

## Recent Developments

Composite PMI  
**49.8**  
 February 2021

Unemployment rate  
 to **5.1%**  
 Q4 2020

Inflation  
**0.7%**  
 YoY January 2021

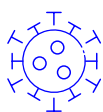
£ strengthens  
 to **87p**

## Brexit & COVID-19

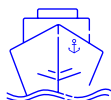
UK-EU trade deal  
 agreed



Public health measures  
 to contain virus



No tariffs or quotas  
 on goods



Vaccine roll-out  
 progressing



## Policy Supports

Interest rates  
 remain low

**0.1%**

Accommodative  
 fiscal policy



Quantitative easing  
 expanded



Furlough scheme  
 in place



## Outlook

	GDP	Consumer Spending	Investment	Exports	Employment	Unemployment Rate	Inflation
2020	-9.9%	-11.0%	-8.7%	-16.7%	-0.5%	4.5%	0.9%
2021f	4.6%	4.5%	4.0%	5.5%	-1.8%	6.0%	1.8%
2022f	6.8%	7.8%	5.4%	9.0%	0.7%	5.7%	2.0%

Economy rebounds as  
 COVID-19 restrictions are lifted

Investment plans get the green light  
 amid reduced uncertainty

Pent up consumer demand &  
 savings unlocked

Exports benefit from global recovery  
 but post-Brexit red tape

Prepared by: Bank of Ireland Economic Research Unit

Source: Bank of Ireland, ONS, Bloomberg, HM Government, Bank of England, IHS Markit

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