

Contents	Page
The Economy	2
Business	4
Rest of World	6
Households	8
Government	10
Focus: Government Support Schemes	11
Focus: Economic Impact of Covid-19	13
Notes and Sources	14

The Economy

COVID-19 has had a devastating impact on the local economy, which is only partially reflected in the figures. There has been a decrease in activity which has not manifested in employee jobs figures yet. Local commentators forecast a significant contraction in the local economy this year as a result of COVID-19.

-2.8% quarterly change in economic activity	-0.4% annualised change in economic activity	+3,120 quarterly change in employee jobs	+7,930 annual change in employee jobs	-9.2% average NI growth forecast for 2020
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Economic Activity

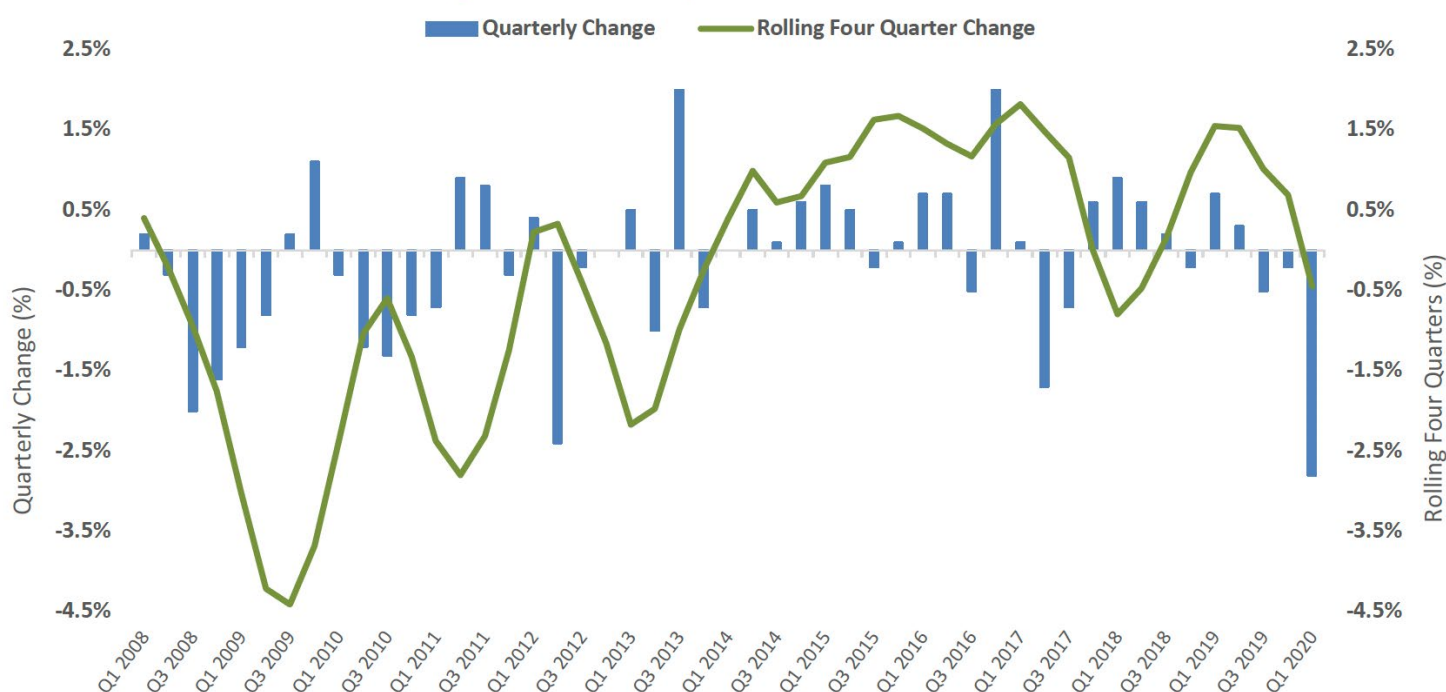
The latest results from the Northern Ireland Composite Economic Index (NICEI) estimate that economic activity in NI decreased by 2.8% in Quarter 1 2020 compared to Quarter 4 2019. This decrease was driven by decreased activity in the Services, Production and Construction sectors, which had negative contributions of 2.2 percentage points (pps), 0.5 pps and 0.1 pps respectively. The contribution of the Public sector remained flat over the quarter.

The average annualised decrease of 0.4% for the four quarters to Q1 2020 was driven by decreases in the Services (-0.6pps) and Construction (-0.1pps) sectors. Production saw no change, while the Public sector contribution increased by 0.3pps.

Although the measures are not produced on a fully equivalent basis, results from the ONS show that over the past year UK GDP decreased at a slower pace, with an annual decrease (comparing Quarter 1 2020 to Quarter 1 2019) of -1.7% for the UK compared to -3.2% for NI.

Over the last ten years, the NICEI has reported growth in 22 of the last 40 quarters but is currently 7.2% below the maximum value recorded in Quarter 2 2007. The UK, however, has reported growth in 35 of the last 40 quarters and UK GDP is estimated to be 11.0% higher than its pre-economic downturn peak of Quarter 1 2008. This suggests that the UK has had a shorter downturn and a faster recovery since the 2008 recession.

Figure 1 - NI Composite Economic Index

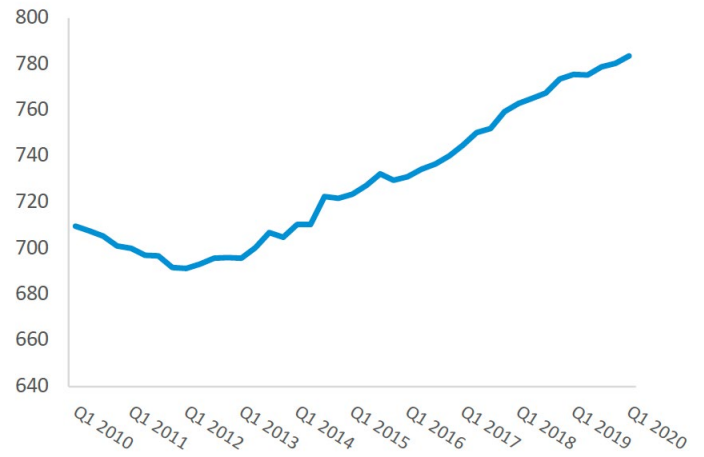


Employee Jobs

The latest figures from NISRA show that the number of employee jobs in the local economy increased over the quarter and over the year to a record high of 783,500 in March 2020. However, the annualised growth rate has fallen every quarter between Q1 2018 (2.3%) and Q1 2020 (1.2%).

Employee jobs rose by 7,930 over the year to March 2020. This increase was mainly driven by services, which accounted for 7,610 more jobs over the year. Manufacturing was the only broad industry sector to record a fall in employee jobs over the year (-1,220 jobs). The two largest industry sections in the economy, wholesale and retail trade and human health and social work activities, accounted for a third of all employee jobs in March 2020.

Figure 2 - Employee Jobs (000's)



Private Sector

Private sector jobs increased over the quarter and the year by 0.6% and 1.0% respectively to their highest level on record (571,850), making up 73% of all employee jobs in Northern Ireland.

