

Market Pulse

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

Q3 2025

Summary Q3 2025

Irish Economy

CSO data show that the Irish economy grew by 4.8% in 2024, driven by strong exports, multinational activity, and steady domestic demand. Real GNI has expanded 27% since 2019, highlighting robust post-pandemic growth. In the first half of 2025, Modified Domestic Demand rose 3.8%, supported by a 2.8% increase in employment. The Central Bank’s Business Cycle Indicator remains positive, signalling continued but moderating growth amid weaker construction activity and subdued consumer sentiment.

Global Economy

In Euromonitor’s Q3 2025 baseline forecasts, global growth remains resilient in H1 2025 but is slowing due to US tariffs and trade uncertainty, with global GDP projected at 2.9% in 2025–2026. Developed economies face weak expansion, while China and select emerging markets benefit from stimulus and strong domestic demand. Global inflation is easing overall, though US tariffs may drive higher inflation in H2 2025, while Europe and Asia experience subdued price pressures.

Insolvencies

Ireland recorded 618 corporate insolvencies in the first nine months of 2025, down 5% year-on-year, as company-led closures fell 22% while formal restructurings rose 36% (Deloitte, 2025). Creditor-led actions surged, with Court Appointed Liquidations up 107% and Receiverships up 29%, highlighting legacy debt recovery and SME vulnerability, especially in hospitality, retail, and construction.

Housing Market

Sherry FitzGerald reports Ireland’s second-hand home values rose 1.8% in Q3 2025 (7.3% YoY), with stronger growth outside Dublin due to supply shortages. New home sales increased 19% while second-hand transactions fell 1.7%, underscoring ongoing regional undersupply.

Irish GDP

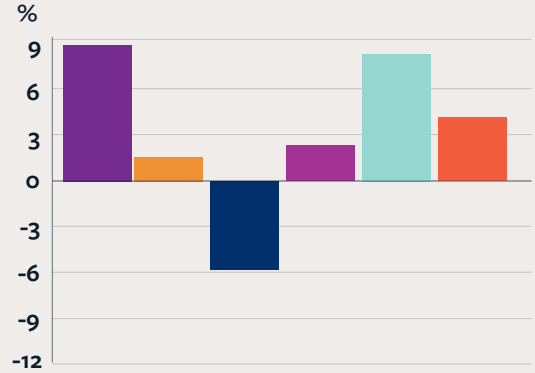
Preliminary CSO figures show Ireland’s GDP fell 0.1% in Q3 2025 quarter-on-quarter, mainly due to a slowdown in the multinational sector. Compared to Q3 2024, GDP rose 10.5%, reflecting earlier export-driven gains, though analysts caution the figures are volatile and subject to revision

Revenue Pulse

The value of Retail Sales was 0.2% higher in September 2025 than in August 2025 and was up by 4.6% when compared with September 2024

