# Britain's February economic growth faces domestic and global hurdles



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LONDON, April 14, The UK economy surprised analysts with a 0.5 percent growth in February, outpacing predictions of a mere 0.1 percent rise. However, experts caution that this growth is unlikely to be sustained due to ongoing domestic and international challenges.

Britain's Office for National Statistics reported robust performance across several sectors, including a 1.5 percent rise in manufacturing and 0.3 percent growth in services. This marks the fastest monthly growth since the Labor Party took office in July 2024. Chancellor Rachel Reeves acknowledged the positive data but emphasized that the government would continue its efforts to stimulate growth.

Notably, manufacturing drove February's surge, with a 1.5 percent monthly increase, reversing a 0.5 percent decline in January. The sector benefited from businesses increasing exports to the U.S. ahead of anticipated tariffs, with exports rising by £500 million in February alone.

Despite the upbeat numbers, analysts remain cautious. The British Chambers of Commerce (BCC) and other research bodies warn that growth is unlikely to be sustainable, citing rising operational costs due to recent fiscal changes, such as higher national insurance tax rates and increased minimum wages. Additionally, businesses are facing recruitment challenges and labor shortages, which could dampen future growth.

Internationally, U.S. tariffs on British exports, particularly in the automotive sector, pose further

challenges. While the UK's Office for Budget Responsibility projected a 1 percent growth for 2025, revised forecasts now estimate just 0.8 percent. The ongoing uncertainty of global trade policies adds additional pressure on the UK's economic prospects.