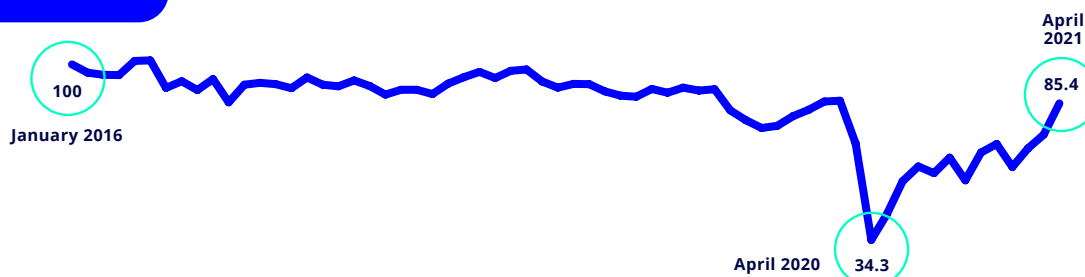


# Ireland Outlook Interim Update May 2021

## Recent Developments

Economic sentiment improving



## Brexit

New UK-EU trade deal



No tariffs or quotas on goods



Supply chain disruptions

3 in 5 firms\*

March 2021

Extra costs

56% of firms\*

March 2021

Re-opening optimism among consumers and businesses

Spending boost as excess household savings are unlocked

Reduced uncertainty a tailwind for investment

MNCs and key trading partners expanding

### Risks

⬇️ Virus mutations  
⬆️ Pent up demand ⬆️

## COVID-19

Vaccine roll-out progressing



Fiscal & monetary policy remains supportive



Easing of restrictions as per Government Plan



Unemployment rate

⬇️ to 22.4%

COVID-19 adjusted April 2021

## Outlook

	GDP	GNP	Employment	Unemployment Rate	Inflation
2020	3.4%	0.6%	-15.3%	18.9%	-0.3%
2021f	5.8%	5.4%	3.6%	16.0%	0.8%
2022f	5.8%	6.2%	12.8%	6.8%	1.3%

Prepared by: Bank of Ireland Economic Research Unit

Sources: Bank of Ireland, CSO, Government of Ireland, EU Council, ECB, IMF, IHS Markit. \*Excludes firms that Brexit is not relevant for.

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