



**An  
Phríomh-Oifig  
Staidrimh**

Central  
Statistics  
Office

Welcome to the CSO  
Macroeconomic Briefing  
Q1 2023 (Provisional)

The briefing will begin shortly



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# National Accounts International Accounts

Quarter 1 2023  
(Provisional)

Media Briefing  
02 June 2023



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# Quarterly National Accounts Q1 2023

Provisional

GNP ↓ 8.0%



GDP

↓ 4.6%

€115.0bn

MDD ↑ 2.7%

Industry  
excl. Construction



↓ 18.2%

Information  
& Comm



↑ 4.0%

Distribution,  
Transport,  
Hotels &  
Restaurants



↑ 2.7%

Professional,  
Admin. &  
Support  
Services



↓ 0.2%

Financial &  
Insurance  
Activities



↑ 8.3%

Construction



↑ 12.0%

Personal  
Consumption



↑ 1.7%

Government  
Expenditure



↓ 3.5%

Investment



↓ 12.7%

Exports



↓ 2.1%

Imports



↓ 2.2%

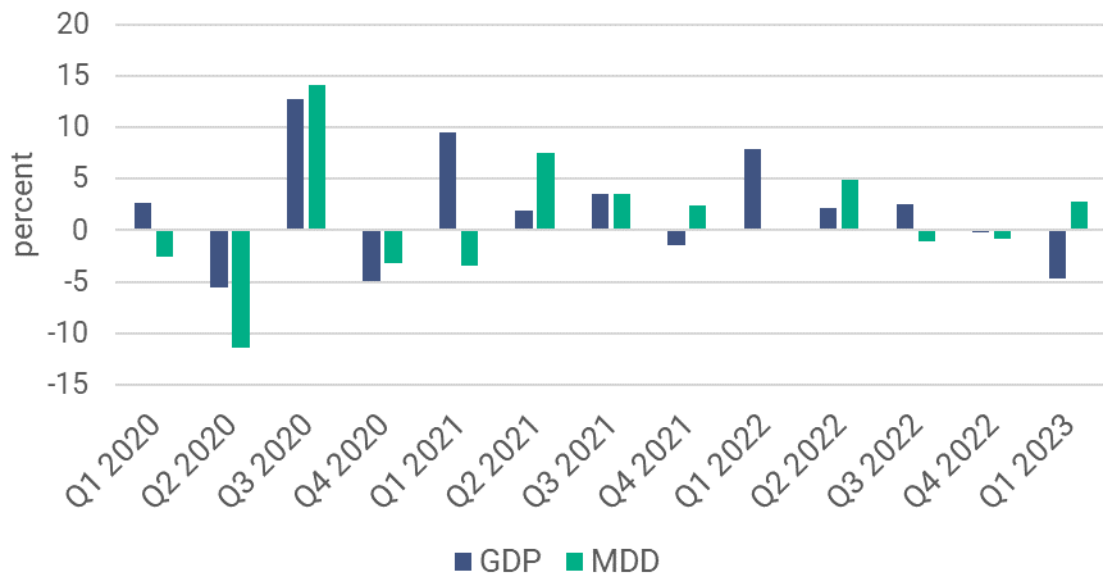
% growth Q1 2023 vs Q4 2022

# Quarter 1, 2023 – Constant Prices, Seasonally Adjusted

## Seasonally Adjusted Quarterly Changes

**GDP -4.6%**

**MDD +2.7%**

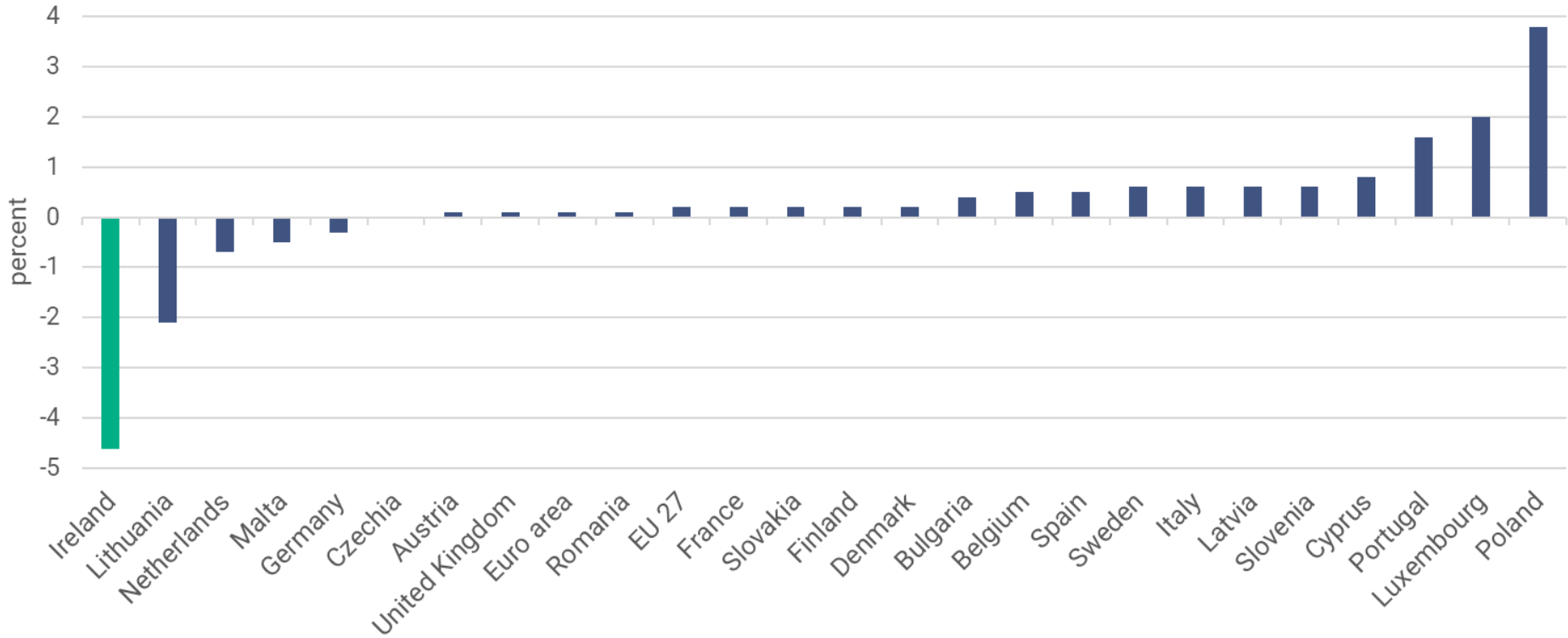


# Preliminary Estimate vs QNA Comparisons

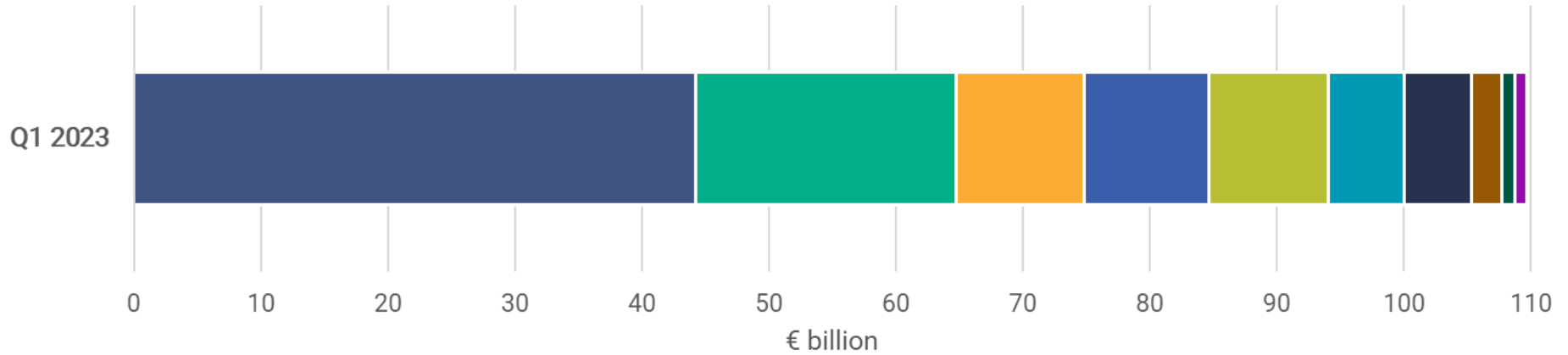
GDP Volume	T+30	T+60
Q1/23 vs Q4/22 SA	-2.7%	-4.6%



