

Market Pulse

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

Q1 2023

Summary Q1 2023

Global economic trends

The IMF's World Economic Update forecast that global growth will fall to 2.8% in 2023. Advanced economies are expected to see a growth slowdown from 2.7% in 2022 to 1.3% in 2023.

Rising prices

The Irish Central Bank expects inflation to average 5% in 2023, with the rate of increase in energy prices forecast to decline rapidly as the year progresses. HICP inflation is forecast to moderate to 3.2% and 2.2% in 2024 and 2025, respectively.

Irish economy

After falling by an estimated 0.8% in 2022, the Central Bank of Ireland expects average real household disposable income to increase by 2.1% and 2.3% in 2023 and 2024, respectively.

Banking crisis

Instability gripped the financial markets during the first quarter following the collapse of Silicon Valley Bank. The Swiss bank Credit Suisse was bought out by UBS after a series of scandals and a loss of confidence from investors.

Inflation

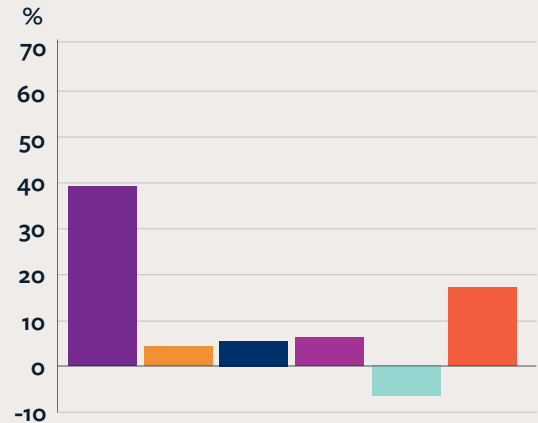
Inflation in the eurozone was 6.9% in March 2023, a decrease from 9.2% at the end of the previous quarter. Energy prices have continued to plummet with inflation at -0.9% vs 25.7% in December 2022.

Revenue Pulse

The total value of seasonally adjusted annual sales increased when compared to the same period last year by 14.9%.

Sales Growth

Annual change to March 2023



Sector

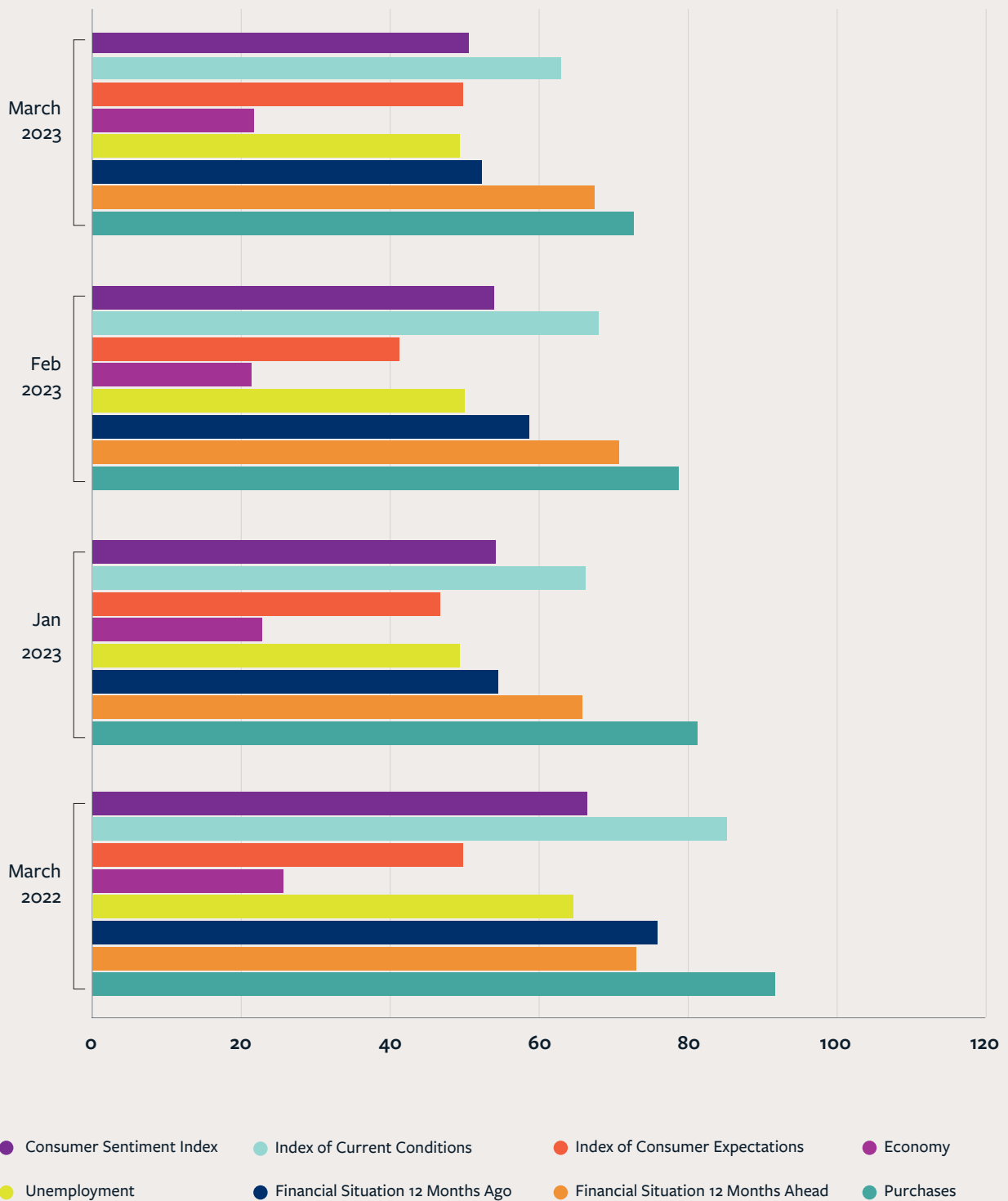
- Motor Trades 39.6%
- Department Stores 4.4%
- Food, Beverage & Tobacco 5.5%
- Clothing, Footwear & Textiles 5.6%
- Hardware, Paints & Glass -7.3%
- Bars 17.8%

