

# 8

## Economy

- In 2012, GNP in constant prices increased by 1.8% compared with 2011.
- The building and construction sector fell by 7.7% in value added terms in 2012 compared to 2011.
- Manufacturing industry decreased by 0.3% in value added terms in 2012 compared to 2011, while the value added of the distribution, transport, software and communication sector decreased by 0.6% in 2012.
- Public administration and defence fell by 6.3% in value added in 2012 while the remaining services sectors increased by almost 3%.
- Investment in fixed capital formation decreased by 54% compared to five years ago and by 1% in the last year after allowing for price changes.
- A surplus of €7,250m was recorded in the current account of the balance of payments in 2012.

## Contents

Introductory text	131
<b>Table 8.1</b> Gross Domestic Product (GDP) and components at current market prices	136
<b>Table 8.2</b> Index numbers of Gross Domestic Product and expenditure aggregates at constant market prices	137
<b>Table 8.3</b> Main economic aggregates	138
<b>Table 8.4</b> Gross Value Added at constant factor cost by sector of origin and Gross National Income at constant market prices (chain linked annually and referenced to year 2011)	139
<b>Table 8.5</b> Expenditure on Gross National Income at current market prices	140
<b>Table 8.6</b> Expenditure on Gross National Income at constant market prices (chain linked annually and referenced to year 2011)	141
<b>Table 8.7</b> Net Current Income and Expenditure of Central and Local Government	142
<b>Table 8.8</b> Balance of International Payments: Current and Capital Accounts	143
<b>Table 8.9</b> Balance of International Payments: Financial Account	144
<b>Table 8.10</b> International Investment Position – detailed data	145
<b>Table 8.11</b> Direct investment abroad by location of investment	146
<b>Table 8.12</b> Direct investment in Ireland by location of investor	147
<b>Table 8.13</b> Indices of Gross Value Added per person in each region at basic prices	148

## Introduction

This chapter contains information on the performance of the overall economy and on Ireland's transactions with the rest of the world. The details are drawn from the reports on National Income and Expenditure (NIE), reports on Household Incomes at Regional and County Level and Regional GDP as well as the regular Balance of Payments statements.

Estimates from these reports are provided at current and at constant prices. The impact of inflation is eliminated from the tables at constant prices and they indicate the real or volume changes in the various aggregates over time. At present, the constant price tables are chain linked annually and referenced to year 2011.

The annual NIE report contains details of the main economic aggregates such as Gross Domestic Product (GDP) and of their components. Information is given on personal consumption, capital formation (investment) and on the transactions of the government sector classified according to national accounting conventions. These main aggregates are important for a number of EU administrative purposes. In particular, the level of GNP determines a major share of Ireland's contribution to the EU budget while the ratio of government debt and deficit to GDP are important Maastricht criteria.

Table 8.1 shows the long run development of GDP, GNP and their main components since 1970. It also contains the aggregates at current market prices. The corresponding index numbers at constant prices (base 2011 =100) are given in Table 8.2. An additional set of aggregates for the years 2007 to 2012 are given in Table 8.3 while Tables 8.4 to 8.7 provide various breakdowns of GDP over the same period.

The CSO's Balance of Payments collection and compilation system was completely overhauled in the late 1990s in order to meet the demands of the European Central Bank (ECB) and other international users. Results from 1998 were published in 2000 and updated regularly since then, those for 2010, 2011 and 2012 being presented in Tables 8.8 and 8.9. The current account details in table 8.8 provide detail on the exports and imports of services and on the components of income inflows (credits) and outflows (debits).

Table 8.10 shows the end of year stocks (or levels) of Ireland's foreign assets and liabilities, ie the International Investment Position. A breakdown by type of investment is included.

Table 8.11 gives geographical details for 2010 and 2011 of Ireland's foreign direct investment abroad (ie outward direct investment) showing both the flows (transactions) during the year and the end of year positions (stock levels). Table 8.12 shows the corresponding flows and stocks for inward direct investment in the two years.

Some information is also provided in this chapter on the economy at a regional level. Regional Accounts are produced annually by CSO and provide estimates of Gross Value Added (GVA) for the two overall NUTS-2 regions and the eight Regional Authority NUTS-3 regions while household income estimates are provided on a county basis. GVA per capita is one of the principal concepts used in determining eligibility for EU structural funds.

GVA differs from household income in that it includes the profits of companies operating in a region, a considerable amount of which may accrue to non-residents. In addition, the workforce contributing to the GVA in a region may live in and bring their

incomes home to a neighbouring region where they will be counted in the household income estimates. The Mid-East region (Kildare, Meath and Wicklow) and the Dublin region are affected by a substantial proportion of their workforce living in one region and commuting to work in another. This increases the GVA of the Dublin region to which most of the commuting takes place. It is more meaningful to combine these two regions when analysing GVA. The main results on regional GVA are summarised in Table 8.13.

Personal income also includes items such as social welfare benefits which are not included in GVA. Details of personal income by county are available on the CSO website or in the CSO's annual release on County Incomes and Regional GDP.

### **Long term growth**

Gross Domestic Product (GDP) is a measure of the value added generated in the production of goods and services in the economy. Over the years between 1970 and 2012, the value of GDP increased by a factor of over seventy. Increases in price levels played a major role in this increase but when the price effects are removed the increase was more than five fold.

Gross National Product (GNP) is a better measure than GDP of the value added accruing to residents of the country. In Ireland, GNP is now considerably lower than GDP because of outward income flows to non-residents, especially profits and dividends of foreign direct investment enterprises. GNP is now around 80% of the value of GDP. In 1970, the reverse was the case with GNP higher, because of income flows to Irish residents from abroad. As a result of this turnaround, GNP growth has been somewhat slower than GDP growth. Since 1970, real GNP has increased about four times. In the most recent year 2012, GNP increased by 1.8% following a decrease of 1.6% in the previous year.

The growth in exports has been especially noticeable. Since 1970, the value of exports has increased almost by a factor of thirty in real terms. (Imports, of course, also increased greatly, by a factor of sixteen). The other demand components making up GDP have increased to a lesser extent over the same period e.g. personal consumption about four times and public expenditure and investment about three times.