# Q1 2023 GDP % Change by Country Seasonally Adjusted



# Sector Growth – Seasonally Adjusted



■ Industry (excl. Construction) ↓ -18.2%

■ Professional, Admin & Support Services ↓ -0.2%

■ Distribution, Transport, Hotels & Restaurants ↑ +2.7%

■ Financial & Insurance Activities ↑ +8.3%

■ Arts, Entertainment & Other Services ↓ -15.3%

■ Information & Communication ↑ +4.0%

■ Public Admin, Education & Health ↑ +1.1%

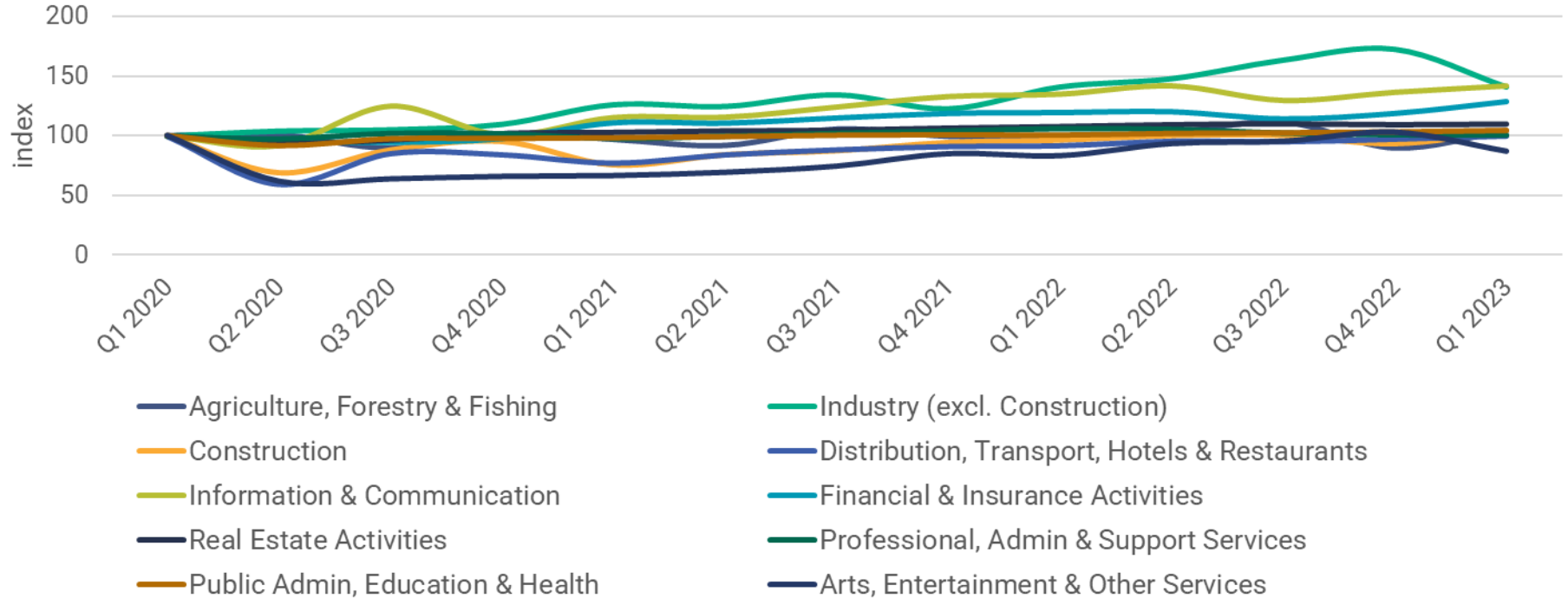
■ Real Estate Activities ↑ +0.5%

■ Construction ↑ +12.0%

■ Agriculture, Forestry & Fishing ↑ +15.9%



# Trends in Sector Growth (Q1 2020 =100)

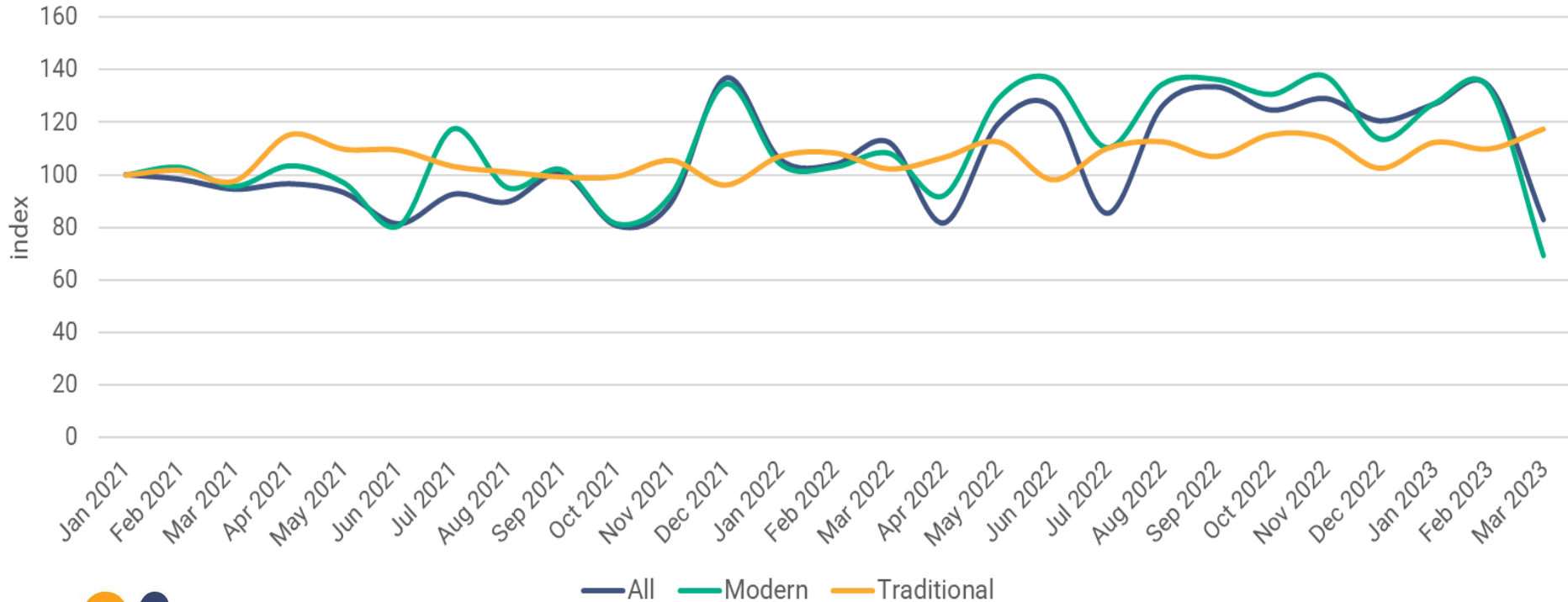




# Trends in Sector Growth (Q1 2020 =100)

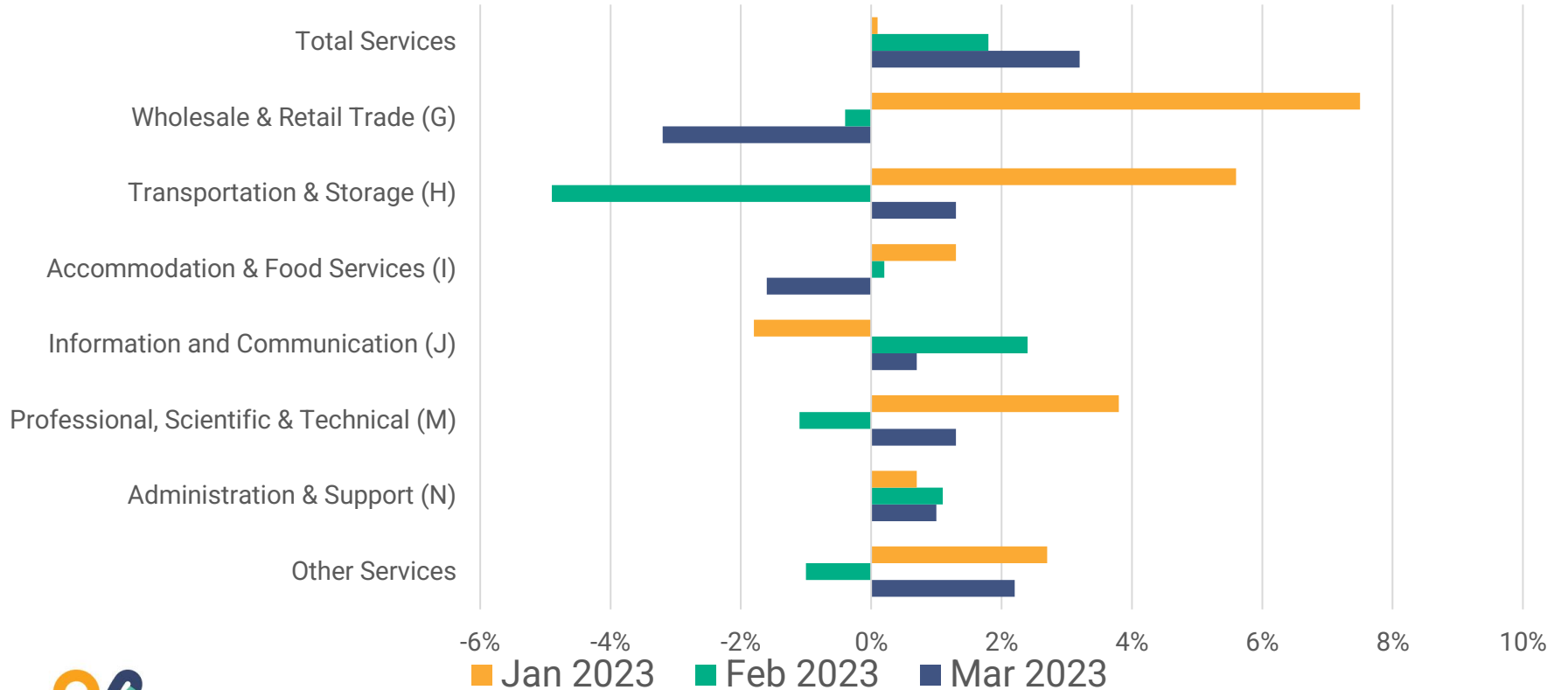


# Monthly Manufacturing Production (seasonally adjusted) Jan 2020=100

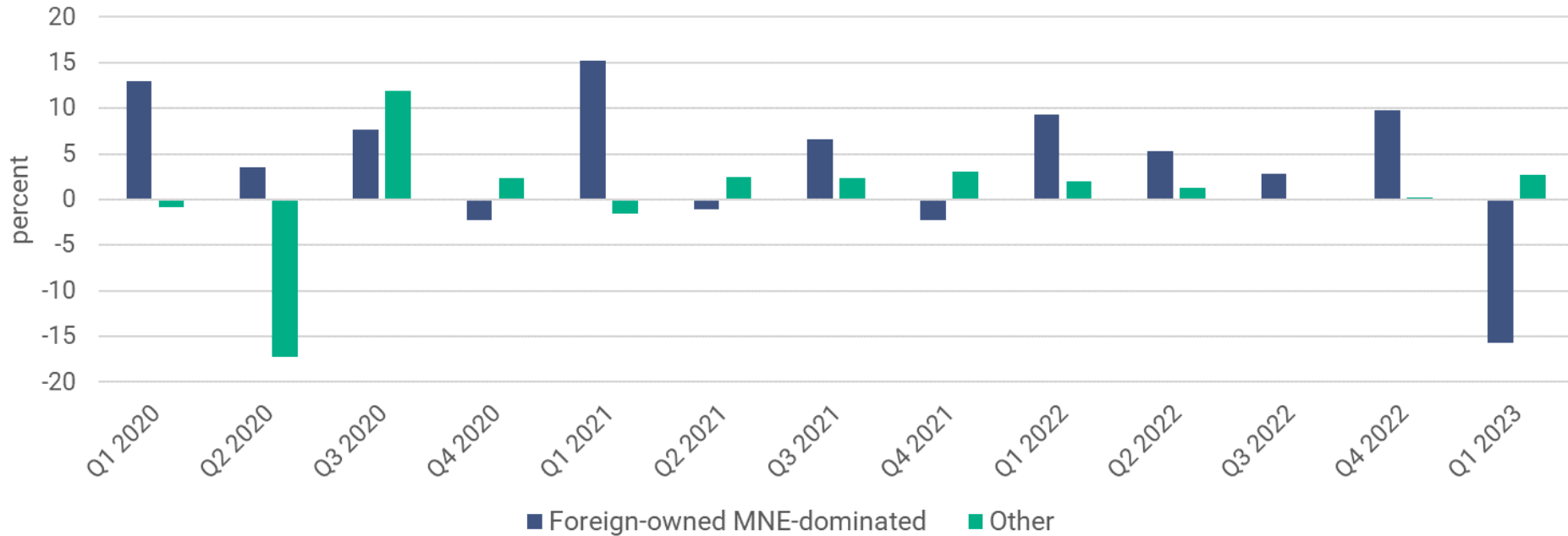


# Monthly Services – Jan-Mar 2023

% change over previous month (Services Index Volume, seasonally adjusted)



# Quarterly Growth Rate of Foreign-owned MNE Dominated Sectors and Other



# Compensation of Employees, Q1 2023

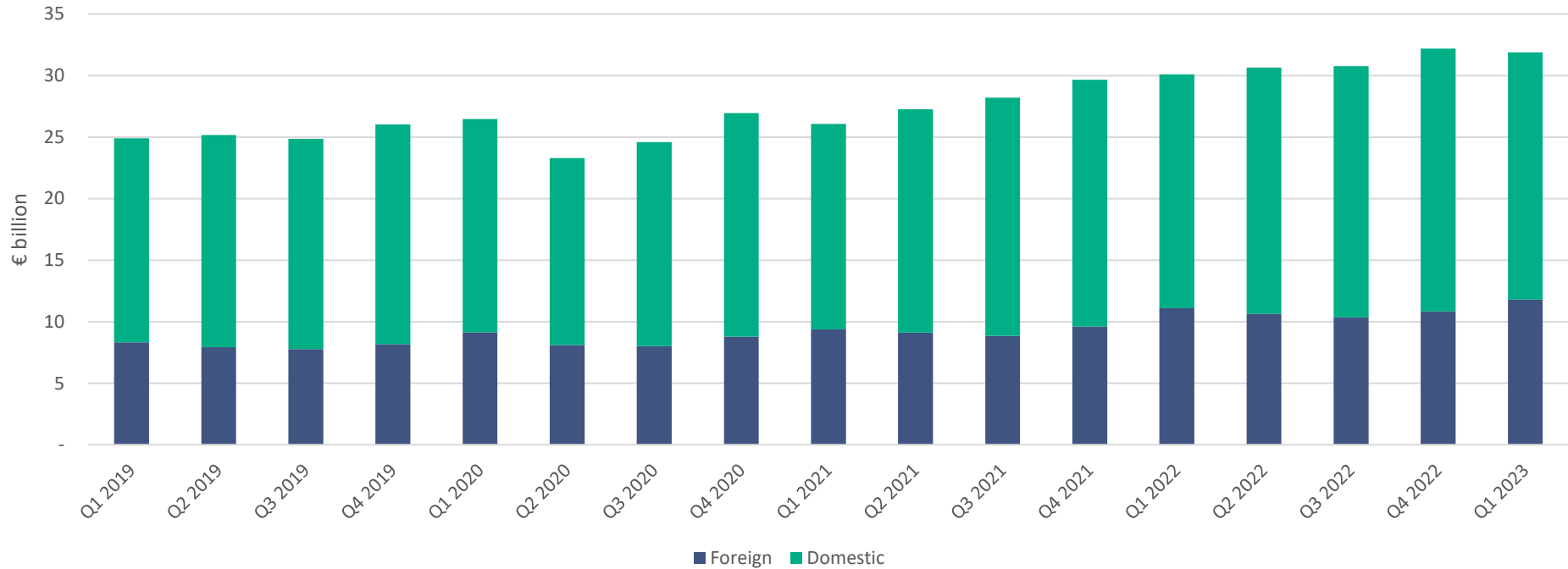
## (constant prices, seasonally adjusted)

