Irish Economy Watch

AIB Treasury Economic Research Unit

Thursday 23 April 2026

	Aug-25	Sept-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26
MANUFACTURING								
AIB Manufacturing PMI	51.6	51.8	50.9	52.8	52.2	52.2	53.1	53.7
AIB Manufacturing PMI - Future Output	70.4	69.1	67.5	71.5	67.9	72.0	69.6	67.0
Industrial Production (Ex-Modern)	110.8	114.6	116.4	110.8	112.8	111.4	113.6	#N/A
Production (Ex-Modern) : 3mma YoY%	-2.1	-3.1	-3.3	-2.6	-4.2	-4.5	-3.1	#N/A
3mth / 3mth % seas. adj.	-3.6	-2.8	-0.6	0.7	0.3	-2.0	0.0	#N/A

The manu. PMI rose to 53.7 in Mar., amid solid gains in output, new orders, export orders and employment. Business expectations moderated for a second consecutive month

Traditional industrial production stagnated in the 3 mths to Feb., but it was 3.1% lower YoY

	Aug-25	Sept-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26
SERVICES / RETAIL								
AIB Services PMI	50.6	53.5	56.7	58.5	54.8	54.5	51.8	50.7
CSO Services Index (Value)	166.7	164.0	166.3	170.7	166.9	178.9	176.1	#N/A
- YoY %	17.1	12.2	12.1	13.9	8.6	17.0	10.5	#N/A
- 3mth / 3mth % seas. adj.	0.5	1.2	0.5	1.1	1.9	3.9	4.2	#N/A
SIMI Car Registrations	7,580	5,606	2,180	838	276	34,521	14,959	15,410
- 12 mth cum total	125,141	125,621	125,384	125,101	124,954	125,976	126,941	125,060
- 3 mma YoY %	5.8	4.1	1.8	-0.5	-16.8	1.7	3.8	0.2
Retail Sales Index	115.0	115.3	114.6	115.1	114.8	116.8	115.8	#N/A
- YoY %	3.9	3.7	2.0	2.3	0.3	3.5	0.8	#N/A
- 3mth / 3mth % seas. adj.	0.6	0.5	-0.2	-0.4	-0.5	0.5	0.7	#N/A
Ex Autos Index	113.6	114.2	113.8	113.9	113.0	113.3	113.7	#N/A
- YoY %	1.9	1.7	1.2	0.6	-0.9	2.3	0.3	#N/A
- 3mth / 3mth % seas. adj.	1.0	0.6	-0.1	-0.1	-0.4	-0.4	-0.6	#N/A

The serv. PMI fell to 50.7 in Mar., indicating a slower rate of expansion. Business activity rose at a weaker pace, as new business softened. Meanwhile, input and output inflation accelerated sharply

The CSO services index rose by 4.2% in the 3mths to Feb. and was up 12.0% YoY also

New car sales had a solid start to the year, rising by 0.2% YTD in Q1. 12 month running sales total at 125k

Retail sales rose by 0.7% in the 3mths to Feb., but core sales fell by 0.6% over the same period

	Aug-25	Sept-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26
RESIDENTIAL CONSTRUCTION ACTIVITY								
AIB Construction PMI	45.9	43.7	48.1	46.7	48.4	48.6	52.1	53.2
- Housing Activity	44.5	45.3	43.1	47.0	49.0	46.9	50.7	52.7
- Commercial Activity	49.0	43.2	50.4	46.1	47.2	49.0	54.0	54.9
- New Orders	49.1	48.0	49.7	49.2	51.2	53.8	55.5	54.2
- Business Expectations	57.3	56.9	57.4	56.4	61.2	62.4	60.0	56.6
Commencements: 12mth Total	39,317	27,635	24,030	24,070	16,412	17,275	19,667	21,859
- 3 Month Avg YoY %	-37.2	-77.4	-79.4	-76.7	-65.0	-50.4	-34.0	184.0

The construction PMI increased to 53.2 in Mar. Housing and commercial activity improved, indicating an acceleration in the pace of expansion. New orders rose at a slightly slower pace

Circa 8.4k commencements have been registered YTD in Q1, well over double last years total but below the level seen in 2024. 12mth running total up to 21.9k

