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Tomorrow (Wednesday 5th April) we will get official estimates of Scottish GDP growth in Q4 2016. These estimates, for the first time, are reaching us within 100 days of the end of the quarter they relate to.

This is great news, and reflects the result of a lot of hard work by Scottish Government statisticians.

Our work to nowcast the Scottish economy has focussed on providing both 'within quarter' and 'out of quarter, but before official estimates are released' estimates of Scottish economic growth. We do this by modelling a range of hard (e.g. unemployment, refinery activities, etc) and soft (e.g. our own business survey data, PMI, etc) indicators for the Scottish economy.

Once again, at the start of a new month, we release our latest results. These show that:

- GVA growth in 2016Q4 was 0.31% which, at an annual rate, is 1.24%. This is down substantially from our last estimate.
- GVA growth in 2017Q1 is 0.38% which, at an annual rate, is 1.54%. This is virtually unchanged from our last nowcast estimate for 2017Q1.

The substantial weakening of our estimate for 2016 Q4 here is interesting. If realised though, this would still be a noticeable improvement on prior quarterly growth in 2016, which -on official data- are currently 0.0% (Q1), 0.2% (Q2) and 0.2% (Q3).

Our latest nowcast for 2016Q4 is our last (in our terminology, the 6<sup>th</sup>) nowcast for this quarter. We've generally found that the 4<sup>th</sup> nowcast, released one month after the end of the quarter, and incorporating information on each month of the quarter in question, is the most accurate. The 4<sup>th</sup> nowcast was more optimistic, suggesting growth of 0.38% in 2016 Q4.

Our expectations therefore are of positive growth in the Scottish economy in 2016 Q4,

somewhere in the range 0.3%-0.4%. These estimates would suggest annual growth in Scotland in 2016 of around 0.6%.

Tomorrow, we will find out how close we get to the official estimates!