Records are being set by the UK labour market, but the differences between regions remain strong.

Britain’s job market is in rude health… In the three months to January, employment increased by almost 100,000 taking the proportion of people who are in work to 74.6%, yet another record high. The unemployment rate fell to 4.7%. When it was last that low Oasis – remember them? – were at Number 1. Vacancies and hours worked increased while redundancies fell. Despite buoyant labour demand, wage growth slipped to around 2%. On current trends it won’t be long before prices are growing faster than pay.

…but there's still room for improvement. UK-wide figures like these disguise divergences, some of which are pretty persistent. In the South East and South West the employment rate exceeds 78%, high by any standards. What's more, employment in those regions continued to grow much faster than in the rest of the UK. In contrast, in the North East and Northern Ireland the employment rate hovers around 70%. If they could match the best performer, Northern Ireland would have an extra 110,000 people in work and the North East more than 130,000.

Nearly there. The number of Northern Ireland employee jobs edged to within 1,000 of the pre-downturn peak (Q2 2008) in the final quarter of 2016. Incidentally, the UK overtook this milestone back in Q2 2014. But the rate of job creation in Northern Ireland has slowed dramatically. Following a 1.7% rise in 2015, last year's total increased by just 0.3%. Although this conceals contrasting fortunes at a sector level, not least between the public and private sectors. The former has been shedding jobs at a rate of knots. Further public expenditure cuts are likely to see more job losses. Private sector employment has never been higher, but the private sector job creation machine is slowing fast. In the second half of 2016 the rate of growth (+0.8%) was less than half the rate in the first half of the year. Will 2016 mark Northern Ireland's employment high-water mark?

Rock star. After starting 2016 with a whimper, Northern Ireland's industrial producers ended it with a bang. Industrial production – over 80% of which is manufacturing – expanded at a whopping 5.4% q/q in the final three months of the year. This is its fastest rate of growth in recent decades, and industrial production has never been higher. The Mining & Quarrying sub-sector was the star performer, with output up a staggering 37% y/y in the final quarter, hitting an all-time high.

Manufacturing a rebound. Northern Ireland manufacturers ended 2016 with their fastest rate of quarterly growth (+4.3%) in almost 11-years. Sterling weakness has been a key factor, and 90% of the output lost during the downturn has now been recovered. Despite these impressive quarterly growth rates though, manufacturing output in 2016 was still down almost 1% on 2015. Meanwhile industrial production was up just a paltry 0.4%. 2017 needs start, and finish, the way 2016 ended.

In need of a service? Relative to manufacturing, Northern Ireland’s service sector recovery has been less impressive. Only 60% of the output lost during the downturn has been recouped so far. Following a dip in Q3, however, the fourth quarter saw output rebound by 1.6% q/q and 3.8% y/y. The latter marked the fastest rate of growth in a decade and output is now at a 7-year high. The fastest growing services sub-sector was Transport, Storage, Information and Communication. Following a 7% y/y rise in Q4-16, output is now at a record high. The Wholesale, Retail, Accommodation and Food services sector has also had its foot on the accelerator – for nine successive quarters. Low inflation and sterling weakness have boosted this consumer sensitive sector. Not surprisingly, 2016 marked the best year for growth since the Index of Services series began. But beware of a consumer slowdown in 2017.

Pulling apart. The house price gap between England’s most and least expensive areas is both wide and widening. The cheapest is a village in County Durham, with a median house price of £24,500, about the median annual pay for the region. The most expensive is within Westminster, as it probably has been ever since Edward the Confessor decided it looked a nice place to build a home with accompanying Cathedral. Here the median price was £2,920,000. According to Google Maps, it’s 270 miles up the M1/A1 from Westminster to Durham, so on this (slightly silly) measure house prices drop by almost £11,000 a mile on the road to County Durham.

Power of Three. The markets were as good as 100% certain the Fed would raise rates last week for only the third time since it began hiking in late 2015. It duly did so by 25bps to between 0.75 and 1%. And the Fed's forecast for the remainder of the year remained at three more hikes. Some were expecting it would signal four hikes given confidence strewn comments regarding the health of the economy and labour market by Fed officials in recent weeks. But even three hikes will require plenty of good data on growth, jobs and wages. The US economy needs to keep delivering.

Familiar. Jobs and consumer confidence are certainly delivering. After the previous week's robust payrolls figure, last week consumer confidence reach the highest level since 2000. But is it all translating into growth? A closely-watched US GDP tracker is predicting Q1 growth of below 1%. Recent years have often seen a disappointing start on the growth front.

Unexpectedly interesting. Whilst the Fed was universally expected to raise rates last week, the Bank of England was set to do nothing at all. Both were proved right, but one member of the MPC broke from the pack and voted to raise interest rates to 0.5%. Kristin Forbes seems to have concluded that strong consumer spending means the economy can cope with higher rates. Incredibly that action doubles the number of current MPC members who have ever voted to raise rates, from one to two! Is this the start of more votes to raise rates on the MPC? Unlikely. Kristin Forbes leaves the MPC after its June meeting this year so has only two more occasions to convince her colleagues.

Hipster economics. Each year the Office for National Statistics updates the basket of goods and services it uses to track inflation. This year's additions were heavily focused on drink and had a particularly modern feel to them. Gin returned to the inflation basket, reflecting its new status as a £1bn market in the UK. Flavoured cider also arrived, alongside "non-dairy milk drinks" (think soya or almond milk). And it wasn't just comestibles, cycling helmets won a place too. "But where is the craft beer?" I hear you cry. Good news, it joined last year.

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