

Irish Economy Watch

AIB Treasury Economic Research Unit



Friday 19 December 2025

	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sept-25	Oct-25	Nov-25	
MANUFACTURING									The manu. PMI rose to 52.8 in Nov. Output returned to growth in the month, while new orders increased at a faster pace. Business expectations reached their highest level since last Dec
AIB Manufacturing PMI	53.0	52.6	53.7	53.2	51.6	51.8	50.9	52.8	
AIB Manufacturing PMI - Future Output	63.0	65.2	68.1	63.4	70.4	69.1	67.5	71.5	
Industrial Production (Ex-Modern)	118.5	115.1	115.2	113.7	111.1	115.1	116.2	#N/A	
Production (Ex-Modern) : 3mma YoY%	-0.5	1.4	1.0	0.1	-2.0	-3.1	-3.4	#N/A	Traditional industrial production fell by 0.5% in the 3mths to Oct, and it was 3.4% lower YoY also
3mth / 3mth % seas. adj.	-0.3	0.7	1.7	-1.4	-3.3	-2.6	-0.5	#N/A	
SERVICES / RETAIL									The serv. PMI rose to 58.5 in Nov, its highest level since May'22. Business activity grew at a sharper pace, amid a rise in new exports. Input price inflation eased slightly but output price inflation accelerated further
AIB Services PMI	52.8	54.7	51.5	50.9	50.6	53.5	56.7	58.5	
CSO Services Index (Value)	159.1	166.3	164.3	164.1	166.2	163.4	166.0	#N/A	
- YoY %	16.2	20.4	16.4	16.5	16.8	12.1	12.4	#N/A	
- 3mth / 3mth % seas. adj.	6.0	5.4	1.8	1.8	0.3	0.8	0.2	#N/A	The CSO services index rose by 0.2% in the 3mths to Oct and it was up by 13.8% in YoY terms
SIMI Car Registrations	8,704	5,819	2,435	26,732	7,580	5,606	2,181	#N/A	
- 12 mth cum total	123,701	123,117	124,058	125,106	125,140	125,620	125,384	#N/A	
- 3 mma YoY %	0.8	7.3	3.0	4.2	5.8	4.1	1.8	#N/A	
Retail Sales Index	115.1	114.5	115.4	116.3	115.2	115.5	114.9	#N/A	New car sales up 5.6% YTD in Oct, owing to a strong start to the second half of the year. 12mth running total above 125k
- YoY %	2.9	1.7	3.4	4.1	4.0	3.7	2.1	#N/A	
- 3mth / 3mth % seas. adj.	0.9	0.3	0.8	0.8	1.0	0.6	-0.2	#N/A	
Ex Autos Index	112.8	113.7	114.5	114.5	114.0	114.7	114.6	#N/A	
- YoY %	1.2	1.2	3.2	2.4	2.0	1.8	1.6	#N/A	Retail sales fell by 0.2% in the 3mths to Oct. However, core sales were up by 0.2%
- 3mth / 3mth % seas. adj.	0.4	0.8	1.0	1.2	1.1	0.6	0.2	#N/A	
RESIDENTIAL CONSTRUCTION ACTIVITY									The construction PMI declined to 46.7 in Nov, consistent with a faster pace of contraction. Housing activity, commercial activity and new orders all contracted in the month, Commencements remain very weak. Just 13.2k units have been registered this year, down 77.5% YTD in Nov. 12 mth total is now back near 23.7k
AIB Construction PMI	52.4	49.2	48.6	47.1	45.9	43.7	48.1	46.7	
- Housing Activity	51.7	49.7	48.4	44.7	44.5	45.3	43.1	47.0	
- Commercial Activity	53.5	53.4	53.4	51.6	49.0	43.2	50.4	46.1	
- New Orders	53.7	51.6	51.7	50.8	49.1	48.0	49.7	49.2	
- Business Expectations	60.7	59.7	59.6	53.5	57.3	56.9	57.4	56.4	
Commencements: 12mth Total	42,316	41,178	40,804	40,124	38,895	27,210	23,599	23,743	
- 3 Month Avg YoY %	-89.9	-89.2	-84.9	-38.9	-39.0	-77.8	-79.5	-76.6	
HOUSING MARKET ACTIVITY									Mortgage approvals declined by 2.6% YoY in the 3mths to Oct. Just below 44k approvals were registered over the past year
BPFI Mortgage Approvals : Month	3,835	4,097	3,987	4,595	3,733	3,864	3,848	#N/A	
- 3 Month Avg YoY %	3.2	6.0	3.7	3.1	-0.2	-0.6	-2.6	#N/A	
- 12 Mth Total	43,724	43,927	44,108	44,100	43,900	44,033	43,793	#N/A	
RPPR Transactions : Month	4,663	5,203	4,908	5,799	4,908	5,575	5,785	4,457	Residential property transactions fell by 6.4% YoY in the 3mths to Nov. The 12 mth total is at 60.1K
- 3 Month Avg YoY %	1.7	1.9	1.6	0.4	0.6	3.5	0.4	-6.4	
- 12 Mth Total	61,163	61,124	61,143	61,221	61,213	61,701	61,281	60,140	
HOUSING MARKET PRICES									The annual rate of house price growth edged marginally lower to 7.3% in Oct
CSO Price Index - MoM	0.4	0.6	1.1	0.8	0.9	0.9	0.6	#N/A	
- YoY %	7.6	7.8	7.9	7.5	7.4	7.5	7.3	#N/A	
Daft Asking Prices: MoM %	0.2	0.7	0.3	0.0	0.4	0.2	#N/A	#N/A	
- YoY %	6.9	6.8	6.7	6.1	6.1	5.5	#N/A	#N/A	Asking prices on Daft.ie rose by 0.8% in Q3. They were up 5.9% YoY for the quarter
RENTS: CSO Private Rents - MoM%	0.2	0.5	0.1	0.2	0.5	0.3	0.2	0.3	
- YoY %	5.2	5.2	4.6	4.4	4.2	3.4	3.2	3.0	CSO rental index increased by 0.3% in Nov but the YoY rate slowed to 3.2%
AFFORDABILITY: Couple on Avg Industrial Wage, 90% LTV, 30 Years, AIB Mortgage Rate, Prices: CSO/Perm' TSB									
- Mortgage as % of Disposable Income	22.9	23.5	24.3	24.0	24.3	24.4	#N/A	#N/A	Affordability deteriorated marginally in Q3 as house price growth outpaced wage growth