	Amount €m	Quarterly % change
Public Admin, Education and Health	8,816	3.0
Distribution, Transport, Hotels and Restaurants	5,206	-0.8
Industry (excl. Construction)	4,089	1.5
Professional, Admin and Support Services	3,927	4.5
Information and Communication	2,925	0.4
Financial and Insurance Activities	2,383	-1.6
Construction	1,389	-1.6
Arts, Entertainment and Other Services	622	8.2
Real Estate Activities	242	-7.1
Agriculture, Forestry and Fishing	212	-1.9
<b>Total</b>	<b>29,811</b>	<b>1.4</b>

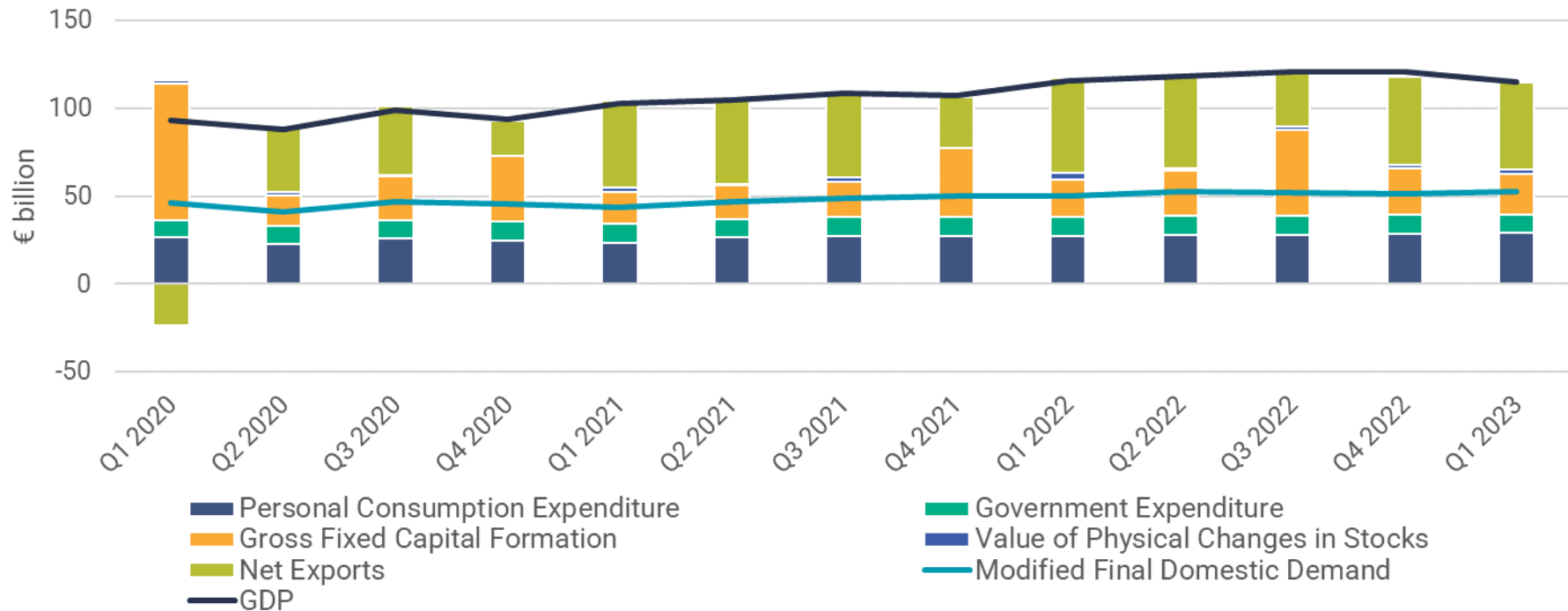
<sup>1</sup>Constant Market Prices, seasonally adjusted.



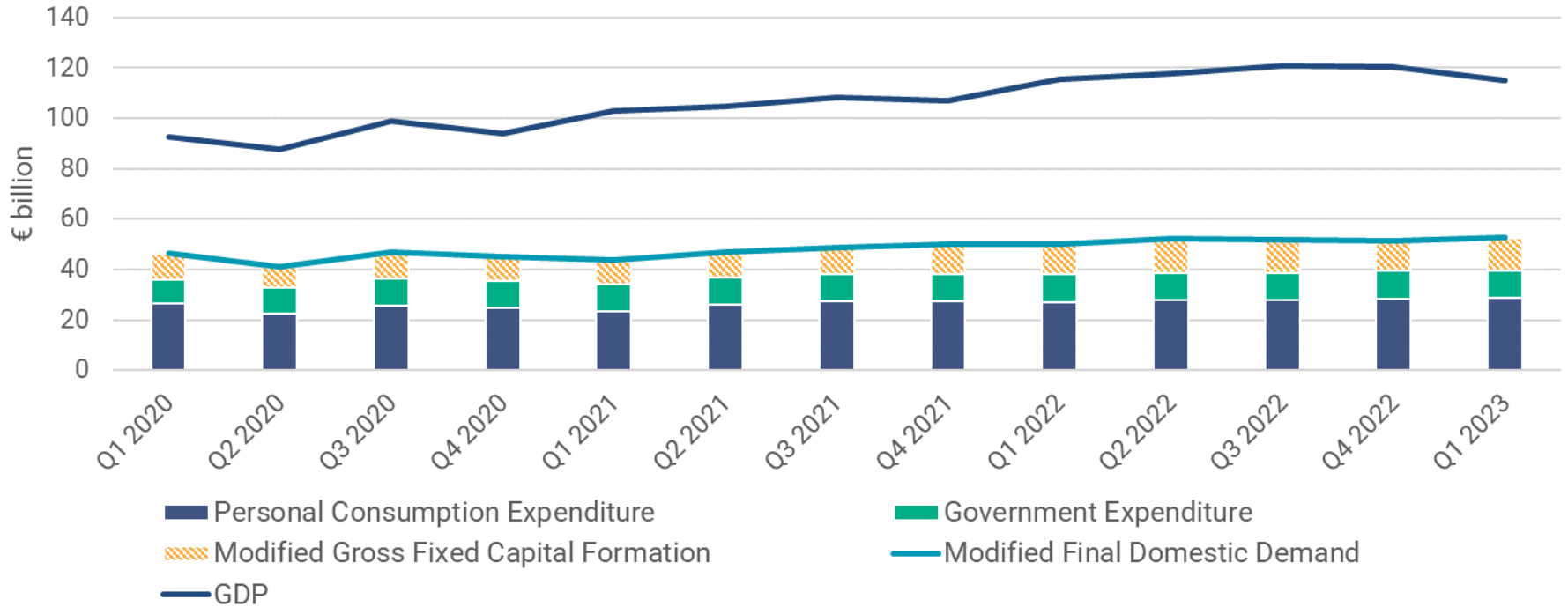
# Breakdown of Compensation of Employees by Foreign and Domestic Enterprises



