

A5: Services

The service industries include the retail sector, the financial sector, the public sector, business administration, leisure and cultural activities.

The service industries accounted for 79% of total UK economic output (Gross Value Added) and 82% of employment in October-December 2022.

Services Output

PMI is based on a monthly survey asking companies about output, new orders, stock levels, employment and prices. PMI compares the current month with the previous one.

The PMI is produced faster than comparable official data. It often anticipates the direction of official figures, although the methodology is different.

Output - Index of Services

% change on previous year



There was an increase of 0.5% in the Index of Services between December 2022 and January 2023.

There was no change (+0.0%) in services in the three months to January 2023 compared with the three months to October 2022.

In the three months to January 2023, compared with the three months to January 2022, services output increased by 0.7%.

Purchasing Managers' Index (PMI)

UK Services PMI

50 = no change



In the S&P Global/CIPS PMI, a value of 50 means that there is no change in activity compared to the previous month. Values above 50 indicate an expansion, and values below 50 a contraction.

The UK services PMI was 52.8 in the flash estimate for March 2023, down by 0.7 from February. Activity in the sector continued to grow, as did new business, but staff shortages and increased input prices restricted growth.

Subject Specialist
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Update
ONS, [Index of Services](#), 13 April 2023

S&P Global/CIPS, [UK Services PMI](#), 5 April 2023

Services Output Index

	Index	% change on yr
2021 Jan	86.1	-14.1
2022 Jan	98.6	14.5
2022 Nov	99.5	1.1
Dec	98.7	0.3
2023 Jan	99.3	0.7

Source: ONS, series [S2KU](#), [S222](#), [S26Q](#)

PMI Index

	Index	Change on mth
2021 Mar	56.3	
2022 Mar	62.6	
2023 Jan	48.7	-1.2
Feb	53.5	4.8
Mar	52.8	-0.7

Source: [S&P Global/CIPS UK Services PMI](#)