	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sept-25	Oct-25	Nov-25	
CONSUMER PRICES - YoY %									Prices fell by 0.2% in Nov, but both CPI & HICP inflation rose to 3.2% and 3.1% amid base effects largely due to higher education fees. Household equipment remains the only category lower on an annual basis
- MoM %	2.2	1.7	1.8	1.7	2.0	2.7	2.9	3.2	
HICP - YoY %	0.4	0.0	0.5	0.1	0.4	-0.2	0.5	-0.2	
- MoM %	2.0	1.4	1.6	1.6	1.9	2.7	2.8	3.1	
- MoM %	0.4	0.0	0.5	0.2	0.4	-0.2	0.4	-0.2	
PERSONAL / FINANCIAL									Consumer sentiment improved slightly to 61.0 in Nov, but this is still a low level historically
ILCU Consumer Sentiment Index	58.7	60.8	62.5	59.1	61.1	61.7	59.9	61.0	
Credit Growth YoY %									Private sector credit growth accelerated markedly in Oct, with the pace of household/ mortgage lending also rising
- Private Sector	4.3	3.7	2.9	2.4	2.7	3.1	4.7	#N/A	
- of which : Household	3.9	4.1	4.2	4.3	4.5	4.8	4.9	#N/A	
- of which : Mortgage Lending	4.0	4.2	4.4	4.7	4.9	5.2	5.3	#N/A	
LABOUR MARKET									The unemployment rate has been trending slightly higher throughout 2025, although it fell marginally to 4.9% in Nov
Live Register	171,800	167,000	168,600	169,300	169,000	169,000	169,200	167,800	
- Change In Month	+7,100	-4,800	+1,600	+700	-300	+0	+200	-1,400	
Unemployment Rate %	4.6	4.6	4.6	5.0	5.0	5.1	5.0	4.9	
PMI Employment Indices									The manu. PMI employment sub-index fell to 50.2 in Nov, indicating a stabilisation in jobs growth in the sector. In contrast, both the services & construction sector sub-indices improved and were in expansion mode
- AIB Manufacturing	51.1	51.5	54.2	54.2	53.6	53.1	52.6	50.2	
- AIB Services	53.5	52.0	51.6	51.2	48.5	53.2	51.6	53.8	
- AIB Construction	51.3	51.5	50.3	51.4	51.3	49.3	49.2	51.4	
MERCHANDISE TRADE									Goods trade surplus widened to €111.2bn YTD in Oct, up 45.7% YoY. YTD exports rose 22.0% to €228.5bn, led by a marked increase in pharma and medical products (+52.4%). Imports stood at €117.3bn over the same period, up by 5.6%
Export Values - 3M / 3M %	34.8	19.4	-27.4	-30.3	-35.8	1.4	6.0	#N/A	
- 3MMA YoY %	53.8	45.9	14.9	9.6	-3.4	7.2	1.1	#N/A	
Import Values - 3M / 3M %	7.3	-2.7	-7.6	-3.0	7.2	8.1	1.8	#N/A	
- 3MMA YoY %	9.3	3.9	1.6	1.4	2.3	2.3	4.0	#N/A	