SOURCE: CSO

Consumer Pulse

According to the Credit Union, consumer confidence has decreased significantly in March 2023 vs the same period last year.

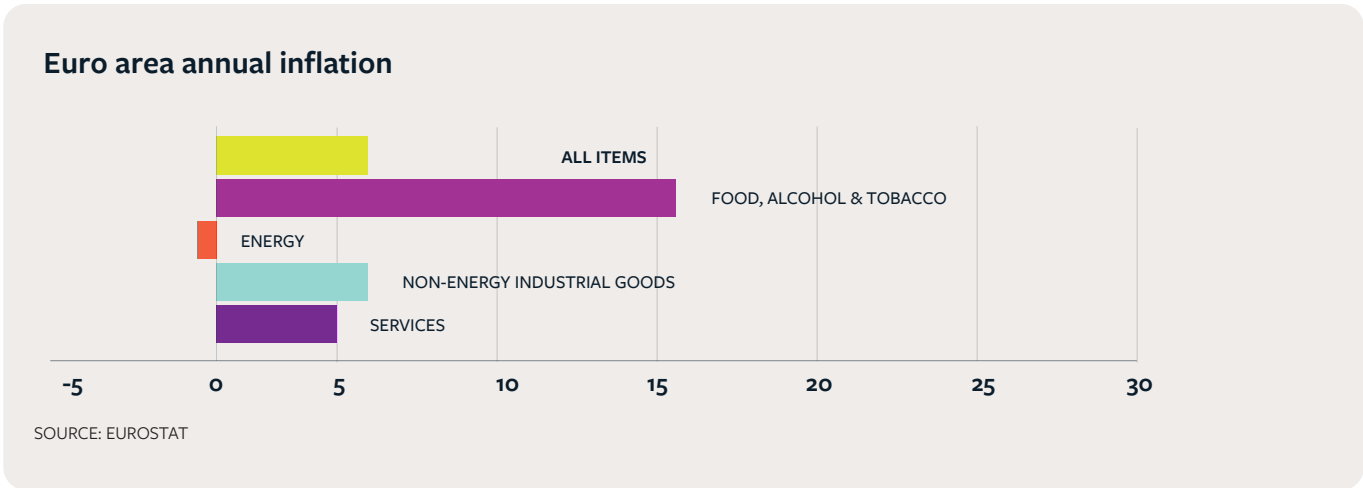
Credit Union Consumer Sentiment Index