Sales Growth

Annual change to September 2025



Sector

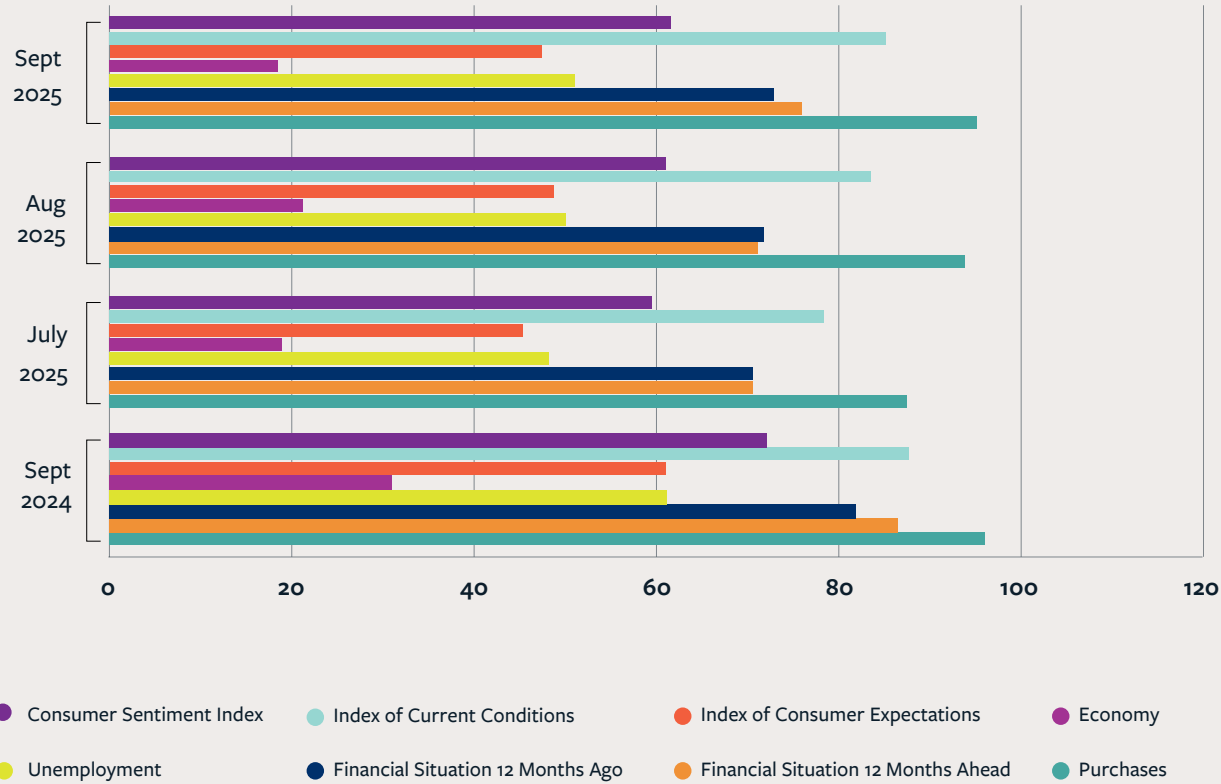
- Motor Trades 8.6%
- Department Stores 1.2%
- Food, Beverage & Tobacco -5.9%
- Clothing, Footwear & Textiles 2.2%
- Hardware, Paints & Glass 8%
- Bars 4.8%

SOURCE: CSO

Consumer Pulse

Irish consumer sentiment remained broadly stable through Q3 2025, with September’s slight uptick to 61.7 signalling continued caution rather than any improvement in household confidence. Despite concerns over Budget ’26, rising living costs and noisy economic news, sentiment held in a narrow range as a strong labour market and prior fiscal supports helped offset tariff-related uncertainty.

Credit Union Consumer Sentiment Index



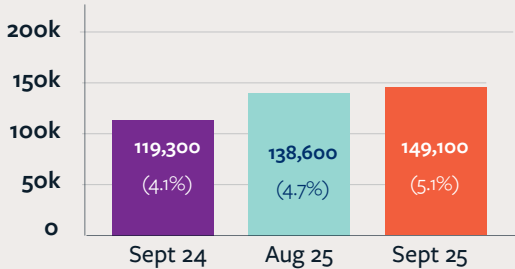
- Consumer Sentiment Index
- Index of Current Conditions
- Index of Consumer Expectations
- Economy
- Unemployment
- Financial Situation 12 Months Ago
- Financial Situation 12 Months Ahead
- Purchases

SOURCE: CREDIT UNION

Employment Pulse

The number of people unemployed increased by 29,800 in September 2025 when compared to the same period in 2024.

Unemployment Rate

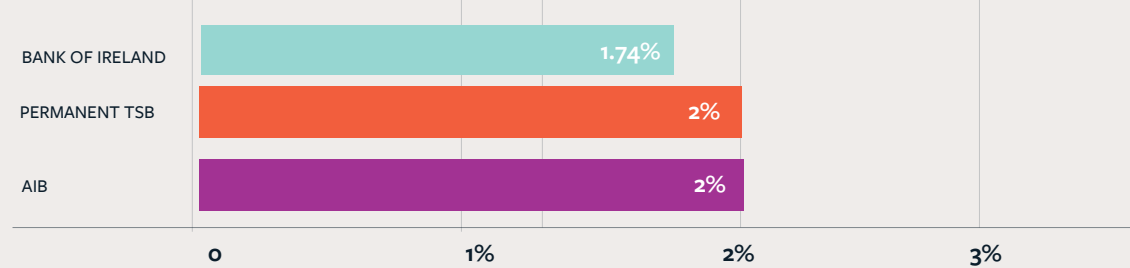


SOURCE: CSO

Deposit Rate Pulse

12-month fixed bank deposit interest rates decreased for Bank of Ireland and PTSB over the 3rd quarter, although remained the same for AIB.

