Irish Economy Watch



AIB Treasury Economic Research Unit

Tuesday 26 July 2022

	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	The manu. PMI declined to 53.1
MANUFACTURING								in June. Both new orders and output fell for the first time since	
AIB Manufacturing PMI	59.9	58.3	59.4	57.8	59.4	59.1	56.4	53.1	early 2021. Meanwhile, input
OECD Leading Indicator	102.5	102.5	102.6	102.6	102.6	102.6	102.4	102.2	
Industrial Production (Ex-Modern)	129.3	114.4	132.5	133.4	127.0	126.1	133.8	#N/A	Traditional industrial production
Production (Ex-Modern) : 3mma YoY%	7.1	5.1	9.6	11.8	18.8	13.5	11.8	#N/A	rose sharply in May, and was up
3mth / 3mth % seas. adj.	6.3	5.9	7.3	3.4	7.6	2.7	1.7	#N/A	11.8% YoY in the 3 mths to May
SERVICES / RETAIL									The services PMI fell to 55.6 in
AIB Services PMI	59.3	55.4	56.2	61.8	63.4	61.7	60.2	55.6	June. New business, including exports remained strong overall
CSO Services Index (Value)	141.2	140.3	138.3	147.7	158.9	150.3	151.4	#N/A	though. However, inflationary pressures remained elevated
- YoY %	23.4	14.3	17.8	23.7	31.9	25.1	23.6	#N/A	and firm's expectations fell to
- 3mth / 3mth % seas. adj.	6.5	4.6	2.7	2.3	6.1	8.8	8.0	#N/A	their lowest level since Oct'20
SIMI Car Registrations	1,120	387	25,021	11,969	12,898	7,851	5,282	2,153	The CSO services index
- 12 mth cum total	105,030	104,932	104,813	103,084	106,790	107,494	106,862	106,253	rebounded in May, and was 23.6% higher YoY
- 3 mma YoY %	-6.9	9.9	-0.5	-5.2	3.9	8.9	17.0	-3.4	, and the second
Retail Sales Index	128.4	124.6	123.4	124.7	125.1	130.2	130.3	#N/A	New car sales were down by 3.4% YoY in Q2, but were up by
- YoY %	13.8	-2.5	20.6	1.6	1.5	3.7	0.3	#N/A	2.1% YTD vs 2021 levels
- 3mth / 3mth % seas. adj.	-2.2	-3.2	-4.2	-4.0	-2.3	1.0	3.5	#N/A	Retail sales were unchanged in
Ex Autos Index	132.9	128.7	128.9	128.7	130.0	132.5	130.8	#N/A	May, but 0.3% higher YoY. Core
- YoY %	15.6	-0.2	18.7	10.4	10.2	13.9	4.3	#N/A	sales fell by 1.9% in the month, but were up 4.3% YoY
- 3mth / 3mth % seas. adj.	-0.5	-0.1	-0.8	-2.1	-1.2	0.2	1.8	#N/A	24() 0 0 up 110/0 101
RESIDENTIAL CONSTRUCTION ACTIVIT	~								Construction PMI moved below 50 for the first time since early-
BNP Paribas Construction PMI	56.3	53.7	56.1	58.4	53.9	52.5	51.5	46.4	2021, as new orders collapsed
- Housing Activity	55.1	53.2	55.1	58.5	56.7	56.1	56.6	49.7	and firm's business expectations
- Commercial Activity	56.3	54.6	56.7	61.4	56.7	55.7	52.2	45.7	turned negative. Activity in the housing and commercial sectors
- New Orders	58.6	56.3	56.8	61.0	54.0	49.4	48.0	40.4	contracted also
- Business Expectations	69.0	69.2	75.4	69.5	57.1	57.7	52.7	49.1	Commencements are down
Commencements: 12mth Total	30,537	30,724	31,201	33,006	34,846	32,456	30,233	29,343	8.9% YTD in June vs 2021 level.