### **Sectors of economy – recent trends**

The experience of the various sectors of the economy has been very different in recent years. Between 2010 and 2012, the output of Industry increased by 3.3% in constant prices. The output of the building industry decreased by 21% during these two years. The output of the manufacturing sectors dominated by multi-national companies (Chemicals and pharmaceuticals, Computers and instrument engineering, and Medical and dental instruments and supplies) increased by more than 10%. There was a decrease of 0.2% in the output of the Distribution, Transport, Software and communications sector during the same period. Agriculture, forestry and fishing output decreased by 13.9% in real terms between 2010 and 2012.

## **Consumption and investment**

Personal expenditure between 2010 and 2012 increased in nominal or current prices by 0.5% while in real terms it decreased by 1.8%.

Investment (fixed capital formation) in construction, machinery and equipment and other fixed capital assets decreased by 9.6% in nominal or current prices and by almost 11% in real terms between 2010 and 2012. As a result, the total value of fixed capital investment has now been reduced to €17,434m in 2012.

## **Regions - Gross Value Added**

Indices of GVA per person for the regions are shown in Table 8.13. Relative to an average of 100 for the State, output per head in the Dublin (NUTS-3) region, as measured by GVA at basic prices, was highest at 152.4 in 2010. The GVA per head for the combined Dublin plus Mid East region was 127.9 of the state average. The corresponding figure for the Border NUTS-3 region was just 57.5 and was the lowest of all the NUTS-3 regions.

## Technical Notes

### 2012 estimates - preliminary

The national accounts estimates for 2012 in Tables 8.2 to 8.7 are compiled on the basis of indicators for the various aggregates and must be regarded as tentative.

### GDP

Gross Domestic Product (GDP) at market prices represents total expenditure on the output of final goods and services produced in the country ("final" means not for further processing within the country) and valued at the prices at which the expenditure is incurred, minus the value of all imported goods and services. It is therefore equivalent to the value added generated by the production of goods and services. See GVA below.

### GNP

Gross National Product (GNP) is equal to GDP plus net factor income from the rest of the world and represents the total of all payments for productive services accruing to the permanent residents of the country.

### GNI

Gross National Income (GNI) at market prices is equal to GNP at market prices plus EU subsidies less EU taxes. This is more commonly described as being equal to GDP plus net primary incomes from abroad.

### GNDI

Gross National Disposable Income (GNDI) is equivalent to GNI plus net current transfers from the rest of the world. It represents the income of the nation from all sources.

### GVA

Gross Value Added (GVA) at basic prices is a measure of the value added generated by the production of goods and services. In the valuation at basic prices output is priced at the value received by the producer less product taxes payable (eg VAT, excise duties, etc) and plus subsidies receivable on products. Total GVA, when valued at market prices, is equivalent to GDP at market prices.

### Balance of Payments Financial Account and International Investment Position – Sign Convention

For Balance of Payments purposes, financial account transactions are categorised under two headings 'Assets' and 'Liabilities' for Portfolio Investment, Other Investment and Reserve Assets. For Direct Investment, a 'directional' categorisation is used. 'Abroad' indicates direct investment by Irish investors in foreign companies; direct investment into Ireland is indicated by the heading 'In Ireland'. The sign convention used is: a minus sign in the 'Abroad' and 'Assets' columns means investments or acquisitions abroad (in enterprises, foreign securities, foreign deposits, etc) by Irish investors exceeded their disinvestments or disposals in the period, while an entry without sign (less usual) means disinvestment exceeded investment; an entry without sign in the 'In Ireland' and 'Liabilities' columns means that investment transactions into Ireland or incurrences of liabilities to foreign investors exceeded disinvestment or extinctions of liabilities in the period, while a minus sign (less usual) indicates that disinvestment exceeded investment and liability extinctions exceeded incurrences.

In presenting the International Investment Position statistics, stocks of both assets and liabilities are shown unsigned. The net position is calculated as assets minus liabilities; an unsigned (or positive) value means a net asset position of Ireland's

residents to non-residents while a negative value indicates a net liability position. Under 'direct investment' a negative value for 'other capital' indicates the presence of off-setting disinvestment between affiliated enterprises.

### **Discontinuities**

The aggregates in Table 8.1 from 1995 to 2012 are compiled on an ESA95 basis. They include FISIM (Financial Intermediation Services Indirectly Measured), which is the output of the banking sector from borrowing and lending, calculated according to EU guidelines. Data for 1970-1995 are compiled on an ESA95 basis but exclude FISIM.

The Balance of Payments data in Tables 8.8 and 8.9 is obtained from a revamped and strengthened compilation system introduced in 2000. Information on this new basis is available from 1998 onwards only and is not comparable with that available for earlier years largely because of the greatly extended financial enterprise coverage and the different presentation basis now used.

