

May 2022



DUBLIN
ECONOMIC
MONITOR

DUBLIN

Mastercard SpendingPulse™

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

KEY HIGHLIGHTS YEAR-ON-YEAR Q1 2022*



+3.4%

OVERALL
SALES



+231.4%

OVERSEAS
TOURISM SPEND



-5.1%

NECESSITIES



+70.1%

DISCRETIONARY



+9.0%

HOUSEHOLD GOODS



+84.6%

ENTERTAINMENT



+6.9%

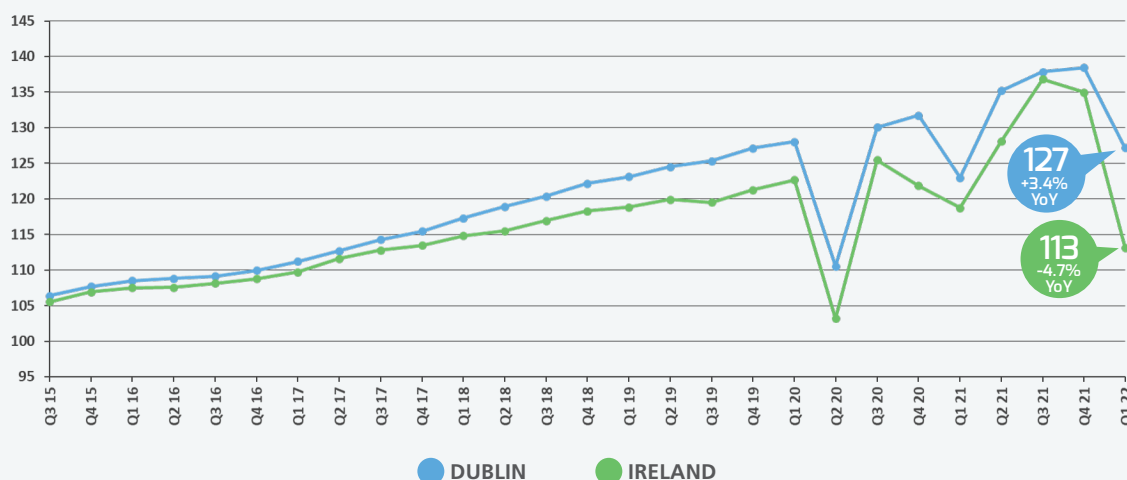
ECOMMERCE

*RETAIL SALES VALUE (SA)



DUBLIN RETAIL SPENDING SLIPS IN FIRST QUARTER OF 2022

TOTAL RETAIL SALES INDEX (SA)



Dublin retail spending fell in the first quarter of 2022 as a distinct softness in consumer demand affected specific categories within the sector. Cost of living pressures, linked to soaring energy prices due to the war in Ukraine, are likely to have been influential – though the lifting of most remaining Covid-19 restrictions in January was a positive for the sector. Total retail spending in the Capital ultimately fell by 8.1% QoQ, yet remained up by 3.4% when compared to Q1 2021.

The single most significant QoQ reduction in expenditure was in department and clothing stores where spending dropped by more than a quarter (Discretionary, -28.3%). Spending in the segment had surprisingly fallen in the traditionally busy final quarter of last year, yet the latest decline signals a more serious tapering by Dublin consumers. It is probable that the impact of inflation on disposable incomes is impinging on this retail category.

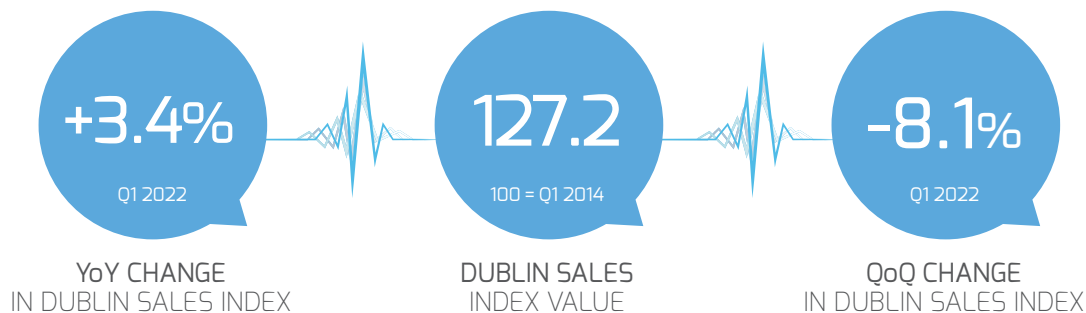
Spending on Necessities also reduced in Q1 2022. This decline was somewhat expected as the lifting of restrictions provided consumers with additional opportunities to eat and drink outside the home. Such factors resulted in an increase of 7.2% in Entertainment expenditure in the Capital as a steady recovery for hotels, bars and restaurants continued.

