



Forecast summary

Following the vote to leave the EU, we have reduced our forecasts for GDP growth. In the short term, heightened uncertainty will dampen business investment, while the weaker pound will push up inflation and hamper consumer spending. We expect the GDP growth of 1.0% in 2016, 0.5% in 2017 and 0.9% in 2018, a significant revision from our previous report. However, we expect recession to be avoided.

An uncertain economic climate...

Following the UK's surprise decision to leave the EU, we have revised downwards our forecasts for GVA growth. We expect 2016 growth to average 1.0%, followed a slowdown to 0.5% in 2017 and 0.9% in 2018, with a recession avoided. The heightened uncertainty is expected to dampen business investment, whilst the weaker pound will push up inflation and hamper consumer spending. Sectorally, we have lowered our forecasts for all the main industrial sectors, with the biggest reductions to the long-term outlooks of the construction and manufacturing sectors, although the weaker pound will likely provide some short-term boost to the latter.

It will be some time until we have any hard data with which to assess the impact of Brexit on the Northern Irish economy. With the official data relating almost exclusively to the pre-referendum period, the focus has been on the business surveys for any evidence on the impact of Brexit. Results suggest that the initial shock has started to fade and given way to a more stable picture, echoing the narrative from the financial markets.

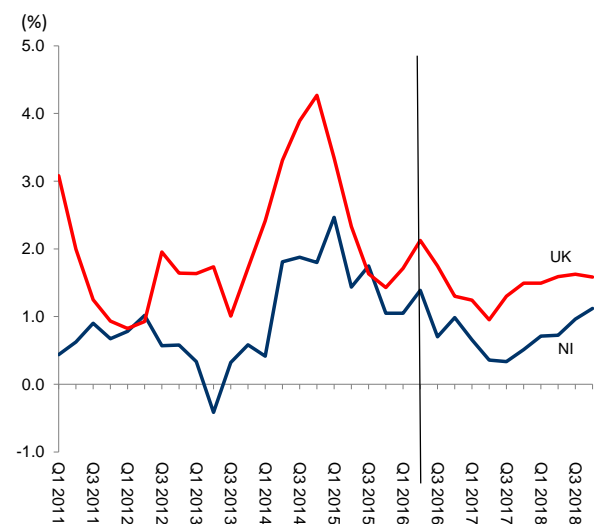
The consumer is expected to remain at the forefront of growth in the short term. The reaction of the consumer will be key to deciding the extent of any post-referendum slowdown, given that it accounts for more than 60% of GDP and has played a key role in driving growth over the past few years. We expect consumer spending within Northern Ireland to slow from 2.1% this year to below 1% in both 2017 and 2018.

The labour market outlook expected to weaken. Employment growth is expected to slow and threatens to go into reverse as a result of uncertainty stemming from Brexit. To the extent that this uncertainty causes firms' expansion plans to be placed on hold, hiring will suffer. Indeed, recent business polls have suggested that the weakness observed in investment plans has extended to recruitment. In light of this, we expect employment growth to slow from 1.3% in 2015 to 0.4% this year, before declining by 0.7% in 2017.

| | Q on Q growth | | Y on Y growth | | Annual growth | |
|---------|---------------|-----|---------------|-----|---------------|-----|
| | NI | UK | NI | UK | NI | UK |
| Q1 2016 | 0.3 | 0.4 | 1.0 | 2.0 | 1.0 | 1.8 |
| Q2 2016 | 0.4 | 0.5 | 1.4 | 2.1 | | |
| Q3 2016 | 0.1 | 0.1 | 0.7 | 1.7 | | |
| Q4 2016 | 0.1 | 0.2 | 1.0 | 1.2 | | |
| Q1 2017 | 0.0 | 0.4 | 0.7 | 1.1 | 0.5 | 0.9 |
| Q2 2017 | 0.1 | 0.3 | 0.4 | 0.9 | | |
| Q3 2017 | 0.1 | 0.3 | 0.3 | 1.2 | | |
| Q4 2017 | 0.3 | 0.4 | 0.5 | 1.4 | | |
| Q1 2018 | 0.2 | 0.4 | 0.7 | 1.4 | 0.9 | 1.4 |
| Q2 2018 | 0.2 | 0.4 | 0.7 | 1.5 | | |
| Q3 2018 | 0.3 | 0.4 | 1.0 | 1.5 | | |
| Q4 2018 | 0.5 | 0.3 | 1.1 | 1.5 | | |

Source: Oxford Economics

GVA Growth (%)



Source: Oxford Economics



Key factors in the outlook



Uncertainty to dampening business investment.

Business investment had already faltered prior to the referendum as uncertainty weighed on corporate confidence and this is only likely to be amplified now, with some firms set to postpone capital spending plans at least until the UK's future trading relationship with the EU becomes clearer. Consequently, we expect business investment to fall by 2.4% this year and a further 3.1% in 2017. A significant change against our 'Pre-Brexit' expectations of 1.0% growth in 2016 and 7.0% in 2017.



Higher inflation and a weaker jobs market are squeezing consumers.

