



Short-Term Output Indicators for Wales: October to December 2023

The short-term output indicators within this release relate to October to December 2023. Estimates for individual quarters can fluctuate and estimates for Wales are typically more volatile than for the UK, therefore a consideration of longer-term trends and comparisons are recommended.

Background and key points

Production and Market Services decreased on both an annual and quarterly basis, whilst Construction increased on an annual basis and decreased on a quarterly basis. This follows a period of change over the coronavirus (COVID-19) pandemic with the largest quarterly decreases on record being seen in April to June 2020 (which included part of the initial lockdown period) and the subsequent largest increases on record during July to September 2020 (reflecting the easing of restrictions over the summer months).

Index of Market Services

- On an annual basis, the Index of Market Services **decreased** by 1.3% in Wales and **increased** by 0.2% in the UK.
- Compared to the previous quarter, the Index of Market Services remained broadly unchanged in Wales and decreased by 0.2% in the UK.

Index of Production

- On an annual basis, the Index of Production **decreased** by 5.0% in Wales and by 0.4% in the UK.
- Compared to the previous quarter, the Index of Production **decreased** by 2.1% in Wales and by 1.1% in the UK.

Index of Construction

- On an annual basis, the Index of Construction **increased** by 26.5% in Wales and by 2.1% in the UK. This was driven by several large construction projects ongoing in Wales over the last 12 months.
- Compared to the previous quarter, the Index of Construction **decreased** by 4.5% in Wales and by 0.9% in the UK.

About this release

The indices of market services, production and construction for Wales are quarterly indices showing short-term movements in the output of companies in the market services, production, and construction sectors within Wales. This release includes data up to December 2023.

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Important quality information

[In May 2023](#) we shared our plans to cease the publication of this release given the Office for National Statistics' release of quarterly gross domestic product (GDP) for Wales and the English regions which is conceptually similar to STOI. However, in July 2023, ONS [announced that they have paused their quarterly regional GDP publication](#) due to revisions being larger than anticipated. ONS have paused the publication for around a year, while they work to improve how and when estimates are aligned, to try to reduce the level of revisions.

As a result, we will be continuing with the publication of STOI during this period, to ensure there is no gap in the availability of economic data for Wales. We will continue to inform users of our plans.

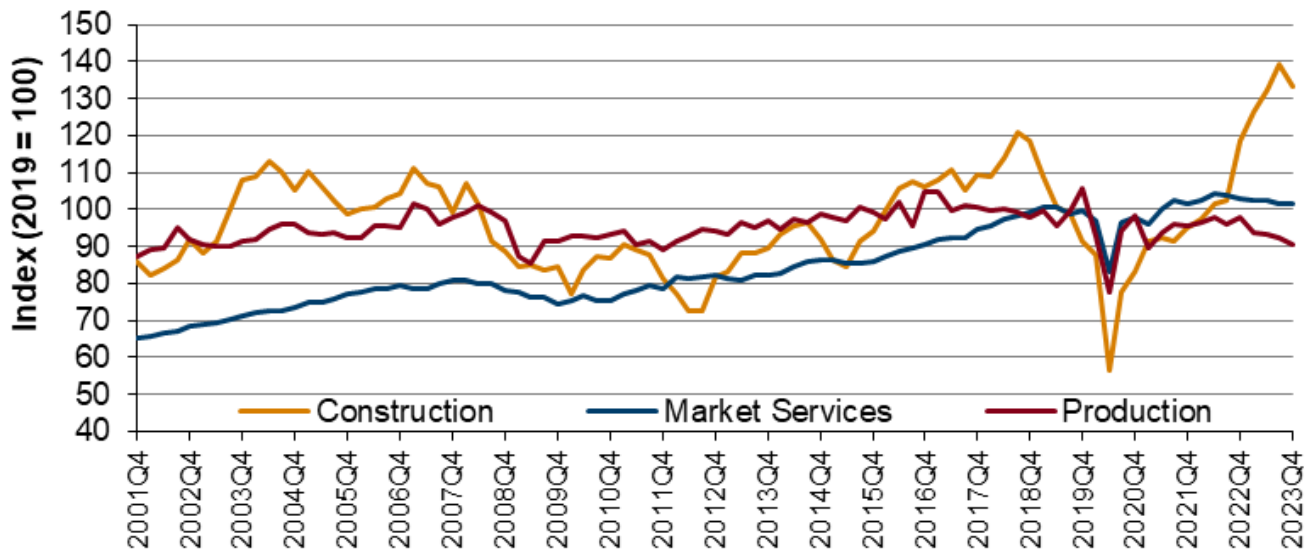
Short-term output indicator and GDP data formed part of the picture of how coronavirus impacted the Welsh economy. Other data sources such as the latest [labour market indicators](#), the [Business Insights and Conditions Survey \(Office for National Statistics\)](#) and estimates of [Welsh international goods trade](#) also give an indication of the scale of the impact (see Key Quality Information), as well as the wider indication of the state of the economy.

There is typically a large element of volatility in short-term output indicators and therefore considering long-term trends is recommended.

In January 2024 the International Steel Statistics Bureau subscription for Welsh data ceased. This data is used to help calculate the Index of Production. For this quarter (2023 Q4) and 2023 Q3 the data has been imputed based on Welsh and UK historic growth rates.

1. Summary of Indices

Figure 1.1: Summary of Short-Term Output Indicators



Description of Figure 1.1: A line chart showing the time series for the indices of production, construction, and market services since 2001. The overall trend is the index of market services and index of production has fluctuated slightly since 2001. The index of construction has fluctuated over the same period.

Source: Short-term output indicators, Welsh Government and Office for National Statistics

The Index of Production, the Index of Construction and the Index of Market Services are three separate indices. The Index of Production covers sections B to E of the Standard Industrial Classification (SIC) 2007, the Index of Construction covers section F and the Index of Market Services covers sections G to N and R to T:

Section B: Mining and Quarrying	Index of Production
Section C: Manufacturing	
Section D: Electricity, Gas, Steam and Air Conditioning Supply	
Section E: Water Supply; Sewerage, Waste Management and Remediation Activities	
Section F: Construction	Index of Construction
Section G: Distribution	Index of Market Services
Section H: Transport	
Section I: Accommodation and Food Service Activities	
Section J: Information and Communication Activities	
Section K: Financial and Insurance Activities	
Section L: Real Estate Activities	

Section M: Professional, Scientific and Technical Activities	
Section N: Administrative and Support Service Activities	
Sections R, S & T: Other Services	

The Index of Production is composed of three sub-indices, the largest of which is Manufacturing and accounts for 79.4%. Electricity, Gas and Water Supply accounts for 19.5% and Mining and Quarrying for 1.1%.

The largest components within Manufacturing are Transport Equipment and Food, Beverages and Tobacco accounting for 17.5% and 15.4% of Manufacturing, respectively. The smallest component is Textiles, Wearing Apparel and Leather accounting for 1.6% of Manufacturing.

The largest industries within the Index of Market Services for Wales are Real Estate Activities and Distribution accounting for 24.8% and 21.0% respectively. The smallest industries are Transport (accounting for 6.4%) and Other Services (accounting for 6.8%). For further information on these industry sections and sub-sectors see [Appendix A](#).

Table 1.1 shows the Index of Production, Index of Construction and the Index of Market Services for Wales. Percentage changes are provided to show the change on an annual basis and the latest quarter for Wales and the UK.