- 3 Month Avg YoY %	13.9	3.3	4.7	71.5	143.4	20.2	-26.0	-43.5	12 mth rolling total fell back below 30k
HOUSING MARKET ACTIVITY									Mortgage approvals slightly
BPFI Mortgage Approvals : Month	3,957	3,088	2,762	2,976	3,461	3,299	3,841	#N/A	lower in 2022, with the 3mma
- 3 Month Avg YoY %	-9.0	-10.6	-4.9	-0.9	1.3	-1.9	-1.6	#N/A	down 1.6% YoY
- 12 Mth Total	43,317	43,158	43,224	43,236	43,277	43,039	43,066	#N/A	Transactions have been trending
RPPR Transactions : Month	5,260	5,393	3,596	4,588	4,775	4,494	4,625	4,752	higher in Q2. Overall they rose
- 3 Month Avg YoY % - 12 Mth Total	6.0 59,255	-11.6 57,235	-10.6 57,665	-9.3 57,866	1.8 57,464	0.6 57,744	2.4 58,187	6.0 58,249	by 6% YoY in the quarter. 12 mth total moves above 58k.
	57,200	51,233	51,005	37,000	51,707	51,144	50,107	JU,247	House prices jumped by 0.8% in
HOUSING MARKET PRICES									May. However, the YoY rate
CSO Price Index - MoM	1.3	0.9	0.9	0.7	0.5	0.4	0.8	#N/A	edged lower to 14.4%
- YoY %	14.0	14.2	14.7	15.1	15.1	14.5	14.4	#N/A	Asking prices rose by 3.8% in Q2, and were up 9.5% YoY
Daft Asking Prices: MoM %	-0.1	-0.1	0.9	1.7	2.6	0.7	1.0	0.4	
- YoY %	8.8	6.5	6.9	9.7	9.9	9.5	9.7	9.3	The pace of increase in rents eased in June, but remained elevated at 0.8%. Rents were 11.9% higher YoY
RENTS: CSO Private Rents - MoM%	0.6	0.6	0.4	0.9	0.8	1.3	1.6	0.8	
- YoY %	8.1	8.4	8.4	9.2	9.2	9.3	11.2	11.9	
AFFORDABILITY: Couple on Avg Indust	rial Wage,	90% LTV,	30 Years,	AIB Mortg	age Rate, I	Prices: CS0	D/Perm' TS	В	Affordability improved slightly in
- Mortgage as % of Disposable Income	19.6	19.6	19.4	19.3	19.2	#N/A	#N/A	#N/A	Q1 as wage growth outpaced
,									at as wage growth outpaced

CASSILMER PRICES - YOY % 5.5 5.5 5.0 5.6 6.7 7.0 7.8 7.0 7.8 7.0 7.8 7.0 7.8 7.0 7.8 7.0 7.8 7.0 7.8 7.0 7.8 7.0 7.8 7.0 7.8 7.0 7.8 7.0 7.8 7.0 7.0 7.8 7.0 7		Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-2	2 May-22	Jun-22	Consumer prices rose by 1.3% in
NAM %	CONSUMER PRICES - YoY %	5.3	5.5	5.0	5.6	6.7	7 7.	0 7.8	9.1	transport and food costs. The YoY rate jumped to 9.1% largely due the sharp rise in energy, transport and food prices. HICP
HICP-YOY%	- MoM %	0.6	0.5	-0.4	0.9	1.9	0.	9 0.9	1.3	
Consumer Confidence	HICP - YoY %		5.7		5.7				9.6	
PRESIDENCIAL / FINANCIAL Private Sectors (Underlying)	- MoM %	0.6	0.5	-0.4	0.9	2.:	L 0.	9 1.1	1.3	
Croedic Crowth Yor Yes	PERSONAL / FINANCIAL									
Credit Crowth Yor Yes	KBC/ESRI Consumer Confidence	83.1	74.9	81.9	77.0	67.0	57	.7 55.2	57.7	very low levels on concerns
- Private Sector (Nother) 1902 12	Credit Growth YoY %									
Composition	, , , , , , , , , , , , , , , , , , , ,									modest growth, led by an
Cabbook Cabb										increase in mortgage lending
Commonwood Common										
Change In Month										Overall, Irish labour market data