	Aug-25	Sept-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26
HOUSING MARKET ACTIVITY								
BPFI Mortgage Approvals : Month	3,733	3,864	3,848	3,451	2,822	2,412	3,043	#N/A
- 3 Month Avg YoY %	-0.2	-0.6	-2.6	-3.1	-5.8	-7.6	-2.5	#N/A
- 12 Mth Total	43,900	44,033	43,793	43,542	43,415	43,082	43,334	#N/A
RPPR Transactions : Month	4,914	5,593	5,823	5,220	7,281	3,568	4,049	4,393
- 3 Month Avg YoY %	0.7	3.8	0.8	-1.5	-0.9	1.5	3.9	-1.3
- 12 Mth Total	61,246	61,752	61,370	60,992	61,586	61,603	61,554	61,433
HOUSING MARKET PRICES								
CSO Price Index - MoM	0.9	0.8	0.6	0.5	0.6	0.4	-0.2	#N/A
- YoY %	7.4	7.5	7.3	6.8	6.8	7.1	6.8	#N/A
Daft Asking Prices: MoM %	0.3	0.2	0.1	0.3	0.2	0.1	-0.2	0.9
- YoY %	6.2	5.7	5.7	5.8	5.4	4.9	3.8	3.7
RENTS: CSO Private Rents - MoM%	0.5	0.3	0.2	0.3	0.2	0.1	0.2	0.5
- YoY %	4.2	3.4	3.2	3.0	2.7	2.7	2.6	3.1
AFFORDABILITY: Couple on Avg Industrial Wage, 90% LTV, 30 Years, AIB Mortgage Rate, Prices: CSO/Perm' TSB								
- Mortgage as % of Disposable Income	24.3	24.6	24.2	24.1	24.0	#N/A	#N/A	#N/A

Mortgage approvals fell by 2.5% YoY in the 3mths to Feb. 12 mth running total just above 43k

Residential property transactions fell by 1.3% YTD in Q1. Annual running total is 61k

House prices declined by 0.2% in Feb., the first monthly fall since May 2023. The YoY rate slowed to 6.8%

Asking prices on Daft.ie rose by 0.5% in Q1. Overall, they were up by 4.1% YoY in the quarter

CSO rental index increased by 0.5% in Mar., lifting the YoY rate up to 3.1%

Affordability remained broadly flat in H2, having deteriorated in the first half of 2025

Sources: Refinitiv, CSO, DoF, DoECLG, Daft.ie, BPFI, ILCU, PSRA, SIMI, European Commission, AIB ERU Calculations

	Aug-25	Sept-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26
CONSUMER PRICES - YoY %	2.0	2.7	2.9	3.2	2.8	2.7	2.7	3.6
- MoM %	0.4	-0.2	0.5	-0.2	0.5	-0.9	0.9	1.6
HICP - YoY %	1.9	2.7	2.8	3.1	2.7	2.5	2.5	3.6
- MoM %	0.4	-0.2	0.4	-0.2	0.5	-1.0	0.8	1.8
PERSONAL / FINANCIAL								
ILCU Consumer Sentiment Index	61.1	61.7	59.9	61.0	61.2	64.7	65.2	56.7
Credit Growth YoY %								
- Private Sector	2.7	3.1	4.7	4.9	4.5	5.0	5.0	#N/A
- *of which* : Household	4.5	4.8	4.9	5.0	5.2	5.4	5.4	#N/A
- *of which* : Mortgage Lending	4.9	5.2	5.3	5.4	5.6	5.9	5.9	#N/A
LABOUR MARKET								
Live Register	169,500	169,800	170,300	167,200	172,700	171,300	170,800	171,100
- Change In Month	-200	+300	+500	-3,100	+5,500	-1,400	-500	+300
Unemployment Rate %	4.9	4.9	4.7	4.6	4.6	4.6	4.6	4.7
PMI Employment Indices								
- AIB Manufacturing	53.6	53.1	52.6	50.2	52.1	53.7	54.5	54.2
- AIB Services	48.5	53.2	51.6	53.8	51.0	53.5	52.3	49.6
- AIB Construction	51.3	49.3	49.2	51.4	50.5	51.3	51.7	52.6
MERCHANDISE TRADE								
Export Values - 3M / 3M %	-36.7	1.0	6.3	19.0	-18.7	-15.7	-17.3	#N/A
- 3MMA YoY %	-5.0	6.4	1.3	-3.2	-14.7	-20.9	-27.0	#N/A
Import Values - 3M / 3M %	9.3	9.5	1.2	-3.9	-0.6	2.3	0.4	#N/A
- 3MMA YoY %	4.6	4.4	5.5	7.9	9.9	8.7	2.7	#N/A
PUBLIC FINANCES								
Total Tax Receipts: Cum YTD %	7.3	7.1	3.2	-0.4	-0.6	-16.6	-10.4	-4.2
Voted Spending : Cum YTD %	8.3	7.8	7.6	5.5	5.9	-0.1	4.1	6.8
Exchequer Bal: 12 Mth Total €m	12,161	9,172	10,601	9,359	7,100	3,621	2,064	2,714