## Economy

**Table 8.1 Gross Domestic Product (GDP) and components at current market prices**

€m

Year	Personal consumption of goods and services	Public expenditure on goods and services	Capital formation	Exports	Imports	GDP	Net foreign income	GNP
1970	1,622	345	528	760	925	2,243	33	2,276
1971	1,821	408	594	851	1,022	2,564	30	2,594
1972	2,109	494	768	984	1,137	3,116	33	3,150
1973	2,507	607	994	1,307	1,541	3,763	9	3,772
1974	2,951	732	1,182	1,620	2,174	4,181	15	4,196
1975	3,543	1,003	1,175	2,062	2,359	5,257	-4	5,254
1976	4,437	1,200	1,550	2,742	3,219	6,476	-50	6,426
1977	5,257	1,393	2,103	3,588	4,260	7,883	-137	7,746
1978	6,102	1,668	2,609	4,298	5,167	9,316	-291	9,025
1979	7,498	2,076	3,444	5,015	6,687	11,036	-354	10,682
1980	9,012	2,678	3,461	5,907	7,541	13,097	-433	12,664
1981	10,836	3,264	4,350	7,008	9,113	15,892	-619	15,273
1982	12,064	3,821	4,919	8,192	9,499	18,853	-1,174	17,679
1983	13,120	4,144	4,714	9,869	10,501	20,780	-1,493	19,287
1984	14,358	4,477	4,948	12,436	12,633	23,013	-2,107	20,906
1985	15,612	4,832	4,749	13,668	13,378	24,998	-2,577	22,421
1986	16,659	5,212	4,804	13,177	12,734	26,625	-2,509	24,115
1987	17,535	5,341	4,654	15,053	13,707	28,451	-2,583	25,868
1988	18,736	5,306	4,767	17,349	15,442	30,389	-3,199	27,190
1989	20,259	5,531	6,137	20,562	18,661	33,706	-3,843	29,863
1990	21,528	6,105	7,683	20,689	19,011	36,541	-4,137	32,404
1991	22,603	6,687	7,264	21,812	19,936	38,018	-4,082	33,936
1992	23,952	7,260	6,559	24,353	21,299	40,489	-4,491	35,998
1993	25,066	7,770	6,573	28,537	23,948	43,605	-4,662	38,943
1994	26,885	8,270	7,550	32,916	28,316	46,864	-4,718	42,146
1995 <sup>1</sup>	28,916	8,754	9,674	40,259	34,270	53,074	-5,948	47,126
1995 <sup>1</sup>	29,305	8,666	9,674	40,508	34,315	53,775	-6,152	47,623
1996	32,429	9,088	11,573	45,436	38,521	59,016	-6,866	52,150
1997	35,522	10,111	14,568	54,037	45,269	68,073	-8,494	59,580
1998	39,786	11,090	18,334	68,283	59,141	78,626	-9,945	68,681
1999	44,803	12,335	21,488	80,756	68,196	90,654	-13,550	77,104
2000	51,957	14,112	25,270	103,044	88,933	105,644	-15,488	90,156
2001	56,886	16,605	26,721	117,112	98,908	117,524	-18,975	98,549
2002	62,350	18,885	28,958	122,630	100,173	130,717	-23,696	107,021
2003	66,738	20,464	32,861	117,172	94,701	140,635	-21,724	118,911
2004	70,564	22,050	37,198	125,199	102,882	150,024	-22,879	127,146
2005	76,850	23,670	44,472	132,526	113,457	162,897	-24,261	138,636
2006	84,160	26,010	50,005	140,707	123,574	177,573	-23,264	154,309
2007	92,603	28,873	49,558	152,389	135,328	189,655	-26,520	163,134
2008	94,162	30,371	39,290	150,181	133,877	180,249	-25,317	154,933
2009	83,294	29,304	24,606	146,369	120,352	162,284	-28,364	133,919
2010	82,200	26,196	18,726	157,810	128,326	158,097	-26,285	131,812
2011	82,380	25,701	18,250	166,964	131,840	162,600	-31,938	130,662
2012	82,634	25,096	17,810	176,736	136,990	163,938	-31,289	132,649

<sup>1</sup> Revised series – see technical notes  
Source: CSO



**Table 8.2 Index numbers of Gross Domestic Product and expenditure aggregates at constant market prices***(Base 2011=100)*

Year	GDP	Personal consumption of goods and services	Public expenditure on goods and services	Capital formation	Exports	Imports	GNP
1970	18.3	24.4	29.0	35.3	3.4	6.4	25.4
1971	19.2	25.2	31.5	32.7	3.5	6.6	26.5
1972	20.5	26.8	33.7	39.1	3.6	7.0	28.3
1973	21.7	28.8	36.0	43.0	4.0	8.4	29.6
1974	22.2	29.2	38.8	51.7	4.1	8.3	30.4
1975	22.5	28.8	41.3	40.6	4.4	7.4	30.7
1976	23.3	30.5	42.4	41.3	4.7	8.5	31.5
1977	24.7	31.8	43.3	50.7	5.4	9.6	33.1
1978	26.5	34.2	47.1	55.9	6.0	11.1	35.0
1979	27.6	36.8	49.5	70.9	6.4	12.7	36.4
1980	28.4	37.8	53.1	60.0	6.9	12.1	37.3
1981	29.1	38.0	53.2	62.1	7.0	12.3	38.0
1982	29.6	36.4	54.9	65.1	7.3	11.9	37.5
1983	29.3	35.7	54.9	57.4	8.1	12.5	36.8
1984	30.3	36.0	54.8	57.5	9.4	13.7	37.3
1985	30.9	37.0	56.1	53.3	10.0	14.1	37.3
1986	31.0	38.1	57.9	53.2	10.3	14.8	37.4
1987	32.1	38.9	55.5	52.6	11.7	15.9	38.8
1988	33.1	40.3	52.6	50.0	12.7	16.9	39.4
1989	35.0	41.6	52.0	61.2	14.1	19.3	41.3
1990	37.7	42.9	54.9	73.7	15.4	20.5	44.0
1991	38.3	43.4	56.4	68.2	16.3	21.0	44.8
1992	39.6	44.7	58.0	59.5	18.6	22.6	46.0
1993	40.6	45.8	57.8	57.0	20.4	24.3	47.3
1994	43.0	47.8	60.3	61.8	23.5	28.1	50.4
1995	47.1	49.8	62.1	75.8	28.2	32.7	54.4
1996	51.6	53.6	63.7	87.9	31.7	36.9	59.5
1997	57.5	57.1	67.3	104.7	37.2	43.0	65.4
1998	62.6	61.6	71.1	120.8	45.8	54.8	70.6
1999	69.5	67.4	75.0	130.8	52.9	61.8	76.8
2000	76.9	74.4	81.0	141.1	64.0	75.0	85.2
2001	80.7	78.0	89.1	138.6	69.5	80.5	87.6
2002	85.1	81.1	94.6	142.9	72.8	82.4	89.1
2003	88.2	83.4	97.2	154.7	73.3	81.4	93.3
2004	91.9	86.7	98.3	165.5	78.9	88.5	96.8
2005	97.5	93.0	101.7	191.8	82.4	95.9	102.6
2006	102.9	99.3	106.6	204.4	86.6	102.5	109.3
2007	108.0	106.1	113.7	206.6	93.8	110.6	113.3
2008	105.7	106.1	114.4	182.0	92.7	107.4	111.2
2009	98.9	100.7	110.5	127.3	89.2	96.9	101.1
2010	97.9	101.6	102.9	101.5	94.9	100.4	101.6
2011	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2012	100.2	99.7	96.3	95.6	101.6	100.0	101.8

