

Statistical Press Release
Northern Ireland Economic Statistics:

9.30am - Thursday 28 March 2024

Northern Ireland Composite Economic Index Quarter 4 2023

The Northern Ireland Composite Economic Index (NICEI) Quarter 4 2023 was published today by the Northern Ireland Statistics & Research Agency (NISRA).

Key points:

- In the fourth quarter of 2023, the NICEI indicates that economic output decreased by 0.2% over the quarter and increased by 0.3% over the year. Output increased by 1.4% on a rolling four quarters basis to December 2023.
- NI economic output is now 5.6% above the pre-pandemic level seen in Quarter 4 2019.
- The largest downward contribution to change this quarter came from decreased activity in the Services and Public sectors with both contributing negative 0.2 percentage points (pps). These negative contributions were partially offset by increases in the Production and Agriculture sectors (0.1 pps each).
- Although the measures are not produced on a fully equivalent basis, comparisons with the UK show that both NI and UK recorded decreased output over the quarter (0.2% vs 0.3%). NI had stronger growth over the year (0.3%) while UK decreased (0.2%) and both had an increase over the rolling annual average (1.4% vs 0.1%). Comparing against the pre-pandemic quarter (Q4 2019), economic activity in NI has shown stronger growth than the UK (5.6% vs 1.1%).
- NI's Private sector output as measured by the NICEI was unchanged over the quarter and increased by 0.3% over the year. Private sector output increased by 1.5% on a rolling four quarter basis and by 5.5% when compared to pre- pandemic levels recorded in Quarter 4.
- The NICEI Public Sector (employee jobs) index decreased by 0.8% over the quarter, increased by 0.5% over the year, by 1.3% on a rolling four quarter basis and by 5.9% compared to pre-pandemic levels.

Commentary

- The NICEI indicates economic activity in Northern Ireland decreased by 0.2% during Quarter 4 2023. NI economic output returned to negative growth during Quarter 4 2023 after a rise in output over the previous quarter. 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 decreased economic activity during Quarter 4 2023 was driven by negative performance from the Services sector and the Public Sector over the quarter. The decline in these sectors was partially offset by increased activity in the Production and Agriculture sectors with both contributing 0.1 pps. Indeed, there has been a marked growth in Production sector output after declining over 4 consecutive quarters.
- NI economic output is now 5.6% 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 to this growth (3.7 pps) showing a strong recovery post pandemic. There were also further positive contributions from the Public sector (1.3 pps), the Construction sector (0.4 pps) and the Production sector (0.2 pps). The Agriculture sector was unchanged (0.0 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 fourth quarter (October - December) 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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