Unemployment Rate % 5.2 5.1 5.0 4.8 5.1 4.8 4.7 4.6 The employment metrics of the manu, and services PMIs fell in PMI Employment Indices - AIB Manufacturing 55.0 54.3 54.9 53.7 56.6 58.6 59.3 55.7 54.0 55.6 56.5 58.2 57.6 58.5 56.4 58.6 59.3 55.7 54.0 55.6 56.5 58.2 57.5 55.7 54.0 55.6 56.5 58.2 57.5 55.7 54.0 55.6 56.5 58.2 57.5 55.7 54.0 55.6 56.5 58.2 57.5 55.7 54.0 56.0 58.5 58.2 57.5 55.7 54.0 56.0 58.5 58.2 57.5 58.5 56.4 58.6 58.6 58.6 58.6 58.6 58.6 58.6 58.6	· ·	,								
MERCHANDISE TRADE Export Values - 3M / 3M %	3	,	,			,	,		ŕ	·
All Manufacturing 55.0 54.3 54.9 53.7 56.6 58.6 59.3 55.7 56. All Manufacturing 55.0 54.0 55.6 55.5 58.2 57.6 58.5 56.4 56.4 BNP Paribas Construction 56.2 54.7 55.0 55.5 58.2 57.6 58.5 56.4 BNP Paribas Construction 56.2 54.7 55.0 58.5 58.2 57.6 58.5 56.4 BNP Paribas Construction 56.2 54.7 55.0 58.5 58.2 57.6 58.5 56.4 BNP Paribas Construction 56.2 54.7 55.0 58.5 58.2 57.6 58.5 56.4 BNP Paribas Construction 56.2 54.7 55.0 58.5 58.2 57.6 58.5 56.4 BNP Paribas Construction 56.2 54.7 55.0 58.5 58.2 57.6 58.5 56.4 BNP Paribas Construction 56.2 54.7 55.0 58.2 57.6 58.5 56.4 BNP Paribas Construction 56.2 54.7 55.0 58.2 57.6 58.5 56.4 BNP Paribas Construction 56.2 54.7 55.0 58.2 57.6 58.5 56.4 BNP Paribas Construction 56.2 54.7 55.0 58.2 57.6 58.5 56.4 BNP Paribas Construction 56.2 54.0 58.5 58.2 57.6 58.5 56.4 BNP Paribas Construction 56.2 54.0 58.5 58.2 57.6 58.5 56.4 BNP Paribas Construction 56.2 54.0 58.5 58.2 57.6 58.5 56.4 BNP Paribas Construction 56.2 54.0 58.5 58.2 57.6 58.5 56.4 BNP Paribas Construction 56.2 54.0 58.5 58.2 57.6 58.5 56.4 BNP Paribas Construction 56.2 54.0 58.5 58.2 57.6 58.5 58.2 57.6 58.5 58.2 BNP Paribas Construction 56.2 54.0 58.5 58.2 57.6 58.5 58.2 BNP Paribas Construction 56.2 54.0 58.5 58.2 57.6 58.5 58.2 BNP Paribas Construction 56.2 54.0 58.5 58.2 57.6 58.5 58.4 BNP Paribas Construction 56.2 54.0 58.5 58.2 58.4 58.4 58.5 58.4 58.5 58.4 58.5 58.4 58.5 58.4 58.5 58.4 58.5 58.5	Unemployment Rate %	5.2	5.1	5.0	4.8	5	L 4.	8 4.7	4.8	manu, and services PMIs fell in
- All Manufacturing	PMI Employment Indices									•
BNP Paribas Construction S62 S4.7 S5.0 S3.5 S2.1 S2.5 S4.9 S0.1	•									expansion in the construction
Export Values - 3M / 3M %										sector stalled
Expert Values - 3M / 3M %										
Services Exports - York 10.2 10.2 10.5 18.5 30.6 36.9 38.2 #N/A 16.6 13.0 12.5 10.5 12.9 #N/A 20.1 Import Values - 3M / 3M % 3.6 8.5 12.6 13.0 12.5 10.5 12.9 #N/A 20.1 Imports rose by 3% in May 31.9 30.6 35.3 #N/A 20.1 Imports rose by 3% in May 31.9 31.9 30.6 35.3 #N/A 20.1 Imports rose by 3% in May 31.9 31.9 31.1 26.9 25.0 25.	MERCHANDISE TRADE									by 1% in the month, and were
Import Values - 3M / 3M %	,									higher across all 10 major categories when compared to 2021. Imports rose by 3% in May
PUBLIC FINANCES Total Tax Receipts: Cum YTD %										
PUBLIC FINANCES										
