

Market Pulse

Analysis of the key trends in the SME sector,
prepared by Fitzgerald Power on a quarterly basis.

Q4 2022

Summary Q4 2022

Global economic trends

The IMF's World Economic Update project forecast that global growth will fall from an estimated 3.4% in 2022 to 2.9% in 2023, then rise to 3.1% in 2024. The 2023 forecast is 0.2% higher than predicted in the October 2022 World Economic Outlook.

Rising prices

Inflation in the eurozone was 9.2% in December 2022, with energy prices the biggest contributor at 25.7% and Food, alcohol and Tobacco at 13.8%.

Irish economic trends

Early estimates indicate that GDP in Ireland grew by an estimated 3.5% in Q4 2022, when compared with Q3 2022. GDP for the full year 2022 is estimated to have increased by 12.2%, when compared with 2021.

U.S. economic trends

The U.S. economy continued a strong pace of growth in the fourth quarter as consumers boosted spending on goods, employment continued to increase, and inflation started to stabilise.

Energy crisis

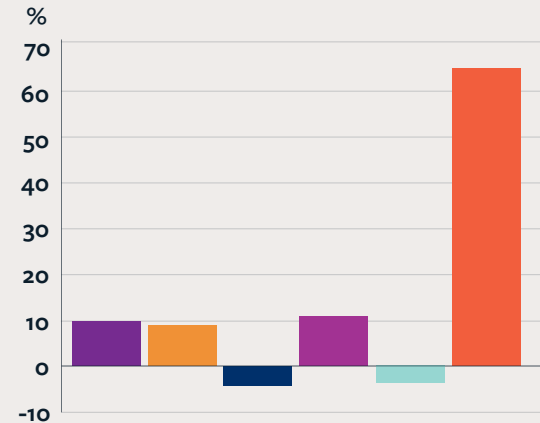
So far Europe has managed to avoid the worst of the energy crisis as a combination of substitution to new energy sources in industry, a relatively mild winter, and an increase in stored gas helped offset the decline in supply.

Revenue Pulse

The total value of seasonally adjusted annual sales decreased in December 2022 versus the same period last year by 8.3%.

Sales Growth

Annual change to December 2022



Sector

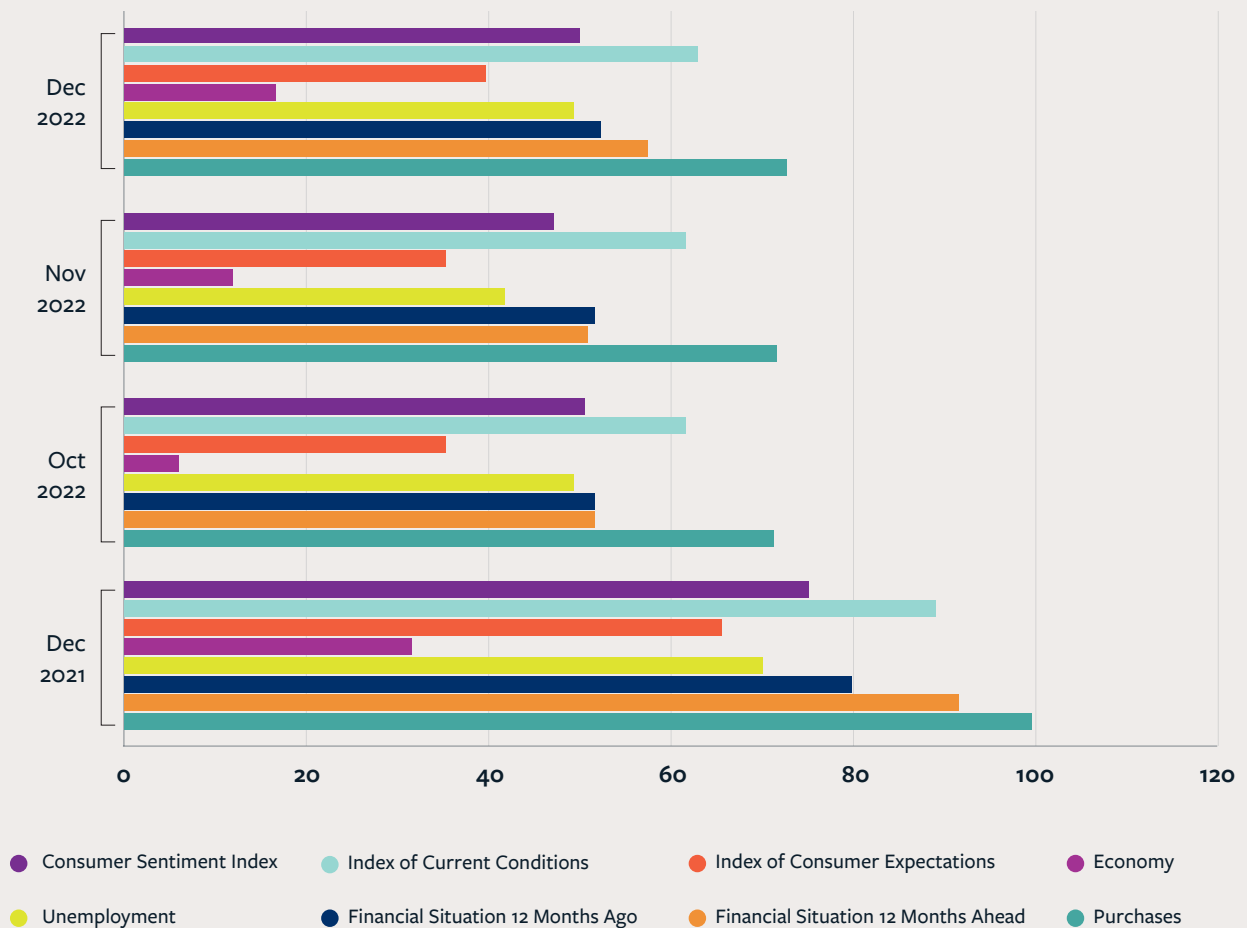
- Motor Trades 10.1%
- Department Stores 9.8%
- Food, Beverage & Tobacco -4.8%
- Clothing, Footwear & Textiles 10.7%
- Hardware, Paints & Glass -4.1%
- Bars 64.8%