Bank Deposit Rates

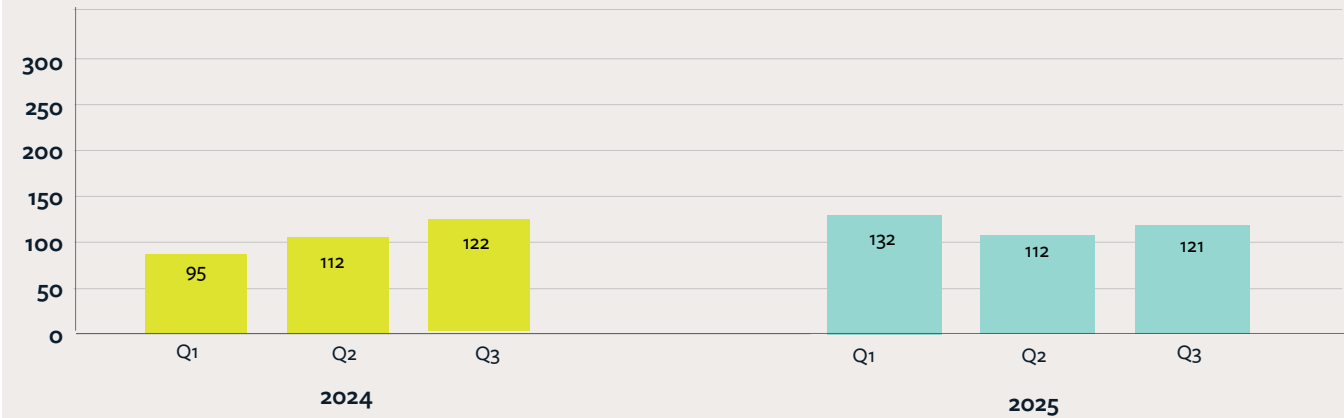


SOURCE: FITZGERALD POWER

Mergers & Acquisitions Pulse

The Renatus M&A report for Q3 2025 shows M&A activity in Ireland remained strong in the first three quarters of 2025, with 365 deals - up c.11% year-on-year. Inbound trade acquisitions increased, though foreign private equity activity fell 44% from 2024’s unusually high levels. Financial services led with 70 transactions, driven by continued consolidation in insurance, wealth management, and accountancy. Software activity stayed steady (38 deals), while medical devices and pharma saw a 40% drop amid tariff-related uncertainty.

Mergers & Acquisitions



SOURCE: RENATUS



With 365 deals recorded in Q1-Q3 '25, Irish M&A is outpacing '24 levels..



Irish-based entities completed 70 deals in Q1-Q3 '25, up from 60 in '24.



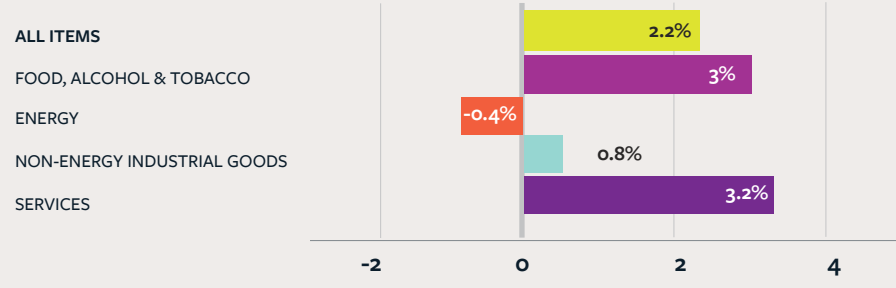
Of the 365 acquisitions in Q1-Q3 '25, 146 (c. 40%) were conducted by international acquirers compared to 101 in '24 (c. 31%).