Table 1.1: Seasonally Adjusted Indices of Output for Wales [Note 1]

	(2019 = 100)																
	2022					2023					Latest percentage change						
	Q4 [r]		Q1 [r]		Q2 [r]		Q3 [r]		Q4		4 qtrs to previous 4 qtrs		qtr to previous qtr				
	Wales	UK ^[Note 2]	Wales	UK ^[Note 2]	Wales	UK ^[Note 2]	Wales	UK ^[Note 2]	Wales	UK ^[Note 2]	Wales	UK ^[Note 2]	Wales	UK ^[Note 2]			
PRODUCTION	98.1		93.6		93.4		92.3		90.3		-5.0		-0.4		-2.1		-1.1
Manufacturing	96.6		93.3		92.6		93.4		91.0		-1.9		1.1		-2.5		-1.0
Mining and Quarrying	52.2		45.6		52.1		59.6		70.6		-14.1		-13.7		18.6		-2.7
Electricity, Gas and Water Supply ^[Note 3]	107.0		97.7		99.1		89.7		88.8		-15.4		-2.2		-1.0		-1.1
CONSTRUCTION	118.5		126.2		132.6		139.3		133.1		26.5		2.1		-4.5		-0.9
MARKET SERVICES	102.9		102.7		102.4		101.6		101.5		-1.3		0.2		-0.1		-0.2
Distribution	101.6		99.2		97.8		95.7		95.0		-8.1		-1.8		-0.8		-0.4
Transport	98.2		94.5		101.8		96.1		103.0		10.8		-1.3		7.1		1.0
Accommodation & Food Service Activities	115.0		108.4		107.0		103.8		103.7		-12.0		-1.6		-0.1		0.2
Information & Communication Activities	122.2		121.8		121.0		125.1		126.3		3.9		1.1		1.0		-0.9
Financial & Insurance Activities	110.5		115.6		116.3		110.5		115.6		3.8		-0.7		4.6		-0.2
Real Estate Activities	91.6		90.5		89.5		88.7		86.7		-4.2		-0.5		-2.3		0.0
Professional, Scientific & Technical Activities	106.6		112.5		115.0		120.6		120.3		7.4		0.4		-0.3		-0.3
Administrative & Support Service Activities	112.5		119.2		119.8		117.8		113.7		8.4		5.5		-3.5		0.2
Other Services	91.4		88.2		83.1		89.8		88.0		-2.8		4.8		-2.0		-1.1

[Note 1] All series are seasonally adjusted. Please see Table B (Appendix B) for more detail on industrial sectors.

[Note 2] Revisions to the series are normally made each quarter to take account both of more recent information and improved seasonal factors.

[Note 3] UK figures for Production and Market Services as published by the Office for National Statistics on 28 March 2024 and UK figures for Construction as published by the Office for National Statistics 13 March 2024.

[r] Revised data.

Description of Table 1.1: A table showing the indices of production, construction and market services, and the sub-sectors for production and market services in the current quarter and the previous four quarters. It also shows the percentage changes in the latest 4 quarters and the previous four quarters, and the quarter-on-quarter change.

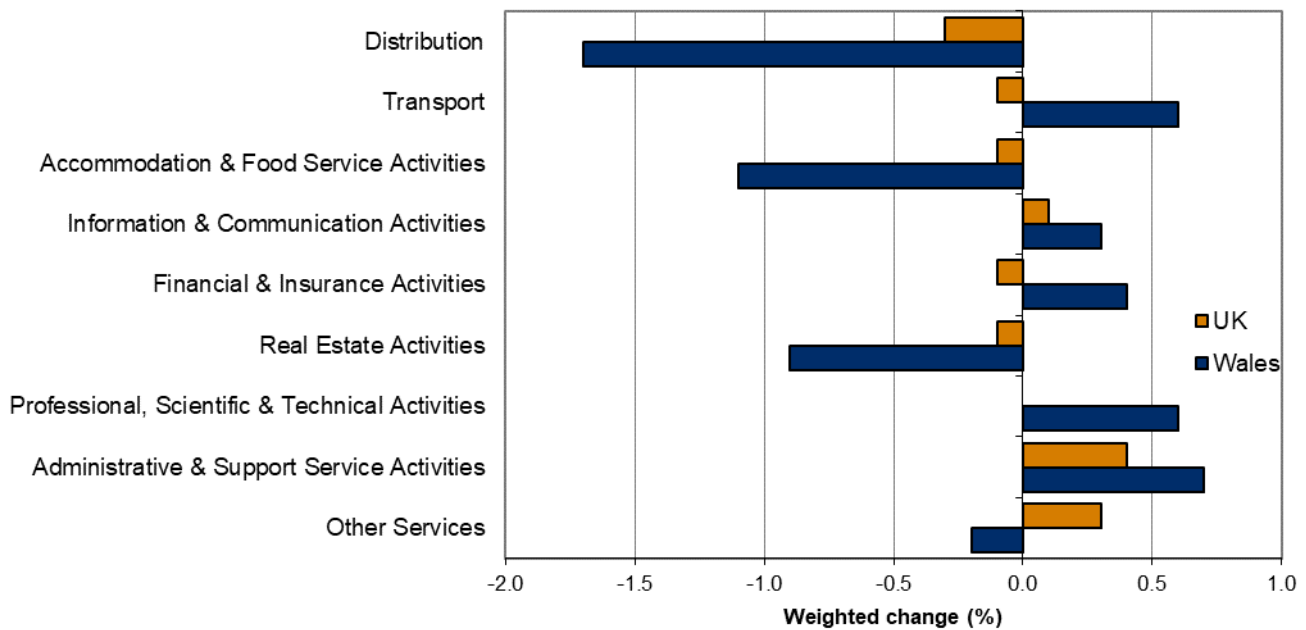
Source: Short-term output indicators, Welsh Government and Office for National Statistics

2. Index of Market Services: latest changes

This section examines the outputs of each industry within the Index of Market Services and their respective impact on the overall index. The Index of Market Services accounts for approximately 44.3% of the Welsh economy.

Figure 2.1 shows the impact of changes in the sub-sectors on the index as a whole on an annual basis (based on weighted data).

Figure 2.1: Contribution to the Index of Market Services annual percentage change (latest four quarters compared with previous four quarters)

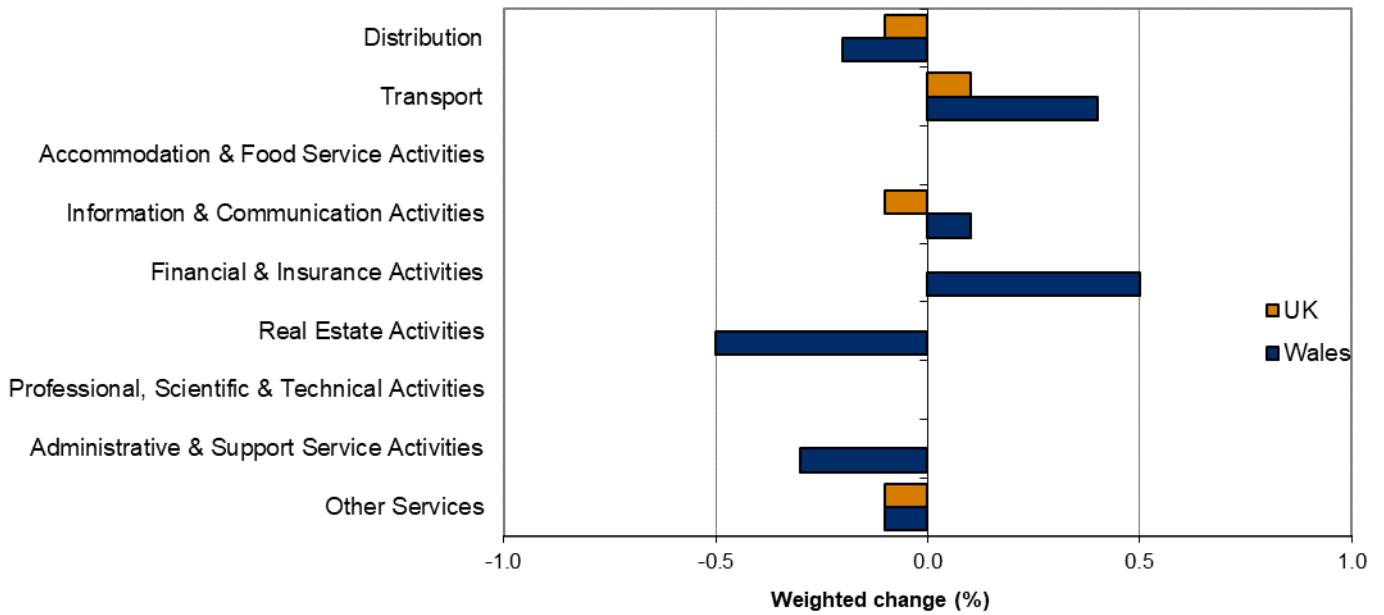


Description of Figure 2.1: A bar graph for the market services sub-indices comparing the UK and the Wales comparing the latest four quarters with the previous four quarters.