# Expenditure – Q1 2023 Seasonally Adjusted

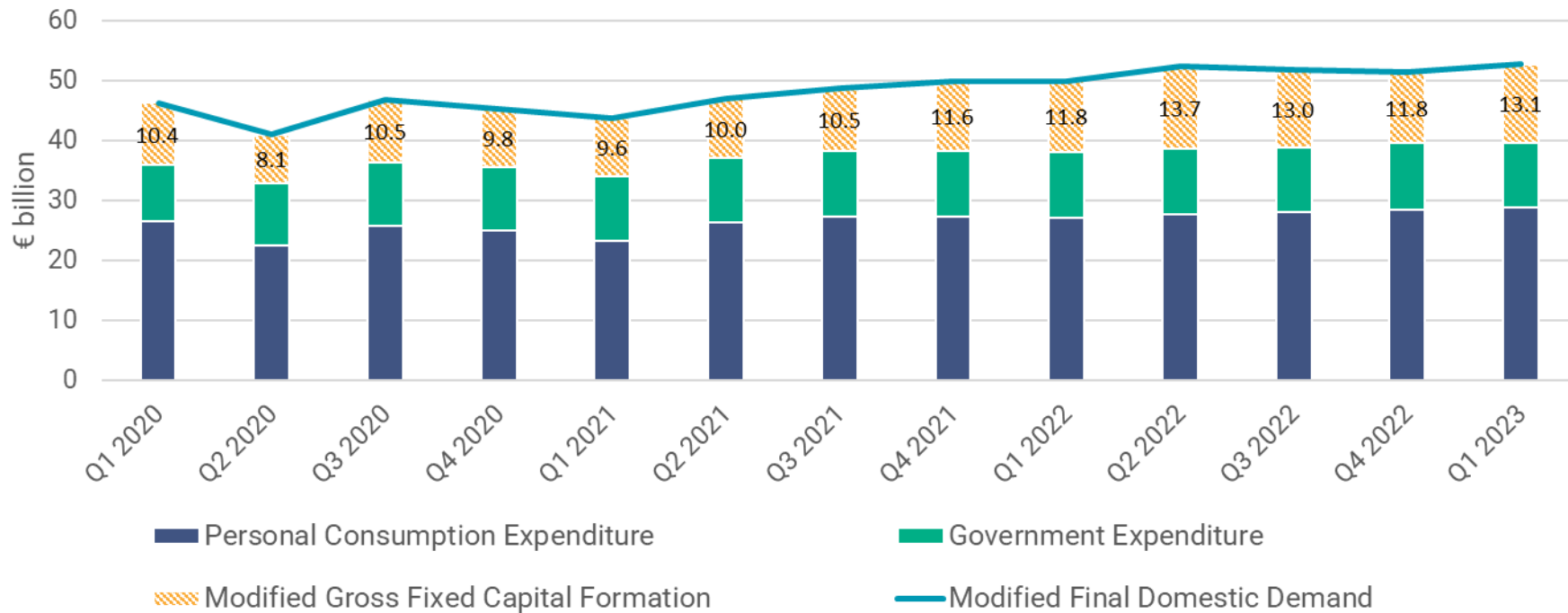


# Expenditure – Q1 2023 Seasonally Adjusted





# Expenditure – Q1 2023 Seasonally Adjusted



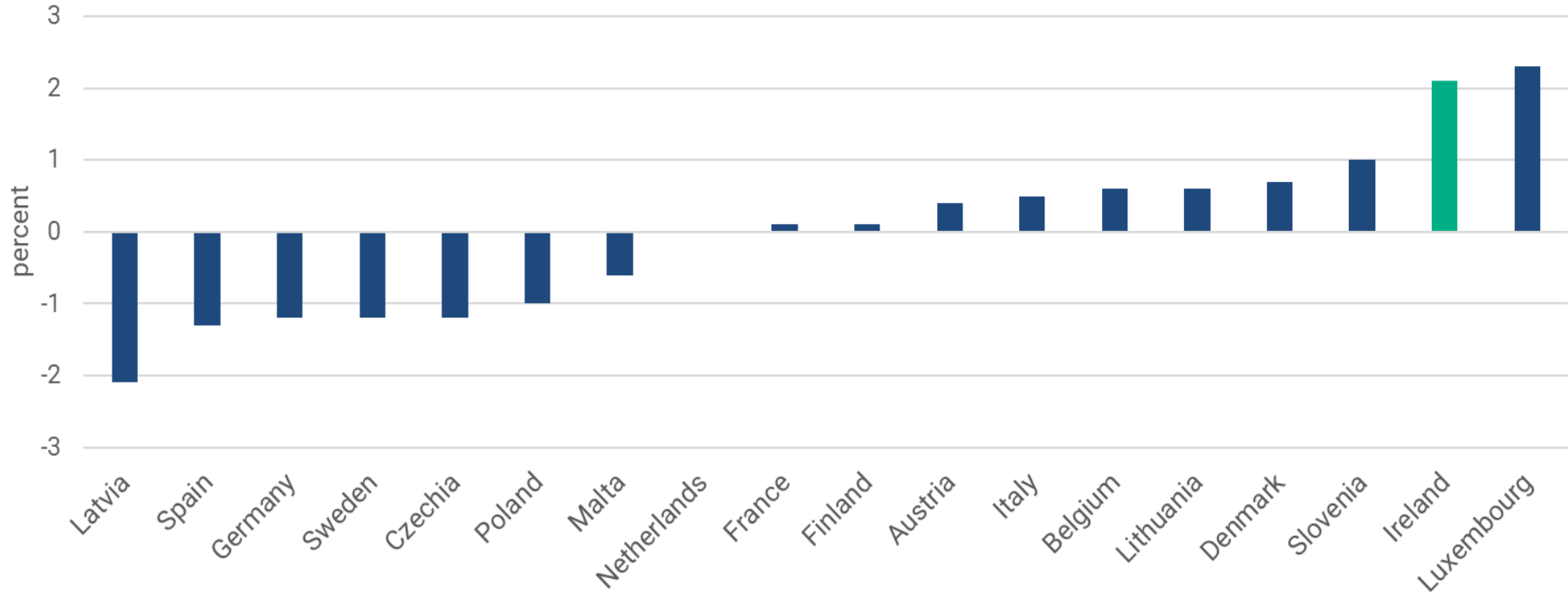
# Personal Consumption Expenditure Q1 2023/Q4 2022

Total +1.7% (seasonally adjusted)