PUBLIC FINANCES									YTD total tax receipts distorted by the Apple money. Underlying tax take up by circa 2.0% YTD. Voted expenditure up 5.5% YTD. 12mth rolling Exchequer surplus narrowed to €9.4bn
Total Tax Receipts: Cum YTD %	15.3	8.5	10.5	10.8	7.3	7.1	3.2	-0.4	
Voted Spending : Cum YTD %	11.6	9.2	9.1	9.5	8.3	7.8	7.6	5.5	
Exchequer Bal: 12 Mth Total €m	16,753	15,969	14,188	13,503	12,161	9,172	10,601	9,359	
QUARTERLY DATA									
	Q4-23	Q1-24	Q2-24	Q3-24	Q4-24	Q1-25	Q2-25	Q3-25	GDP contracted by 0.3% in Q3 as imports outpaced exports. However, it was up 10.8%YoY
GDP - YoY %	-6.6	-2.7	-2.3	4.0	11.6	20.0	17.2	10.8	
*Domestic Demand - YoY%	7.6	0.4	1.8	3.4	1.5	3.0	4.2	5.1	
Consumer Spending - YoY %	3.4	1.7	3.0	3.4	3.6	2.9	3.4	2.4	
Services Exports - YoY % (3Q Avg)	6.7	10.1	15.7	13.4	10.3	3.6	-0.8	-1.7	MDD rose by 5.1% YoY in Q3, supported by a 2.4% increase in consumer spending, and a sharp 11.8% rise in investment
* Excludes Some Investment Related to the Multinational Sector									
EMPLOYMENT & EARNINGS									Employment increased by 1.1% YoY in Q3, putting it 18.7% above pre-COVID levels. The labour force grew by 1.9% YoY, while prime-age employment rate remained at 74.7% in Q3
Employment YoY %	3.4	1.9	2.7	3.7	2.6	3.3	2.3	1.1	
Labour Force YoY %	3.5	2.0	2.9	3.5	2.4	3.5	2.6	1.9	
Average Earnings YoY %									
- Hourly	1.9	4.9	5.5	5.0	6.1	6.3	3.5	4.3	Weekly average earnings rose by 4.9% YoY in Q3. Public sector pay growth continued to outpace private sector earnings, rising by 5.8% YoY vs. 4.8% YoY
- Weekly	2.6	5.0	5.7	5.5	5.8	5.9	4.5	4.9	
Weekly Earnings YoY %									
- Private Sector	4.1	5.3	5.9	5.4	5.3	5.6	4.2	4.8	
- Public Sector	-1.3	4.0	4.5	4.7	6.0	6.3	5.4	5.8	
CSO DWELLING COMPLETIONS									Around 24k new dwelling completions were registered by the end of Q3, up 13.1% YTD. 12 mth running total just below 33k
- YoY %	10210	5805	6814	8883	8666	5917	9173	9235	
- Cum 12 Mth Total	12.4	-12.5	-6.1	5.8	-15.1	1.9	34.6	4.0	
	32498	31672	31226	31712	30168	30280	32639	32991	



David McNamara
Chief Economist
david.g.mcnamara@aib.ie

John Fahey
Senior Economist
john.j.fahey@aib.ie

Daniel Noonan
Economist
daniel.x.noonan@aib.ie

AIB, 10 Molesworth Street, Dublin 2

Tel: 353-1-6600311

<https://aib.ie/investorrelations/economic-research-unit>

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