November 2021

DUBLIN

Mastercard SpendingPulse™

DUBLIN ECONOMIC MONITOR

Dublin Mastercard SpendingPulse Delivering Unique Insights for Consumer and Tourism Spend.

KEY HIGHLIGHTS YEAR-ON-YEAR Q3 2021*

+10.5% OVERALL SALES

+63.5% OVERSEAS TOURISM SPEND

+6.7% NECESSITIES

+13.5% DISCRETIONARY

-0.4% HOUSEHOLD GOODS

+11.5% ENTERTAINMENT

+3.1% ECOMMERCE

*RETAIL SALES VALUE (SA)

mastercard

Comhairle Contae Átha Cliath Theas South Dublin County Council

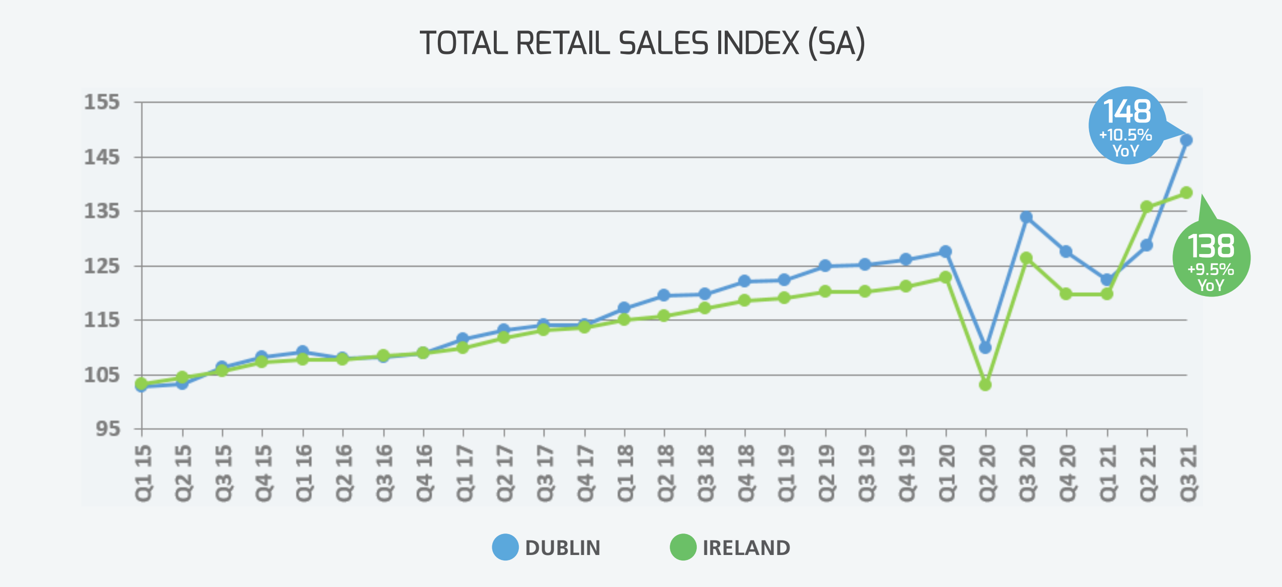
Comhairle Cathrach Bhaile Átha Cliath Dublin City Council

Comhairle Contae Fhine Gall Fingal County Council

dlr Comhairle Contae County Council

Grant Thornton

DUBLIN RETAIL SPENDING SURGES FORWARD IN Q3 2021



Retail spending in the Dublin economy surged forward in the third quarter of 2021, aided by considerable pent-up consumer demand and the lifting of Covid-19 restrictions. Spending by consumers in the retail sector expanded by 14.9% QoQ (SA) to reach the highest point since the series began in 2014. The Entertainment and Discretionary categories benefitted to the greatest proportional extents in the quarter. Respective QoQ spending increases of 69.4% and 64.5% were recorded in these categories – albeit from low bases in both instances given the tight restrictions which applied to retail outlets, hotels, restaurants and bars up until the summer time.

Spending on Necessities in Dublin continued to rise in Q3, with a minor 0.7% QoQ increase. This is somewhat surprising given the recovery in Entertainment spending which will have been driven by consumers taking advantage of opportunities to dine and drink outside the home.

Household Goods spending fell back by 9% QoQ from a record high in Q2 2021, yet still remained broadly stable YoY in what is an ongoing signal of confidence amongst Dublin consumers.

eCommerce also recorded a QoQ decline in expenditure levels. A reduction of 5.3% indicates a modest reversal of consumer trends towards online retail, though spending in this category remained ahead (+3.1% YoY) of the same quarter in 2020.