SOURCE: CSO

Consumer Pulse

According to the Credit Union, consumer confidence has decreased significantly in December vs the same period last year.

Credit Union Consumer Sentiment Index



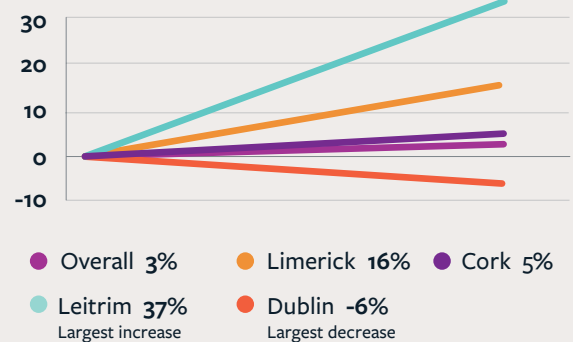
SOURCE: CREDIT UNION

Footfall Pulse

Compared to the previous period in 2021, mobility was up 3% in retail and recreation.

The largest decrease was seen in Dublin where mobility declined 6%, whereas the biggest increase was in Leitrim at 37%. Mobility increased 5% in Cork and 16% in Limerick over the period.

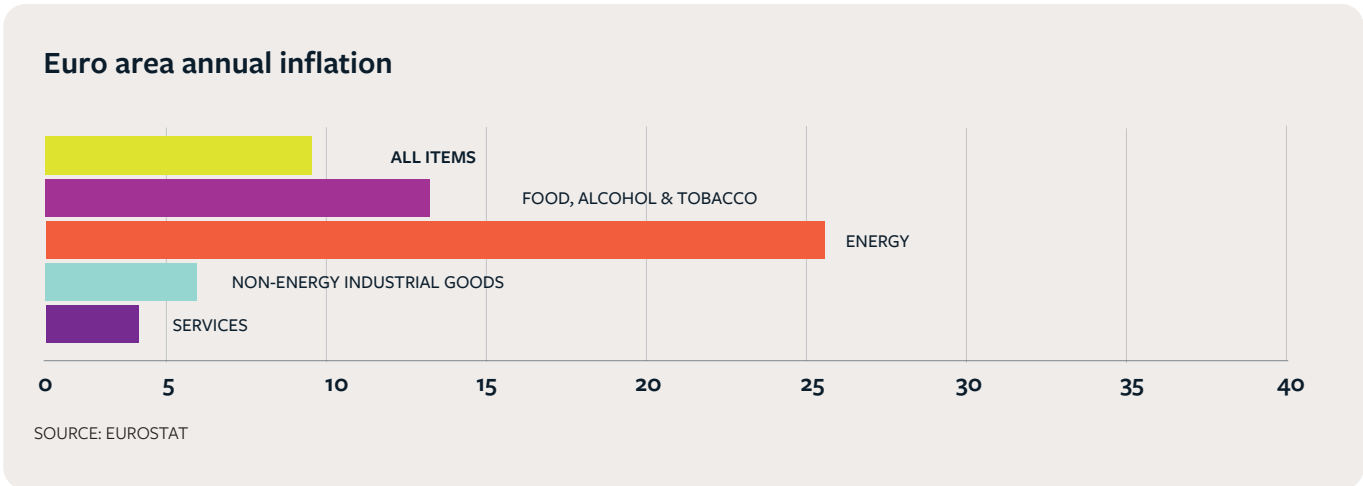
Changes in footfall



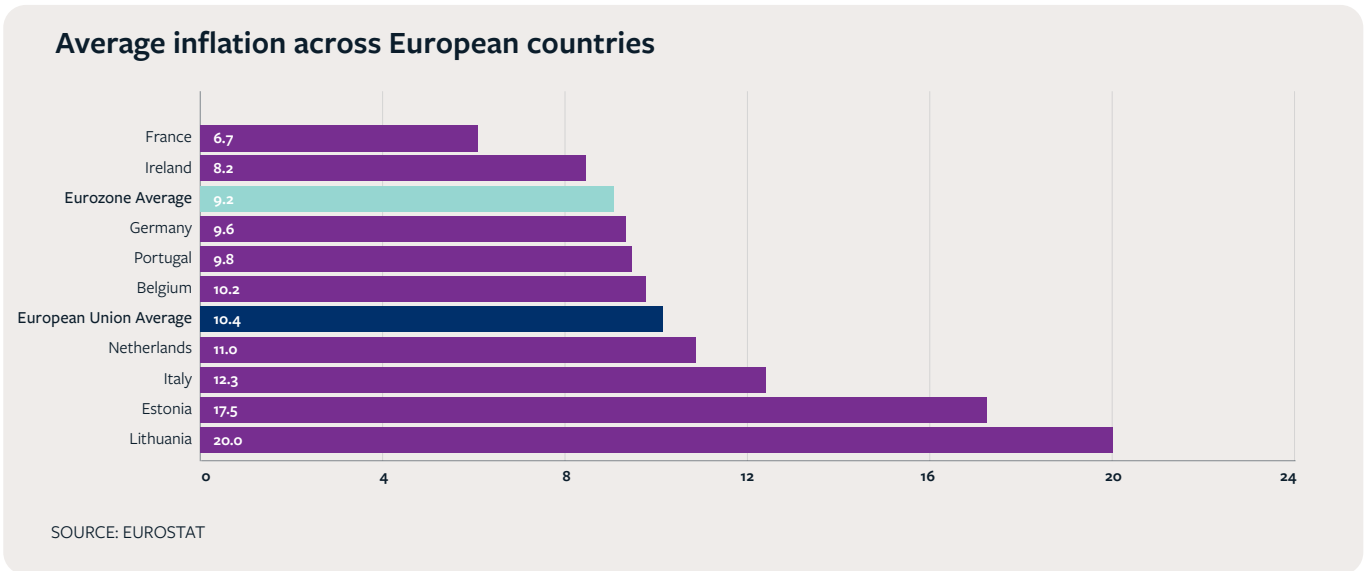
SOURCE: GOOGLE MOBILITY

Inflation Pulse