Household Goods spending in Dublin maintained a positive trajectory in Q1 with QoQ growth of 4.4%. The eCommerce channel, which performed strongly through the pandemic, continued on its upward path and grew by 7.2% QoQ.

The first quarter experienced an impressive rebound in year-over-year growth across retail sales driven by the recovery of sales in the discretionary and entertainment sectors. As Covid restrictions are eased compared to 2021 the most impacted sectors are roaring back to life. Tourism spending is also staging a comeback with growth from tourists coming in from across Europe including Germany, France and the UK.

Michael McNamara
GLOBAL HEAD OF SPENDING PULSE, MASTERCARD

DUBLIN RETAIL SALES VALUE INDEX (SA)



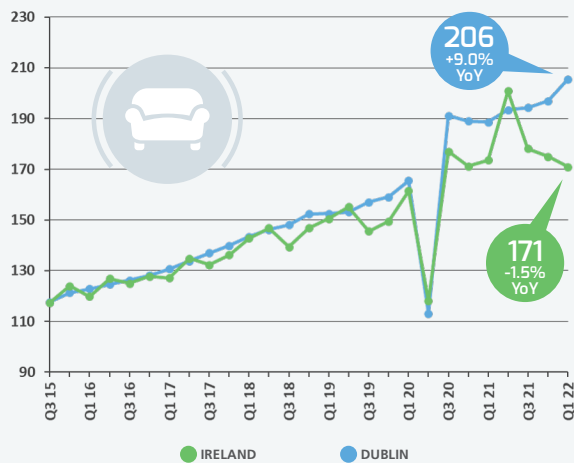
METHODOLOGY

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.

RETAIL ACTIVITY IN CAPITAL CONTINUES TO GROW YEAR-ON-YEAR

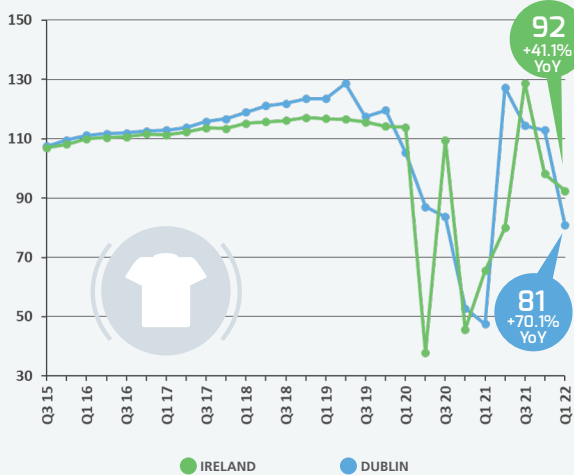
A clear division emerged between spending patterns in Dublin and across Ireland in Q1 2022, with the Capital faring better in most segments. This is reflected on a YoY basis where spending grew by 3.4% in Dublin but fell by 4.7% nationally. A main differentiator was Household Goods spending where an increase of 9% YoY in Dublin contrasted with a decline of 1.5% nationally. This signals an ongoing and greater confidence in Dublin consumers to spend on big ticket items. Despite declining QoQ, Discretionary spending rose by 70.1% and 41.1% YoY in Dublin and Ireland respectively. Spending on Necessities dropped YoY in the Capital and across Ireland in Q1. The decline in Dublin was less pronounced, standing at -5.1% when compared to -8.9% nationally. Spending on Entertainment remained on an upward course with YoY growth broadly aligned in Dublin and across Ireland in the quarter. eCommerce continued to expand both in Dublin and Ireland, consolidating its gains from the pandemic.

RETAIL CATEGORY: HOUSEHOLD GOODS



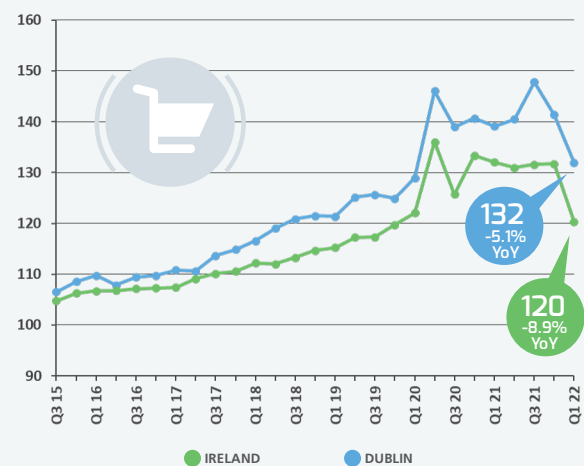
Household furniture, electronics and hardware.