Overall retail activity in Dublin remains very positive with year-over-year growth rates rebounding from 2020. Year-on-year online spending growth may not seem impressive at 3.1%, however it is rather extraordinary that growth rates remain in positive territory and are holding on to the extraordinary gains experienced last year.

Michael McNamara
GLOBAL HEAD OF SPENDING PULSE, MASTERCARD

DUBLIN RETAIL SALES VALUE INDEX (SA)

+10.5%	147.8	+14.9%
Q3 2021	100 = Q1 2014	Q3 2021
YoY CHANGE IN DUBLIN SALES INDEX	DUBLIN SALES INDEX VALUE	QoQ CHANGE IN DUBLIN SALES INDEX

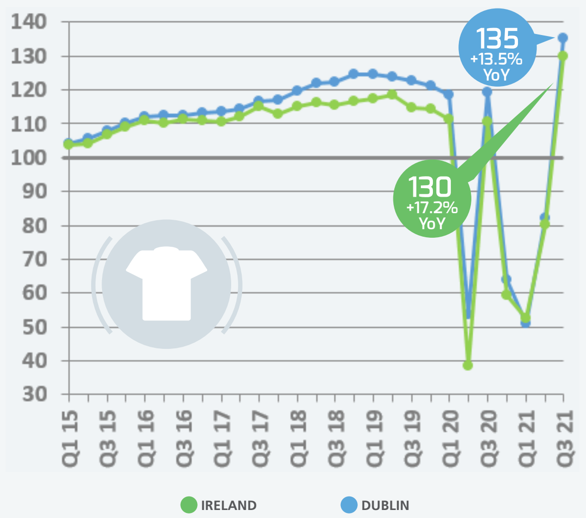
METHODOLOGY
A macro-economic indicator, SpendingPulse™ reports on national and Dublin retail sales and is based on aggregate sales activity in the MasterCard payments network, coupled with estimates for all other payment forms, including cash and cheque. This information has been grossed up to present an estimate of the total retail sales of retail businesses in Ireland and Dublin to both residents and tourists. Data is seasonally adjusted but is not adjusted for inflation. MasterCard SpendingPulse™ does not represent MasterCard financial performance. SpendingPulse™ is provided by MasterCard Advisors, the professional services arm of MasterCard International Incorporated. See www.dublineconomy.ie for more info on methodology.

*All values are Seasonally Adjusted by Grant Thornton. Note: Data re-adjusted since last issue.

RETAIL SPENDING RISES SIGNIFICANTLY ACROSS IRELAND

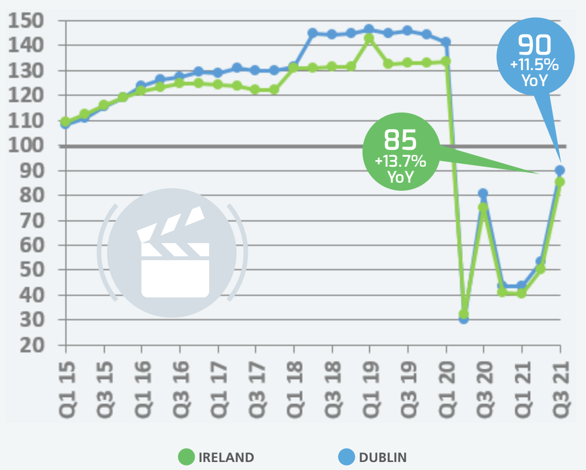
Retail spending trends followed broadly similar trajectories in Dublin and across Ireland in Q3, with rapid YoY growth rates of 10.5% and 9.5% respectively. Discretionary consumer spending was a key driver in both instances. YoY growth of 13.5% in Dublin and 17.2% across Ireland highlights the ongoing recovery amongst the department and clothing stores in this category. Strong final quarters will be expected as Christmas takes prominence. Entertainment spending increased by 11.5% YoY in Dublin and by almost 14% YoY across Ireland in Q3. Expenditure in the category remains some distance off pre-pandemic levels, though will be expected to strengthen further in Q4 – subject to Covid-19 restrictions. Spending on Necessities remained up YoY in Dublin and Ireland, while Household Goods expenditure was flat, both of which represent resilient demand for bricks-and-mortar outlets. Despite QoQ declines, eCommerce spending was ahead YoY in Dublin (+3.1%) and Ireland (+4.1%) in Q3 as the heightened popularity of online retail looks set to endure beyond the worst of the pandemic.