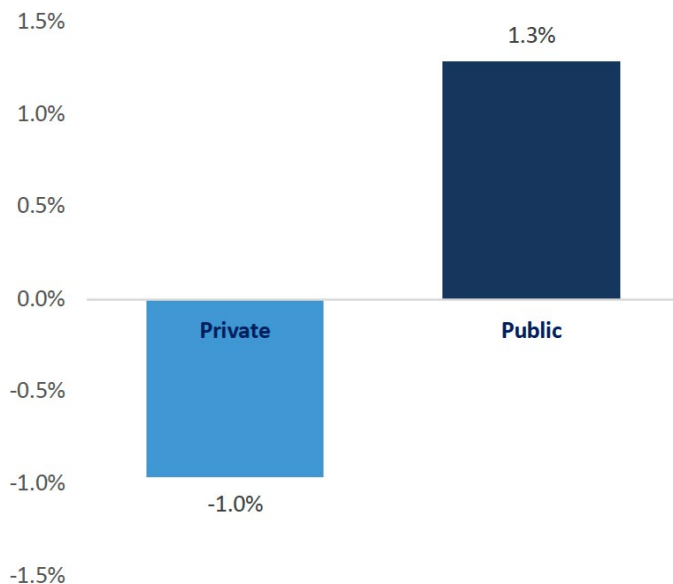
The private sector saw a decrease in activity, with economic output down by 3.5% over the quarter and by 4.5% over the year to March 2020.

Meanwhile the Ulster Bank PMI reported further declines in the local private sector in June due to COVID-19. However, rates of contraction in business activity, new orders, backlogs of work and employment softened with a loosening of lockdown restrictions. Firms remained pessimistic regarding the year-ahead outlook amid concerns about the long-term impact of COVID-19.

Table 1 - Latest NI Growth Forecasts

GVA	2020
Ulster University	-12.7%
Danske Bank	-11.0%
EY	-6.7%
KPMG	-6.4%
Average	-9.2%

Figure 3 - Economic Activity (Rolling four quarters to Q1 2020)

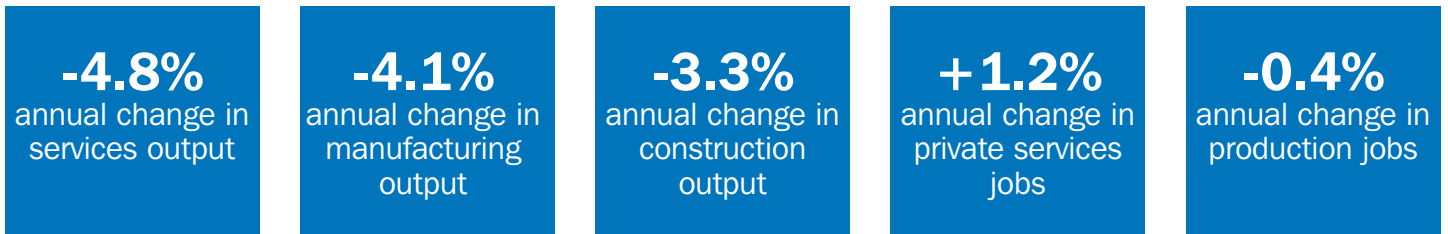


Outlook

- **UUEPC** predicts a more significant contraction in 2020 than previous forecasts amid new evidence about the likely length of lockdown and measures being taken by businesses along with weakened expectations of a V-shaped recovery.
- **Danske Bank** expects the Northern Ireland economy to experience a significant contraction in 2020 due to the coronavirus pandemic. The economy should return to growth in Q3 2020 but the recovery is expected to be a gradual one.
- **EY** provides an illustrative base case scenario of economic contraction and points out the difficulty in forecasting the potential impact due to the uncertainty around the length of the crisis and the evolving nature of the response.
- **KPMG** forecasts that Northern Ireland will not be as severely impacted as other UK regions as it has very few badly affected sectors and a good proportion of relatively unaffected or growing sectors (e.g. food production, public sector).

Businesses

COVID-19 has significantly affected business output but has not filtered through to jobs yet. Again this is only partially reflected in the results to date. Output in Services, Production and Construction have decreased over the year. Jobs in the Services and Construction sectors increased over both the quarter and the year. Employment in the Production sector grew over the quarter but fell over the year.

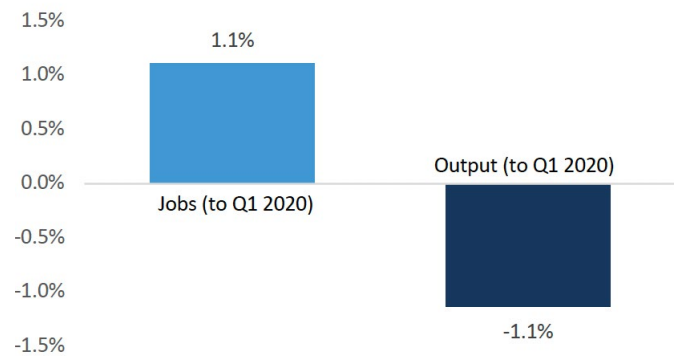


Services

Services output decreased by 4.2% over the quarter and by 4.8% over the year to Q1 2020. Services output is 6.7% lower than the peak output level recorded in Q4 2006 but has recovered by 6.0% from the lowest point in Q2 2013. The quarterly decrease in Q1 2020 was the largest quarterly change in the history of the index, which is at its lowest point since Q1 2016.

The Services sector saw an increase of 1,780 jobs (+0.3%) over the quarter and a rise of 7,610 jobs (1.2%) over the year to March 2020. Over the last five years, the number of employee jobs in the Services sector has increased by 45,470. It now accounts for 81.3% of all employee jobs.

Figure 4 - Rolling four quarter % change in service output and jobs



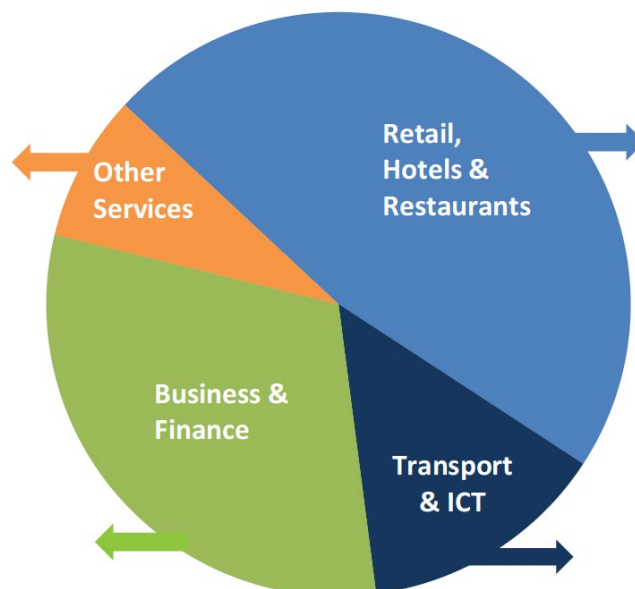
Other Services

Output showed a decrease (8.3%) over the latest year while employment also fell by 1.9% (600 jobs), largely driven by a decrease in jobs in other personal service activities.

Business and Finance

Output in this sector fell by 9.2% over the year. The sector saw employment rise by 1,920 jobs with management consultancy activities and legal and accounting activities driving the increase in jobs in the sector over the year.

Figure 5 - Relative size of private services



Retail, Hotels & Restaurants

Output in this sector decreased by 3.8% over the year. Jobs rose by 810 over the year, driven by a rise in employment in land transport, which more than offset a loss of jobs in food and beverage service activities.

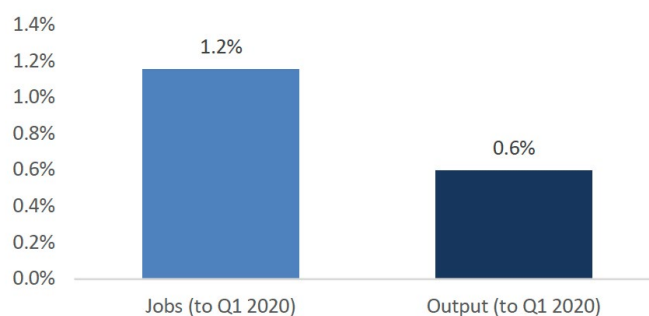
Transport and ICT

Output in this sector decreased by 1.4% over the year but employment increased by 1,940 jobs, mainly due to rises in warehousing activities for transportation and computer programming, consultancy and related activities.