Source: Short-term output indicators, Welsh Government and Office for National Statistics

In Wales, five of the nine sub-sectors increased on an annual basis, whilst four decreased. Three of the nine sub-sectors increased in the UK over the same period, with five seeing a decrease and one being unchanged.

Figure 2.2: Contribution to the Index of Market Services quarterly percentage change, current quarter compared with previous quarter



Description of Figure 2.2: A bar graph for the market services sub-indices comparing the UK and the Wales comparing the latest quarter with the previous quarter

Source: Short-term output indicators, Welsh Government and Office for National Statistics

In Wales, three of the nine industries increased over the quarter with Financial & Insurance Activities showing the largest increase (0.5%). In the UK, one of the nine industries experienced increases.

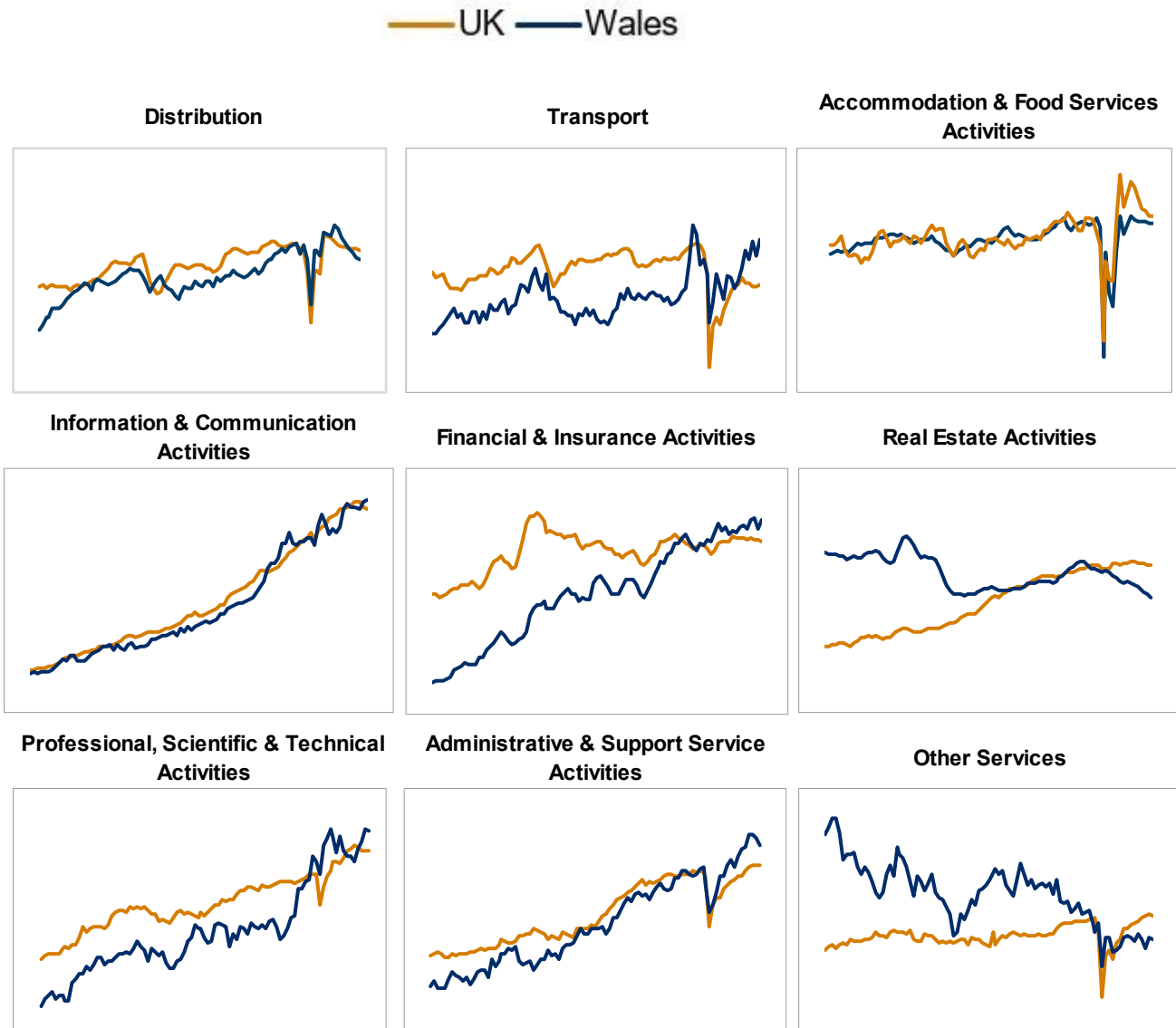
In Wales, four of the nine industries decreased over the quarter and two were unchanged. In the UK, three of the nine industries decreased and five were unchanged.

Estimated changes in Wales are typically larger than for the UK, reflecting the smaller sample sizes in Wales which result in a more volatile series. This is particularly the case in the short-term, but longer-term trends are regarded as reliable.

3. Index of Market Services: industry trends

This section shows changes in output since 1999 for the nine industries which comprise the Index of Market Services. The Welsh results for some industries are more volatile than for the UK equivalents because of smaller survey samples. Table B2 in [Appendix B](#) provides the latest annual and quarterly data for the industries and their sub-sectors. Time series for the Index of Market Services industry sectors and sub-sectors are available on [StatsWales](#).

Figure 3.1: Market services Sub-indices – 2000 Q4 to 2023 Q4, (2019=100)



Description of Figure 3.1: Individual line graphs for the market services sub-indices comparing the UK and the Wales.

Source: Short-term output indicators, Welsh Government and Office for National Statistics

Distribution

The Index of Distribution fell during the 2008-09 recession in Wales and the UK, but both saw an overall increase until the start of the coronavirus pandemic. After the lockdowns were introduced in 2020, the index saw a sudden decrease in both Wales and the UK. Following this period the index generally increased but has been decreasing since 2022 Q1.

Transport

There was a significant fall in activity in Wales and across the UK during the 2008-09 recession, with the recovery reaching pre-recession peaks in 2019. There was a sharp increase in the Welsh index in 2019 Q1, however, most of this largely reflects re-classification of business activity and a change in the sample, rather than an actual increase in activity. Following the start of the coronavirus pandemic, the index fell steeply in Wales and the UK and has generally been increasing since then. Transport activity in Wales has returned to pre-pandemic levels this quarter (2023 Q4).

Accommodation and Food Service Activities

Though trends in Wales are more volatile than for the UK as a whole, the Index of Accommodation and Food Service Activities in Wales has generally tracked the UK trend over the long-term. The index was greatly impacted by the coronavirus lockdowns, however rose to the highest on record in 2022 Q2 in the UK.

Information and Communication Activities

The Index of Information and Communication Activities for both Wales and the UK experienced a small decrease due to the pandemic, however, it was not as notable as for other industries. Overall, there has generally been steady growth in both Wales and the UK since the series began and this index is currently (2023 Q4) estimated as the highest on record for Wales.

Financial and Insurance Activities

Since 1999, the Index of Finance and Insurance Activities for Wales has increased with a broadly stable upward trend. In the UK, the sector increased up until 2008 and, after decreasing until 2010, has changed relatively little since.

