

GREATER MANCHESTER BUSINESS INDEX



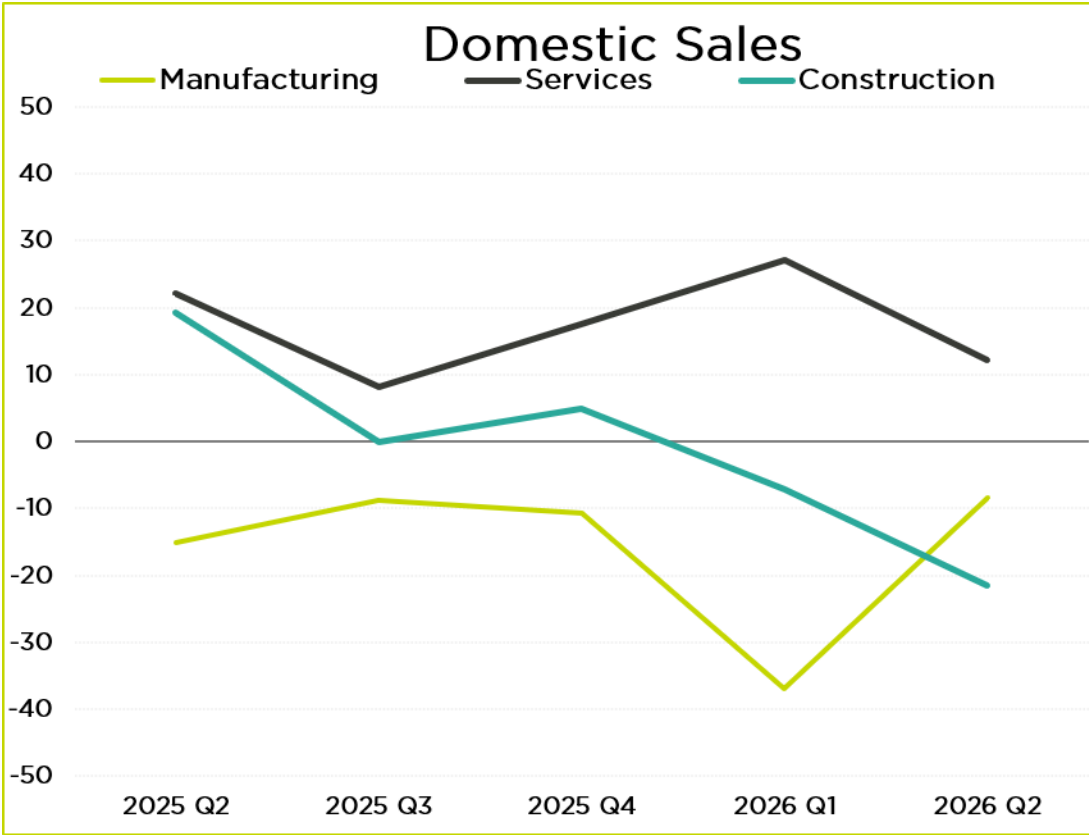
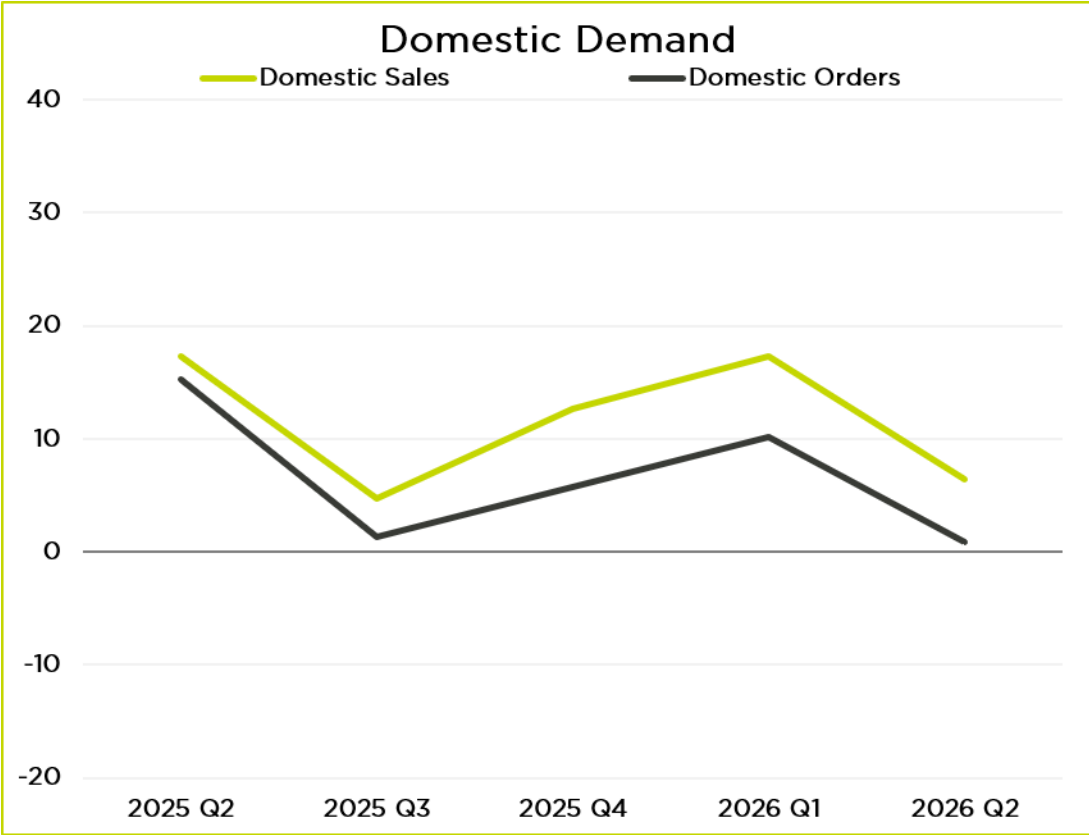
UK Economic Context - Summary

- **UK growth to remain modest (~1.0%) amid inflationary pressures.** GDP fell 0.1% in April, indicating a weak start to Q2 after Q1 0.6% growth
- **Inflation expected to rise above 3%**, delaying monetary easing. Bank MPS kept interest rates at 3.75% at its latest meeting
- **Services-driven decline signals softer consumer spending**, but no collapse in manufacturing (bar weaker future orders), and construction activity still resilient (even if PNIs weak)
- **Labour market opportunities more concerning.** GM postings down y-o-y and at their lowest level so far this year. More broadly, job vacancies are at their lowest level since early 2021.
- **Geopolitical tensions will continue to disrupt energy markets**, sustaining volatility (in the near-term) and higher interest rates. Brent Oil ~\$80 the mark reducing the risk of input price inflation

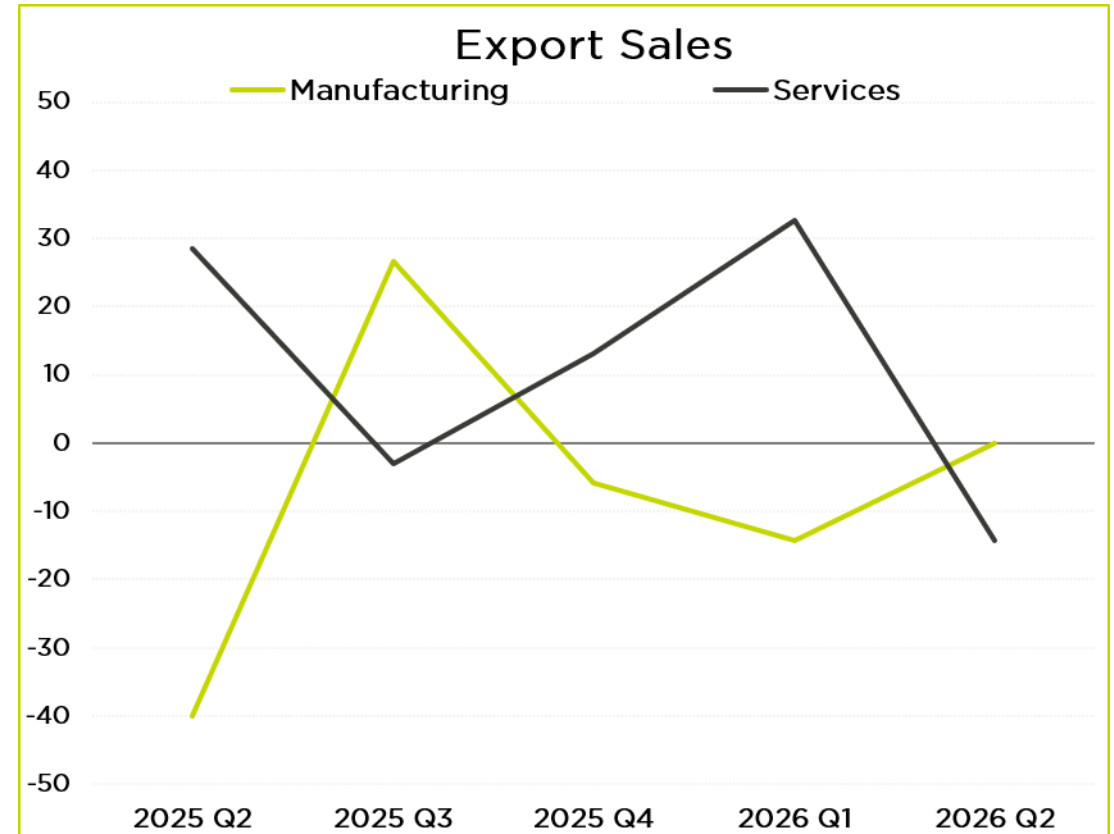
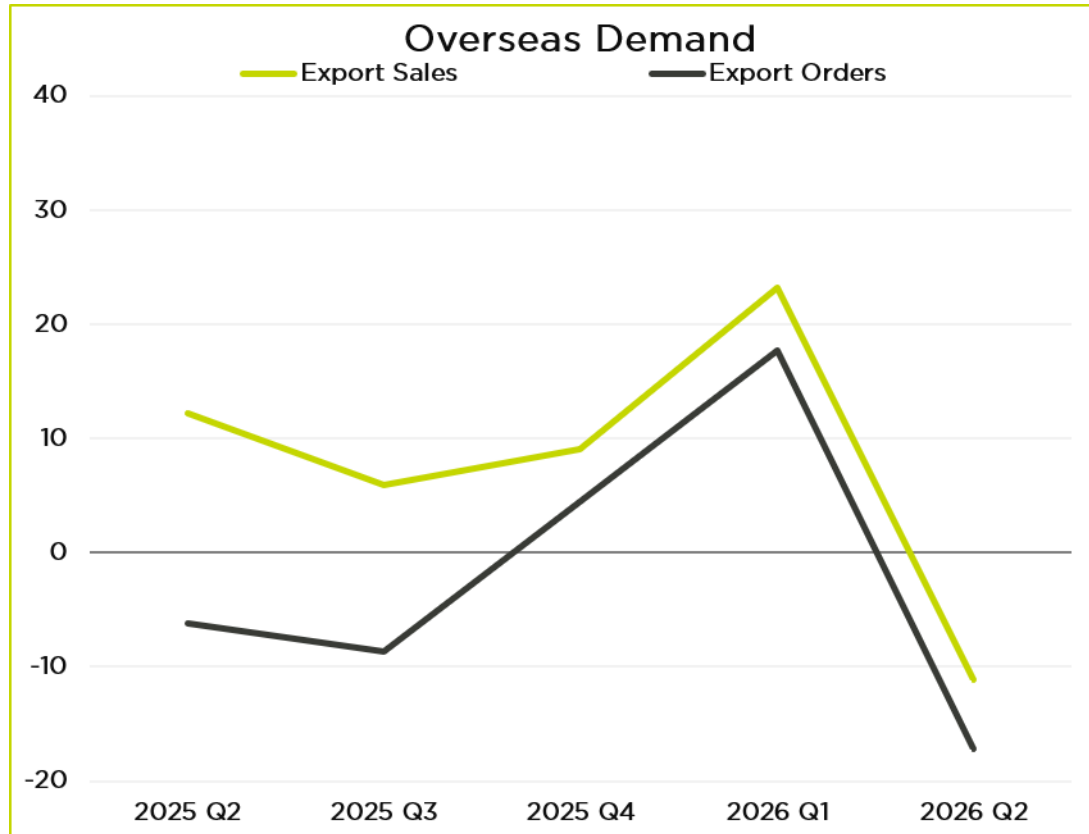
Greater Manchester Index