Production

The Northern Ireland Index of Production for Q1 2020 showed a decrease of 3.2% over the quarter and of 4.8% over the year. The decrease is the largest since Q3 2017 but is 4.4% above its lowest point in Q3 2009. The latest quarterly decrease has been driven by falls in three sectors: Water supply, sewage and waste management (incl. recycling) (-6.6%); Manufacturing (-3.1%); and Electricity, gas, steam and air conditioning supply (-2.1%). In terms of employment, the sector grew by 0.2% (+180 jobs) over the quarter but fell by 0.4% (-390 jobs) over the year.

Figure 6 - Rolling four quarter change in manufacturing output and jobs

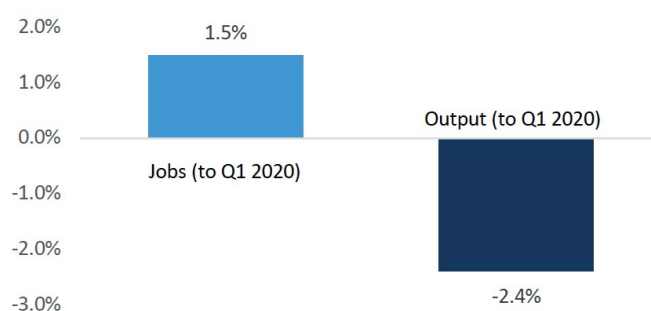


Construction

The latest NI Construction Bulletin shows that Construction output in Q1 2020 decreased by 1.0% compared to Q4 2019, was 3.3% lower than in Q1 2019 and also decreased by 2.4% on a rolling four quarter basis. While the total volume of construction output in NI has been on an upward trend since Q4 2013, recent quarters have shown signs of levelling off, with decreases in 3 of the last 5 quarters.

Over the latest quarter, employment in the Construction sector is estimated to have increased by 2.3% (790 jobs) and over the year by 1.7% (580 jobs) to almost 35,100 jobs in March 2020.

Figure 7 - Rolling four quarter change in construction output and jobs



Financial Services

The latest figures from UK Finance show lenders approved 2,936 new loans for SMEs in Northern Ireland with a total value of £382m in Q1 2020. This represented an 18% increase in the number approved but a 12% decline in the value approved compared to the same quarter in 2019. SME new loans in Agriculture, Hunting & Forestry and Real Estate & Professional & Support Services accounted for just under half (47%) of the number of approved loans and just over half (54%) of the total value of loans approved.

Other Business Surveys

Ulster Bank PMI

- The latest results from the Ulster Bank PMI reported further declines in the local private sector in June due to COVID-19. However, rates of contraction in business activity, new orders, backlogs of work and employment softened with a loosening of lockdown restrictions. Firms remained pessimistic regarding the year-ahead outlook amid concerns about the long-term impact of COVID-19. Input costs rose sharply while output prices were broadly unchanged, ending a three month sequence of falling charges.

ONS Business Impact of COVID-19 Survey

- The most recent results of Business Impact of COVID-19 Survey show that 91% of businesses in Northern Ireland were continuing to trade compared to 89% for the UK as a whole. Approximately 49% of local firms surveyed reported a decline in turnover, which compares to 58% of UK businesses. Approximately 28% of NI businesses surveyed said that their financial performance had not been affected while 18% of firms reported an increase in turnover.

NI Chamber Quarterly Economic Survey

- The latest survey suggests that the immediate impact of COVID-19 is much greater than the aftermath of the 2008/09 financial crash, with dramatic falls in short term indicators around domestic sales, exports, jobs, cash flow and in longer term indicators around business confidence and investment intentions.

InterTradeIreland COVID Tracker

- The results from latest COVID tracker suggest that for 79% of NI businesses sales have been impacted as a result of COVID-19 with 65% of businesses reporting that their cash flow has been impacted. Half of NI businesses stated that maintaining social distancing with customers would be the biggest challenge in terms of making a full recovery, whilst 39% of businesses believed that there will be difficulties in implementing social distancing in a way which still makes their business profitable. However 80% of NI businesses surveyed plan to bring all of their staff back from furlough.

Engagement with the Rest of the World

The majority of the indicators in this section either pre-date the outbreak of COVID-19 or only partially reflect its impact. Local exports fell over the latest quarter and year while the number of new FDI projects and jobs rose in 2019-20. The forecast for 2020 envisions the deepest global recession in eight decades.



Exports

The latest HMRC Regional Trade Statistics (which cover goods only) show that NI exports fell by 5.7% to £2.12bn over the first quarter of 2020 and decreased by 1.9% over the year. All other UK countries saw decreases in exports over the year, with exports from Scotland decreasing by 2.7%, Welsh exports decreasing by 2.7% and exports from England decreasing by 2.3%.

The Republic of Ireland remains Northern Ireland's largest exporting trading partner with total exports of £3.1bn. Exports to the RoI fell by 1.7% over the year. Compared to the same quarter last year, the markets that have seen the largest value increases were Russia (up £9m) and Thailand (up £7m). The markets with the largest decreases were France (down £44m) and Australia (down £33m).

Furthermore, the latest available data from HMRC continues to show that the majority (59%) of Northern Ireland's exports are destined for the EU. Over the year to March 2020 NI exports to the EU decreased by 4.4% to £5.2bn whilst exports to non EU countries increased by 2.0% to £3.7bn.

NI exports continued to be dominated by goods in the machinery and transport sector, accounting for over one third (37%) of NI exports in Q1 2020.

Over the latest 12 month rolling period to March 2020, the largest value increase in NI exports was in the machinery and transport sector (up £92m) while the largest relative increase was seen in the miscellaneous manufacturers (up 5.5%).

Figure 8i - RTS Goods Exports from NI

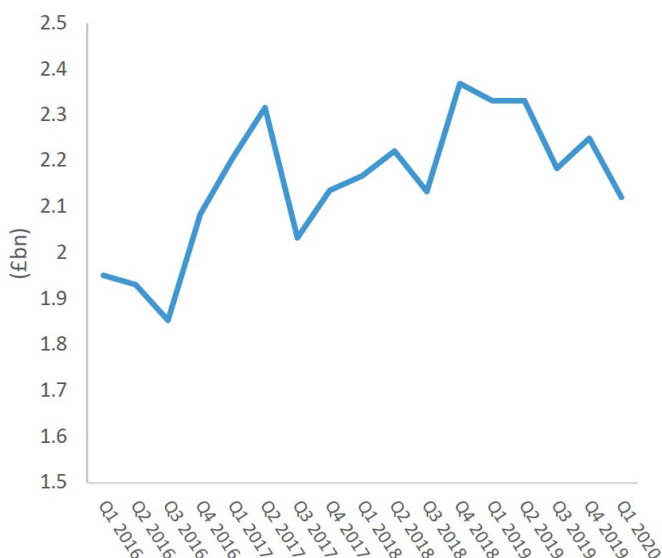
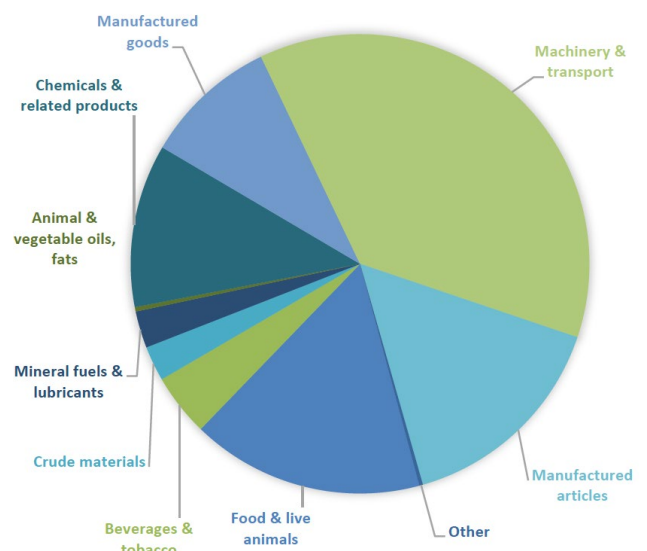


Figure 8ii – RTS Goods Exports by Sector



Inward Investment

The Department for International Trade Inward Investment results for 2019-20 show that there were 40 new FDI projects into Northern Ireland, creating over 2,300 jobs. This is an increase from 28 projects and 1,200 jobs for the period 2017-18 and 35 projects and 1,475 jobs in 2018-19. In 2019-20, new FDI projects into Northern Ireland accounted for 2% of UK FDI projects while new FDI jobs into NI accounted for 4% of UK FDI jobs.