Consumer spending has been propelled in the last two years by low inflation and a strong labour market. But weaker corporate confidence is likely to now weigh harder on hiring plans, causing unemployment to rise. Alongside this, the further depreciation of the pound against the dollar (a downward trend that has been in train since mid-2014) will mean higher import prices, and can be expected to push CPI inflation above 2% by mid-2017. With household spending power also under pressure from the government's welfare reforms, we expect consumer spending growth to slow from 2.1% this year to below 1% in both 2017 and 2018.



The weaker pound will boost net exports.

Although the euro also remains weak relatively, we nonetheless expect that due to the weaker pound, UK competitiveness will improve, boosting exports and triggering a degree of import substitution. However, the experience of 2007-2009 leads us to take a relatively conservative view about the extent to which depreciation will support activity. We expect net trade to contribute 0.5pp to GDP growth in 2017 and 0.4pp in 2018.



There will be no further austerity in the medium term.

On top of cuts to welfare spending, if plans don't change, tax rises and cuts to departmental spending will see fiscal policy continue to drag on growth prospects over the next few years. The Office for Budget Responsibility had estimated that existing fiscal tightening would exert an average drag of 1% a year on GDP growth until 2019-2020. The risk of further fiscal tightening is unlikely, as the government has now accepted that it will not achieve the planned budget surplus in 2019-2020. However, if the government were to go further and loosen fiscal policy then this would represent an upside risk to our growth forecast.



The MPC is likely to cut the Bank Rate further.

With the Brexit result bringing a weaker pound, higher inflation and softer activity, there are conflicting signals for the MPC to address. The August meeting saw the MPC announce a four-pronged package of measures to loosen monetary policy: a cut in the Bank Rate to 0.25%, the introduction of the Term Funding Scheme and the purchase of gilts and corporate bonds. The majority of committee members also indicated that they would vote to cut the Bank Rate to its "effective lower bound" should be outlook evolve in line with their forecast (which is similar to our own). Thus we expect a further cut in the Bank Rate to 0.1% at some point in the year ahead.



Sectoral outlook

GVA growth is broad based across the sectors and underpinned by domestic economy.

Growth over the short run is expected to be driven predominantly by consumer spending, accompanied with a pick-up in government spending from 2017. Net trade is also expected to positively contribute to growth. Private services are forecast to remain as the primary contributors to growth in 2016, accounting for over 90% of total GVA growth in the year.

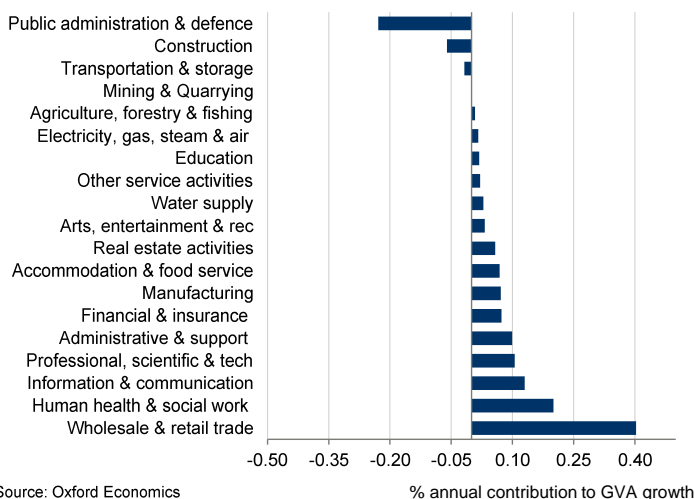
Sectorally growth will be led by the information and communications sector (3.6%) Arts & entertainment, wholesale & retail trade, professional, scientific & technical services and administration & support activities are also expected to perform relatively strongly. Collectively these sectors are expected to produce three quarters of total GVA growth in 2016. Indeed over the period to 2018, growth will remain dependent upon these sectors.

Growth expectations in investment oriented sectors have been substantially revised given the uncertain economic outlook following the referendum result. Growth within the manufacturing sector has been revised down substantially since the publication of our last report. In spring we anticipated 1.7% annual growth in that sector over the three years to 2018; this has now been downgraded to 0%. The corresponding downgrade in the construction sector is also severe, with our 2.1% forecast in spring falling to -0.4% in our latest forecast.

The outlook for more consumer-focused sectors is less downbeat, with the wholesale & retail sector suffering a downgrade from 2.6% growth annually over the period to 2018 to 1.8% and the accommodation & food sector falling from 2.3% to 1.9%. Although the latter is likely to be propped up somewhat by the weaker pound.

It is worth noting the downside risk, however, that a pick-up in inflation may erode household purchasing power in the near-term, and the multipliers from lower economic activity are likely to permanently reduce household incomes in the long term, relative to our spring release forecasts.