Total Tax Receipts: Cum YTD % 21.8 19.7 23.7 19.3 31.8 31.1 26.9 25.0 Voted Spending : Cum YTD % 1.6 5.5 3.0 1.7 2.0 -5.9 -3.1 -3.8 Exchequer Bal: 12 Mth Total €m -4,862 -7,372 -6,399 -5,718 -3,0.44 -833 32 2,116 Tax intake, up 25% YTD. Net voted spending : Cum YTD % 1.6 5.5 3.0 1.7 2.0 -5.9 -3.1 -3.8 Exchequer Bal: 12 Mth Total €m -4,862 -7,372 -6,399 -5,718 -3,0.44 -833 32 2,116 Trish GDP grew by 10.7% YO' in 21 mth rolling Exchequer surplus rises to €2.1bn Tax intake, up 25% YTD. Net voted spending down 3.8% YTD. Net voted spending : Cum YTD % 1.6 5.9 1.0 4 1.0 1.2 1.2 mth rolling Exchequer surplus rises to €2.1bn Tax intake, up 25% YTD. Net voted spending : Cum YTD % 1.0 4 1.0 1.2 1.2 1.0 1.2 1.2 1.0 1.2 1.2 1.0 1.2 1.2 1.0 1.2 1.2 1.0 1.2 1.2 1.0 1.2 1.2 1.0 1.2 1.2 1.0 1.2 1.2 1.0 1.2 1.2 1.0 1.2 1.2 1.2 1.0 1.2 1.2 1.2 1.2 1.2 1.2 1.2 1.2 1.2 1.2	DUDU IC FINANCEC									
Odd Spending : Cum YTD % 1.6 5.7 2.7 3.1 3.1 26.9 25.9 25.0 voted Spending : Cum YTD % 1.6 5.5 3.0 1.7 2.0 5.9 3.1 -3.8 8.1 28.9 29.0 25.9 25.0 25.9 25.0 voted Spending : Cum YTD % 1.6 5.5 3.0 1.7 2.0 5.9 3.1 -3.8 8 voted Spending : Cum YTD % 2.7 2.6 3.99 -5.718 -3.0 44 -833 32 2.116 2.12 mth rolling Exchequer surplus rises to €2.1bn GDP - YoY % 1.4 1.14 3.9 1.14 1.95 10.4 13.8 10.7 1.23 mth rolling Exchequer surplus rises to €2.1bn 2.12 mt		21.0	10.7	22.7	10.2	21.0	. 21	1 26.0	25.0	Tax intake, up 25% YTD. Net voted spending down 3.8% YTD.
GUARTERLY DATA Q2-20 Q3-20 Q4-20 Q1-21 Q2-20 Q3-21 Q2-20 Q3-21 Q2-20 Q3-21 Q2-20 Q3-21 Q2-20 Q3-21 Q3-20 Q3-21 Q3-21 Q3-21 Q4-21 Q1-22 Trish GDP grew by 10.7% Yo Yin Q1, as personal consumption, in vestment and exports all rose sharply vs Q1 2021 **Domestic Demand - Yo Y% -12.7 -3.5 -4.8 -5.1 14.7 3.9 10.4 12.6 15.3 10.7 Consumer Spending - Yo Y % 19.8 -7.6 -10.0 -13.0 17.1 6.5 9.4 15.3 -7.5 -7.3 <	'									
### Consumer Spending - YoY% **Domestic Demand - YoY% **Increase Spending - YoY in OI, led by a significant rebound in consumer spending - YoY in OI, as the economy reover in O	Exchequer Bal: 12 Mth Total €m	-4,862	-7,372	-6,399	-5,718	-3,044	-83	33 32	2,116	
# Domestic Demand - YoY%	QUARTERLY DATA		Q2-20	Q3-20	Q4-20	Q1-21	Q2-21 (03-21 Q4-	21 Q1-22	Irish GDP grew by 10.7% YoY in
Nomestic Demand - YoY% -127 - 3.5 - 4.8 - 5.1 14.7 3.9 10.4 12.6 Consumer Spending - YoY % -19.8 - 7.6 - 10.0 -13.0 17.1 6.5 9.4 15.3 Services Exports - YoY % (3Q Avg) 7.7 3.0 5.6 8.0 14.5 14.3 13.6 12.5 **Excludes Some Investment Related to the Multinational Sector** **Excludes Some Investment Related to the Multinational Sector** **Employment YoY % -6.9 -3.2 -3.4 -5.0 9.9 9.8 10.1 12.3 Labour Force YoY % -6.9 -0.9 -2.0 -2.5 12.1 7.9 8.9 9.6 Average Earnings YoY % -6.0 3.3 7.7 7.5 4.1 5.4 1.9 2.3 Weekly Earnings YoY % -9.0 -1.0 1.0 1.0 1.0 1.0 1.0 1.0 1.0 1.0 1.0	CDD VoV 0/		1.4	11 /	2.0	11 /	10 F	10.4 13	0 10.7	Q1, as personal consumption, investment and exports all rose
Consumer Spending - YoY %										