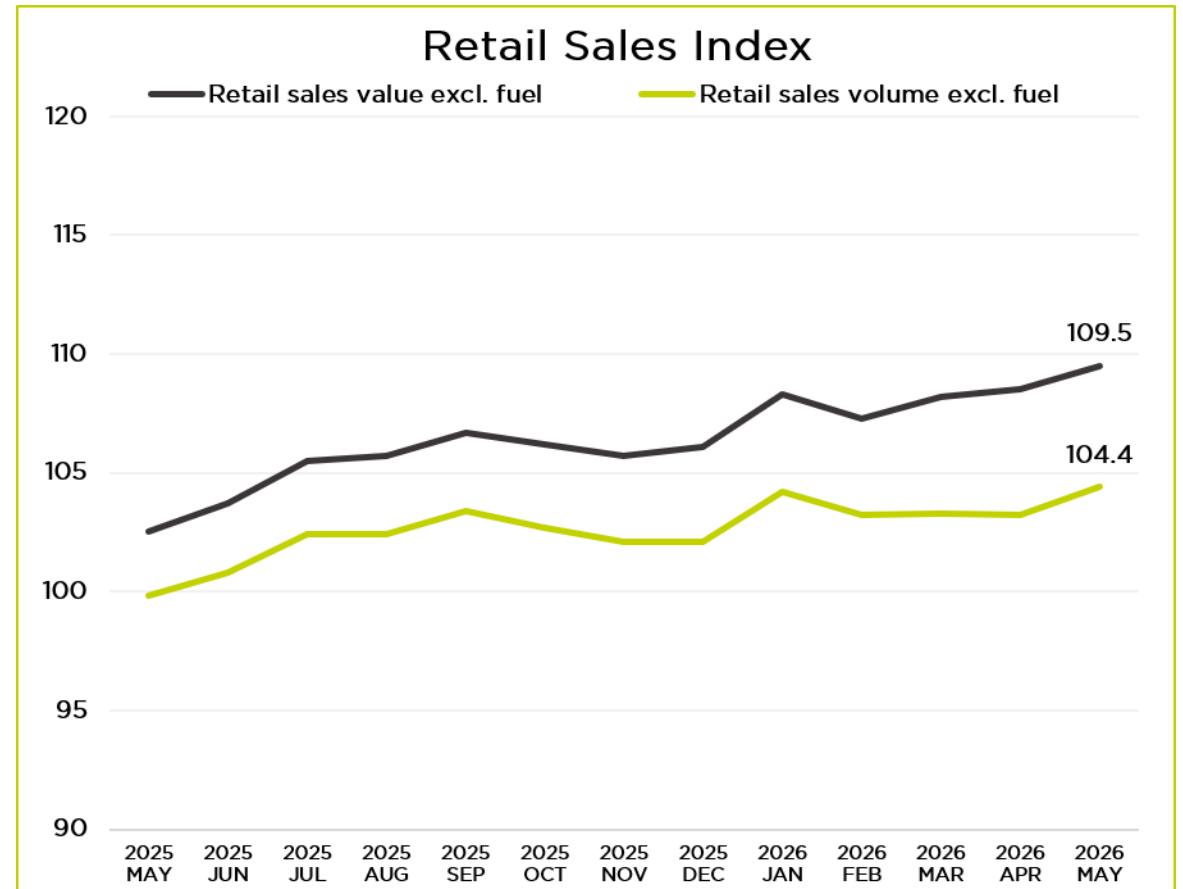
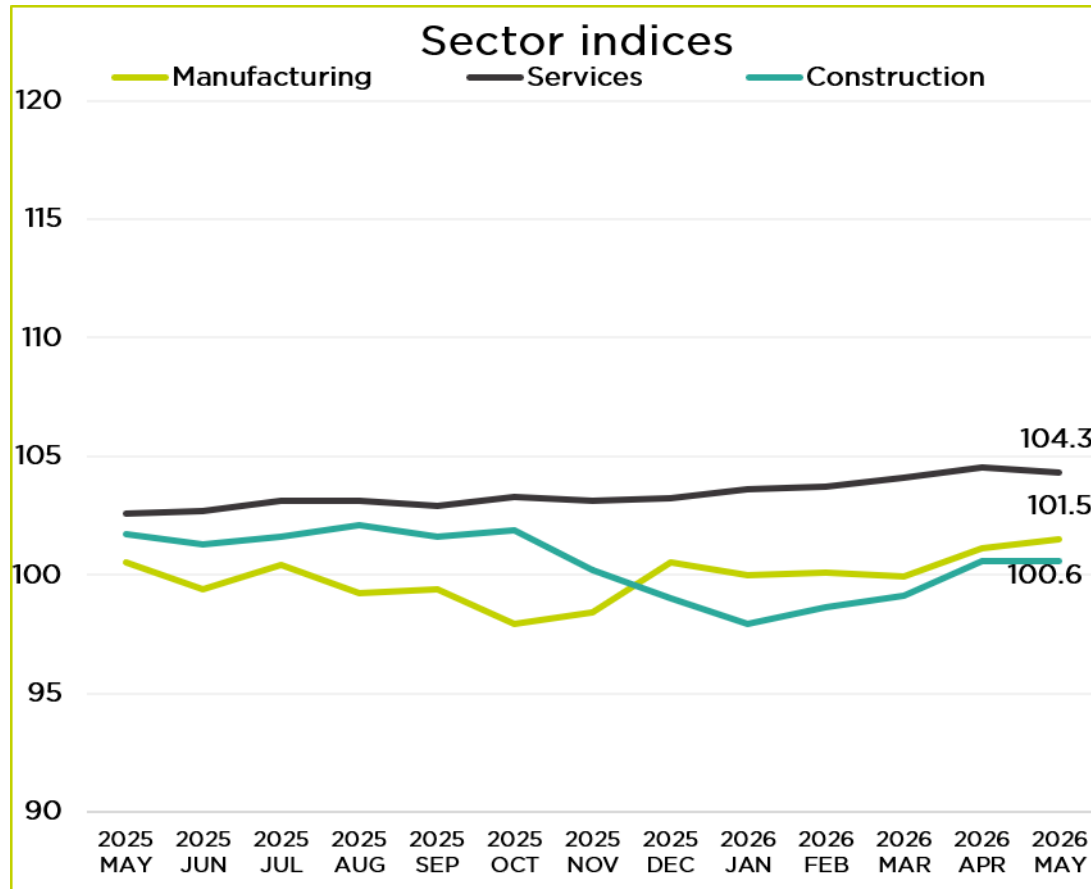
Domestic Demand



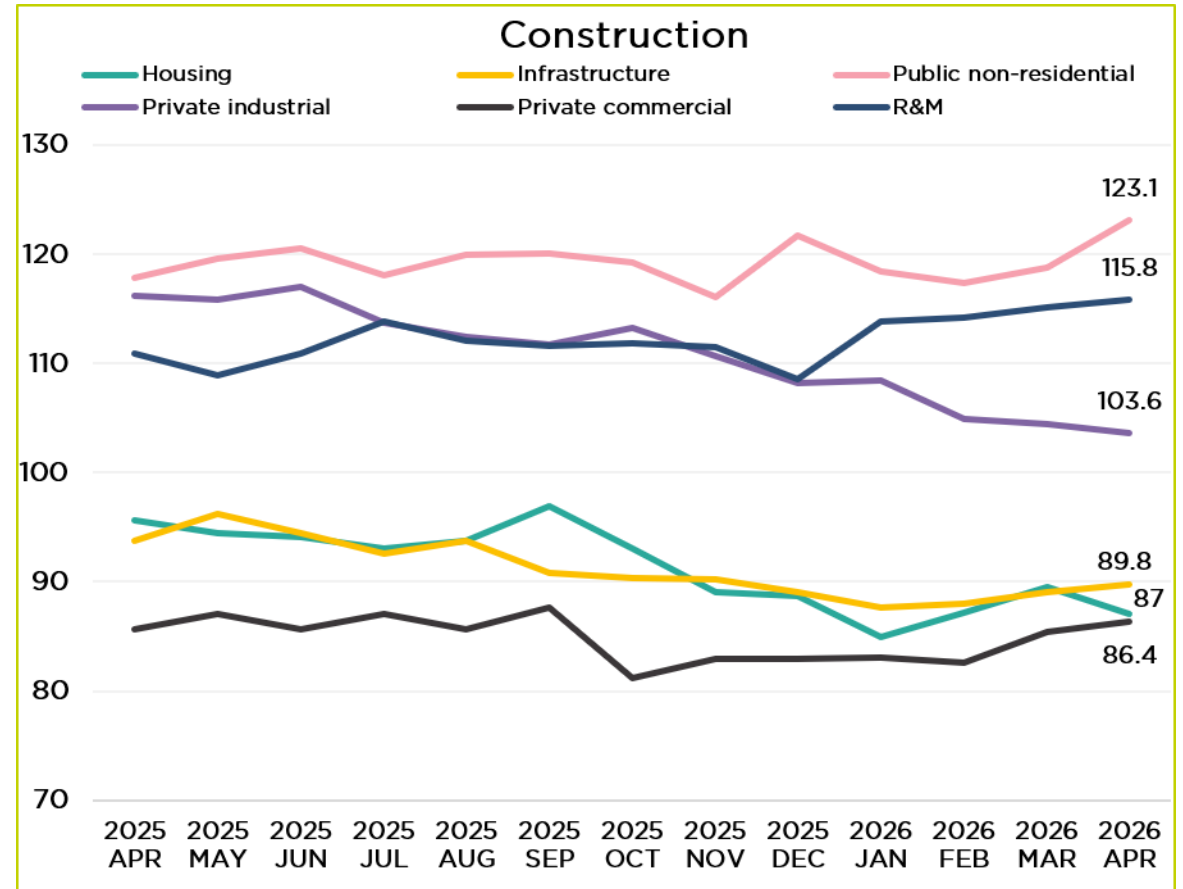
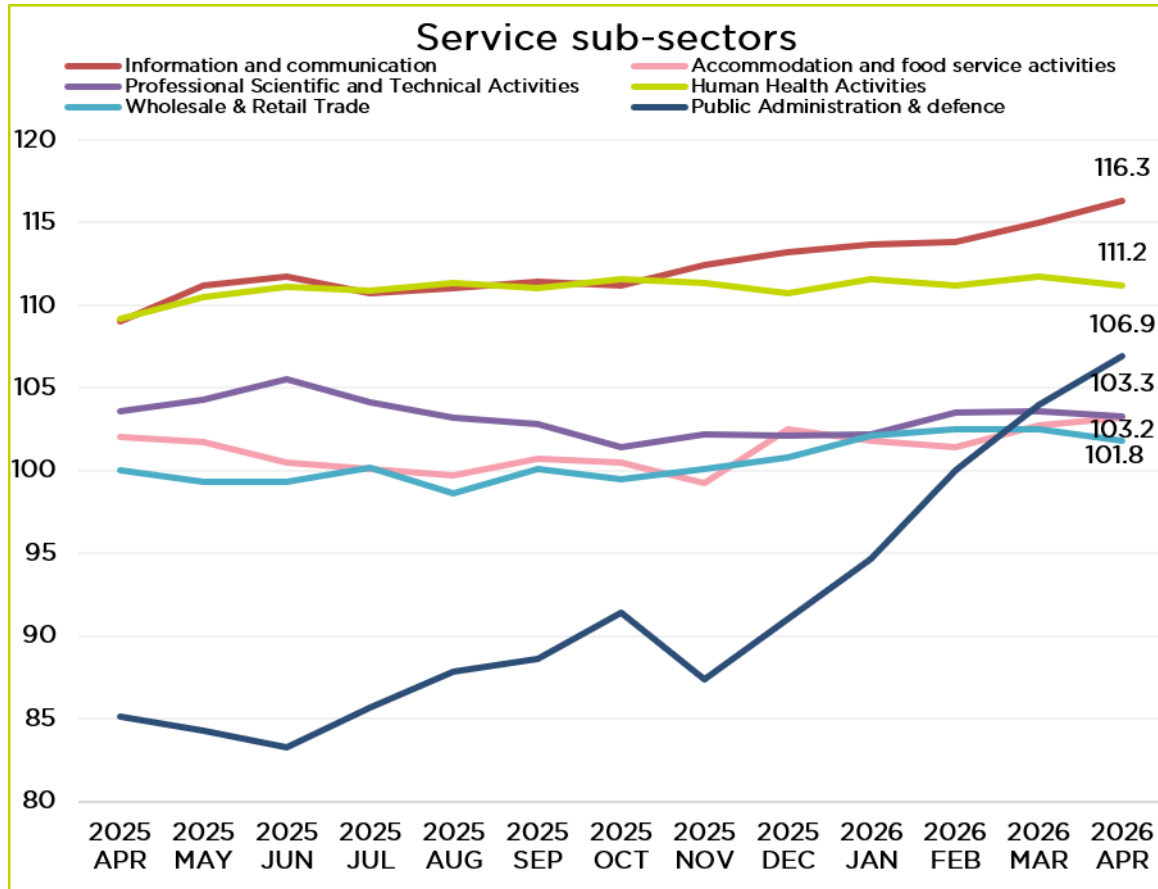
Overseas Demand



