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# Bank of Ireland economic pulse

April 2018

 Regional  
Pulse

# Regional Pulse

## April 2018

“It was a case of two up, one broadly unchanged and one down for the Regional Pulses in April.”

Dr Loretta O’Sullivan,  
Group Chief Economist, Bank of Ireland

The Bank of Ireland Regional Pulses combine the views of households and firms around the country. The 3 month moving averages show that sentiment was up on the month in Dublin and Munster, broadly unchanged in the Rest of Leinster but down in Connacht/Ulster in April 2018.

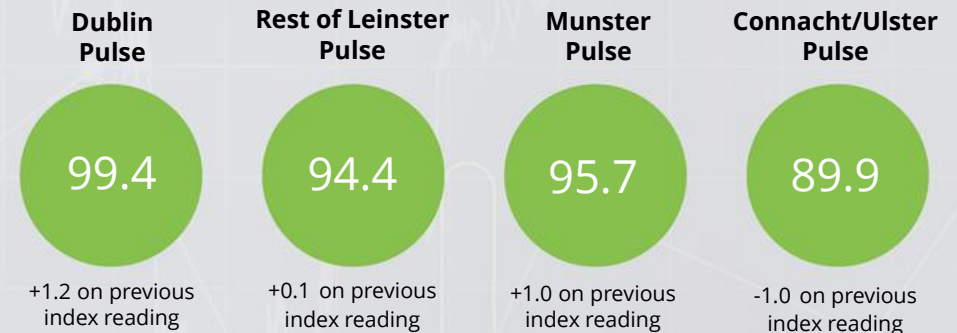
Households’ assessment of the economy and their own finances was split this month, with the eastern areas more muted and the rest of the country more positive. On the business front, the lack of progress on the Border issue may have impacted sentiment in Connacht/Ulster in particular, though firms’ expectations for near-term activity and hiring were generally gloomier this month.

### KEY POINTS

- Mixed regional picture in April
- Dublin and Munster Pulses up
- Softer Connacht / Ulster reading

### REGIONAL PULSES

Three Month Moving Averages



Rest of Leinster refers to Leinster excluding Dublin. Ulster only refers to Cavan, Donegal and Monaghan.

# Regional Pulse

April 2018

## GENERAL ECONOMIC SITUATION

Past 12 Months

	Dublin	Rest of Leinster	Munster	Connacht/Ulster
↗	9%	14%	11%	11%
↖	49%	51%	52%	52%
No Change	22%	22%	22%	21%
↘	10%	7%	10%	9%
↙	8%	4%	4%	5%
Balance	+21%	+32%	+28%	+27%
Change on previous reading	-13	-1	+5	+11

## HOUSEHOLD FINANCIAL SITUATION

Past 12 Months

	Dublin	Rest of Leinster	Munster	Connacht/Ulster
↗	3%	2%	3%	4%
↖	28%	23%	24%	20%
No Change	50%	59%	55%	61%
↘	13%	12%	12%	11%
↙	5%	4%	5%	3%
Balance	+6%	+4%	+4%	+5%
Change on previous reading	-8	-4	0	+9

## GENERAL ECONOMIC SITUATION

Next 12 Months

	Dublin	Rest of Leinster	Munster	Connacht/Ulster
↗	6%	9%	10%	7%
↖	50%	45%	51%	53%
No Change	25%	29%	24%	25%
↘	9%	8%	9%	7%
↙	5%	4%	3%	6%
Balance	+22%	+23%	+27%	+25%
Change on previous reading	-3	-7	+5	+10

## HOUSEHOLD FINANCIAL SITUATION

Next 12 Months

	Dublin	Rest of Leinster	Munster	Connacht/Ulster
↗	5%	6%	6%	7%
↖	34%	29%	28%	31%
No Change	50%	54%	53%	50%
↘	7%	6%	8%	7%
↙	2%	3%	2%	2%
Balance	+16%	+15%	+15%	+17%
Change on previous reading	-7	-6	+4	+8