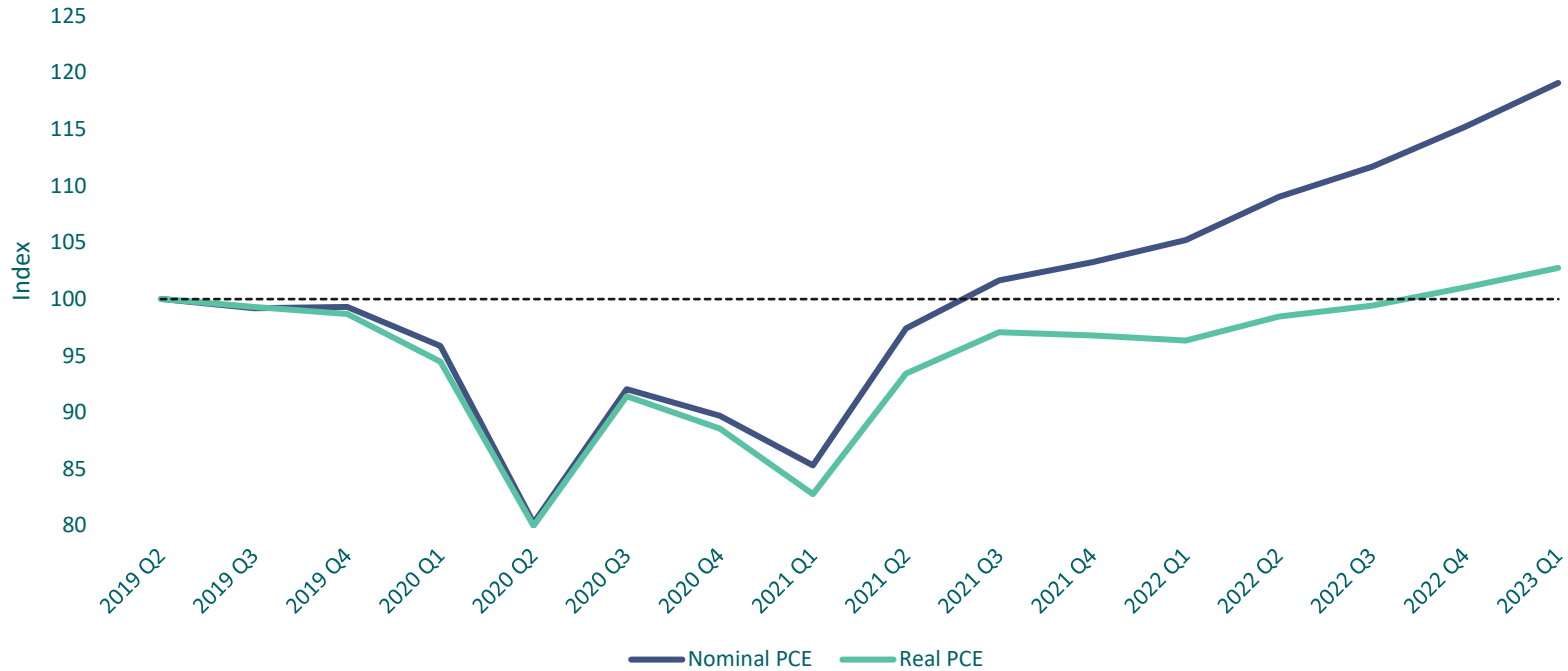
- Goods +2.7%
- Services +1.1%



# Households & NPISH Individual Consumption Expenditure

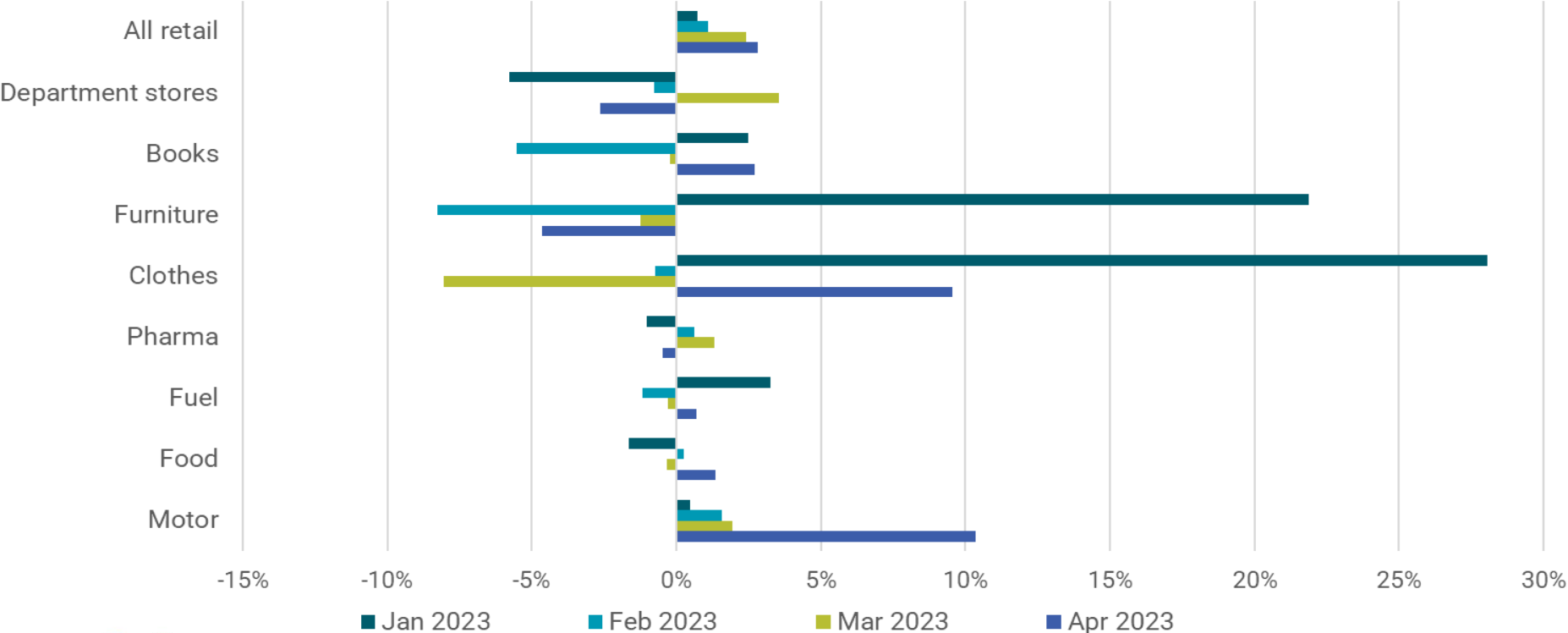


# Personal Consumption Expenditure SA



# Monthly Retail Sales by Item

% change over previous month



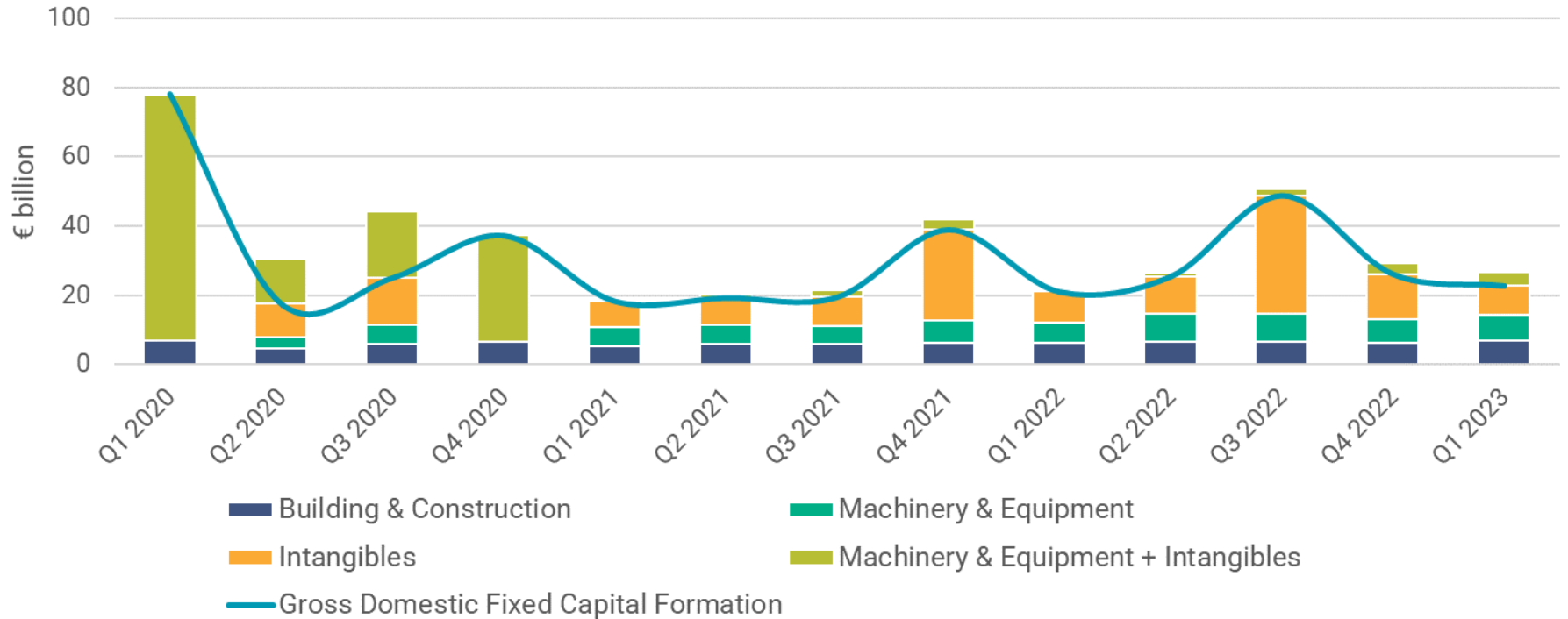
# Capital Formation Q1 2023/Q4 2022

Total -12.7% (seasonally adjusted)  
this quarter v's last quarter

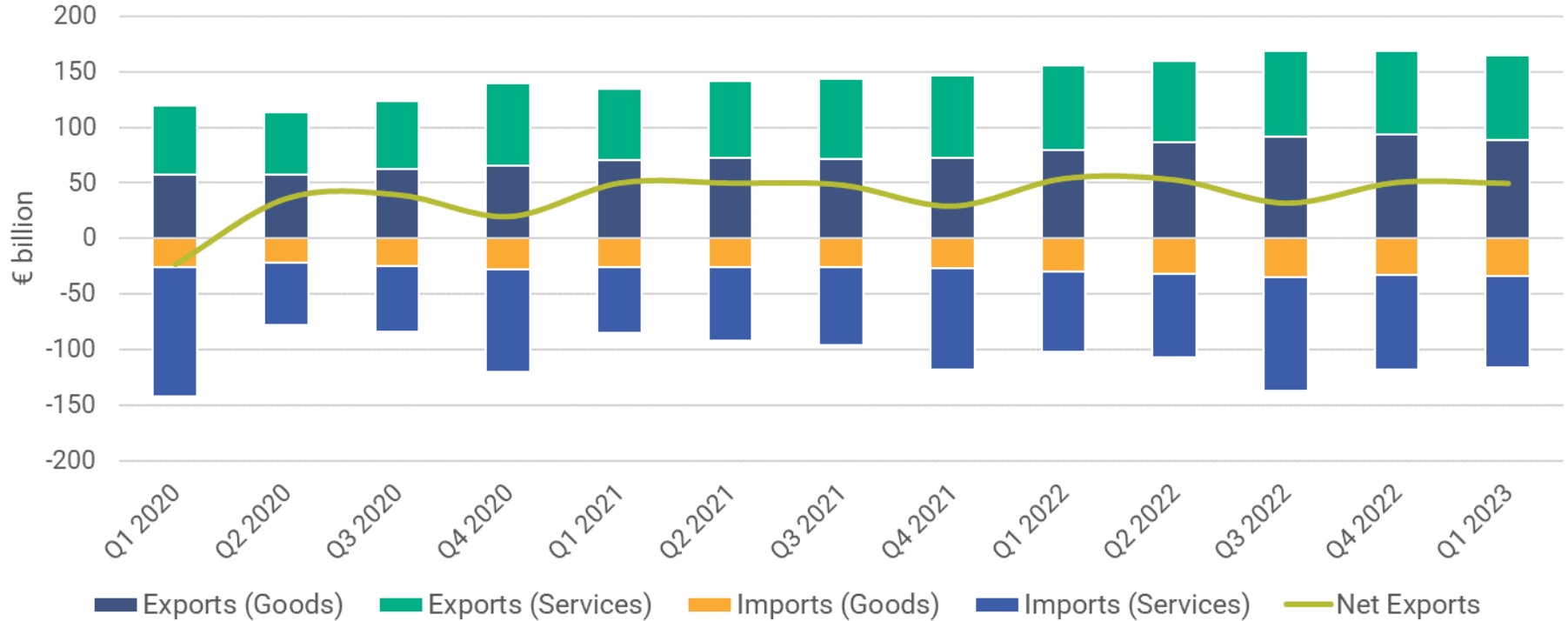
Building and construction	+8.7%
Machinery and equipment	+11.6%
Intangibles	-€4.7bn
Machinery and equipment excl. aircraft leasing	+16.1%
Intangibles excl. R&D service	
imports and trade in IP	+7.1%



# Composition of Capital Formation Q1 2023 (Seasonally Adjusted)

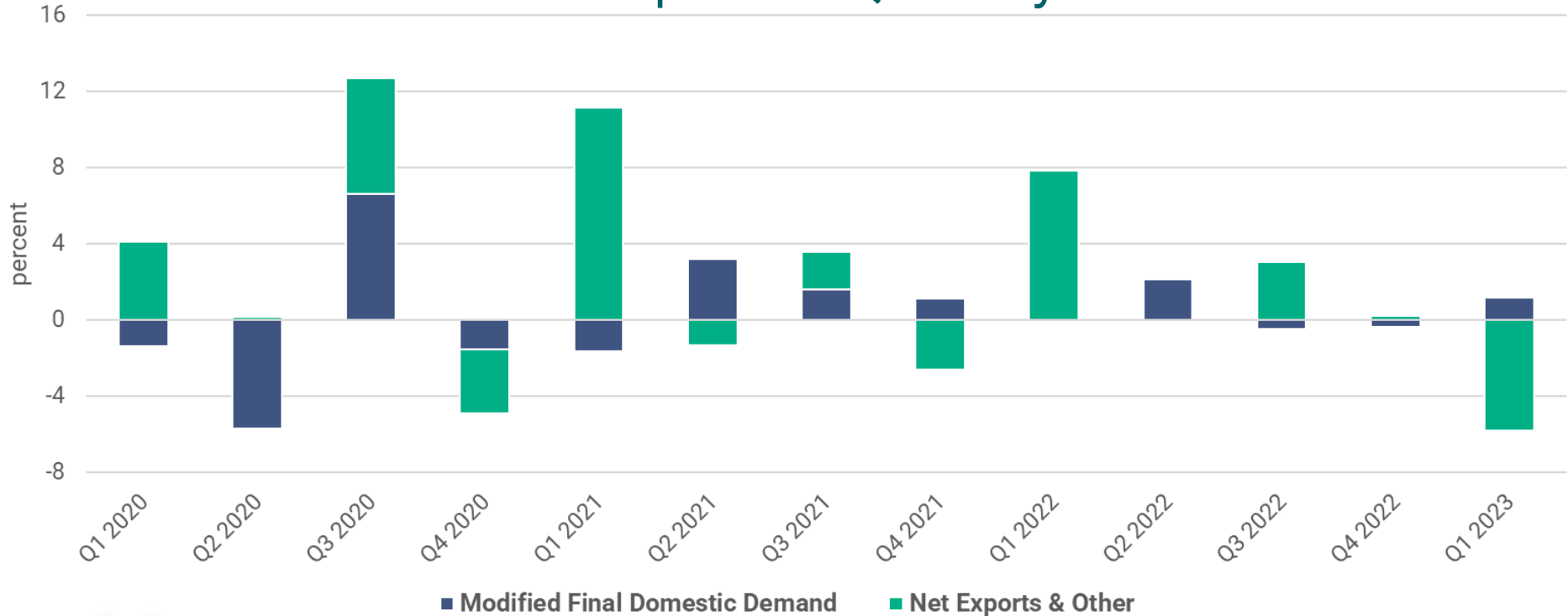


# Trends in Net Exports

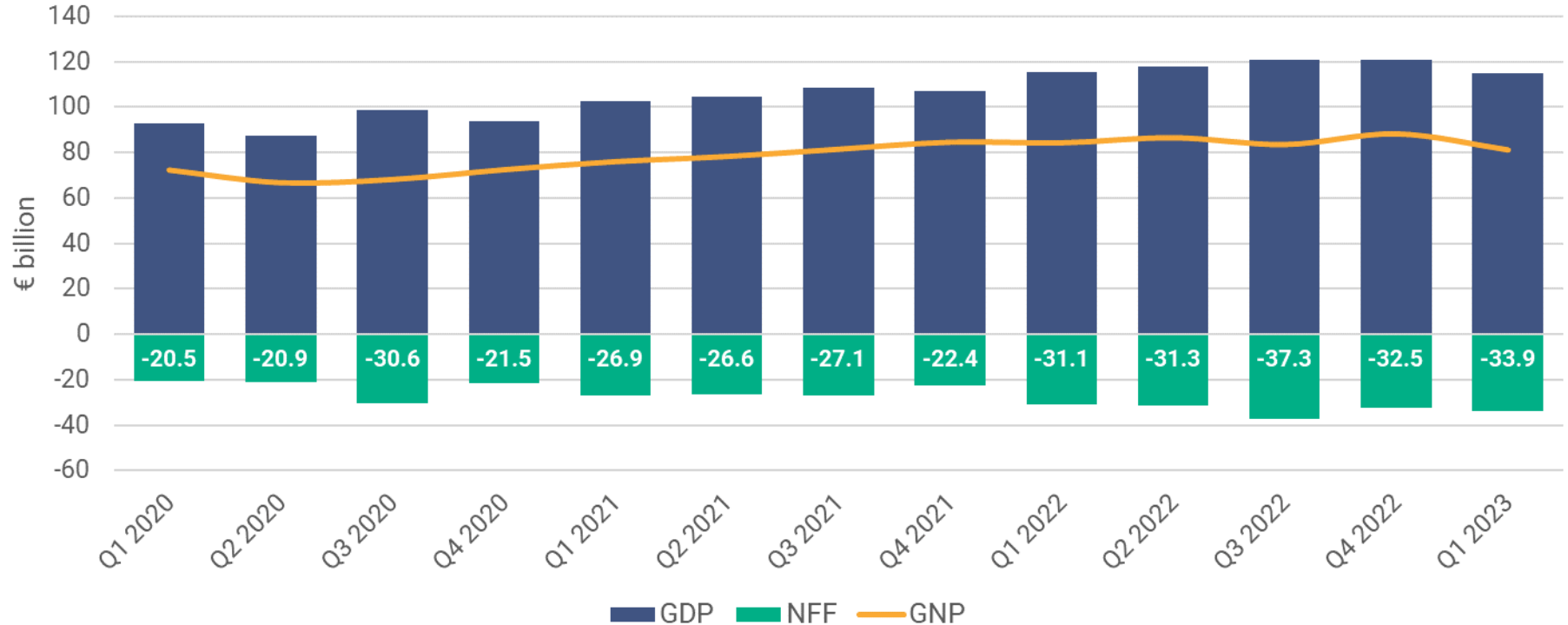




# Contribution of Modified Final Domestic Demand and Net Exports to Quarterly GDP

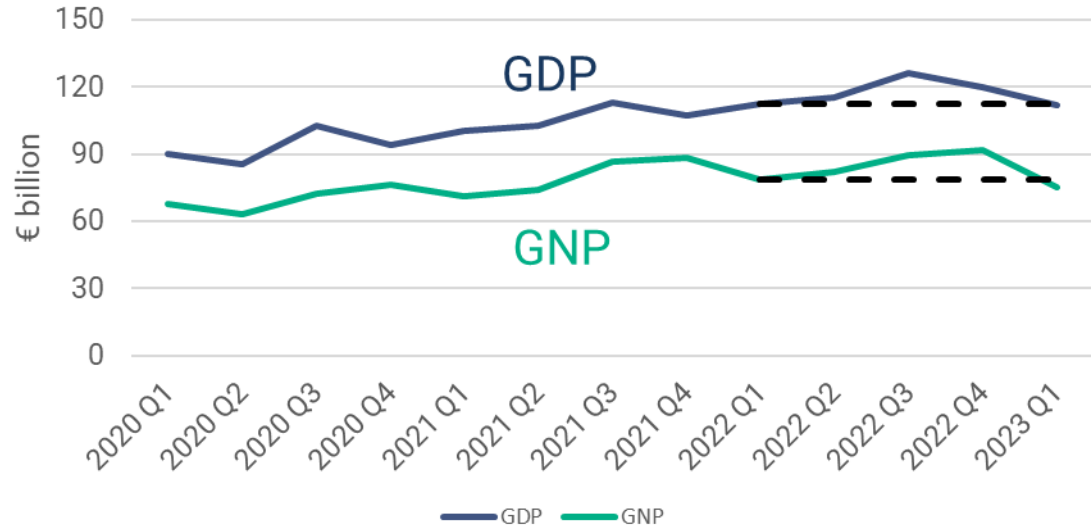


# GDP, GNP and Net Factor Flows Q1 2020 – Q1 2023



# Year-on-Year Growth Rates

	Q1 2023/ Q1 2022
GDP	-0.2%
GNP	-4.2%



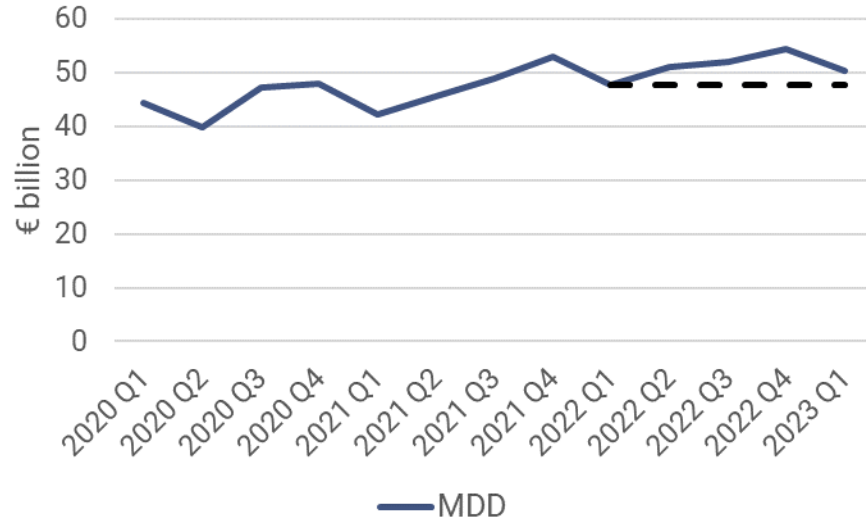
# Modified Domestic Demand

(constant price, non-seasonally adjusted)

