

# Ulster Bank Northern Ireland PMI®

The Ulster Bank Northern Ireland PMI® (Purchasing Managers' Index®) is produced by Markit Economics.

The report features original survey data collected from a representative panel of companies based in Northern Ireland and operating in the manufacturing, service, construction and retail/wholesale sectors.

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## New business growth remains sharp, but eases to 11-month low

The Northern Ireland private sector remained on a positive footing at the end of the third quarter of 2014, as further sharp rises in activity and new business were recorded. That said, the rate of expansion in new orders eased for the second month running. With new business increasing again, companies raised their staffing levels. The rate of cost inflation continued to slow, while selling prices were reduced for the first time since February.

### Activity growth remains strong

The headline seasonally adjusted Business Activity Index rose to 57.4 in September from 56.7 in August, to signal a further sharp increase in activity at Northern Ireland private sector firms. Activity has now risen in each of the past 15 months, with panellists linking the latest expansion to higher sales. The manufacturing sector posted the strongest growth in output.

The rate of expansion in new business slowed for the second month running in September and was the weakest since October 2013. Where new orders did increase, panellists mentioned having sourced new business from both new and existing clients. New export orders also rose, with respondents mentioning higher new business from the Republic of Ireland.

### Solid growth of employment

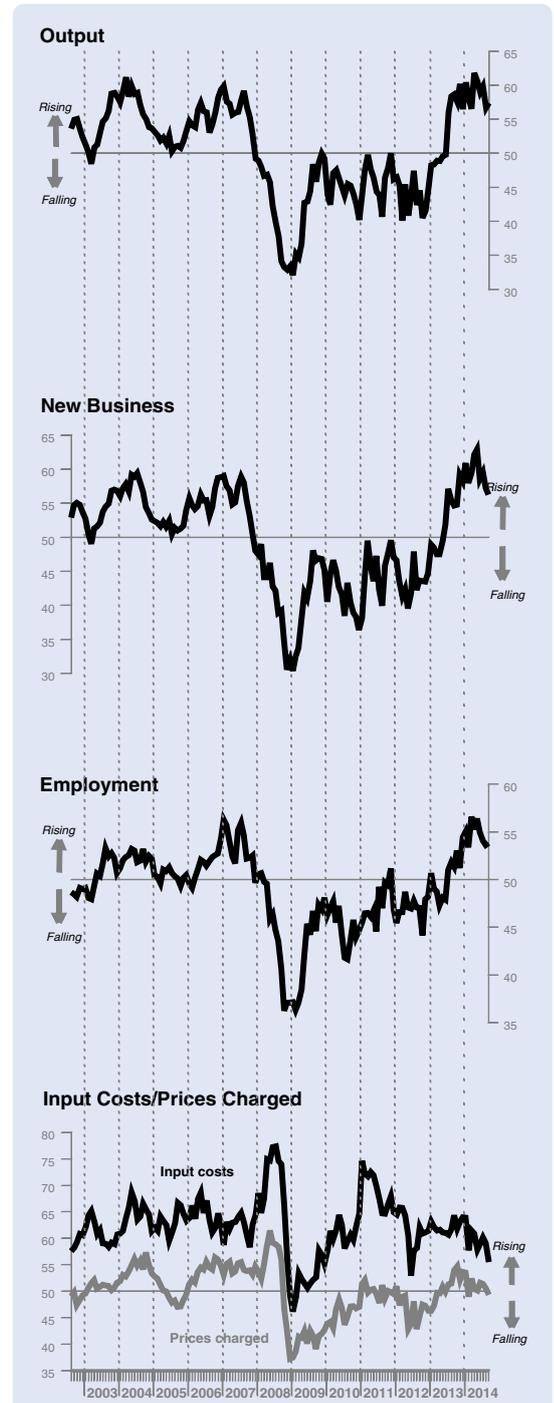
Backlogs of work were broadly unchanged in September. While some companies reported that rising new orders had led outstanding business to accumulate, others reported having made efforts to reduce work-in-hand.

September data pointed to a further increase in employment in Northern Ireland, the fifteenth in as many months. Job creation was recorded across all four monitored sectors, led by manufacturers. The rise in staffing levels in Northern Ireland was weaker than the UK average.

### Rate of cost inflation slows

Although input prices continued to rise, the pace of increase slowed for the second month running to the weakest since June 2012. The rate of cost inflation in Northern Ireland was broadly similar to the UK average in September, after having been much faster earlier in the year. Input costs rose at weaker rates in each of the four monitored sectors. The fastest increase in input prices was at construction firms.

Companies lowered their output prices for the first time in seven months during September, albeit only marginally. Some panellists reported that competition had led charges to fall. Lower selling prices were recorded at services and retail companies, with charges rising in the manufacturing and construction sectors.



The above charts plot the seasonally adjusted indicators of business conditions in Northern Ireland. Index readings above 50.0 signal an increase on the previous month while readings below 50.0 signal a decrease.

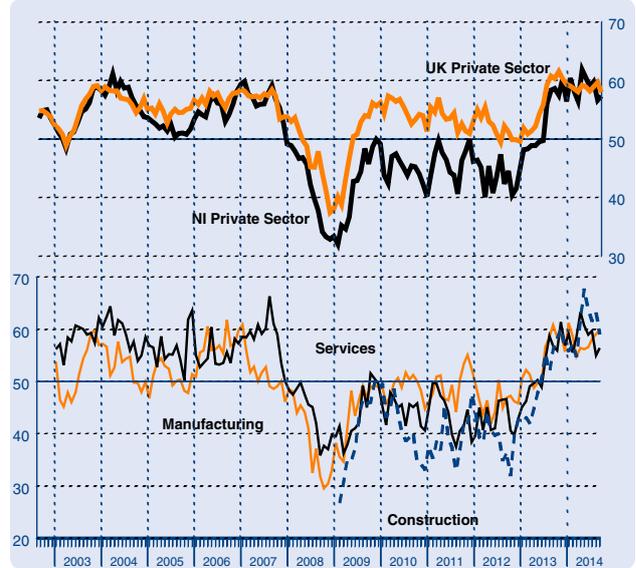
**Output / Business Activity**

Q. Is the level of output or business activity at your company higher, the same or lower this month than one month ago?

Northern Ireland Companies				All UK			
	Higher %	Same %	Lower %	Net +/-	Index 50=no chg	S.Adj'd Index	S.Adj'd Index
2014 Apr	41.5	53.9	4.6	36.9	68.5	61.9	59.2
May	29.6	61.8	8.6	21.0	60.5	60.6	58.9
Jun	28.4	57.3	14.4	14.0	57.0	59.0	58.3
Jul	25.7	56.4	17.9	7.8	53.9	59.8	59.0
Aug	21.0	59.0	20.0	1.0	50.5	56.7	59.7
Sep	29.2	58.2	12.6	16.5	58.3	57.4	58.1

The Northern Ireland private sector continued to record rising levels of business activity in September. Moreover, the latest expansion was sharp, and faster than seen in August. The increase in activity in Northern Ireland was slightly slower than the UK economy average. More than 29% of respondents noted a rise in output, which they mainly linked to increased sales. The manufacturing sector posted the fastest increase in output as the rate of growth quickened to the sharpest since January. Activity in the service sector also rose at a faster pace, while the rate of expansion at construction firms remained sharp. In contrast, retail activity decreased.

By sector			
	Construction	Manufacturing	Services
'14 Jul	61.7	58.2	59.7
Aug	63.3	59.1	55.0
Sep	59.1	59.9	56.4



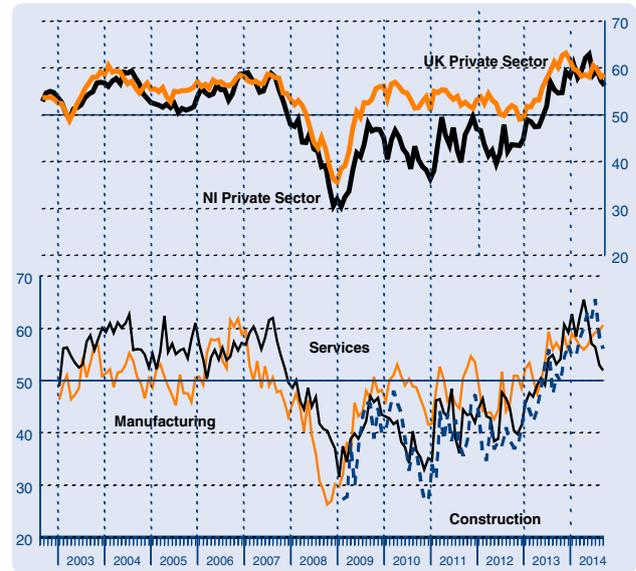
**New Business**

Q. Is the level of new orders or incoming new business at your company higher, the same or lower this month than one month ago?

Northern Ireland Companies				All UK			
	Higher %	Same %	Lower %	Net +/-	Index 50=no chg	S.Adj'd Index	S.Adj'd Index
2014 Apr	42.1	49.1	8.8	33.3	66.6	62.2	58.6
May	32.8	58.6	8.6	24.1	62.1	62.9	58.2
Jun	31.4	51.4	17.3	14.1	57.1	58.6	60.6
Jul	25.6	57.8	16.6	9.0	54.5	59.5	59.8
Aug	23.4	56.6	20.0	3.4	51.7	57.2	58.1
Sep	29.0	56.0	15.0	14.0	57.0	56.3	58.6

New orders continued to rise in September, extending the current sequence of expansion to 16 months. The rate of growth remained sharp, but slowed for the second successive month to the weakest since last October. Panellists reported new orders from both new and existing clients, with some respondents indicating that new business from abroad had also helped to drive growth. As with activity, the manufacturing sector recorded the fastest increase in new orders, with the rate of growth the strongest since November 2006. Elsewhere, rates of expansion slowed, but the construction sector continued to record sharp rises in new business.

By sector			
	Construction	Manufacturing	Services
'14 Jul	65.6	59.2	56.5
Aug	58.5	59.5	53.1
Sep	56.2	60.7	52.0



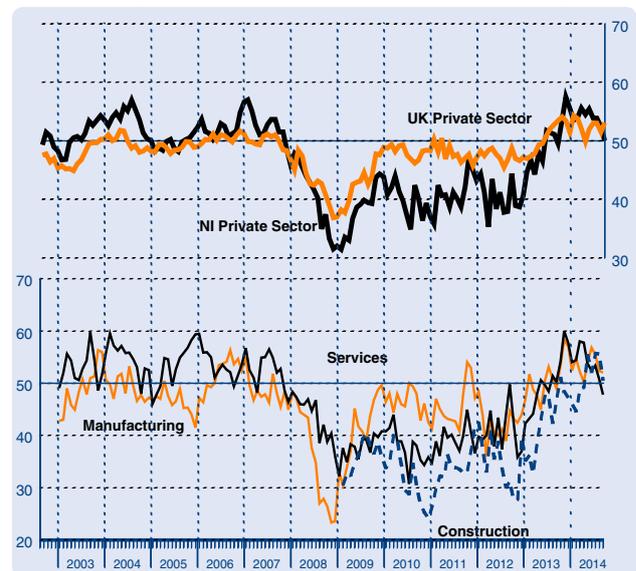
**Backlogs**

Q. Is the level of business outstanding (i.e. work not yet commenced or completed) at your company higher, the same or lower this month than one month ago?

Northern Ireland Companies				All UK			
	Higher %	Same %	Lower %	Net +/-	Index 50=no chg	S.Adj'd Index	S.Adj'd Index
2014 Apr	24.4	66.3	9.3	15.2	57.6	54.5	49.9
May	21.5	67.1	11.5	10.0	55.0	55.5	52.0
Jun	22.0	66.0	12.0	10.0	55.0	53.9	53.0
Jul	17.3	68.9	13.8	3.6	51.8	53.9	53.1
Aug	16.8	64.8	18.4	-1.6	49.2	52.4	51.6
Sep	20.0	61.1	19.0	1.0	50.5	50.1	53.2

Backlogs of work at Northern Ireland companies were close to stagnation in September, following 11 successive months in which outstanding business rose. The broadly stable picture in Northern Ireland compared with a solid increase in backlogs across the UK economy as a whole. Those respondents that posted an increase in outstanding business mainly linked this to higher new work. Conversely, some panellists reported that efforts to clear backlogs had been successful. Outstanding business rose in three of the four sectors, the exception being services where backlogs fell for the first time in 14 months.

By sector			
	Construction	Manufacturing	Services
'14 Jul	55.7	55.5	53.4
Aug	55.7	52.4	50.8
Sep	50.6	52.1	47.8



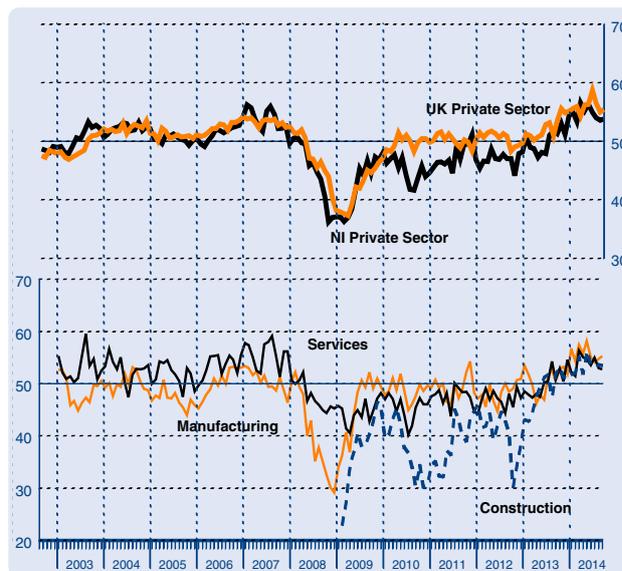
## Employment

Q. Is the level of employment at your company higher, the same or lower this month than one month ago?

Northern Ireland Companies				All UK			
	Higher %	Same %	Lower %	Net +/-	Index 50=no chg	S.Adj'd Index	S.Adj'd Index
2014 Apr	14.9	80.6	4.5	10.4	55.2	55.3	56.3
May	17.0	79.9	3.1	13.9	57.0	56.4	56.3
Jun	13.1	83.1	3.8	9.3	54.7	55.0	58.7
Jul	12.2	83.8	4.0	8.2	54.1	54.1	56.5
Aug	10.8	85.7	3.5	7.3	53.7	53.7	55.0
Sep	14.5	78.8	6.7	7.8	53.9	53.8	55.5

Increasing levels of new work led companies in Northern Ireland to take on extra staff in September, with some panellists reporting that new trainees had been taken on. The rate of job creation was solid, and little changed from the previous month. That said, the rise in Northern Ireland was slower than the UK average. Employment has now increased in each of the past 15 months. All four monitored sectors registered job creation, led by manufacturing where the increase was the fastest in four months. The remaining sectors all posted slightly weaker rates of job creation than in the previous survey period.

By sector				
		Construction	Manufacturing	Services
'14 Jul		53.1	54.2	55.0
Aug		53.7	54.8	53.0
Sep		53.5	55.4	52.8



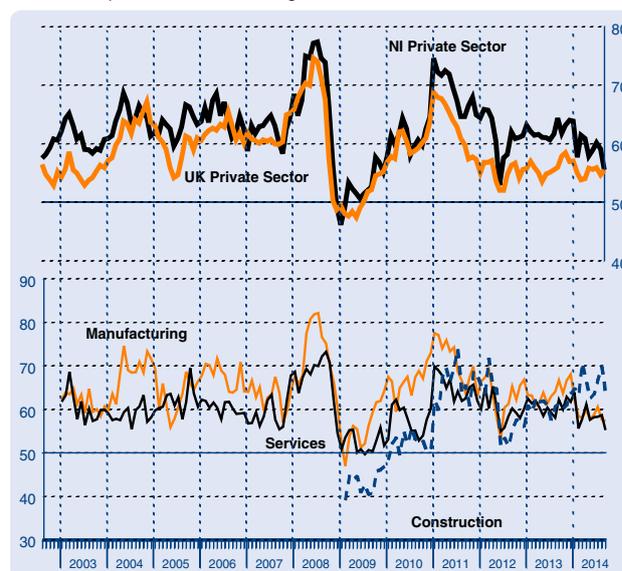
## Input Costs

Q. Have average input prices or input costs risen, fallen or remained unchanged this month compared to one month ago?

Northern Ireland Companies				All UK			
	Higher %	Same %	Lower %	Net +/-	Index 50=no chg	S.Adj'd Index	S.Adj'd Index
2014 Apr	26.8	72.1	1.1	25.6	62.8	60.9	54.1
May	20.8	76.2	2.9	17.9	59.0	57.9	55.9
Jun	23.4	72.8	3.8	19.6	59.8	59.0	55.6
Jul	22.1	74.5	3.3	18.8	59.4	60.2	55.9
Aug	18.1	77.5	4.4	13.7	56.9	59.1	54.7
Sep	16.7	78.7	4.6	12.2	56.1	55.6	55.5

September data pointed to a further slowdown in the rate of input cost inflation at Northern Ireland companies. The pace at which input prices increased eased for the second month running and was the slowest since June 2012. The rise in input costs at Northern Ireland firms was broadly in line with the UK average, contrasting with much sharper cost inflation throughout the past two years. Where input prices increased, panellists mainly attributed this to higher staff costs. Rates of cost inflation slowed across all four monitored sectors. The sharpest increase was at construction companies, with the slowest rise in the retail sector.

By sector				
		Construction	Manufacturing	Services
'14 Jul		66.9	60.6	58.4
Aug		69.8	57.7	58.7
Sep		64.0	57.4	55.3



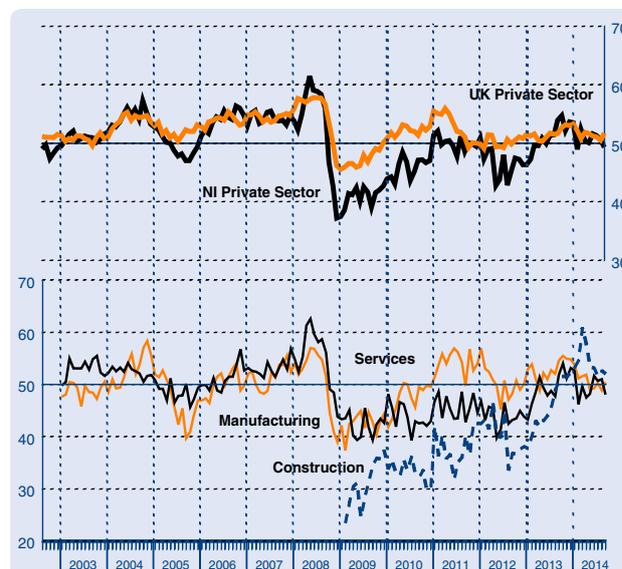
## Prices Charged

Q. Are the average prices charged for goods and services by your company higher, the same or lower this month than one month ago?

Northern Ireland Companies				All UK			
	Higher %	Same %	Lower %	Net +/-	Index 50=no chg	S.Adj'd Index	S.Adj'd Index
2014 Apr	11.3	81.7	7.0	4.3	52.1	50.4	51.9
May	9.7	83.7	6.5	3.2	51.6	50.1	51.7
Jun	9.6	85.2	5.2	4.4	52.2	51.6	51.2
Jul	9.0	83.1	7.9	1.0	50.5	51.4	51.1
Aug	5.3	86.7	8.0	-2.7	48.6	50.6	50.6
Sep	4.3	87.0	8.6	-4.3	47.9	49.4	51.8

Output prices in the Northern Ireland private sector decreased slightly in September, ending a six-month sequence of rising charges. The fall in Northern Ireland contrasted with a modest increase in output prices at the UK level. Anecdotal evidence suggested that competitive pressures had contributed to the reduction in selling prices. Charges fell for the first time in four months at service providers, while retailers lowered their selling prices for the first time since October 2009. Construction output prices continued to rise, but at a slower pace, while manufacturers increased their selling prices following a decrease in the previous month.

By sector				
		Construction	Manufacturing	Services
'14 Jul		51.6	50.3	50.7
Aug		52.6	48.9	51.1
Sep		52.1	50.5	48.1



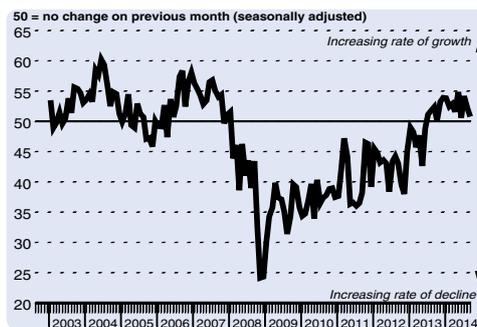
**New Export Business\***

*Is the level of new export business at your company higher, the same or lower this month than one month ago?*

**Northern Ireland Companies**

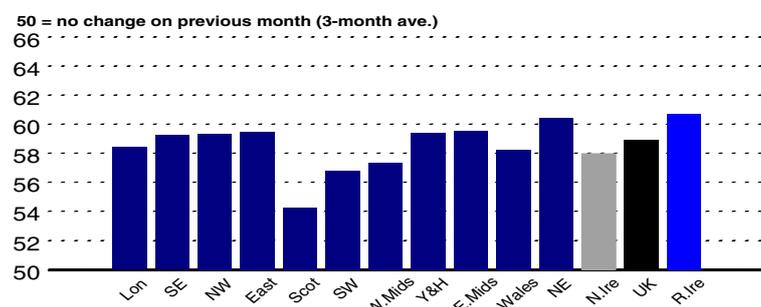
		Higher %	Same %	Lower %	Net +/-	Index 50=no chg	S.Adj'd Index
2014	Apr	14.2	76.6	9.2	5.1	52.5	<b>51.6</b>
	May	27.6	59.2	13.2	14.4	57.2	<b>54.9</b>
	Jun	18.0	66.0	16.0	2.0	51.0	<b>50.7</b>
	Jul	20.2	64.9	14.9	5.2	52.6	<b>54.2</b>
	Aug	17.8	64.6	17.6	0.2	50.1	<b>52.2</b>
	Sep	17.5	68.5	14.0	3.5	51.8	<b>50.8</b>

Northern Ireland firms recorded a fifteenth consecutive monthly increase in new export orders, although the rate of expansion was only slight. Some respondents indicated that growth had been supported by higher new business from the Republic of Ireland.



**Regional Comparisons: Output / Business Activity**

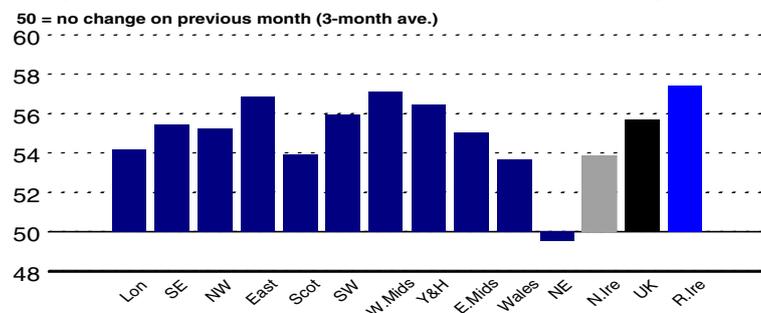
The graph below shows the regional PMI Output Indexes for the UK. An average of the latest three months is used (see also the table to the right). All 12 UK regions registered an increase in private sector business activity on average over the third quarter of 2014. The fastest rate of growth was seen in the North East, while Scotland registered the slowest expansion. Meanwhile, output growth in the Republic of Ireland was faster than all UK regions.



	Share of UK GVA, 2012 (National Statistics)	Last 12 months	PMI Output Index Latest 3 months	Latest month
London	(22.8%)	60.0	58.4	56.9
South East	(14.9%)	59.9	59.2	57.6
North West	(9.6%)	58.8	59.3	57.7
East of England	(8.6%)	59.3	59.5	60.5
Scotland	(7.8%)	55.4	54.3	51.5
South West	(7.5%)	59.4	56.8	54.7
West Midlands	(7.2%)	59.0	57.3	58.5
Yorks & Humber	(6.9%)	57.8	59.4	59.1
East Midlands	(5.9%)	59.5	59.5	56.8
Wales	(3.5%)	58.8	58.2	56.2
North East	(3.1%)	59.4	60.5	57.1
N.Ireland	(2.2%)	58.7	58.0	57.4
<b>UK</b>	<b>(100.0%)</b>	<b>59.2</b>	<b>58.9</b>	<b>58.1</b>
Rep. of Ireland	n/a	58.9	60.7	60.1

**Regional Comparisons: Employment**

The graph below shows the regional PMI Employment Indexes for the UK. An average of the latest three months is used (see also the table to the right). Robust rates of private sector job creation were recorded in the vast majority of UK regions monitored by the survey in the three months to September, led by the West Midlands and the East of England. Only the North East saw a reduction in staffing levels. As with activity, the rise in employment in the Republic of Ireland was sharper than each of the UK regions.



	Share of UK GVA, 2012 (National Statistics)	Last 12 months	PMI Employment Index Latest 3 months	Latest month
London	(22.8%)	56.4	54.2	53.2
South East	(14.9%)	55.7	55.5	54.3
North West	(9.6%)	56.4	55.2	54.9
East of England	(8.6%)	56.2	56.9	57.6
Scotland	(7.8%)	53.5	54.0	53.9
South West	(7.5%)	55.9	56.0	57.2
West Midlands	(7.2%)	54.7	57.1	57.1
Yorks & Humber	(6.9%)	55.3	56.5	58.0
East Midlands	(5.9%)	53.8	55.0	54.5
Wales	(3.5%)	53.1	53.7	54.9
North East	(3.1%)	52.0	49.5	48.5
N.Ireland	(2.2%)	54.3	53.9	53.8
<b>UK</b>	<b>(100.0%)</b>	<b>55.8</b>	<b>55.7</b>	<b>55.5</b>
Rep. of Ireland	n/a	56.7	57.4	57.8

**PMI® Survey Methodology**

The Purchasing Managers' Index® (or PMI®) surveys are monthly surveys of carefully selected companies which provide an advance indication of what is happening in the private sector economy by tracking variables such as output, new orders, employment and prices across both manufacturing and service sectors. Index numbers are calculated from the percentages of respondents reporting an improvement, no change or decline on the previous month. These indices vary between 0 and 100 with readings of exactly 50.0 signalling no change on the previous month. Readings above 50.0 signal an increase or improvement; readings below 50.0 signal a decline or deterioration. The greater the divergence from 50.0, the greater the rate of change (expansion or contraction) signalled. The indices are

seasonally adjusted to take into consideration expected variations for the time of year, such as summer shutdowns and national holidays. Sector data published in the Ulster Bank Northern Ireland PMI report are intended to give an indication of underlying trends in the manufacturing, services and construction industries within the Northern Ireland private sector economy. Data at the sector level are more volatile than the headline total private sector economy figures, and month-on-month movements in the sector data should therefore be treated with a degree of caution.

\*Exports are defined as sales outside of the United Kingdom.

**Ulster Bank and Markit Economics**

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and wide ranging capability means we can deliver for our customers, whatever their business may be.

Our focus is firmly centred on our customers. Every business customer benefits from access to a dedicated, professional and highly trained relationship manager. Their role is to gain a genuine understanding of our customers' business needs and provide dedicated financial information and assistance.

**Markit Economics** is a specialist compiler of business surveys and economic indices, including the Purchasing Managers' Index (PMI) series, which is now available for 32 countries and also for key regions including the Eurozone. They are the most closely-watched business surveys in the world, favoured by central banks, financial markets and business decision makers for their ability to provide up-to-date, accurate and often unique monthly indicators of economic trends.

