

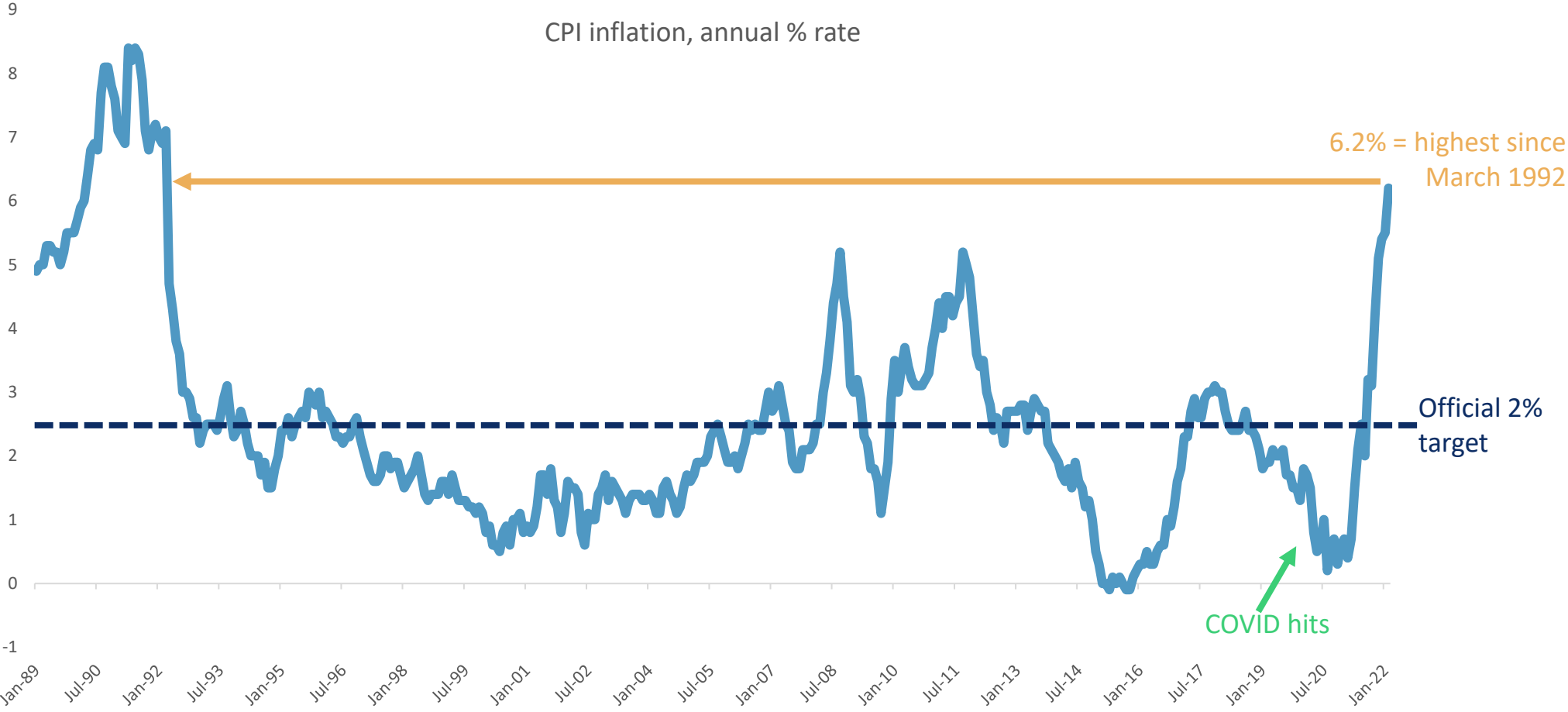


# The **Economic** Outlook: what's it mean for the visitor economy?





# Whoa there! Consumer prices are rising at their fastest pace in decades





## A problem shared is: err... widespread inflation



5.7%



