Demand for specialist AI roles is growing rapidly, although these jobs remain a relatively small part of the overall labour market, while AI-focused firms are also expanding quickly, generating new employment opportunities. By end of March 2026, 7% of London's online job postings were explicitly seeking AI-related skills from prospective candidates (Figure A4).
- **Demand may be softening for some highly exposed roles in administration and some professional services, but the evidence remains inconclusive.** The slowdown may partly reflect AI-related change, but it remains difficult to disentangle these effects from the wider labour market cooling of recent years. While reported AI-related headcount reductions remain limited to date, employers in some industries anticipate that automation-related efficiencies arising from AI adoption will allow them to reduce their hiring needs or workforce size over time.

Conclusions

London's potential exposure to GenAI is relatively high, reflecting the capital's concentration of professional and knowledge-intensive work. However, exposure is not a forecast of job losses, but an indication of where job content is most likely to change.

The data suggests that employers are increasingly using GenAI to support workers and automate parts of jobs – such as drafting, summarising, analysis and routine processing – rather than replacing whole roles at this stage. This aligns with the expectation that, at least initially, GenAI is more likely to be complementary: it is driving task reallocation and augmentation in many occupations, with displacement risk more concentrated in a narrower set of routine roles. Overall, early evidence points to several dynamics occurring in parallel: (i) changing task content within existing jobs, (ii) the emergence of new AI-related specialist roles, and (iii) early signs of softer labour demand in some highly exposed routine administrative occupations.

This report serves as a foundational evidence base on what is increasingly becoming a pivotal issue for businesses and policymakers alike. The analysis presented in the report, while rigorous, is preliminary given the nature and evolution of GenAI's capabilities.

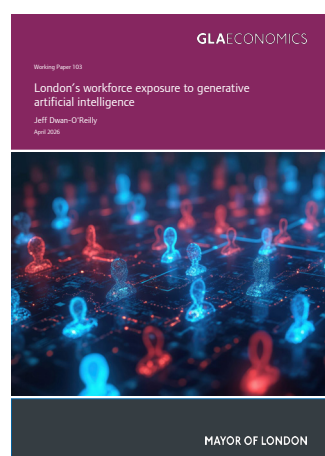
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We provide analysis on sectors of the economy including tourism, retail, housing, health, science, technology and more.

We analyse recent developments in London's labour market, by sector and borough.

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London's workforce exposure to generative artificial intelligence

This report examines London's exposure to generative AI (GenAI) across its different occupations, industries and communities. While it does not offer a definitive view on where jobs are going to be lost or gained, it does provide a rigorous, evidence-based picture of where change is most likely to be felt first.

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Workforce jobs in London are projected to grow from 6.4 million in 2024 to 7.3 million in 2050, an increase of 869,000 jobs (13.6%). This represents a higher level of projected employment than in previous projection rounds, largely reflecting a higher post-pandemic starting point rather than faster long-run growth

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London's Economic Outlook: Autumn 2025

London's real Gross Value Added (GVA) is forecast to grow by 1.9% in 2025, 1.7% in 2026, and 2.1% in 2027.

London's Workforce jobs (WFJ) are projected to increase by 0.9% in 2025, 1.1% in 2026, and 1.2% in 2027.

Household spending is expected to rise by 0.6% in 2025, 2.0% in 2026, then 1.9% in 2027.

Household income is expected to grow by 2.1% in 2025, 1.5% in 2026, and 1.3% in 2027.

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London's Economy Today is published towards the end of every month. It provides an overview of the current state of the London economy, and a selection of the most up-to-date data available. It tracks cyclical economic conditions to ensure they are not moving outside the parameters of the underlying assumptions of the GLA group.

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About GLA Economics

GLA Economics provides expert advice and analysis on London's economy and the economic issues facing the capital. Data and analysis from GLA Economics provide a sound basis for the policy and investment decisions facing the Mayor of London and the GLA group. The unit was set up in May 2002.