

Statistical Press Release
Northern Ireland Economic Statistics:

9.30am - Thursday 28th September 2023

Northern Ireland Composite Economic Index Quarter 2 2023

The Northern Ireland Composite Economic Index (NICEI) Quarter 2 2023 was published today by the Northern Ireland Statistics & Research Agency (NISRA).

Key points:

- In the second quarter of 2023, the NICEI indicates that economic output decreased by 0.5% over the quarter and increased by 1.7% over the year. Output increased by 0.9% on a rolling four quarters basis to June 2023.
- NI economic output is now 5.8% above the pre-pandemic level seen in Quarter 4 2019.
- The decrease in the NICEI over the latest quarter (0.5%) was driven by decreased activity in the Services sector (0.4 pps) and the Construction Sector (0.3 pps) with the Agriculture sector also decreasing marginally (-0.1 pps). In contrast, the Production sector and Public sector had positive contributions (0.3 pps and 0.1 pps respectively). 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's output decreased over the quarter (-0.5%) whilst the UK's output increased (0.2%). NI had stronger growth over the year (1.7% vs 0.4%) and over the rolling annual average (0.9% vs 0.8%). Comparing against the pre-pandemic level, economic activity in NI has increased whilst the UK experienced a reduction (5.8% vs -0.2%).
- NI's Private sector output as measured by the NICEI decreased by 0.8% over the quarter and increased by 1.9% over the year. Private sector output increased by 0.7% on a rolling four quarter basis and by 5.8% when compared to the pre-pandemic level recorded in Quarter 4 2019.
- The NICEI Public Sector (employee jobs) index increased by 0.2% over the quarter, by 1.3% over the year, by 1.9% on a rolling four quarter basis and by 5.8% compared to pre-pandemic levels.

Commentary

- The NI economy faced challenging economic conditions last year brought on by acute inflationary pressures, however the local economy had shown resilience with increased economic output in Quarter 4 2022 and Quarter 1 2023. However, the NICEI indicates that there has been a weakening in economic activity during Quarter 2 2023 with a fall of 0.5% over the period.
- The largest contribution to change in the NICEI over the quarter came from decreases in the Services sector and private Construction sector, these were largely driven by decreases in the Services sub-sector Wholesale & retail trade and Construction sub-sector Repair and Maintenance. This decline in economic activity was partially offset by increased activity in the Production sector and the Public Sector.
- NI economic output is now 5.8% higher than the pre-pandemic level seen in Quarter 4 2019. The services sector (which accounts for 52% of NI GVA) has had a sizeable positive contribution (3.1 pps) showing a strong recovery post pandemic. There were also further positive contributions from the Public sector (1.3 pps), the Production sector (1.0 pps) and the Construction sector (0.4 pps). The Agriculture sector was unchanged over this period.
- During the pandemic the NICEI reached a series low in Quarter 2 2020, however economic activity post pandemic has recovered substantially. Economic activity is now 28.0% above the series low point set in Quarter 2 2020.

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 second quarter (April - June) 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, Further information is available in the detailed statistical bulletin available at: [Northern Ireland Composite Economic Index](#)
6. This report will be of interest to 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 9052 9604. 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:

Economist:

David Graham

Economic & Labour Market Statistics Branch (ELMS),

David.Graham2@nisra.gov.uk Tel: 028 9052 9439.

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