This represents an increase of 14% in FDI projects in Northern Ireland between 2018-19 and 2019-20 and is a larger increase than the UK as a whole (4%).

In addition, there was a 59% increase in FDI jobs in Northern Ireland from 2018-19 to 2019-20 in contrast with a 3% decrease in FDI jobs for the UK as a whole.

Over the five-year period between 2015-16 and 2019-20, there were 170 new FDI projects into Northern Ireland, 70 of which came from the EU (41%). As a result, over 8,700 jobs have been created with over 3,500 of them from EU projects.

Tourism

In the year to September 2019, there were an estimated 4.6 million domestic and external overnight trips in NI, an increase of 6% on the previous year. Of these trips, almost half (49%) were for a holiday and a further 39% were visiting friends or relatives. These trips generated an estimated £916 million expenditure in Northern Ireland, a 10% increase over the year.

Key Markets Outlook

The June Global Economic Outlook by the World Bank envisions the deepest global recession in eight decades as a result of the coronavirus pandemic. Lasting damage is expected to be exerted on fundamental determinants of long-term growth prospects, therefore hindering the improvement in living standards. The deep recessions caused by the pandemic are likely to have lasting scars through multiple channels, including lower investment, erosion of the human capital of the unemployed and a retreat from global trade and supply linkages. This may result in lower potential growth and lower rates of labour productivity in the long term. The outbreak of COVID-19 has caused an unprecedented collapse in oil demand which in March, resulted in the steepest one-month decline in oil prices on record. This is not expected to buffer the effects of the pandemic but may provide some initial support for a recovery.

Map – UK Regional Inward Investment

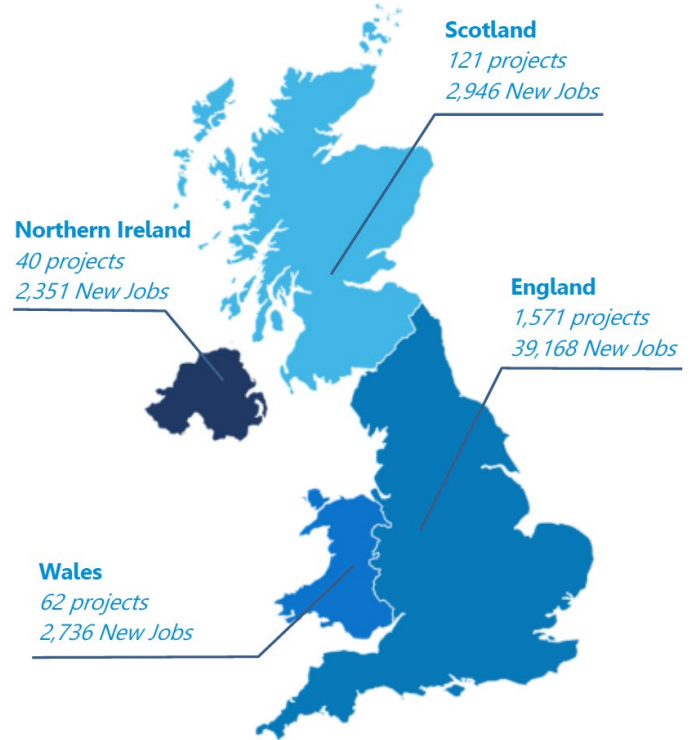


Figure 9 – Quarterly trips and Expenditure

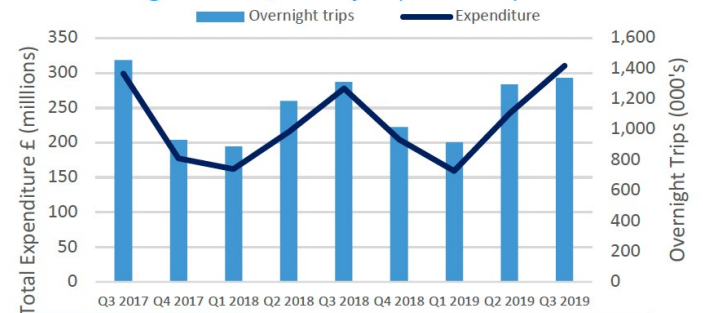


Table 4 - Key Market Growth Forecasts (World Bank)

GDP	2020	2021
World	-5.2%	4.2%
Euro Area	-9/1%	4.5%
US	-6.1%	4.0%
China	1.0%	6.9%

Households

The Labour Force Survey estimates for March to May 2020 are based on interviews before and during lockdown. Although unemployment remains as one of the lowest on record and the employment rate remains relatively high, people worked fewer hours than usual and more were temporarily away from work. Even with the furlough scheme in place there has been a spike in the claimant count over the last three months and a return to levels last seen in 2012 and 2013.



Unemployment

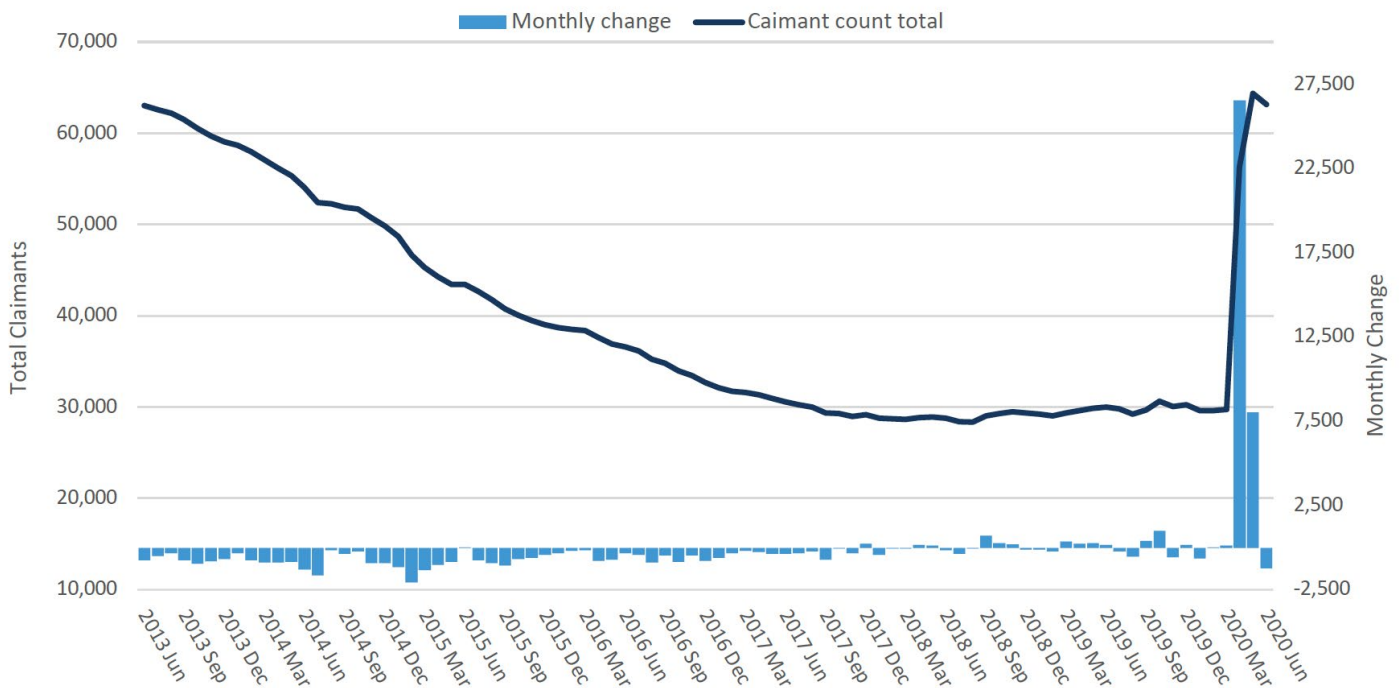
The Labour Force Survey (LFS) unemployment rate (16-64) for the period March-May 2020 was estimated at 2.4% for Northern Ireland, one of the lowest levels on record and significantly lower than the peak unemployment rate of over 8% in 2013. It is also below the UK (3.9%), Republic of Ireland (5.6%) and EU (6.6%) rates. The Northern Ireland unemployment rate has been below the UK rate since mid-2017.