We work together to achieve business success, no matter how simple or complex our customers' requirements. A combination of size, financial strength

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# Ulster Bank Northern Ireland Purchasing Managers Index (PMI)

*Includes analysis of Global, Eurozone, UK, UK Regions, NI &  
Republic of Ireland economic performance by sector*

*September 2014 Survey Update*

Issued 13<sup>th</sup> October 2014

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## *PMI Surveys*

*Purchasing Managers' Indexes (PMIs) are monthly surveys of private sector companies which provide an advance indication of what is happening in the private sector economy by tracking variables such as output, new orders, employment and prices across different sectors.*

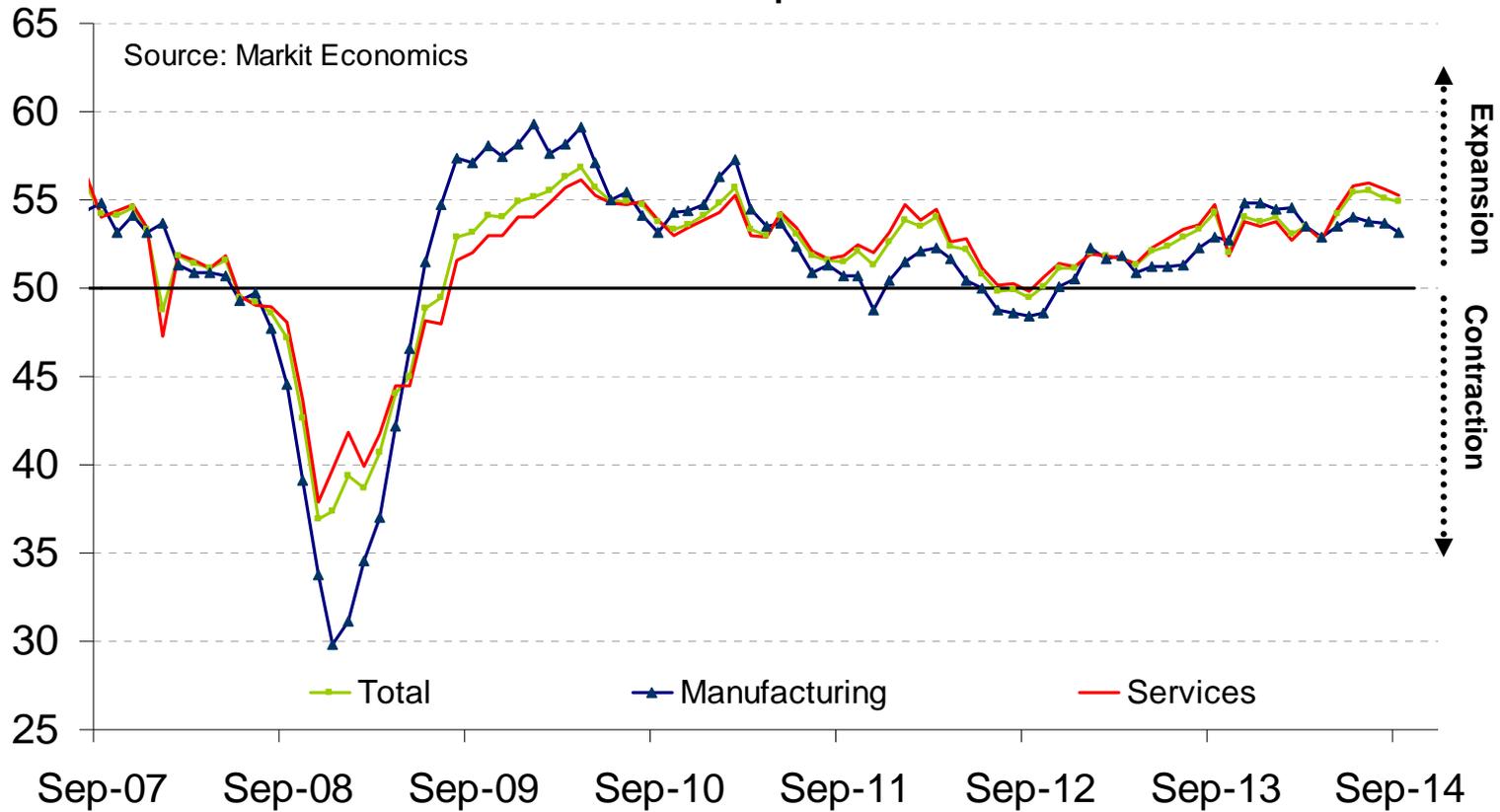
*Index numbers are calculated from the percentages of respondents reporting an improvement, no change or decline on the previous month. These indices vary from 0 to 100 with readings of 50.0 signalling no change on the previous month. Readings above 50.0 signal an increase or improvement; readings below 50.0 signal a decline or deterioration. The greater the divergence from 50.0 the greater the rate of change (expansion or contraction). The indices are seasonally adjusted to take into consideration expected variations for the time of year, such as summer shutdowns or holidays.*

**< 50.0 = Contraction      50.0 = No Change      > 50.0 = Expansion**

*Data at a sector level are more volatile and **3-month moving averages** have been used to more accurately identify the broad trends.*

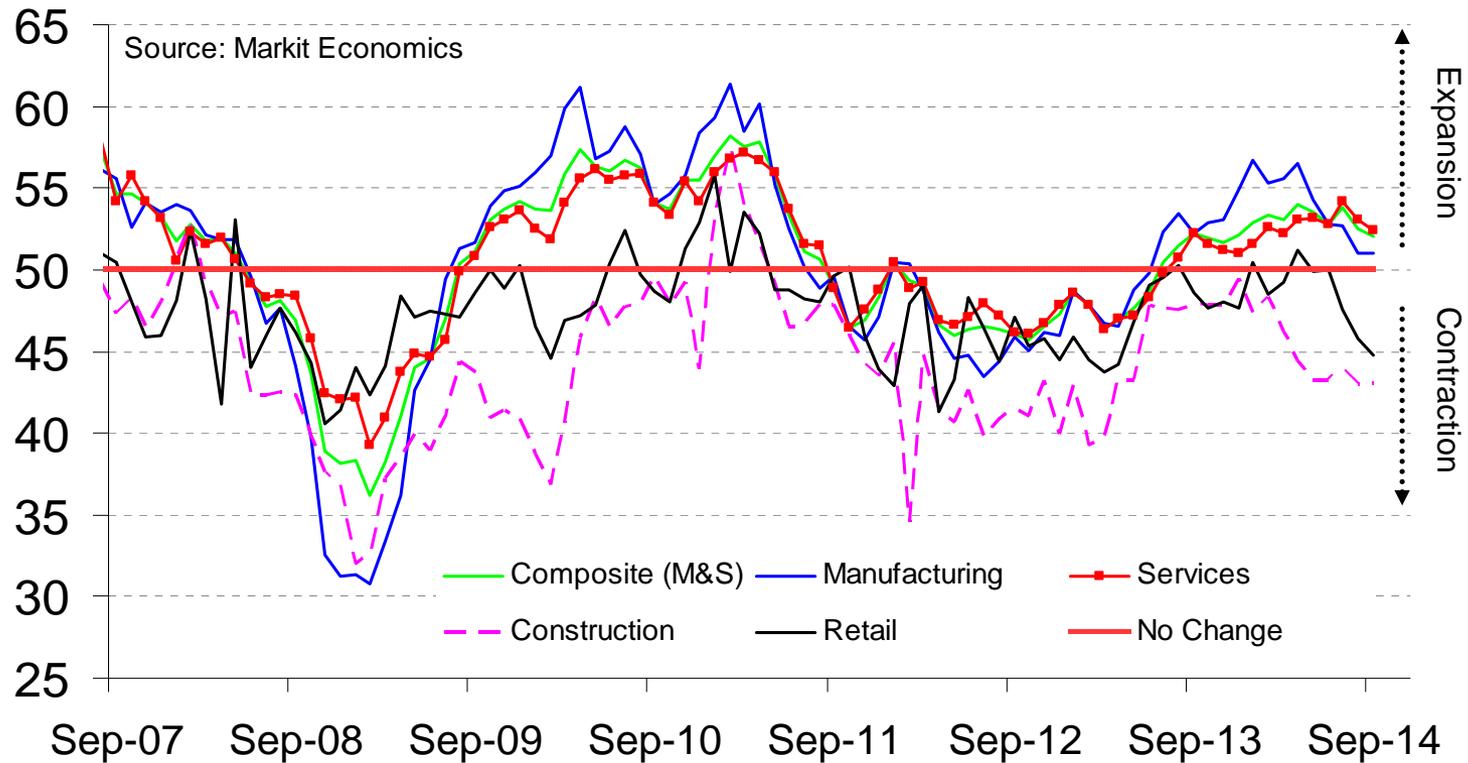
# Global manufacturing & services output growth eases in September

## Global Output - PMI



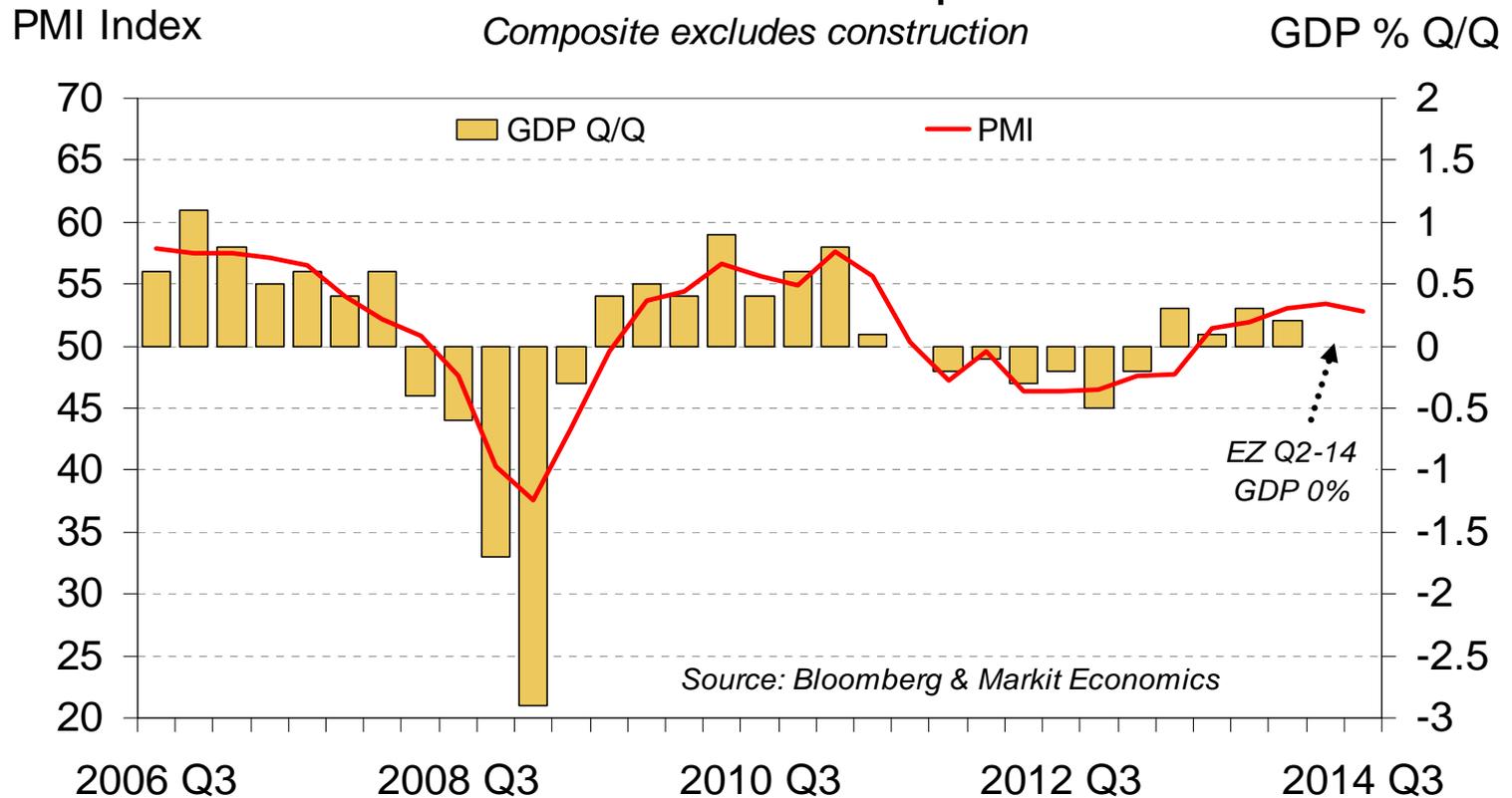
# The EZ's services sector loses momentum with retail & construction still contracting

## Eurozone PMIs: Output



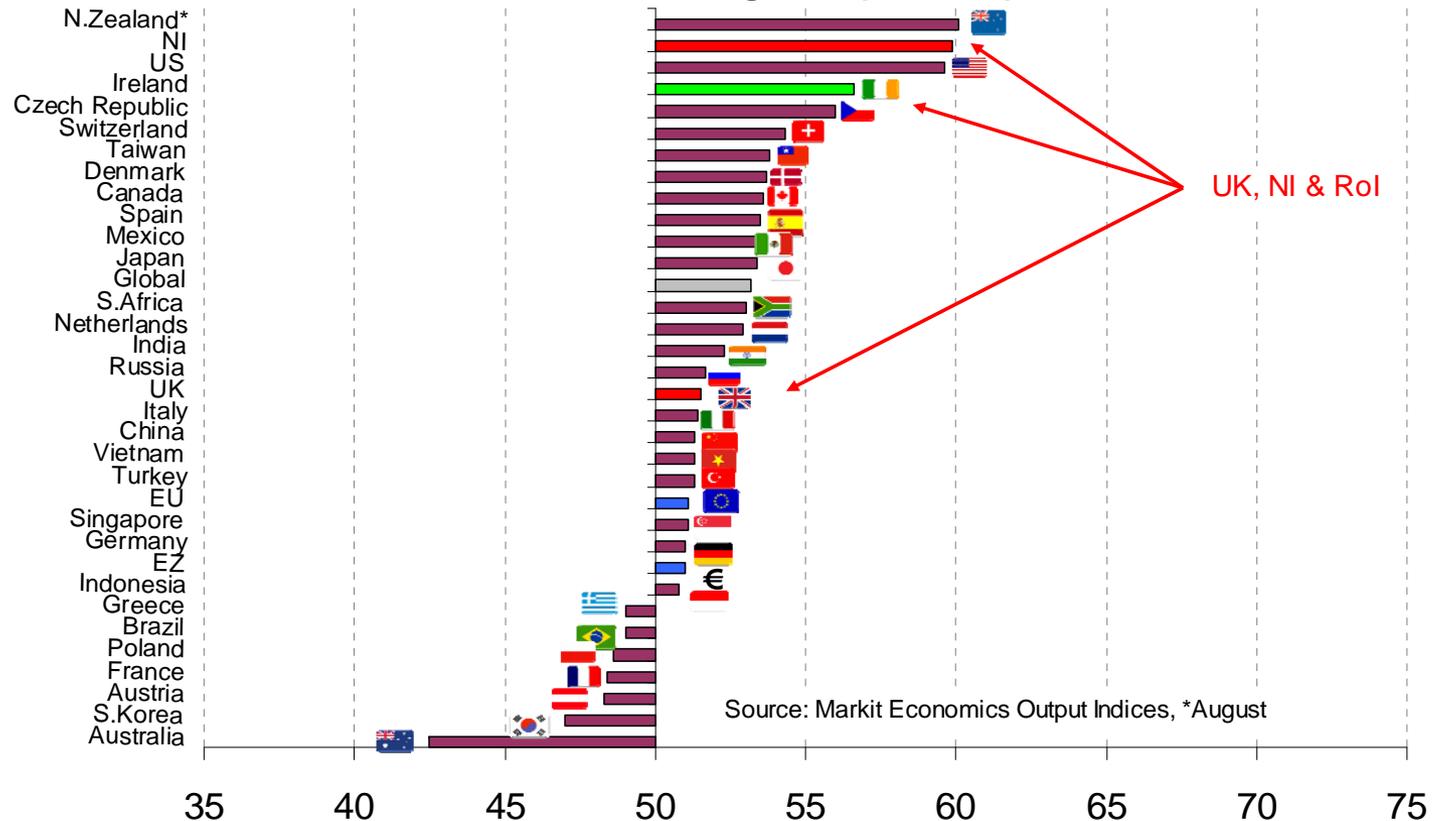
The EZ's composite PMI has suggested economic growth in Q2 & Q3 whereas GDP was flat in Q2

## EZ GDP versus EZ Composite PMI



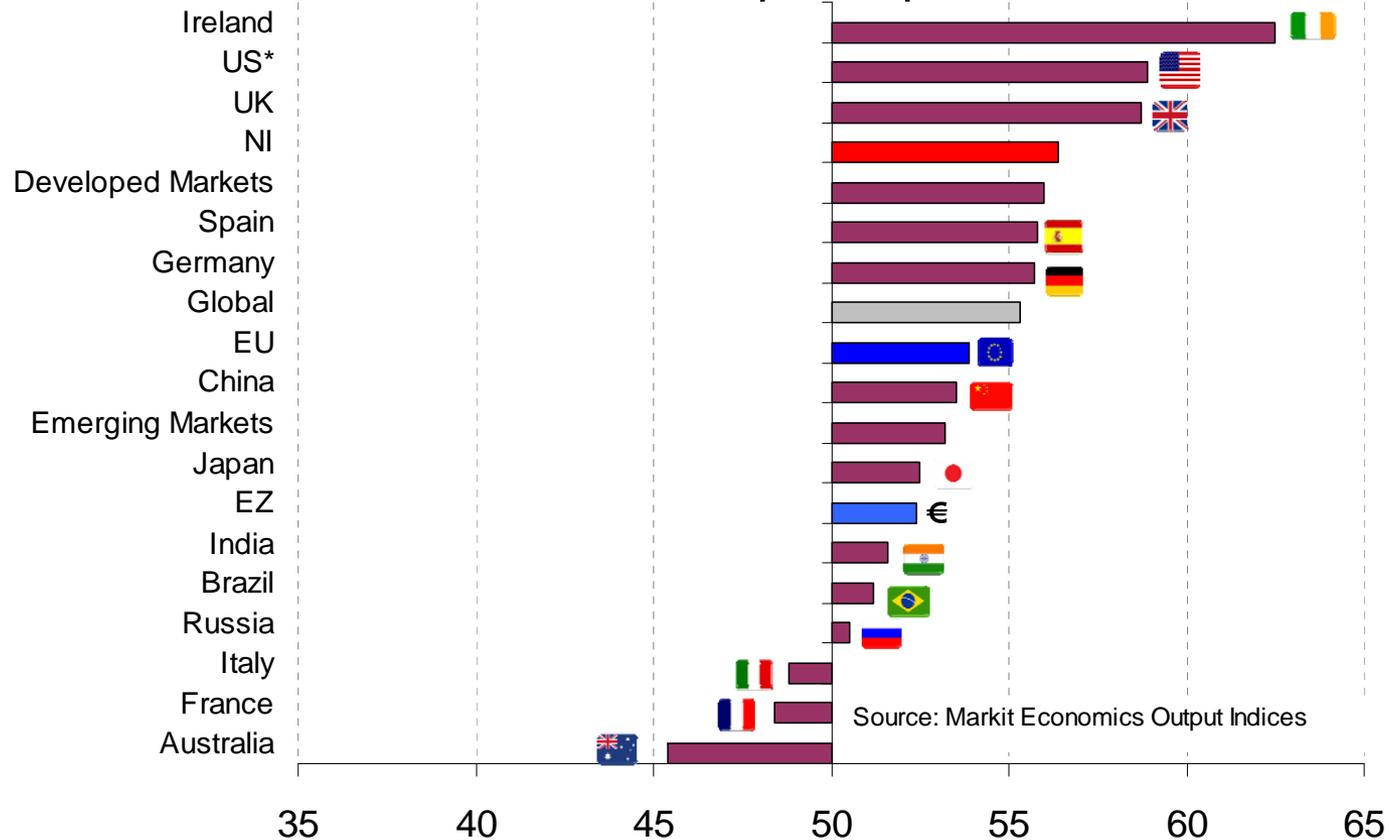
# After New Zealand\*, Northern Ireland firms posted the fastest rates of manufacturing output growth

## PMIs: Manufacturing Output September 2014

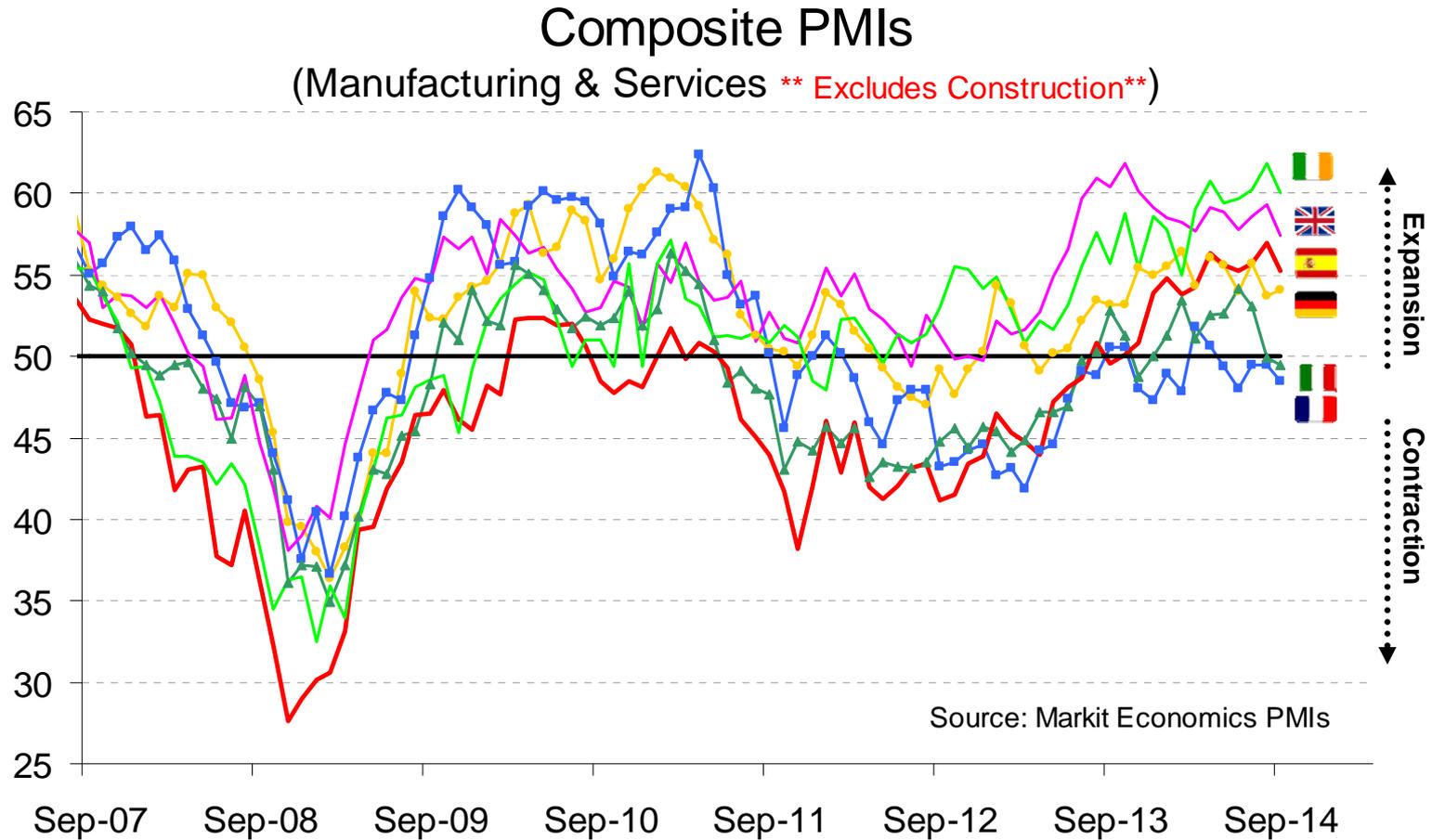


# The Republic of Ireland, UK, US & NI posted the fastest rates of service sector output growth in September

## PMIs: Services Output September 2014

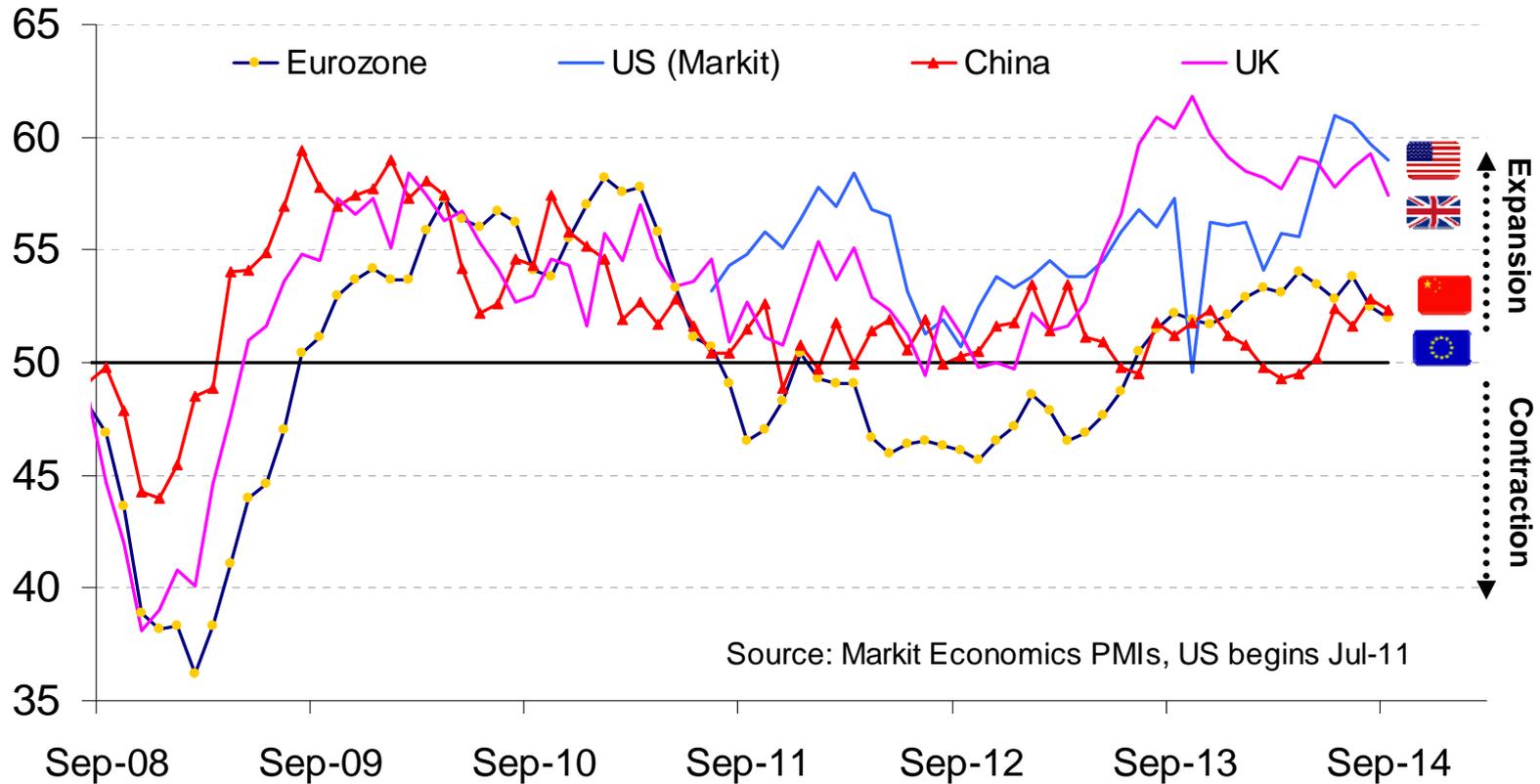


# Spain, Ireland & the UK post a slowdown in growth in September with Italy & France in contraction mode



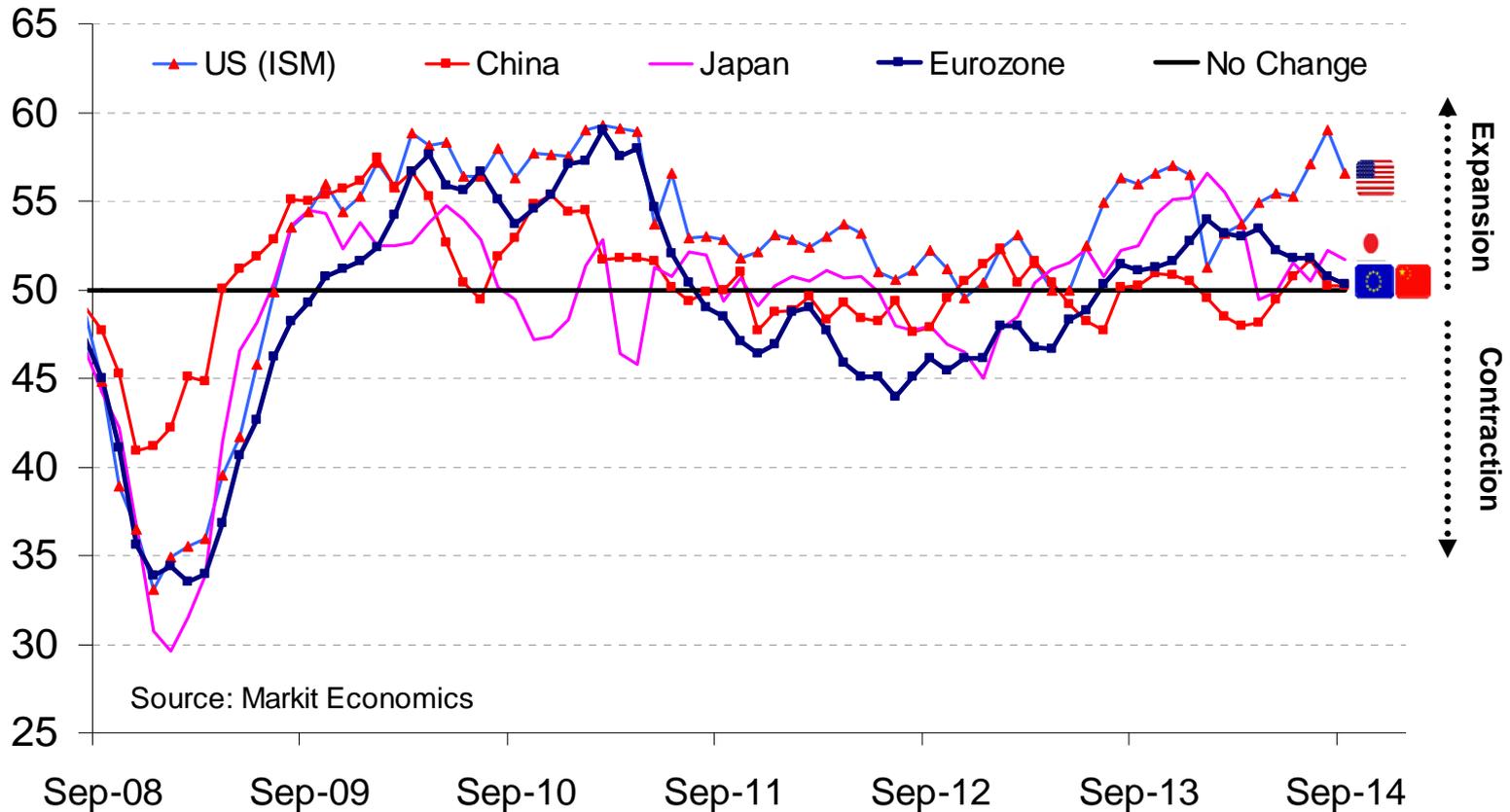
# The US, UK, EZ & Chinese Composite PMIs all record an easing in their growth rates in September