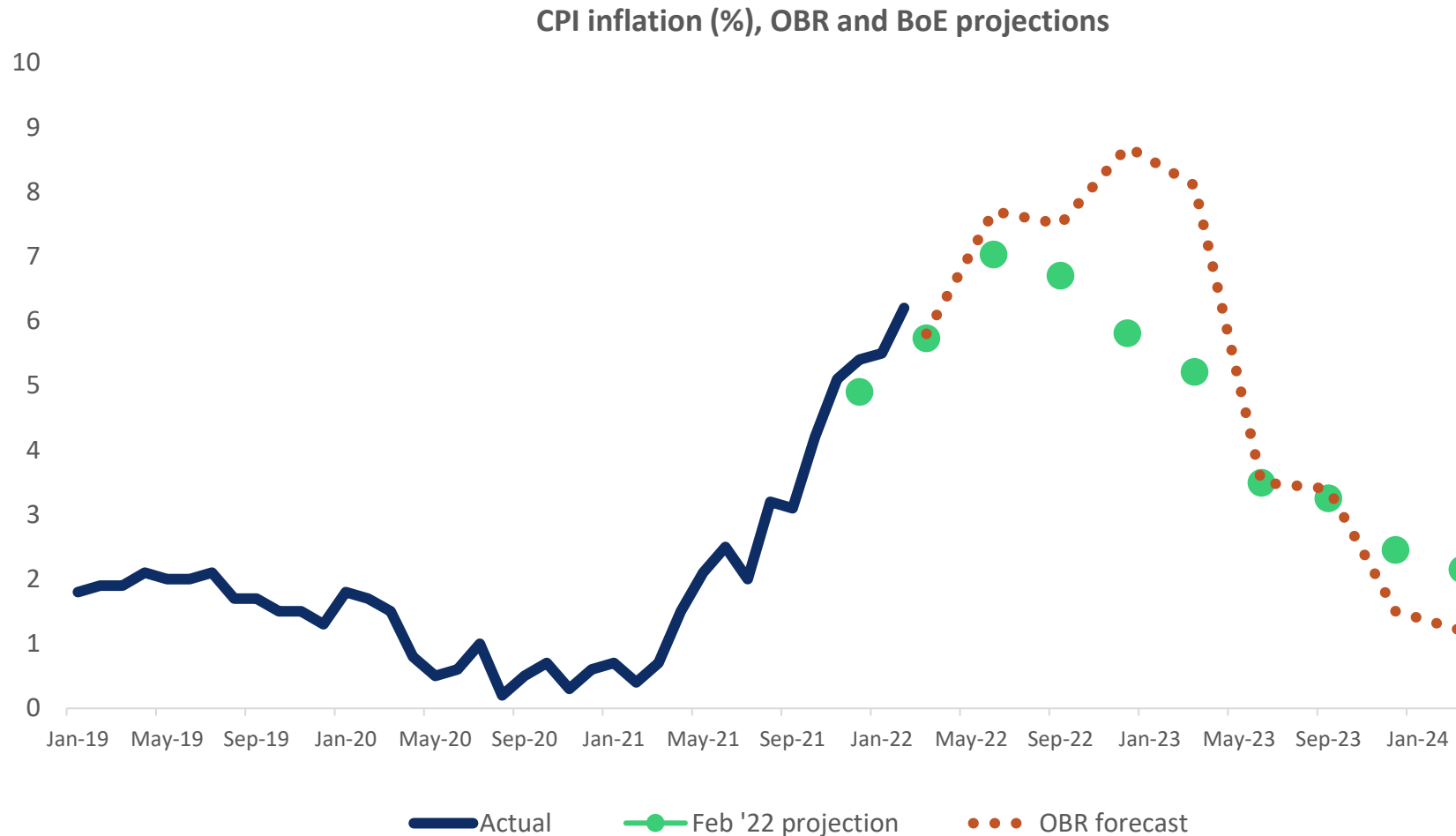
5.9%



7.9%



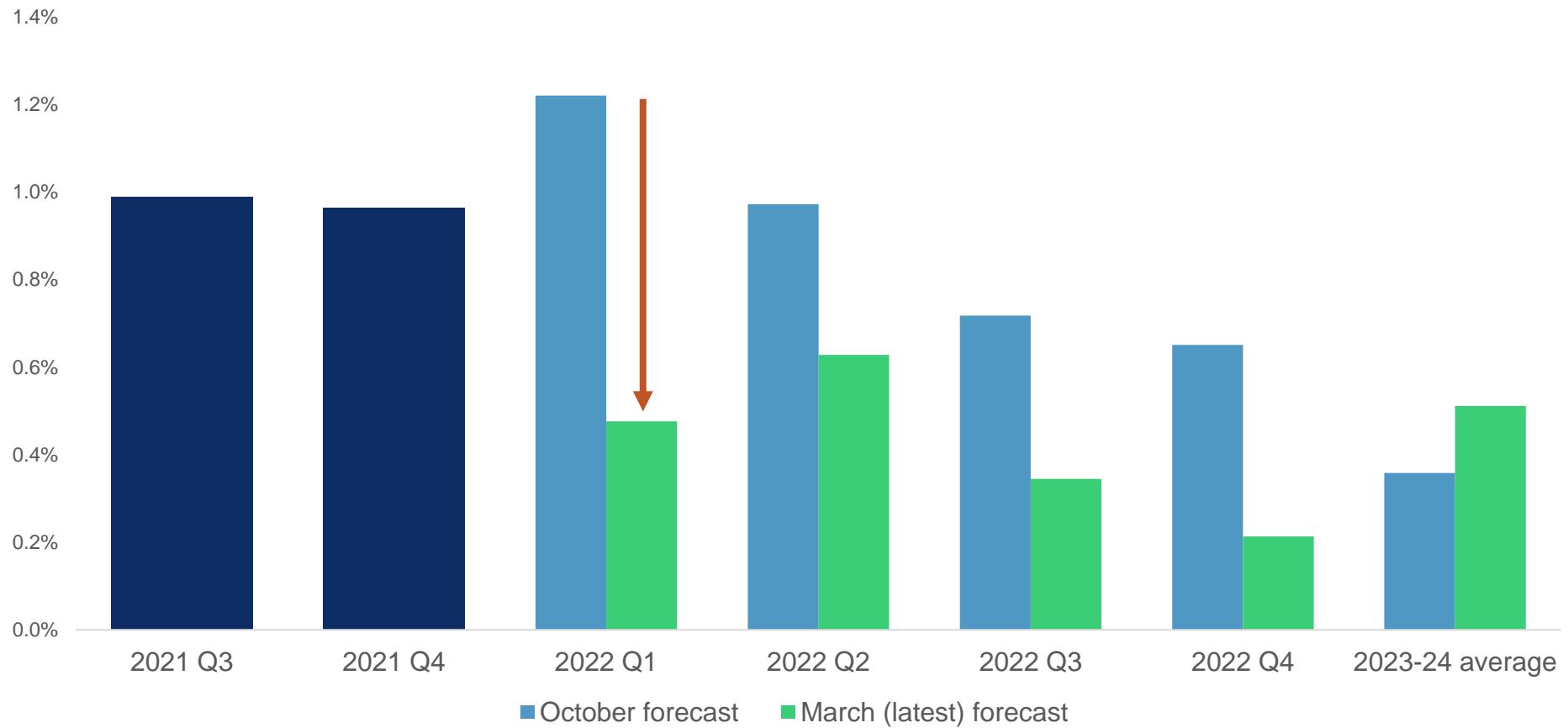
# 5, 6, 7, 8: inflation looks set to climb further and remain elevated well into next year