# Regional Pulse

## April 2018

### House Price and Rents Expectations

#### DUBLIN

Next 12 Months

Change		House Prices	Rents
> 5%	↑ Increase	43%	35%
1% - 5%		41%	44%
Stay more or less the same		12%	17%
1% - 5%	↓ Decrease	1%	0%
> 5%		2%	1%
Balance		+62%	+56%
Change on previous reading		-4	+1

#### REST OF LEINSTER

Next 12 Months

Change		House Prices	Rents
> 5%	↑ Increase	37%	26%
1% - 5%		48%	46%
Stay more or less the same		13%	22%
1% - 5%	↓ Decrease	0%	0%
> 5%		1%	1%
Balance		+59%	+48%
Change on previous reading		+6	+2

#### MUNSTER

Next 12 Months

Change		House Prices	Rents
> 5%	↑ Increase	32%	29%
1% - 5%		44%	39%
Stay more or less the same		21%	27%
1% - 5%	↓ Decrease	0%	1%
> 5%		0%	0%
Balance		+54%	+49%
Change on previous reading		+3	+3

#### CONNACHT/ULSTER

Next 12 Months

Change		House Prices	Rents
> 5%	↑ Increase	32%	21%
1% - 5%		43%	40%
Stay more or less the same		23%	35%
1% - 5%	↓ Decrease	1%	1%
> 5%		0%	0%
Balance		+53%	+40%
Change on previous reading		+5	+4

# Regional Pulse

## April 2018

### BUSINESS ACTIVITY

Past 3 Months	Change on previous reading	
	Balance	
Dublin	+20%	-1
Rest of Leinster	+12%	-7
Munster	+20%	+5
Connacht/Ulster	+17%	+8

### BUSINESS ACTIVITY

Next 3 Months	Change on previous reading	
	Balance	
Dublin	+47%	-1
Rest of Leinster	+50%	-1
Munster	+47%	-3
Connacht/Ulster	+45%	-6

### JOBS

Past 3 Months	Change on previous reading	
	Balance	
Dublin	+9%	+6
Rest of Leinster	+6%	-2
Munster	+7%	+4
Connacht/Ulster	+3%	0

### JOBS

Next 3 Months	Change on previous reading	
	Balance	
Dublin	+20%	+3
Rest of Leinster	+17%	-2
Munster	+19%	+1
Connacht/Ulster	+14%	-4

# Background

## THE ECONOMIC PULSE

Bank of Ireland's new economic indicator for Ireland – the Economic Pulse – is based on a series of surveys. Each month households and firms are asked for their views on a wide range of topics including the economy, their financial situation, spending plans, house price expectations, business activity and hiring intentions. Key business sectors such as industry, services, retail and construction are covered, as well as regions. The information gathered is combined into high level indices, with responses to individual questions also provided along with analysis and insights.

## GATHERING THE DATA

Ipsos MRBI are undertaking the fieldwork for the surveys on behalf of Bank of Ireland. A best practice approach to data collection and methodology has been adopted within a harmonised EU framework.

1000 households, 500 firms in industry, 800 services firms, 500 retailers and 250 construction firms participate in the surveys each month.

## USING THE INFORMATION

Business and consumer surveys provide essential information for economic surveillance, short-term forecasting and research.

They are also useful for policymakers, as well as helping firms with business planning.

Survey data are a key complement to official statistics, with high frequency and timeliness among their main qualities.

## THE EU DIMENSION

Bank of Ireland is partnering with the European Commission on the surveys. The data collected will feed into the Joint Harmonised EU Programme of Business and Consumer Surveys. This is a Europe-wide sentiment study which has been running since the 1960s. The data generated within this framework are particularly useful for monitoring economic developments at EU and Euro area level and also allow the situation in Ireland to be compared with that of other Member States.

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**Note:** Balances are calculated as the difference between positive and negative responses (using weighted averages for questions with multiple options).

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