Sector contributions to GVA growth 2016



Source: Oxford Economics

| GVA (%) | 2016 | 2017 |
|---------------------------------|------------|------------|
| Information & communication | 3.6 | 2.8 |
| Arts, entertainment & rec | 2.8 | 0.2 |
| Wholesale & retail trade | 2.8 | 1.2 |
| Administrative & support | 2.8 | 2.3 |
| Professional, scientific & tech | 2.5 | 2.3 |
| Accommodation & food service | 2.4 | 1.3 |
| Human health & social work | 2.2 | 0.4 |
| Financial & insurance | 2.0 | 1.5 |
| Water supply | 1.7 | 0.7 |
| Electricity, gas, steam & air | 1.6 | 2.1 |
| Agriculture, forestry & fishing | 0.8 | 0.0 |
| Real estate activities | 0.8 | 1.3 |
| Other service activities | 0.8 | -0.2 |
| Manufacturing | 0.4 | -0.8 |
| Mining & Quarrying | 0.1 | 0.2 |
| Education | 0.0 | 0.7 |
| Transportation & storage | -0.4 | 0.4 |
| Construction | -1.1 | -0.7 |
| Public administration & defence | -2.4 | -2.0 |
| Total | 1.0 | 0.5 |

Source: Oxford Economics



Labour market outlook

Labour market outlook weakens.

Employment levels are expected to increase by almost 3,000 jobs in 2016, equivalent to growth of 0.3%. This will be followed by a falling employment in both 2017 and 2018 with the loss of around 7,000 and 3,000 jobs respectively, given the uncertain economic conditions given Brexit.

Employment growth in 2016 is expected to be driven by private sectors:



Information & communication, professional scientific & technical services and transportation & storage are expected to enjoy strong employment growth over the year ahead rising by 6.2%, 2.6% and 2.2% respectively. Collectively these sectors are expected to experience of 2,900 jobs, with the biggest gains within the information & communications sector. Administrative and support services is also expected to enjoy a modest increase of 700 jobs.



Despite recent employment growth, the **manufacturing** and **construction** outlook is relatively weak. Despite recent gains, both sectors are expected to shed jobs in 2017.



Public sector job losses are also expected to continue have a net drag on employment growth over the short and medium term as austerity measures impact on departmental funding. Though the next chancellors budget due in Autumn may relax some of these austerity measures.

| Employment(%) | 2016 | 2017 |
|---------------------------------|------------|-------------|
| Information & communication | 6.2 | 0.5 |
| Professional, scientific & tech | 2.6 | 0.7 |
| Transportation & storage | 2.2 | -0.3 |
| Financial & insurance | 2.1 | -1.3 |
| Mining & quarrying | 2.0 | -7.9 |
| Agriculture, forestry & fishing | 1.7 | -0.1 |
| Electricity, gas, steam & air | 1.5 | -3.2 |
| Administrative & support | 1.2 | 1.2 |
| Water supply | 1.0 | -2.4 |
| Construction | 1.0 | -1.4 |
| Arts, entertainment & rec | 0.7 | 0.6 |
| Accommodation & food service | 0.3 | -0.8 |
| Other service activities | 0.3 | 0.3 |
| Human health & social work | 0.1 | -0.7 |
| Wholesale & retail trade | 0.0 | -0.9 |
| Manufacturing | 0.0 | -1.7 |
| Real estate activities | -0.7 | 1.6 |
| Education | -1.5 | 0.1 |
| Public administration & defence | -3.1 | -5.1 |
| Total | 0.3 | -0.8 |

Source: Oxford Economics



Risks and uncertainties

In the wake of the UK Brexit vote, forecasters have rushed to downgrade their growth forecasts for the UK, with some now expecting a recession. Our revised forecast assumes that a sharp slowdown is likely, with recession possibly avoided; although it cannot be ruled out. The economy faces a series of negative shocks including to consumers and business confidence, but growth will be supported by the weaker sterling and likely policy responses.

To shift our baseline forecast of growth for the UK from 0.9% next year to zero would require a very severe negative confidence shock. Our new baseline already assumes a shock equivalent to one-third of that seen in the global financial crisis (GFC). All else being equal, the shock would have to be around two-thirds of that in the GFC to cut GDP growth to zero in 2017.

It is also worth highlighting that the baseline also does not incorporate all the possible policy levers the UK can employ. We currently assume the Bank Rate drops to 0.1%, but if a 'rescue package' of £75 billion of QE and a fiscal stimulus equal to 1% of GDP was also added, then the shock to confidence needed to get zero GDP growth would have to be similar to that seen in the GFC. We do not consider this likely given the scale of financial stress and credit restriction that occurred globally at the time of the GFC.

We currently attach a probability of 50% to our baseline forecast, with 30% likelihood of a recession. The level of risk over the next three years has increased compared with the previous quarterly report, largely because the degree of sovereign risk has risen following the UK's decision to leave the EU. Key risks include:

- **Brexit** this represents a significant risk to our forecast over both the short- and long-term. In the short-term, there is a risk that the negative impact on confidence is larger than that assumed in our baseline forecast, causing the economy to slip into recession. If the UK negotiates a deal which leaves it outside the single market without a free trade agreement (because it prioritises the ability to control immigration) this would be one of the most damaging outcomes economically. Therefore, if the UK is able to negotiate a deal which gives it access to the single market, this would represent an upside risk to the long-term forecast
- **Austerity** – the government have accepted that they will not achieve the aim of moving the budget into surplus by 2019-20. Should they go further and implement a fiscal stimulus package – such as an increase in infrastructure investment – then this would represent an upside risk to growth. However, with Brexit likely to cause permanent damage to the outlook for growth, there is a risk that more austerity will be required further out.