Real Estate Activities

Real Estate Activities continues to be one of the sub-sectors least effected by the pandemic. Historical trends in Real Estate Activities have been very different for Wales and the UK. In Wales, the index was broadly flat from 1999 to 2007, before falling substantially during the recession. After a period of recovery, the index has remained broadly the same since 2015, but has been steadily decreasing since 2019 Q1. By contrast, at a UK level Real Estate Activities have generally increased over the whole period.

Professional, Scientific and Technical Activities

Professional, Scientific and Technical Activities in Wales and the UK followed similar upward trends, with Wales generally below the UK until the Welsh index began to rise at the end of 2017.

Administrative and Support Service Activities

Administrative and Support Service Activities have increased almost in parallel in both Wales and the UK until the pandemic. At the start of the pandemic, both Wales and the UK experienced large decreases, but have generally been recovering since the middle of 2020. Wales has now recovered to above pre-pandemic levels whilst the UK index is currently (2023 Q4) estimated at the highest level on record.

Other Services

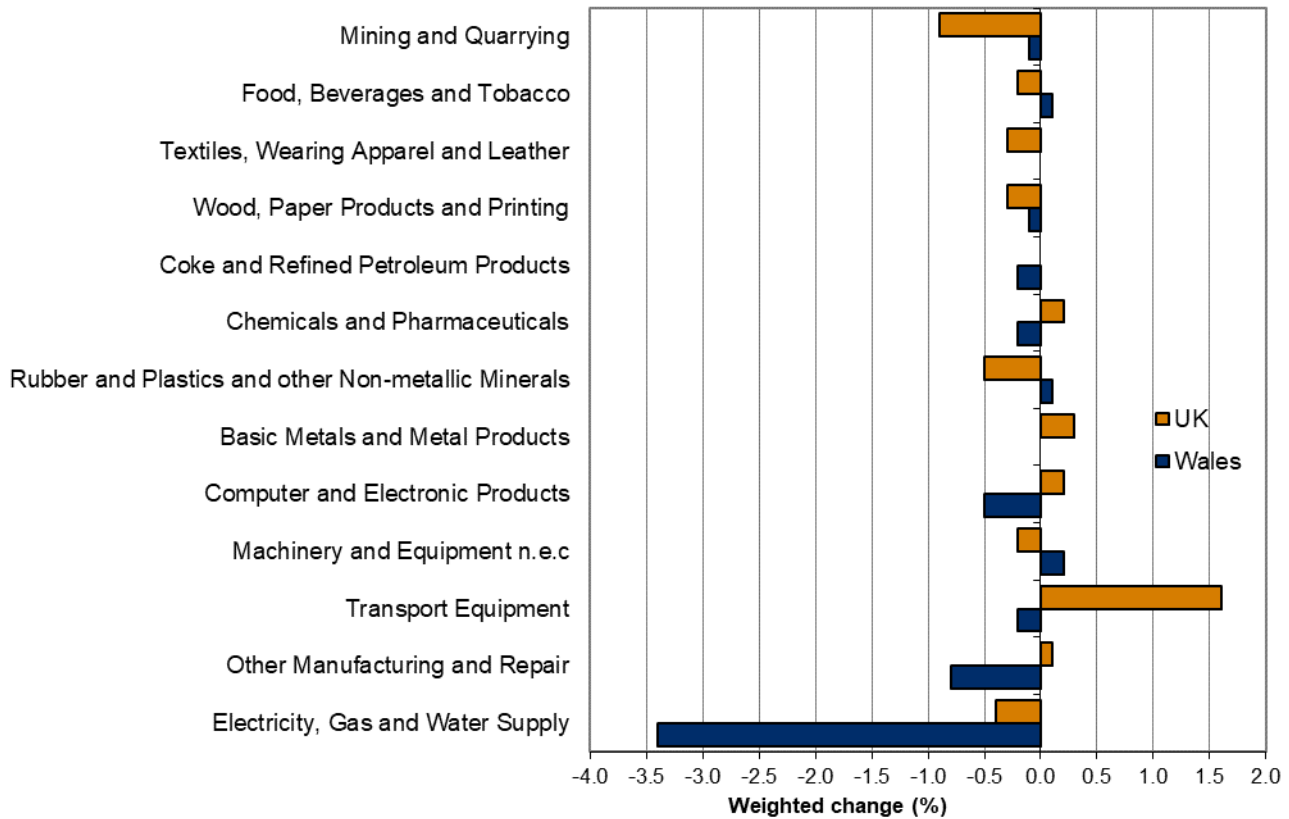
Since 1999, the Index of Other Services for Wales has been volatile, with a decreasing trend overall. The UK trend, by contrast, has seen a relatively stable increase up until the start of the pandemic. The index fell due to the pandemic in both Wales and the UK but has since recovered in 2023 Q1 for the UK.

4. Index of Production: latest changes

This section examines the outputs of each industry within the Index of Production and their respective impact on the overall index. The Index of Production accounts for approximately 22.0% of the Welsh economy.

Figure 4.1 shows the impact of changes in the sub-sectors on the index as a whole on an annual basis (based on weighted data).

Figure 4.1: Contribution to the Index of Production annual percentage change (latest four quarters compared with previous four quarters)



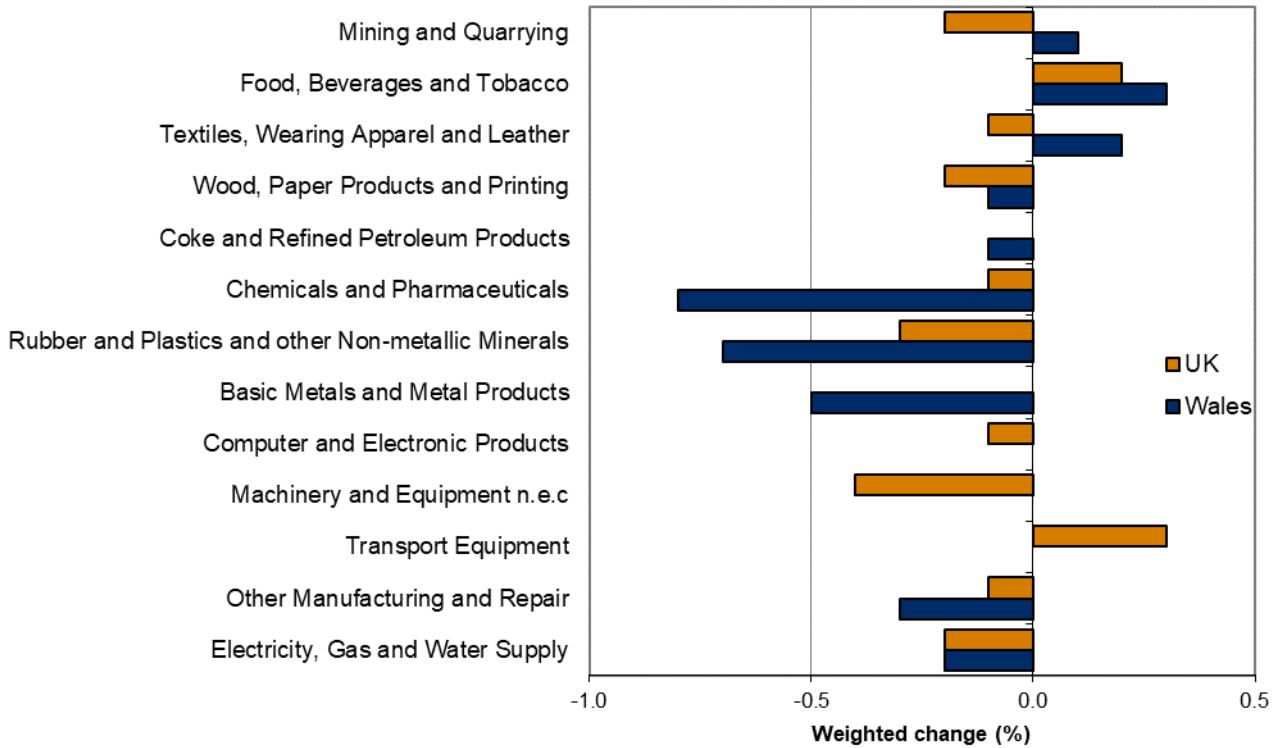
Description of Figure 4.1: A bar graph for the production sub-indices comparing the UK and the Wales comparing the latest four quarters with the previous four quarters

Source: Short-term output indicators, Welsh Government and Office for National Statistics

In Wales, three of the thirteen industries experienced an increase over the year, eight experienced a decrease and two industries were unchanged. Machinery and Equipment n.e.c (Not Elsewhere Classified) experienced the largest increase contributing a weighted change of 0.2%. Electricity, Gas and Water Supply (which is particularly volatile) showed the largest decrease (down 3.4%).

