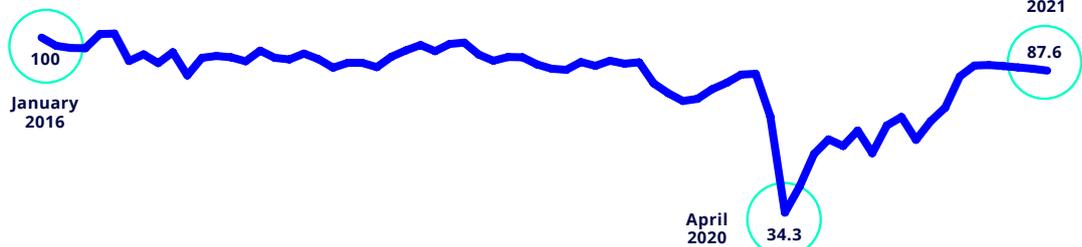


# Ireland Outlook Interim Update October 2021

## Recent Developments

Economic sentiment broadly steady



## Consumer

Retail sales rising



Excess savings unwinding



Unemployment rate

⬇️ to **10%**

COVID-19 adjusted September 2021

Higher inflation

**3.7%**

YoY September 2021

Public health restrictions largely lifted

Domestic economy and MNCs growing

Labour market situation improving

Pandemic and post-Brexit bottlenecks

### Risks

- ⬇️ Virus setbacks
- ⬇️ Cost and price pressures
- ⬆️ Pent up demand

## Business

Confidence above pre-COVID level



Public investment programme

**€165bn**

2021-2030

Trading partners expanding



Non-labour input costs

⬆️ for **7 in 10** firms

October 2021

## Outlook

	GDP	Modified Domestic Demand*	Employment	Unemployment Rate	Inflation
2020	<b>5.9%</b>	<b>-4.9%</b>	<b>-16.9%</b>	<b>19.4%</b>	<b>-0.3%</b>
2021f	<b>16.0%</b>	<b>6.4%</b>	<b>7.7%</b>	<b>16.8%</b>	<b>2.2%</b>
2022f	<b>7.5%</b>	<b>7.2%</b>	<b>14.3%</b>	<b>6.8%</b>	<b>3.2%</b>

Prepared by: Bank of Ireland Economic Research Unit

Sources: Bank of Ireland, CSO, Government of Ireland, Central Bank of Ireland, IMF. \*Excludes globalisation effects and stocks

Disclaimer: This document has been prepared by the Economic Research Unit at The Governor and Company of the Bank of Ireland ("BOI") for information purposes only and BOI is not soliciting any action based upon it. BOI believes the information contained herein to be accurate but does not warrant its accuracy nor accepts or assumes any responsibility or liability for such information other than any responsibility it may owe to any party under the European Union (Markets in Financial Instruments) Regulations 2017 as may be amended from time to time, and under the Financial Conduct Authority rules (where the client is resident in the UK), for any loss or damage caused by any act or omission taken as a result of the information contained in this document. Any decision made by a party after reading this document shall be on the basis of its own research and not be influenced or based on any view or opinion expressed by BOI either in this document or otherwise. This document does not address all risks and cannot be relied on for any investment contract or decision. A party should obtain independent professional advice before making any investment decision. Expressions of opinion contained in this document reflect current opinion as at 28th October 2021 and is based on information available to BOI before that date. This document is the property of BOI and its contents may not be reproduced, either in whole or in part, without the express written consent of a suitably authorised member of BOI. The Governor and Company of the Bank of Ireland is regulated by the Central Bank of Ireland. In the UK, The Governor and Company of the Bank of Ireland is authorised by the Central Bank of Ireland and the Prudential Regulation Authority and subject to limited regulation by the Financial Conduct Authority and the Prudential Regulation Authority. Details about the extent of our authorisation and regulation by the Prudential Regulation Authority and regulation by the Financial Conduct Authority are available from us on request. The Governor and Company of the Bank of Ireland is incorporated in Ireland with limited liability. Registered Office 40 Mespil Road, Dublin 4, Ireland. Registered Number C1.