# Recovery setback: economic growth is expected to slow rapidly

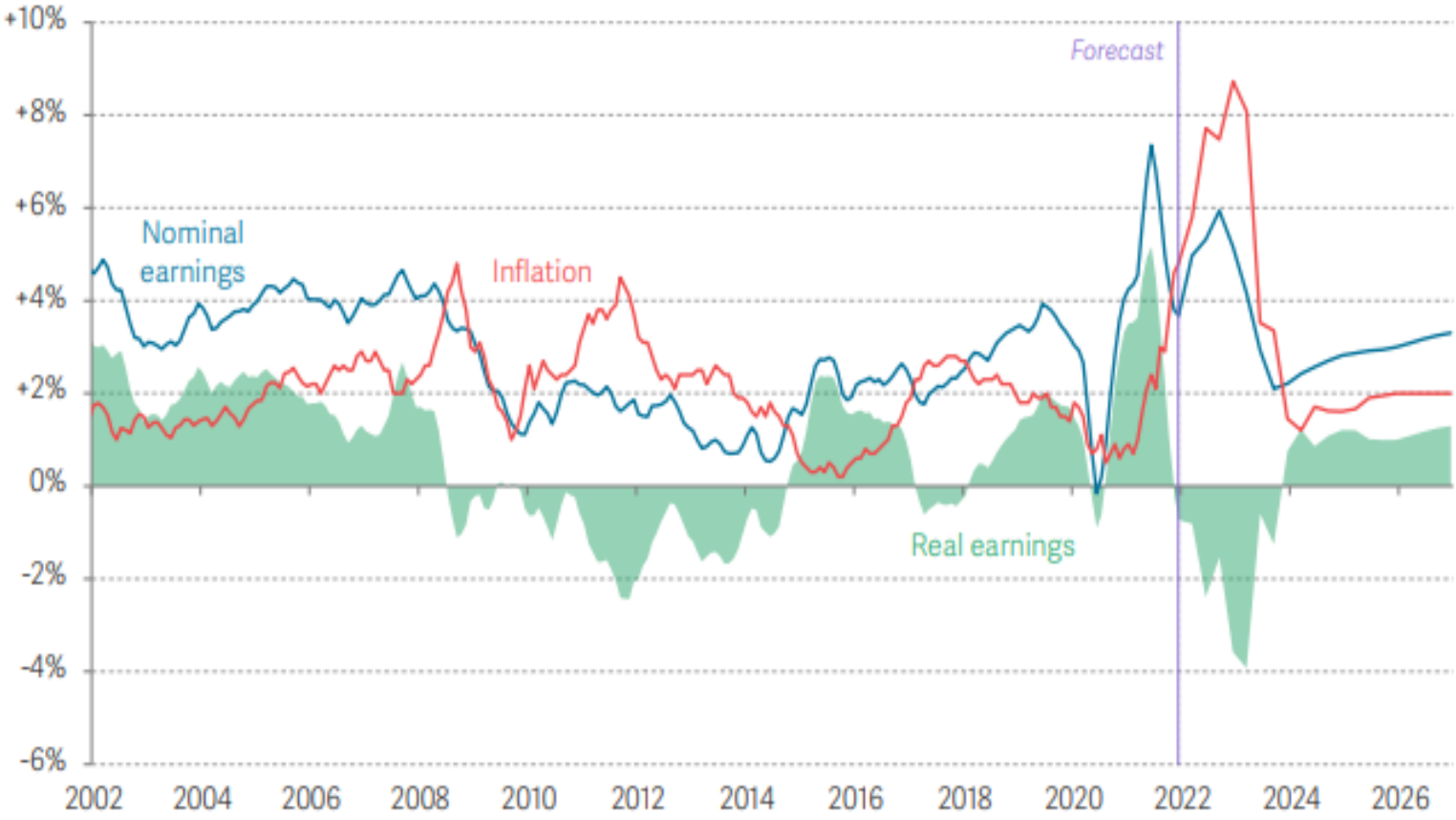
Quarterly GDP growth forecasts, OBR





