

Not so U shaped after all

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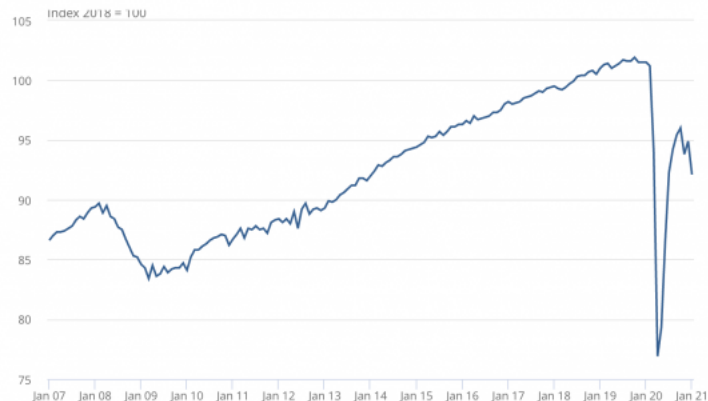
Do you remember all those who confidently said that we'd have a U shaped recession and that the recovery from Covid would be an immediate bounce bank?

This is [from the ONS this morning](#):

2. Monthly GDP headline figures

Figure 1: GDP fell by 2.9% in January 2021 as government restrictions reduced economic activity

Monthly index, January 2007 until January 2021, 2018 = 100



Source: Office for National Statistics - GDP monthly estimate

That does not look very U shaped to me. More like a stuttering.

Expect more of the same. The reality is that this is far from over, but only Joe Biden seems to realise that.