# UK Economic Growth Decelerates Amid Pre-Election Uncertainty, Eurozone PMI Falls



In June 2024, the UK’s economic growth has decelerated, with firms postponing major decisions until after the general election, according to a business survey by S&P Global. The UK’s Purchasing Managers' Index (PMI) score dropped from 53 in May to 51.7, indicating slower growth, though still ahead of European counterparts. The services sector score fell from 52.9 to 51.2, while manufacturing rose to a two-year high at 51.4. Chris Williamson, chief business economist at S&P Global, attributes the slowdown to pre-election uncertainty. The Bank of England revised its second-quarter growth outlook from 0.2% to 0.5%, aided by falling inflation and potential interest rate cuts.

In contrast, the Eurozone's PMI fell to a three-month low of 50.8, led by declines in Germany and France, cited as concerns over political uncertainty, particularly with France's upcoming election possibly favoring Marine Le Pen's Rassemblement National. German economic activity slowed to 50.6, and both countries experienced reduced output and new business orders, further amplifying economic recovery challenges in Europe. The Eurozone’s headwinds are exacerbated by ongoing political and economic uncertainties.