In the UK, five industries increased, seven industries decreased, and one industry remains unchanged.

Figure 4.2: Contribution to the Index of Production quarterly percentage change, current quarter compared with previous quarter



Description of Figure 4.2: A bar graph for the production sub-indices comparing the UK and the Wales comparing the latest quarter with the previous quarter

Source: Short-term output indicators, Welsh Government and Office for National Statistics

Three industries within the Index of Production for Wales increased over the quarter, seven industries decreased, whilst three industries remained unchanged.

Two industries within the Index of Production for the UK increased over the quarter, nine industries decreased, and two industries were unchanged.

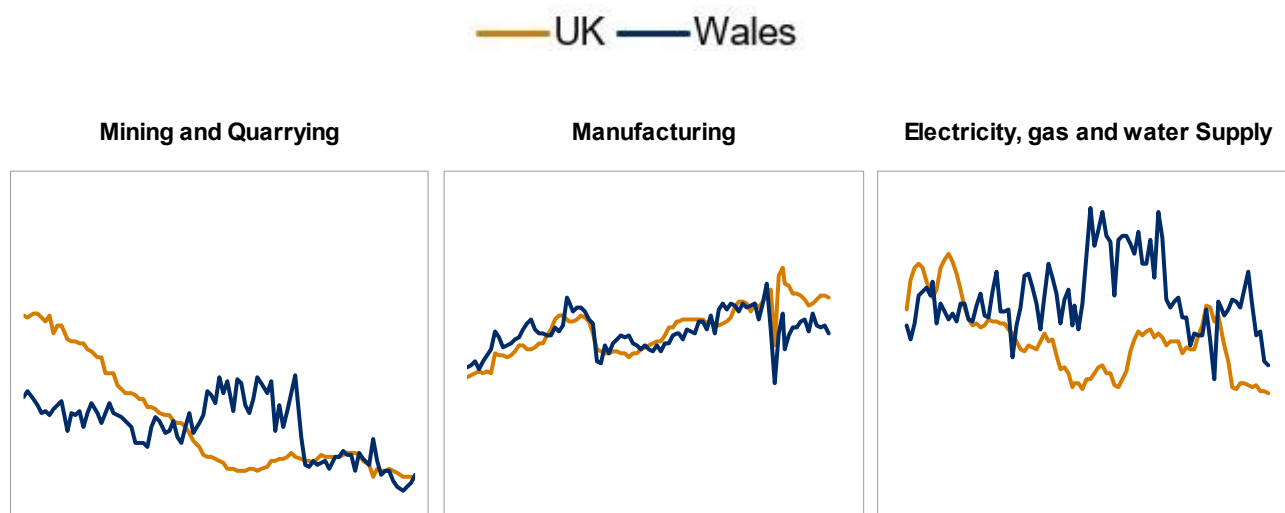
Estimates for changes in Wales are typically larger than for the UK, reflecting the smaller sample sizes in Wales which result in less stable series. This is particularly the case in the short-term, but longer-term trends are regarded as reliable.

5. Index of Production: industry trends

This section shows changes in output since 1999 for the three industries which comprise the Index of Production. The Welsh results can be more volatile than for the UK equivalents because of smaller survey samples.

Table B1 in [Appendix B](#) provides the latest annual and quarterly data for the industries and their sub-sectors. Time series' for the Index of Production and its sub-indices are available on [StatsWales](#).

Figure 5.1: Production Sub-indices – 2000 Q4 to 2023 Q4, (2019=100)



Description of 5.1: Individual line graphs for the production sub-indices comparing the UK and the Wales.

Source: Short-term output indicators, Welsh Government and Office for National Statistics

Index of Mining and Quarrying

Activity in Mining and Quarrying remained broadly similar in Wales despite fluctuations around the overall trend between 1999 and 2012. In 2012, there were some large increases before remaining relatively stable until 2016. In 2016 there was a sharp decrease, and the index has remained at that lower level since. For the UK as a whole, output generally fell (with large fluctuations around the trend) until 2013 and, despite variations, has remained broadly similar since but has hit its lowest point this quarter (2023 Q4).

Index of Manufacturing

Historically, the Index of Manufacturing has shown a similar trend in Wales and the UK, increasing until the 2008-09 recession, then recovering before a sharp fall at the beginning of the coronavirus pandemic. The manufacturing industry is the main driver of the production industries as it accounts for 79.4% of the Index of Production.

Index of Electricity, Gas and Water Supply

The Index of Electricity, Gas and Water Supply in both Wales and the UK is volatile, but in Wales, there was a sharp increase in 2012 due to the opening of a new power station in Pembroke. However, output has generally decreased since the end of 2016, which can be attributed to the downgrading in operations of Aberthaw power station. The fall has continued due to the pandemic and in 2020 Q2 the series reached its lowest level since records began in Wales, with the UK reached its lowest level since records began in 2023 Q4.

6. Index of Construction

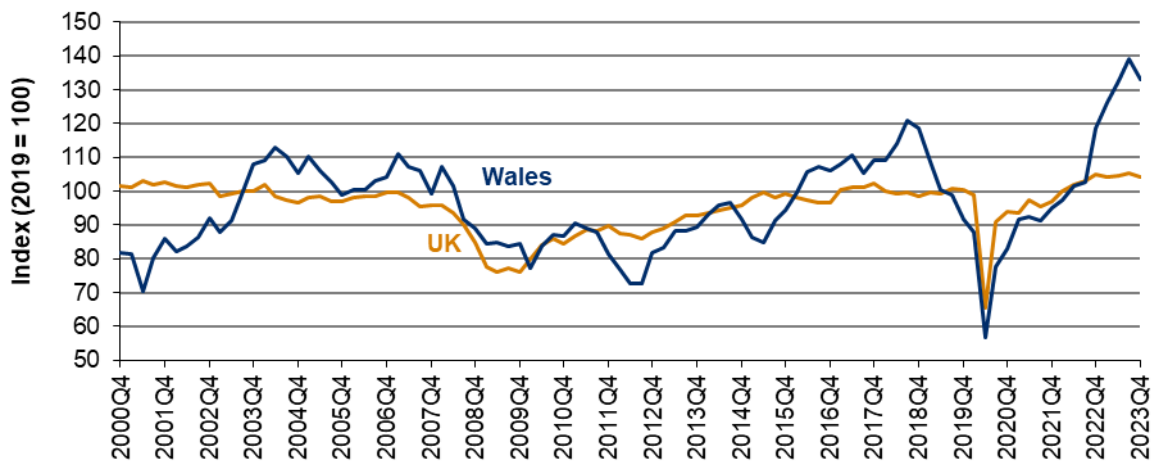
The construction sector accounts for approximately 5.9% of the Welsh economy.

Following the recession of 2008-09, both Wales and the UK saw a fall in construction output, with Wales seeing a larger fall than the UK. Since then, output gradually increased overall and surpassed pre-recession levels. The index in Wales began decreasing at the start of 2019 and the coronavirus pandemic caused indices for both Wales and the UK to fall to their lowest levels in the series in 2020 Q2. The impact of the coronavirus (COVID-19) pandemic can be seen in the index of construction far greater than the other two indices, however, the index is now higher in both Wales and the UK when compared to pre-pandemic levels.