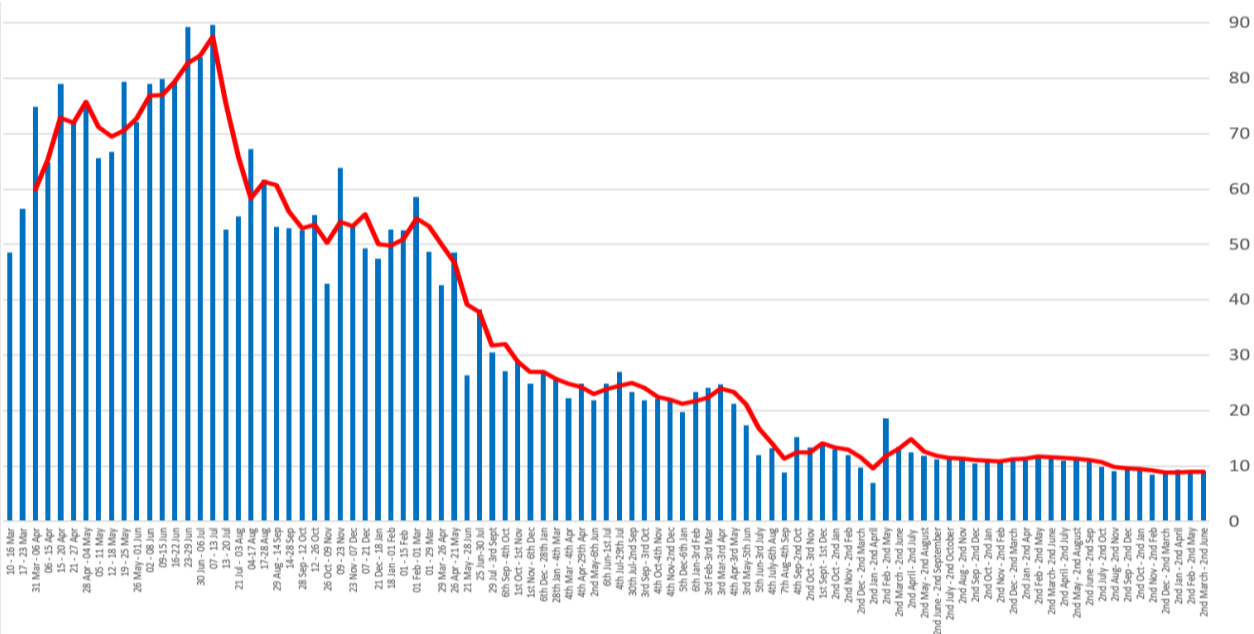
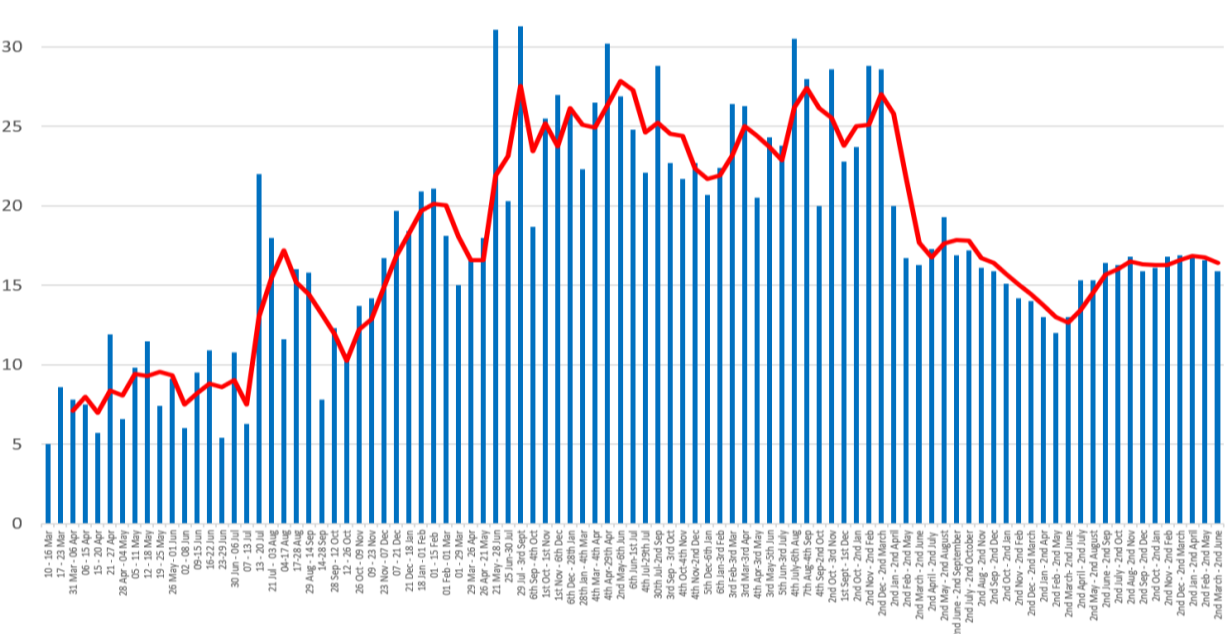
UK Sector Performance



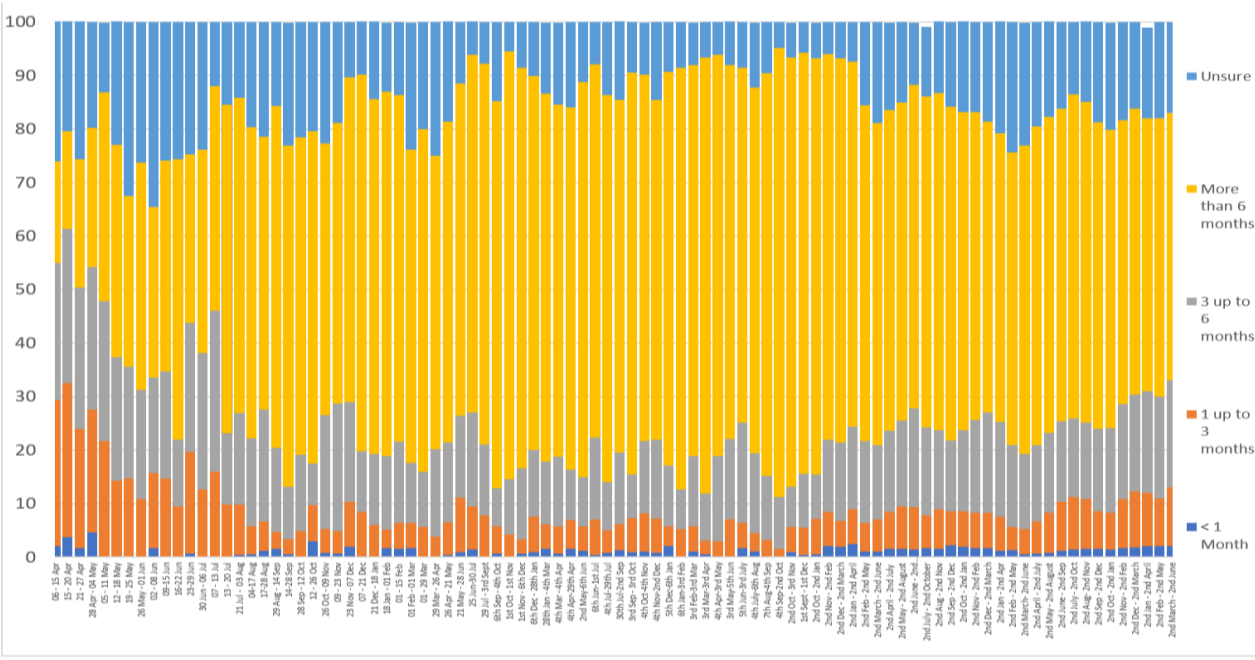
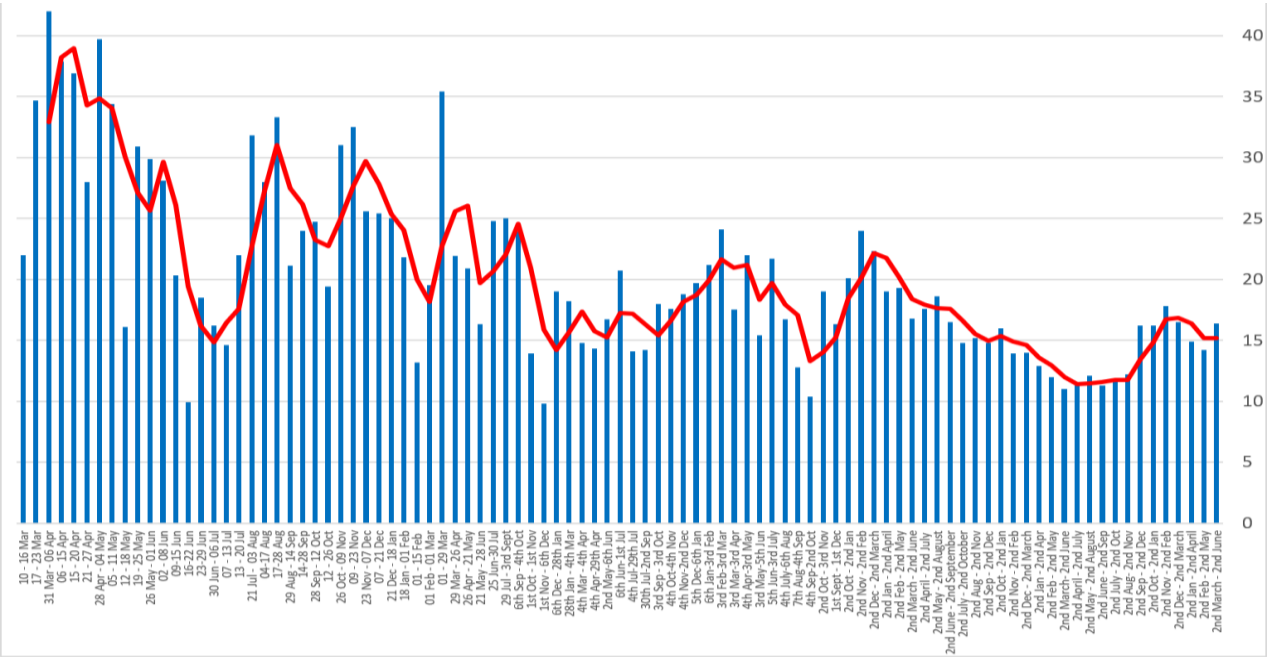
UK Sector Performance