SOURCE: RENATUS

Inflation Pulse

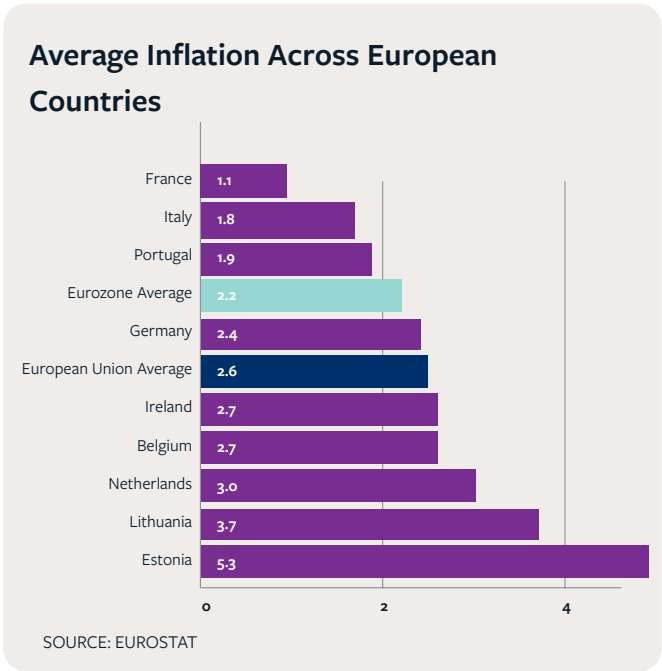
The euro area annual inflation rate was 2.2% in September 2025, up from 2.0% in August. A year earlier, the rate was 1.7%.

Euro Area Annual Inflation

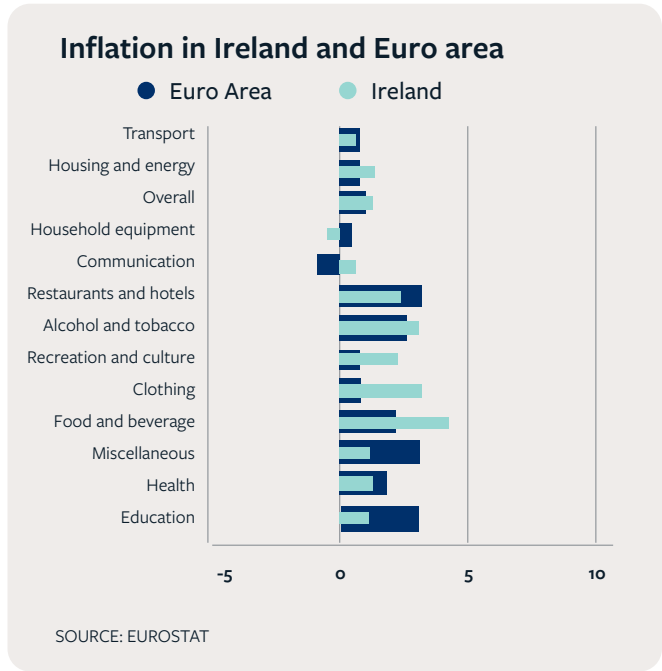


SOURCE: EUROSTAT

Ireland’s level of inflation at 2.7% is just above the Eurozone average of 2.2%.