The Index of Construction decreased over the latest quarter in Wales (down 4.5%) and in the UK (down 0.9%). It also rose over the year, with the Welsh index increasing by 26.5% and the UK index increasing by 2.1%. This was driven by several large construction projects ongoing in Wales over the last 12 months.

A time series for the Index of Construction is available on [StatsWales](#).

Figure 6.1: Index of Construction



Description of 6.1: A line graph comparing the overall change for the production indices comparing the UK and the Wales.

Source: Short-term output indicators, Welsh Government and Office for National Statistics

7. Key Quality Information

7.1 Relevance

This release provides estimates of output in market services, production, and construction industries for Wales and the UK. The UK production estimates are taken from the Quarterly National Accounts release from the ONS, the construction estimates are taken from the ONS monthly construction release and the UK market services estimates are taken from the Quarterly National Accounts Index of Services release from the ONS. These statistics are used by the Welsh Government to monitor the output for these industries in the Welsh economy as well as providing comparisons with the UK. They are also used by other public sector organisations, businesses, academia and private individuals to identify the key trends in production and construction output for Wales.

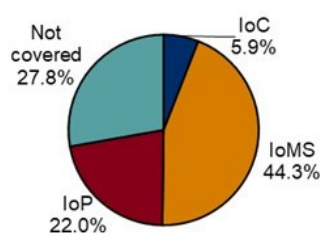
The output indices show the quarterly movements in gross output of the production, construction, and market services sectors in Wales. Gross output is used as a proxy for Gross Value Added (GVA), measured by a variety of data sources since GVA cannot currently be measured.

The indices are estimated using a combination of:

- Directly collected data from existing monthly surveys.
- A quarterly top up of specifically Welsh data from large inter-regional businesses.
- Post stratification methodology.
- Volume data from a number of different sources.
- Directly collected data from a small additional quarterly survey sent to wholly Welsh finance businesses.

The majority of the data comes from the ONS Monthly Business Survey. The results from this survey are used to calculate the relative movements of the individual series', which in turn are weighted together to produce the overall index. The weights are derived from the distribution of GVA for Wales using the Regional Accounts. Both volume and sales data are used to compile the index. GVA is a measure of economic activity at basic prices, which includes taxes (less subsidies) on production but excludes taxes (less subsidies) on products. The sales data are deflated to 2010 prices using the deflators produced for the UK index.

The following pie chart represents the percentage that the Index of Market Services, Index of Production and Index of Construction for Wales have in the overall Regional GVA by industry, based on 2021 GVA in line with the STOI methodology. Industries not covered include agriculture and fishing industries and the public sector.



Description of Pie Chart: A pie chart representing the percentage that the Index of Market Services, Index of Production and Index of Construction for Wales have in the overall Regional GVA by industry. Industries not covered include agriculture and fishing industries and the public sector.

Source: Short-term output indicators, Welsh Government and Office for National Statistics

7.2 Accuracy

Due to the impact of COVID-19, some response rates for 2020 Q1 and Q2 were much lower than the target response rate and should be treated with caution. Response rates are now in line with those seen prior to the pandemic.

Estimates are subject to revision. This quarter the main cause of revisions to data going back to 1998 Q1 are due to taking on the latest Blue Book data, including new deflators. In 2023 Q4 (October to December) ONS discovered and corrected an error in the formulae used in the spreadsheet compilation system, which resulted in some revisions to the last few quarters of some series. In 2023 Q4 a new methodology for calculating financial intermediation services was implemented, leading to minor revisions to the back series for section K. Estimates for individual quarters fluctuate due to random sampling error and therefore it is recommended that emphasis is placed on changes in the average of the latest four quarters compared to the average of the previous four quarters for more volatile series. The entire time series is open to revisions arising from changes in the seasonally adjusted series from the addition of a new data point, and changes to the last 15 months turnover data from late or revised survey returns. We published [information on our revisions policy](#) on our website. Table 7.2 shows the revisions and rebasing made (in index points) to the previous quarter's estimates.

Table 7.2: Comparison of Current and Previous Estimates of 2023 Quarter 3 ^[Note 1]

	<u>Current</u>	<u>Previous</u>	<u>Revision</u>
Index of Production	92.3	93.0	-0.7
Manufacturing	93.4	94.0	-0.7
Mining and Quarrying	59.6	59.6	0.0
Electricity, Gas & Water	89.7	90.8	-1.1
Construction	139.3	139.1	0.2
Index of Market Services	101.6	101.9	-0.2
Distribution	95.7	96.7	-1.0
Transport	96.1	96.9	-0.8
Accommodation and Food Service Activities	103.8	103.3	0.4
Information and Communication Activities	125.1	125.8	-0.8
Financial and Insurance Activities	110.5	109.2	1.3
Real Estate Activities	88.7	88.7	0.0
Professional, Scientific and Technical Activities	120.6	120.2	0.5
Administrative and Support Service Activities	117.8	119.1	-1.2
Other Services	89.8	90.1	-0.3

Source: Short-term output indicators, WG and ONS

[Note 1] Numbers in the table have been rounded to one decimal place, therefore there may be slight discrepancies between the constituent items and the overall revision shown.

Description of Table 7.2: A table comparing the current estimate for the previous quarter for each of the indices and the previous estimate for the previous quarter. It also shows the amount of revision for each estimate.

Source: Short-term output indicators, Welsh Government and Office for National Statistics

In 2021, ONS discovered that a business within Financial and Insurance activities had been incorrectly classified. Due to the Index of Market Services methodology, reclassifying this individual business would cause a notable and potentially disclosive change within the series that could also potentially be misleading users as to how the Market Services industry was performing. Taking this into consideration, ONS and Welsh Government have made the decision not to carry out the reclassification.

In January 2024 the ISSB subscription for Welsh data ceased. This data is used to help calculate the Index of Production. For this quarter (2023 Q4) and 2023 Q3 the data has been imputed based on Welsh and UK historic growth rates.

7.3 Timeliness and punctuality

This release is published quarterly. It is the earliest official indicator of the performance of the Welsh production and construction industries other than the UK figures, which are produced by the Office for National Statistics monthly. There is approximately a 14 week lag between publication and the period to which the release refers to.

7.4 Accessibility and clarity

This statistical bulletin and the headline statistics are available on the [Welsh Government Statistics website](#). Additional information on all three indices is available on [StatsWales](#), in addition to the data from 1998. A Summary Quality Report containing information on the quality of the [Index of Production and Index of Construction](#) as well as a summary of methods used to compile the output is available on our website. The equivalent [report for the Index of Market Services](#) can also be found on our website.

7.5 Impact of coronavirus on short-term output indicators

The latest estimate for UK gross domestic product (GDP) published by the Office for National Statistics (ONS) for the 2023 calendar year suggests that GDP increased by 0.1% over the year, following an 4.3% increase in 2022. The latest [UK quarterly gross domestic product published by the Office for National Statistics](#) (GDP) for October to December 2023 estimated an decrease of 0.3%, resulting in a real GDP level that is estimated to be 1.0% higher than pre-pandemic levels.

There is typically a large element of volatility in short-term output indicators and care should be taken when interpreting the data. Another impact of the pandemic, as described by ONS, has been the impact on data collection which might have a greater impact on the Welsh series. Although, response rates in Wales in 2020 Q3 and Q4 have been at or above the target response rate ([see section 7.2](#)).

Short-term output indicator and GDP data form part of the picture of how coronavirus impacted the Welsh economy. Other data sources such as the latest [labour market indicators](#), the [Business Insights and Conditions Survey \(Office for National Statistics\)](#) and estimates of [Welsh international goods trade](#) also give an indication of the scale of the impact.