## Composite PMIs (Manufacturing & Services \*\* Excludes Construction\*\*)

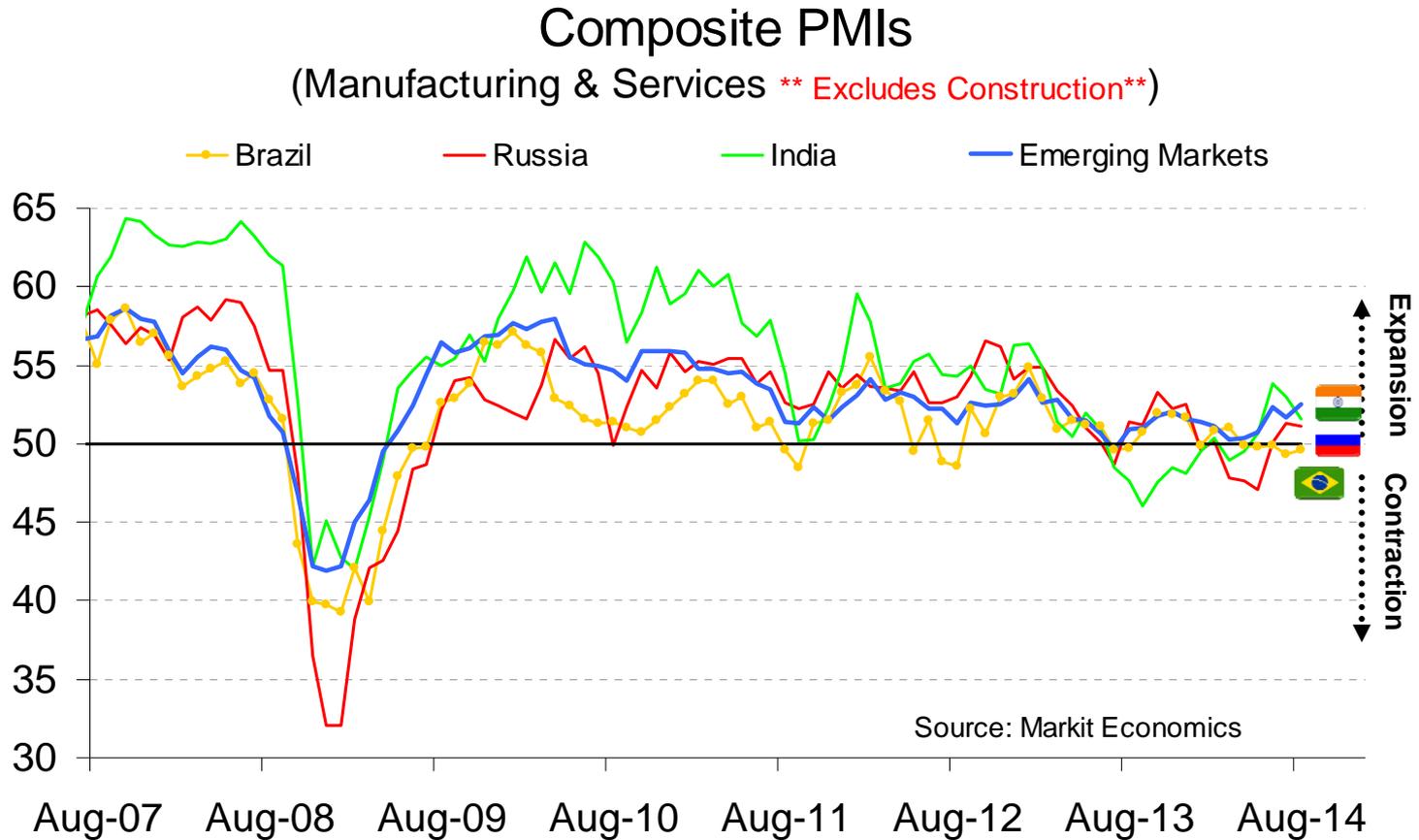


# The US continues to enjoy a robust manufacturing recovery remains whilst the EZ approaches stagnation

## Manufacturing PMIs

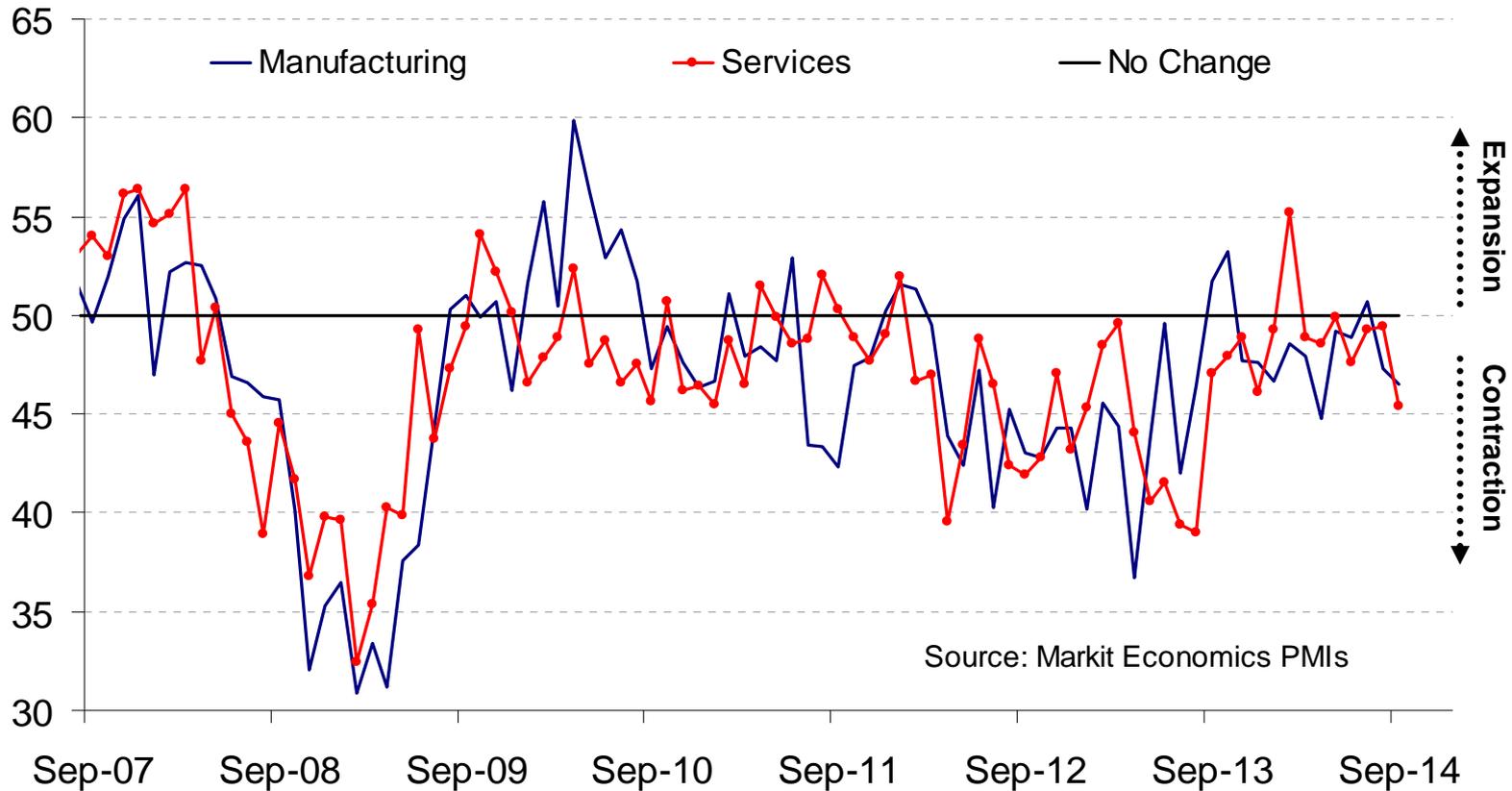


# Emerging markets post their strongest rate of growth in 18 months due primarily to a pick-up in India & Brazil



# Australia's services & manufacturing sectors remain 'Down Under' the 50 threshold in August

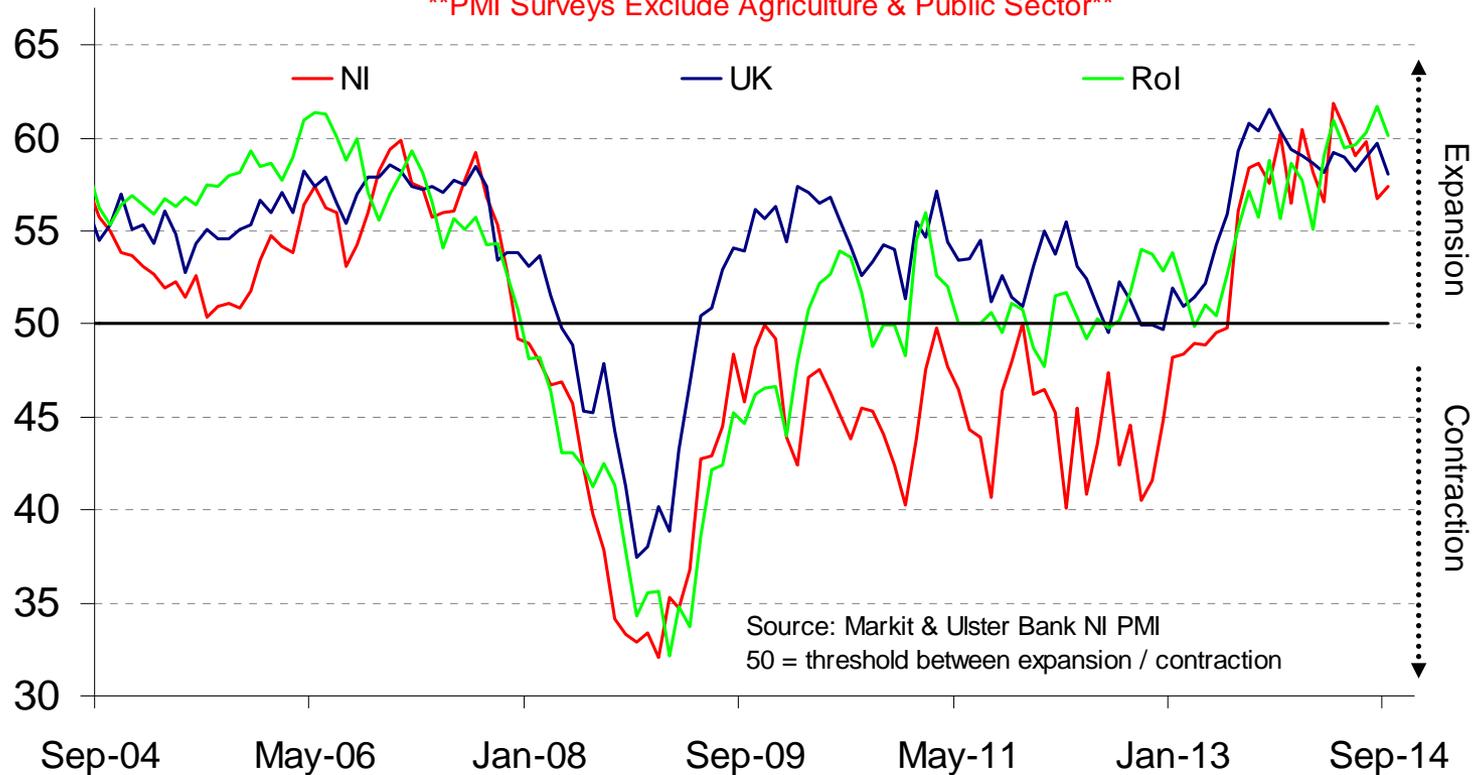
Australia - PMI



# Firms in the UK & RoI signal an easing in their rates of growth in output but NI's pace of growth picks up

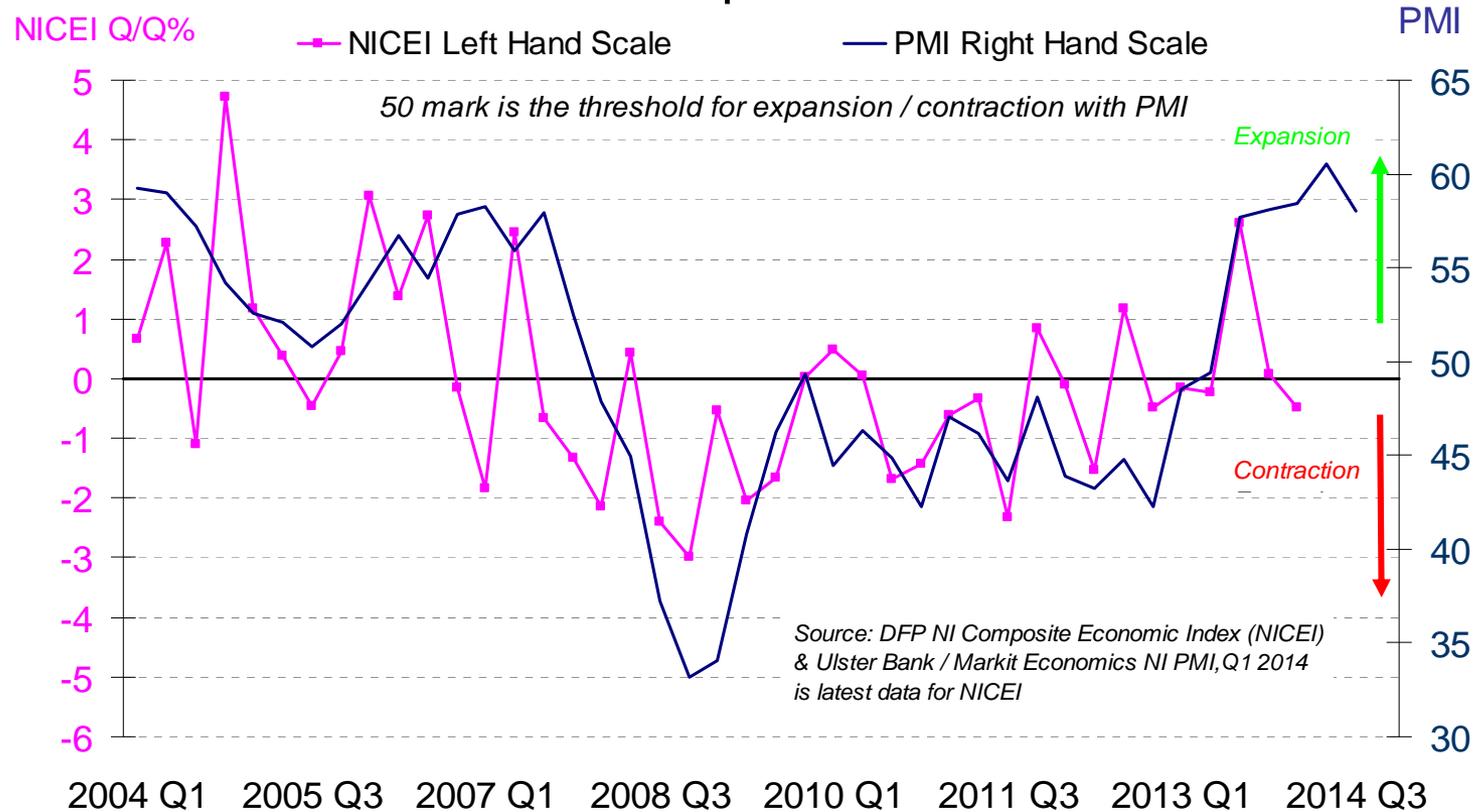
## Private Sector Business Activity - PMIs

**\*\*PMI Surveys Exclude Agriculture & Public Sector\*\***



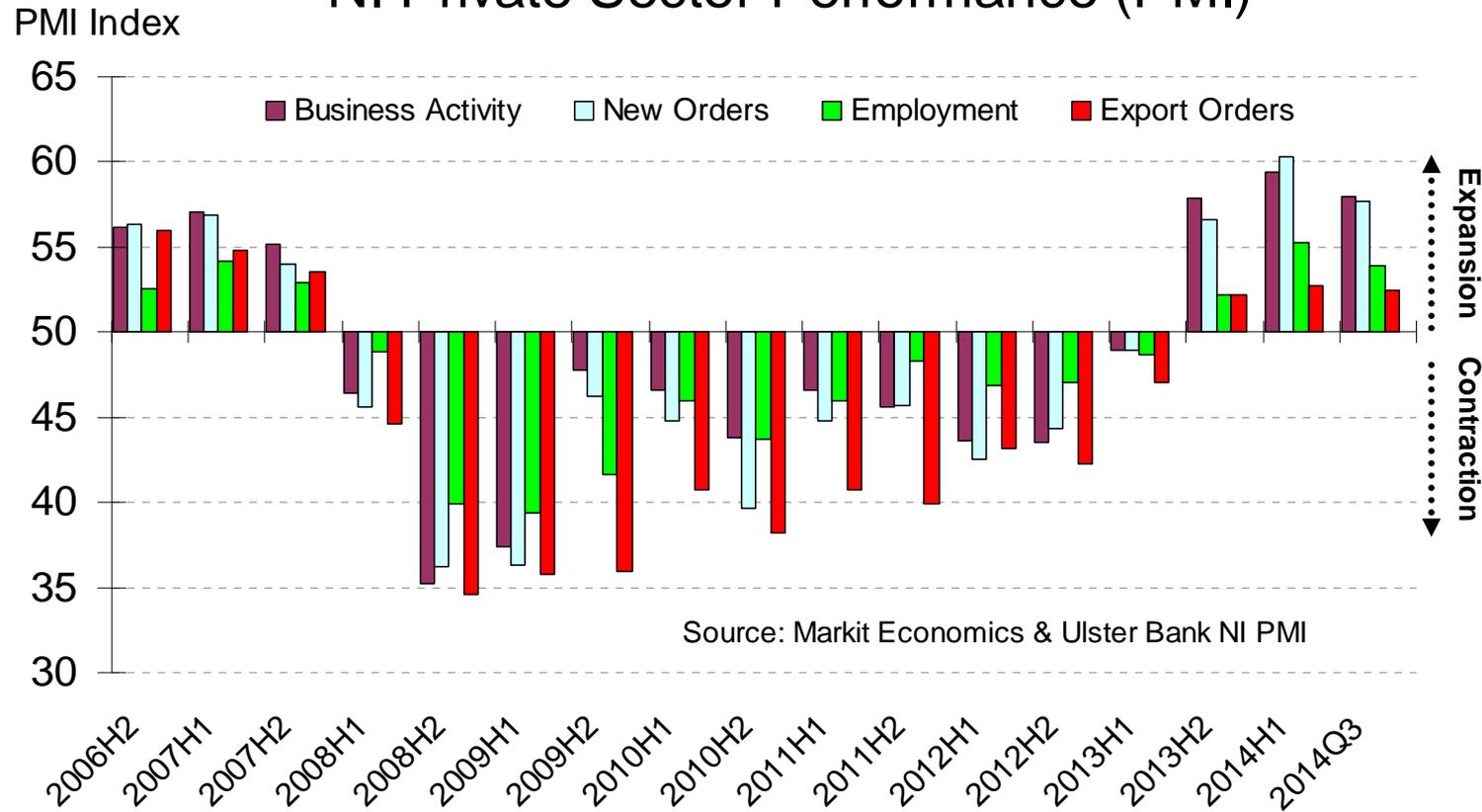
# PMI suggests growth in DFP's private sector composite index *(combines indices for construction, services, agriculture & industrial production)* in Q1-Q3 2014

## NI Private Sector Output Index Versus NI PMI



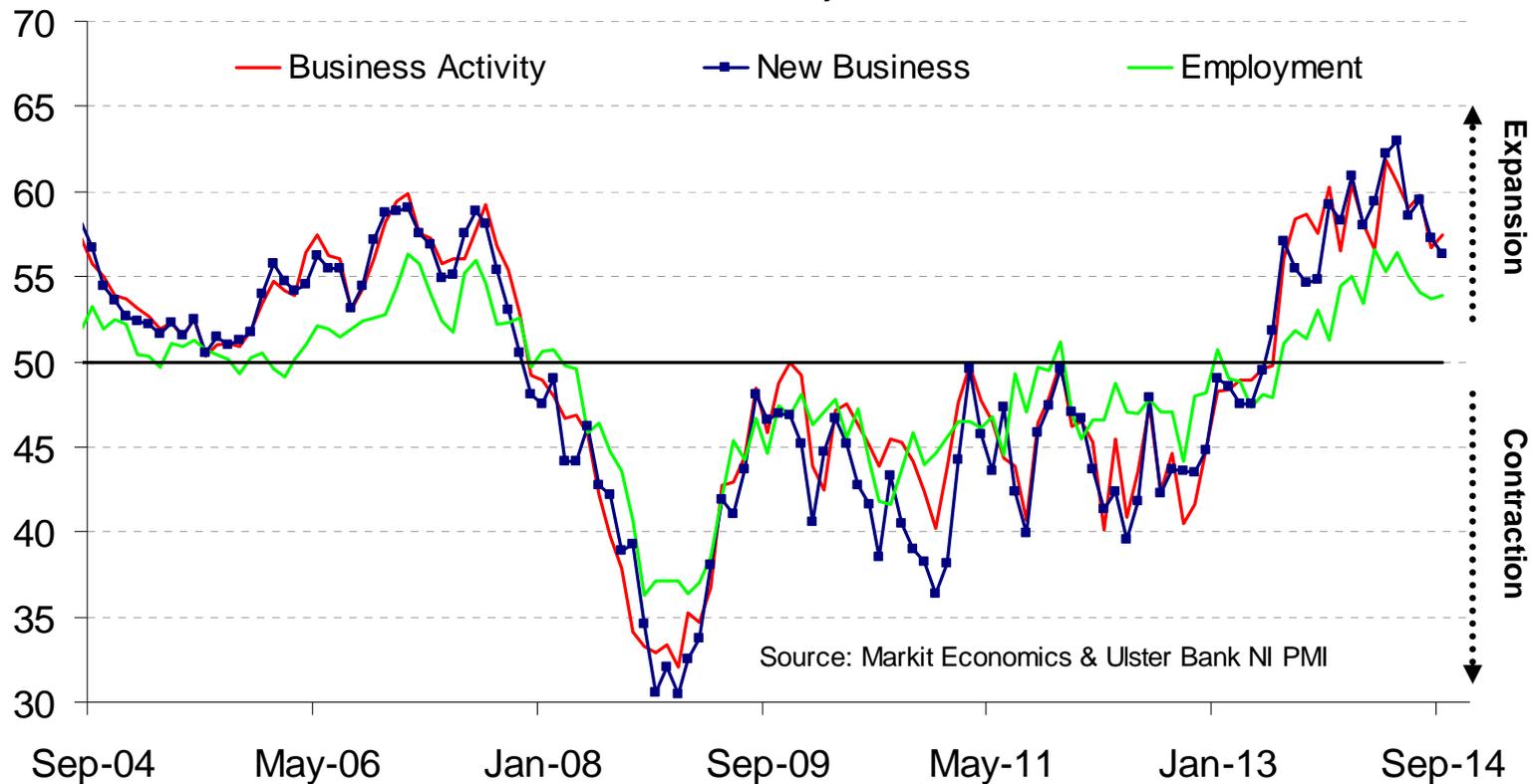
# NI's recovery took hold in H2 of 2013 with all indicators improving in H1 2014 but easing in Q3 2014