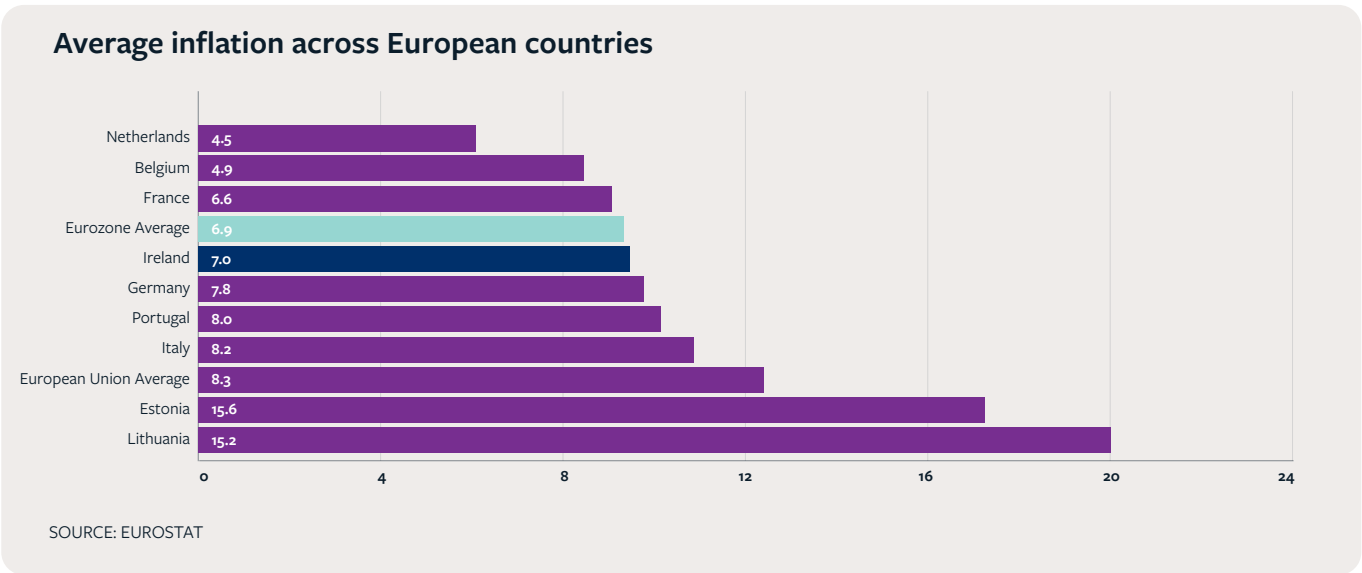
SOURCE: CREDIT UNION

Inflation Pulse

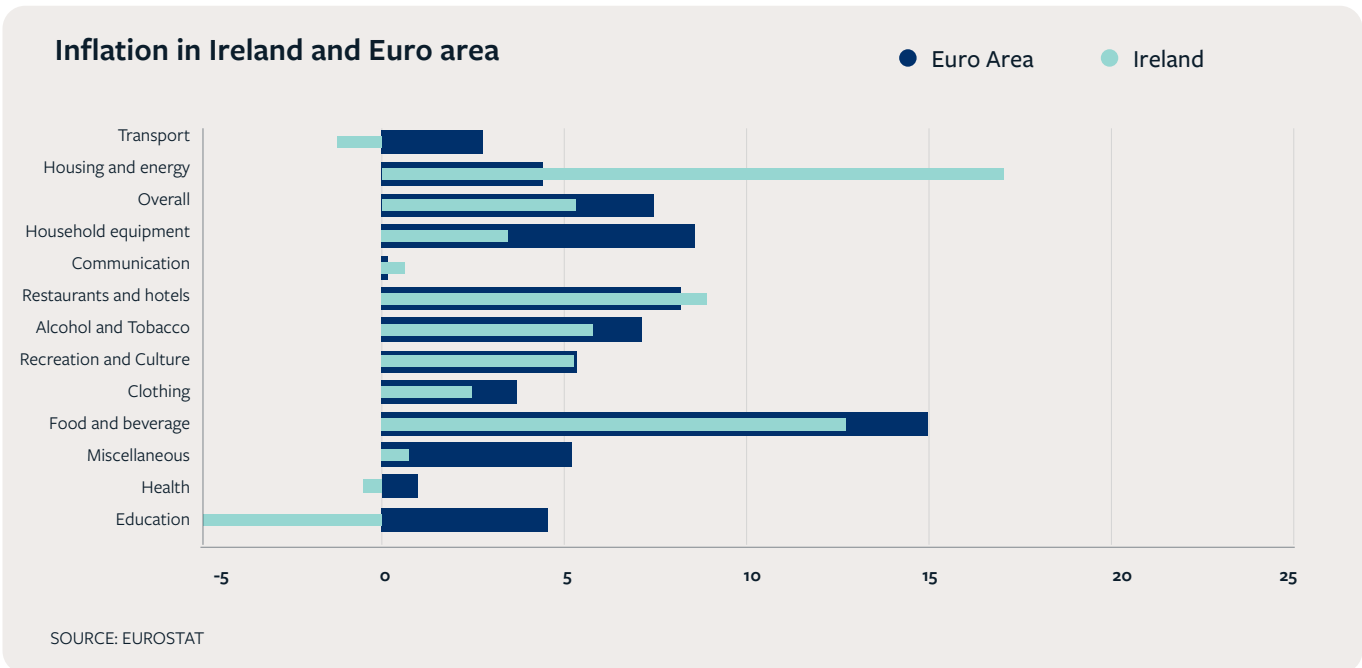
Inflation in the Eurozone in March 2023 is 6.9% which decreased from 8.5% in February.