Annex Tables

Table 1: GVA (£m2013)

| | 2014 | | | | 2015 | | | | 2016 | | | | 2017 | | | | 2018 | | | |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| Agriculture, forestry and fishing | 429 | 415 | 422 | 421 | 413 | 411 | 411 | 407 | 414 | 412 | 415 | 412 | 411 | 416 | 416 | 421 | 418 | 416 | 418 | 420 |
| Mining and quarrying | 123 | 126 | 124 | 122 | 122 | 119 | 119 | 119 | 124 | 118 | 119 | 119 | 119 | 121 | 120 | 120 | 120 | 121 | 120 | 120 |
| Manufacturing | 4677 | 4730 | 4808 | 4931 | 4859 | 4831 | 4839 | 4871 | 4897 | 4922 | 4874 | 4804 | 4806 | 4855 | 4851 | 4848 | 4847 | 4839 | 4846 | 4853 |
| Electricity, gas, & steam | 343 | 343 | 334 | 329 | 341 | 343 | 345 | 351 | 352 | 347 | 350 | 352 | 354 | 358 | 359 | 360 | 363 | 365 | 367 | 369 |
| Water supply; sewerage, waste management | 573 | 573 | 586 | 585 | 577 | 579 | 581 | 584 | 592 | 588 | 589 | 591 | 592 | 594 | 595 | 596 | 598 | 600 | 602 | 604 |
| Construction | 1654 | 1848 | 1724 | 1763 | 1813 | 1796 | 1902 | 1775 | 1797 | 1802 | 1808 | 1797 | 1788 | 1788 | 1786 | 1784 | 1792 | 1803 | 1800 | 1796 |
| Wholesale and retail trade | 4443 | 4456 | 4532 | 4603 | 4681 | 4764 | 4821 | 4942 | 4894 | 4919 | 4929 | 5009 | 5009 | 4964 | 4984 | 5029 | 5010 | 5029 | 5066 | 5127 |
| Transportation and storage | 1162 | 1170 | 1187 | 1197 | 1220 | 1228 | 1245 | 1233 | 1223 | 1221 | 1226 | 1231 | 1230 | 1231 | 1233 | 1235 | 1239 | 1244 | 1239 | 1246 |
| Accommodation and food service activities | 758 | 768 | 784 | 792 | 803 | 809 | 841 | 854 | 850 | 845 | 850 | 854 | 855 | 859 | 861 | 863 | 867 | 868 | 875 | 883 |
| Information and communication | 1072 | 1057 | 1055 | 1064 | 1078 | 1089 | 1121 | 1123 | 1141 | 1135 | 1150 | 1159 | 1163 | 1172 | 1182 | 1192 | 1202 | 1206 | 1224 | 1242 |
| Financial and insurance activities | 1260 | 1223 | 1223 | 1228 | 1233 | 1247 | 1237 | 1233 | 1254 | 1262 | 1261 | 1273 | 1277 | 1279 | 1282 | 1285 | 1290 | 1293 | 1287 | 1281 |
| Real estate activities | 3176 | 3169 | 3164 | 3162 | 3142 | 3125 | 3134 | 3137 | 3145 | 3147 | 3157 | 3167 | 3179 | 3189 | 3204 | 3218 | 3232 | 3245 | 3261 | 3276 |
| Professional, scientific and technical activities | 1242 | 1279 | 1331 | 1346 | 1373 | 1389 | 1399 | 1406 | 1420 | 1421 | 1433 | 1435 | 1442 | 1449 | 1459 | 1469 | 1476 | 1476 | 1497 | 1518 |
| Administrative and support service activities | 1092 | 1122 | 1167 | 1199 | 1212 | 1233 | 1235 | 1243 | 1230 | 1269 | 1276 | 1282 | 1284 | 1287 | 1296 | 1304 | 1309 | 1306 | 1325 | 1345 |
| Public administration and defence | 3428 | 3445 | 3407 | 3347 | 3289 | 3236 | 3218 | 3167 | 3143 | 3158 | 3149 | 3153 | 3112 | 3095 | 3077 | 3060 | 3060 | 3058 | 3045 | 3031 |
| Education | 2519 | 2586 | 2581 | 2638 | 2606 | 2662 | 2586 | 2614 | 2600 | 2641 | 2613 | 2639 | 2646 | 2643 | 2614 | 2641 | 2649 | 2657 | 2628 | 2656 |
| Human health and social work activities | 3525 | 3493 | 3470 | 3429 | 3466 | 3429 | 3462 | 3380 | 3471 | 3495 | 3536 | 3506 | 3505 | 3524 | 3527 | 3530 | 3538 | 3538 | 3565 | 3557 |
| Arts, entertainment and recreation | 447 | 464 | 437 | 424 | 415 | 422 | 430 | 437 | 433 | 437 | 438 | 439 | 439 | 437 | 439 | 440 | 440 | 441 | 444 | 448 |
| Other service activities | 724 | 749 | 835 | 775 | 813 | 780 | 823 | 827 | 824 | 816 | 816 | 816 | 816 | 816 | 817 | 818 | 818 | 818 | 821 | 824 |