## NI Private Sector Performance (PMI)



# The pace of growth in employment & output amongst NI firms picks up in September but new orders growth slips

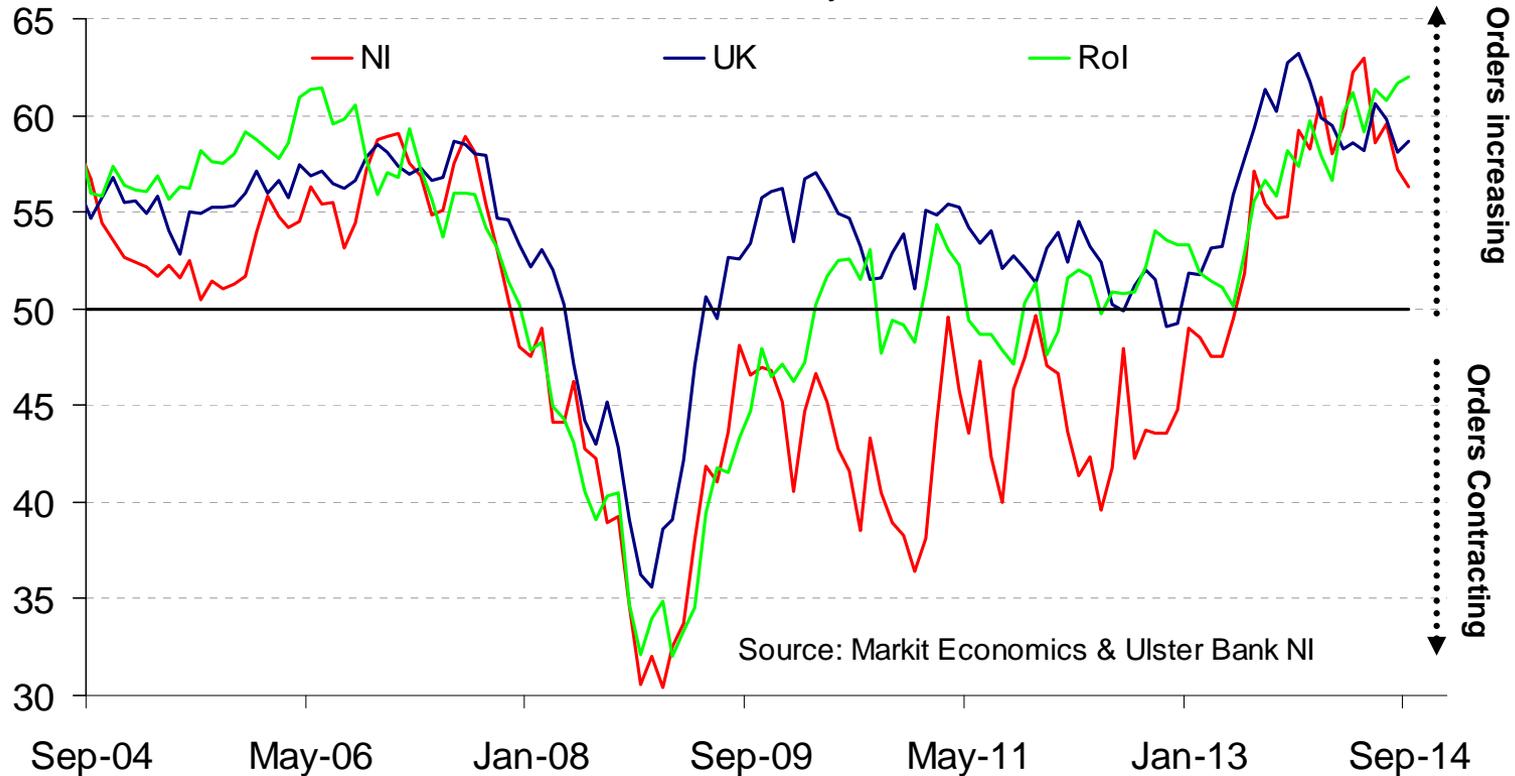
## NI Private Sector Activity Monthly



**Rol order books are growing at their fastest rate in >14 yrs but the pace of growth slips to an 11-mth low in NI**

## Private Sector New Orders

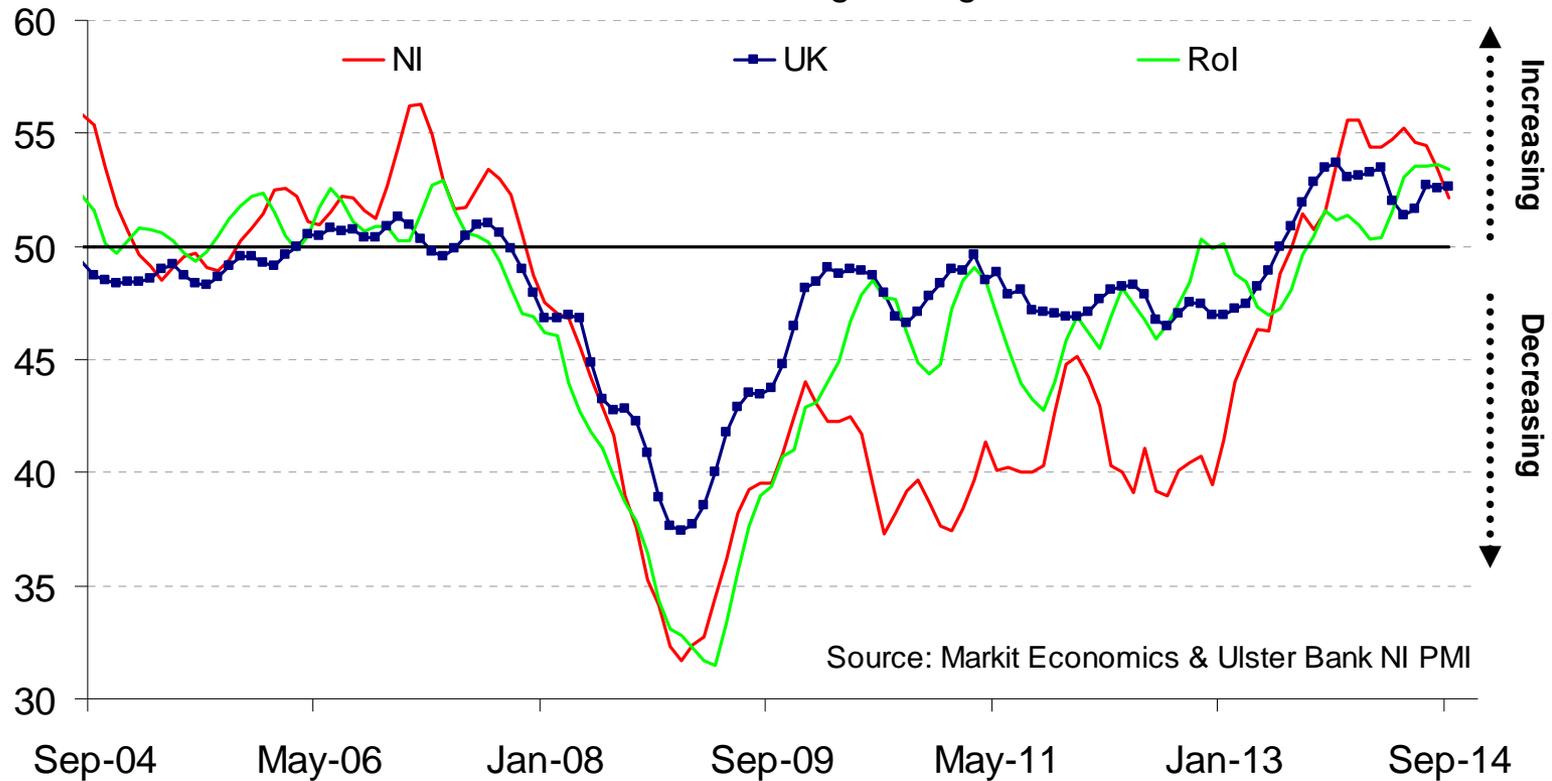
Monthly



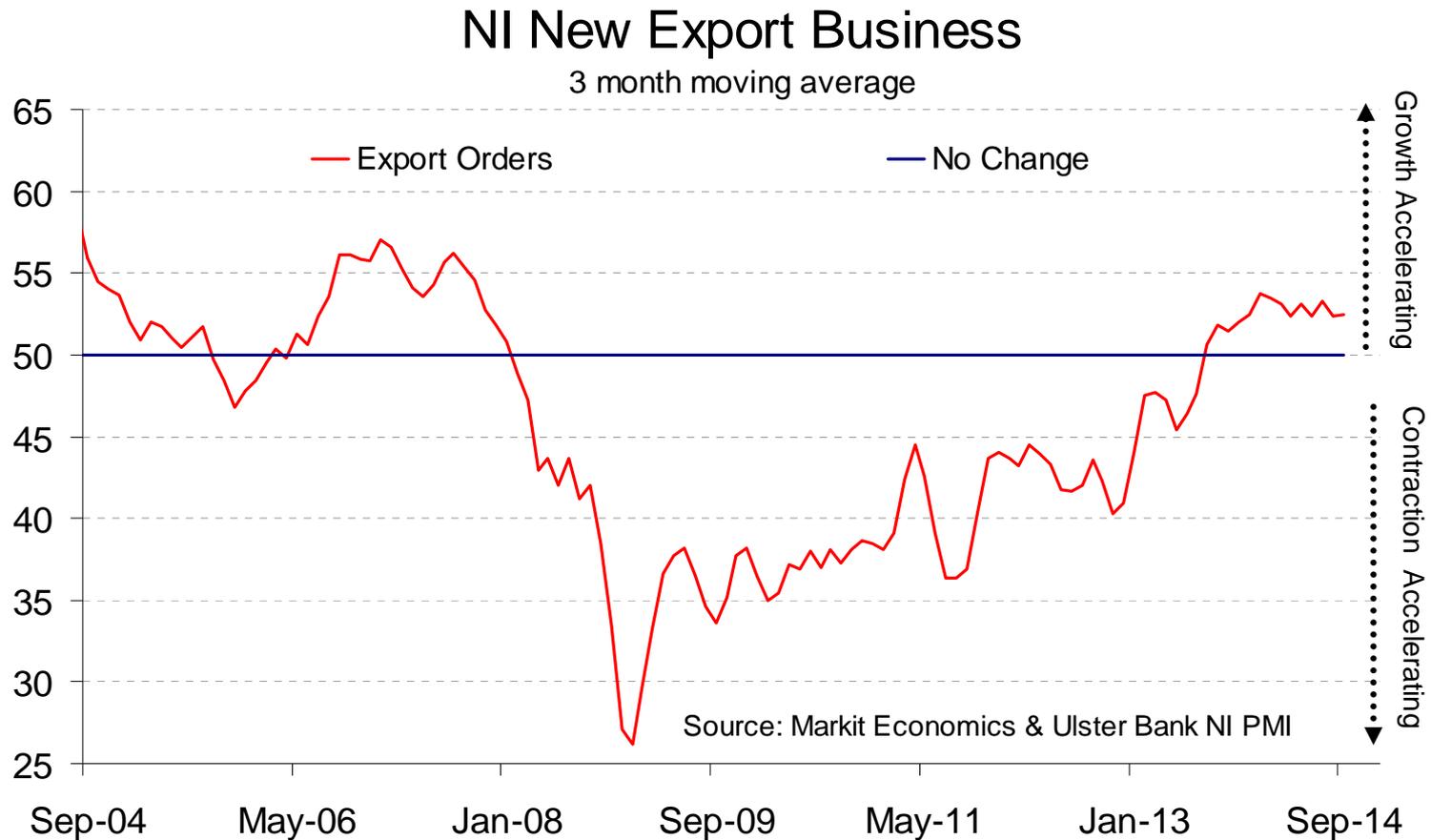
**Following a surge in backlogs of work, notably within NI, outstanding work eases to a 12-mth low in September**

## Private Sector Backlogs

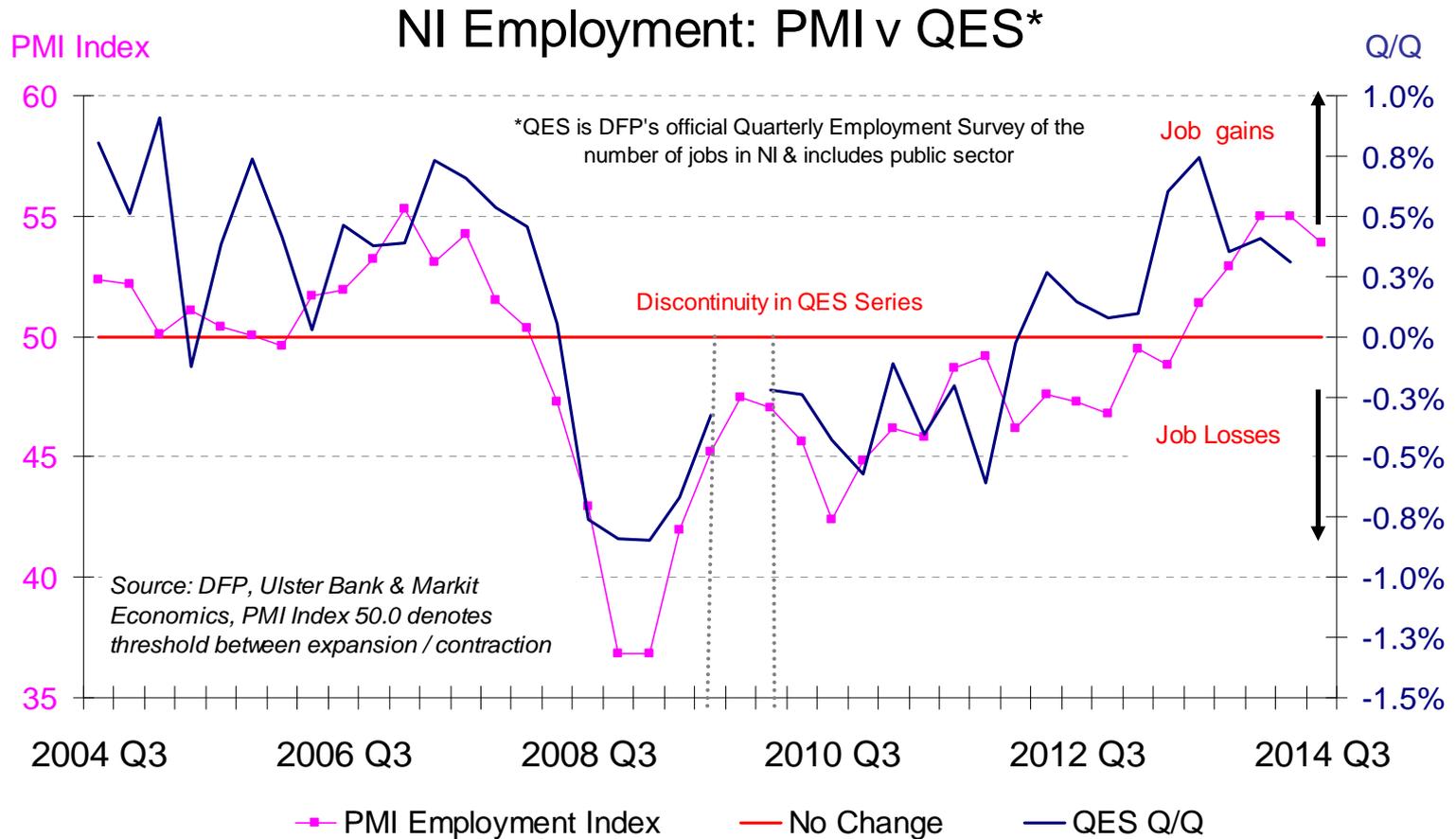
3 month moving average



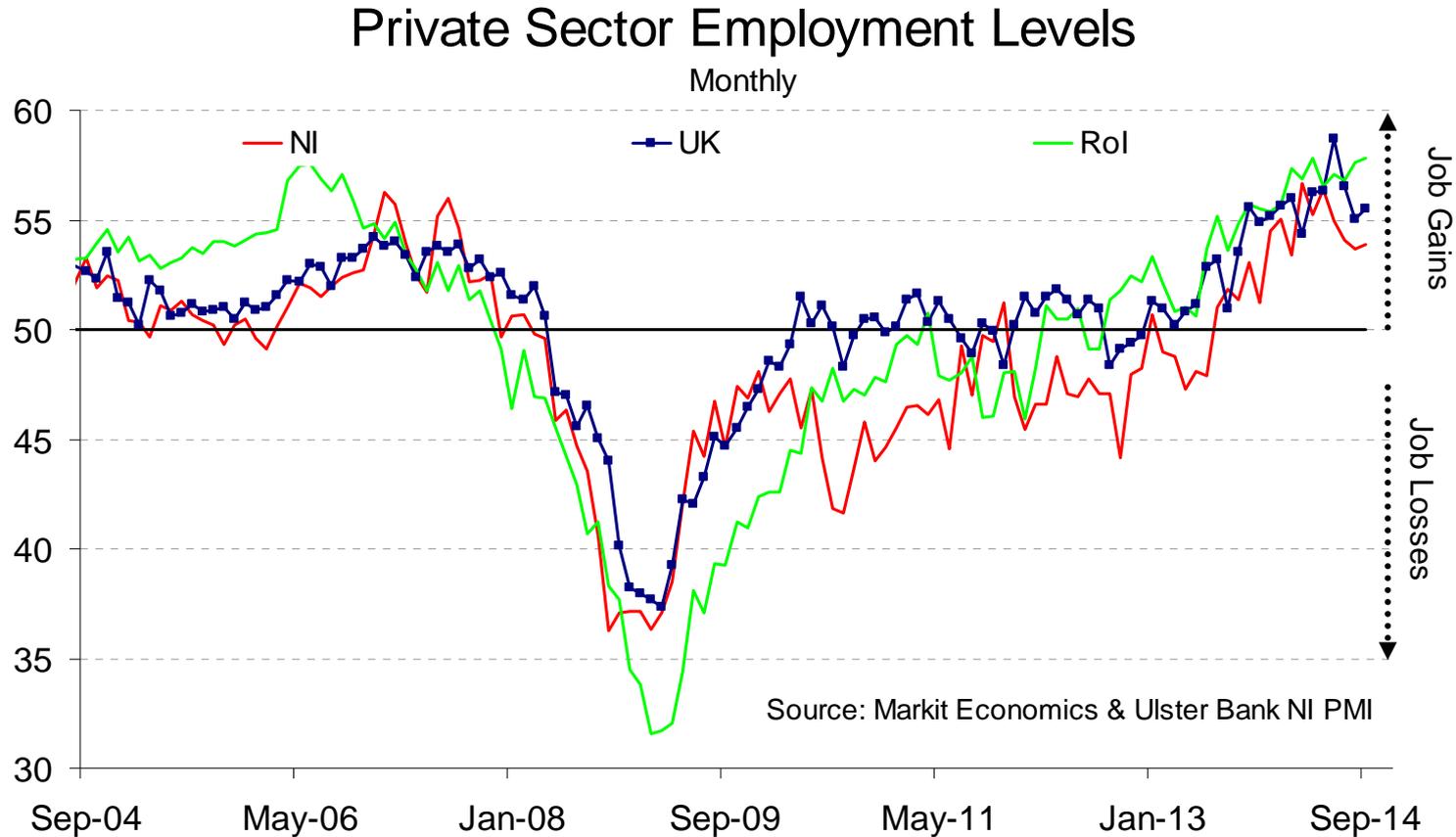
# NI firms post their 15<sup>th</sup> successive monthly rise in export orders in September but the pace of growth slows



# PMI signals the fastest rate of jobs growth in 7 years in Q2 with the pace of job creation easing in Q3



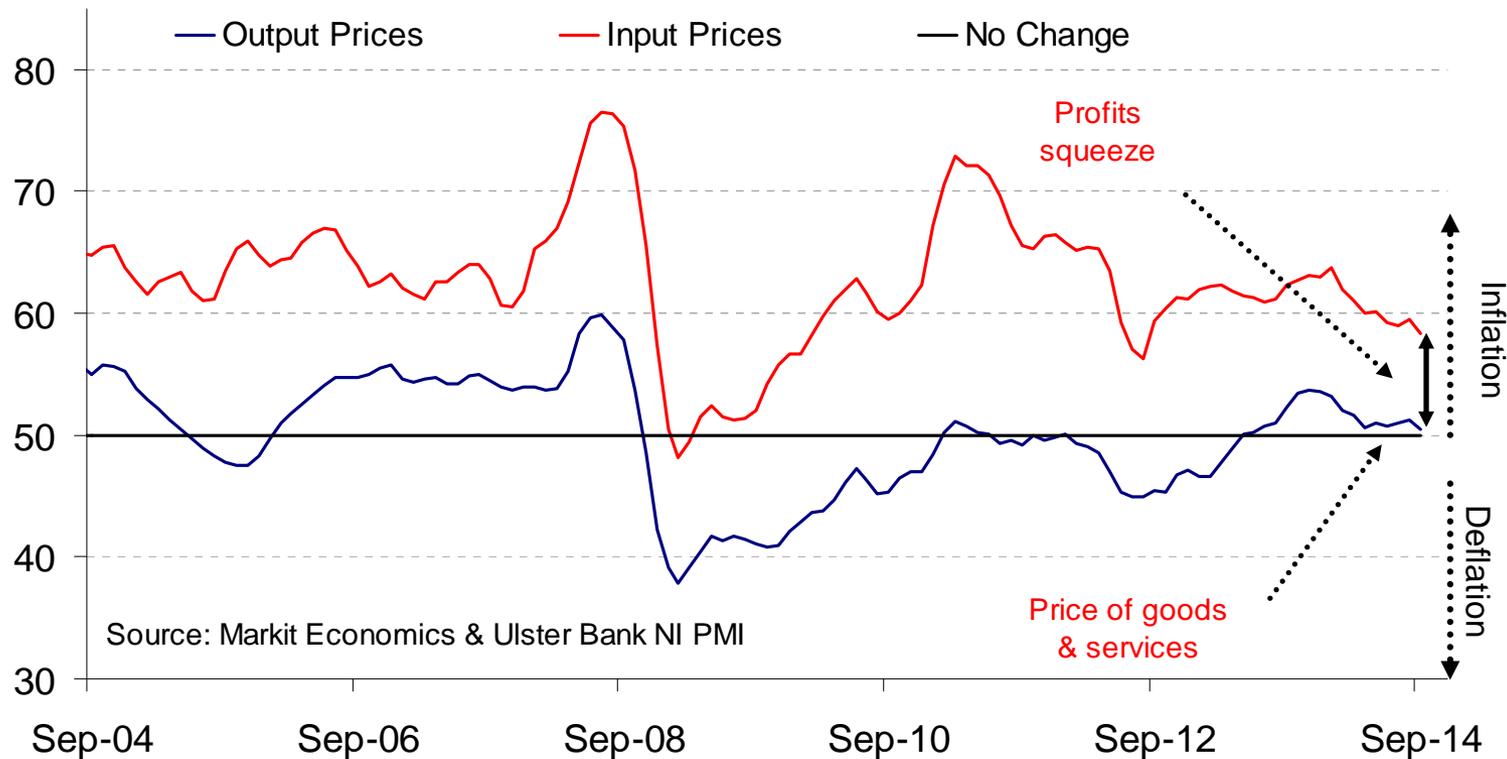
# Job creation accelerates in the RoI, UK and NI in September with the RoI posting the fastest rate of growth



# Output cost inflation remains very subdued

## NI Private Sector Profit Squeeze

3 Month Moving Average

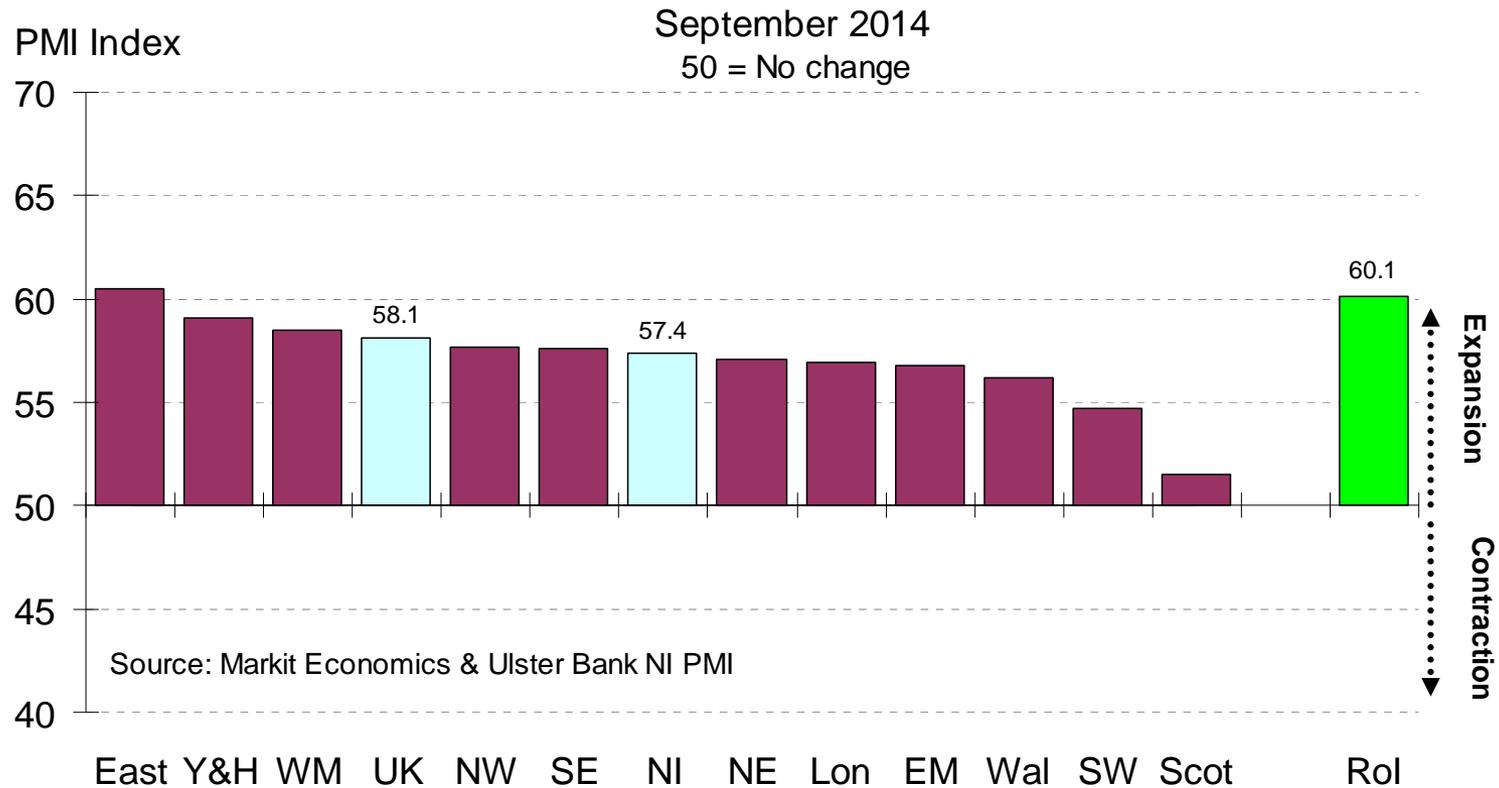


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# *Regional Comparisons*

# Strong growth across most UK regions & the RoI with Scotland posting the weakest growth rate in September

## Output / Business Activity



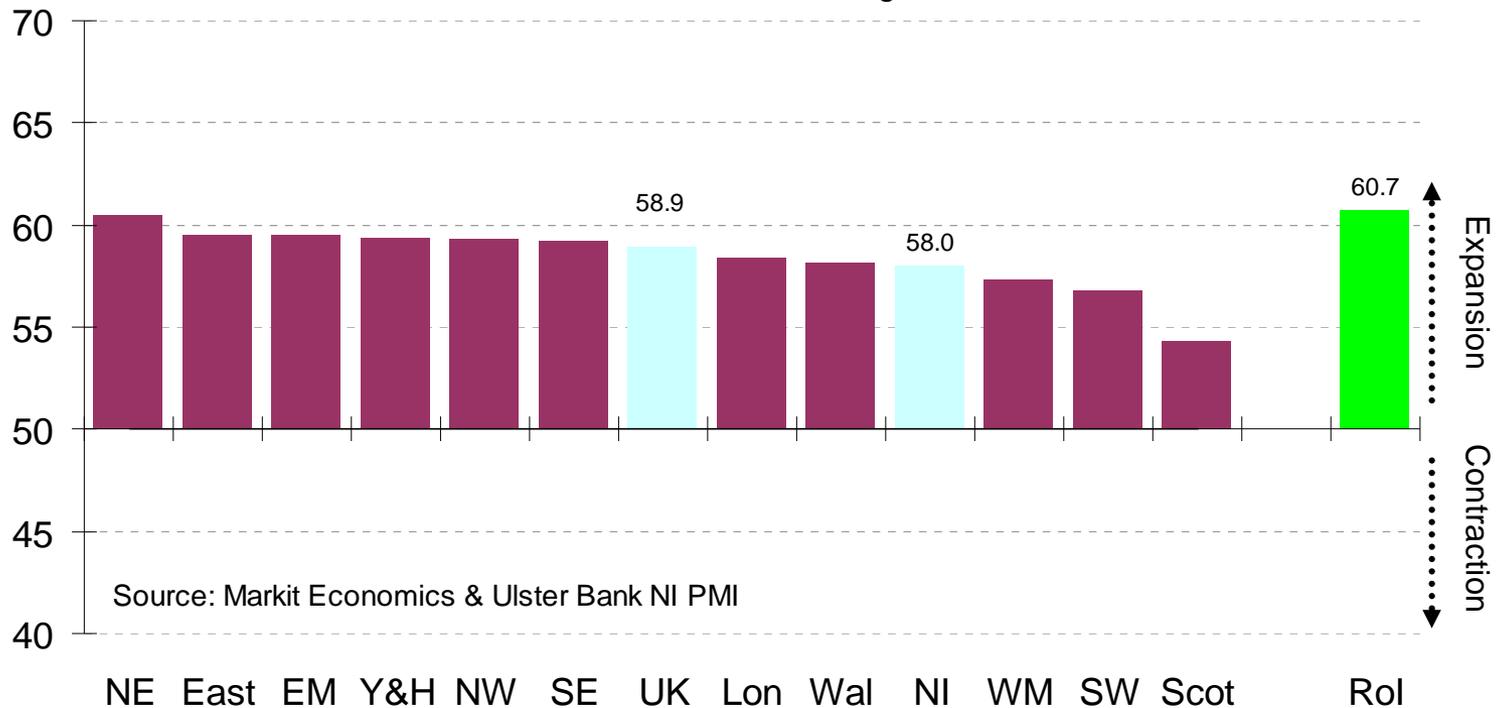
...most of the UK regions & the Rol post strong rates of growth over the last 3 months...