Modified  
Domestic  
Demand

Q1 2023/  
Q1 2022

+5.5%





# Price Effects and Real GDP

## Q1 2023/Q1 2022

### year-on-year



#### GDP

Current Prices	+4.7%
Constant Prices	-0.2%
<i>Implied deflator</i>	<i>+4.9%</i>

#### Consumption

Current Prices	+13.0%
Constant Prices	+6.4%
<i>Implied deflator</i>	<i>+6.2%</i>



# Quarterly Summary

GDP -4.6%

## Output:

- Industry -18.2%
- Construction +12.0%
- Dist, Trans, Hotels & Restaurants +2.7%
- Information & Communication +4.0%
  
- MNE dominated sectors -15.7%
- Non-MNE dominated sectors +2.7%

## Expenditure:

- PCE +1.7%
- Government Expenditure -3.5%
- Investment -12.7% (Mod. Invest. +11.1%)
- Net Exports down €0.9bn
  
- Final Domestic Demand -4.9%
- **Modified Domestic Demand +2.7%**

- Net Factor Outflows: €33,897m (€32,454m in Q4 2022)

GNP -8.0% COE +1.4%





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# International Accounts

## Quarter 1 2023



### Ireland's Economic Interactions with the Rest of the World



#### Goods

Exports  
€89bn

Imports  
€33bn

Balance  
**€56.1bn**

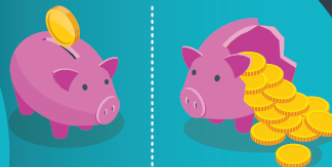


#### Services

Exports  
€83bn

Imports  
€85bn

Balance  
**-€1.5bn**



#### Income

In  
€49bn

Out  
€89bn

Balance  
**-€40.8bn**

### Current Account



In  
€221bn

Out  
€207bn

Balance  
**€13.8bn**

11.2% of GDP

Net International  
Investment Position (NIIP)

**-€557bn**  
NET

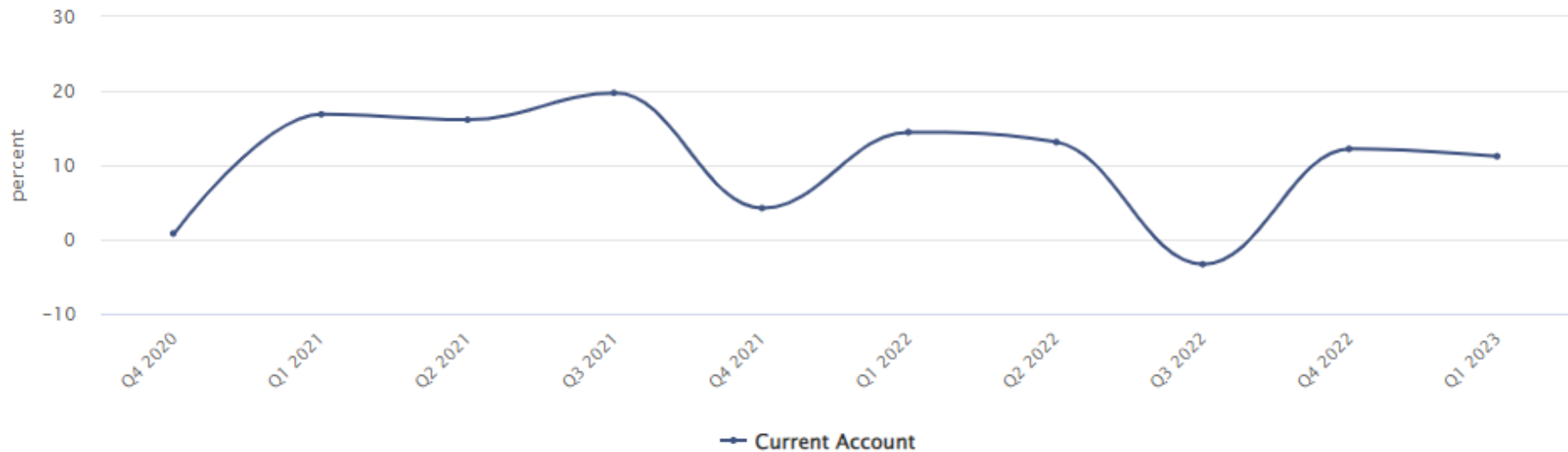
Foreign Direct  
Investment in Ireland

**€1,261bn**  
Stock

and  
how this  
activity is  
funded



# Current Account Balance, % of GDP



Source: CSO Ireland

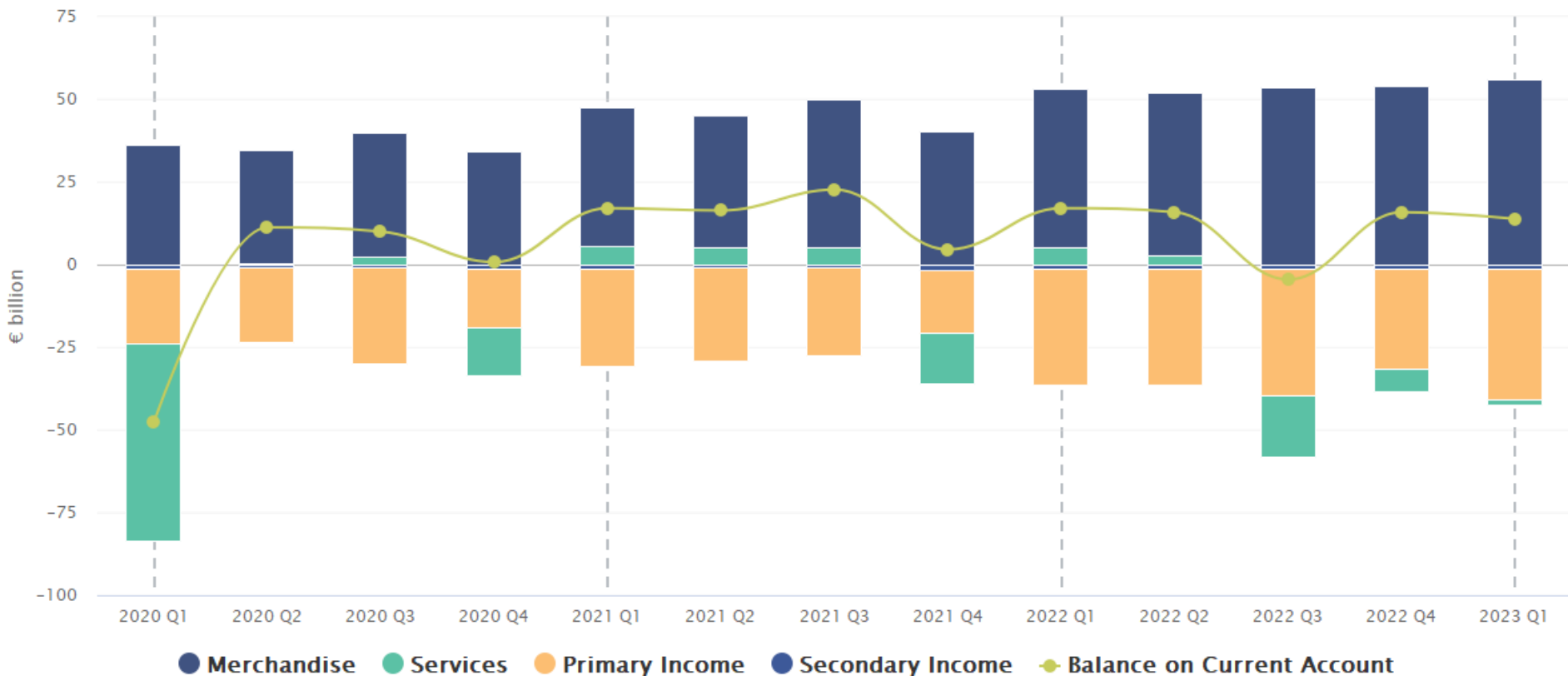


# BOP Q1 2023 - Current Account

	Q1 2022	Q1 2023
Current Account Balance	€17,043m	€13,836m
• Merchandise surplus	€47,785m	€56,099m
• Services balance	€5,442m	-€1,482m
• Net Income outflow	-€36,184m	-€40,782m



## Current Account – Balance Over Time



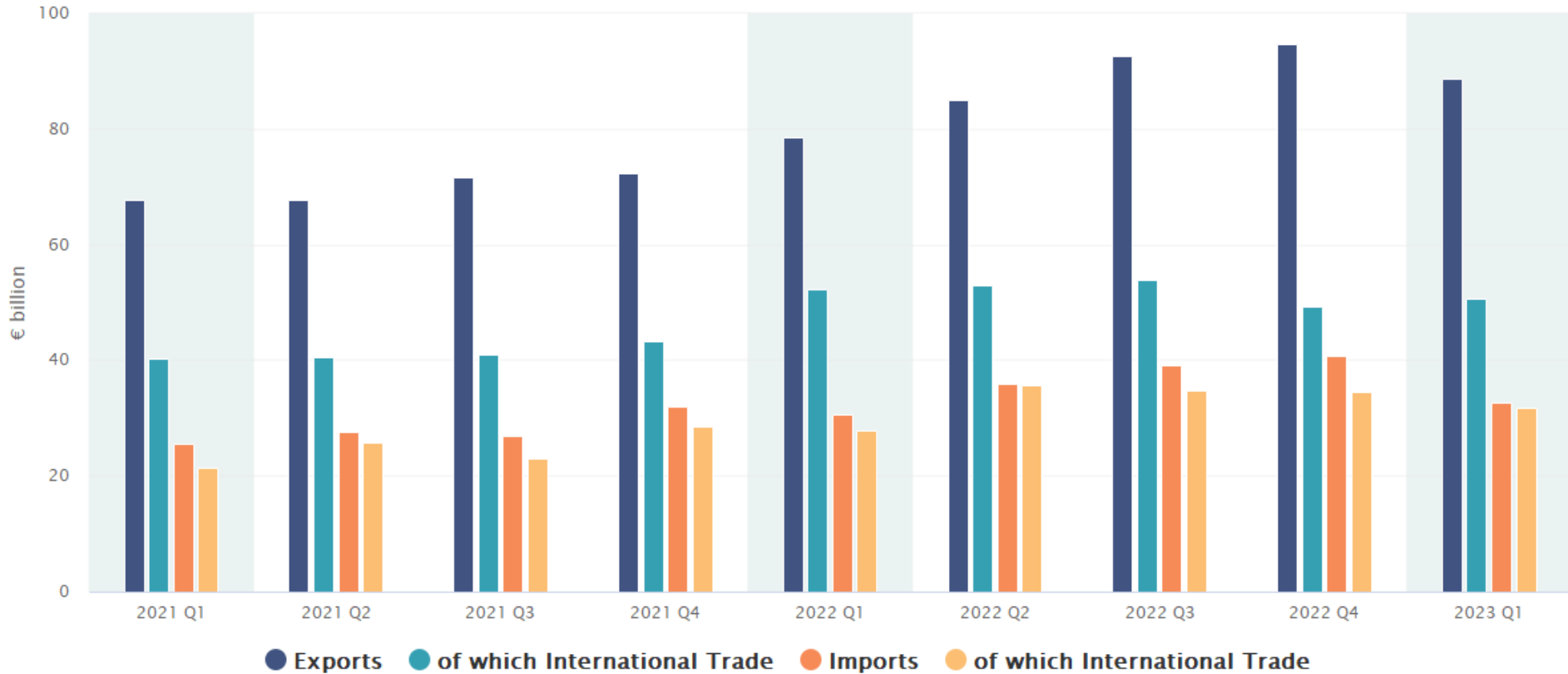
Source: CSO Ireland

# BOP Q1 2023 - Current Account

		<i>Q1 2023</i>	<i>y-o-y Change</i>
Merchandise	exports	€88,802m	+€10,329m
	imports	€32,703m	+€2,015m
Services	exports	€83,300m	+€5,344m
	imports	€84,782m	+€12,268m
Primary Income	inflows	€46,354m	+€14,690m
	outflows	€85,946m	+€19,297m
Direct investment profit and interest inflows		€9,951m	+€1,846m
Direct investment profit and interest outflows		€45,114m	+€5,295m