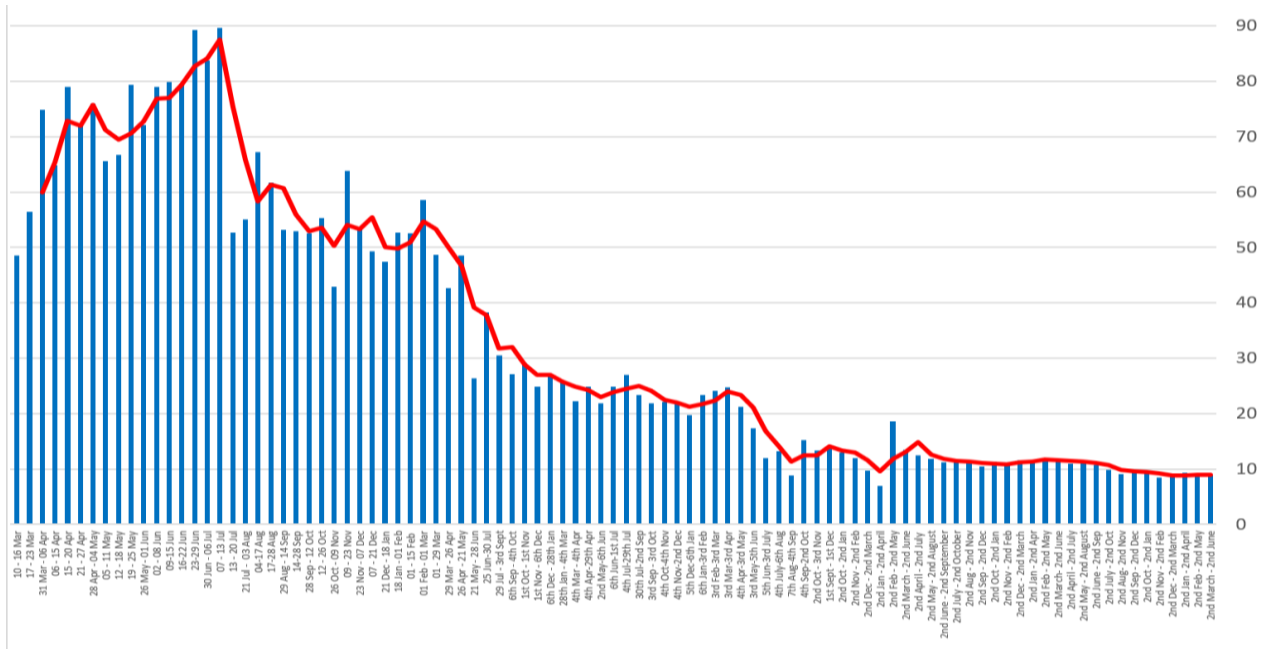
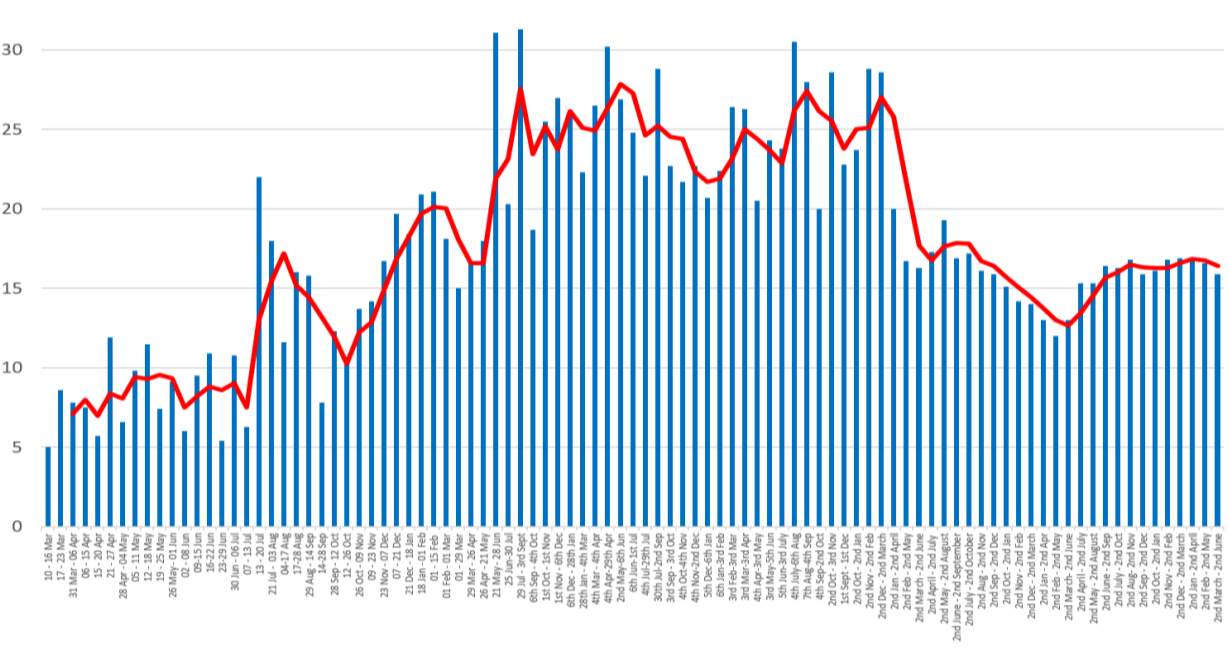
Increasing sales vs decreasing sales



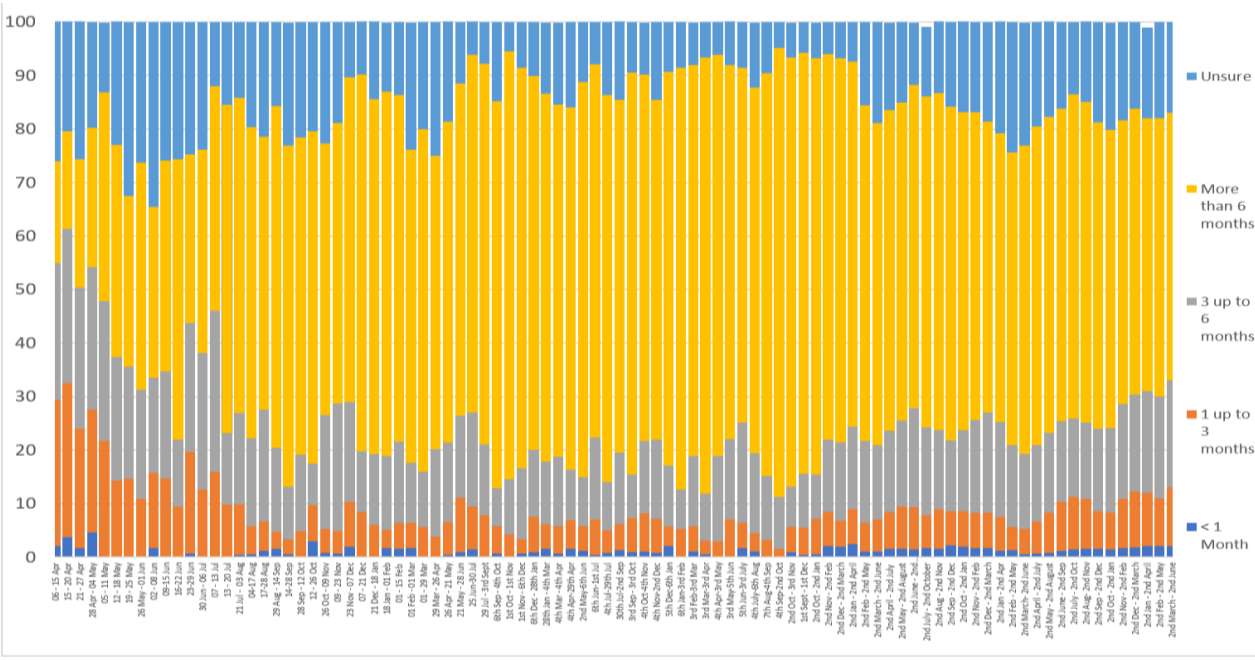
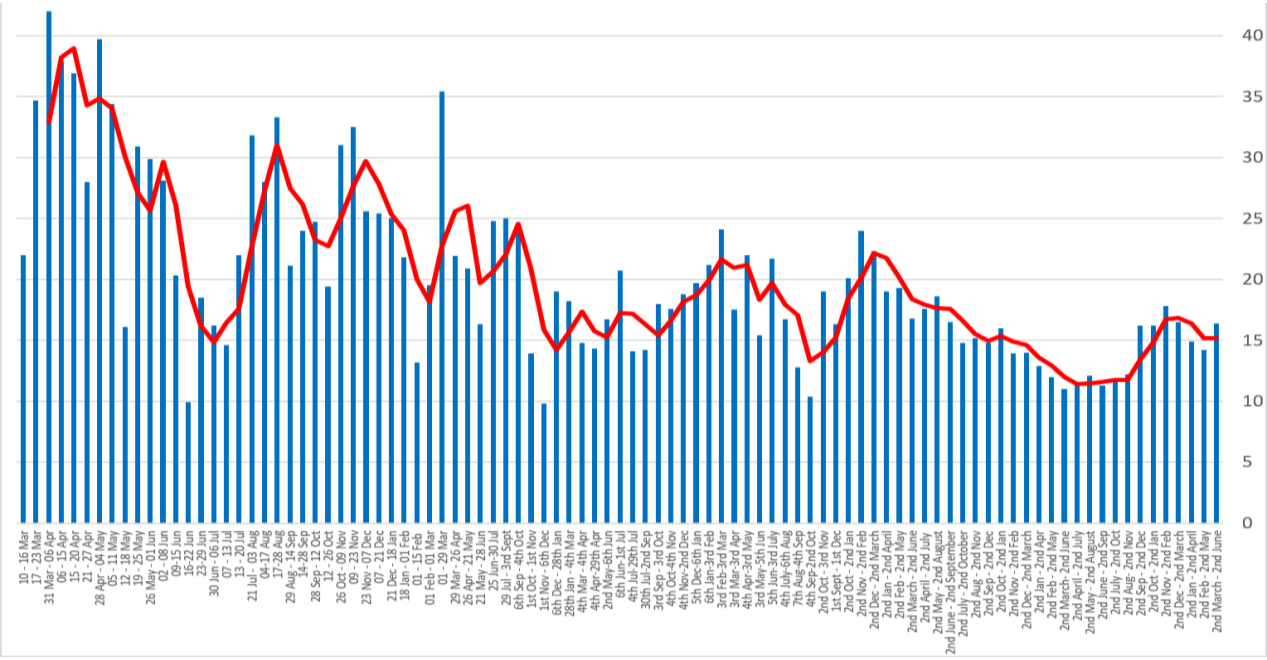
Cashflow and Reserves