## Output / Business Activity

Q3 2014

50 = No change

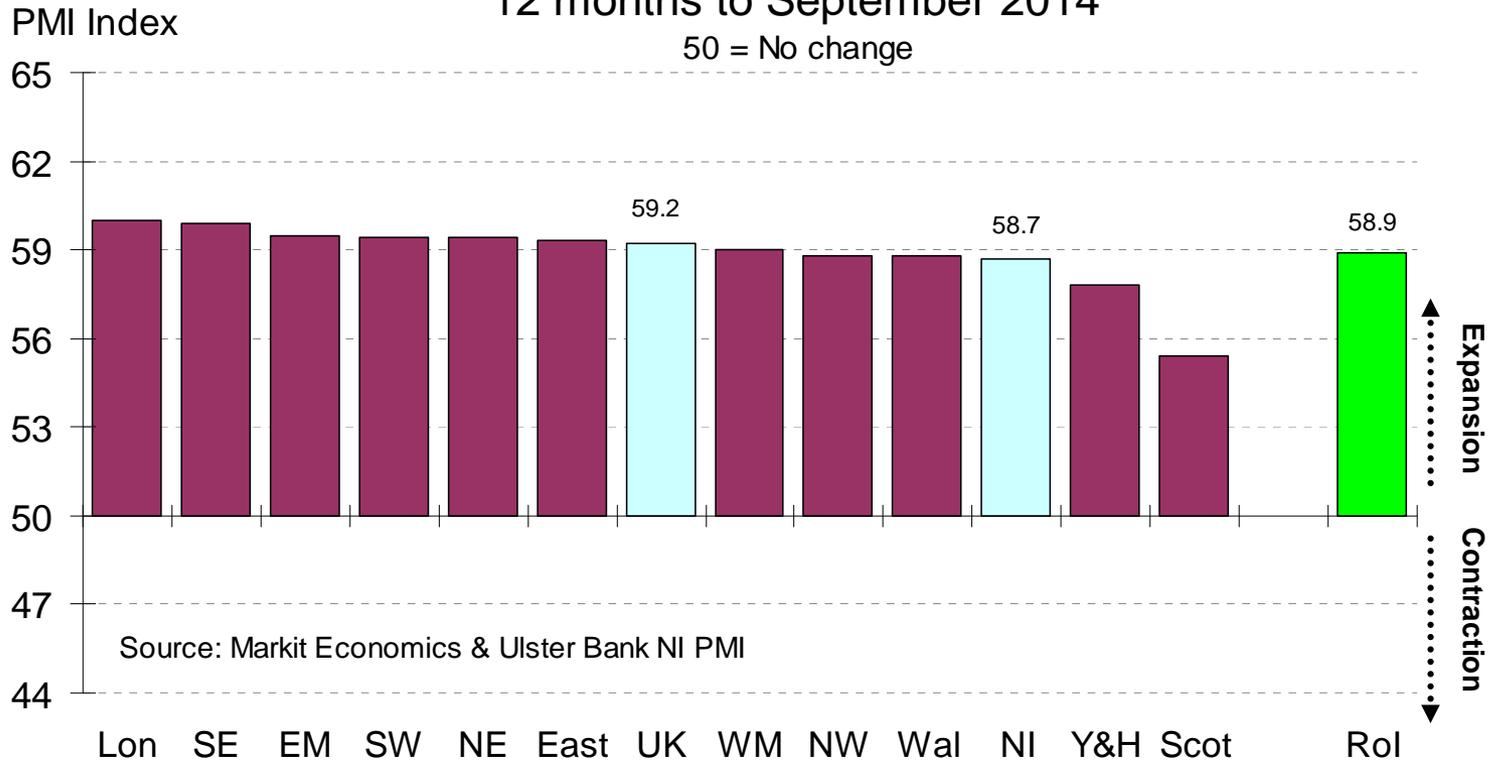
PMI Index



... and over the last 12 months

## Output / Business Activity

12 months to September 2014

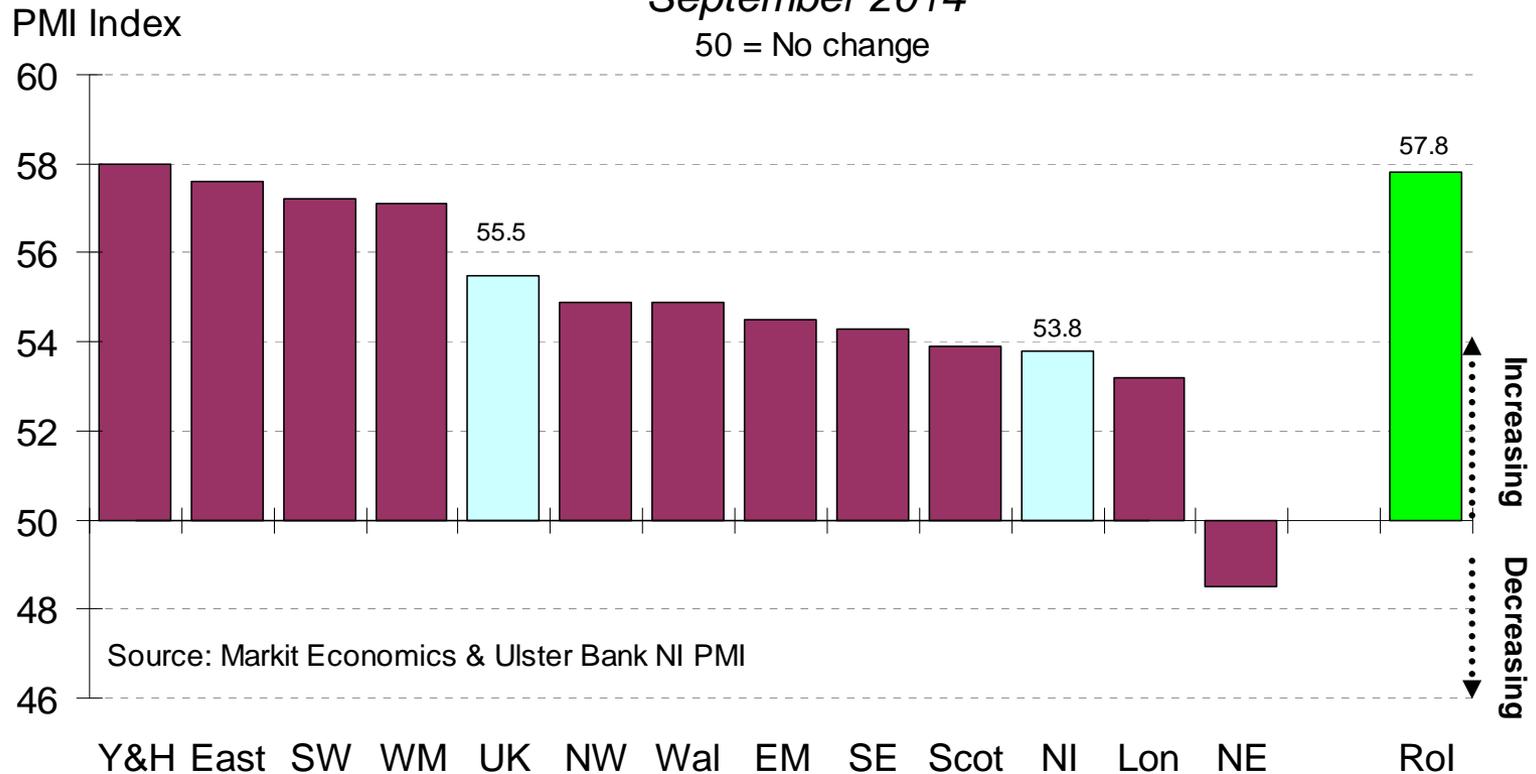


# NI posts further job gains in September lags behind the UK & the RoI. The North East posts job losses

## Employment Levels

September 2014

50 = No change



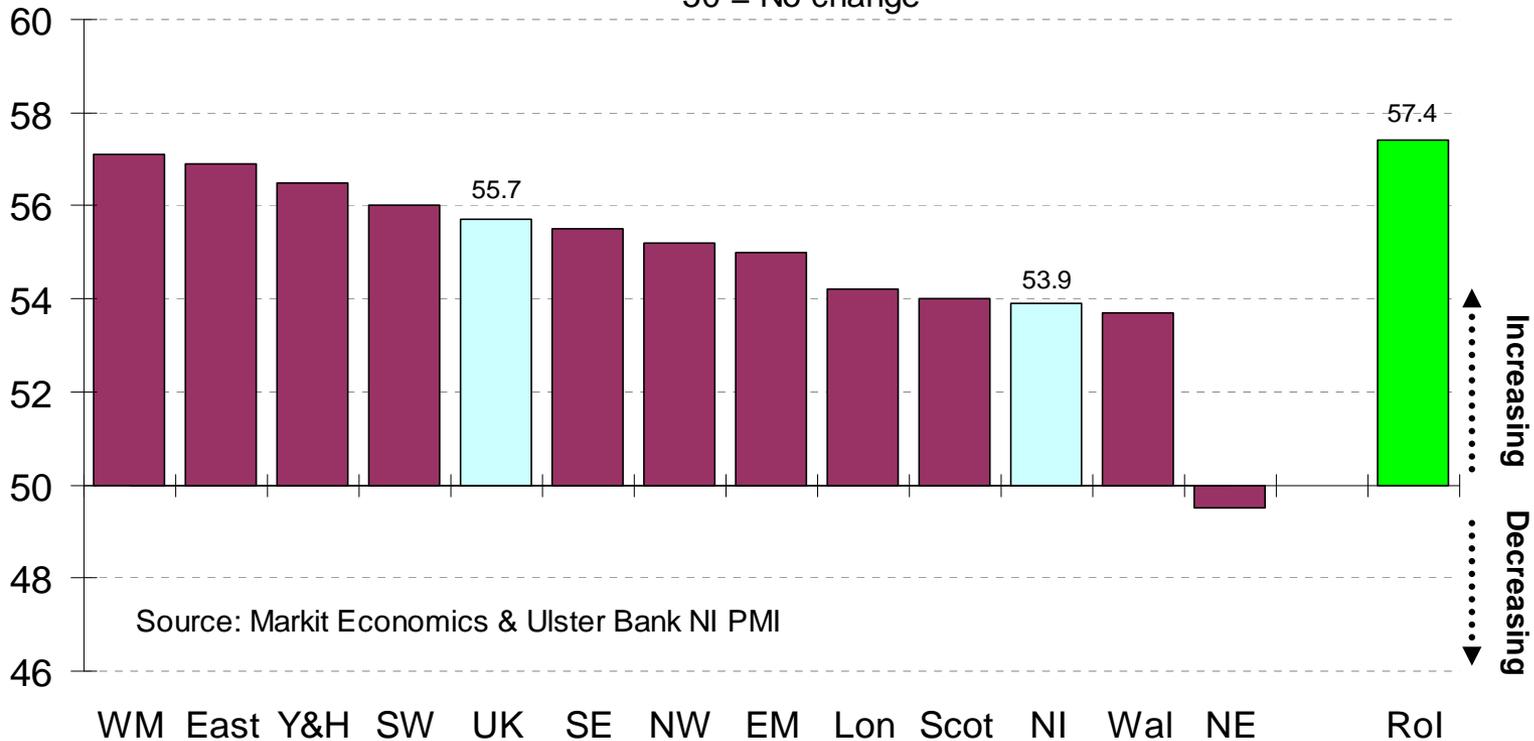
# Most UK regions (including NI) and the RoI post strong rates of employment growth over the last 3 months

## Employment Levels

Q3 2014

50 = No change

PMI Index

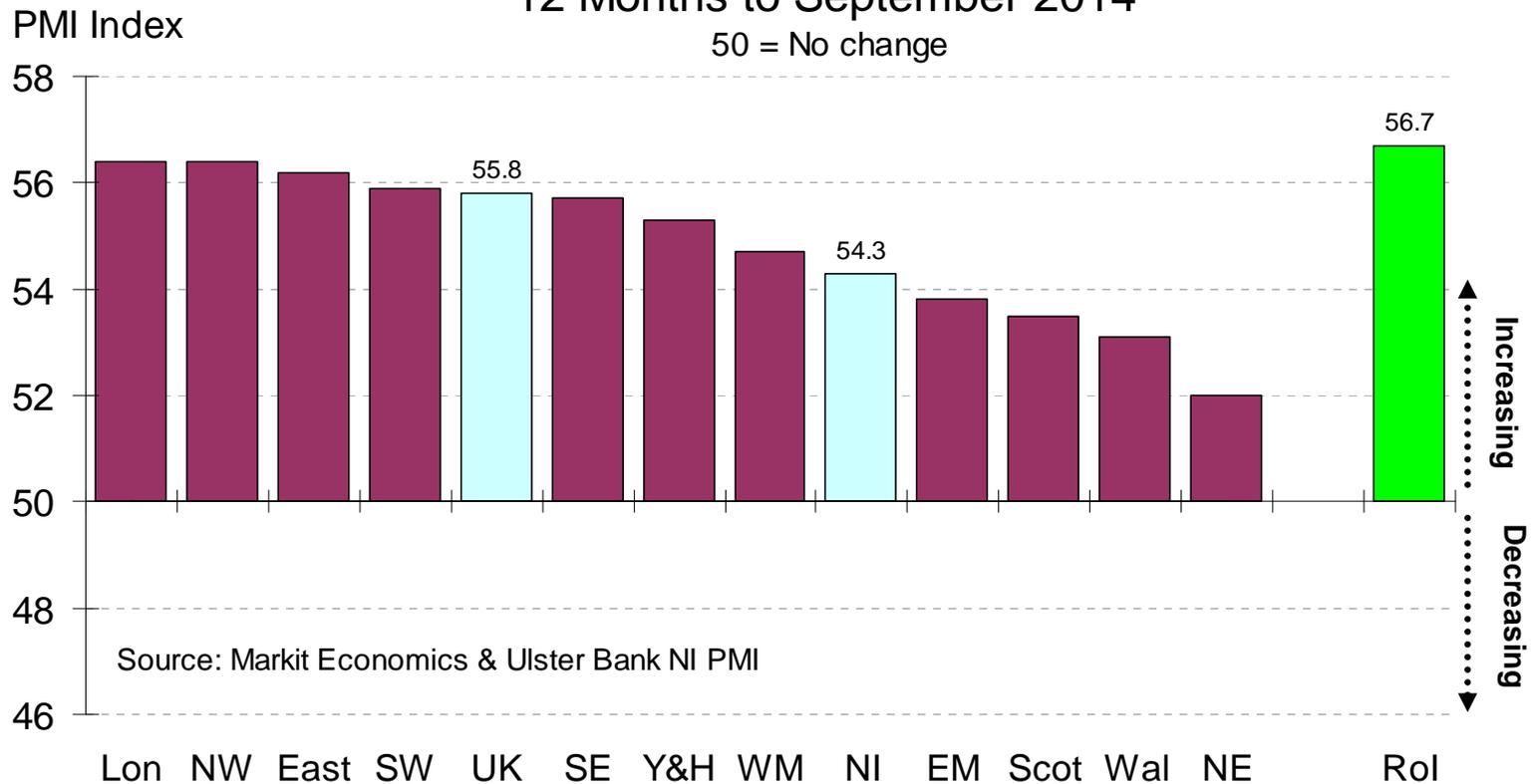


Source: Markit Economics & Ulster Bank NI PMI

# The Rol, London & the North West posted the sharpest rises in employment levels over the last year

## Employment Levels

12 Months to September 2014  
50 = No change

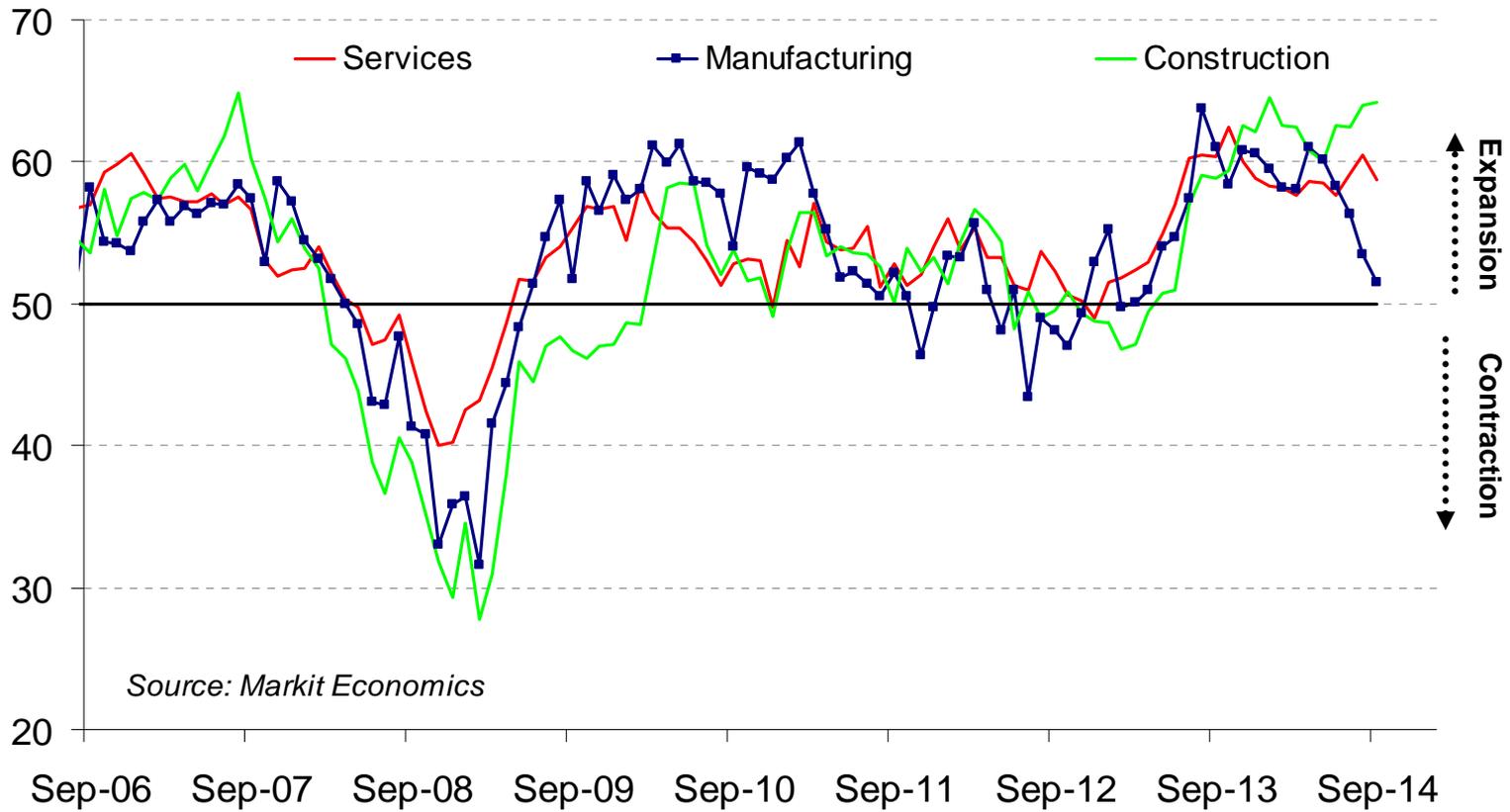


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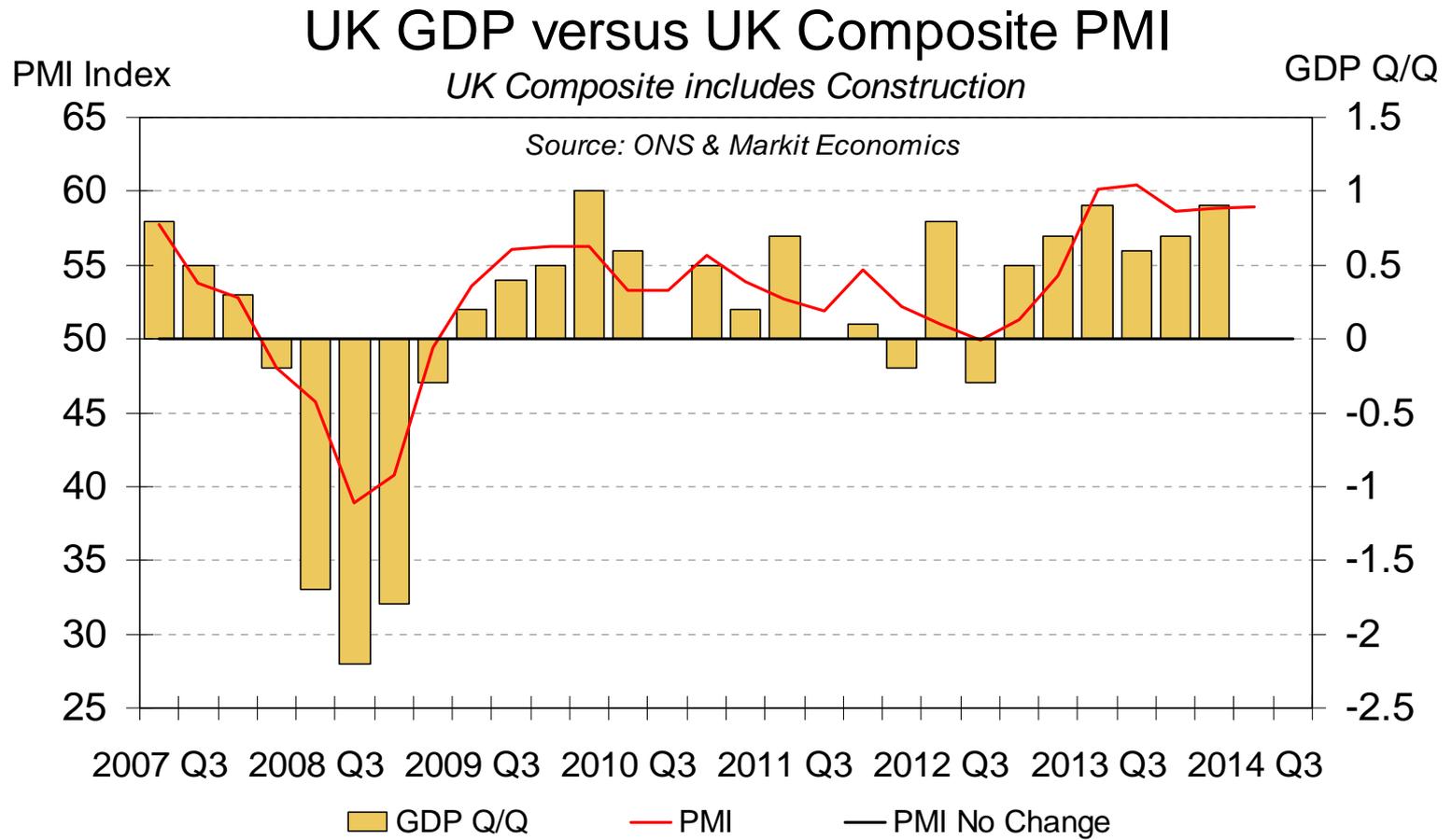
# *Sectoral Comparisons*

# UK services & manufacturing disappointing expectations with only construction posting an acceleration in growth

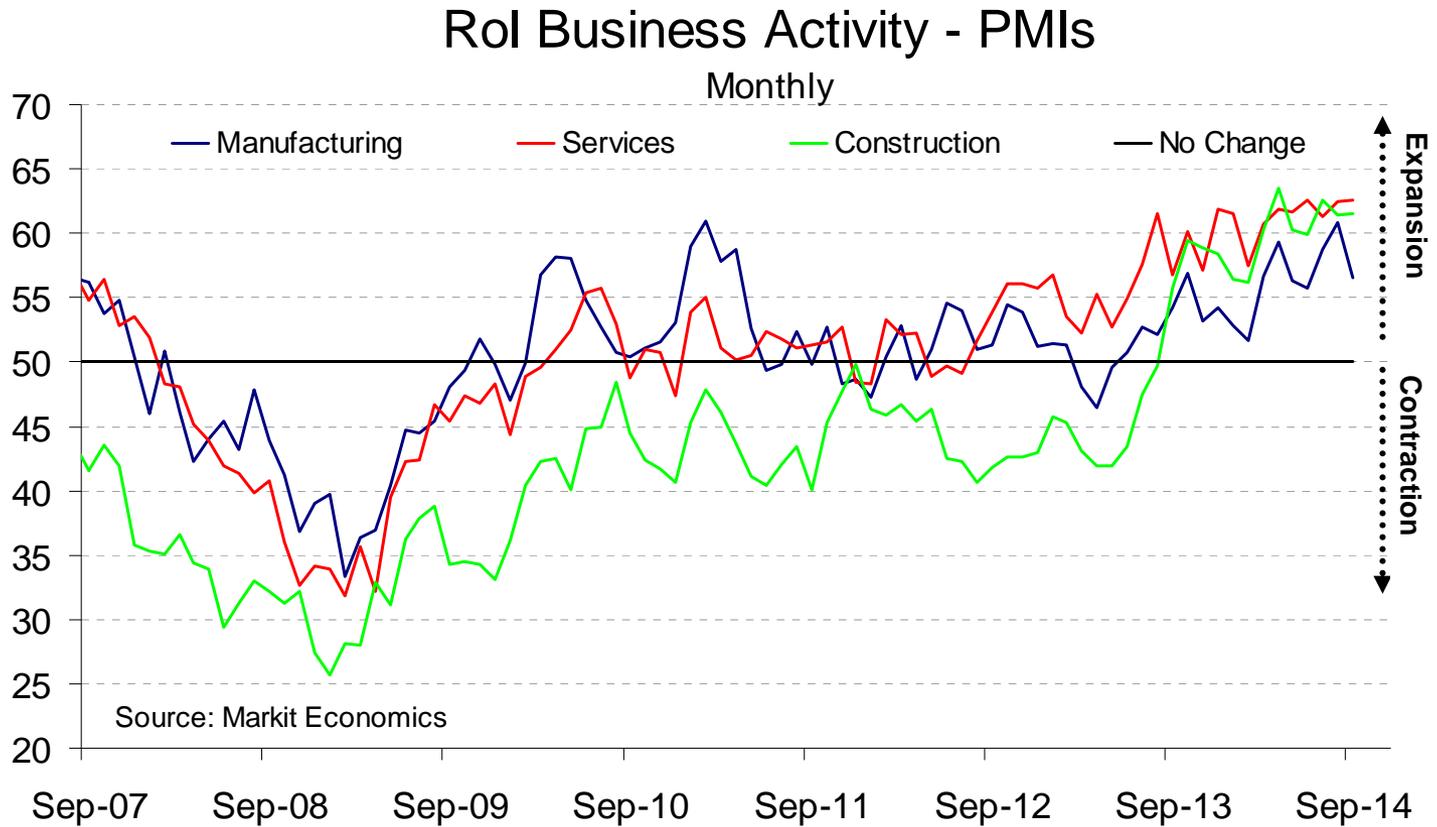
## UK Business Activity / Output - PMIs



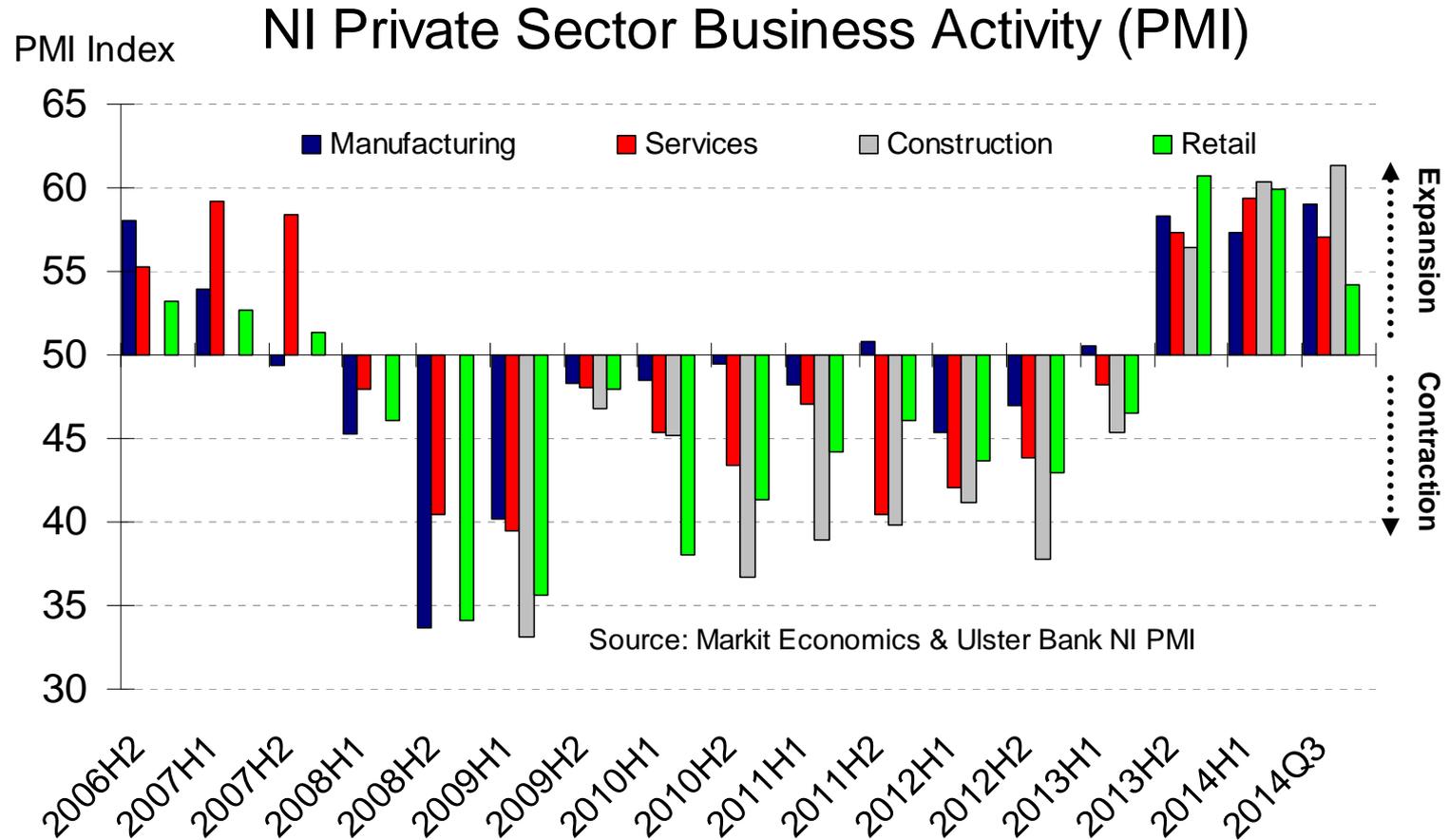
# UK posts strong rates of economic growth between Q1 2013 & Q2 2014 with further growth expected in Q3