Source: CSO

## Economy

**Table 8.3 Main economic aggregates**

Aggregate	2007	2008	2009	2010	2011	2012
<b>Current market prices (€m)</b>						
Gross Domestic Product (GDP)	189,655	180,249	162,284	158,097	162,600	163,938
Gross National Product (GNP)	163,134	154,933	133,919	131,812	130,662	132,649
Gross National Income (GNI)	164,343	156,245	135,279	132,905	131,947	133,864
Gross National Disposable Income (GNDI)	162,144	153,779	132,496	130,398	129,479	131,444
<b>Constant market prices (€m)</b> <b>Chain linked volume measures referenced to year 2011</b>						
Gross Domestic Product Index (2011=100)	175,623 108.0	171,829 105.7	160,858 98.9	159,148 97.9	162,600 100.0	162,855 100.2
Gross National Product Index (2011=100)	148,033 113.3	145,317 111.2	132,051 101.1	132,750 101.6	130,662 100.0	132,984 101.8
Gross National Income Index (2011=100)	149,189 113.1	146,407 111.0	133,488 101.2	134,058 101.6	131,947 100.0	134,194 101.7
Gross National Disposable Income Index (2011=100)	155,430 120.0	148,975 115.1	137,754 106.4	136,221 105.2	129,479 100.0	132,462 102.3
<b>Per head of population (€)</b>						
GDP at current market prices	43,342	40,189	35,797	34,710	35,542	35,752
GNP at current market prices	37,281	34,544	29,541	28,939	28,561	28,928
GNI at current market prices	37,557	34,837	29,841	29,179	28,841	29,194
GNDI at current market prices	37,055	34,287	29,227	28,629	28,302	28,666
GDP at constant market prices	40,135	38,311	35,483	34,941	35,542	35,516
GNP at constant market prices	33,830	32,400	29,128	29,145	28,561	29,002
GNI at constant market prices	34,094	32,643	29,446	29,432	28,841	29,265
GNDI at constant market prices	35,520	33,216	30,386	29,907	28,302	28,888
<b>Per person in employment (€)</b>						
GDP at current market prices	88,786	83,942	82,211	83,490	87,358	89,281
GNP at current market prices	76,370	72,152	67,842	69,609	70,199	72,241
GNI at current market prices	76,936	72,764	68,530	70,187	70,890	72,903
GNDI at current market prices	75,907	71,615	67,121	68,862	69,564	71,585
GDP at constant market prices	82,217	80,021	81,489	84,045	87,358	88,691
GNP at constant market prices	69,301	67,674	66,895	70,104	70,199	72,423
GNI at constant market prices	69,842	68,182	67,623	70,795	70,890	73,082
GNDI at constant market prices	72,763	69,378	69,784	71,937	69,564	72,139

Source: CSO

**Table 8.4 Gross Value Added at constant factor cost by sector of origin and Gross National Income at constant market prices (chain linked annually and referenced to year 2011)**

€m

Sector of origin	2007	2008	2009	2010	2011	2012
Agriculture, forestry and fishing	4,395	4,288	4,037	3,993	3,935	3,439
Industry (including building)	47,546	44,629	39,781	40,064	41,005	40,679
Industry	40,305	37,754	35,744	37,165	38,535	38,400
<i>of which</i>						
<i>Chemicals and pharmaceuticals</i>	11,375	9,819	12,329	15,579	17,373	17,662
<i>Computers and instrument engineering</i>	5,465	5,930	4,089	2,887	2,841	2,963
<i>Medical and dental instruments &amp; supplies</i>	2,559	2,788	2,696	2,796	2,857	2,940
Building and construction	5,757	5,429	3,946	2,903	2,470	2,279
Distribution, transport, software and communication	37,609	36,907	35,247	35,419	35,582	35,356
<i>of which</i>						
<i>Software and communication</i>	11,824	12,244	13,059	13,507	14,091	14,362
Public administration and defence	7,170	7,650	7,291	6,914	6,498	6,086
Other services (including rent)	64,279	65,458	63,826	61,801	61,676	63,321
Statistical discrepancy	~	~	~	~	-1,144	-837
<b>Gross value added at constant factor cost</b>	<b>153,277</b>	<b>151,904</b>	<b>145,026</b>	<b>143,787</b>	<b>147,552</b>	<b>148,045</b>
Non product taxes	2,088	2,224	2,263	2,365	2,356	2,411
Non product subsidies	-2,039	-1,871	-2,068	-2,108	-2,055	-2,135
<b>Gross value added at constant basic prices</b>	<b>153,435</b>	<b>152,338</b>	<b>145,236</b>	<b>144,044</b>	<b>147,853</b>	<b>148,320</b>
Product taxes	23,640	20,869	16,733	16,083	15,742	15,505
Product subsidies	-1,086	-1,187	-1,095	-980	-994	-971
<b>Gross domestic product at constant market prices</b>	<b>175,623</b>	<b>171,829</b>	<b>160,858</b>	<b>159,148</b>	<b>162,600</b>	<b>162,855</b>
Net factor income from the rest of the world	-27,301	-26,165	-28,889	-26,410	-31,938	-29,871
<b>Gross national product at constant market prices</b>	<b>148,033</b>	<b>145,317</b>	<b>132,051</b>	<b>132,750</b>	<b>130,662</b>	<b>132,984</b>
EU subsidies	1,678	1,584	1,796	1,698	1,700	1,618
EU taxes	-495	-471	-356	-394	-416	-408
<b>Gross national income at constant market prices</b>	<b>149,189</b>	<b>146,407</b>	<b>133,488</b>	<b>134,058</b>	<b>131,947</b>	<b>134,194</b>