| Total | 32650 | 33016 | 33171 | 33356 | 33454 | 33490 | 33751 | 33706 | 33805 | 33955 | 33987 | 34038 | 34027 | 34076 | 34101 | 34212 | 34269 | 34323 | 34430 | 34595 |
| Year on Year Growth (%) | | | | | | | | | | | | | | | | | | | | |
| Agriculture, forestry and fishing | 5.2 | -5.6 | -1.6 | 0.1 | -3.7 | -0.9 | -2.6 | -3.3 | 0.2 | 0.4 | 1.0 | 1.2 | -0.6 | 0.8 | 0.2 | 2.0 | 1.6 | 0.0 | 0.6 | 0.0 |
| Mining and quarrying | 23.9 | 11.6 | 7.3 | 2.2 | -1.3 | -5.6 | -4.0 | -2.2 | 2.2 | -0.8 | -0.1 | -0.7 | -4.0 | 2.1 | 1.3 | 1.1 | 0.8 | -0.2 | 0.1 | 0.3 |
| Manufacturing | 3.1 | 2.9 | 3.3 | 4.4 | 3.9 | 2.1 | 0.7 | -1.2 | 0.8 | 1.9 | 0.7 | -1.4 | -1.9 | -1.4 | -0.5 | 0.9 | 0.9 | -0.3 | -0.1 | 0.1 |
| Electricity, gas, & steam | -2.5 | -5.0 | -7.5 | -5.9 | -0.5 | 0.0 | 3.3 | 6.8 | 3.2 | 1.4 | 1.5 | 0.2 | 0.6 | 2.9 | 2.6 | 2.4 | 2.5 | 2.1 | 2.3 | 2.5 |
| Water supply; sewerage, waste management | 2.6 | -2.9 | -1.7 | 1.9 | 0.6 | 1.2 | -0.8 | -0.2 | 2.7 | 1.4 | 1.4 | 1.1 | 0.0 | 1.1 | 1.0 | 0.9 | 1.1 | 1.0 | 1.2 | 1.3 |
| Construction | -1.1 | 12.2 | 5.1 | 7.2 | 9.6 | -2.8 | 10.3 | 0.6 | -0.8 | 0.3 | -4.9 | 1.2 | -0.5 | -0.8 | -1.2 | -0.7 | 0.2 | 0.9 | 0.8 | 0.7 |
| Wholesale and retail trade | 4.3 | 2.6 | 3.8 | 2.6 | 5.4 | 6.9 | 6.4 | 7.4 | 4.5 | 3.3 | 2.2 | 1.3 | 2.4 | 0.9 | 1.1 | 0.4 | 0.0 | 1.3 | 1.6 | 2.0 |
| Transportation and storage | 0.8 | -1.3 | -0.6 | 1.0 | 4.9 | 4.9 | 4.9 | 3.0 | 0.3 | -0.5 | -1.5 | -0.2 | 0.5 | 0.8 | 0.6 | 0.3 | 0.7 | 1.1 | 0.5 | 0.9 |
| Accommodation and food service activities | -3.3 | 0.4 | 0.9 | 1.9 | 5.9 | 5.3 | 7.2 | 7.8 | 6.0 | 4.5 | 1.0 | 0.0 | 0.5 | 1.6 | 1.4 | 1.1 | 1.5 | 1.1 | 1.7 | 2.2 |
| Information and communication | -3.9 | -3.6 | -3.2 | -1.7 | 0.6 | 3.0 | 6.3 | 5.6 | 5.9 | 4.2 | 2.6 | 3.2 | 1.9 | 3.3 | 2.8 | 2.8 | 3.3 | 2.9 | 3.5 | 4.2 |
| Financial and insurance activities | -6.4 | -8.2 | -6.1 | -4.3 | -2.1 | 2.0 | 1.2 | 0.4 | 1.6 | 1.2 | 1.9 | 3.2 | 1.9 | 1.4 | 1.7 | 0.9 | 1.0 | 1.1 | 0.4 | -0.3 |
| Real estate activities | -1.6 | 0.6 | 0.4 | -0.1 | -1.1 | -1.4 | -1.0 | -0.8 | 0.1 | 0.7 | 0.7 | 0.9 | 1.1 | 1.3 | 1.5 | 1.6 | 1.7 | 1.7 | 1.8 | 1.8 |
| Professional, scientific and technical activities | 2.4 | 5.1 | 6.8 | 3.4 | 10.5 | 8.6 | 5.1 | 4.5 | 3.4 | 2.3 | 2.4 | 2.0 | 1.6 | 2.0 | 1.8 | 2.4 | 2.4 | 1.8 | 2.6 | 3.3 |
| Administrative and support service activities | 6.3 | 5.6 | 4.4 | 8.6 | 11.0 | 9.9 | 5.8 | 3.7 | 1.5 | 3.0 | 3.3 | 3.1 | 4.4 | 1.4 | 1.6 | 1.8 | 2.0 | 1.4 | 2.3 | 3.1 |
| Public administration and defence | -1.4 | 3.9 | 2.7 | -0.7 | -4.1 | -6.1 | -5.6 | -5.4 | -4.4 | -2.4 | -2.2 | -0.5 | -1.0 | -2.0 | -2.3 | -2.9 | -1.7 | -1.2 | -1.1 | -0.9 |
| Education | -3.7 | 0.6 | 3.1 | 2.1 | 3.4 | 2.9 | 0.2 | -0.9 | -0.2 | -0.8 | 1.0 | 1.0 | 1.7 | 0.1 | 0.0 | 0.0 | 0.1 | 0.5 | 0.6 | 0.6 |
| Human health and social work activities | -1.1 | -1.5 | -3.2 | -1.0 | -1.7 | -1.8 | -0.2 | -1.4 | 0.1 | 1.9 | 2.1 | 3.7 | 1.0 | 0.8 | -0.3 | 0.7 | 0.9 | 0.4 | 1.1 | 0.8 |
| Arts, entertainment and recreation | 3.5 | 3.9 | 0.3 | -3.0 | -7.3 | -9.1 | -1.6 | 3.1 | 4.5 | 3.7 | 1.8 | 0.3 | 1.2 | 0.0 | 0.1 | 0.2 | 0.4 | 0.8 | 1.3 | 1.8 |
| Other service activities | 7.2 | 14.7 | 23.2 | 11.0 | 12.2 | 4.1 | -1.4 | 6.8 | 1.4 | 4.6 | -0.9 | -1.4 | -1.0 | 0.0 | 0.1 | 0.3 | 0.3 | 0.2 | 0.5 | 0.7 |
| Total | 0.4 | 1.8 | 1.9 | 1.8 | 2.5 | 1.4 | 1.7 | 1.0 | 1.0 | 1.4 | 0.7 | 1.0 | 0.7 | 0.4 | 0.3 | 0.5 | 0.7 | 0.7 | 1.0 | 1.1 |