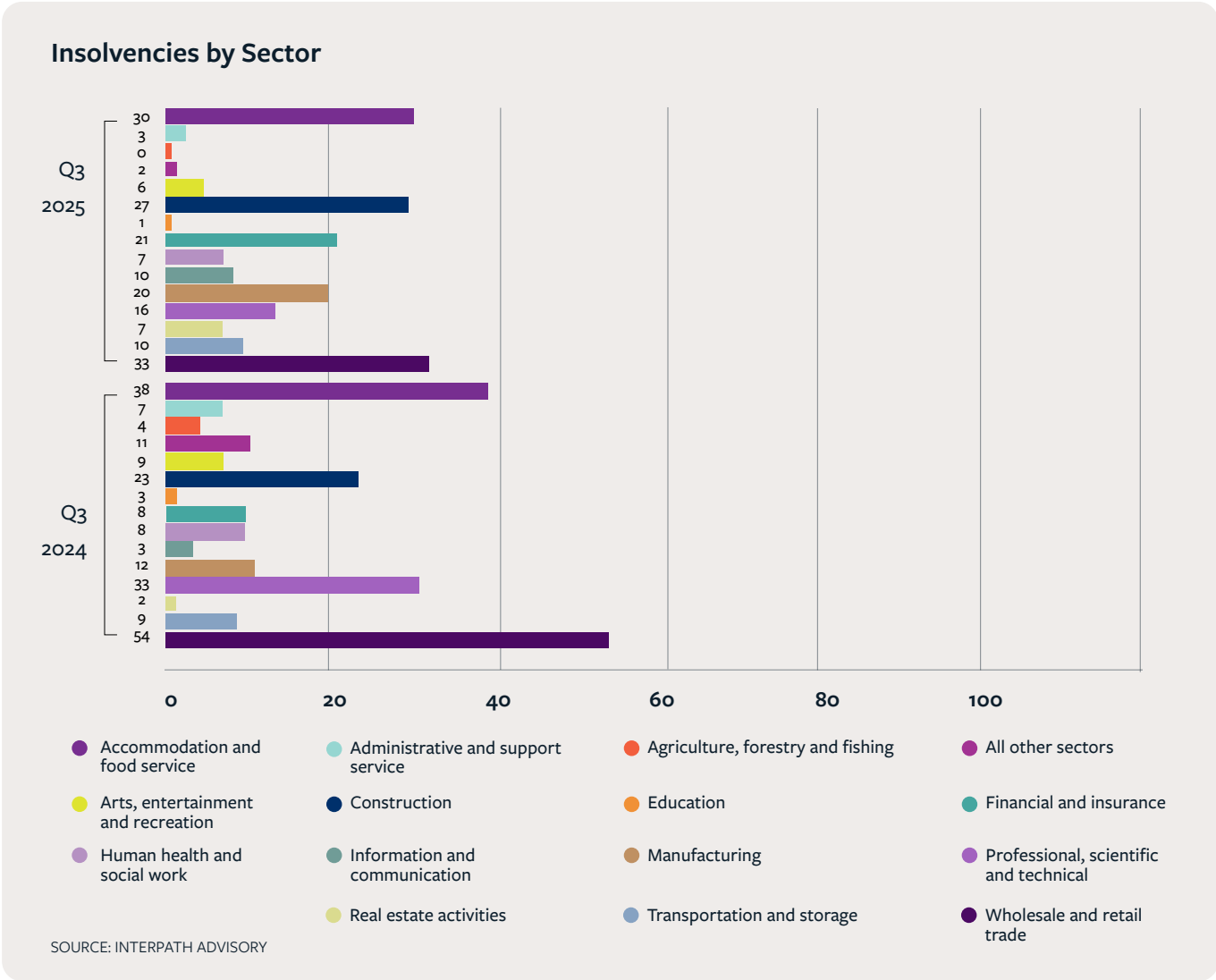


Ireland is above the Euro Area average for inflation in most components, apart from Household equipment, Transport, Education and Restaurants/Hotels.

