

Statistical Press Release
Northern Ireland Economic Statistics:

9.30am - Thursday 29th June 2023

Northern Ireland Composite Economic Index Quarter 1 2023

The Northern Ireland Composite Economic Index (NICEI) Quarter 1 2023 was published today by the Northern Ireland Statistics & Research Agency (NISRA).

Key points:

- In the first quarter of 2023, the NICEI indicates that economic output increased by 1.2% over the quarter, 1.7% over the year and increased by 1.1% on a rolling four quarters basis to March 2023.
- Comparing the change in economic output against the previous quarter before the pandemic i.e. Quarter 1 2023 and Quarter 4 2019, economic output is now 6.3% above pre-pandemic levels.
- In terms of the contribution from sectors to change in the NICEI over the latest quarter (1.2%) it was driven by increased activity in the Services sector (1.1 pps) and a small positive contribution from the Public Sector (0.1 pps). The Construction sector had a nugatory contribution (0.0 pps), whilst the Production sector had a small negative contribution (0.1 pps). Note that figures do not sum due to rounding.
- Although the measures are not produced on a fully equivalent basis, comparisons with the UK show that NI experienced the higher growth over the quarter (1.2% vs 0.1%) and over the year (1.7% vs 0.2%) but weaker growth over the rolling annual average (1.1% vs 1.6%). Comparing against pre-pandemic levels in Q4 2019, Economic activity in NI has increased whereas the UK has declined (6.3% vs -0.5%).
- NI's Private sector output as measured by the NICEI increased by 1.4% over the quarter, by 1.8% over the year, by 0.8% on a rolling four quarter basis and by 6.5% when compared to pre-pandemic levels recorded in Q4 2019.
- The NICEI Public Sector (employee jobs) index increased by 0.3% over the quarter, by 1.5% over the year, by 2.2% on a rolling four quarter basis and by 5.7% compared to pre-pandemic levels.

Commentary

- Although economic conditions remain challenging there are signs of greater optimism during 2023. These signs of improvement are shown in the NICEI where economic activity has now increased over the last two quarters i.e. Q4 2022 and Q1 2023.
- The growth rate of 1.2% recorded in the NICEI in Q1 2023 corresponds with that recorded in Q4 2022. The largest contribution to change in the NICEI over the quarter came from growth in the Services sector (which grew by 2.2% over the quarter) which was largely driven by increases in sub-sectors Wholesale & retail trade and Business services & finance .
- NI economic output is now 6.3% higher than pre-pandemic levels i.e. since Q4 2019. The services sector (which accounts for 52% of NI GVA) has had a sizeable positive contribution (3.8 pps) showing a strong recovery post pandemic. There were also further positive contributions from the Public sector (1.3 pps), the Production sector (0.6 pps) and the Construction sector (0.5 pps).
- During the pandemic the NICEI reached a series low in Q2 2020, however economic activity post pandemic has recovered substantially. Economic activity is now 28.8% above the series low point set in Q2 2020.
- The NICEI has now reached a new series high in Q1 2023. The NICEI is now 0.6% above the previous maximum value recorded in Quarter 3 2007. However, by comparison, UK GDP in Q1 2023 is estimated to be 14.6% higher than its pre-economic downturn peak of Quarter 1 2008.

Notes to Editors

1. The statistical bulletin, fact sheet and associated tables are available at: <https://www.nisra.gov.uk/statistics/economic-output-statistics/ni-composite-economic-index>
2. The NISRA Northern Ireland Composite Economic Index (NICEI) is a quarterly measure of the performance of the Northern Ireland (NI) economy based on available official statistics.
3. The NICEI combines existing published quarterly indices (i.e. Index of Services (IOS), Index of Production (IOP), Quarterly Construction Enquiry (QCE)), public sector

employee jobs data from the Quarterly Employment Survey (QES), and unpublished agricultural output data from the Department of Agriculture, Environment and Rural Affairs (DAERA). These indices are weighted using ONS Regional Accounts Gross Value Added (GVA) data to provide a proxy measure of total economic output in the NI economy on a quarterly basis.

4. The NICEI output measures relate to the first quarter (January - March) of 2023. These estimates are based on surveys of businesses and estimates of change are subject to sampling error. Figures for a quarter may be revised if more complete information subsequently becomes available.
5. The NICEI back series is calculated each quarter, typically the revisions to the NICEI are reasonably minor. The revisions this quarter were more noticeable, further information is available in the detailed statistical bulletin available at: [Northern Ireland Composite Economic Index](#)
6. This report will be of interest to Ministers, policy makers, public bodies, the business community, banks, economic commentators, academics and the general public with an interest in the local economy.
7. Further information and tables from each of the data sources are available on the [NISRA - Economic and Labour Market Statistics Website](#).
8. For media enquiries, please contact DfE Press Office on 028 90529604. Outside office hours, please contact the Duty Press Officer via pager number 07623 974 383 and your call will be returned.
9. Feedback is welcomed and should be addressed to:

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