# Real pain: households face worst ever drop in real incomes

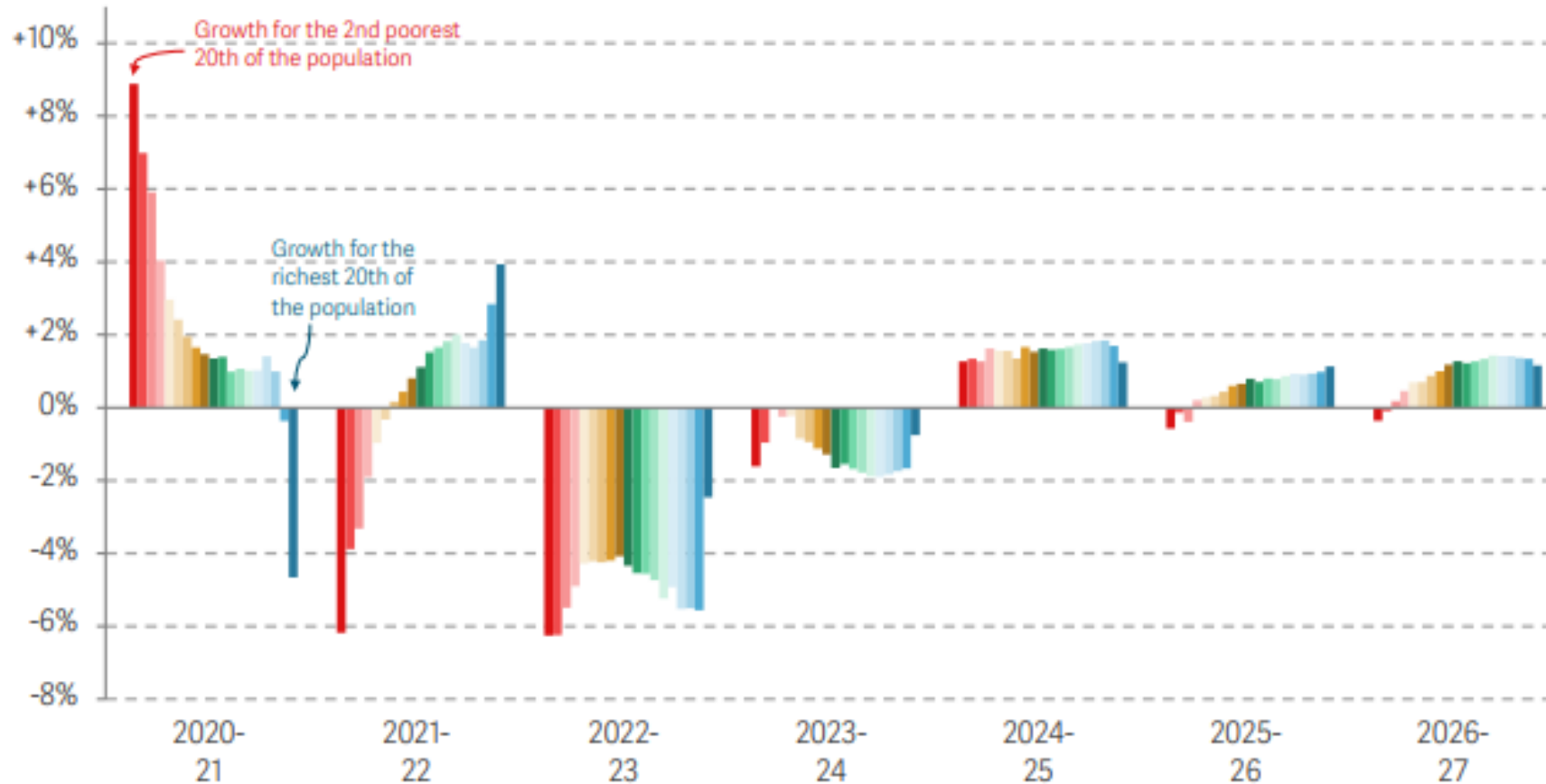
Annual growth in average earnings and inflation, Resolution Foundation projection