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Table 2: Employment (000's)

| | 2014 | | | | 2015 | | | | 2016 | | | | 2017 | | | | 2018 | | | |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| Agriculture, forestry and fishing | 35.9 | 37.0 | 36.3 | 35.3 | 33.0 | 32.1 | 32.2 | 32.2 | 32.8 | 33.0 | 33.1 | 32.9 | 32.8 | 33.0 | 32.9 | 33.1 | 32.8 | 32.6 | 32.6 | 32.5 |
| Mining and quarrying | 1.7 | 1.6 | 1.6 | 1.5 | 1.6 | 1.6 | 1.6 | 1.6 | 1.8 | 1.6 | 1.6 | 1.5 | 1.5 | 1.5 | 1.5 | 1.4 | 1.5 | 1.5 | 1.5 | 1.4 |
| Manufacturing | 81.8 | 80.5 | 83.8 | 83.2 | 82.4 | 83.2 | 83.2 | 84.0 | 83.7 | 83.4 | 83.3 | 82.4 | 82.4 | 81.9 | 81.6 | 81.3 | 81.1 | 80.9 | 80.7 | 80.4 |
| Electricity, gas, & steam | 1.4 | 1.4 | 1.5 | 1.6 | 2.5 | 2.7 | 2.6 | 2.7 | 2.7 | 2.6 | 2.6 | 2.6 | 2.6 | 2.6 | 2.6 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 |
| Water supply; sewerage, waste management | 5.3 | 5.4 | 5.9 | 5.8 | 5.3 | 5.2 | 5.2 | 5.2 | 5.5 | 5.2 | 5.2 | 5.2 | 5.2 | 5.2 | 5.1 | 5.1 | 5.1 | 5.1 | 5.1 | 5.1 |
| Construction | 54.9 | 60.4 | 54.1 | 53.4 | 56.2 | 56.7 | 61.2 | 56.8 | 57.9 | 58.3 | 58.4 | 58.5 | 58.0 | 57.3 | 57.3 | 57.2 | 57.5 | 57.6 | 57.7 | 57.8 |
| Wholesale and retail trade | 133.9 | 133.4 | 134.6 | 135.4 | 136.2 | 137.3 | 139.0 | 144.5 | 139.1 | 138.3 | 138.0 | 141.9 | 138.2 | 137.6 | 137.6 | 139.0 | 136.8 | 137.1 | 137.2 | 138.7 |
| Transportation and storage | 29.1 | 29.0 | 29.8 | 30.2 | 31.1 | 31.3 | 32.4 | 32.7 | 32.7 | 32.4 | 32.6 | 32.7 | 32.6 | 32.4 | 32.5 | 32.5 | 32.6 | 32.6 | 32.6 | 32.6 |
| Accommodation and food service activities | 44.3 | 45.0 | 47.0 | 48.1 | 48.8 | 51.1 | 51.2 | 51.8 | 51.0 | 50.7 | 50.8 | 50.9 | 50.7 | 50.5 | 50.4 | 50.3 | 50.3 | 50.3 | 50.3 | 50.3 |
| Information and communication | 20.0 | 20.0 | 18.9 | 18.6 | 18.7 | 18.7 | 19.8 | 19.9 | 20.5 | 20.3 | 20.6 | 20.7 | 20.6 | 20.5 | 20.6 | 20.7 | 20.8 | 20.8 | 20.9 | 21.0 |
| Financial and insurance activities | 19.4 | 19.2 | 19.3 | 19.5 | 19.5 | 19.8 | 19.3 | 20.2 | 20.4 | 20.2 | 20.0 | 19.9 | 20.0 | 19.9 | 19.8 | 19.7 | 19.7 | 19.7 | 19.7 | 19.7 |
| Real estate activities | 8.3 | 7.8 | 7.8 | 7.9 | 7.5 | 7.2 | 7.4 | 7.4 | 7.4 | 7.3 | 7.3 | 7.3 | 7.4 | 7.4 | 7.5 | 7.5 | 7.5 | 7.5 | 7.6 | 7.6 |
| Professional, scientific and technical activities | 32.5 | 33.4 | 35.6 | 36.2 | 36.1 | 37.2 | 37.5 | 37.7 | 38.1 | 38.0 | 38.2 | 38.1 | 38.2 | 38.3 | 38.4 | 38.6 | 38.6 | 38.6 | 38.7 | 38.8 |
| Administrative and support service activities | 47.8 | 48.8 | 53.2 | 55.5 | 52.2 | 53.4 | 54.1 | 54.4 | 53.1 | 54.5 | 54.5 | 54.6 | 54.4 | 54.7 | 55.0 | 55.2 | 55.3 | 55.4 | 55.6 | 55.7 |