Prices jumped by 1.6% in Mar., amid a sharp increase in fuel and energy costs. This contributed to CPI inflation rising markedly to 3.6%, its highest level since Jan 2024. HICP inflation was also at 3.6%

Consumer sentiment fell to a 3-year low in Mar., amid a deterioration in future spending plans due to higher energy costs

Private sector credit growth was unchanged in Feb., as were household/mortgage lending

The unemployment rate averaged 4.7% last year. It has been remarkably stable recently, printing at 4.6-4.7% in each of the last six months to Mar.

The employment sub-index of construction PMIs improved in Mar. However, the manu. sub-index fell slightly, while the services metric deteriorated and moved into contraction mode

Goods trade surplus widened to €9.4bn YTD in Feb. However, the value of exports fell by 35.7% YTD to €16.1bn, driven by a decrease in pharma and medical products (down 60.4%). Imports stood at €22.7bn, down 1.6% YTD

Total tax receipts are down by 4.2% YTD in Q1, but they were up 3.4% excl. Apple money. Expenditure rose by 6.8% YTD in Q1. 12mth rolling Exchequer surplus rose to €2.7bn

QUARTERLY DATA

	Q1-24	Q2-24	Q3-24	Q4-24	Q1-25	Q2-25	Q3-25	Q4-25
GDP - YoY %	-2.7	-2.3	4.0	11.6	20.1	17.2	11.2	3.7
*Domestic Demand - YoY%	0.4	1.8	3.4	1.5	3.3	4.3	5.1	6.7
Consumer Spending - YoY %	1.7	3.0	3.4	3.6	2.9	3.4	2.8	2.6
Services Exports - YoY % (3Q Avg)	10.1	15.7	13.4	10.3	3.6	-0.8	-1.5	-0.7
EMPLOYMENT & EARNINGS								
Employment YoY %	1.9	2.7	3.7	2.6	3.3	2.3	1.1	2.0
Labour Force YoY %	2.0	2.9	3.5	2.4	3.5	2.6	1.9	2.4
Average Earnings YoY %								
- Hourly	4.9	5.5	5.0	6.1	6.3	3.5	3.9	3.4
- Weekly	5.0	5.7	5.5	5.8	5.9	4.5	4.1	3.1
Weekly Earnings YoY %								
- Private Sector	5.3	5.9	5.4	5.3	5.6	4.2	3.6	2.8
- Public Sector	4.0	4.5	4.7	6.0	6.3	5.4	5.9	3.7
CSO DWELLING COMPLETIONS	5797	6813	8878	8659	5914	9163	9213	11994
- YoY %	-12.5	-6.1	5.8	-15.2	2.0	34.5	3.8	38.5
- Cum 12 Mth Total	31655	31210	31695	30147	30264	32614	32949	36284

** Excludes Some Investment Related to the Multinational Sector*

Overall, GDP expanded by 12.3% in 2025, due to a sharp rise in investment and exports

MDD rose by a robust 4.9% in 2025. Consumption (+2.9%) and government expenditure (+4.1%) both increased solidly

Employment increased by 2.0% YoY in Q4, putting it 20% above pre-COVID levels. In total, the number of people at work rose by 2.2% in 2025, while the labour force grew by 2.6%

Weekly average earnings rose by 3.4% YoY in Q4. Public sector pay growth continued to outpace private sector earnings, rising by 3.7% YoY vs. 2.8% YoY

Over 36k new dwelling completions were recorded last year, up 20.4% on 2024, amid a rebound in apartments

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