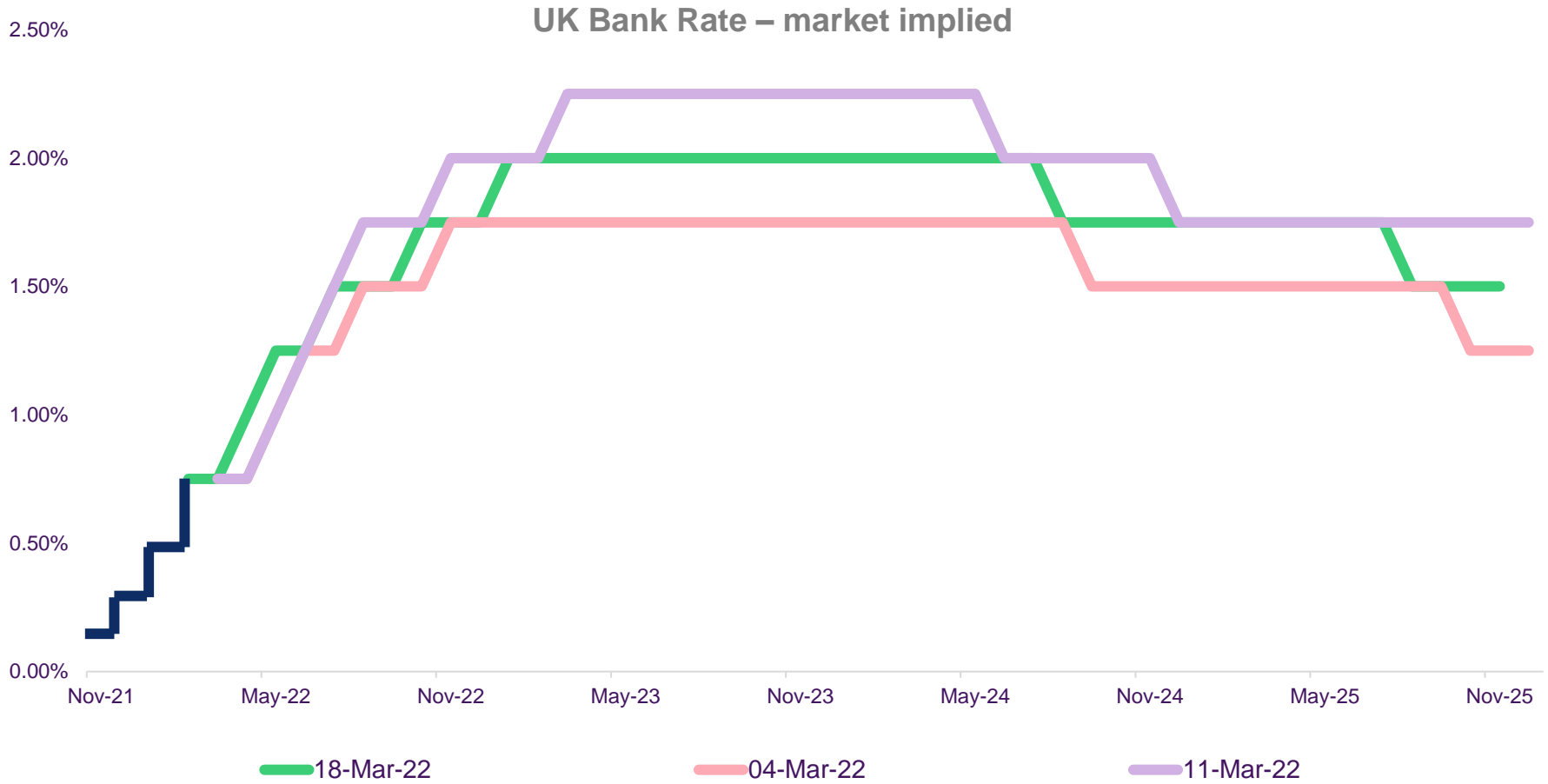
# Averages can be misleading: fall in real income hits poor hardest

Annual change in real household disposable income, non-pensioners by income vingtile





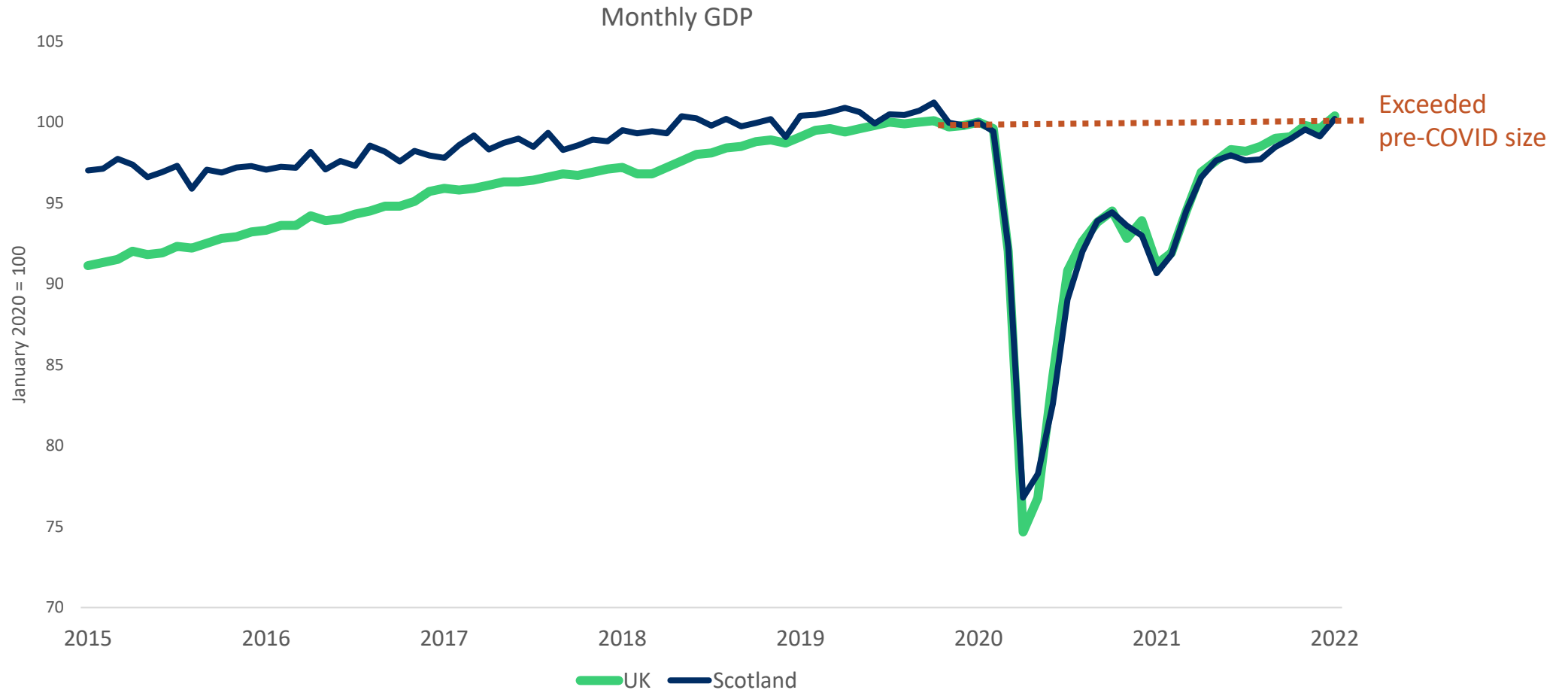
# End of an era: is now the moment Bank Rate finally rises materially above zero?