Ireland's level of inflation was in line with the European union average.

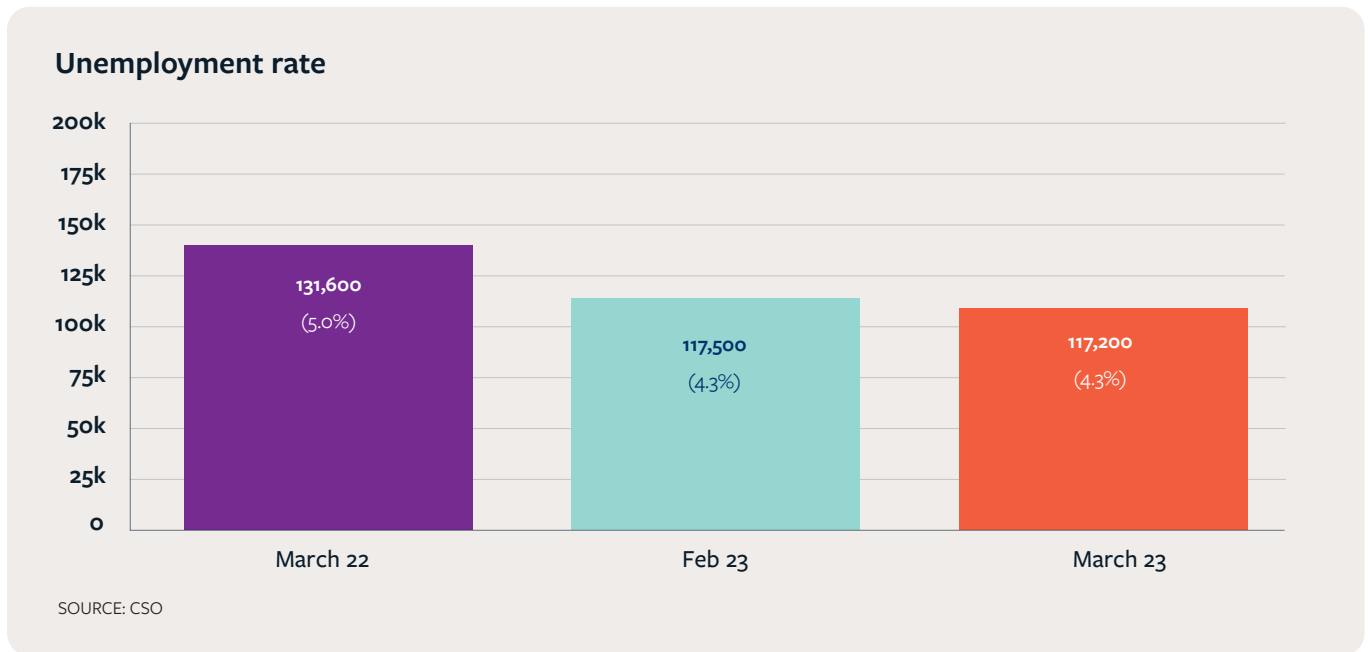


Inflation in housing and education remains high in Ireland.