Although unemployment remains as one of the lowest on record, 18% of employed people were temporarily away from work. Furloughed workers alongside people working fewer than their normal hours has equated to the lowest average number of hours worked per week on record (27.4 hours per week), a decrease of 6.5 hours per week or 19% over the year.

The number of people claiming unemployment benefits stood at 63,100 (6.8% of the workforce) for June 2020. Over the past year the claimant count has increased by around 33,000 persons, with most added to the register in April 2020, which saw an 89% increase as a result of COVID-19. Over the year the claimant count for 16-24 year olds increased by 144% while the claimant count of 25-49 year olds rose by 125%. Those aged 50 and over increased less but still saw a considerable rise of 67% over the year.

As at June 2020, the claimant count was made up of 40,800 males, significantly higher than the amount of females at 22,300. This represents around 8.7% and 5.4% of the male and female workforce respectively. The number of male claimants increased by 116% over the year while the number of female claimants doubled over the year.

Figure 10 - Unemployment Benefit Claimants

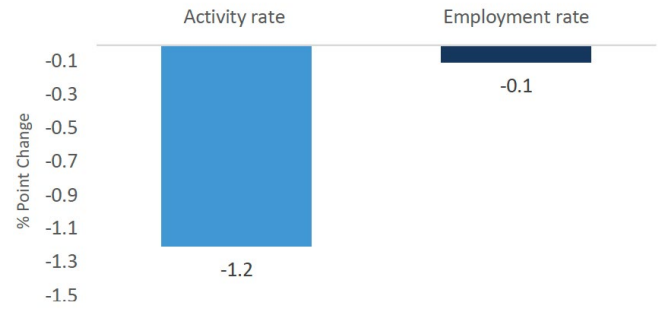


Employment

The number of persons in employment (16+) in the period March - May 2020 was estimated at 865,000, a decrease of 6,000 over the year. The overall employment rate is estimated at 71.6%, decreasing by 0.9pps over the quarter and by 0.1pps over the year. The male employment rate increased by 0.6pps over the year to 76.0% while the female employment rate decreased by 0.8pps to 67.3%.

At 71.6% the employment rate in NI is significantly above rates in late 2017 however this was still below the UK average (76.4%) and the lowest among the 12 UK regions.

Figure 11 - Participation rates (annual percentage point change)

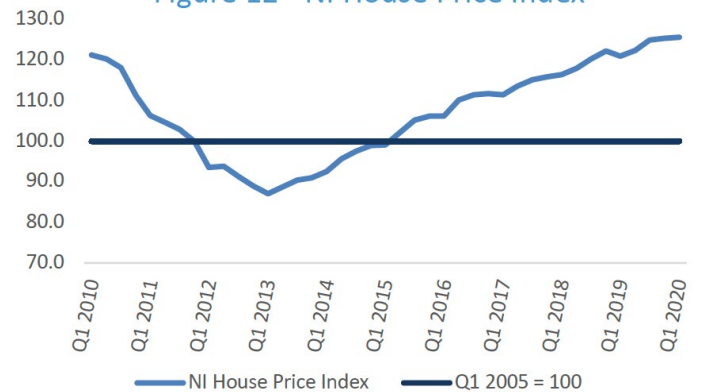


Housing Market

According to NISRA's latest House Price Index, house prices in Northern Ireland rose by 0.2% in Q1 2020 and by 3.8% over the year. The House Price Index is now 26.7% higher than the reference period of Q1 2015.

COVID-19 has essentially paused the housing market. The number of sales for Q1 2020 has not been adversely affected as the lockdown happened in the last week of March. However it is expected that the number of sales recorded for April - June 2020 will be greatly reduced (by as much as 80%).

Figure 12 - NI House Price Index



Consumer Spending

Recent signals across some household indicators have been negative as a result of COVID-19, as illustrated below:

HMRC PAYE Real Time Information

- Median monthly pay for NI employees in the three months to May 2020 was £1,688.
- Median monthly pay decreased by 0.5% over the quarter to May. Although relatively small, it is the first quarterly decrease since 2015.
- Median monthly pay in the quarter to May 2020 was 1.2% higher than same period last year.

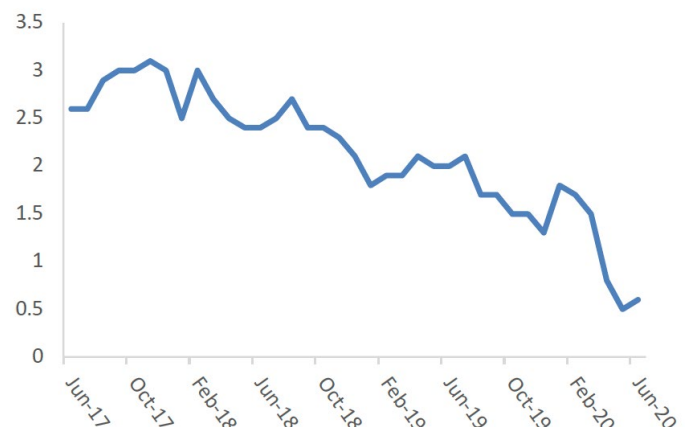
Consumer Confidence

- The Danske Bank Consumer Confidence Index fell to 119 in Q1 2020, down from 129 in Q4 2019 and significantly below the Q1 2019 reading of 139.
- The Q1 2020 reading was the lowest since 2013, reflecting the negative impact of COVID-19 on how people were feeling.
- Falls were recorded over the quarter in all parts of the Index, except current finances which increased over the quarter but fell over the year.
- Over the quarter, consumers were more pessimistic about their spending on high value items, future finances and job security whereas saving expectations remained unchanged.