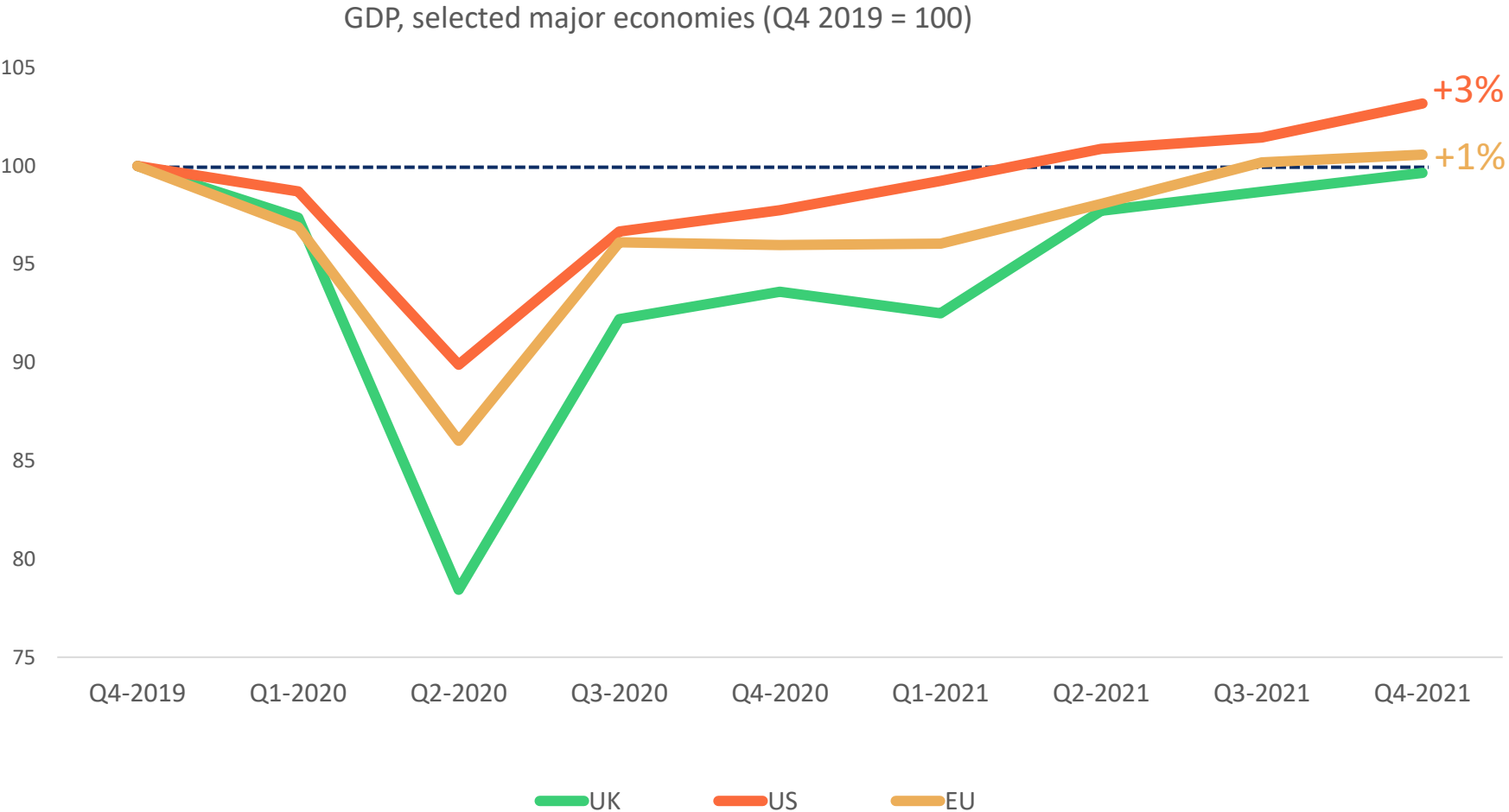


# Powerful start: Scotland's economy is larger than pre-pandemic and growing