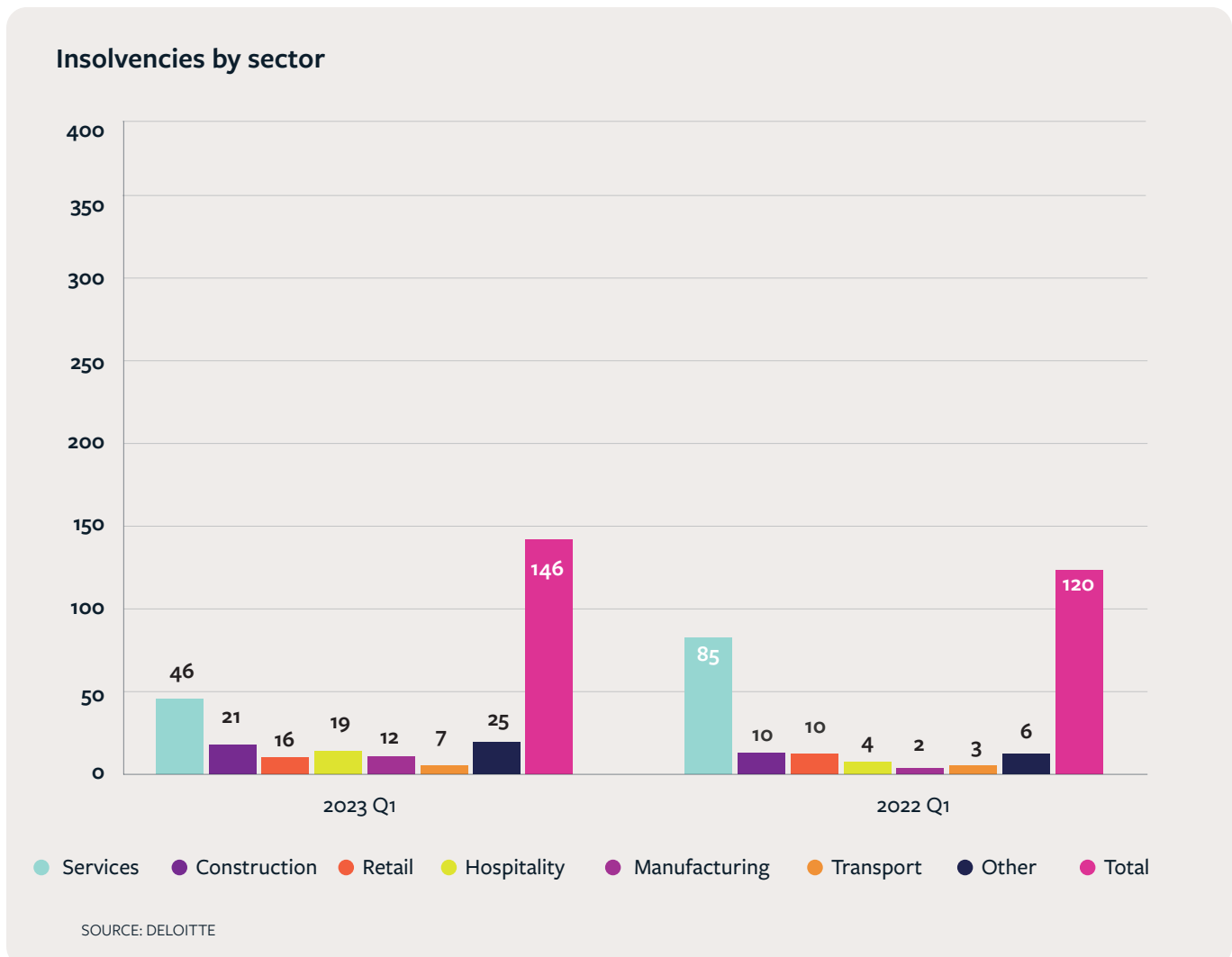
Employment Pulse

The number of people unemployed continued to decline, falling by 14,400 in March 2023 vs the same period in 2022.



Insolvency Pulse

A total of 146 insolvencies were recorded in Q1 2023 which is an increase of 21.7% from Q1 in the previous year.



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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