~ Chain linked series not additive except for 2011 and 2012  
Source: CSO

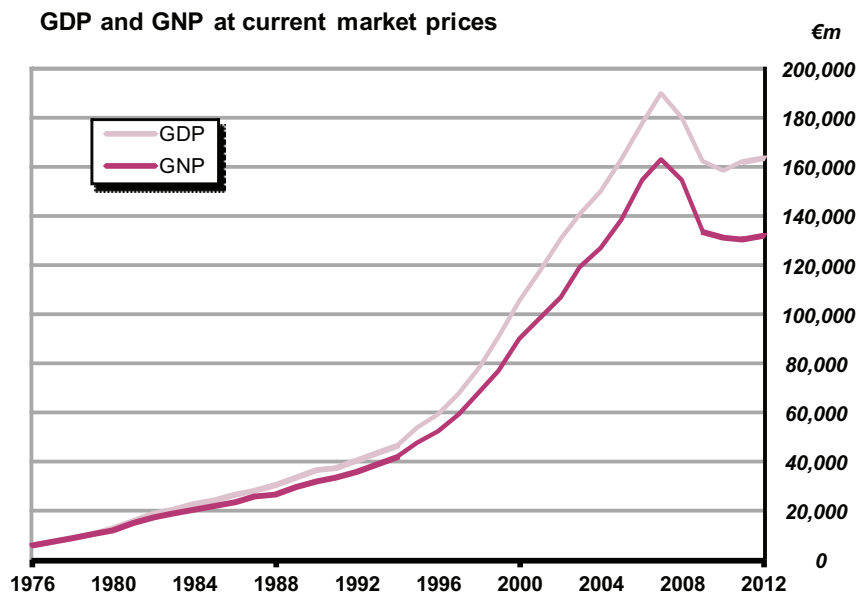
## Economy

**Table 8.5 Expenditure on Gross National Income at current market prices**

€m

Expenditure components	2007	2008	2009	2010	2011	2012
Personal consumption of goods and services	92,603	94,162	83,294	82,200	82,380	82,634
<i>of which</i>						
<i>Final consumption expenditure of households and NPISHs</i>	88,941	90,104	79,328	77,991	78,188	78,297
<i>Final consumption expenditure of government</i>	3,663	4,057	3,966	4,209	4,193	4,336
Net expenditure by central and local government on current goods and services	28,873	30,371	29,304	26,196	25,701	25,096
Gross domestic fixed capital formation	48,533	39,620	26,096	19,293	17,266	17,434
Value of physical changes in stocks	1,025	-330	-1,490	-567	984	376
<i>of which</i>						
<i>Net additions to the breeding stocks</i>	-28	2	-44	-55	19	83
Exports of goods and services	152,389	150,181	146,369	157,810	166,964	176,736
<i>less Imports of goods and services</i>	-135,328	-133,877	-120,352	-128,326	-131,840	-136,990
Statistical discrepancy	1,559	124	-938	1,490	1,144	-1,347
<b>Gross domestic product at current market prices</b>	<b>189,655</b>	<b>180,249</b>	<b>162,284</b>	<b>158,097</b>	<b>162,600</b>	<b>163,938</b>
Net factor income from the rest of the world	-26,520	-25,317	-28,364	-26,285	-31,938	-31,289
<b>Gross national product at current market prices</b>	<b>163,134</b>	<b>154,933</b>	<b>133,919</b>	<b>131,812</b>	<b>130,662</b>	<b>132,649</b>
EU subsidies	1,728	1,797	1,719	1,494	1,700	1,632
EU taxes	-519	-484	-359	-400	-416	-417
<b>Gross national income at current market prices</b>	<b>164,343</b>	<b>156,245</b>	<b>135,279</b>	<b>132,905</b>	<b>131,947</b>	<b>133,864</b>

Source: CSO



**Table 8.6 Expenditure on Gross National Income at constant market prices  
(chain linked annually and referenced to year 2011)**

	€m					
Expenditure components	2007	2008	2009	2010	2011	2012
Personal consumption of goods and services	87,377	87,435	82,961	83,688	82,380	82,151
<i>of which</i>						
<i>Final consumption expenditure of households and NPISHs</i>	83,600	83,454	78,975	79,330	78,188	77,945
<i>Final consumption expenditure of government</i>	3,745	3,967	3,985	4,361	4,193	4,207
Net expenditure by central and local government on current goods and services	29,219	29,392	28,399	26,439	25,701	24,738
Gross domestic fixed capital formation	37,291	33,709	24,648	19,071	17,266	17,097
Value of physical changes in stocks	1,536	-325	-1,458	-567	984	347
<i>of which</i>						
<i>Net additions to the breeding stocks</i>	-63	2	-52	-63	19	75
Exports of goods and services	156,591	154,857	148,925	158,467	166,964	169,570
<i>less Imports of goods and services</i>	-145,859	-141,538	-127,727	-132,373	-131,840	-131,885
Statistical discrepancy	~	~	~	~	1,144	837
<b>Gross domestic product at constant market prices</b>	<b>175,623</b>	<b>171,829</b>	<b>160,858</b>	<b>159,148</b>	<b>162,600</b>	<b>162,855</b>
Net factor income from the rest of the world	-27,301	-26,165	-28,889	-26,410	-31,938	-29,871
<b>Gross national product at constant market prices</b>	<b>148,033</b>	<b>145,317</b>	<b>132,051</b>	<b>132,750</b>	<b>130,662</b>	<b>132,984</b>
EU subsidies	1,678	1,584	1,796	1,698	1,700	1,618
EU taxes	-495	-471	-356	-394	-416	-408
<b>Gross national income at constant market prices</b>	<b>149,189</b>	<b>146,407</b>	<b>133,488</b>	<b>134,058</b>	<b>131,947</b>	<b>134,194</b>

~ Chain linked series not additive except for 2011 and 2012

Source: CSO

## Economy

**Table 8.7 Net current income and expenditure of central and local government**

€m

Income and expenditure	2007	2008	2009	2010	2011	2012
Taxes on income and wealth (including social insurance contributions)	29,957	28,491	25,771	25,036	26,353	27,276
Taxes on expenditure (including rates)	25,216	22,246	18,275	17,926	17,682	18,032
Net trading and investment income	2,018	2,698	2,439	2,549	2,453	2,739
Current transfers from the rest of the world to central and local government	55	149	97	113	52	52
<b>Total income</b>	<b>57,246</b>	<b>53,583</b>	<b>46,583</b>	<b>45,623</b>	<b>46,539</b>	<b>48,098</b>
Subsidies (excluding EU subsidies)	1,658	1,762	1,690	1,577	1,349	1,540
Transfer payments (including transfers to the rest of the world) and national debt interest	24,429	27,916	30,968	32,243	32,988	33,417
Net current expenditure on goods and services	28,873	30,371	29,304	26,196	25,701	25,096
<b>Total expenditure</b>	<b>54,960</b>	<b>60,049</b>	<b>61,962</b>	<b>60,016</b>	<b>60,038</b>	<b>60,054</b>
<b>Central and local government savings</b>	<b>2,286</b>	<b>-6,466</b>	<b>-15,379</b>	<b>-14,393</b>	<b>-13,499</b>	<b>-11,955</b>