Prices

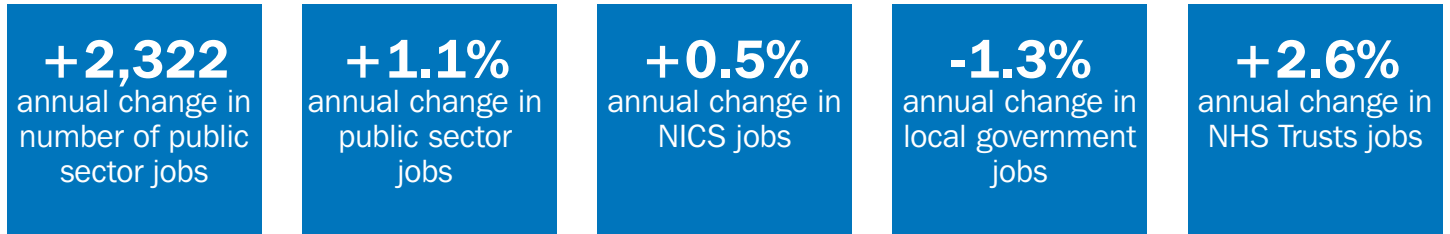
In June 2020, inflation was at 0.6%, up from 0.5% in May 2020. The largest contribution to the inflation rate had come from either housing and household services or transport. However, this changed in April 2020 because of a combination of reduced household utility bills and falling motor fuel prices. In June 2020, compared to the previous year, the largest contributions to the inflation rate came from Communication and Recreation & culture increasing by 3.9% and 2.6% respectively. The sector driving down the inflation rate the most in June was in Clothing & footwear.

Figure 13 - CPI Annual inflation rate (%)



Government

The estimates in this section pre-date COVID-19. Although the number of jobs within the local public sector has been following a downward trend over the past number of years, there has been a small rise in public sector employment at a slightly lower rate than the UK over the past year. There was a small increase in the number of jobs in the Northern Ireland Civil Service over the year.



Jobs

Since June 2009 the number of jobs within the local public sector has generally been trending downwards, with the sector now 7.0% smaller and with around 16,000 fewer jobs. In contrast, the private sector has grown by over 18%, adding around 88,870 jobs, with most of the increases coming from the services sector.

Northern Ireland public sector jobs as a proportion of the NI population was 11.3%, which compares to 8.2% in the UK.

Public sector jobs decreased by 0.1% over the quarter but increased by 1.1% over the year. Excluding the effects of the major reclassification of public sector employment, UK public sector jobs increased over the quarter (0.6%) and also increased over the year (1.7%).

Local jobs in NI Central Government and employment in local NHS Trusts rose by 2.0% and 2.6% respectively while local Government jobs fell by 1.3% over the year.

Table 5 - NI Selected Public Sector Jobs Breakdown

	Jobs March 20	Annual No.	Change %
Total Public Sector Jobs	212,003	2,322	1.1%
NI Central Government*	111,388	2,205	2.0%
Northern Ireland Civil Service (NICS)	23,094	122	0.5%
UK Central Government	3,692	-36	-1.0%
Local Government	11,782	-161	-1.3%
NHS Trusts	74,682	1,880	2.6%

Figure 14 - NI Public Sector Jobs (000's)

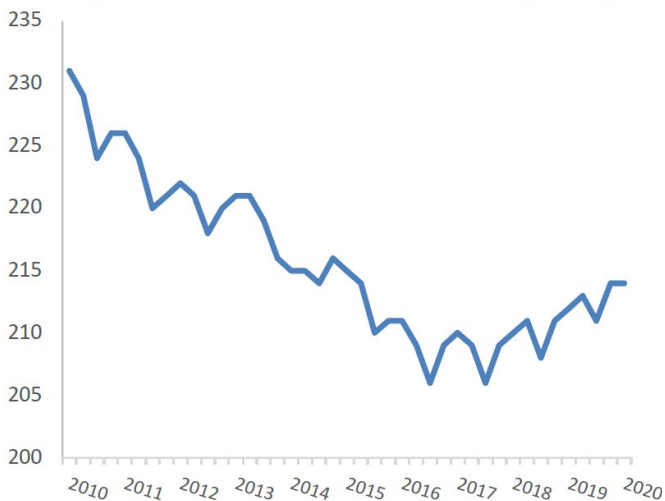
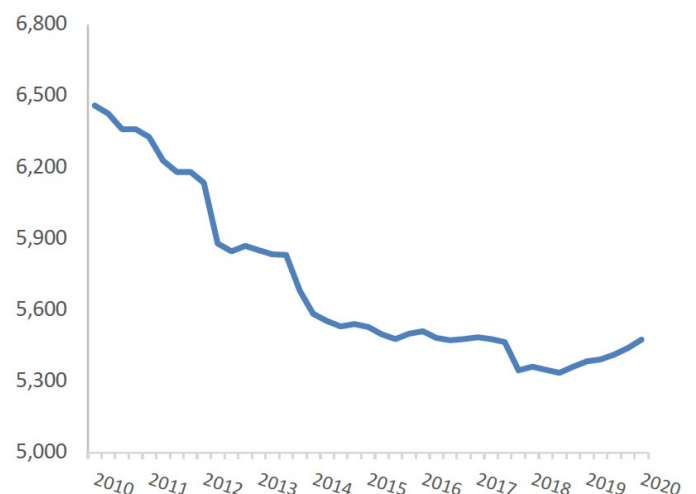


Figure 15 - UK Public Sector Jobs (000's)



FOCUS: Government Support Schemes

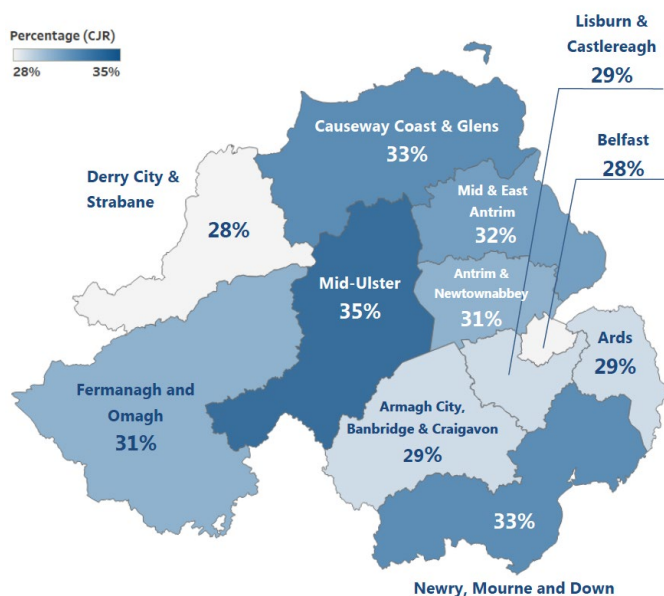
This section briefly examines statistics produced by HMRC relating to take up in Northern Ireland of the UK Government Coronavirus Job Retention Scheme (CJRS) and Self Employed Income Support Scheme (SEISS). In this section we compare NI take up to that of the UK as a whole before examining the sectoral and geographical breakdown of these schemes.

The Coronavirus Job Retention Scheme

The Coronavirus Job Retention Scheme (commonly referred to as the furlough scheme) was introduced by the UK Government to support employers through the COVID-19 pandemic. The aim of the scheme has been to encourage employers to retain employees and to protect jobs. The scheme works by providing employers with grants to cover up to 80% of monthly salaries to a maximum of £2,500 per employee while covering some of the cost of employers' pension contributions and the employer National Insurance Contributions. From 1 August 2020, the level of grant will be reduced each month with the scheme due to close at the end of October 2020.

CJRS Take Up Rate

Throughout the UK, some 9.4 million employments had been placed on furlough via the CJRS. As of 30th June 2020, approximately 240,200 employments in NI were furloughed via the CJRS, an increase of 28,500 compared with claims made until the end of May. This equates to a 30% take-up rate of eligible employments, broadly the same as the other UK regions and just below the 31% take-up rate for the UK as a whole. NI accounts for around 2.6% of the take-up of the Scheme for the whole of the UK, roughly in line with Northern Ireland's share of UK employment.