| Public administration and defence | 61.1 | 60.2 | 59.8 | 58.6 | 57.8 | 57.1 | 56.6 | 55.1 | 55.0 | 55.2 | 54.7 | 54.7 | 53.2 | 52.4 | 51.7 | 51.0 | 50.9 | 50.7 | 50.4 | 50.1 |
| Education | 75.2 | 75.2 | 75.2 | 71.3 | 72.1 | 76.3 | 72.3 | 72.4 | 71.6 | 72.9 | 71.6 | 72.6 | 72.7 | 72.9 | 71.4 | 72.1 | 72.1 | 72.1 | 70.5 | 71.1 |
| Human health and social work activities | 133.9 | 133.7 | 137.4 | 135.1 | 131.9 | 132.0 | 133.0 | 133.5 | 133.0 | 132.7 | 132.6 | 132.6 | 132.2 | 131.9 | 131.7 | 131.5 | 131.5 | 131.5 | 131.6 | 131.6 |
| Arts, entertainment and recreation | 20.8 | 22.0 | 19.8 | 18.4 | 17.1 | 18.2 | 18.3 | 18.6 | 18.2 | 18.1 | 18.2 | 18.2 | 18.2 | 18.2 | 18.3 | 18.4 | 18.4 | 18.4 | 18.4 | 18.5 |
| Other service activities | 20.8 | 21.0 | 26.0 | 21.5 | 21.3 | 21.2 | 21.0 | 21.1 | 21.3 | 21.2 | 21.2 | 21.2 | 21.2 | 21.2 | 21.3 | 21.3 | 21.3 | 21.4 | 21.4 | 21.4 |
| Total | 828.2 | 835.1 | 847.4 | 837.2 | 831.2 | 842.5 | 847.9 | 851.9 | 845.9 | 845.7 | 844.7 | 848.5 | 842.1 | 839.5 | 837.1 | 838.5 | 836.4 | 836.6 | 835.0 | 837.0 |
| Year on Year Growth (%) | | | | | | | | | | | | | | | | | | | | |
| Agriculture, forestry and fishing | 13.6 | 17.8 | 12.6 | 5.7 | -8.1 | -13.2 | -11.3 | -8.7 | -0.5 | 2.8 | 2.6 | 2.1 | -0.2 | 0.0 | -0.7 | 0.5 | 0.0 | -1.1 | -0.9 | -1.7 |
| Mining and quarrying | 5.8 | 4.5 | 0.6 | -6.1 | -2.4 | -1.8 | 0.6 | 3.3 | 13.0 | -2.0 | -0.3 | -3.1 | -15.1 | -4.1 | -5.8 | -5.5 | -5.5 | -2.8 | -1.6 | -0.4 |
| Manufacturing | 5.0 | 1.0 | 4.2 | 2.2 | 0.7 | 3.3 | -0.7 | 0.9 | 1.6 | 0.3 | 0.2 | -1.9 | -1.6 | -1.7 | -2.0 | -1.3 | -1.5 | -1.2 | -1.2 | -1.1 |
| Electricity, gas, & steam | -11.5 | -12.3 | -12.9 | 8.7 | 77.6 | 90.8 | 72.9 | 63.9 | 10.2 | -3.4 | 2.5 | -2.3 | -4.6 | -2.4 | -2.7 | -3.0 | -2.3 | -1.4 | -0.9 | -0.3 |
| Water supply; sewerage, waste management | -8.8 | -9.3 | -4.2 | 11.0 | -0.2 | -3.5 | -11.0 | -9.5 | 3.5 | 0.0 | 0.4 | 0.1 | -4.5 | -0.9 | -1.7 | -2.4 | -2.0 | -1.3 | -0.8 | -0.4 |
| Construction | -4.4 | 4.8 | -5.5 | -6.6 | 2.3 | -6.1 | 13.1 | 6.3 | 3.0 | 2.8 | -4.5 | 3.1 | 0.3 | -1.6 | -2.0 | -2.3 | -1.0 | 0.5 | 0.8 | 1.1 |
| Wholesale and retail trade | 1.3 | 0.5 | 1.7 | -2.0 | 1.7 | 2.9 | 3.3 | 6.7 | 2.1 | 0.7 | -0.7 | -1.8 | -0.7 | -0.5 | -0.3 | -2.0 | -1.0 | -0.3 | -0.3 | -0.2 |
| Transportation and storage | -8.2 | -9.1 | -5.9 | -1.2 | 6.8 | 8.2 | 8.7 | 8.3 | 5.1 | 3.5 | 0.6 | -0.1 | -0.4 | 0.0 | -0.3 | -0.7 | 0.0 | 0.5 | 0.5 | 0.5 |
| Accommodation and food service activities | 1.3 | 1.1 | 2.8 | 5.2 | 10.0 | 13.4 | 8.9 | 7.6 | 4.6 | -0.7 | -0.7 | -1.7 | -0.5 | -0.5 | -0.9 | -1.3 | -0.7 | -0.3 | -0.1 | 0.0 |