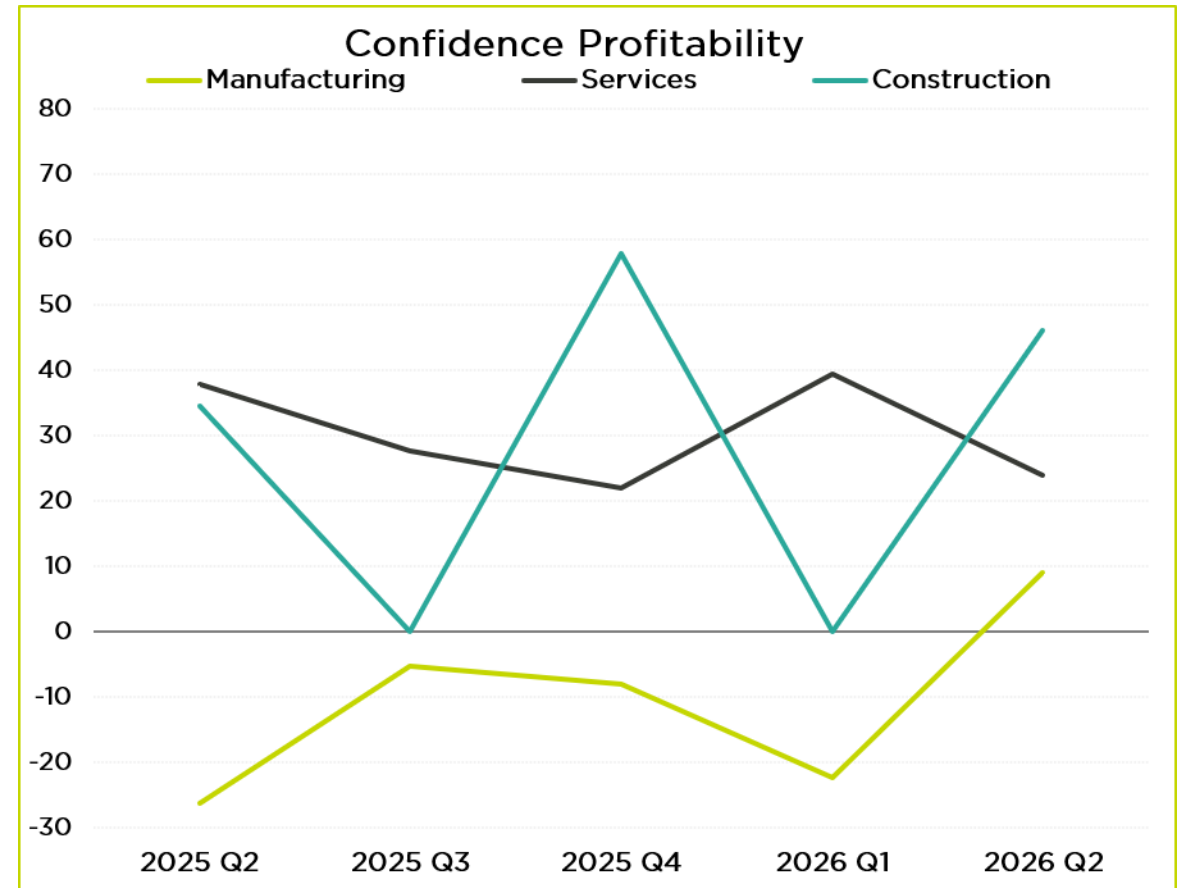
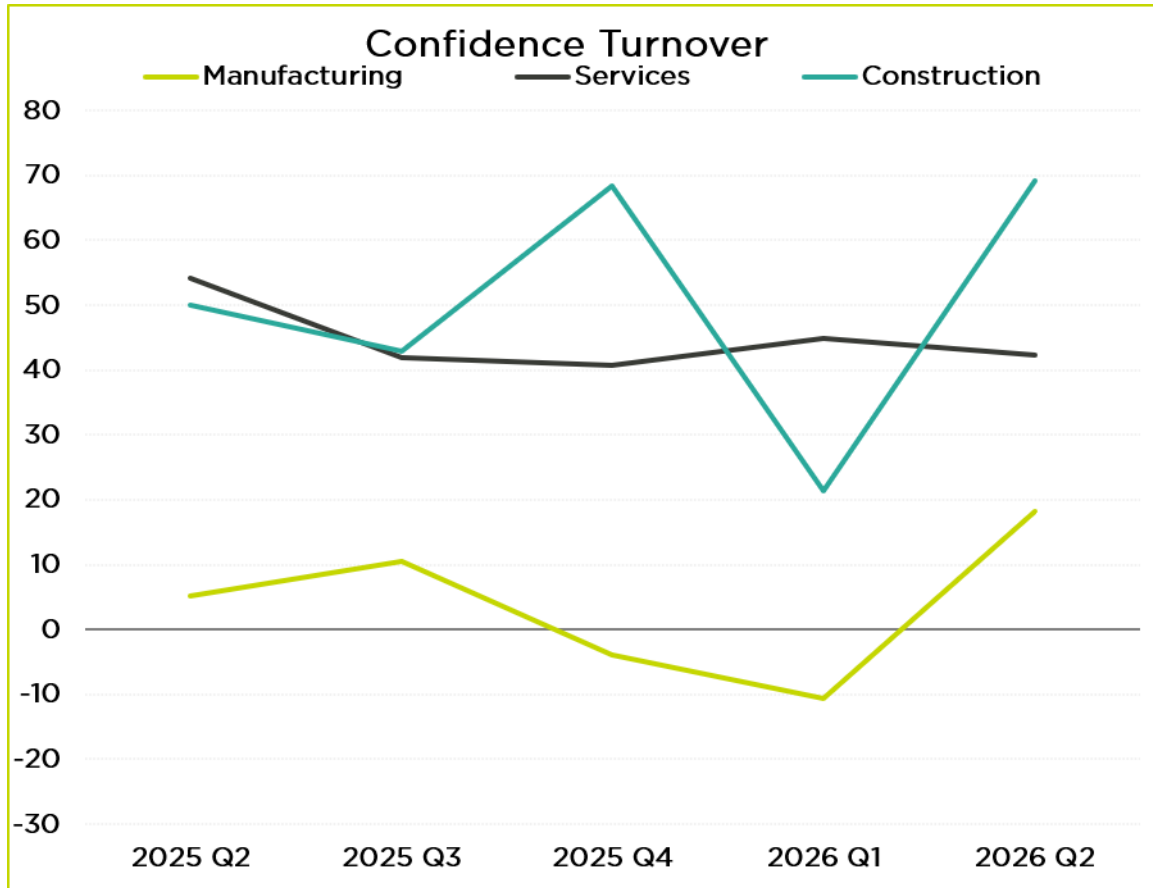
Increasing sales vs decreasing sales



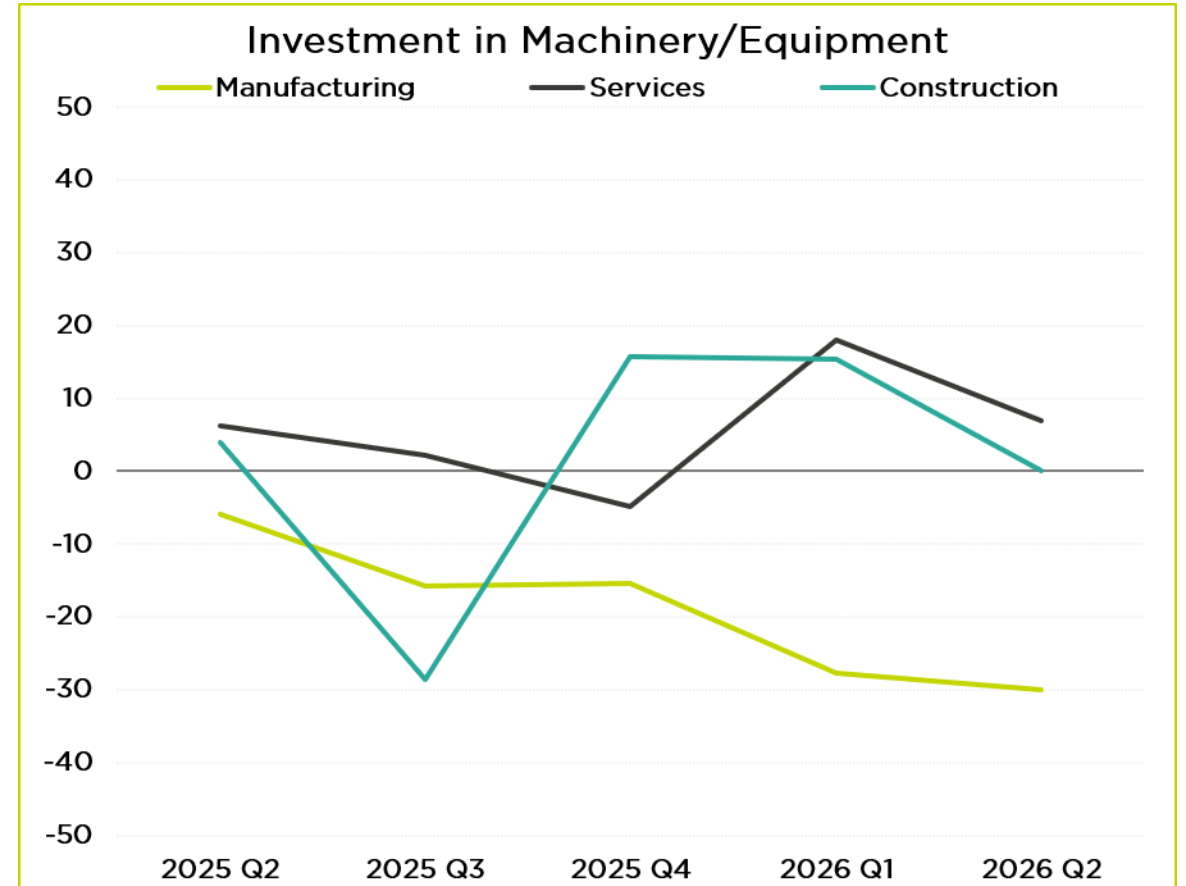
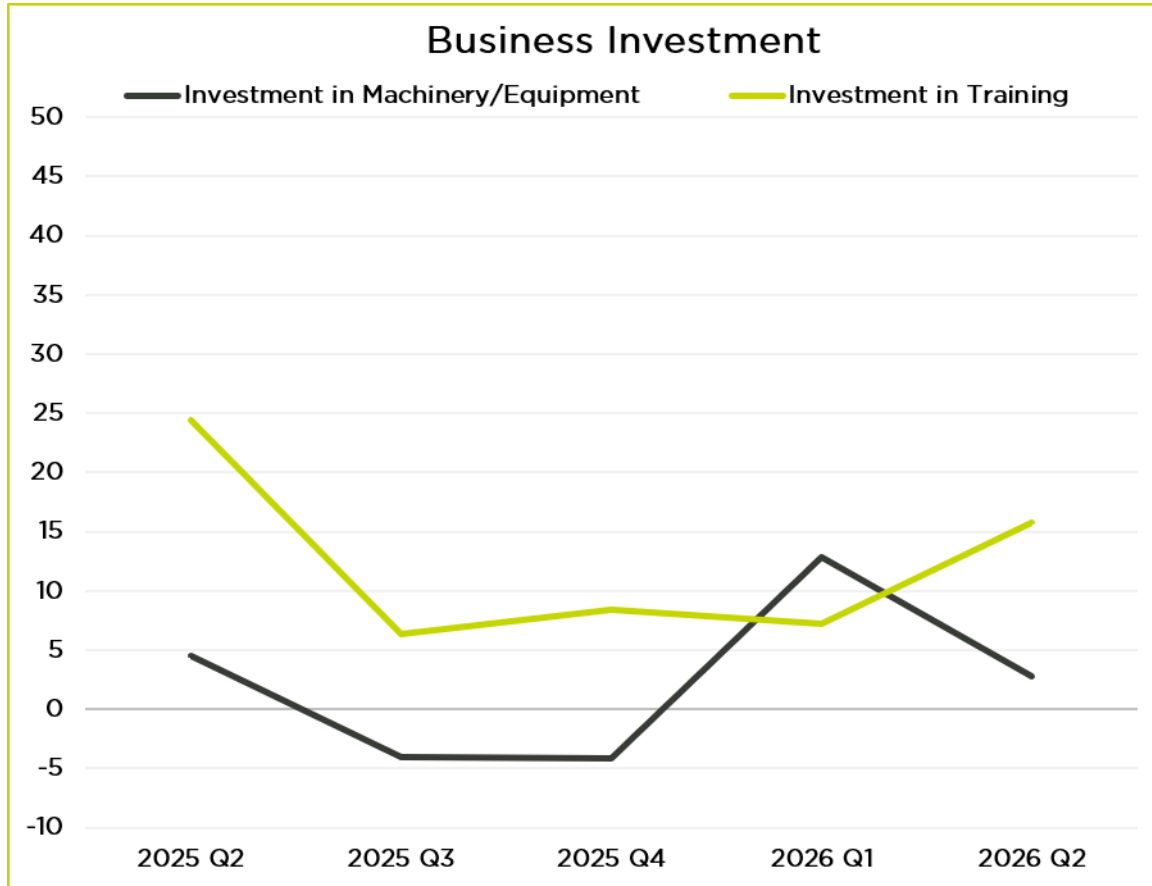
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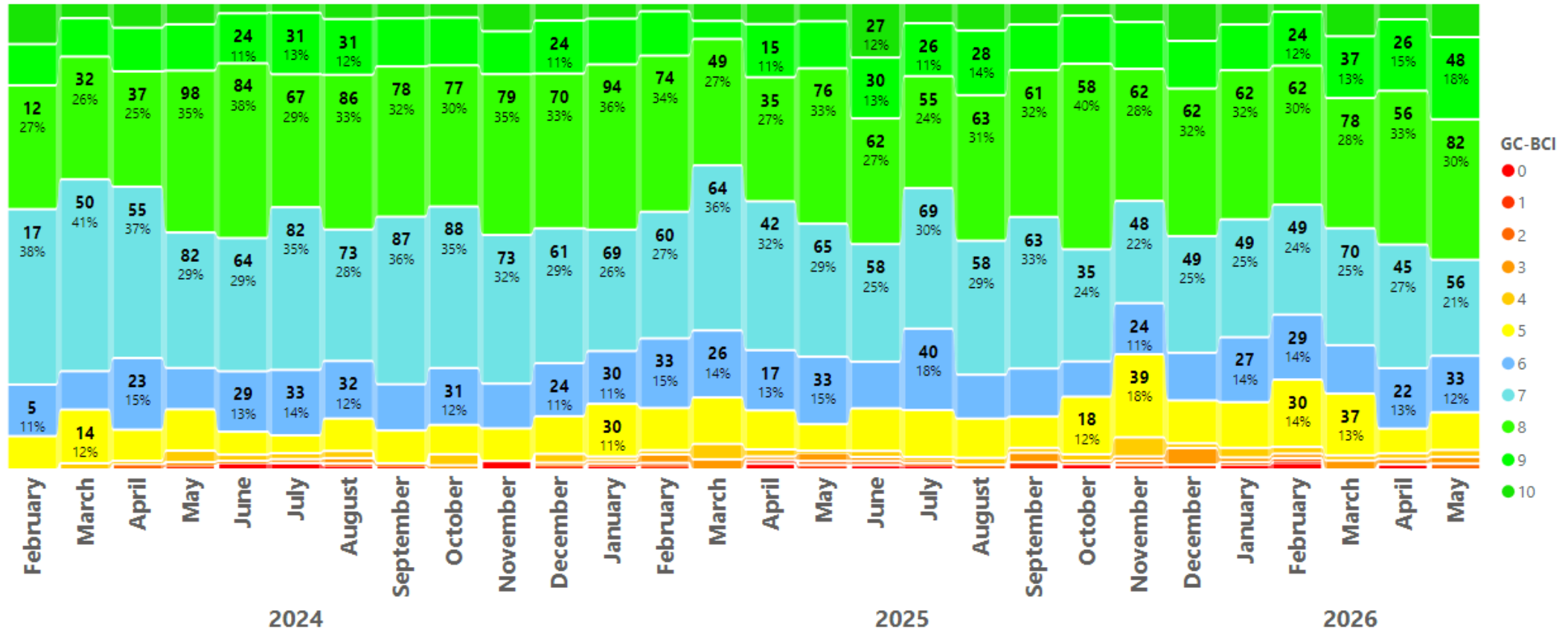
Business Confidence