strongly





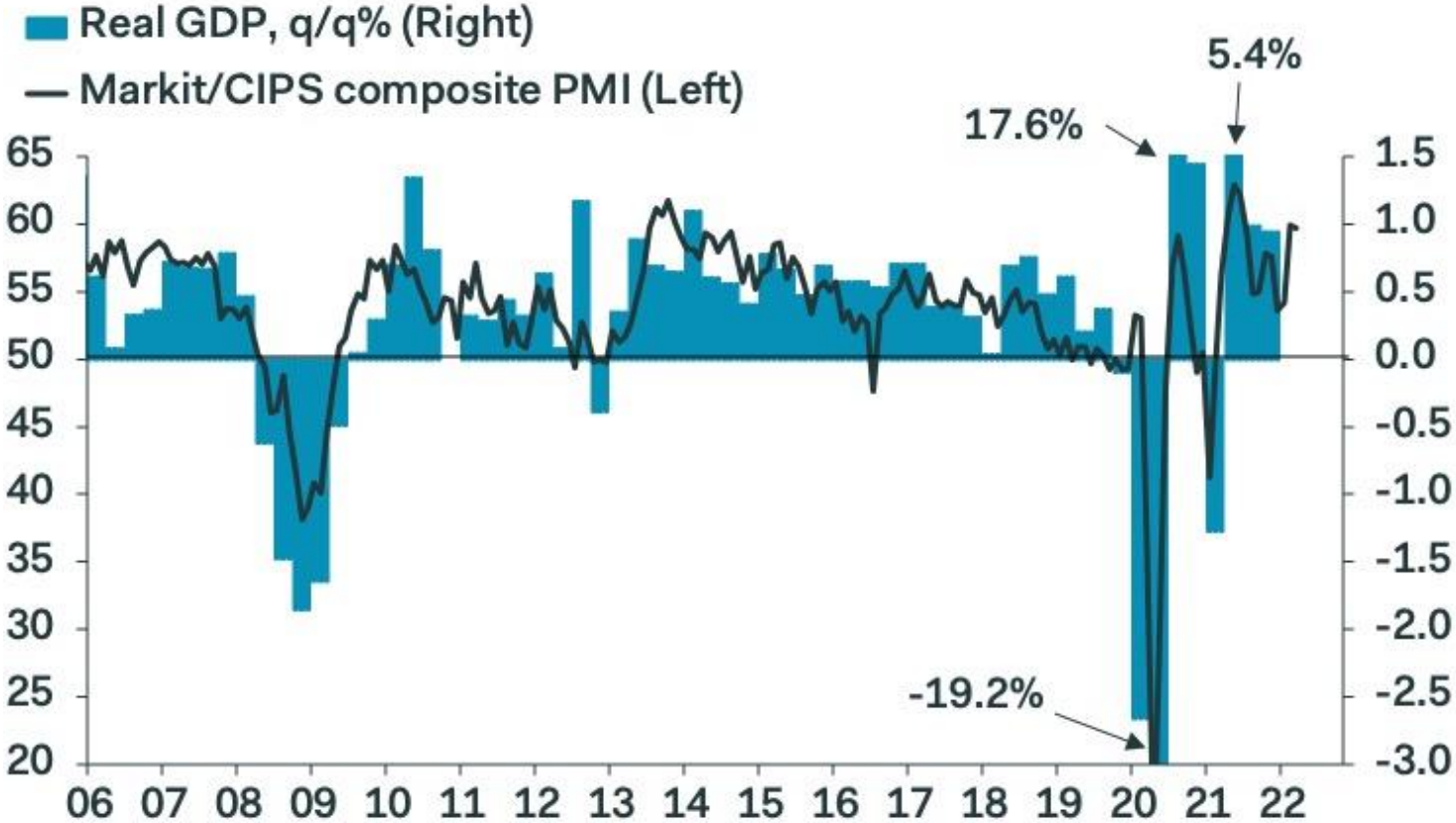
# Way ahead of you: other advanced economies have recovered even quicker





