



UK economy shrinks in April after car plants closed, expecting Brexit

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Britain's economy contracted sharply in April after the biggest decline in car production since records began, as manufacturers were unable to reverse closures planned to coincide with Britain's expected departure from the EU.

1. Britain's economy contracted sharply in April, driven by a record decline in car production.
2. The economy shrank 0.4% early in April - the biggest drop since March 2016 and beyond analyst expectations.
3. Manufacturing was down 3.9%, the largest decline since June 2002.
4. While car production fell 24% on the month - the biggest fall since records began in 1995.
5. Manufacturers couldn't reverse closures planned for the original Brexit date at the end of March.
6. The motor industry had planned for expected trade disruption around that date.
7. BMW closed its UK Mini and Rolls-Royce plants.
8. Peugeot's Vauxhall car factory and Jaguar Land Rover also brought forward planned summer shutdowns to April.
9. But Prime Minister Theresa May delayed the UK's departure with just days to go - and a new date was set for October 31st.
10. Britain's economy has lost momentum since the 2016 Brexit referendum.
11. Before that growth typically exceeded 2% a year.
12. Even so, the job market still looks robust - and at least some Bank of England policymakers think a rate hike will soon be needed.