# Goods Imports and Exports



Source: CSO Ireland

# International Trade to BOP Merchandise

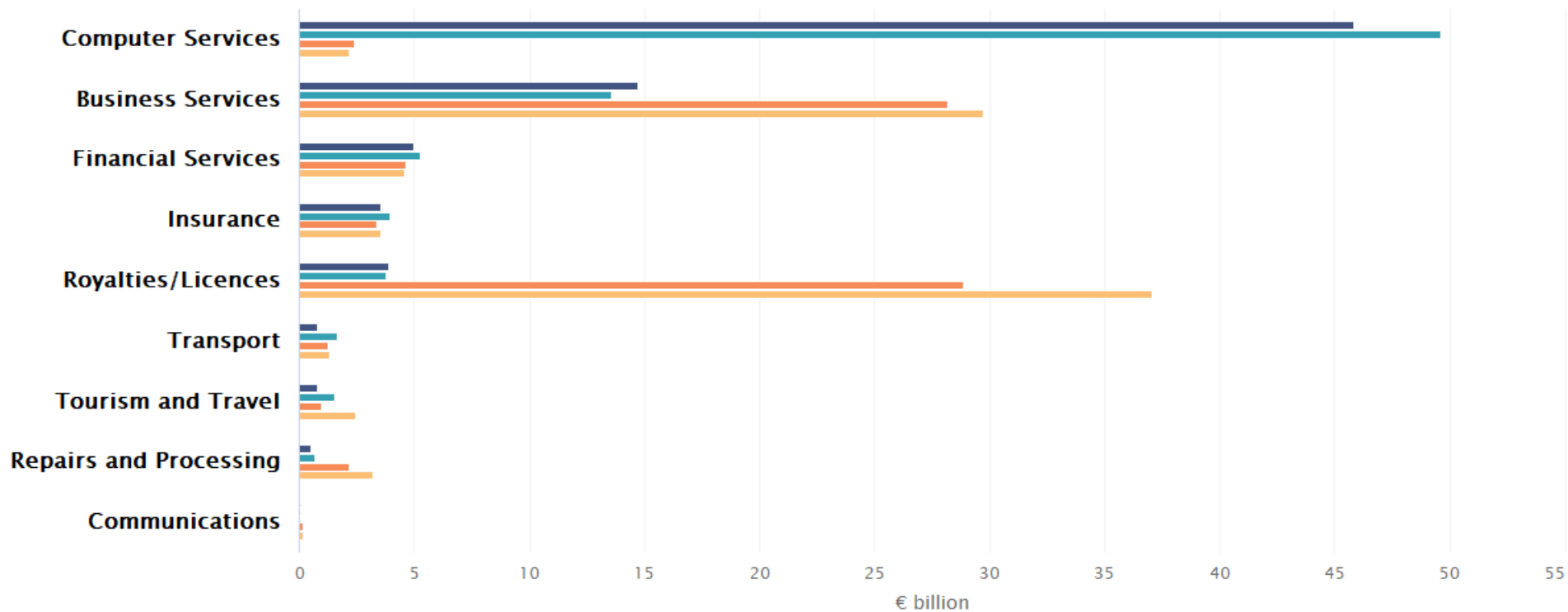
## Breakdown of Merchandise Exports and Imports

€ million

Item		2022				2023
		Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 1
<b>Current Account Merchandise<sup>1</sup></b>	<b>Exports</b>	78,473	85,130	92,641	94,768	88,802
	<b>Imports</b>	30,688	36,048	39,095	40,803	32,703
International trade	Exports	52,257	52,953	53,861	49,243	50,692
	Imports	27,941	35,669	34,723	34,453	31,830
Goods for processing	Exports	18,619	32,894	38,520	44,678	35,008
	Imports	1,703	-998	2,632	5,727	-25
Other conceptual adjustments	Exports	-1,276	-2,254	-2,409	-3,752	-2,464
	Imports	1,045	1,378	1,740	622	898
Merchanting (net export)	Exports	8,874	1,536	2,669	4,599	5,565



## Services Imports and Exports

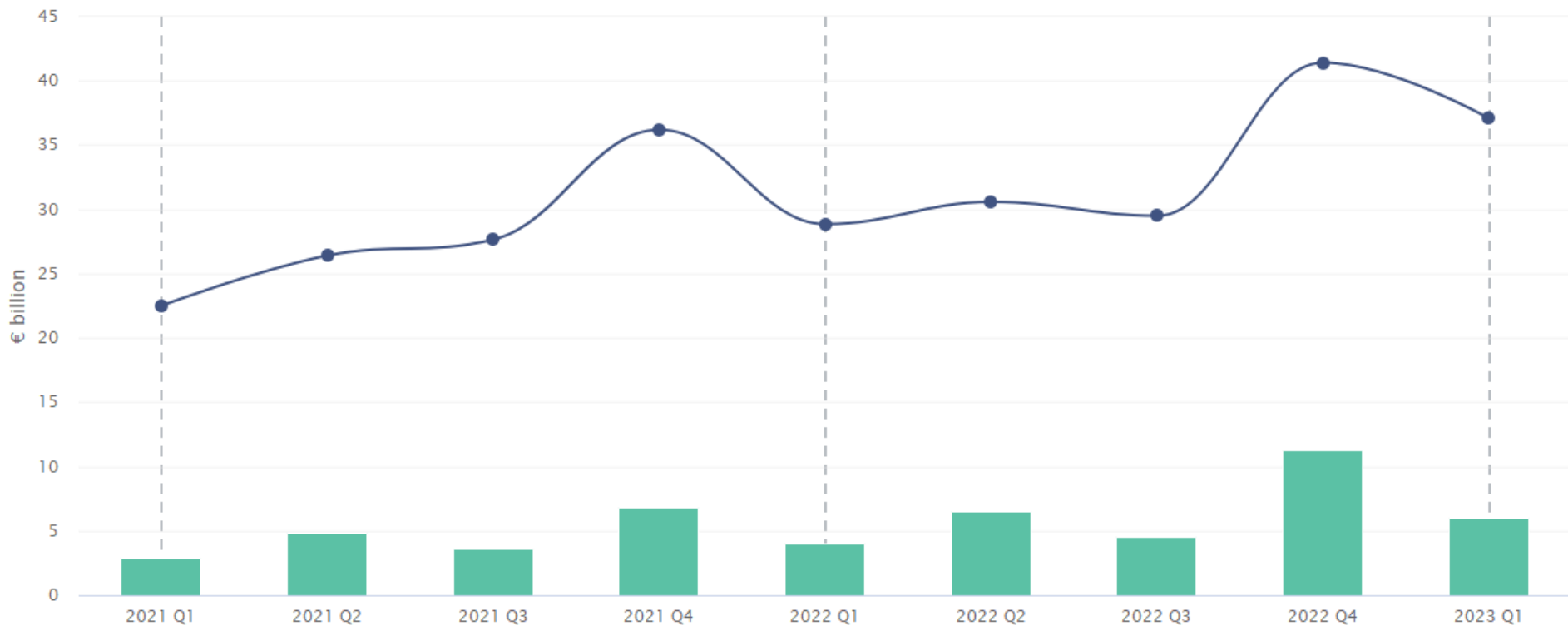


● Exports Q1 2022 ● Exports Q1 2023 ● Imports Q1 2022 ● Imports Q1 2023



Source: CSO Ireland

## Royalties – Imports



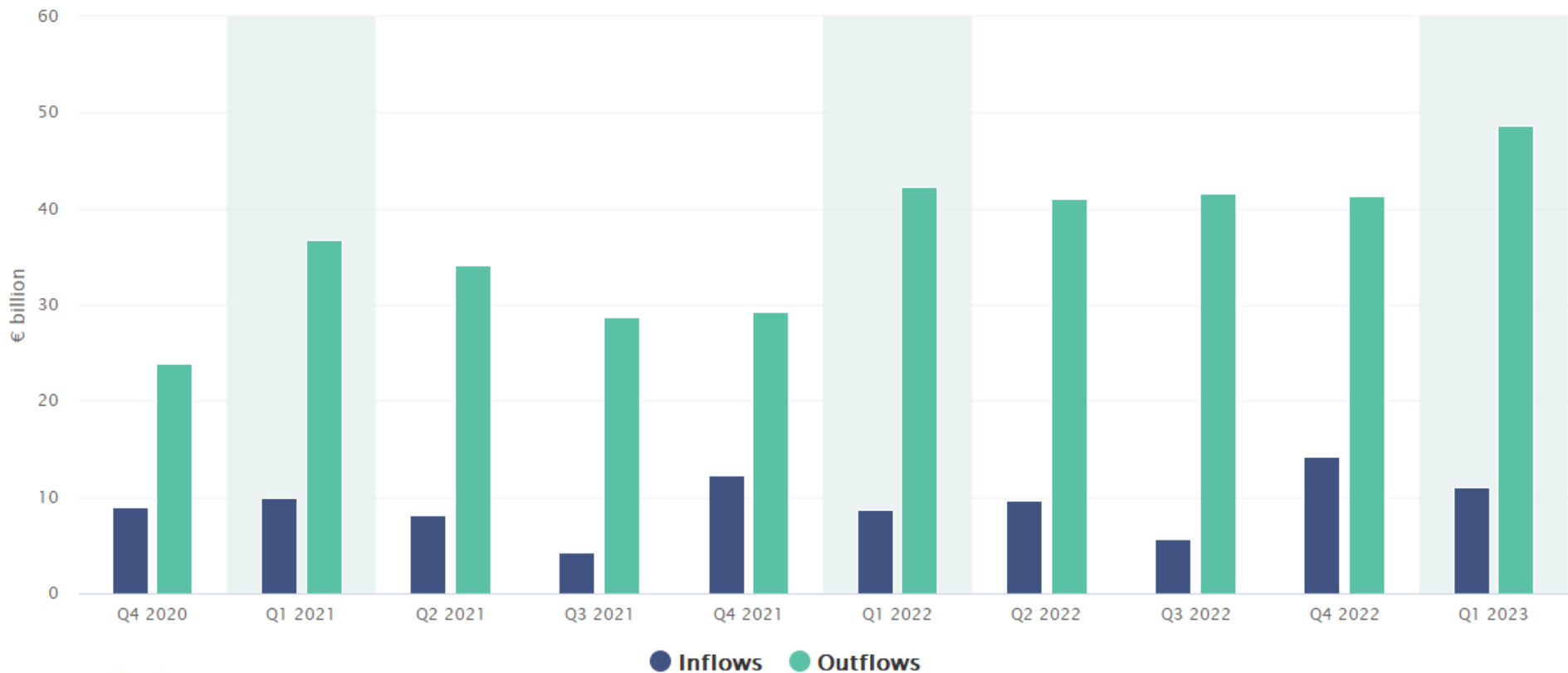
● Royalties / Licences Imports ● of which Pharmaceutical