Source: CSO

### Net current income in 2012



### Net current expenditure in 2012

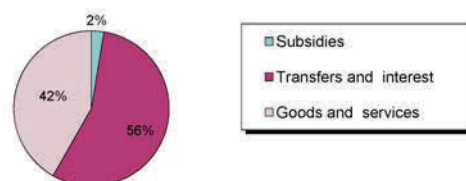


Table 8.8 Balance of International Payments: Current and Capital Accounts

€m

Item	2010		2011		2012	
	Credit	Debit	Credit	Debit	Credit	Debit
<b>Current account</b>						
<b>Merchandise</b>	<b>82,607</b>	<b>46,856</b>	<b>85,007</b>	<b>48,326</b>	<b>85,852</b>	<b>49,485</b>
<b>Services</b>	<b>74,311</b>	<b>80,951</b>	<b>81,468</b>	<b>83,168</b>	<b>90,295</b>	<b>87,089</b>
Transport	3,657	1,630	4,352	1,645	4,609	1,675
Tourism and travel	3,106	5,358	3,010	4,817	3,022	4,609
Communications	386	1,119	479	977	627	1,089
Insurance	7,965	6,272	8,057	5,986	8,910	6,260
Financial services	6,326	4,513	6,594	4,706	7,073	4,608
Computer services	27,889	659	31,413	502	35,681	349
Royalties/licences	2,192	28,260	3,603	29,361	3,888	32,755
Business services	22,151	32,946	23,369	34,982	25,932	35,552
Trade related	8,749	9,752	8,151	10,432	9,033	11,826
Operational leasing	6,699	1,571	6,812	1,453	7,496	1,492
Miscellaneous business services	6,702	21,621	8,403	23,096	9,403	22,233
Other services nes	640	192	594	193	555	192
<b>Income</b>	<b>57,121</b>	<b>83,040</b>	<b>57,120</b>	<b>88,917</b>	<b>57,247</b>	<b>88,363</b>
Compensation of employees	485	737	539	685	545	733
Investment income	56,638	82,301	56,583	88,233	56,699	87,630
Direct investment income	14,337	37,636	15,305	42,463	17,481	43,418
Income on equity	11,546	36,068	11,574	38,049	13,782	38,832
Dividends and distributed branch profits	1,025	15,710	1,745	14,416	2,682	16,862
Reinvested earnings	10,521	20,354	9,830	23,632	11,100	21,969
Income on debt	2,790	1,567	3,731	4,413	3,699	4,584
Portfolio investment income	25,118	29,829	23,586	30,752	25,232	31,632
Income on equity	5,432	13,979	5,342	14,618	6,340	18,607
Income on debt	19,687	15,848	18,245	16,136	18,892	13,025
Other investment income	17,182	14,836	17,690	15,017	13,986	12,581
<b>Current Transfers</b>	<b>4,947</b>	<b>6,361</b>	<b>5,405</b>	<b>6,588</b>	<b>5,562</b>	<b>6,767</b>
<b>Current Account - Total</b>	<b>218,989</b>	<b>217,207</b>	<b>229,000</b>	<b>226,999</b>	<b>238,955</b>	<b>231,704</b>
<b>Current Account Balance</b>	<b>1,782</b>		<b>2,002</b>		<b>7,250</b>	
<b>Capital Account Balance</b>	<b>-673</b>		<b>-263</b>		<b>-2,056</b>	
<b>Memorandum Item:</b>						
Government income	306	3,408	133	4,349	115	4,625

Source: CSO

## Economy

**Table 8.9 Balance of International Payments: Financial Account**

€m

Item	2010		2011		2012	
	Abroad	In Ireland	Abroad	In Ireland	Abroad	In Ireland
<b>Direct investment</b>	<b>-16,874</b>	<b>32,319</b>	<b>838</b>	<b>16,937</b>	<b>-14,413</b>	<b>29,820</b>
Equity	-328	1,609	14,379	-29,825	1,665	11,348
Reinvested earnings	-10,521	20,354	-9,830	23,632	-11,100	21,969
Other capital	-6,023	10,356	-3,711	23,129	-4,978	-3,497
	<b>Assets</b>	<b>Liabilities</b>	<b>Assets</b>	<b>Liabilities</b>	<b>Assets</b>	<b>Liabilities</b>
<b>Portfolio investment</b>	<b>10,322</b>	<b>75,643</b>	<b>-2,644</b>	<b>29,553</b>	<b>-73,573</b>	<b>73,352</b>
Equity	-29,162	115,076	6,272	61,339	-11,467	81,797
Debt instruments	39,483	-39,433	-8,916	-31,785	-62,106	-8,446
Bonds and notes	56,985	-7,672	-2,463	-18,333	-55,606	-11,626
Money market instruments	-17,502	-31,763	-6,454	-13,452	-6,499	3,180
<b>Other investment</b>	<b>-32,155</b>	<b>-61,986</b>	<b>13,818</b>	<b>-48,756</b>	<b>75,183</b>	<b>-89,393</b>
Loans, currency and deposits	-10,966	-78,332	12,370	-40,423	74,678	-79,506
Other	-21,189	16,346	1,448	-8,331	502	-9,886
<b>Reserve assets</b>	<b>5</b>	<b>-</b>	<b>329</b>	<b>-</b>	<b>12</b>	<b>-</b>
Monetary gold	-1	-	0	-	0	-
Special drawing rights	41	-	93	-	-8	-
Reserve position in the IMF	-19	-	-119	-	0	-
Foreign exchange	-16	-	355	-	20	-
Other	0	-	0	-	0	-
<b>Balance on financial account</b>	<b>7,276</b>	<b>-</b>	<b>10,075</b>	<b>-</b>	<b>987</b>	<b>-</b>
<i>Net errors and omissions</i>	<i>-8,384</i>	<i>-</i>	<i>-11,815</i>	<i>-</i>	<i>-6,182</i>	<i>-</i>
<b>Memorandum item:</b>	<b>Assets</b>	<b>Liabilities</b>	<b>Assets</b>	<b>Liabilities</b>	<b>Assets</b>	<b>Liabilities</b>
<i>Government financial transactions</i>	<i>-47</i>	<i>5,037</i>	<i>5,914</i>	<i>22,491</i>	<i>-2,734</i>	<i>20,475</i>