# Rol output growth accelerates within services & construction but eases within the manufacturing sector



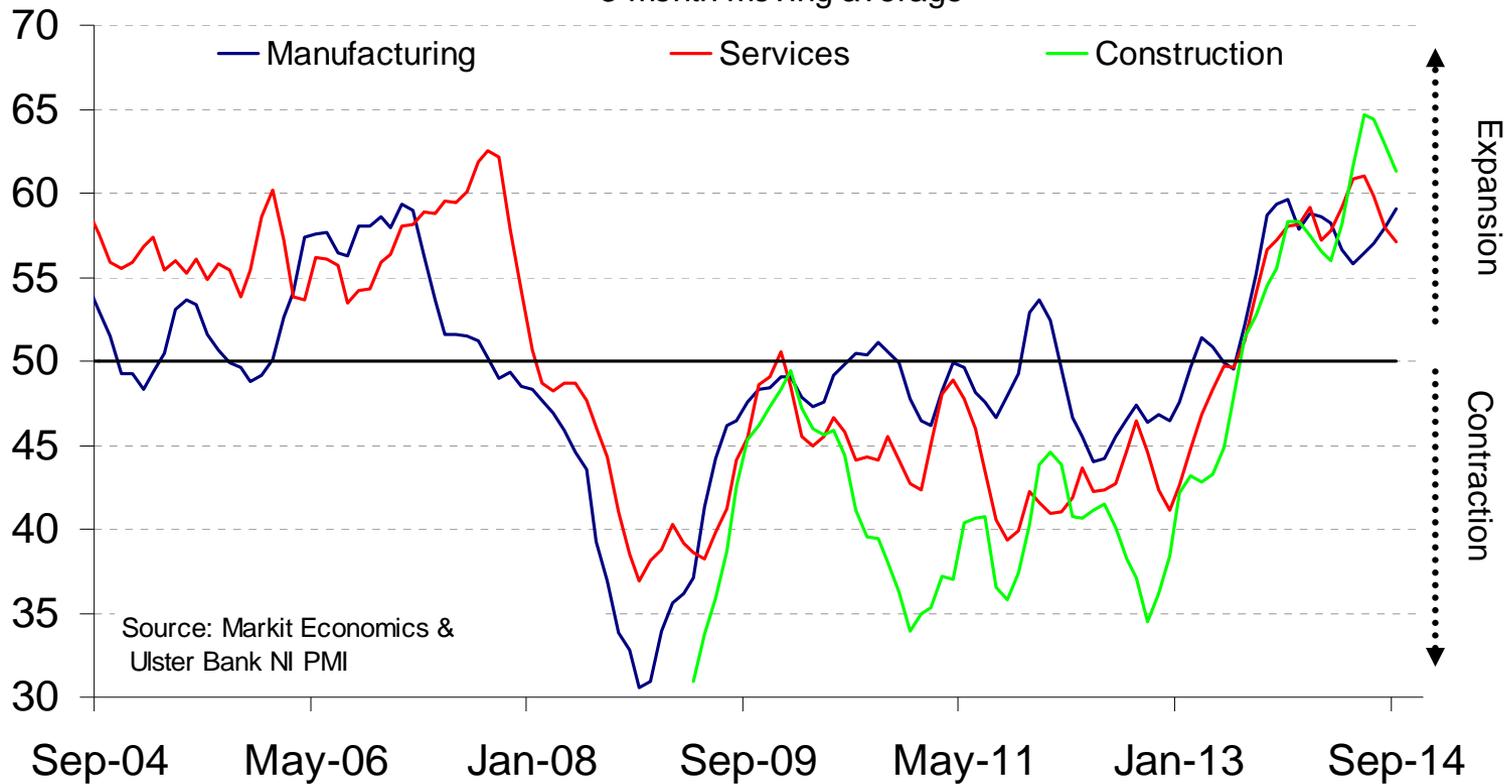
# NI's manufacturing & construction firms reported stronger rates of growth in output in Q3-14 than H1-14



# NI's services & construction sectors saw output growth ease in Q3 relative to Q2

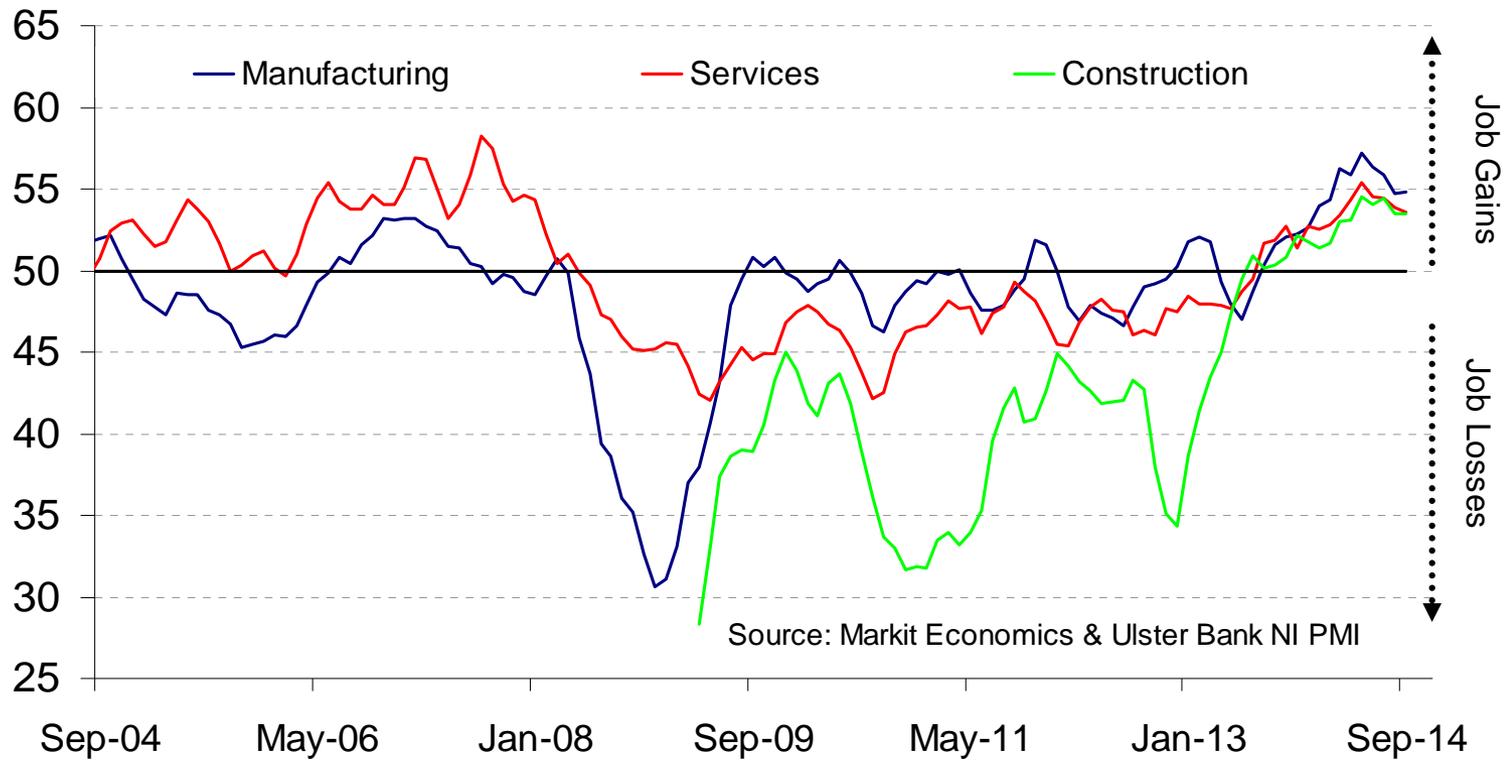
## Northern Ireland Private Sector Output

3 month moving average



...with construction & services reporting an easing in the rates of employment growth over the last 3 months

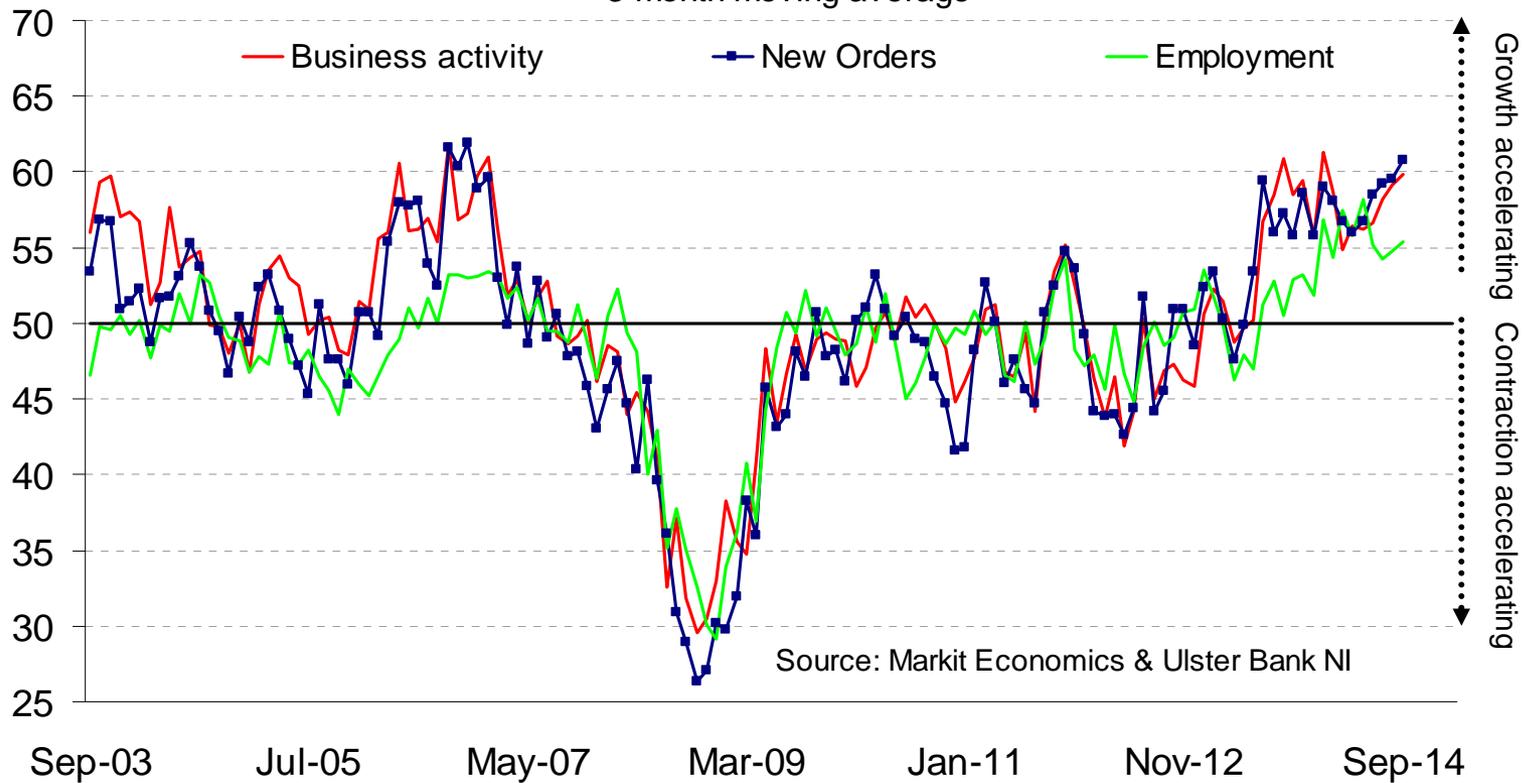
NI PMI - Employment Index  
3 month moving average



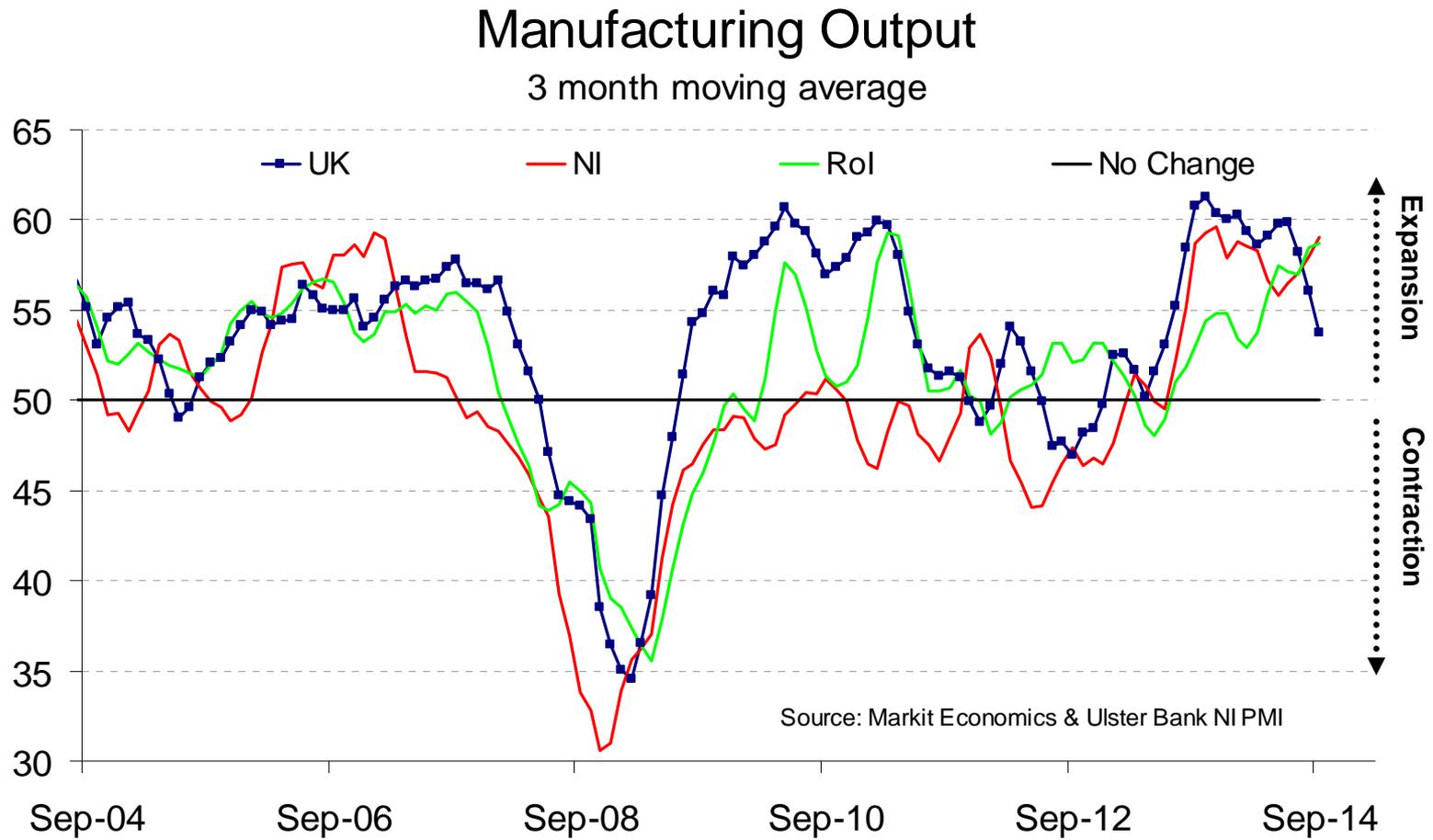
# NI's manufacturing firms report an acceleration in output and new orders growth in Q3

## NI Manufacturing Activity

3 month moving average



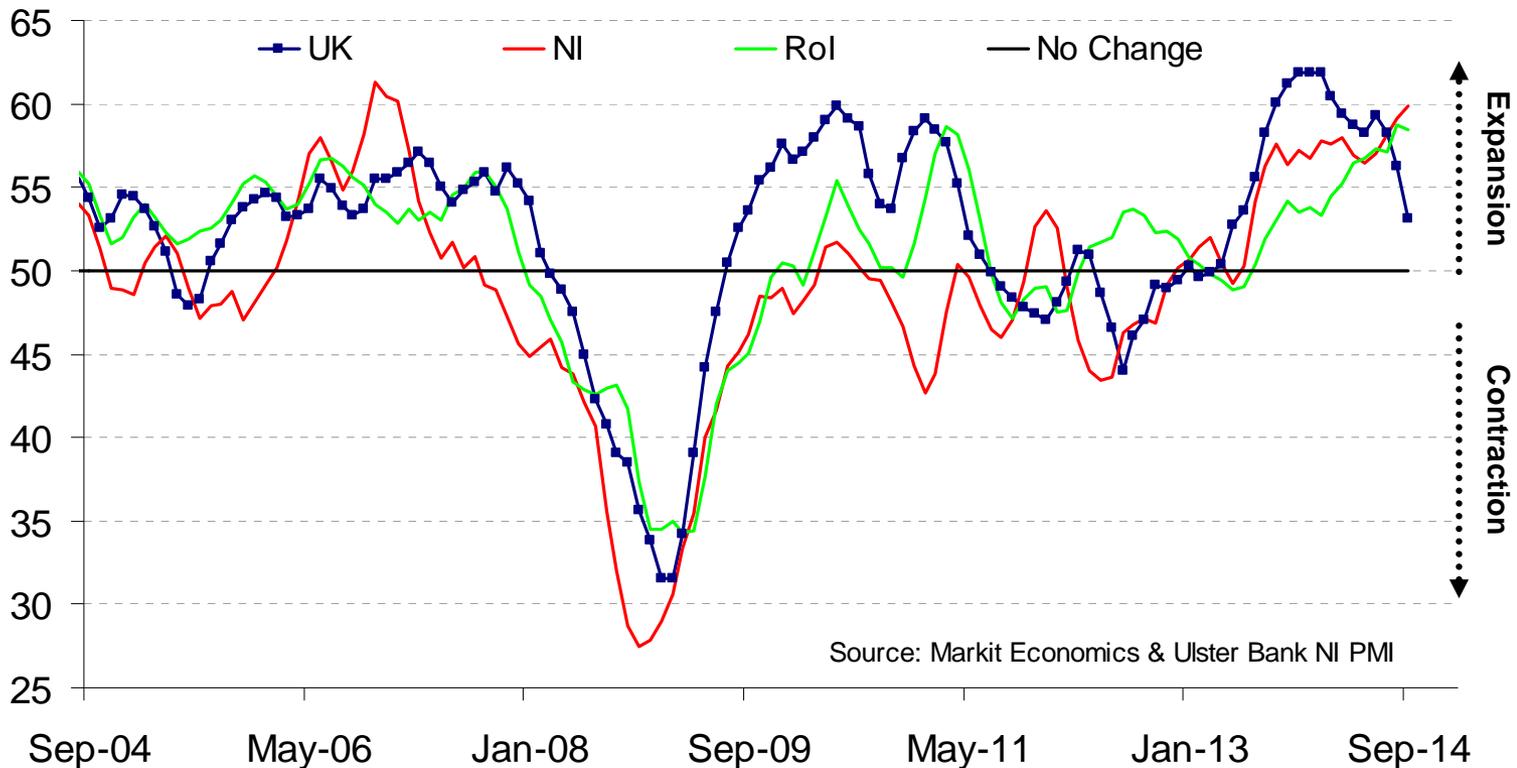
# NI & RoI post a pick-up in their manufacturing output growth rates in Q3 while the growth rate eases markedly in the UK



# Manufacturing new orders growth rates accelerates in NI in Q3 but eases significantly in the UK

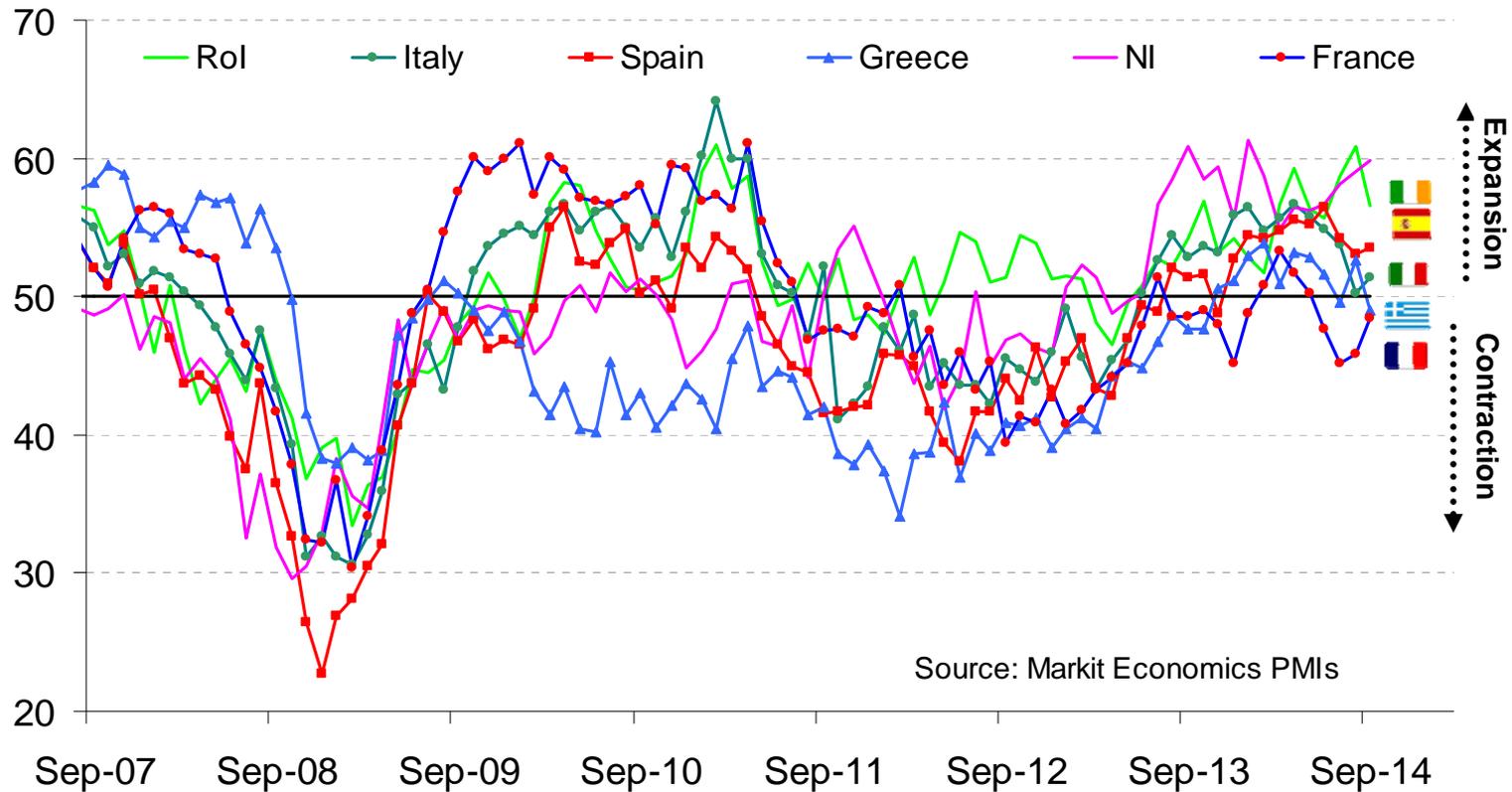
## Manufacturing New Orders

3 month moving average



# NI has been outperforming some of its European competitors for most of the last 12 months

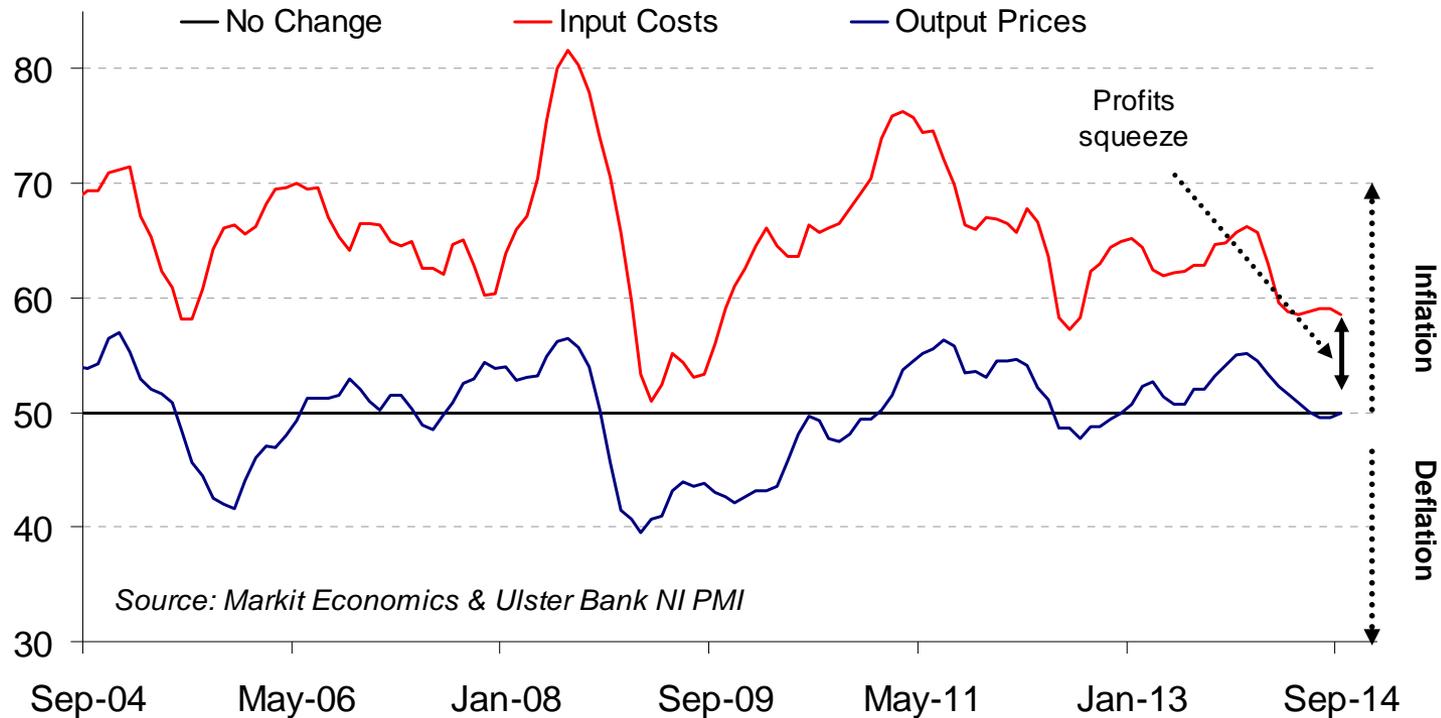
## Manufacturing Output - PMI



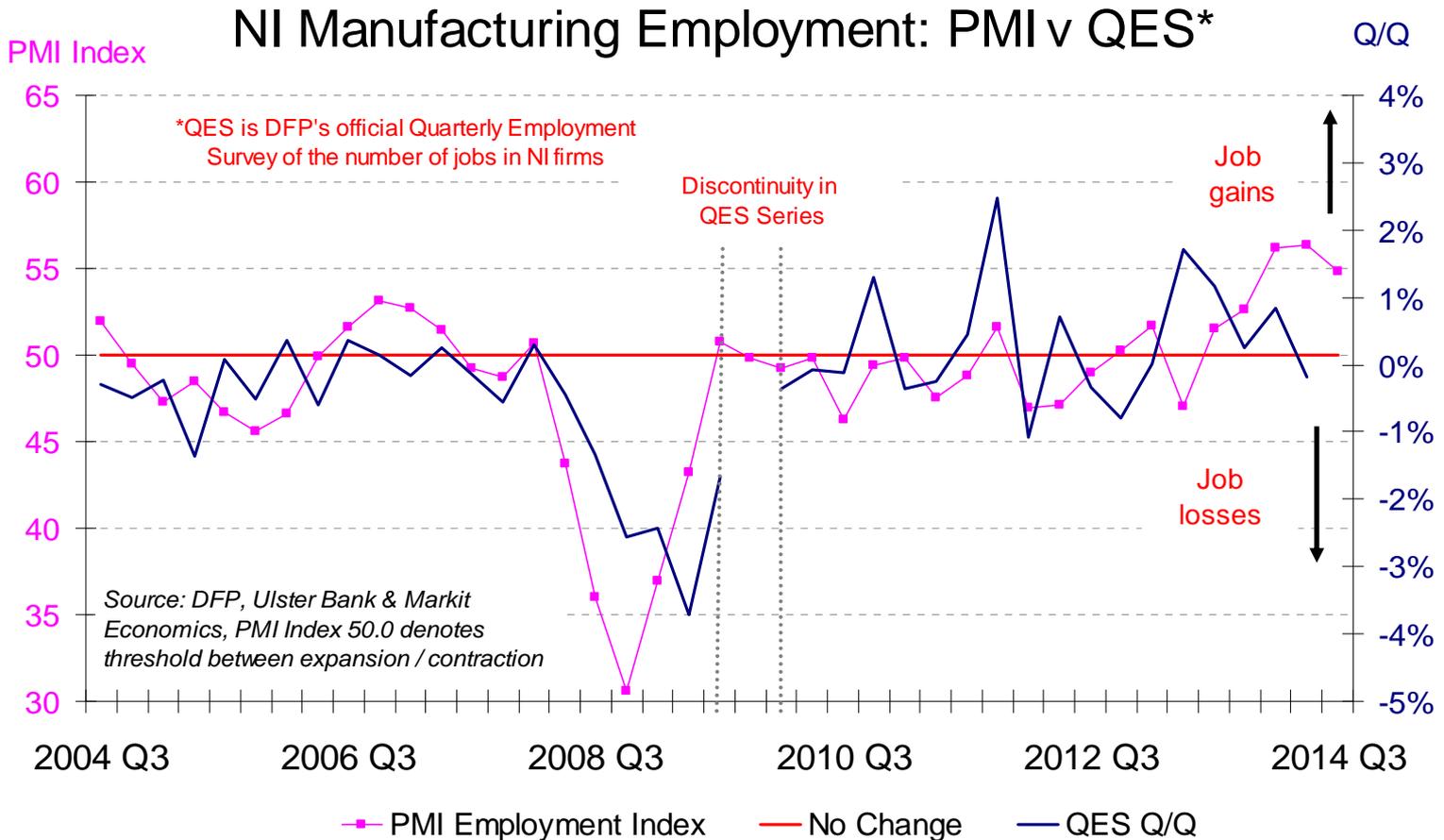
# Pricing power eases as NI manufacturing firms report the weakest output price inflation since 2012