Business Investment



Business Confidence

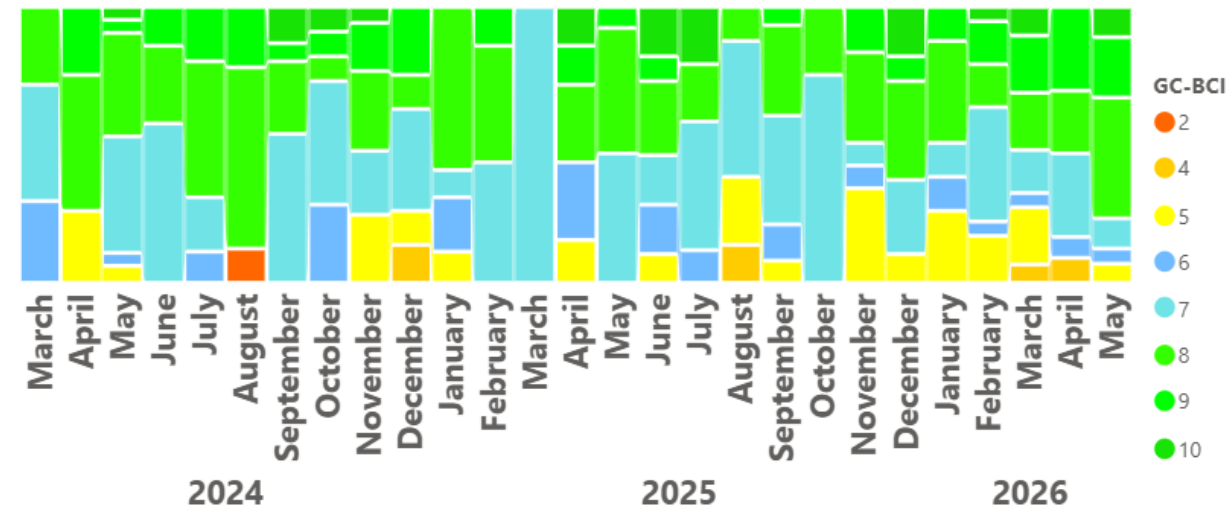
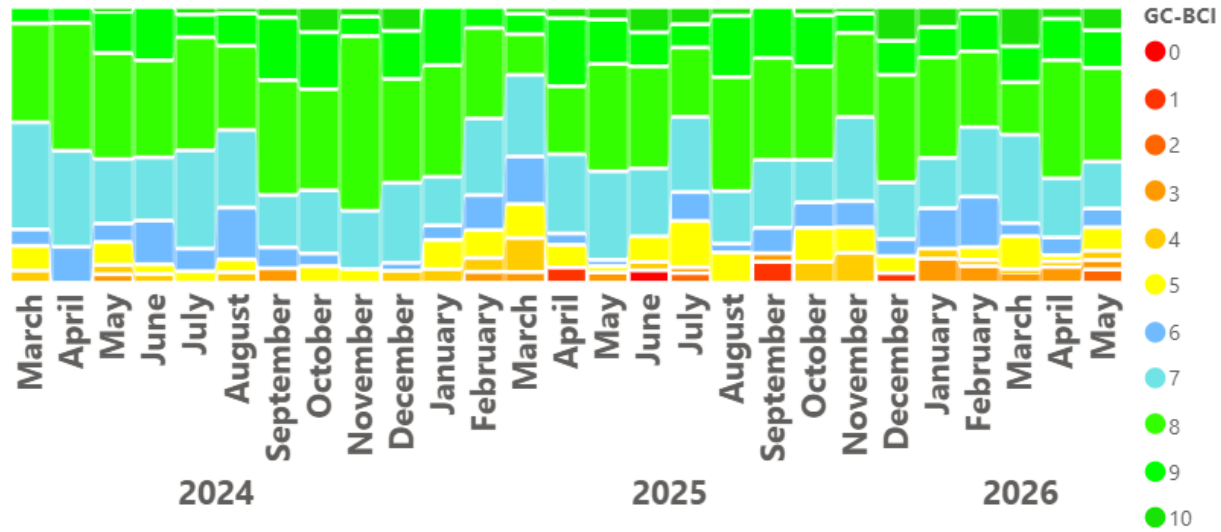


Business Confidence

Manufacturing & Engineering

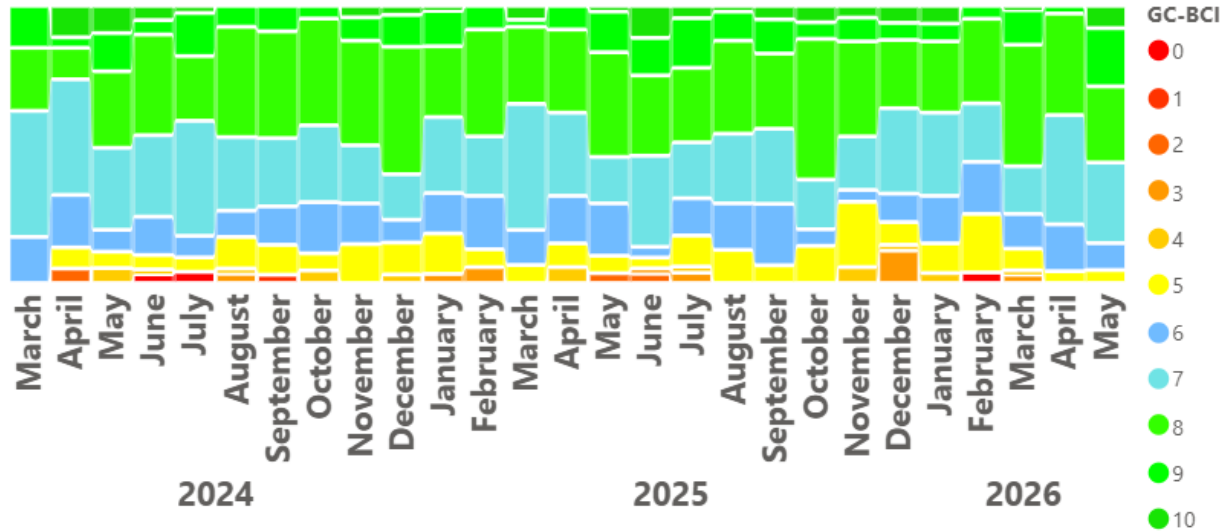
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Construction