7.6 Comparability and coherence

The UK and Wales estimates in this release are calculated by the Office for National Statistics (ONS) and are comparable as they use the same methodology. Methodologies relating to the components within the Index of Production and Index of Construction are available from the background information tab on the release webpage. The [Scottish Government publishes a GDP measure](#) in place of short-term output indicators. The [Northern Ireland Assembly publishes the Northern Ireland Composite Economic Index \(NICEI\)](#), which is also not directly comparable to the Welsh short-term output indicators.

Due to difficulties collecting historical data from contributors from earlier time periods, the time series begins in 1998 but early quarters and initial years include a proportion of estimated data. More information is given in the Summary Quality Reports for [Index of Market Services](#) and the [Index of Production and Construction](#).

Throughout the release, references to the longer-term refer to the latest four quarters compared to the previous four quarters, and references to the short-term refer to the current quarter compared to the previous quarter. It

is recommended that when looking at the growth rates of volatile series, users should focus on the percentage change over the longer-term.

7.7 National Statistics status

The United Kingdom Statistics Authority has designated these statistics as National Statistics, in accordance with the Statistics and Registration Service Act 2007 and signifying compliance with the [Code of Practice for Statistics \(UK Stats Authority\)](#).

National Statistics status means that official statistics meet the highest standards of trustworthiness, quality and public value.

All official statistics should comply with all aspects of the Code of Practice for Statistics. They are awarded National Statistics status following an assessment by the UK Statistics Authority's regulatory arm. The Authority considers whether the statistics meet the highest standards of Code compliance, including the value they add to public decisions and debate. The designation of these statistics as National Statistics was confirmed in February 2012 following a [full assessment against the Code of Practice \(UK Stats Authority\)](#).

Since the latest review by the Office for Statistics Regulation, we have continued to comply with the Code of Practice for Statistics, and have made the following improvements:

- Eliminated un-necessary tables from bulletin as they are freely available on [StatsWales](#)
- Combined the two releases into one to improve user experience
- Improved visuals and commentary of long-term trends for sub-sectors
- Included comparisons with other conceptually similar statistics such as GDP

It is Welsh Government's responsibility to maintain compliance with the standards expected of National Statistics. If we become concerned about whether these statistics are still meeting the appropriate standards, we will discuss any concerns with the Authority promptly. National Statistics status can be removed at any point when the highest standards are not maintained, and reinstated when standards are restored.

7.8 Well-being of Future Generations Act (WFG)

The Well-being of Future Generations Act 2015 is about improving the social, economic, environmental and cultural wellbeing of Wales. The Act puts in place seven wellbeing goals for Wales. These are for a more equal, prosperous, resilient, healthier and globally responsible Wales, with cohesive communities and a vibrant culture and thriving Welsh language. Under section (10)(1) of the Act, the Welsh Ministers must (a) publish indicators (“national indicators”) that must be applied for the purpose of measuring progress towards the achievement of the wellbeing goals, and (b) lay a copy of the national indicators before Senedd Cymru. Under section 10(8) of the Well-being of Future Generations Act, where the Welsh Ministers revise the national indicators, they must as soon as reasonably practicable (a) publish the indicators as revised and (b) lay a copy of them before the Senedd. These national indicators were laid before the Senedd in 2021. The indicators laid on 14 December 2021 replace the set laid on 16 March 2016.

Information on the indicators, along with narratives for each of the wellbeing goals and associated technical information is available in the [Wellbeing of Wales report](#).

Further information on the [Well-being of Future Generations \(Wales\) Act 2015](#).

The statistics included in this release could also provide supporting narrative to the national indicators and be used by public services boards in relation to their local wellbeing assessments and local wellbeing plans.

7.9 Further details

Links

This document is available at <https://gov.wales/short-term-output-indicators>

Previous publications of this statistical release contained more extensive tables in Appendix B. All the information contained within these tables can now be found on [StatsWales](#).

Next update

July 2024

We want your feedback

We welcome any feedback on any aspect of these statistics which can be provided by email to economic.stats@gov.wales.

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Appendix A: Sections of Standard Industrial Classification^[Note 1] in Index of Production, Index of Construction and Index of Market Services

Table A1: Sections and sub-sections in Index of Production

SIC 2007	Description
B	Mining and Quarrying
C	Manufacturing
CA (10-12)	Food products, beverages and tobacco
CB (13-15)	Textiles, wearing apparel and leather products
CC (16-18)	Wood and paper products, and printing
CD (19)	Coke and refined petroleum products
CECF (20-21)	Chemicals and pharmaceuticals
CG (22-23)	Rubber & plastics products, & other non-metallic minerals
CH (24-25)	Basic metals and metal products
CICJ (26-27)	Computer and electronic products
CK (28)	Machinery and equipment n.e.c.
CL (29-30)	Transport equipment
CM (31-33)	Other manufacturing and repair
CIJKL	Engineering and allied industries
CCGM	Other manufacturing
DE	Electricity, gas and water supply

Table A2: Sections in Index of Construction

SIC 2007	Description
F	Construction

Table A3: Sections and sub-sections in Index of Market Services

SIC 2007	Description
G	Distribution
45	Wholesale, Retail Sale & Repair of Motor Vehicles
46	Wholesale Trade except Motor Vehicles
47	Retail Sales except Motor Vehicles
H	Transportation and Storage
49-51	Land, water and air transport
52-53	Warehousing and support activities for transportation; postal and courier activities
I	Accommodation and Food Service Activities
55	Accommodation
56	Food and beverage service activities
J	Information and Communication
JA (58-60)	Publishing, audio-visual and broadcasting activities
JB (61)	Telecommunications
JC (62-63)	Information technology and other information activities
K	Financial and Insurance Activities
L	Real Estate Activities
L x OOD	Real Estate excluding Owner Occupied Dwellings
OOD	Owner Occupied Dwellings
M	Professional, Scientific and Technical Activities
N	Administrative and Support Service Activities
R-T	Other Services

[Note 1] See [UK Standard Industrial Classification of Economic Activities 2007](#) for full category descriptions.

Appendix B: Reference Table

Table B1: Index of Production and Index of Construction for Wales ^[Note 1]

SEASONALLY ADJUSTED ^[Note 2] : 2019 = 100

2007 STANDARD INDUSTRIAL CLASSIFICATION		Index	Annual Indices		2022		2023				Latest percentage change									
			Weights ^[Note 3]	2022	[r]	2023	[r]	Q3	[r]	Q4	[r]	Q1	[r]	Q2	[r]	Q3	[r]	Q4	4 qtrs to previous 4 qtrs	Wales
B-E	PRODUCTION INDUSTRIES	1000	97.3	92.4	96.2	98.1	93.6	93.4	92.3	90.3	-5.0	-0.4	-2.1	-1.1						
B	Mining and Quarrying	11	66.3	57.0	61.2	52.2	45.6	52.1	59.6	70.6	-14.1	-13.7	18.6	-2.7						
C	Manufacturing	794	94.4	92.6	91.5	96.6	93.3	92.6	93.4	91.0	-1.9	1.1	-2.5	-1.0						
CA	Food, Beverages and Tobacco	154	100.5	101.3	96.2	98.6	102.7	99.0	100.7	102.7	0.8	-1.3	2.0	1.3						
CB	Textiles, Wearing Apparel and Leather	16	130.2	133.2	119.6	129.8	110.0	131.1	139.6	151.9	2.3	-8.4	8.9	-2.6						
CC	Wood, Paper Products and Printing	69	78.5	76.2	75.7	75.0	80.0	76.5	75.1	73.0	-3.0	-6.6	-2.9	-4.1						
CD	Coke and Refined Petroleum Products	42	96.1	89.8	90.9	99.0	87.9	95.5	89.7	85.9	-6.6	-3.7	-4.2	-3.3						
CE-CF	Chemicals and Pharmaceuticals	105	86.8	84.9	82.7	85.3	84.7	82.7	90.3	82.0	-2.2	1.8	-9.2	-1.2						
CG	Rubber and Plastics and other Non-metallic Minerals	61	99.1	101.6	96.4	100.8	105.9	98.3	107.5	94.6	2.5	-9.1	-12.0	-5.9						
CH	Basic Metals and Metal Products	100	81.2	81.4	77.2	79.7	80.4	87.9	81.5	75.7	0.3	4.2	-7.1	-0.1						
CI-CJ	Computer and Electronic Products	112	102.9	97.9	101.5	98.1	98.3	102.5	95.5	95.2	-4.9	3.0	-0.3	-0.9						
CK	Machinery and Equipment n.e.c	41	138.3	145.6	141.7	144.5	142.5	133.6	152.9	153.2	5.2	-3.6	0.2	-6.5						
CL	Transport Equipment	175	60.4	58.7	57.7	68.6	58.0	58.2	59.2	59.2	-2.8	14.8	-0.1	2.1						
CM	Other Manufacturing and Repair	125	130.3	122.8	129.3	143.7	128.7	122.6	121.2	118.7	-5.8	1.9	-2.1	-0.8						
CJKL	Engineering and Allied Industries	328	84.6	82.9	83.1	88.1	82.3	82.7	83.3	83.2	-2.1	6.4	-0.1	-1.1						
CCGM	Other Manufacturing	255	108.8	105.1	106.9	114.9	110.1	104.3	105.5	100.6	-3.4	-3.8	-4.7	-3.1						
DE	Electricity, Gas and Water Supply ^[Note 5]	195	110.9	93.8	117.6	107.0	97.7	99.1	89.7	88.8	-15.4	-2.2	-1.0	-1.1						
F	CONSTRUCTION	1000	105.0	132.8	102.6	118.5	126.2	132.6	139.3	133.1	26.5	2.1	-4.5	-0.9						