Services Exports - YoY % (3Q Avg) 7.7 3.0 5.6 8.0 14.5 14.3 13.6 12.5 Tebound in consumer spending rebound in co										
*EMPLOYMENT & EARNINGS Employment YoY %	, ,									
Employment YoY %	* Excludes Some Investment Related to the Multir	national Sector								, 5
Employment YoY % -6.9 -3.2 -3.4 -5.0 9.9 9.8 10.1 12.3 opened fully. Up by 6.3% on pre-pandemic levels. Strong labour force YoY % -6.9 -0.9 -2.0 -2.5 12.1 7.9 8.9 9.6 Force growth of 9.6% YoY also Average Earnings YoY % - Hourly -7.2 3.6 5.5 8.4 2.7 3.7 2.8 1.9 Weekly average earnings rose by 2.3% YoY in Q1, and were 10% higher than in Q1 2020. Weekly Earnings YoY % - Private Sector - Public Sector 2.9 2.5 3.0 4.9 2.2 5.3 0.2 -1.7 - Public Sector -7.2 5.0 5.6 B.2 8 4.1 Earnings YoY % - Public Sector -7.2 5.0 5.8 2.8 4.1 Earnings YoY % - Public Sector -7.2 5.0 5.8 2.8 4.1 Earnings YoY & 4.0 5.0 5.8 5.8 5.8 4.1 Earnings YoY & 5.0 5.8 5.8 5.8 5.8 5.8 5.8 5.8 5.8 5.8 5.8	EMPLOYMENT & EARNINGS									
Average Earnings YoY % - Hourly 7.2 3.6 5.5 8.4 2.7 3.7 2.8 1.9 - Weekly Earnings YoY % - Private Sector 6.0 3.1 9.1 7.7 5.0 5.8 2.8 4.1 - Public Sector 2.9 2.5 3.0 4.9 2.2 5.3 0.2 -1.7 CSO DWELLING COMPLETIONS 3227 5042 7319 3923 4968 4607 6975 5669 - YoY % - No substitute of the substit of the substitute of the substitute of the substitute of the su	Employment YoY %		-6.9		-3.4	-5.0	9.9	9.8 10	0.1 12.3	opened fully. Up by 6.3% on pre
- Hourly 7.2 3.6 5.5 8.4 2.7 3.7 2.8 1.9 Weekly average earnings rose by 2.3% YoY in Q1, and were 10% higher than in Q1 2020. This is partly due to increased employment in high skill sectors 5.0 5.0 5.8 2.8 4.1 Exployment in high skill sectors 5.0 5.0 5.0 5.0 5.0 5.0 5.0 5.0 5.0 5.0	Labour Force YoY %		-6.9	-0.9	-2.0	-2.5	12.1	7.9 8	.9 9.6	
- Weekly - Weekly Earnings YoY % - Private Sector - Public Sector - Public Sector - YoY % - Weekly Earnings YoY % - 1.2			70	26	E F	QΛ	27	37	0 10	Weekly average earnings rose
Weekly Earnings YoY % - Private Sector 6.0 3.1 9.1 7.7 5.0 5.8 2.8 4.1 Employment in high skill sectors and plant in high skil	·									by 2.3% YoY in Q1, and were
- Public Sector 2.9 2.5 3.0 4.9 2.2 5.3 0.2 -1.7 such as ICT and Pharma CSO DWELLING COMPLETIONS 3227 5042 7319 3923 4968 4607 6975 5669 Having slowed in H2 2021, completions have regained momentum in Q1 2022. 12 mth - YoY % -32.7 -10.6 14.9 -20.4 54.0 -8.6 -4.7 44.5 momentum in Q1 2022. 12 mth	Weekly Earnings YoY %									This is partly due to increased
CSO DWELLING COMPLETIONS 3227 5042 7319 3923 4968 4607 6975 5669 Having slowed in H2 2021, completions have regained momentum in Q1 2022. 12 mth										
CSO DWELLING COMPLETIONS 3227 5042 7319 3923 4968 4607 6975 5669 completions have regained momentum in Q1 2022. 12 mth										Having slowed in H2 2021.
										completions have regained



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