Source: CSO

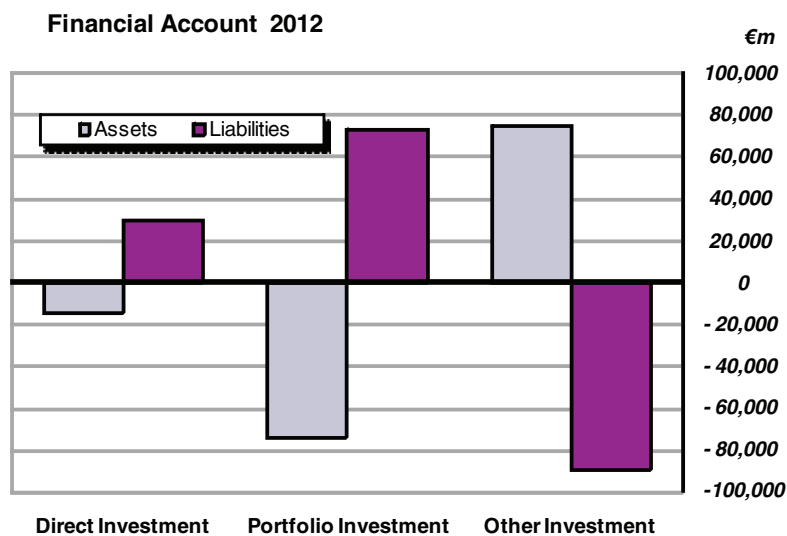




Table 8.10 International Investment Position — detailed data

€m

Item	2007	2008	2009	2010	2011	2012
<b>Foreign assets</b>						
<b>Direct investment abroad</b>	<b>101,936</b>	<b>121,381</b>	<b>205,008</b>	<b>254,538</b>	<b>242,494</b>	<b>288,027</b>
Equity capital and reinvested earnings	88,780	99,970	175,617	218,098	204,946	241,282
Other capital	13,156	21,411	29,391	36,440	37,548	46,745
<b>Portfolio investment</b>	<b>1,338,542</b>	<b>1,264,428</b>	<b>1,352,597</b>	<b>1,458,289</b>	<b>1,432,908</b>	<b>1,588,982</b>
Equity	440,984	307,394	374,723	456,346	437,266	503,819
Debt instruments	897,559	957,035	977,874	1,001,943	995,642	1,085,164
<i>Bonds and notes</i>	<i>664,938</i>	<i>741,011</i>	<i>761,356</i>	<i>721,791</i>	<i>719,796</i>	<i>802,296</i>
<i>Money market instruments</i>	<i>232,620</i>	<i>216,024</i>	<i>216,518</i>	<i>280,152</i>	<i>275,845</i>	<i>282,868</i>
<b>Other investment</b>	<b>828,937</b>	<b>896,847</b>	<b>864,391</b>	<b>941,452</b>	<b>1,005,754</b>	<b>939,853</b>
Loans, currency and deposits	715,313	785,425	736,198	781,046	818,199	745,629
Trade credits	33,938	25,612	29,354	32,579	33,664	40,134
Other assets	79,686	85,811	98,839	127,827	153,891	154,089
<b>Reserve assets</b>	<b>639</b>	<b>746</b>	<b>1,496</b>	<b>1,587</b>	<b>1,316</b>	<b>1,294</b>
Monetary gold	110	120	148	204	235	244
Special drawing rights	77	77	819	830	754	748
Reserve position in the IMF	51	111	170	178	307	301
Foreign exchange	401	438	359	375	20	1
Other	0	0	0	0	0	0
<b>TOTAL FOREIGN ASSETS</b>	<b>2,270,054</b>	<b>2,283,402</b>	<b>2,423,492</b>	<b>2,655,866</b>	<b>2,682,472</b>	<b>2,818,156</b>
<b>Foreign liabilities</b>						
<b>Direct investment in Ireland</b>	<b>138,362</b>	<b>135,295</b>	<b>173,610</b>	<b>213,722</b>	<b>194,508</b>	<b>256,410</b>
Equity capital and reinvested earnings	181,385	182,413	221,515	233,252	200,098	255,996
Other capital	-43,023	-47,118	-47,905	-19,530	-5,590	415
<b>Portfolio investment</b>	<b>1,329,908</b>	<b>1,280,707</b>	<b>1,464,610</b>	<b>1,668,152</b>	<b>1,725,510</b>	<b>1,905,521</b>
Equity	784,656	638,891	817,945	1,053,913	1,142,975	1,333,870
Debt instruments	545,252	641,817	646,665	614,239	582,535	571,651
<i>Bonds and notes</i>	<i>495,040</i>	<i>589,873</i>	#	<i>589,365</i>	<i>571,762</i>	<i>553,044</i>
<i>Money market instruments</i>	<i>50,212</i>	<i>51,944</i>	#	<i>24,874</i>	<i>10,773</i>	<i>18,607</i>
<b>Other investment</b>	<b>838,713</b>	<b>1,003,675</b>	<b>935,264</b>	<b>913,052</b>	<b>915,074</b>	<b>833,680</b>
Loans, currency and deposits	697,743	843,952	761,601	708,499	686,511	596,411
Trade credits	22,199	26,162	15,252	17,350	19,166	16,499
Other liabilities	118,771	133,560	158,412	187,203	209,397	220,771
<b>TOTAL FOREIGN LIABILITIES</b>	<b>2,306,983</b>	<b>2,419,677</b>	<b>2,573,484</b>	<b>2,794,926</b>	<b>2,835,092</b>	<b>2,995,611</b>

Source: CSO

## Economy

**Table 8.11 Direct investment abroad by location of investment**

€m

Region/Country	2010				2011			
<b>Flows</b>	<b>Equity</b>	<b>Reinvested earnings</b>	<b>Other capital</b>	<b>Total</b>	<b>Equity</b>	<b>Reinvested earnings</b>	<b>Other capital</b>	<b>Total</b>
<b>Total</b>	<b>-328</b>	<b>-10,521</b>	<b>-6,023</b>	<b>-16,874</b>	<b>14,963</b>	<b>-9,134</b>	<b>-2,742</b>	<b>3,086</b>
<i>of which</i>								
Belgium	-37	47	-9	-1	-8	#	#	48
France	#	-185	-96	#	#	-331	-8	#
Germany	-10	45	26	61	#	-42	#	-106
Italy	#	#	-61	#	#	#	28	#
Luxembourg	1,201	-1,617	2,676	2,260	1,222	-1,866	-9,317	-9,961
Netherlands	#	-1,631	#	-1,249	#	-1,921	#	-2,415
Spain	#	#	#	#	#	-57	#	#
Switzerland	#	#	#	511	#	#	#	601
United Kingdom	-1,355	-2,135	-229	-3,719	-2,517	-1,486	326	-3,677
Canada	#	-49	#	-326	#	#	1	84
United States	#	-1,396	#	-931	#	#	#	4,249
China	-1	8	6	12	-8	#	-5	#
Hong Kong	0	-62	3	-60	#	#	1	-220
Japan	#	#	#	#	#	-34	#	-12
<b>Positions</b>	<b>Equity capital and reinvested earnings</b>			<b>Total</b>	<b>Equity capital and reinvested earnings</b>			<b>Total</b>
<b>Total</b>	<b>218,098</b>			<b>254,538</b>	<b>204,946</b>			<b>242,494</b>
<i>of which</i>								
France	#	56	#	#	1,852	119	1,972	
Germany	3,957	79	4,037	3,807	100	3,907		
Italy	#	#	978	#	#	480		
Luxembourg	24,982	8,484	33,466	29,240	18,387	47,627		
Netherlands	28,725	2,478	31,203	28,929	2,154	31,083		
Switzerland	#	#	#	#	#	4,419		
United Kingdom	36,362	5,114	41,476	44,859	5,464	50,323		
Canada	#	#	1,475	#	#	1,523		
United States	#	#	22,650	15,366	1,717	17,083		