## NI Manufacturing Input & Output Inflation

3 month moving average



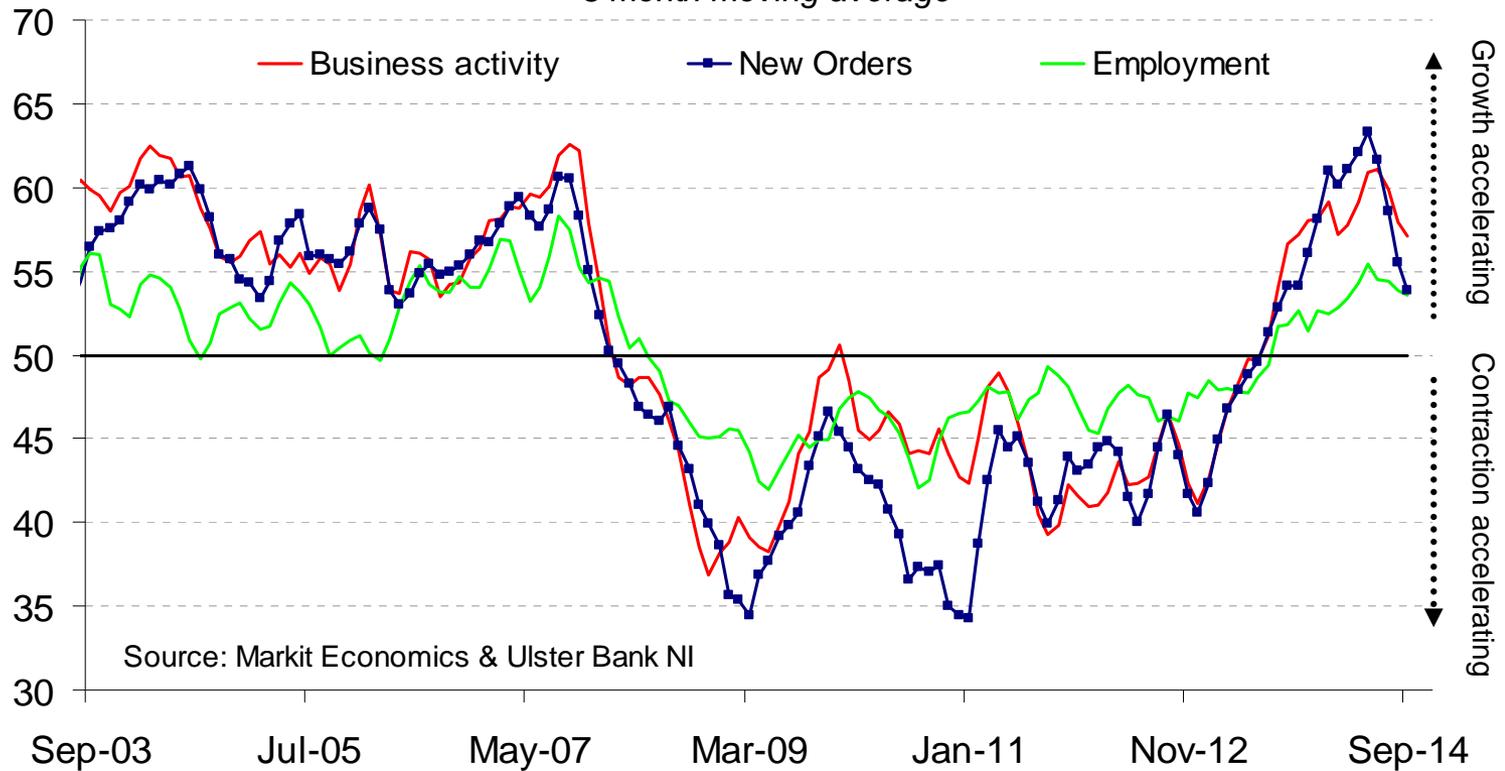
# The PMI is signalling a moderation in manufacturing employment growth in Q3 following record high in Q2



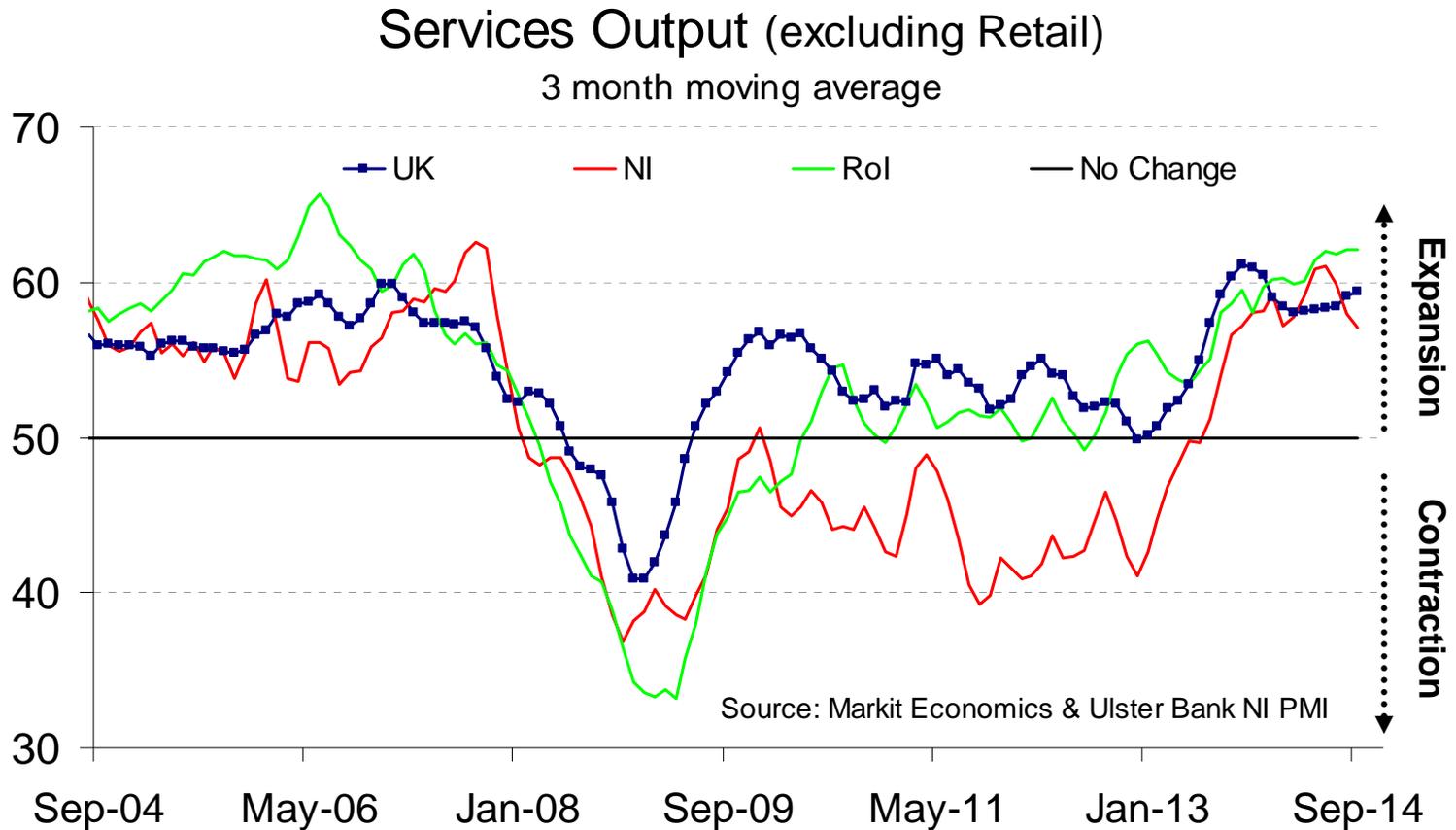
# Service sector experiences a slowdown in its rates of growth in output, employment & new orders in Q3

## NI Service Sector (excludes Retail)

3 month moving average

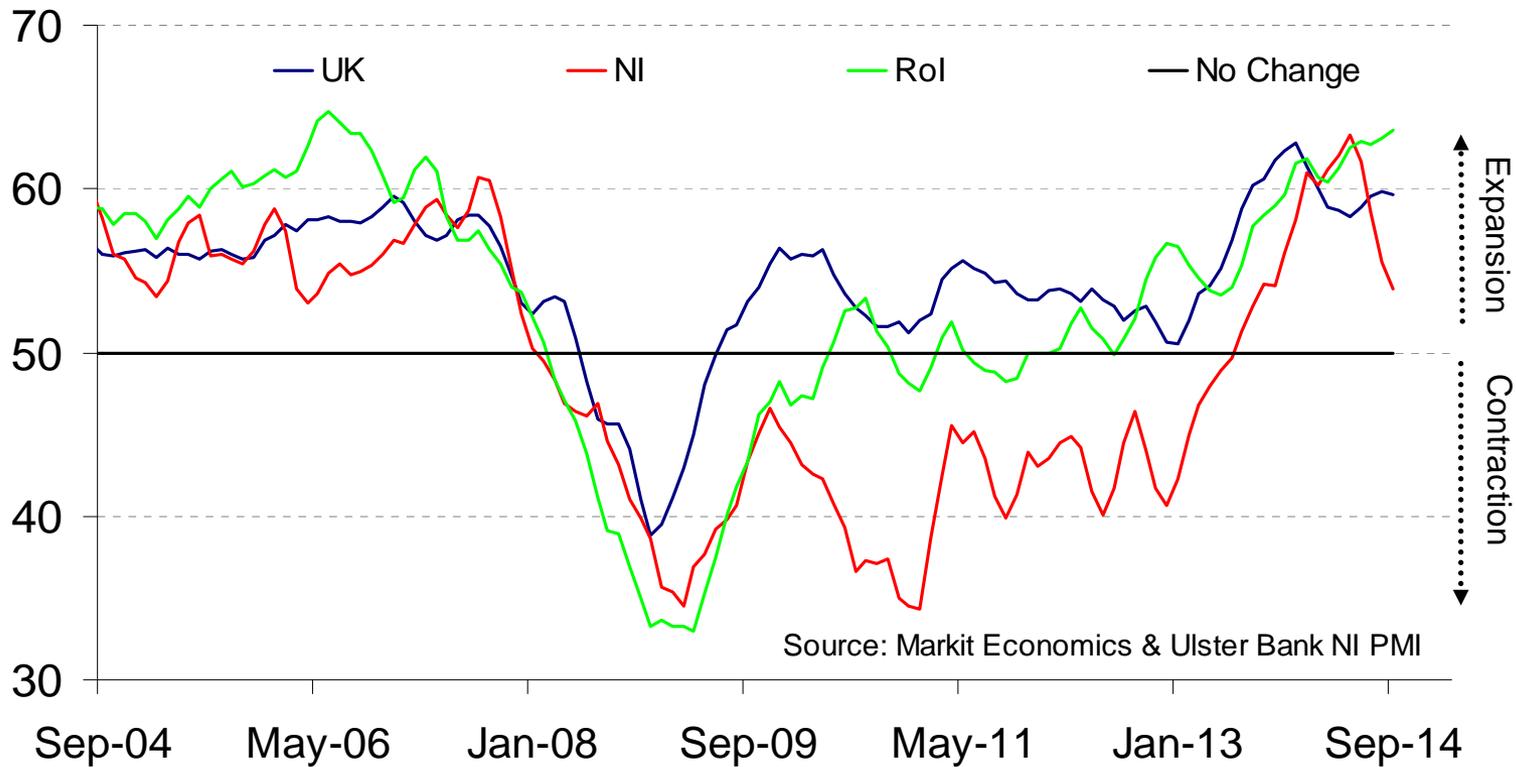


# UK & RoI firms report an acceleration in their rates of output growth whilst output growth for NI firms eases



# ...but NI firms report a marked slowdown in the rate of new orders growth in Q3

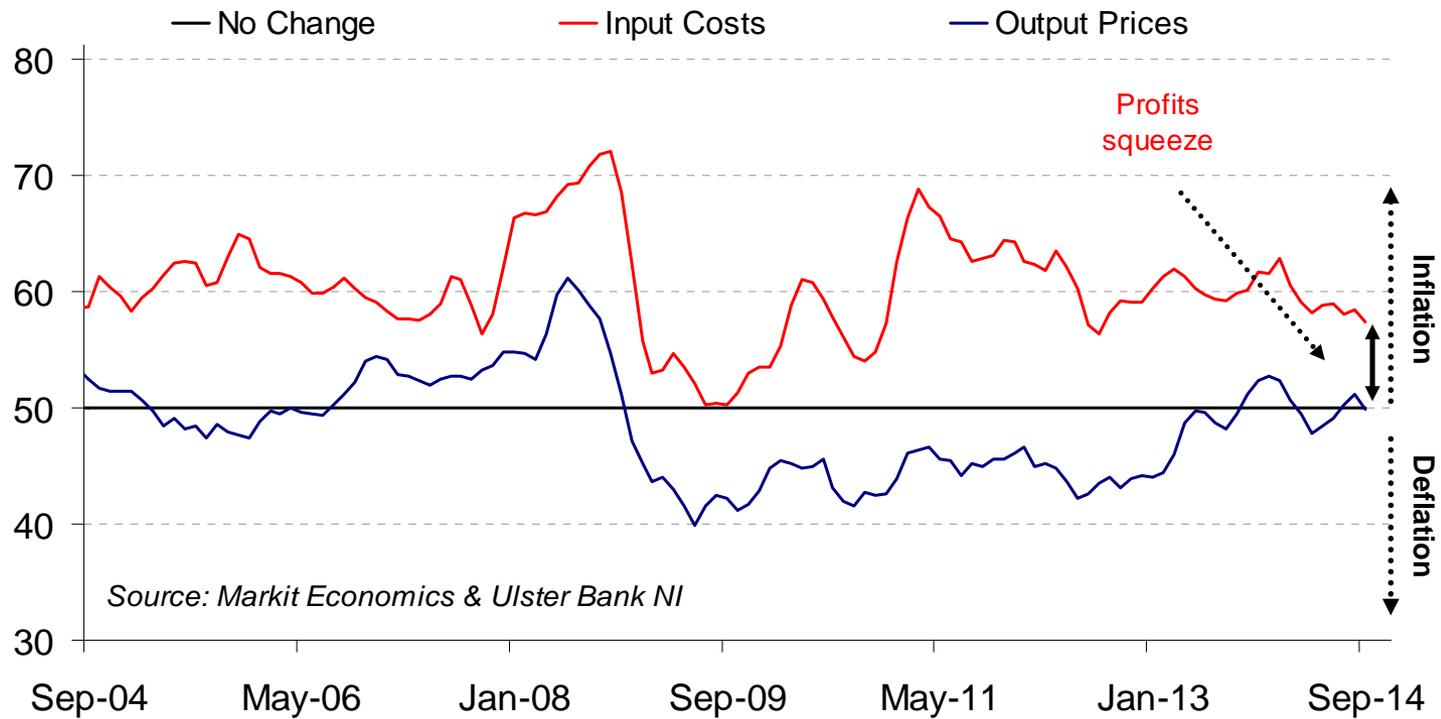
Services New Orders (*excluding Retail*)  
3 month moving average



# NI's service sector posts a decline in output prices in September & input cost inflation eases to a 27-month low

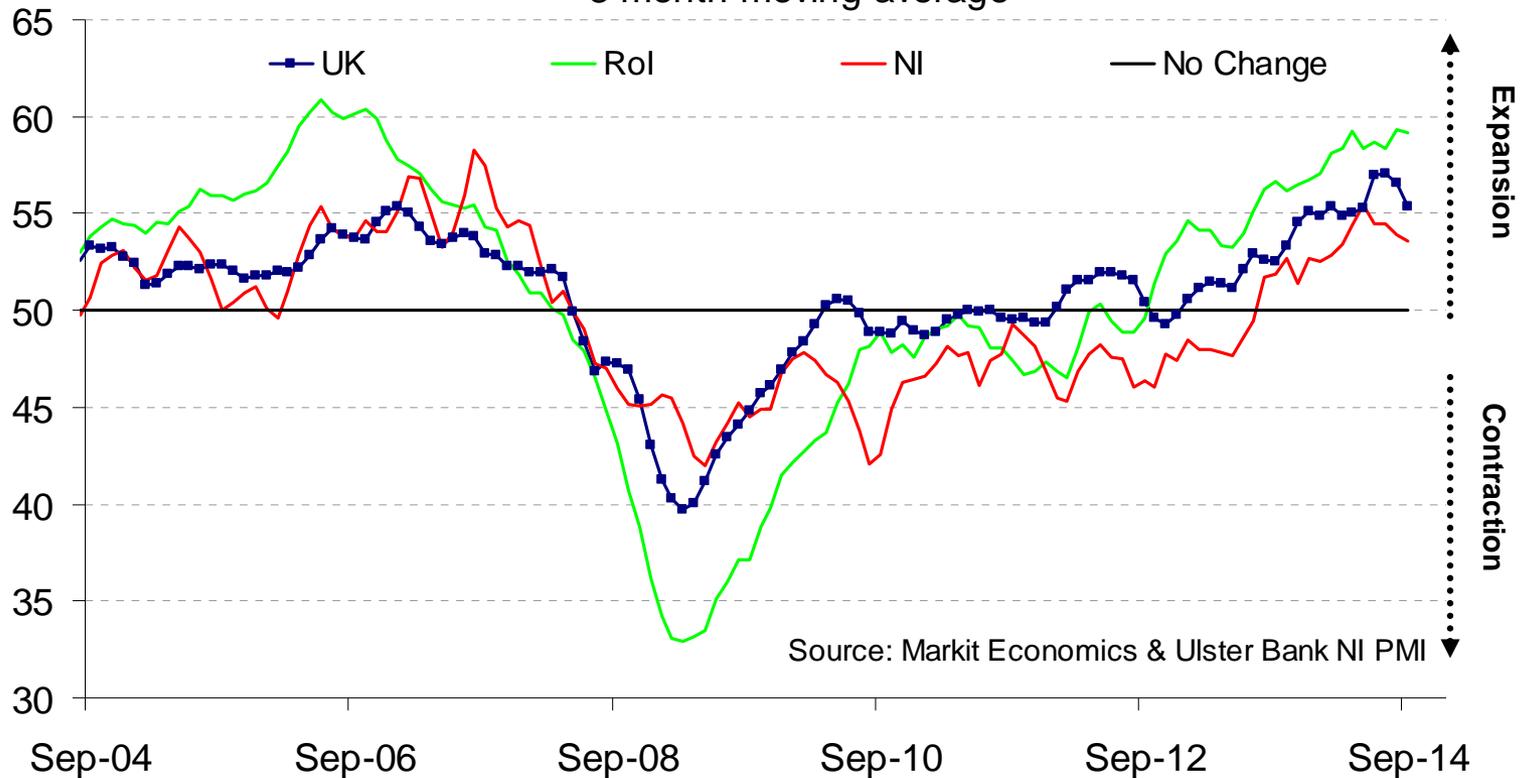
## NI Services Input & Output Inflation

3 month moving average

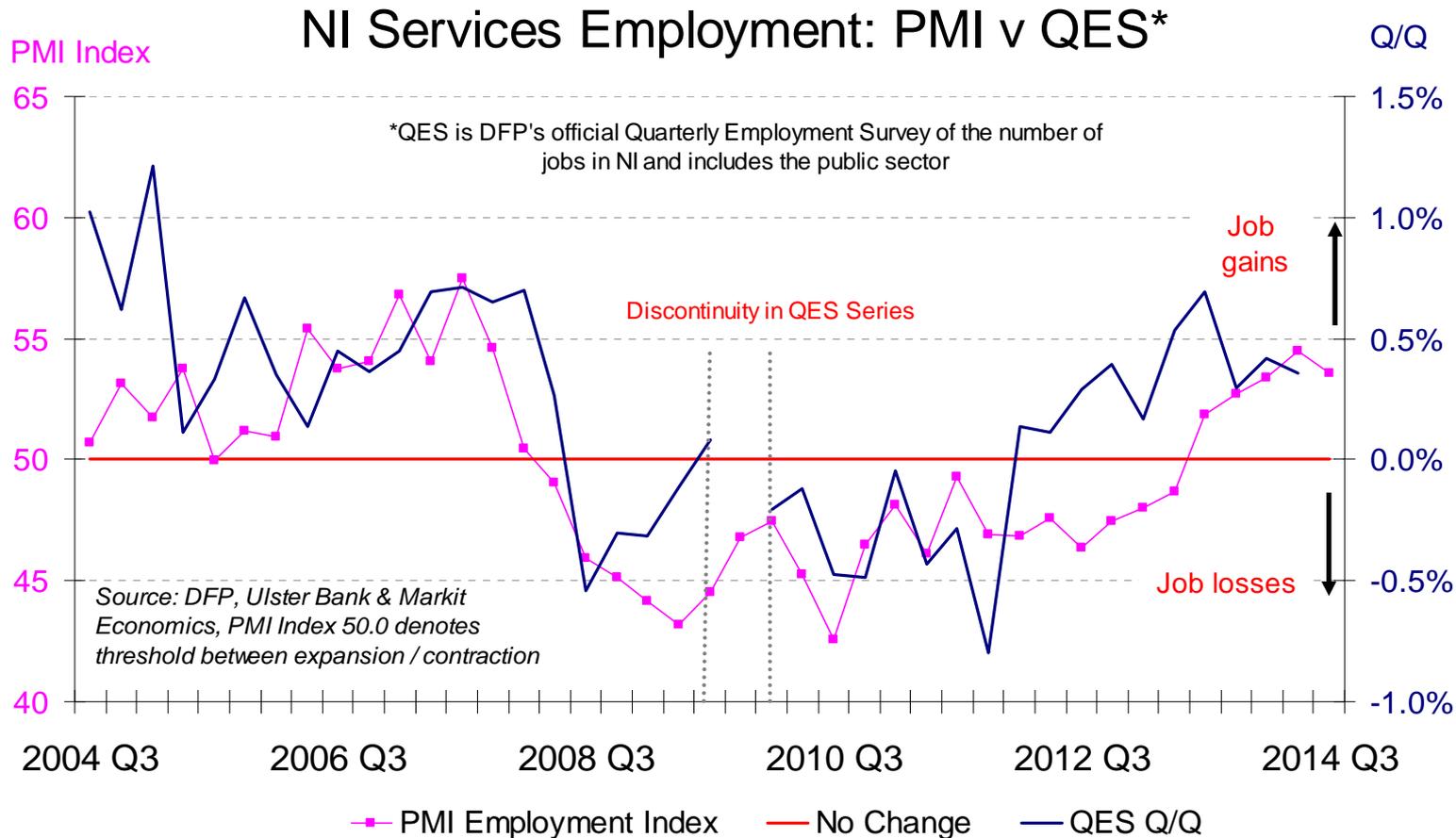


# Service sector employment growth eases in NI & UK in Q3 but remains strong in the RoI

Services Employment  
3 month moving average



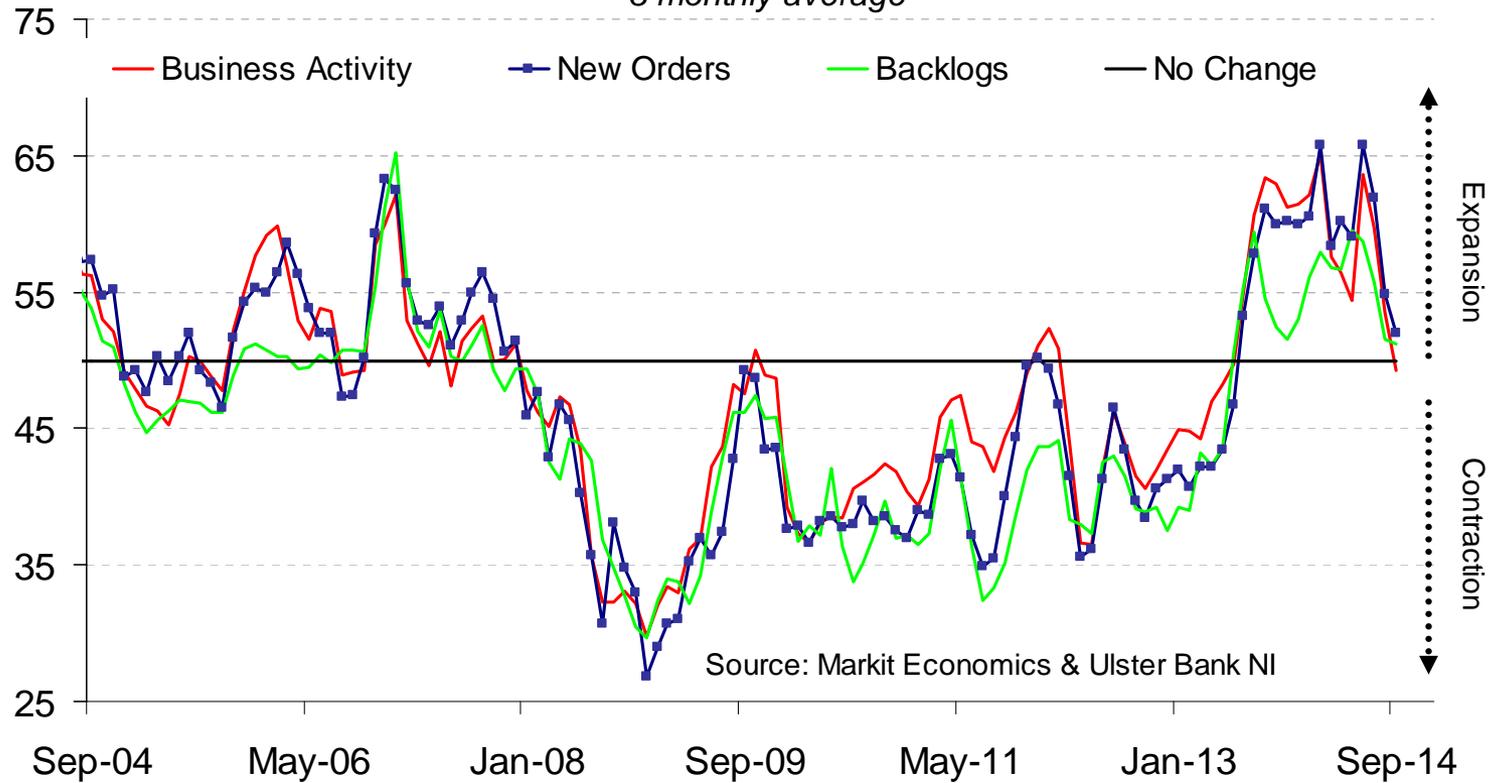
# In Q2 the services PMI showed its fastest rate of jobs growth since Q4 2007. Pace of job creation eases in Q3