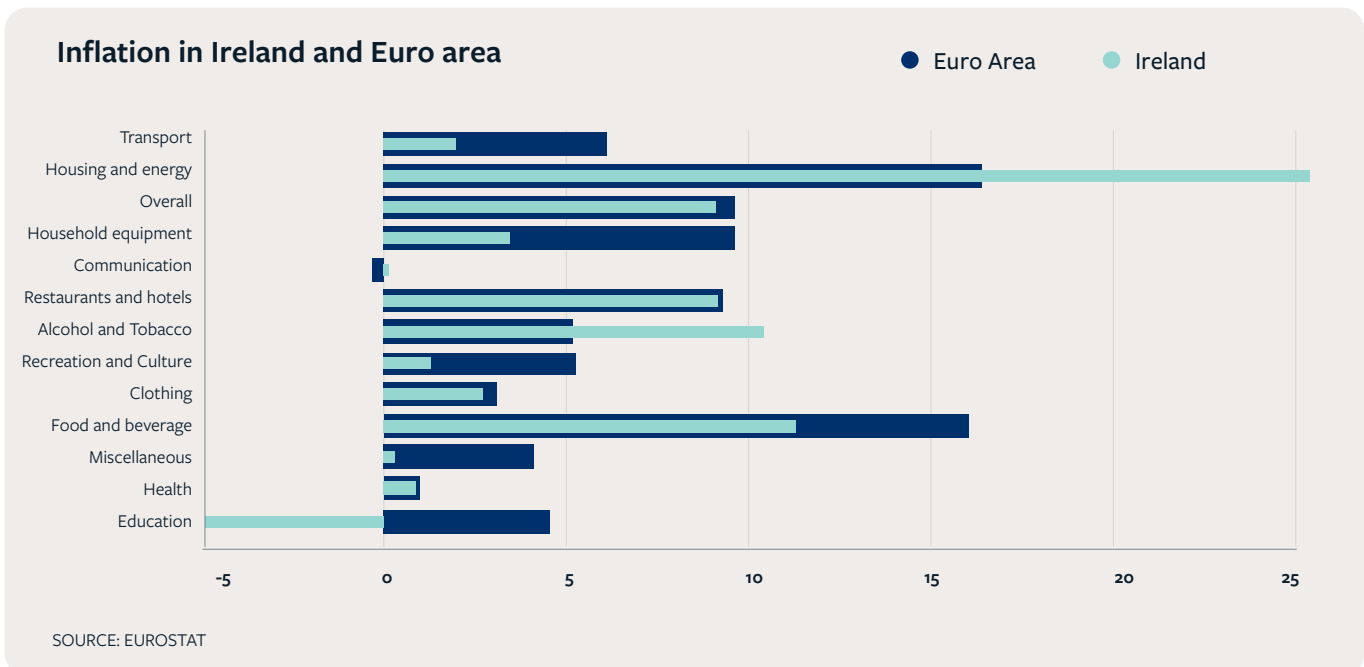
Inflation in the Eurozone decreased from 10.1% in November 2022 to 9.2% in December 2022.



Ireland's level of inflation was below the European union average in December.



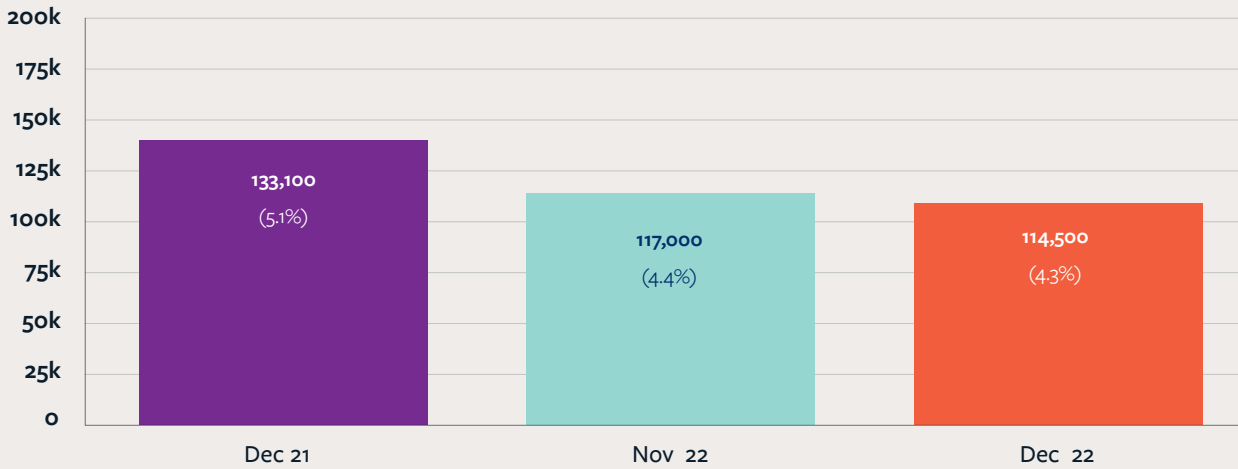
Inflation in Ireland is in line with the Eurozone average in most sectors.