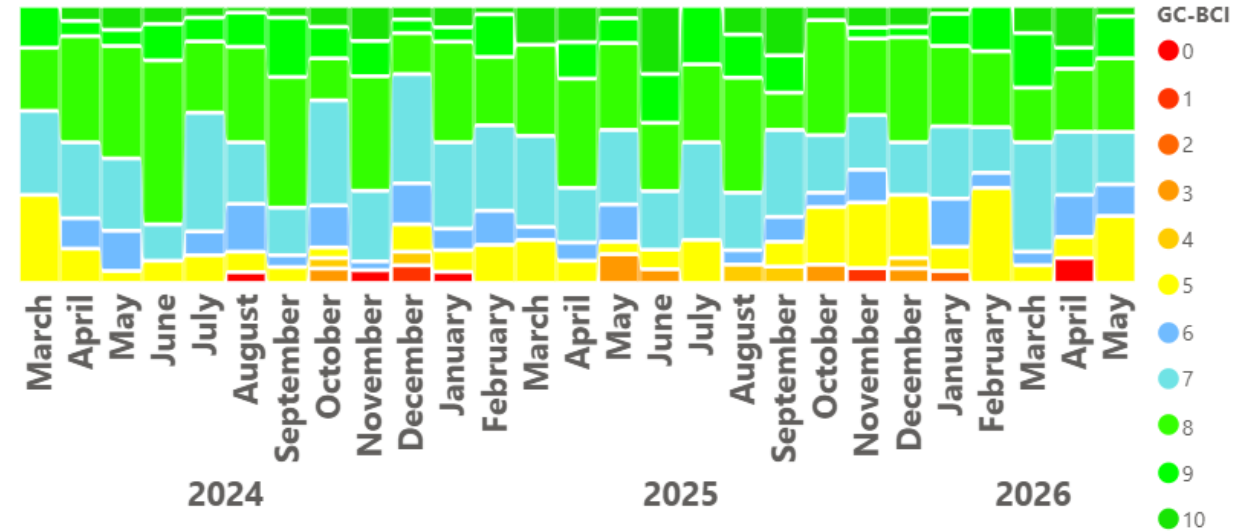


Business Confidence

DCT and Industries

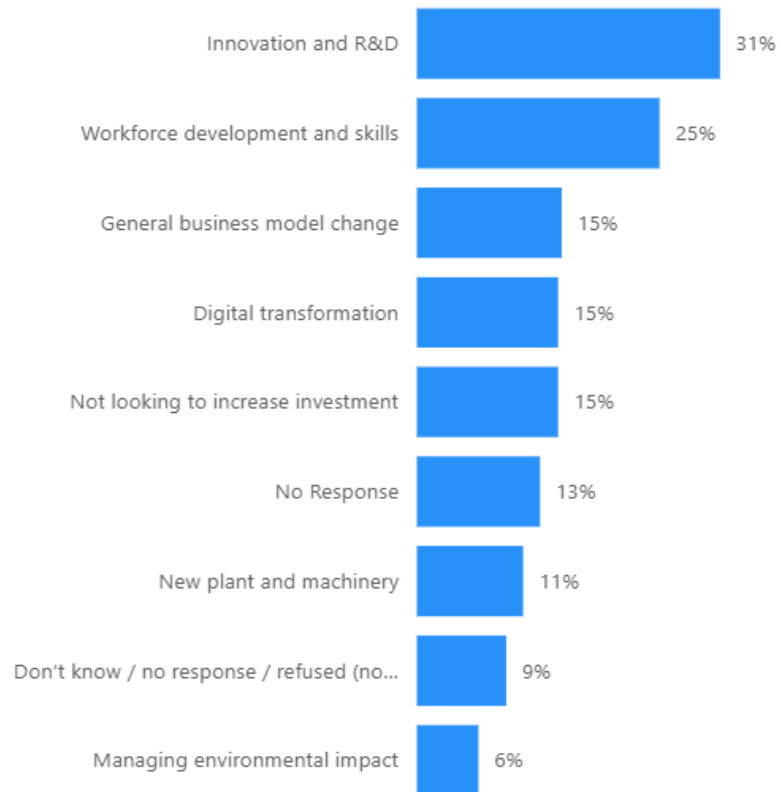


BFPS

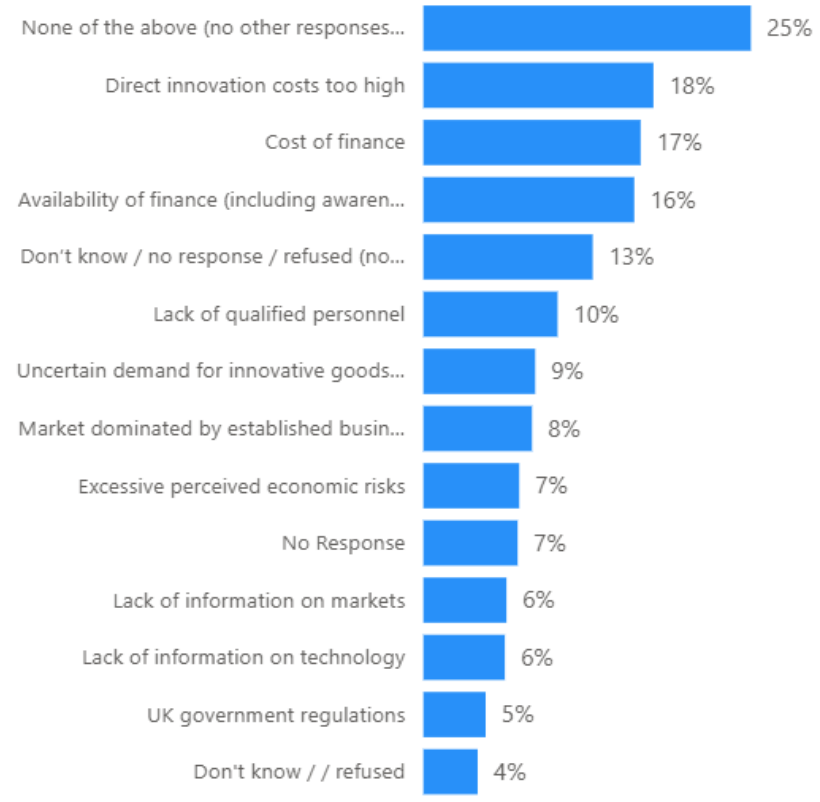


Business Investment and Innovation

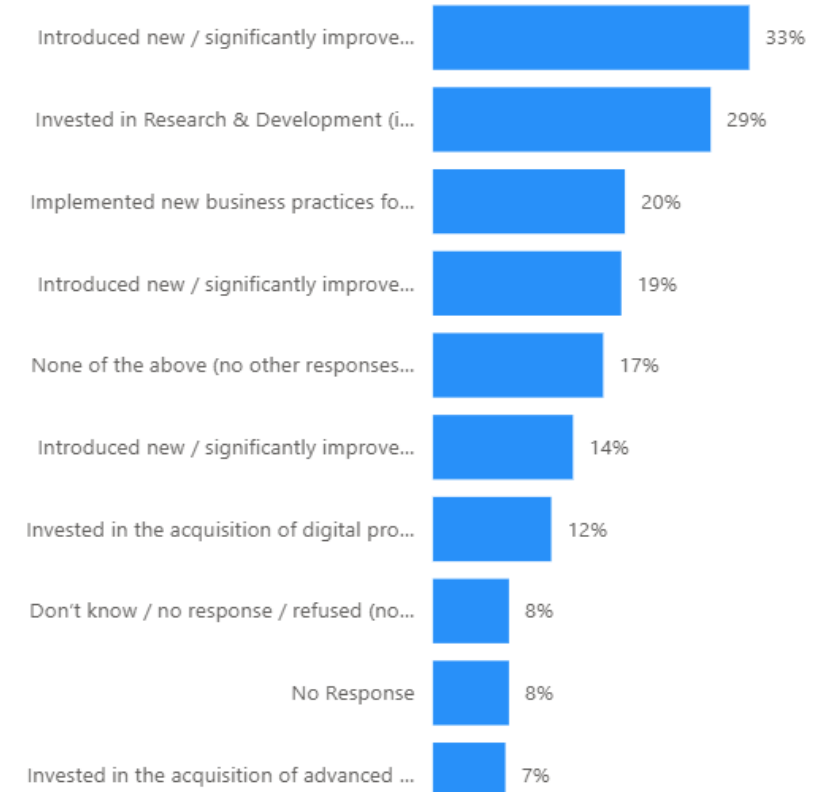
Looking to increase investment in ... (%)



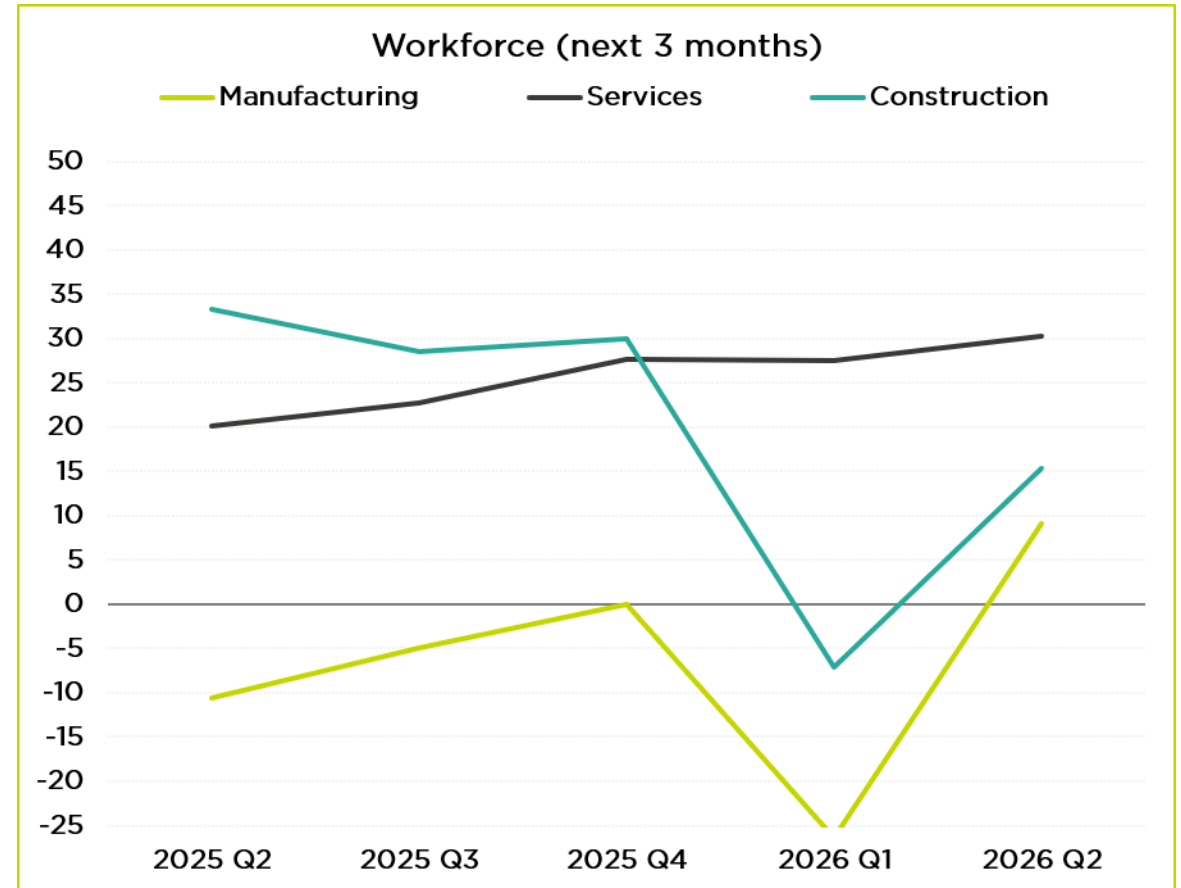
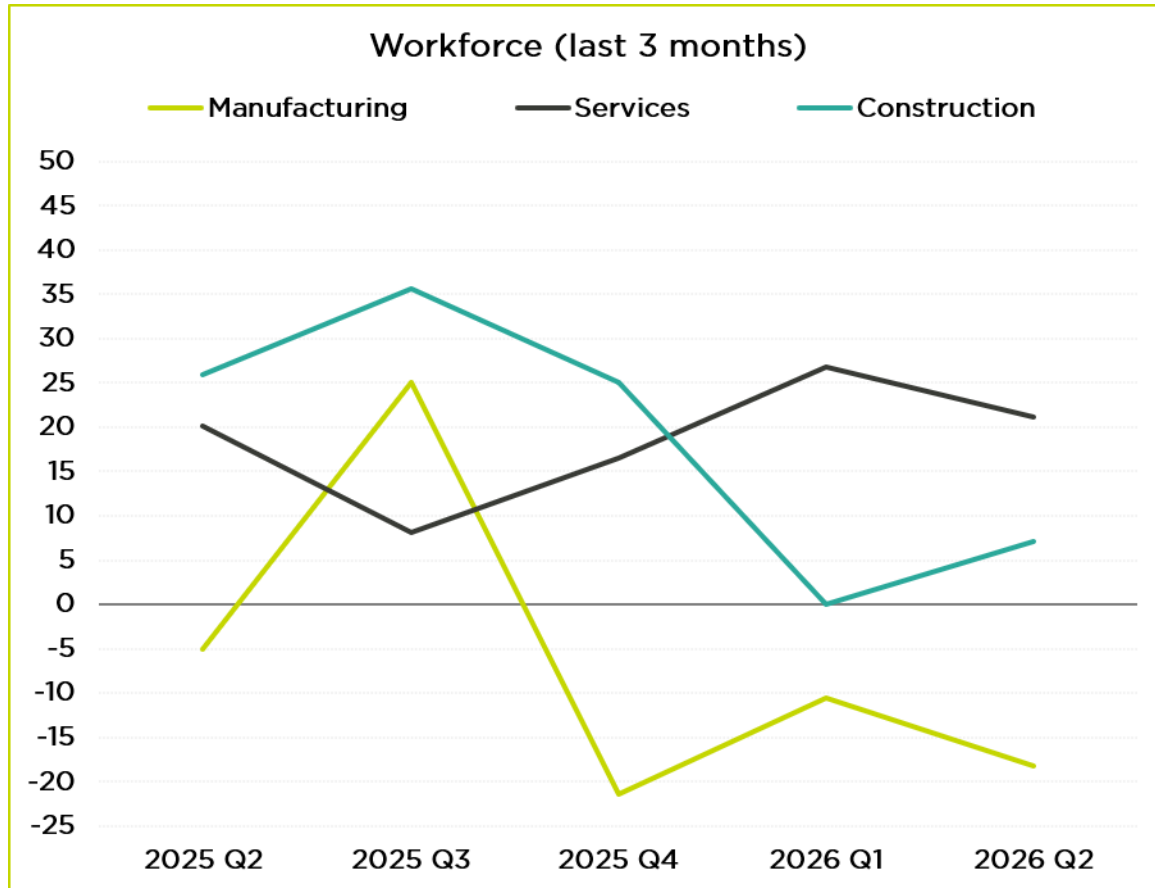
Main barriers to Innovation (%)



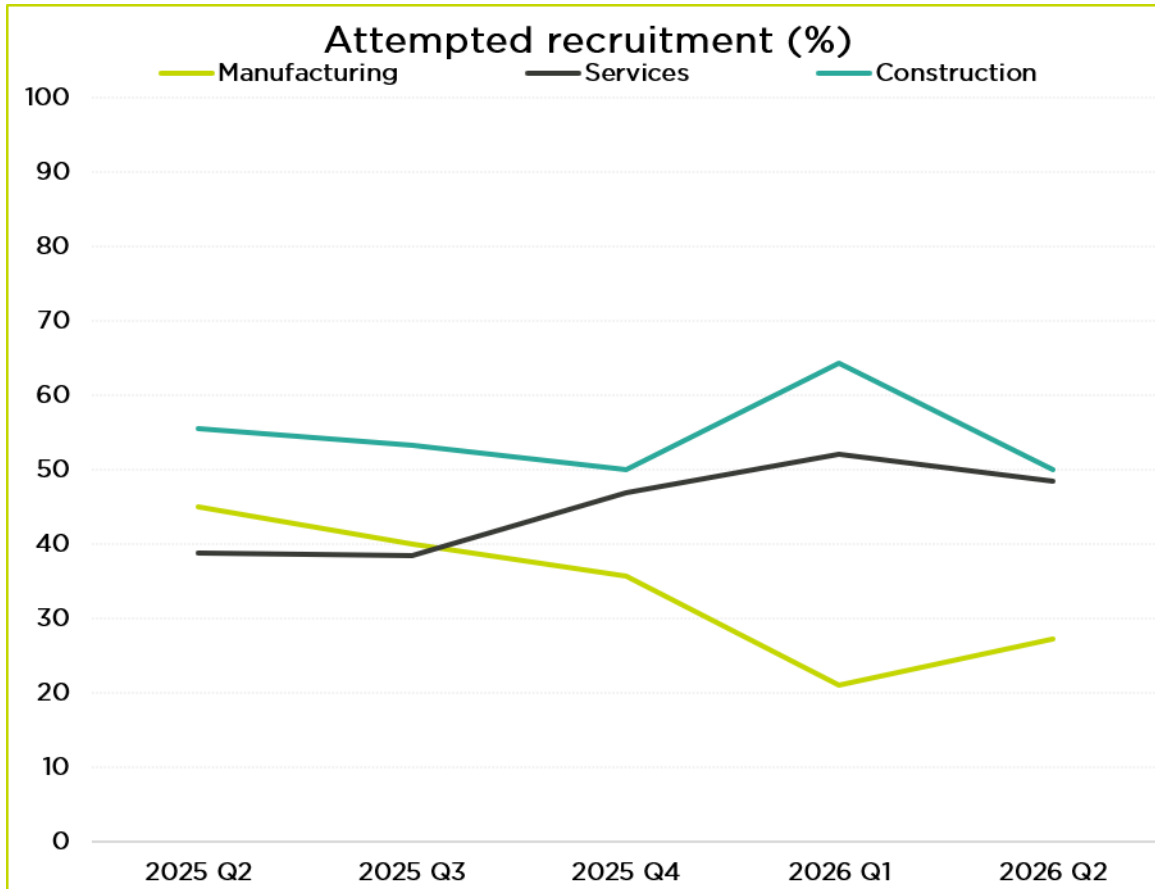
Innovation activities in last year (%)