| Information and communication | 8.0 | 6.8 | -1.0 | -4.7 | -6.5 | -6.5 | 4.7 | 7.1 | 9.4 | 8.1 | 3.8 | 3.9 | 0.6 | 1.3 | 0.2 | 0.1 | 0.8 | 1.5 | 1.4 | 1.3 |
| Financial and insurance activities | 0.1 | -0.3 | 1.6 | 2.5 | 0.7 | 2.9 | 0.2 | 3.7 | 4.5 | 1.8 | 3.6 | -1.6 | -2.0 | -1.2 | -1.1 | -0.9 | -1.3 | -1.0 | -0.7 | -0.4 |
| Real estate activities | 16.1 | 7.9 | 6.1 | -0.5 | -9.0 | -6.9 | -4.9 | -7.2 | -1.4 | 0.9 | -1.6 | -0.8 | -0.8 | 1.9 | 2.4 | 3.0 | 1.9 | 1.5 | 1.2 | 0.8 |
| Professional, scientific and technical activities | -1.1 | -0.8 | 4.0 | -3.6 | 11.2 | 11.6 | 5.5 | 4.3 | 5.5 | 2.0 | 1.9 | 1.1 | 0.4 | 0.9 | 0.5 | 1.1 | 0.9 | 0.8 | 0.7 | 0.5 |
| Administrative and support service activities | 4.3 | 3.6 | 6.8 | 14.3 | 9.1 | 9.3 | 1.7 | -1.9 | 1.7 | 2.1 | 0.9 | 0.3 | 2.6 | 0.3 | 0.7 | 1.1 | 1.6 | 1.3 | 1.1 | 0.9 |
| Public administration and defence | 2.8 | 1.5 | 1.1 | -3.2 | -5.4 | -5.1 | -5.2 | -6.0 | -4.7 | -3.4 | -3.4 | -0.8 | -3.3 | -5.1 | -5.5 | -6.6 | -4.3 | -3.2 | -2.5 | -1.9 |
| Education | 2.1 | 1.5 | 5.5 | -4.0 | -4.2 | 1.5 | -3.8 | 1.5 | -0.7 | -4.5 | -0.9 | 0.2 | 1.5 | 0.0 | -0.3 | -0.6 | -0.8 | -1.1 | -1.2 | -1.3 |
| Human health and social work activities | 2.5 | 2.0 | 2.5 | 4.1 | -1.5 | -1.3 | -3.2 | -1.2 | 0.9 | 0.5 | -0.3 | -0.7 | -0.6 | -0.6 | -0.7 | -0.8 | -0.5 | -0.2 | -0.1 | 0.1 |
| Arts, entertainment and recreation | 8.7 | 14.8 | 3.1 | -7.9 | -17.8 | -17.3 | -7.6 | 1.0 | 6.6 | -0.7 | -0.9 | -1.9 | -0.2 | 0.8 | 0.8 | 0.9 | 1.0 | 0.8 | 0.7 | 0.6 |
| Other service activities | 2.6 | 2.2 | 25.6 | 4.5 | 2.4 | 1.2 | -19.5 | -1.5 | 0.0 | -0.3 | 1.1 | 0.3 | -0.5 | 0.4 | 0.5 | 0.6 | 0.6 | 0.6 | 0.5 | 0.4 |
| Total | 2.2 | 2.2 | 3.0 | 0.6 | 0.4 | 0.9 | 0.1 | 1.8 | 1.8 | 0.4 | -0.4 | -0.4 | -0.4 | -0.7 | -0.9 | -1.2 | -0.7 | -0.4 | -0.2 | -0.2 |

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Table 3: Other variables

| | 2014 | | | | 2015 | | | | 2016 | | | | 2017 | | | | 2018 | | | |
|--------------------------------|------|------|-------|-------|-------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| Unemployment | 60.3 | 58.3 | 55.1 | 51.3 | 53.9 | 54.5 | 53.6 | 53.3 | 53.8 | 54.8 | 55.6 | 56.5 | 57.3 | 58.2 | 58.1 | 58.1 | 58.0 | 58.0 | 57.9 | 57.9 |
| Year on Year Growth (%) | | | | | | | | | | | | | | | | | | | | |
| Unemployment | -9.5 | -3.3 | -15.1 | -20.1 | -10.5 | -6.5 | -2.7 | 3.9 | -0.2 | 0.5 | 3.7 | 5.9 | 6.5 | 6.2 | 4.5 | 2.9 | 1.2 | -0.3 | -0.3 | -0.3 |

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