RETAIL CATEGORY: DISCRETIONARY



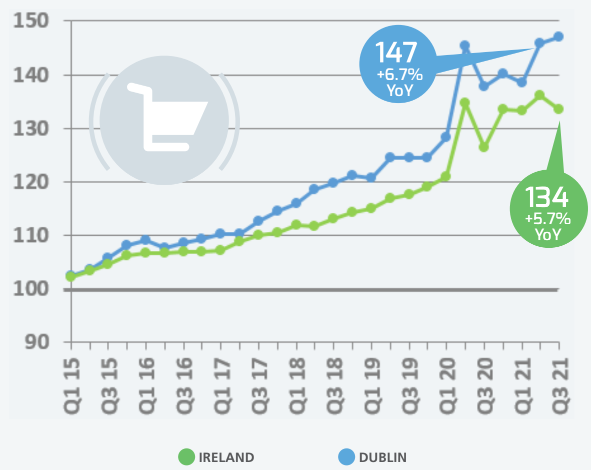
Discretionary Retail: Department Stores and Clothing Stores.

RETAIL CATEGORY: ENTERTAINMENT



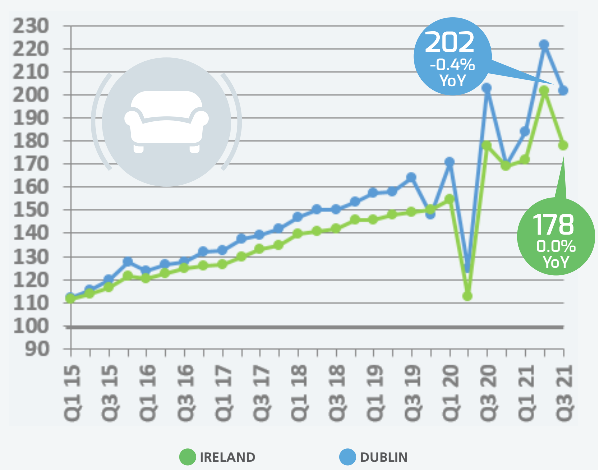
Hotels, restaurants and bars.

RETAIL CATEGORY: NECESSITIES



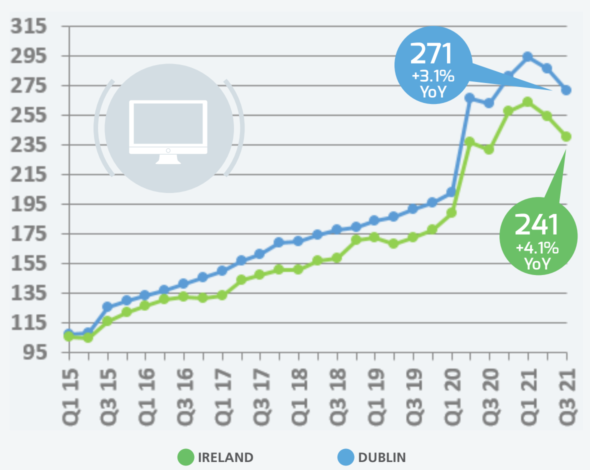
Grocery: all food and beverage stores.

RETAIL CATEGORY: HOUSEHOLD GOODS



Household furniture, electronics and hardware.

METHOD: ECOMMERCE



Non store Retailers including Electronic Shopping and Mail-Order Houses, Direct Selling Establishments.

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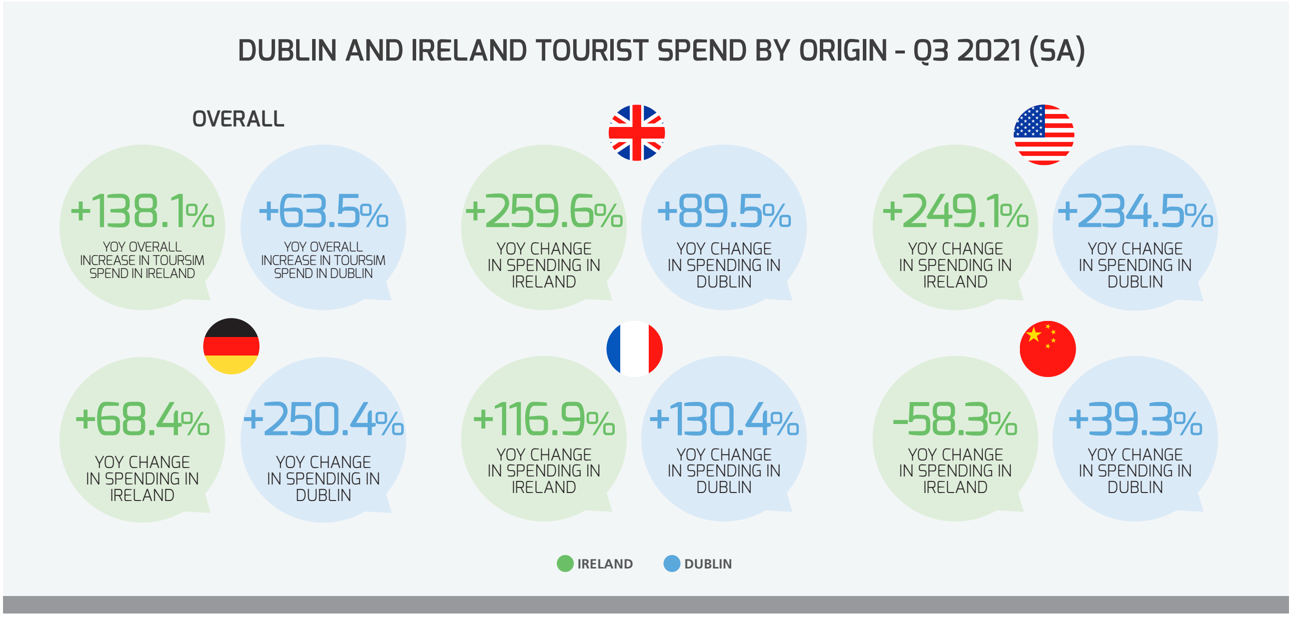
EASING TRAVEL RESTRICTIONS BOOST TOURIST SPENDING