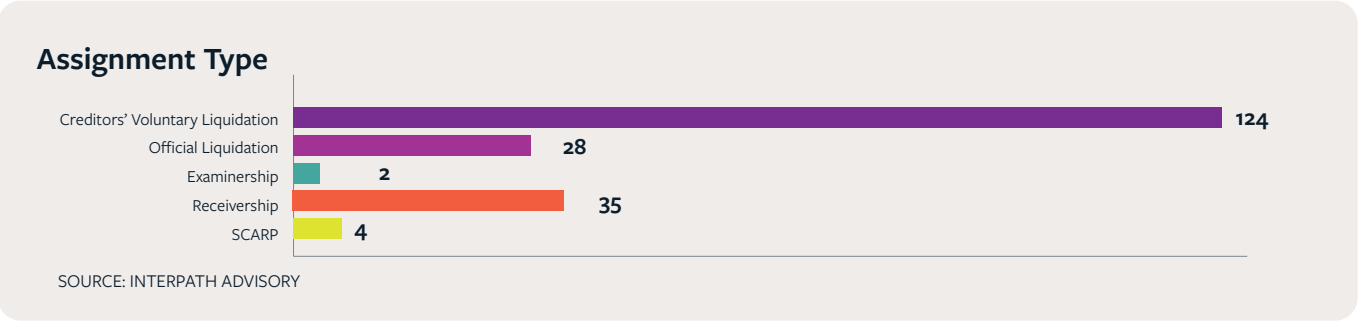


Insolvency Pulse

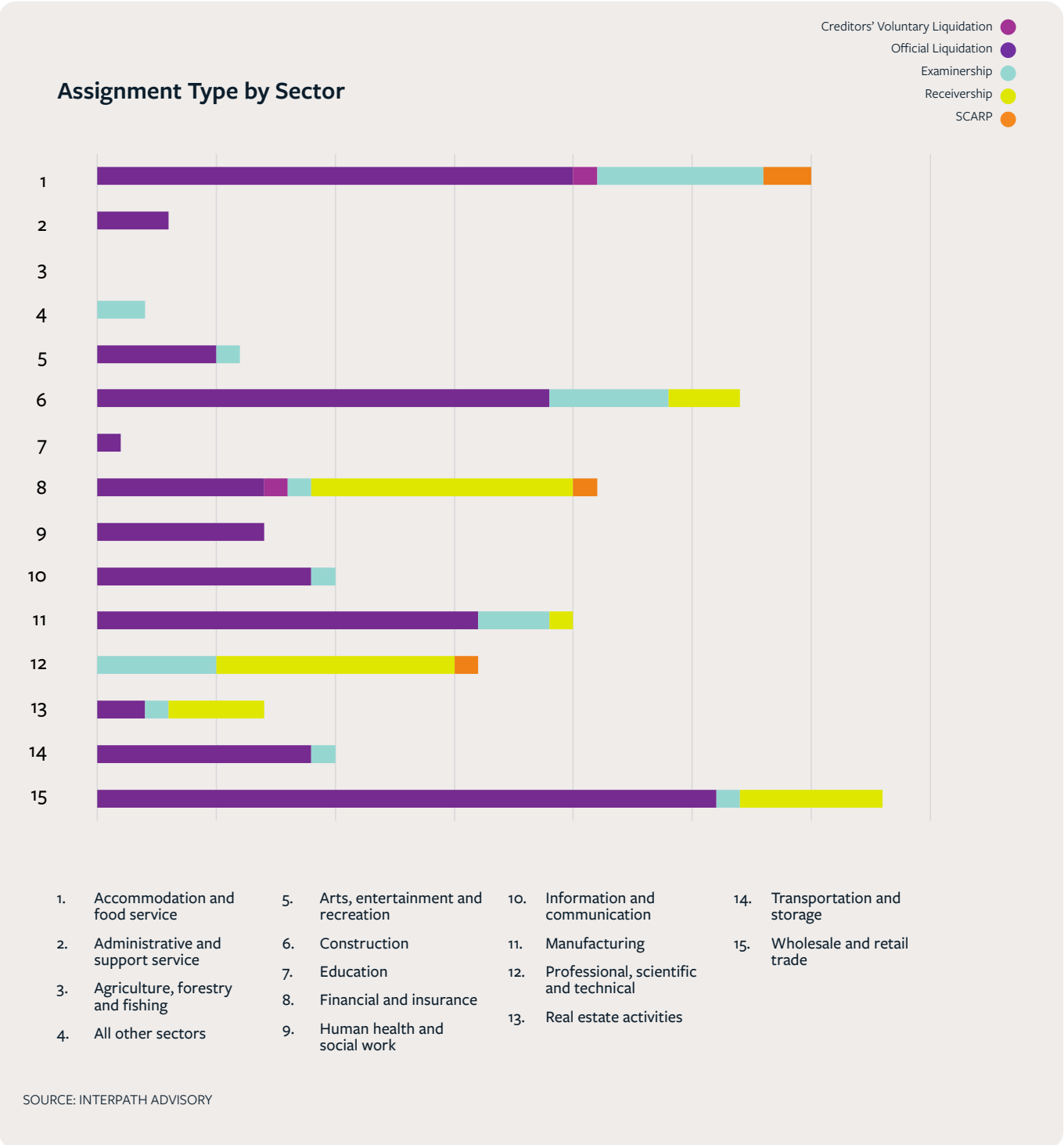
Data provided by Interpath Advisory shows a total of 193 insolvencies were recorded in Q3 2025 which is a decrease of 13.8% from Q3 in the previous year.



The majority of insolvencies have been voluntary liquidations.



Although there is considerable variation in type of insolvency by sector.



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.

Head Office

Greyfriars
Waterford
X91 K2WV

T: (0)51 870152

F: (0)51 871214

Waterford

Saint John's Parish Hall
Catherine Street
Waterford
X91 X827

T: (0)51 870152

F: (0)51 871214

Dublin

50-56
Merrion Road
Dublin
D04 V4K3

T: (0)1 4693739

F: (0)51 871214