Workforce & Recruitment

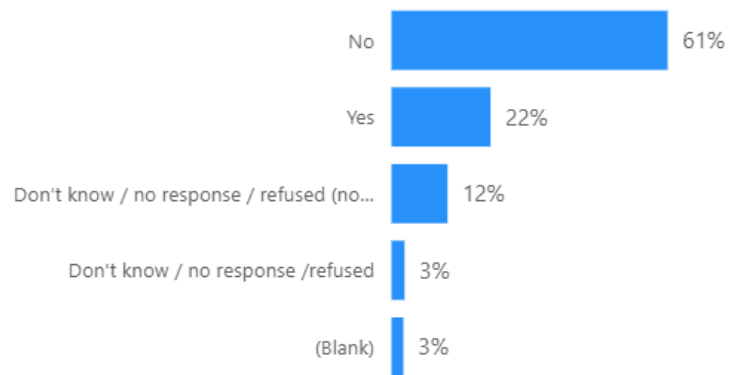


Workforce & Recruitment

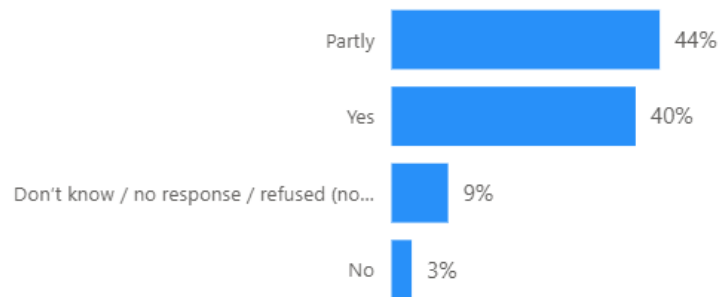


Recruitment and Workforce Skill Gaps

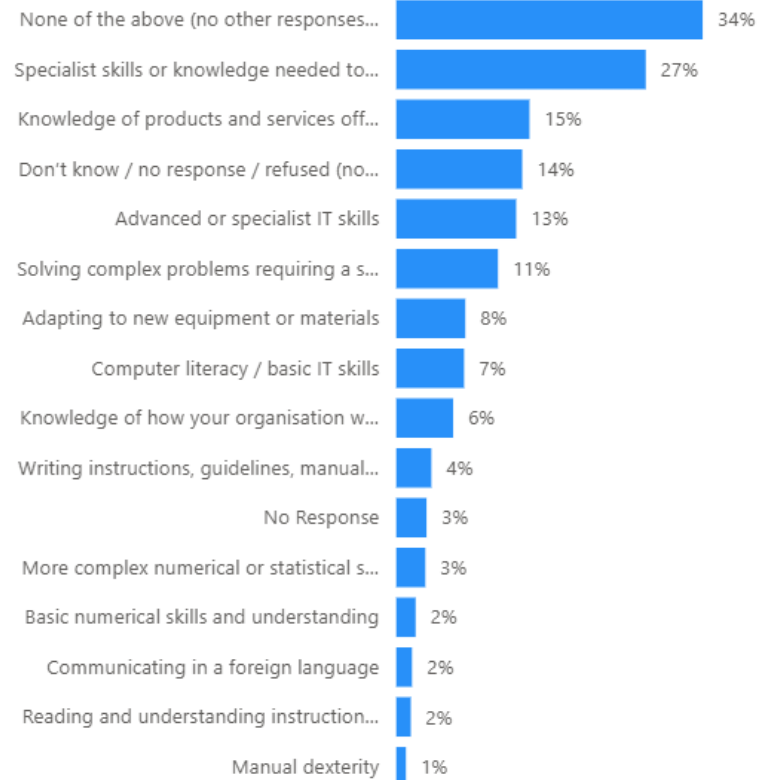
Currently recruiting new staff (%)



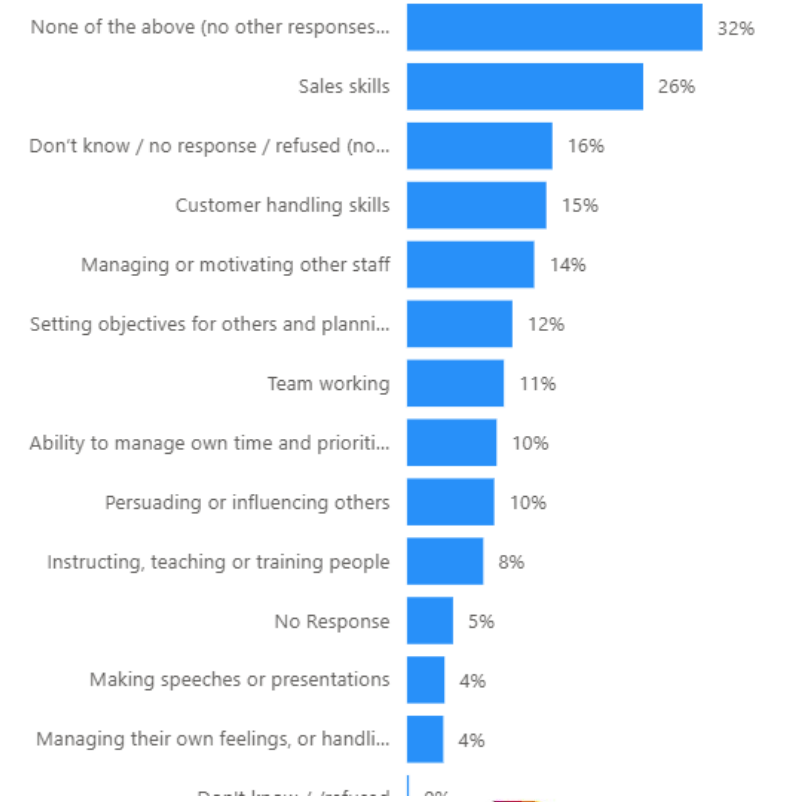
Current workforce skills at right level (%)



Technical and practical skills gaps (%)

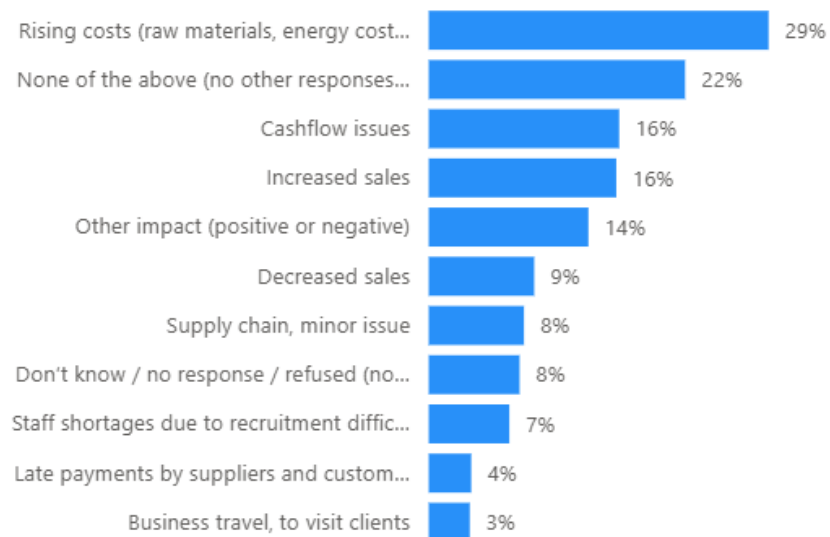


People and personal skills gaps (%)



Economic risks, challenges, and support

Main economic impacts faced in last 3 months (%)



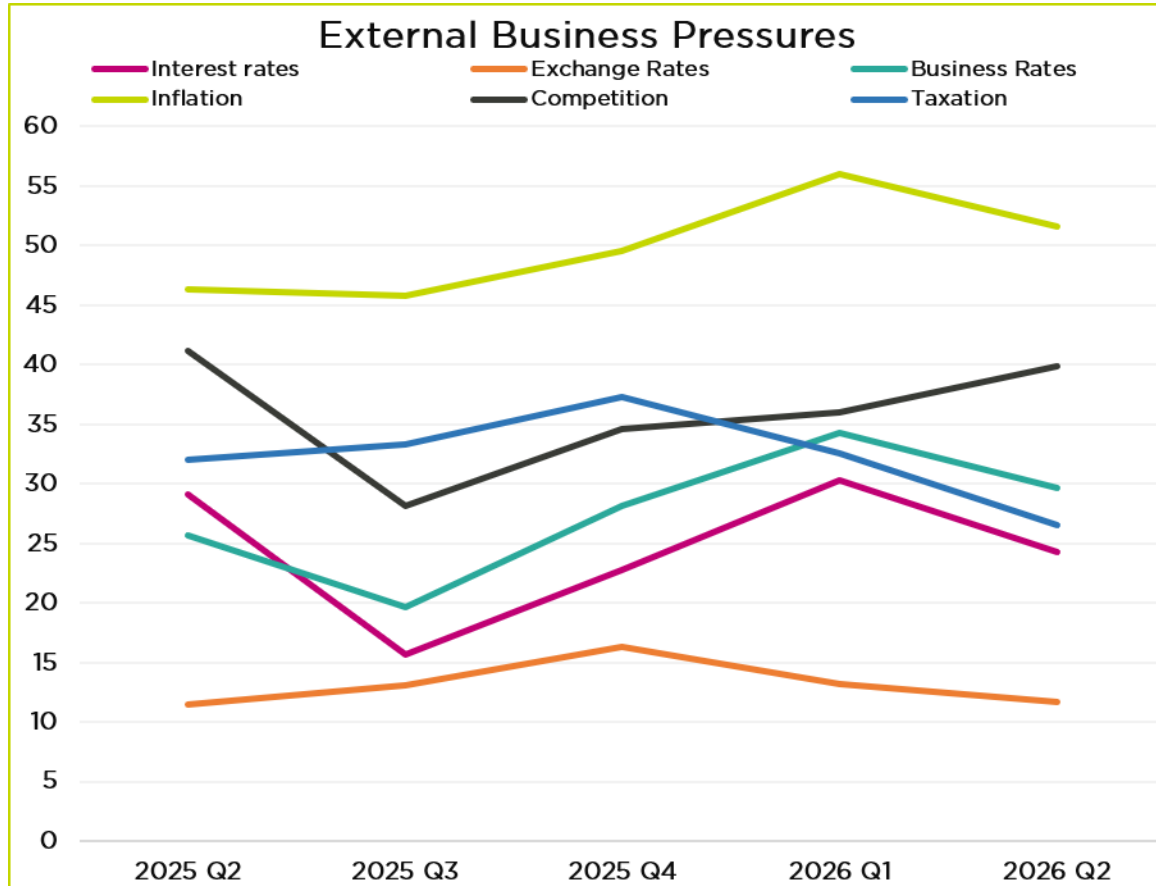
Main current challenges facing the organisation (%)



Future support needs in year ahead (%)



Price Pressures & Prices



Business Concerns

- “Going through significant restructuring and expect more than 10% of the staff to leave in the next three months. Costs have gone up and it is difficult to hire tutors. Funding associated with delivery remains static. The gap is not being filled with devolved funding. This chancellor has only done damage to the education sector.”
- “The current economic environment remains challenging for UK manufacturers. Rising employment costs, increasing business rates, geopolitical uncertainty, and aggressive market competition continue to put pressure on margins and cash flow.”
- “The global unrest has had impacts on some components, we have diversified the supply chain particularly alarm hardware.”
- “Tax on businesses is too high. The government should be incentivising businesses to expand and recruit; instead, they are making it harder.”
- “The current middle eastern situation has created some new challenges affecting both turnover and profit”