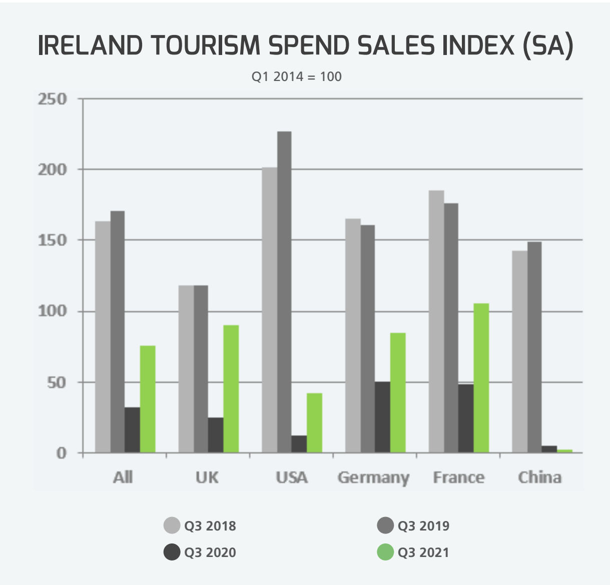
Rising vaccination rates and the easing of travel restrictions both within Europe and further afield have contributed to a relatively strong Q3 recovery in tourist spending in Dublin and across Ireland. Expenditure levels by international visitors to the Capital rose by 40% QoQ, outstripping the equivalent rate (+32.6%) for Ireland as a whole. On a YoY basis, spending by tourists in Dublin increased by 63.5% and more than doubled across Ireland, in what is an initial fillip for the beleaguered international tourism sector.

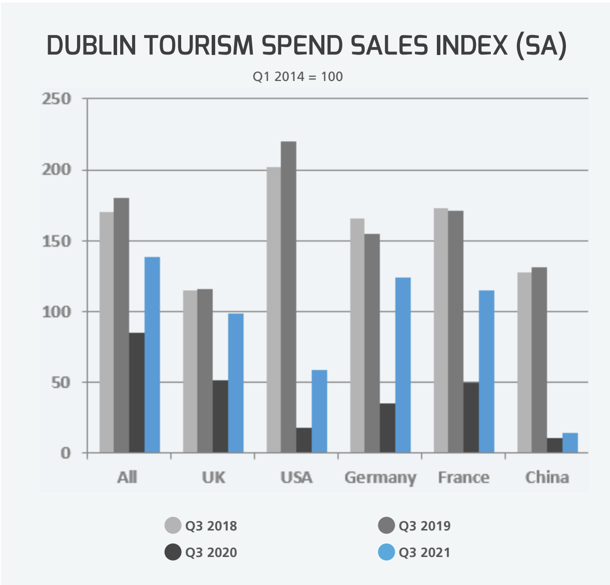
In the Capital, the strongest QoQ expansion was from the French market where growth of over 71% was recorded. This was followed by the German (+36.8%) and UK (+23.3%) markets and underlines the willingness of European consumers to both travel to and spend in Dublin. The weaker QoQ recovery across the country as a whole could be due to a number of factors, such as a possible preference amongst international tourists for weekend city breaks over longer stays.

The US market, which is typically a key source of international tourist spending for Dublin and Ireland, was subdued in Q3 – despite the lifting of travel restrictions for American visitors to Europe in mid-July. The summer season is usually the strongest for US tourists to Ireland and so it is likely to be summer 2022 and beyond before spending by visitors from this market stages a fuller recovery.

Expenditure by tourists from China remained at an extremely low ebb in Q3 and will not be expected to recover for some time as airlines continue to tentatively re-open routes between Continents.







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