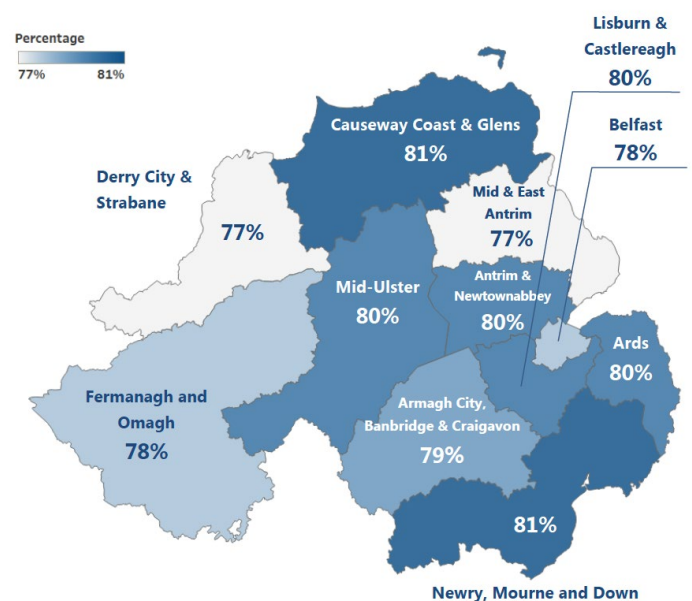


The Self Employment Income Support Scheme

The Self Employment Income Support Scheme was announced by the UK Government to provide support for self-employed individuals whose business has been adversely affected by COVID-19. The scheme allows an eligible individual to claim a taxable grant worth 80% of their average monthly trading profits, paid out in a single instalment covering 3 months' worth of profits, and capped at £7,500 in total. This first SEISS grant closed for claims on 13th July 2020. On 29th May 2020 SEISS was extended to allow a second and final grant when the scheme reopens for applications in August. This will be a taxable grant worth 70% of their average monthly trading profits, paid out in a single instalment covering three months' worth of profits, and capped at £6,570 in total.

SEISS Take Up Rate

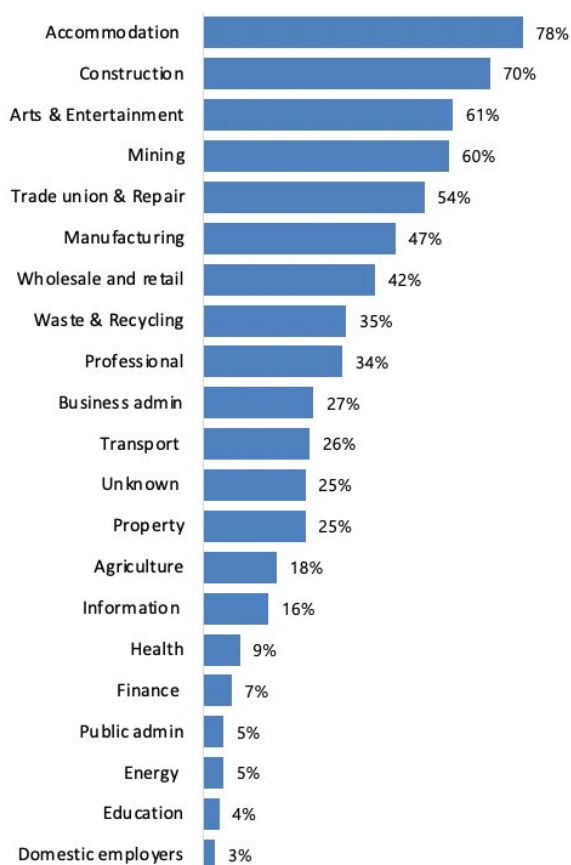
By the end of June 2020, approximately 2.6 million claims were made via the SEISS with total value of support reaching £7.4 billion. Some 76,000 claims have been made by the NI self-employed, totalling £216m. This is an average value of £2,800 in terms of claims made and an increase of around 7,000 compared to the end of May. Out of all the UK regions, NI had the highest take-up rate of the UK regions with 79% of the eligible self-employed population accessing the scheme. NI accounts for approximately 3% of the take-up of the scheme for the whole of the UK in terms of both the number and value of claims.



Sectoral and Geographical split

Within Northern Ireland, people living in Belfast accounted for the highest number of claims in absolute terms, with approximately 41,500 furloughs accounting for 17% of the NI total. However, Belfast (along with Derry City and Strabane) had the lowest take-up rate of eligible employments (28%). A higher proportion of the employments are currently furloughed in Mid Ulster (35% of eligible workforce), Newry Mourne and Down (33% of eligible workforce) and Causeway Coast and Glens (33% of eligible workforce).

Sectoral Breakdown - CJRS

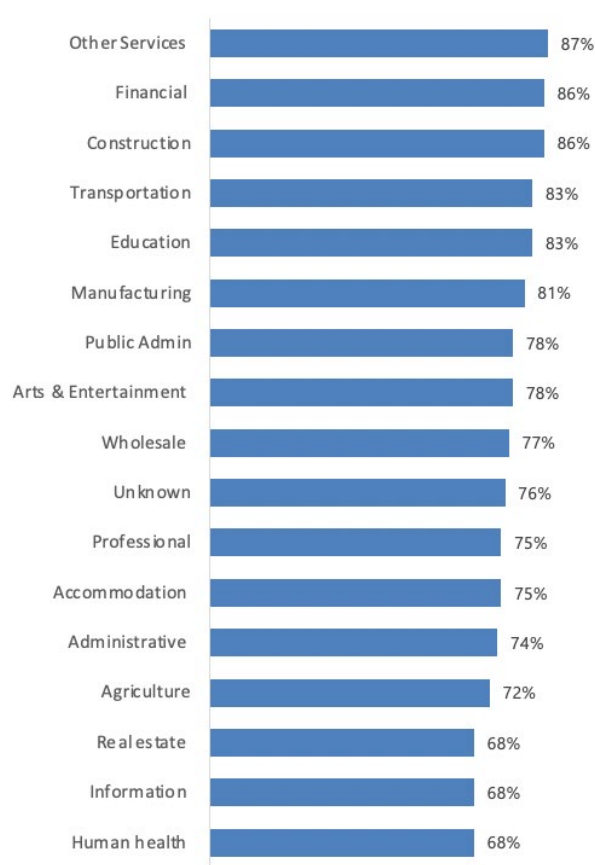


When we analyse the sectoral breakdown we can identify the following sectors as having the highest take-up rates of the CJRS: Accommodation and food services with 78% of the eligible workforce furloughed; Construction with 70% of the eligible workforce furloughed; and Arts and entertainment with 61% of the eligible workforce furloughed. This may have been expected as all of these sectors are broadly demand-led and with the huge majority requiring to be on site and in the workplace in order to continue working.

Sectoral and Geographical split

Take-up of the SEISS was high across all parts of Northern Ireland. There was some variation but, broadly speaking, similar patterns emerge when compared to CJRS take-up rates. Derry City and Strabane and Mid and East Antrim had the lowest take-up rate of 77% whereas Causeway Coast and Glens and Newry, Mourne and Down had the highest rate, with 81% of eligible self-employed receiving support from the scheme.

Sectoral Breakdown - SEISS



There is a high level of self-employment in the Construction industry. Individuals working in construction accounted for the highest proportion of claims throughout the UK. NI Construction workers made 23,300 claims for SEISS totalling £75m, which accounted for 31% of all claims. The following sectors had the highest take-up rate of the scheme: Other services with 87% of eligible self-employed; Construction with 86% of eligible self-employed; and Transportation and storage and Education, both with 83% of the eligible self-employed making claims.

