Chancellor Philip Hammond’s first and last Spring Budget was a modest affair and a perfect advert for holding just one fiscal event each year.

Better now. The independent Office for Budget Responsibility prepares the forecasts that the Chancellor relies on in making his Budget judgements. They are more optimistic about prospects for this year than they were in November, expecting growth of 2.0% rather than 1.4%, putting them in line with the Bank of England. Squeezed by rising inflation, consumers are expected to contribute less to growth than in 2016 but the OBR expects a bounce from trade following the fall in the pound and the modest pick-up in Europe’s economies.

Worse later. What they gave this year with one hand, the OBR took away in subsequent years with the other. All that they added in 2017 was knocked off growth from 2018 to 2021. They reckon we’re in for a period of anaemic expansion averaging 1.8%. The culprits? Our growth potential remains lower that we’ve been used to over much of the last 45 years; it’s not so much a productivity puzzle as a productivity problem now. And the OBR reckons Brexit will contribute to slower potential growth with weaker trade and migration flows over the next ten years.

People. The Chancellor is more than alert to the productivity challenge. His Autumn Statement set out investments in infrastructure and innovation designed to boost productivity. In last week’s Budget he turned to the other crucial asset: people. Reforms to technical education are designed to boost England’s skills and put technical training on a similar footing to academic education. That will be tough to achieve but enhancing skills is an essential component of any growth strategy.

Slowing, slightly. Good news from the Halifax: a little steam is coming out of the housing market, with the rate of house price inflation falling to 5.1% in the three months to

February, half of the pace a year ago. But there was still enough in the data for the glass half empty brigade. Prices continue to rise roughly twice as fast as wages and house prices as a multiple of average wages are at levels last seen in 2007. With rising inflation squeezing incomes this year, expect the market to cool a little more.

Reverse gear. After buying a house, a new car is the most expensive purchase we make. As such, car sales are an important barometer of consumer confidence. Following a record year in 2016, UK new car sales suffered their first February dip in six years. While the 0.3% y/y decline was modest it conceals contrasting performance across the UK. England still managed a 2% y/y rise in sales. But this increase was more than offset by hefty falls in Scotland (-11%), Northern Ireland (-11%) and Wales (-15%). This indicator is worth watching in the months ahead.

Coming and going. Northern Ireland's record tourism performance has continued into 2017. Almost 237,000 bed spaces were sold during the first month of the year. That's a whopping 77,300 more than in January 2016. Sterling weakness looks set to make this year a bumper one. It also helped push Northern Ireland's exports almost 12% higher last year – outperforming the UK. Almost a third of NI exports were bound for the Republic of Ireland with 55% destined to the EU. What does or doesn't happen post-Brexit will have a huge bearing on NI trade volumes going forward.

Top, middle & bottom. Analysing the private sector performance across the UK over the last 12 months reveals some interesting trends. Looking at the Markit PMIs, some regions have been more consistent, for good or for bad, than others. Firms in the West Midlands and Wales have been amongst the top performers. Scotland, on the other hand, has stubbornly remained at the bottom of the league. In recent months, London has found itself at the foot of the output growth table too. Yet its neighbour the South East has staged an output recovery which propelled it to third place. But this hasn't translated to rapid rates of jobs

growth. The economic powerhouses of the UK economy (London and the South East) are creating jobs at a weaker rate than the UK average. This is somewhat concerning.

Slowing and inflating. The Northern Ireland private sector is still growing relatively strongly, according to the latest Ulster Bank NI PMI. But the rate of growth has eased for the second month in a row. More worryingly, inflation is really taking hold. Most notably, manufacturing sector input prices were rising at their fastest rate on record, and retail output prices hit a survey-high too. We’re some way off so-called ‘stagflation’, but slowing growth and rising inflation is not a trend anyone will want to see continuing for too long.

Down tools. Whatever the opposite of an oasis is, UK producers found it, with January a poor month in an otherwise decent quarter. Total production fell by 0.4%, with manufacturing down 0.9%. But thanks to a decent December total output growth over the quarter has been 1.9% (2.1% manufacturers). Over the year output is up around 3%. It’s broad-based too, stretching from most utilities right through to consumer and capital goods. Yet it’s a poor start to Q1. But bear in mind the figures are pretty volatile and the underlying trend isn’t too bad.

Mothballed. As with production so too with construction. A poor January for the construction industry runs against the grain of the past few months. Output fell by 0.4% in January but is up 1.8% on a quarterly basis. House building as well as repair and maintenance work share responsibility. In contrast infrastructure shot the lights out, with output up 3.5% in January. Taken together, the production and construction numbers suggest a disappointing start to 2017.

Spring. The UK trade deficit was unchanged between December and January at about £2bn. With consumers still driving growth at the moment it’s unsurprising to see the UK imports rising. But at long last there’s better news on the export front with volumes growing

3%y/y in the last three months, the fastest since 2010. A benefit from sterling’s fall at last?

Still great. In data going back to 1939, the US continues to set records. February was the 77th month in a row that employment increased, an unsurpassed winning run. Another 235,000 jobs were created, a little ahead of the average over the last year. Rising employment is attracting people into the job market and even with that the unemployment rate fell to 4.7%. Hourly earnings grew by 2.8%y/y. It’s a really impressive performance and suggests the US can continue to grow for a while longer without stoking the fires of inflation. That said these are just the type of numbers that will give the Fed confidence to raise rates on Wednesday.

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