Source: Short-term output indicators, Welsh Government and ONS

[Note 1] Revisions to the series are normally made each quarter to take account both of more recent information and improved seasonal factors

[Note 2] All series are seasonally adjusted except CB, CC, CD and CK.

[Note 3] Where the sections are highlighted in bold; the weights sum to the Index of Production (IoP = 1,000). Those sub-sections whose weights are not highlighted sum to the individual section e.g the sum of the weights for sub-sections CC, CG and CM sum to Section CCGM. There may be some apparent slight discrepancies between the constituent items and the total due to rounding.

[Note 4] UK figures for Production as published by the Office for National Statistics on 28 March 2024 and UK figures for Construction as published by the Office for National Statistics on 13 March 2024.

[Note 5] Relates to SIC 2007 Sections D - Electricity, Gas and Air Conditioning Supply and Section E - Water Supply; Sewerage, Waste Management and Remediation Activities.

[r] Revised figures.

Description of Table B1: A table showing the current quarter and the previous five quarters for the indices of production and construction and the sub-sectors. It also shows the percentage changes in the latest 4 quarters and the previous four quarters, and the quarter on quarter change.

Source: Short-term output indicators, Welsh Government and Office for National Statistics

Table B2: Index of Market Services for Wales ^[Note 1]

SEASONALLY ADJUSTED ^[Note 2]; 2019 = 100

2007 STANDARD INDUSTRIAL CLASSIFICATION		Index Weights ^[Note 3]	Annual Indices		2022				2023				Latest percentage change				
			2022 [r]	2023 [r]	Q3 [r]	Q4 [r]	Q1 [r]	Q2 [r]	Q3 [r]	Q4	4 qtrs to previous 4 qtrs		qtr to previous qtr				
Section	Description													Wales	UK ^[Note 4]	Wales	UK ^[Note 4]
IoMS	MARKET SERVICES	1000	103.3	102.0	103.8	102.9	102.7	102.4	101.6	101.5				-1.3	0.2	-0.1	-0.2
G	Distribution	210	105.5	96.9	103.6	101.6	99.2	97.8	95.7	95.0				-8.1	-1.8	-0.8	-0.4
45	Wholesale, Retail Sale & Repair of Motor Vehicles	201	105.2	95.1	101.7	98.6	96.8	97.1	90.2	96.2				-9.7	9.3	6.7	2.3
46	Wholesale Trade except Motor Vehicles	321	111.1	100.5	108.5	109.7	105.5	99.9	99.0	97.5				-9.6	-2.8	-1.5	-0.9
47	Retail Sales except Motor Vehicles	478	101.8	95.3	101.2	97.4	95.8	96.6	95.9	92.8				-6.4	-3.5	-3.2	-0.7
H	Transport	64	89.2	98.8	91.0	98.2	94.5	101.8	96.1	103.0				10.8	-1.3	7.1	1.0
49-51	Land, Water & Air Transport	428	93.8	102.8	100.6	107.6	98.1	109.0	102.1	101.8				9.5	0.3	-0.3	0.7
52,53	Warehousing & Transport Support Activities; Postal & Courier Activities	572	88.4	98.8	86.6	94.1	94.5	99.5	94.6	106.7				11.7	-2.8	12.8	1.3
I	Accommodation & Food Service Activities	78	120.1	105.7	122.4	115.0	108.4	107.0	103.8	103.7				-12.0	-1.6	-0.1	0.2
55	Accommodation	314	128.3	102.1	137.6	114.7	106.2	103.0	100.2	99.0				-20.4	-4.8	-1.2	3.9
56	Food & Beverage Service Activities	686	116.4	107.3	115.4	115.1	109.4	108.7	105.4	105.8				-7.8	-0.2	0.4	-1.3
J	Information & Communication Activities	74	118.9	123.5	123.8	122.2	121.8	121.0	125.1	126.3				3.9	1.1	1.0	-0.9
JA	Publishing, Audio Visual & Broadcasting Activities	113	105.4	108.6	109.9	94.8	97.8	105.7	114.9	116.0				3.1	-2.8	0.9	-1.4
JB	Telecommunications	456	125.9	130.8	129.7	130.7	129.4	131.4	132.7	129.7				3.9	5.7	-2.2	-0.3
JC	Information Technology & Other Information Activities	431	115.0	119.8	121.1	120.5	120.2	113.9	119.7	125.3				4.2	-0.1	4.7	-1.1
K	Financial & Insurance Activities	96	110.3	114.5	112.0	110.5	115.6	116.3	110.5	115.6				3.8	-0.7	4.6	-0.2
L	Real Estate Activities	248	92.8	88.9	92.5	91.6	90.5	89.5	88.7	86.7				-4.2	-0.5	-2.3	0.0
LXOOD	Real Estate Activities excluding OOD	118	92.5	90.4	92.6	91.6	90.4	89.7	91.8	89.6				-2.3	-4.2	-2.3	-0.6
OOD	Owner Occupied Dwellings	882	92.8	88.7	92.5	91.6	90.6	89.4	88.3	86.3				-4.5	1.1	-2.3	0.2
M	Professional, Scientific & Technical Activities	79	109.0	117.1	108.9	106.6	112.5	115.0	120.6	120.3				7.4	0.4	-0.3	-0.3
N	Administrative & Support Service Activities	83	108.6	117.6	111.5	112.5	119.2	119.8	117.8	113.7				8.4	5.5	-3.5	0.2
RST	Other Services	68	89.8	87.3	87.8	91.4	88.2	83.1	89.8	88.0				-2.8	4.8	-2.0	-1.1

[Note 1] Revisions to the series are normally made each quarter to take account both of more recent information and improved seasonal factors

[Note 2] All series are seasonally adjusted except JC and K.

[Note 3] Where the sections are highlighted in bold; the weights sum to the Index of Market Services (IoMS = 1,000). There may be some apparent slight discrepancies between the constituent items and the total due to rounding.

[Note 4] UK figures as published by the Office for National Statistics on 28 March 2024.

[r] Revised data.

Description of Table B2: A table showing the current quarter and the previous five quarters for the index of market services and the sub-sectors. It also shows the percentage changes in the latest 4 quarters and the previous four quarters, and the quarter on quarter change.

Source: Short-term output indicators, Welsh Government and Office for National Statistics