# Adaptable & resilient: despite Omicron the economy was firing on all cylinders in the early stages of the year

PMI survey of business activity & economic growth





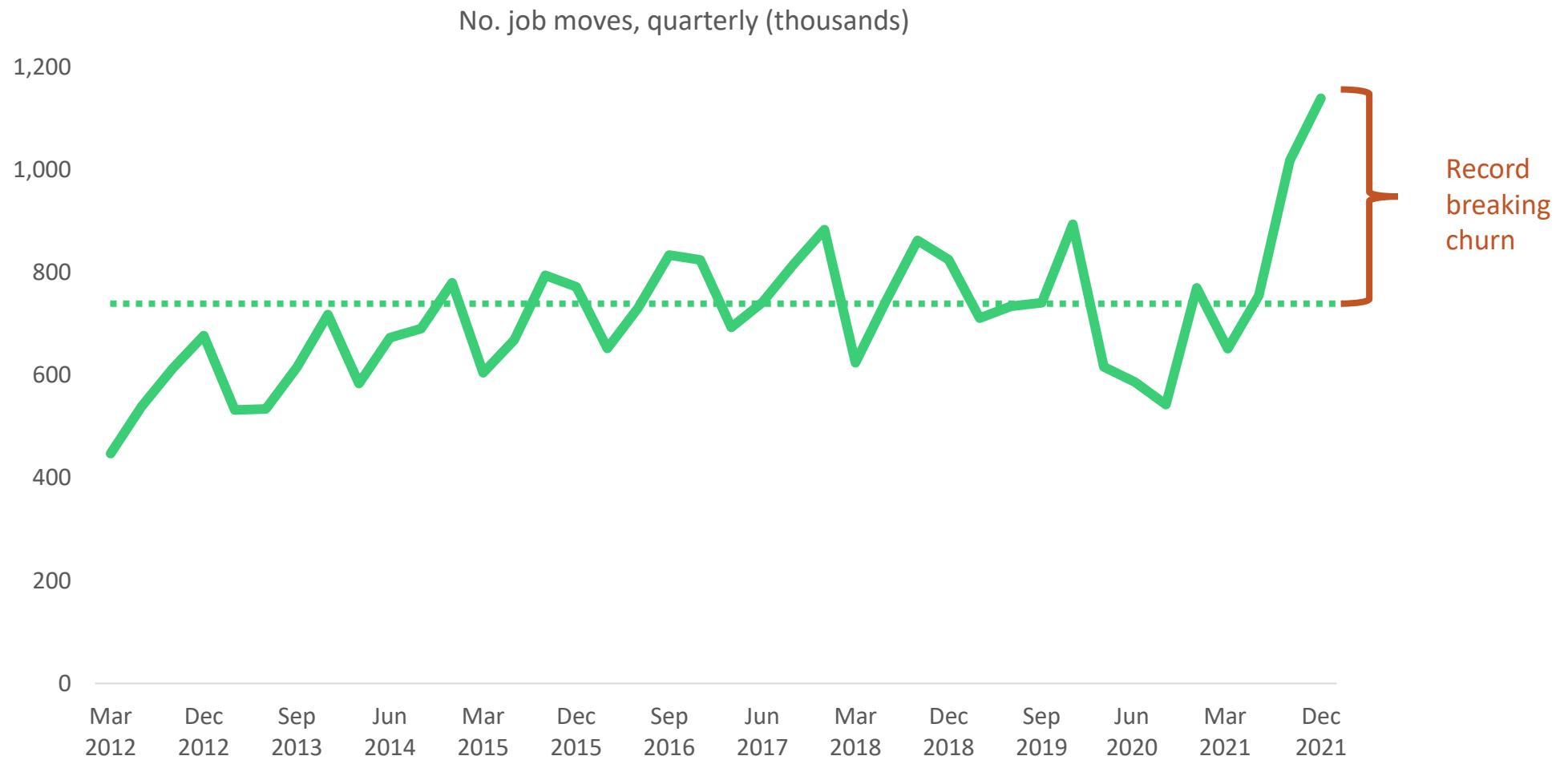


# Can't get the staff: recruiting is increasingly challenging





## There goes another one: keeping staff is just as tricky





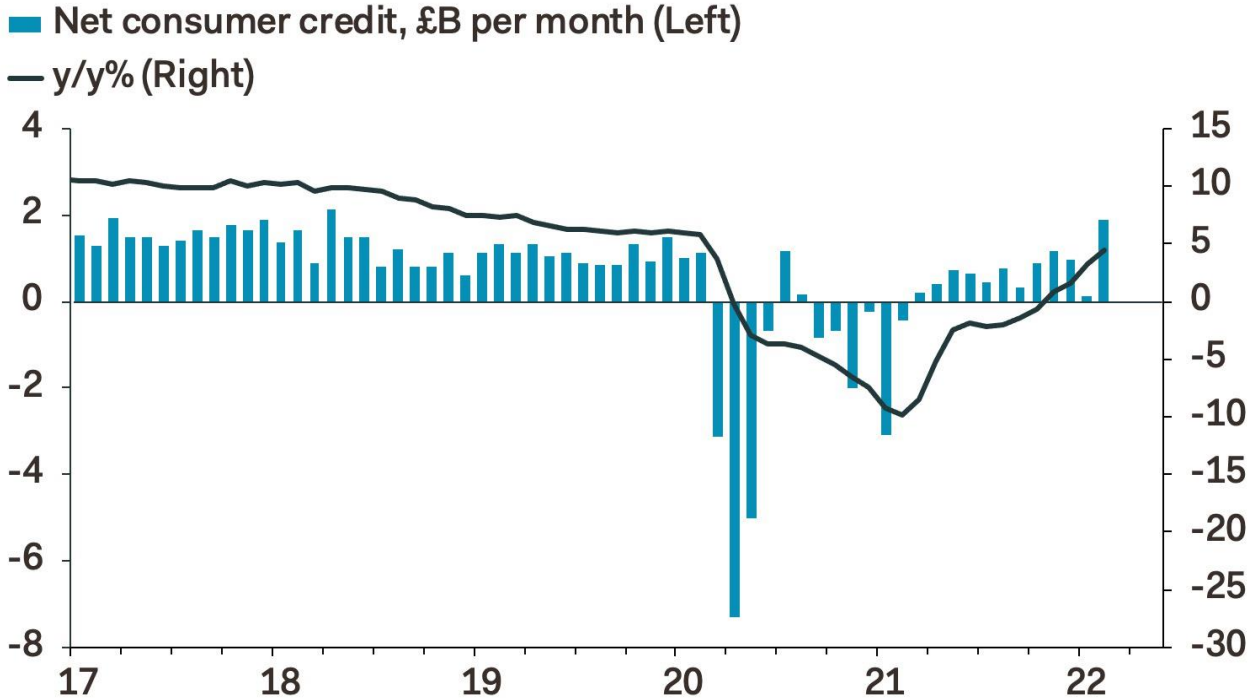
# Dependable? The Great British consumer has money in the bank and a penchant for spending

Households amassed huge 'excess' savings



**£186 billion  
or 8% of GDP**

Unsecured borrowing by households, annual change





# Living with it: behaviours and attitudes really are adjusting to the new normal