Assessment of Schemes

Around 316,000 workers have availed of both support schemes, equating to approximately one third of Northern Ireland's workforce. While these schemes have undoubtedly meant the avoidance of mass redundancies on an unprecedented scale, there has still been a spike in the Claimant Count in the last three months and expectations remain that it could plausibly exceed 100,000 before the end of 2020 or shortly afterwards. A more complete assessment of the schemes will be able to be made in the coming months as the schemes wind down and close and more information on the volume of unemployment claims and redundancies becomes available.

FOCUS: Economic Impact of COVID-19

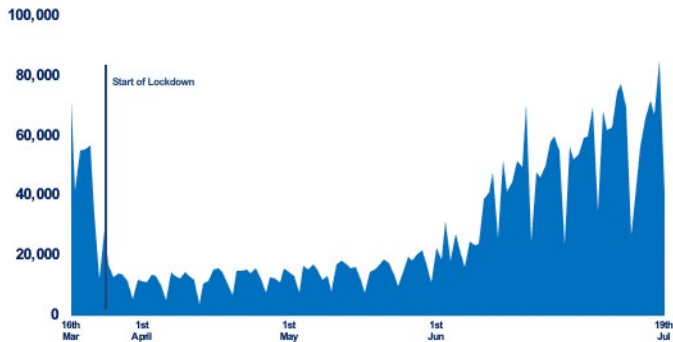
This section briefly examines a number of alternative indicators that were used in the early stages to estimate the economic impact of the outbreak of COVID-19 and the associated public health interventions to contain its spread.

COVID-19 Indicators

It has been only a few months since the outbreak began in NI, but it is apparent that the COVID-19 virus has had a devastating impact on economic activity here. However, analysis and monitoring of the more traditional indicators of the performance of the economy was not possible given the time required to collect and publish the data. Therefore, an alternative set of indicators was devised to provide a more timely assessment of the impact of the pandemic. These include: footfall; online job vacancies; LGV, HGV and shipping traffic; retail activity; consumer spending; furlough information; and results of bespoke COVID-19 Surveys.

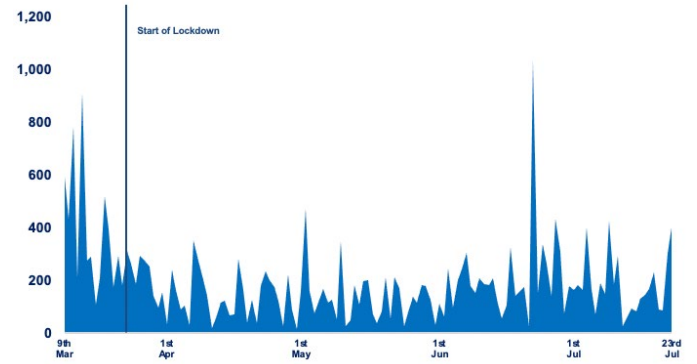
Footfall

The number of people entering Belfast drastically declined as a result of the lockdown of the local economy. However as lockdown measures have been lifted, we have seen continued growth in the number of people entering the city centre. For the week ending 19th July footfall has increased and is now 30% above pre lockdown volumes. However footfall remains around 38% below 2019 levels.



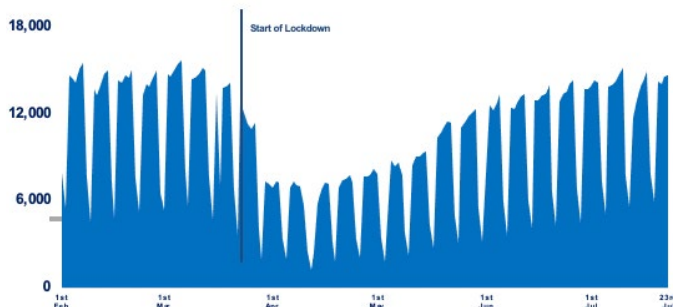
Online Job Vacancies

The latest data shows that job postings in NI for July had fallen by 52% compared to the same period in March. However postings were slightly up compared to April and May. While all sectors have experienced a sharp decline in postings, IT and Finance are still recruiting in relatively good numbers during this period.



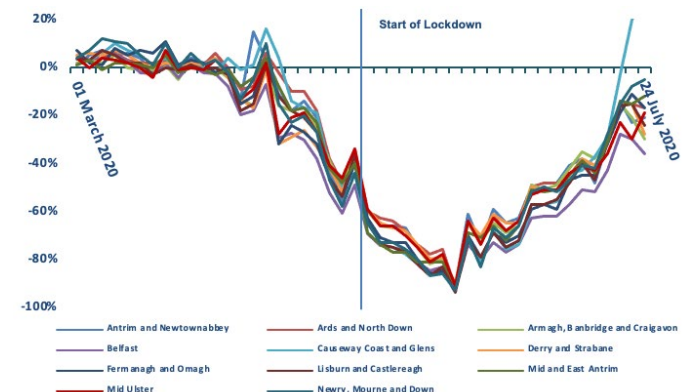
LGV & HGV Traffic Border Crossings

Data collected at five key cross-border points shows that, as lockdown measures were put in place, there was an initial dip in LGV and HGV traffic, with crossings at 52% below normal volumes. However, the reopening of the economy has resulted in a steady increase in traffic with volumes now approaching pre-lockdown levels. That being said, volumes are still below July levels in previous years.



Retail Activity

Since reaching its peak decline at the beginning of April, with an average reduction of 92% across all local government areas, footfall has continued to increase in local town centres with data suggesting that retail visits are now just 16% below February levels.



Notes and Sources

Notes:

Statistical publications often refer to an annual change when referring to the latest reference period compared with the same period one year earlier. However, results for individual quarters are often highly volatile, and looking at changes just within this specific reference period across years can give a misleading picture as to what trend performance actually is. We generally prefer to look at the latest four quarters compared with the previous four quarters for many variables to give a better overview of actual trend performance, which is particularly relevant when looking at output/activity as this is what annual GDP/GVA relates to. For ease of reference we have used the term 'annual change' to represent a four quarter change for some indicators. However, for indicators such as job numbers, annual change continues to refer to the latest quarter compared to the same quarter one year earlier. Our references to annual change may therefore differ from those in published statistics relating to:

- Economic activity
- Production output
- Services output
- Construction output
- Exports of goods
- Tourism statistics

Sources:

Sources	
The Economy	Northern Ireland Composite Economic Index (NISRA); Quarterly Employment Survey (NISRA); Purchasing Managers Index (Ulster Bank); Ulster University Economic Policy Centre Forecasts; Quarterly Sectoral Forecasts (Danske Bank); Economic Eye Ireland (EY); UK economic outlook (KPMG).
Businesses	Index of Services (NISRA); Index of Production (NISRA); NI Construction Bulletin (NISRA); Quarterly Employment Survey (NISRA); UK Finance; Purchasing Managers Index (Ulster Bank); Quarterly Economic Survey (NI Chamber of Commerce and Industry); COVID Tracker (InterTradelreland).
Engagement with the Rest of the World	Regional Trade Statistics (HMRC); Tourism Statistics (NISRA); World Bank Economic Forecast; Inward Investment (Department for International Trade).
Households	Labour Force Survey (NISRA); Claimant Count (NISRA); Quarterly Employment Survey (NISRA); NI House Price Index (NISRA); UK House Price Index (ONS); Consumer Confidence Index (Danske Bank); Tourism Statistics (NISRA); Consumer Prices Index (ONS); Annual Survey of Hours and Earnings (ONS & NISRA).
Government	Quarterly Employment Survey (NISRA); UK Public Sector Employment (ONS).
Focus: Government Support Schemes	HMRC COVID-19 Statistics
Focus: Economic impact of COVID-19	Online Job Vacancies (Burning Glass Technologies, 2020); Retail Activity (Google Inc.); Traffic Border Crossing (NISRA); Footfall (Belfast One BID).

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