

Statistical Press Release
Northern Ireland Economic Statistics:

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Northern Ireland Composite Economic Index Quarter 3 2023

The Northern Ireland Composite Economic Index (NICEI) Quarter 3 2023 was published today by the Northern Ireland Statistics & Research Agency (NISRA).

Key points:

- In the third quarter of 2023, the NICEI indicates that economic output increased by 0.6% over the quarter and increased by 2.2% over the year. Output increased by 1.7% on a rolling four quarters basis to September 2023.
- NI economic output is now 6.2% above the pre-pandemic level seen in Quarter 4 2019.
- The increase in the NICEI over the latest quarter (0.6%) was driven by increased activity in the Services sector (0.8 pps), the Construction Sector (0.1 pps) and the Public Sector (0.2 pps). The Production sector and the Agriculture sector had negative contributions (0.3 pps and 0.1 pps respectively). Note that figures may 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 increased over the quarter (0.6%) whilst the UK's output decreased (0.1%). NI had stronger growth over the year (2.2% vs 0.3%), over the rolling annual average (1.7% vs 0.4%) and over the pre-pandemic level (6.2% vs 1.5%).
- NI's Private sector output as measured by the NICEI increased by 0.6% over the quarter and increased by 2.2% over the year. Private sector output increased by 1.6% on a rolling four quarter basis and by 6.0% when compared to the pre-pandemic level recorded in Quarter 4 2019.
- The NICEI Public Sector (employee jobs) index increased by 1.0% over the quarter, by 2.0% over the year, by 1.8% on a rolling four quarter basis and by 6.9% compared to pre-pandemic levels.

Commentary

- The NICEI indicates economic activity in Northern Ireland increased by 0.6% during Quarter 3 2023, as inflationary pressures continue to ease within the economy, albeit inflation is still above the 2% target rate. NI economic output returned to growth during Quarter 3 2023 after a decline in output over the previous quarter. Yet challenging conditions remain for households and businesses who are adjusting to the upward shift in price levels for goods and services and the higher interest rate environment.
- The increased economic activity during Quarter 3 2023 was driven by a strong performance from the Services sector, with the private Construction sector and the Public Sector also recording increased output over the quarter. The growth in economic activity was partially offset by decreased activity in the Production sector and Agriculture. Indeed, there has been a marked decline in Production sector output which has now declined over 4 consecutive quarters.
- NI economic output is now 6.2% 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 (4.2 pps) showing a strong recovery post pandemic. There were also further positive contributions from the Public sector (1.5 pps), the Production sector (0.2 pps) and the Construction sector (0.5 pps). The Agriculture sector declined over this period (0.1 pps).

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:

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