Source: CSO

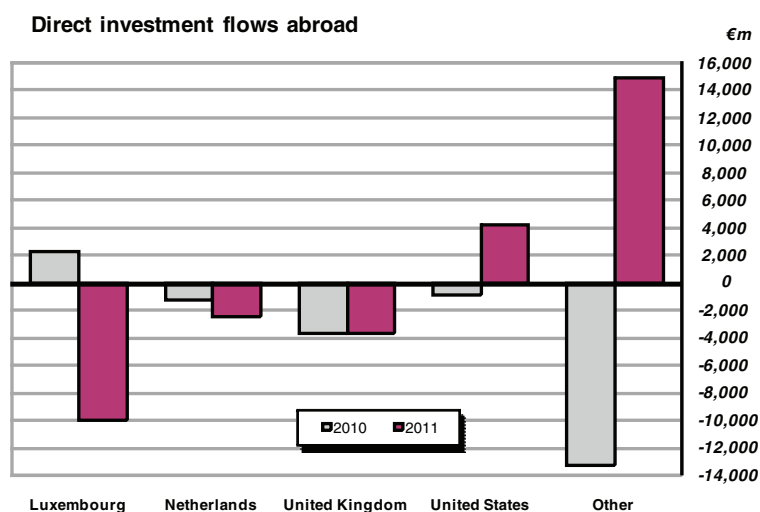


Table 8.12 Direct investment in Ireland by location of investor

€m

Region/Country	2010				2011			
<b>Flows</b>	<b>Equity</b>	<b>Reinvested earnings</b>	<b>Other capital</b>	<b>Total</b>	<b>Equity</b>	<b>Reinvested earnings</b>	<b>Other capital</b>	<b>Total</b>
<b>Total</b>	<b>1,609</b>	<b>20,354</b>	<b>10,356</b>	<b>32,319</b>	<b>-36,372</b>	<b>22,918</b>	<b>21,703</b>	<b>8,249</b>
<i>of which</i>								
Belgium	#	762	#	-505	-140	1,005	96	960
France	1,694	223	1,658	3,575	362	743	1,308	2,412
Germany	-163	101	-105	-166	-238	317	1,043	1,121
Italy	-123	1,090	-92	874	#	1,072	#	1,144
Luxembourg	-4,933	842	-1,299	-5,391	4,895	844	#	#
Netherlands	-10,796	7,977	-3,735	-6,553	-34,765	7,093	21,399	-6,271
United Kingdom	6,698	784	3,134	10,617	-5,201	1,059	-3,569	-7,713
Canada	165	120	349	633	#	106	#	-5,551
United States	2,111	2,781	1,983	6,874	#	3,213	#	1,341
Bermuda	2,424	4,142	1,758	8,323	#	3,542	#	-8,371
Brazil	0	0	140	140	0	0	116	116
China	0	0	-794	-794	0	0	584	584
Japan	#	78	#	-1,777	#	19	#	577
<b>Positions</b>	<b>Equity capital and reinvested earnings</b>	<b>Other capital</b>	<b>Total</b>	<b>Equity capital and reinvested earnings</b>	<b>Other capital</b>	<b>Total</b>		
<b>Total</b>	<b>233,252</b>	<b>-19,529</b>	<b>213,722</b>	<b>200,098</b>	<b>-5,590</b>	<b>194,508</b>		
<i>of which</i>								
Belgium	106	33	139	-2,031	-1,451	-3,482		
France	13,160	2,734	15,893	10,799	4,384	15,182		
Germany	8,201	-601	7,600	9,419	522	9,941		
Italy	6,474	548	7,022	6,542	846	7,389		
Luxembourg	17,794	8,277	26,071	23,968	33,166	57,134		
Netherlands	45,262	-17,374	27,888	23,451	3,976	27,427		
Spain	7,214	1,378	8,592	5,688	343	6,031		
Switzerland	7,317	3,778	11,095	9,056	2,764	11,820		
United Kingdom	27,738	1,460	29,197	21,269	906	22,175		
Canada	#	#	8,832	3,179	-666	2,513		
United States	#	#	22,939	49,896	-45,417	4,480		
Brazil	0	-80	-80	0	-185	-185		
China	#	#	-874	#	#	-272		
Japan	156	-130	26	#	#	662		
Singapore	#	#	3,465	-37	#	#		

Source: CSO

## Economy

**Table 8.13 Indices of Gross Value Added per person in each region at basic prices**

State = 100

Region	2005	2006	2007	2008	2009	2010
<b>Border, Midland and Western</b>	<b>70.7</b>	<b>72.0</b>	<b>69.0</b>	<b>69.4</b>	<b>68.3</b>	<b>65.7</b>
Border	70.5	72.1	68.8	68.6	67.6	57.5
Midland	69.1	71.5	66.1	64.1	62.1	58.9
West	71.8	72.2	70.9	73.5	73.2	79.6
<b>Southern and Eastern</b>	<b>110.7</b>	<b>110.2</b>	<b>111.3</b>	<b>111.2</b>	<b>111.7</b>	<b>112.7</b>
Dublin	143.2	140.9	141.8	146.1	147.7	152.4
Mid-East	79.9	81.8	80.9	78.2	75.2	69.5
<i>Dublin plus Mid-East</i>	<i>125.3</i>	<i>124.0</i>	<i>124.2</i>	<i>126.3</i>	<i>126.4</i>	<i>127.9</i>
Mid-West	84.8	85.5	87.0	84.1	84.9	86.3
South-East	74.9	73.6	75.5	76.5	70.1	67.4
South-West	113.2	115.0	117.2	112.1	118.5	120.8
<b>State</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: CSO

**Indices of GVA per person at basic prices, 2010**





