

Further material available at
www.BankofIrelandEconomicPulse.com



Bank of Ireland economic pulse

November 2018

 Regional
Pulse

Regional Pulse

November 2018

“Retailers in the border area are less upbeat about Christmas trading prospects than elsewhere, with just 12% expecting turnover to be higher than last year.”

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

The Bank of Ireland Regional Pulses bring together the views of households and firms in the different parts of the country. The 3 month moving averages show that sentiment was down in Dublin and Connacht/Ulster in November 2018, more or less flat in the Rest of Leinster and up a touch in Munster.

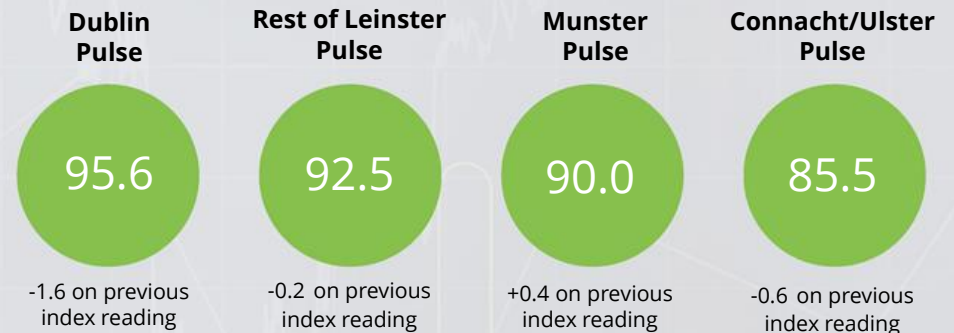
Brexit gloom mixed with festive cheer in all regions this month. The November survey finds that one in five households is planning on spending more on Christmas presents this year compared with last year. The weak pound is likely to lead to some cross border shopping though, impacting retailers in the border area in particular.

KEY POINTS

- Regional Pulses little changed in November
- Brexit a concern
- Christmas shopping also on the radar

REGIONAL PULSES

Three Month Moving Averages



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

Regional Pulse

November 2018

GENERAL ECONOMIC SITUATION

Past 12 Months

	Dublin	Rest of Leinster	Munster	Connacht/Ulster
⬆️	11%	8%	10%	9%
⬆️	46%	44%	42%	38%
No Change	20%	24%	25%	26%
⬆️	14%	12%	13%	14%
⬇️	7%	8%	6%	12%
Balance	+20%	+16%	+18%	+9%
Change on previous reading	-1	0	-1	-1

HOUSEHOLD FINANCIAL SITUATION

Past 12 Months

	Dublin	Rest of Leinster	Munster	Connacht/Ulster
⬆️	4%	5%	4%	3%
⬆️	28%	26%	17%	17%
No Change	51%	50%	57%	56%
⬆️	13%	14%	15%	16%
⬇️	3%	5%	8%	7%
Balance	+9%	+6%	-3%	-4%
Change on previous reading	+1	+2	-8	-13

GENERAL ECONOMIC SITUATION

Next 12 Months

	Dublin	Rest of Leinster	Munster	Connacht/Ulster
⬆️	4%	6%	4%	5%
⬆️	35%	37%	35%	33%
No Change	31%	30%	34%	31%
⬆️	22%	15%	16%	14%
⬇️	4%	9%	7%	10%
Balance	+7%	+8%	+6%	+4%
Change on previous reading	+1	+4	-2	+2

HOUSEHOLD FINANCIAL SITUATION

Next 12 Months

	Dublin	Rest of Leinster	Munster	Connacht/Ulster
⬆️	9%	4%	8%	5%
⬆️	36%	35%	21%	28%
No Change	42%	47%	59%	53%
⬆️	10%	10%	10%	8%
⬇️	1%	3%	2%	3%
Balance	+20%	+13%	+12%	+12%
Change on previous reading	+2	+5	0	+4

Regional Pulse

November 2018

House Price and Rents Expectations

DUBLIN

Next 12 Months

Change		House Prices	Rents
> 5%	↑ Increase	31%	35%
1% - 5%		40%	40%
Stay more or less the same		20%	21%
1% - 5%	↓ Decrease	7%	2%
> 5%		2%	0%
Balance		+46%	+54%
Change on previous reading		-2	+2

REST OF LEINSTER

Next 12 Months

Change		House Prices	Rents
> 5%	↑ Increase	33%	31%
1% - 5%		42%	43%
Stay more or less the same		21%	22%
1% - 5%	↓ Decrease	2%	1%
> 5%		1%	0%
Balance		+52%	+52%
Change on previous reading		+10	+17

MUNSTER

Next 12 Months

Change		House Prices	Rents
> 5%	↑ Increase	25%	23%
1% - 5%		47%	46%
Stay more or less the same		22%	26%
1% - 5%	↓ Decrease	3%	0%
> 5%		1%	0%
Balance		+45%	+46%
Change on previous reading		-2	0

CONNACHT/ULSTER

Next 12 Months

Change		House Prices	Rents
> 5%	↑ Increase	24%	19%
1% - 5%		40%	40%
Stay more or less the same		29%	36%
1% - 5%	↓ Decrease	3%	2%
> 5%		2%	0%
Balance		+41%	+37%
Change on previous reading		+11	+2

Regional Pulse

November 2018

BUSINESS ACTIVITY

Past 3 Months	Change on previous reading	
	Balance	
Dublin	+24%	-3
Rest of Leinster	+24%	-2
Munster	+23%	+1
Connacht/Ulster	+19%	+1

BUSINESS ACTIVITY

Next 3 Months	Change on previous reading	
	Balance	
Dublin	+35%	-8
Rest of Leinster	+32%	+3
Munster	+27%	+6
Connacht/Ulster	+22%	+4

JOBS

Past 3 Months	Change on previous reading	
	Balance	
Dublin	+10%	+2
Rest of Leinster	+5%	0
Munster	+3%	-7
Connacht/Ulster	+4%	+4

JOBS

Next 3 Months	Change on previous reading	
	Balance	
Dublin	+17%	-3
Rest of Leinster	+9%	-1
Munster	+10%	+4
Connacht/Ulster	+7%	+2

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, 300 firms in industry, 1000 services firms, 400 retailers and 200 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.

Contact us at

EconomicPulse@boi.com

Dr Loretta O'Sullivan,
Group Chief Economist,
+353 (0) 766 244 267

Conn Creedon,
Senior Economist,
+353 (0) 766 235 134

Patrick Mullane,
Senior Economist,
+353 (0) 766 244 269

Mark Leech,
Media Relations Manager,
+353 (0) 766 234 773

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

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 any information contained herein to be accurate but does not warrant its accuracy and accepts no responsibility, other than any responsibility it may owe to any party under the European Communities (Markets in Financial Instruments) Regulations 2007 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. BOI acknowledges the financial contribution made by the European Union for carrying out the Irish element of the Joint Harmonised EU Programme of Business and Consumer Surveys. Any survey data communicated or published in this document reflects only the view of BOI and the European Commission is not responsible for any use that may be made of the information. 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 expressed by BOI either in this document or otherwise. This document does not address all risks and cannot be relied upon 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 23/11/2018 and is based on information available to BOI before that date which is subject to change without notice. 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. By accepting this document, the recipient agrees to be bound by the foregoing limitations. Bank of Ireland is regulated by the Central Bank of Ireland. In the UK, 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 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. Bank of Ireland incorporated in Ireland with limited liability. Registered Office - Head Office, 40 Mespil Road, Dublin 4, Ireland. Registered Number - C-1.