Source: CSO Ireland

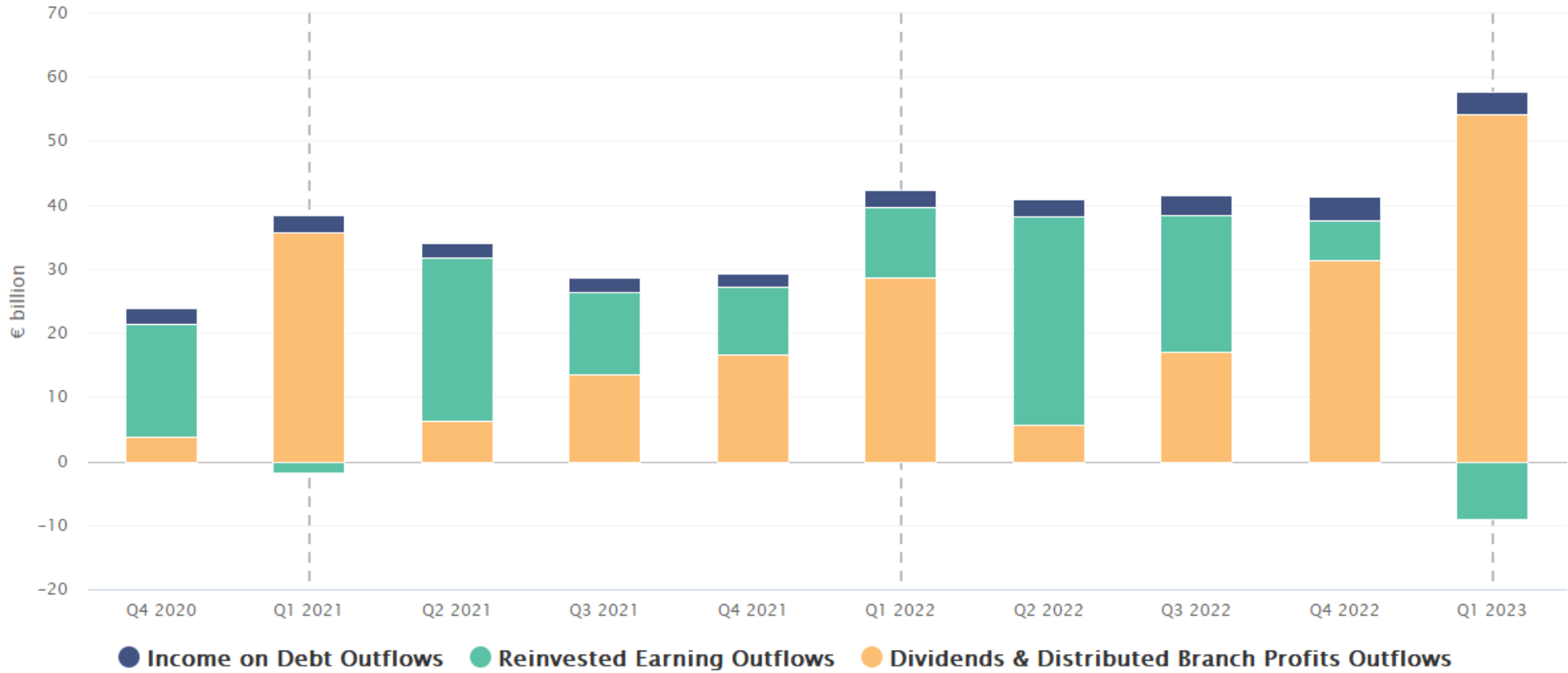


## Direct Investment Income



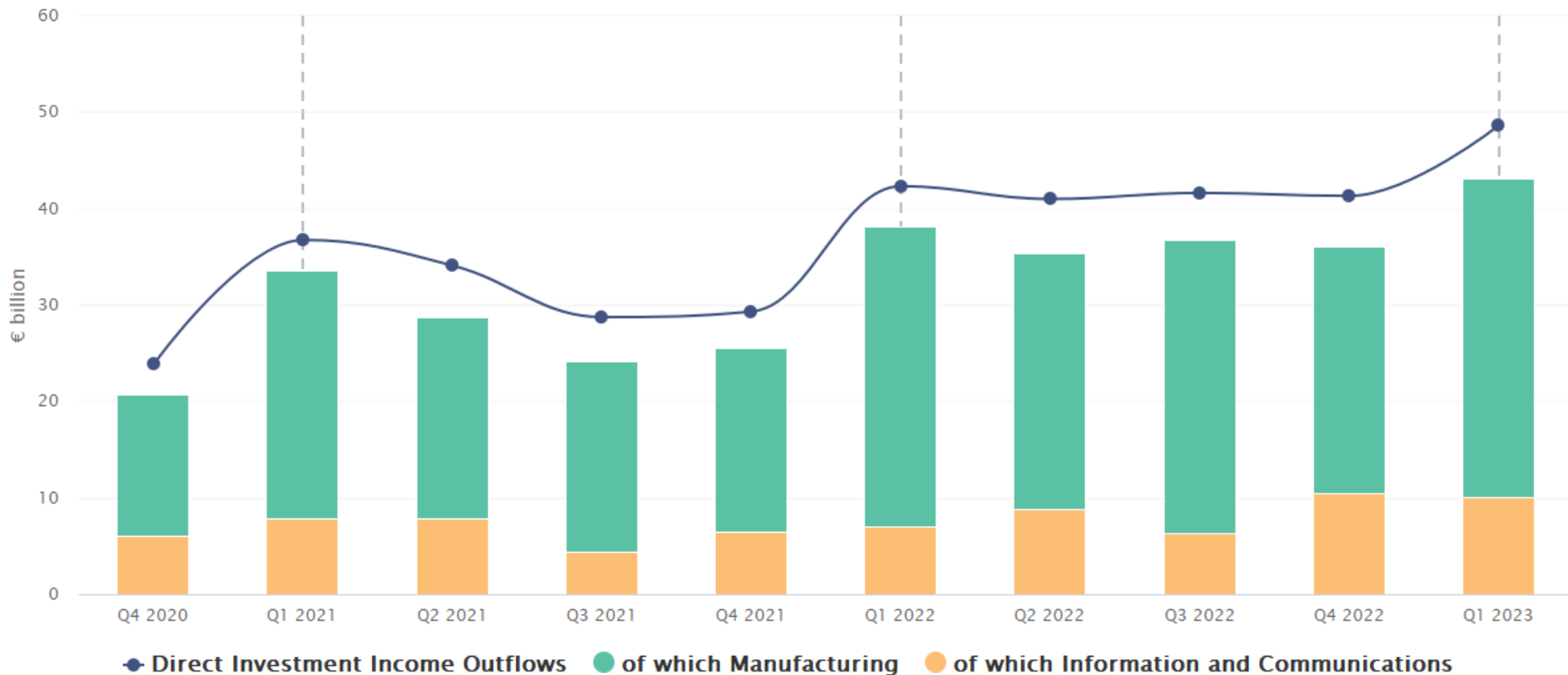
Source: CSO Ireland

# Direct Investment Income Outflows



Source: CSO Ireland

## FDI Income: Quarterly Profits Outflows



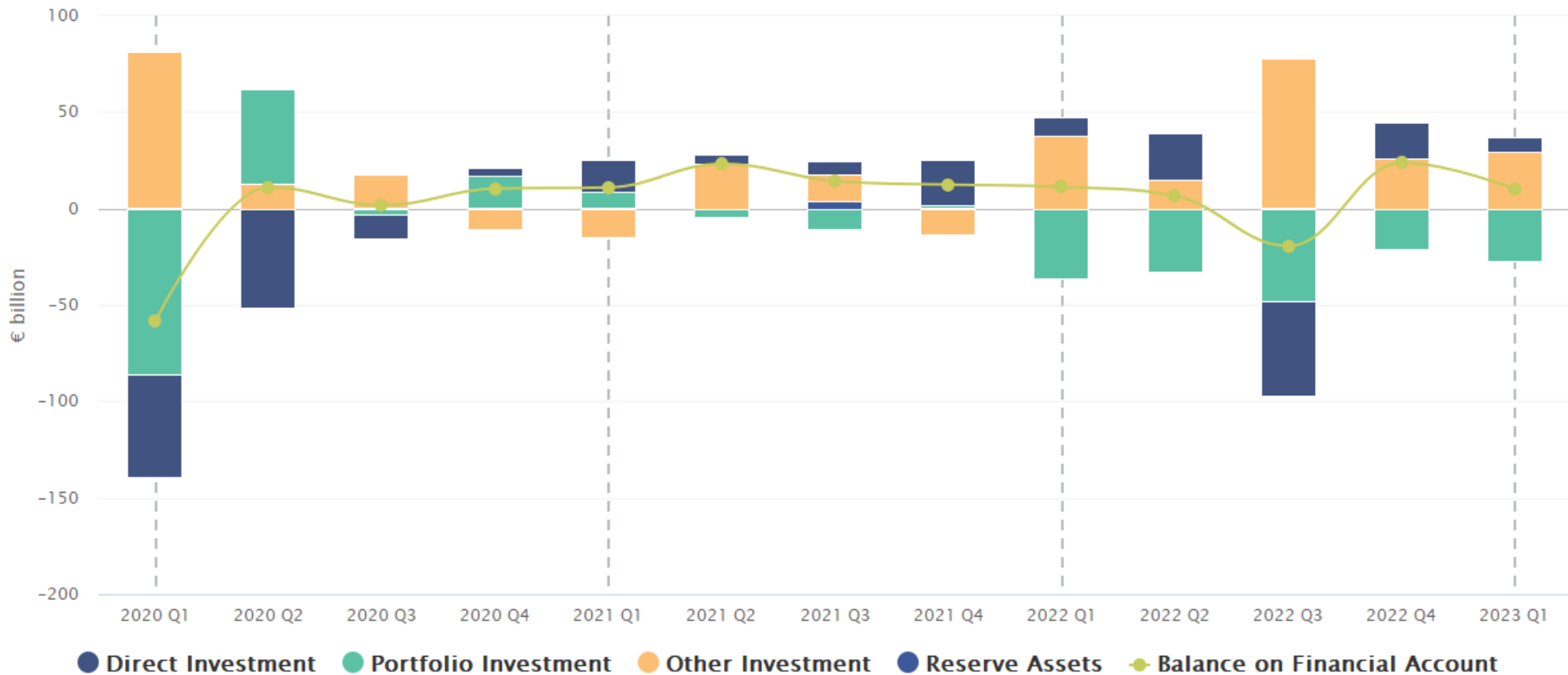
Source: CSO Ireland

## Trade, Income and Current Account with the UK



Source: CSO Ireland

# Financial Account – Balance Over Time



Source: CSO Ireland

# International Investment Position



Source: CSO Ireland

# International Accounts Summary

- Current Account balance in Q1 2023 of €13.8bn or 11.2% of GDP.
- We have an increased merchandise balance, decreased services balance and increased income outflows
- We continue to see the covid effects lessening:
  - Tourism and transport exports and imports coming back to more usual levels



## Headline Results – Q1/2023

Key Indicators <i>(constant price and seasonally adjusted)</i>	Q1/23 vs Q4/22
GDP	-4.6%
MNE-dominated Sectors	-15.7%
Modified Domestic Demand	+2.7%
Personal Consumption Expenditure	+1.7%