# NI retailers report a much, much weaker Q3 relative to a bumper Q2 (boosted by Giro D'Italia)

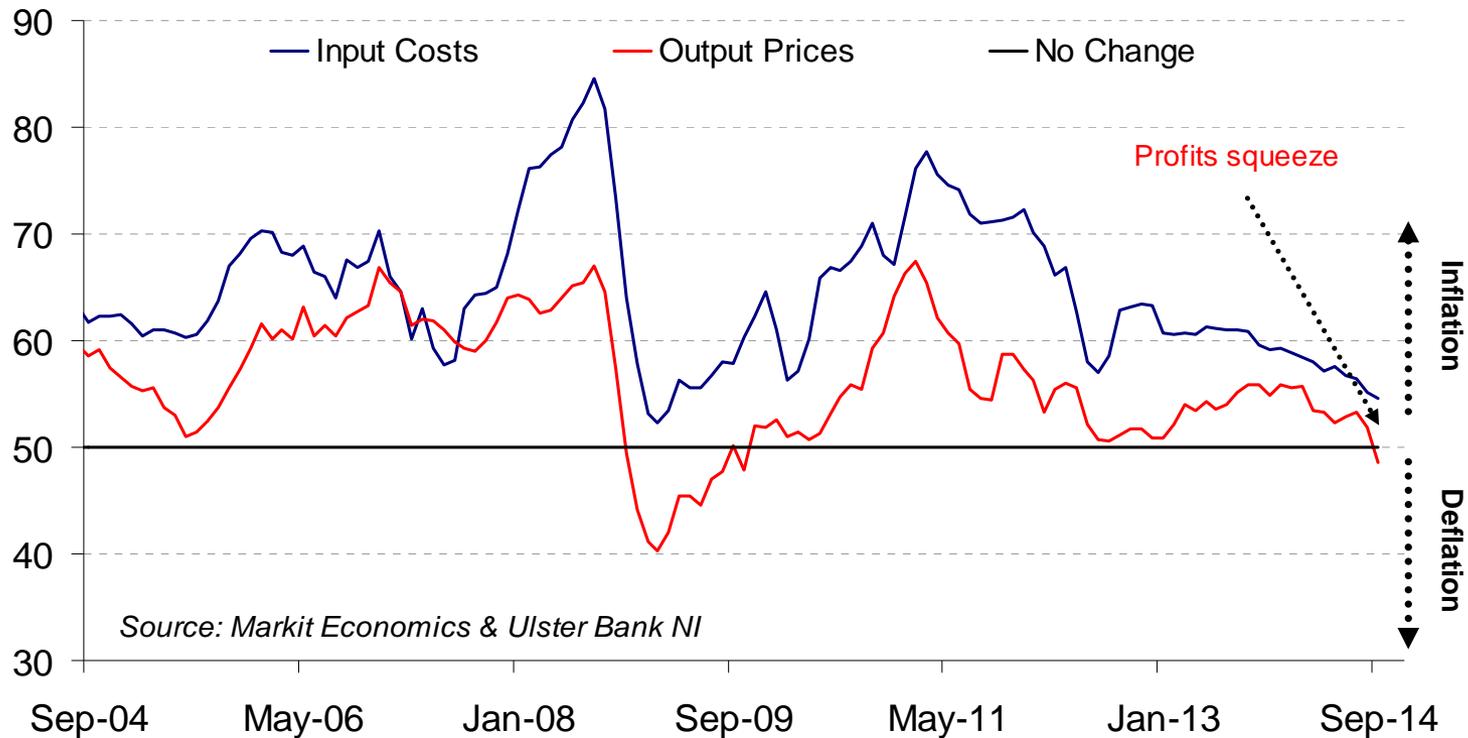
## Northern Ireland Retail PMI

3 monthly average



# Local retailers report their first fall in output prices in 5 years in September

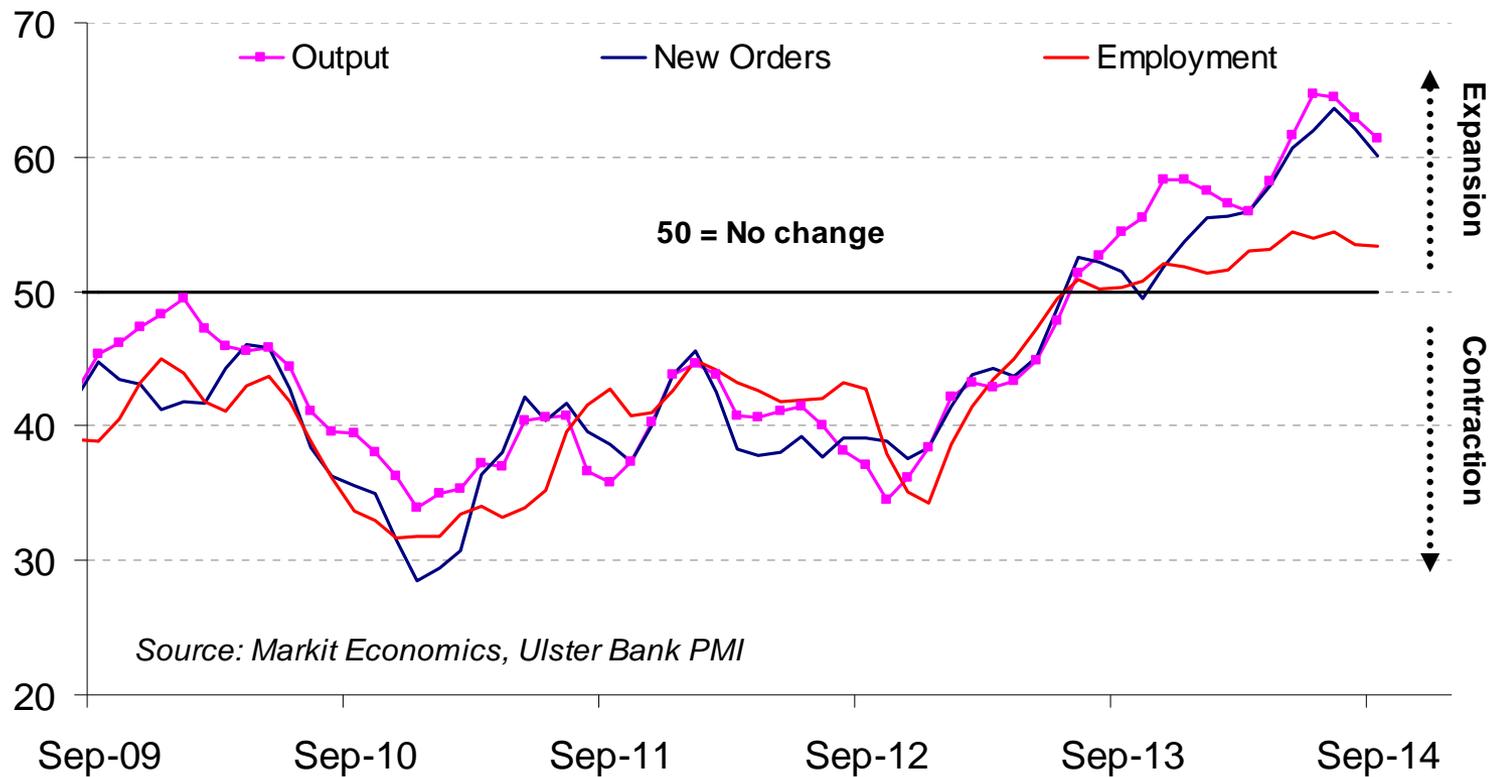
## NI Retail Input & Output Inflation 3 month moving average



**Following Q2's record rates of growth, NI's construction firms report a slight easing in their rates of growth in Q3**

## NI Construction PMI

3 month moving average

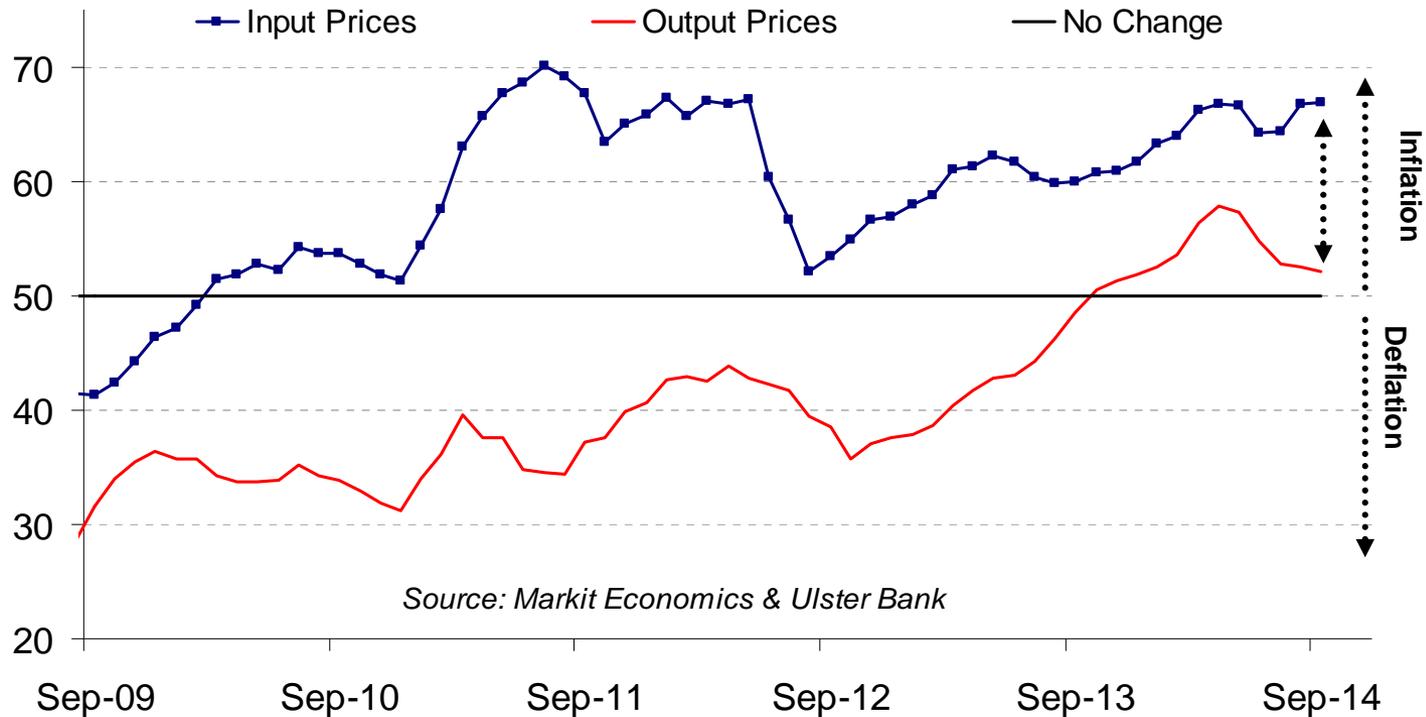


...and output price inflation has eased while input cost inflation has accelerated in Q3

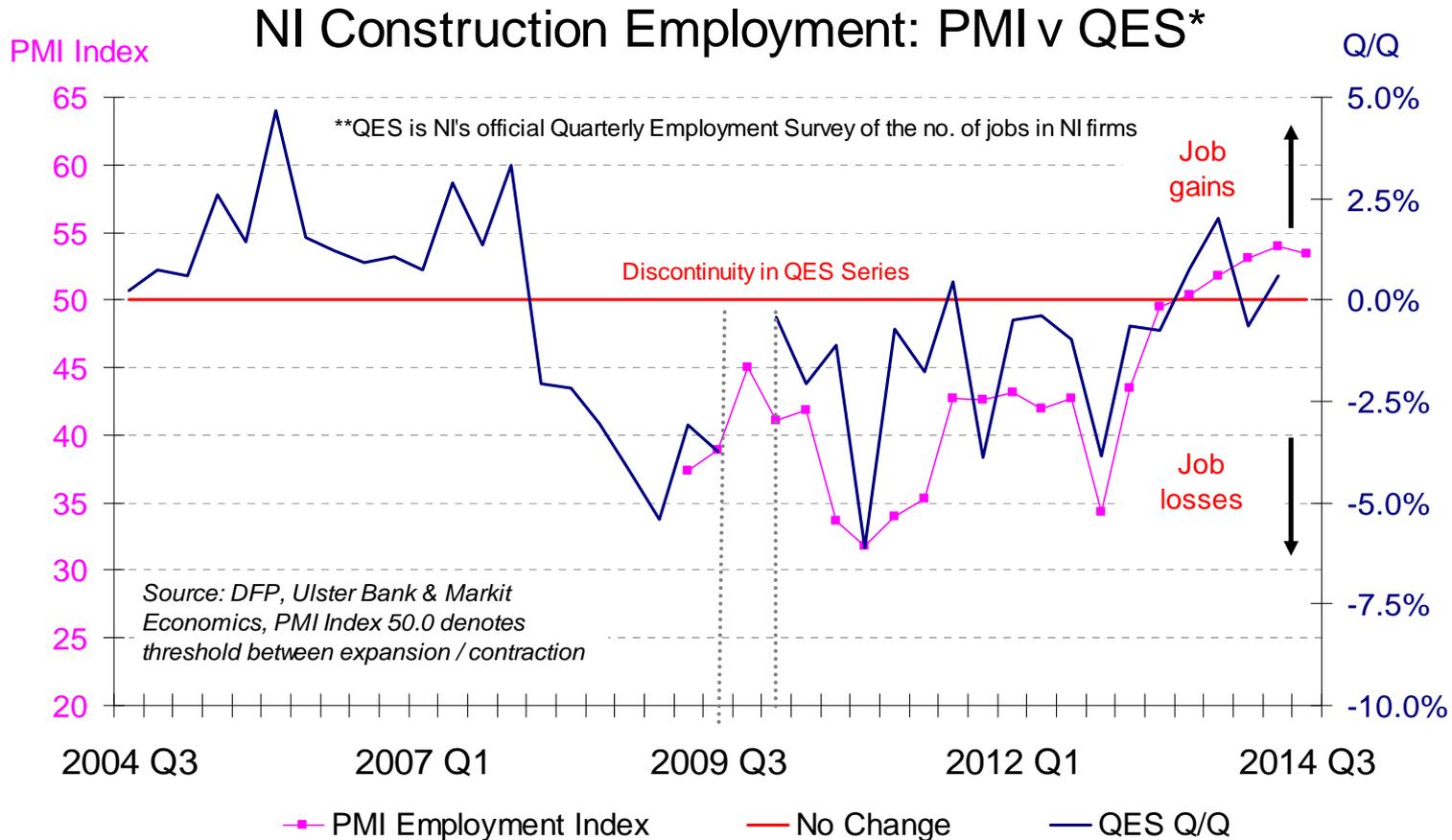
### NI Construction Sector Profits Squeeze

3 month moving average

PMI Index



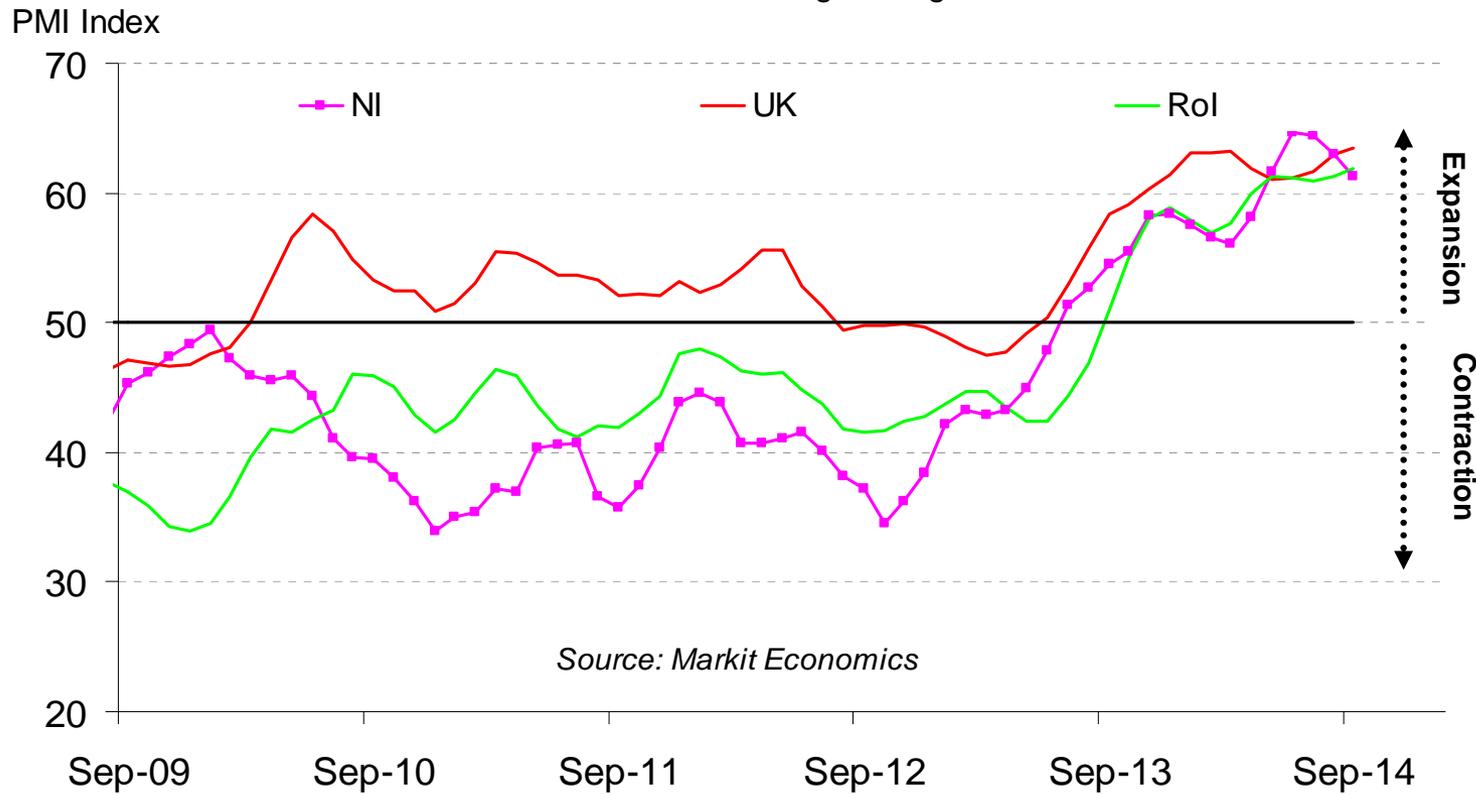
# NI's construction PMI posts its 5th successive quarterly rise in employment in Q3 but QES shows a fall in Q1



# Construction output growth remains strong in all three economies in Q3

## Construction Sector Output - PMI

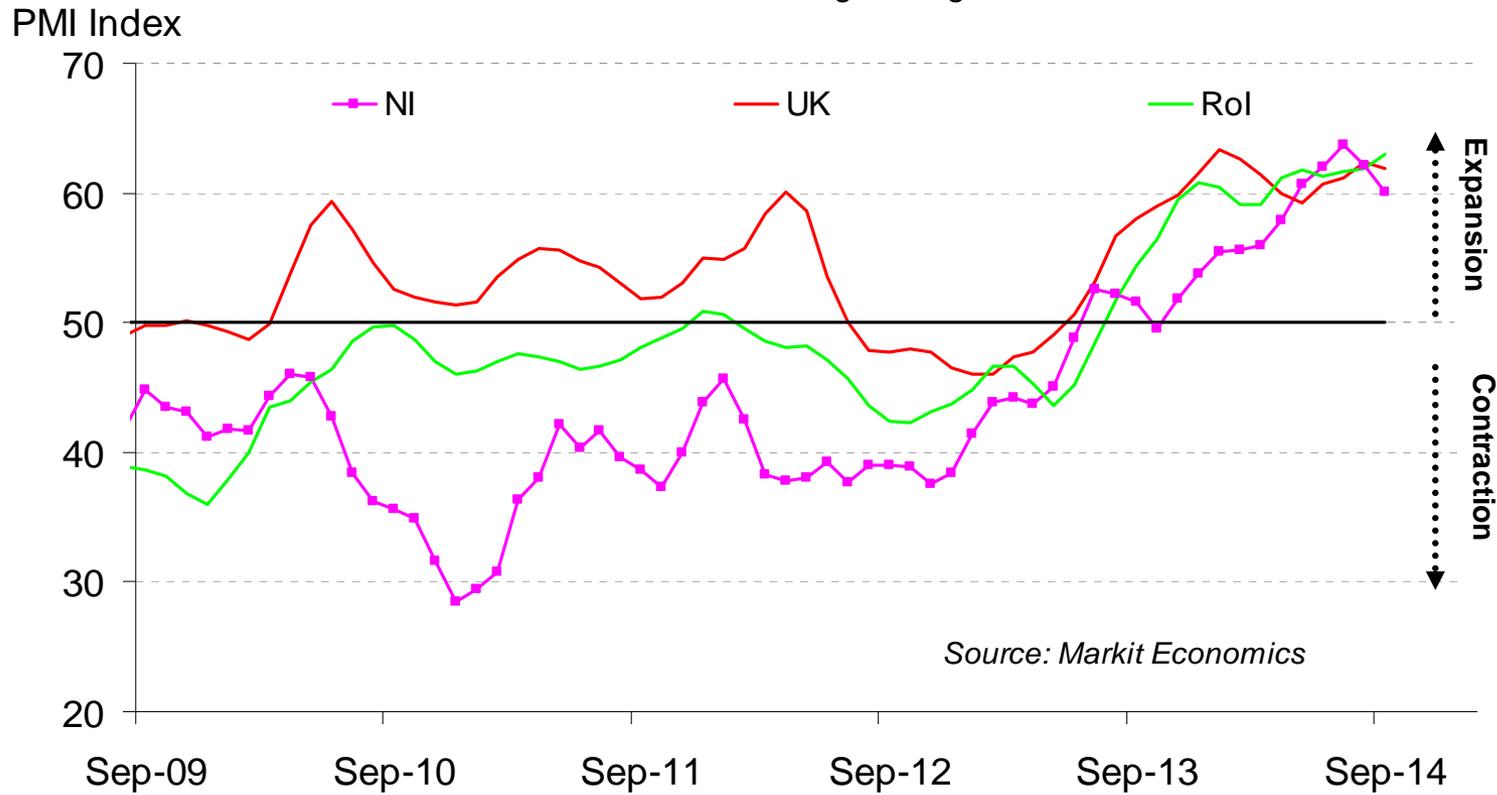
3 month moving average



# NI new orders growth eases from record high & remains strong in Q3 suggesting significant work in the pipeline

## Construction Sector New Orders - PMI

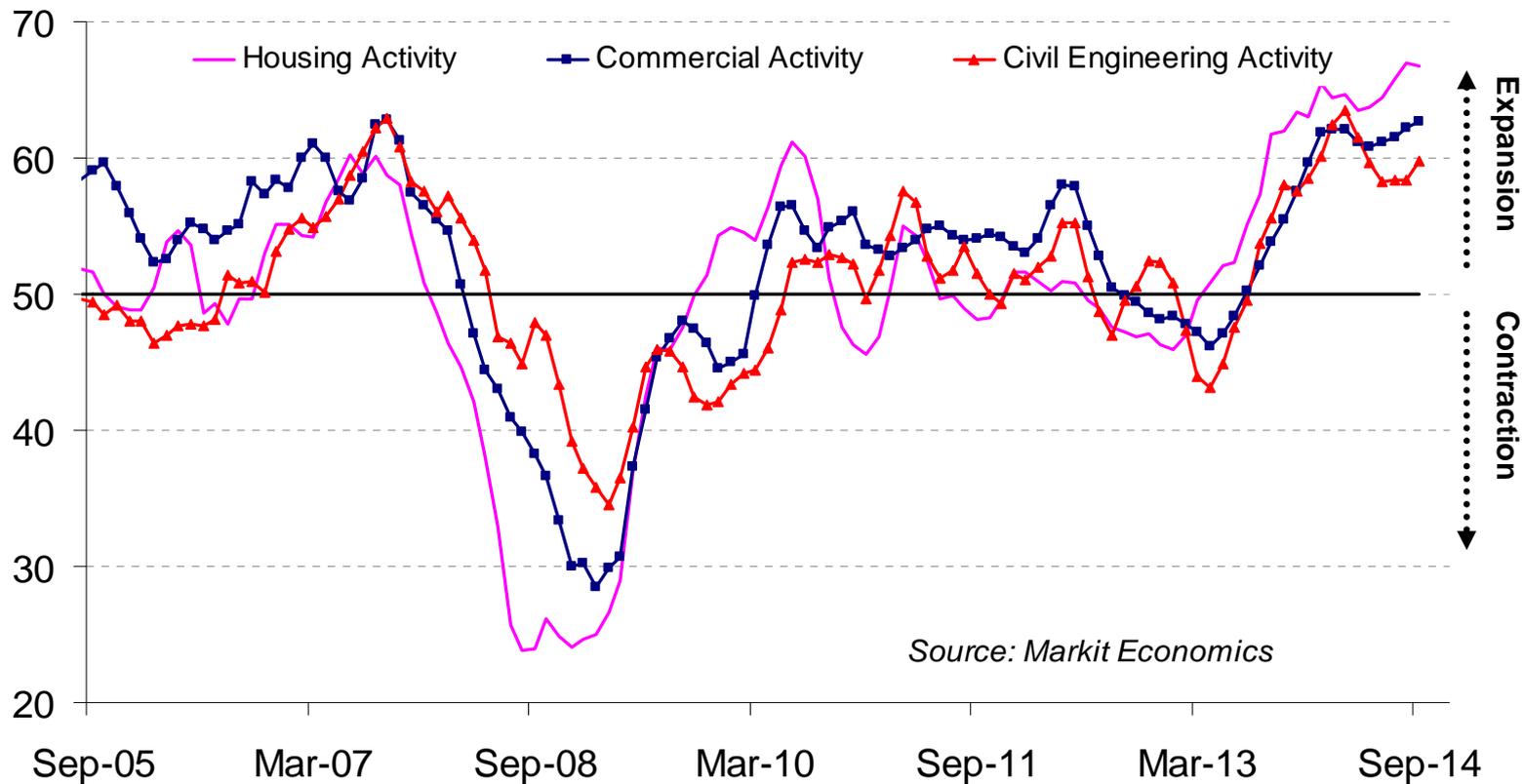
3 month moving average



# Opportunities for NI firms. Housing activity has recently increased at its fastest rate since June 1997

## UK Construction Activity - PMIs

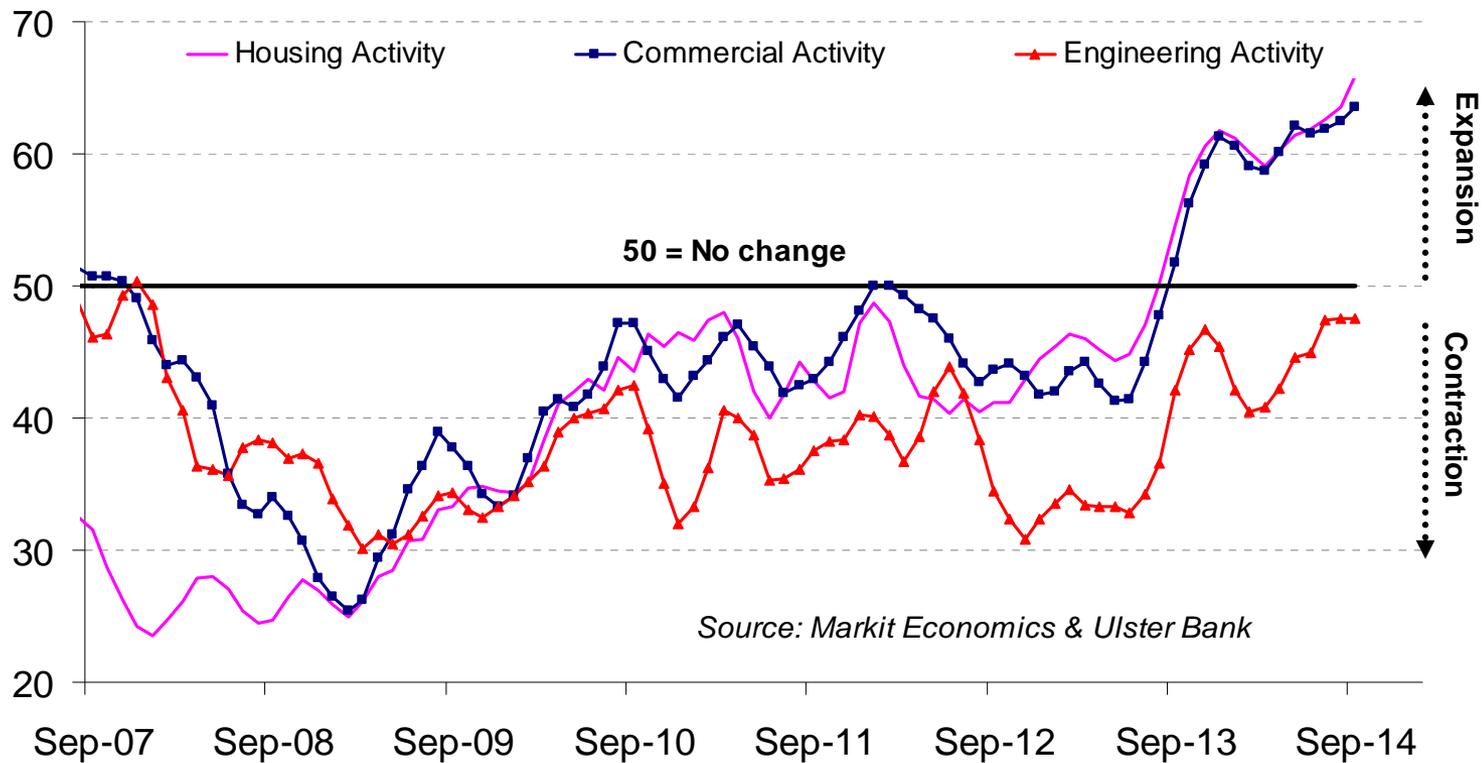
3 month moving average



...with opportunities returning within the RoI too

## Republic of Ireland Construction Activity - PMI

3 month moving average



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