Employment Pulse

The number of people unemployed continued to decline, falling by 18,600 in December 2022 against the same period in 2021.

Unemployment rate

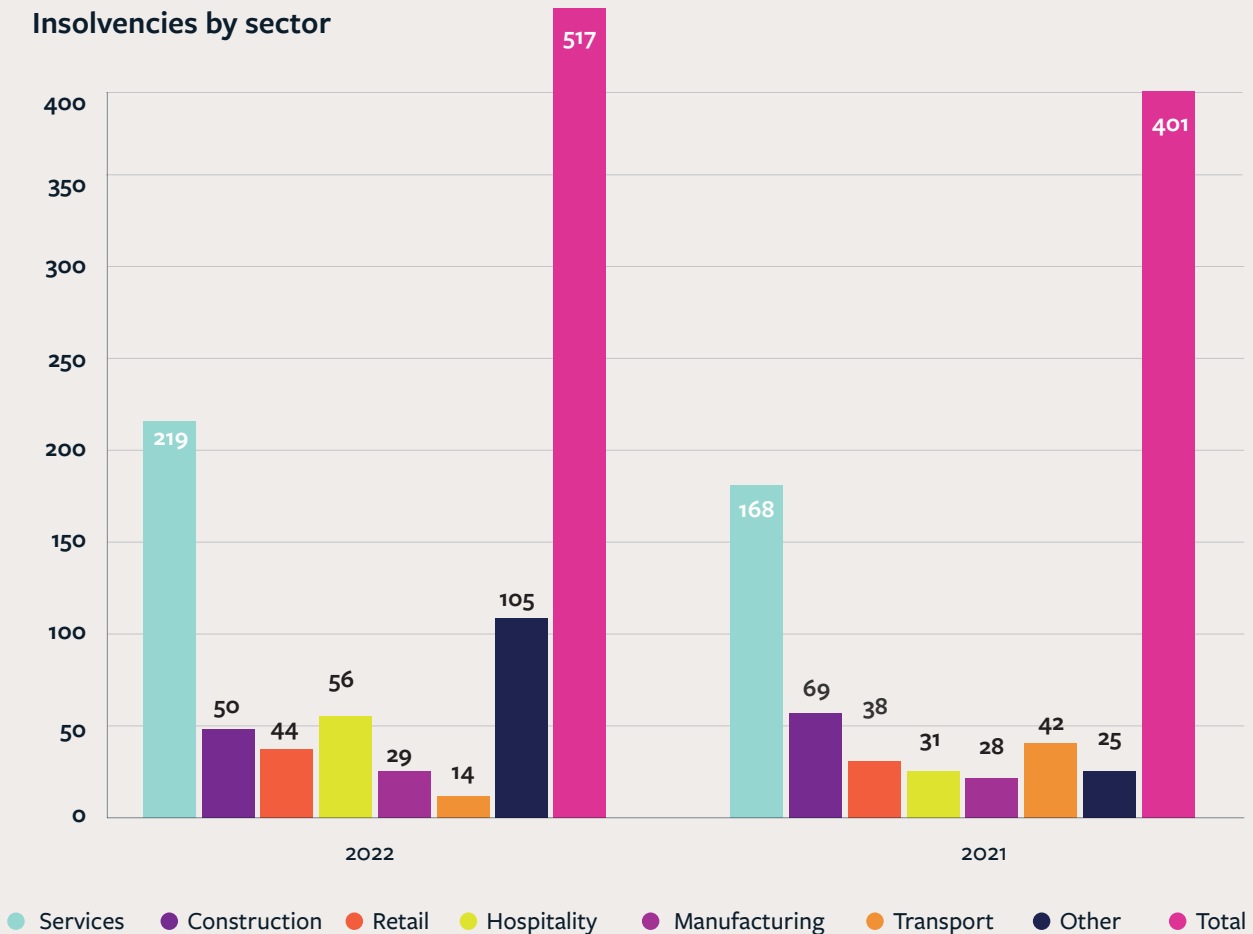


SOURCE: CSO

Insolvency Pulse

517 corporate insolvencies were recorded in Ireland in 2022, an increase of 29% compared to 2021.

Insolvencies by sector



SOURCE: DELOITTE

Fitzgerald Power is a leading financial advisor to the Irish SME sector.

We provide accountancy, corporate finance and taxation advice to businesses across the country.

We'd love to hear from you so please get in touch if you think we can help.

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