RETAIL CATEGORY: DISCRETIONARY



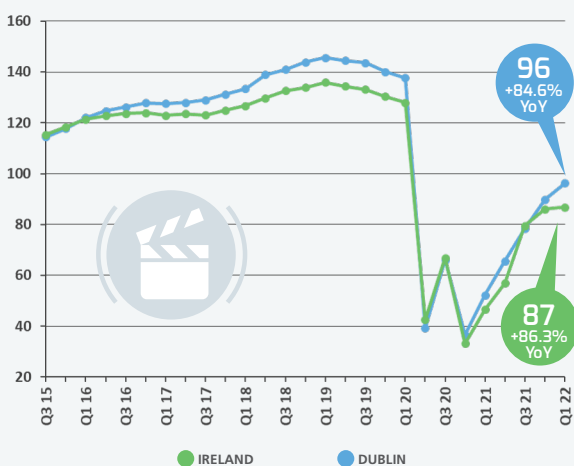
Department Stores and Clothing Stores.

RETAIL CATEGORY: NECESSITIES



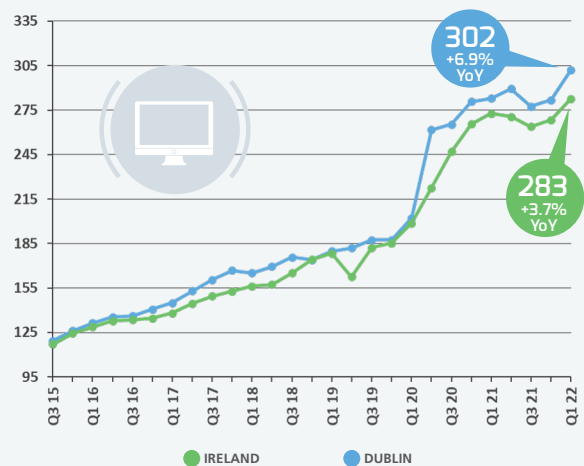
All food and beverage stores.

RETAIL CATEGORY: ENTERTAINMENT



Hotels, restaurants and bars.

METHOD: ECOMMERCE



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

TOURIST SPENDING RECOVERY DRIVEN BY EUROPEAN MARKETS

Retail spending by international visitors to Dublin was exceptionally strong at the start of 2022. Total expenditure by tourists rose by 29.9% QoQ and by over 230% YoY to exceed pre-pandemic levels. This was a remarkable outcome and underlines the progress made in rolling out vaccines and easing travel restrictions both in Ireland and internationally. A very busy St. Patrick's weekend in Dublin was also a likely contributor to the expansion in the quarter.

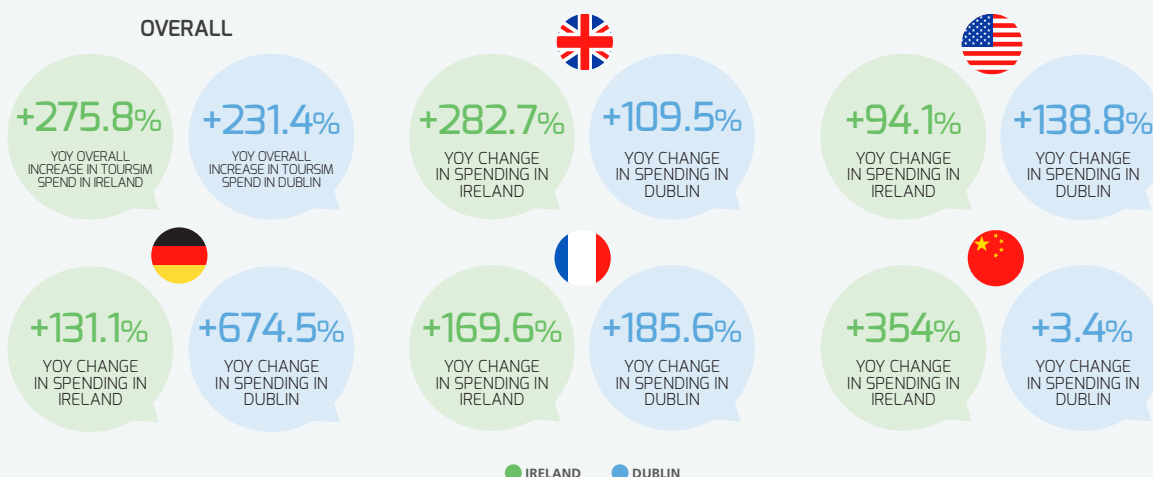
Germany has continued to be the single strongest source of growth for retail spending by visitors in Dublin. A YoY expansion of over 670% – albeit from a low base – shows the appetite amongst German visitors for trips to the Capital, and an inherent willingness to spend while in the region. Spending by tourists from Germany also expanded at the national level, but at a more modest – though still significant – rate of over 130% YoY.

Spending by tourists from France more than doubled YoY in Dublin and across Ireland in Q1, thus continuing a burgeoning recovery. For the Capital, spending by French tourists in the quarter was only 13.5% below pre-pandemic Q1 2019.

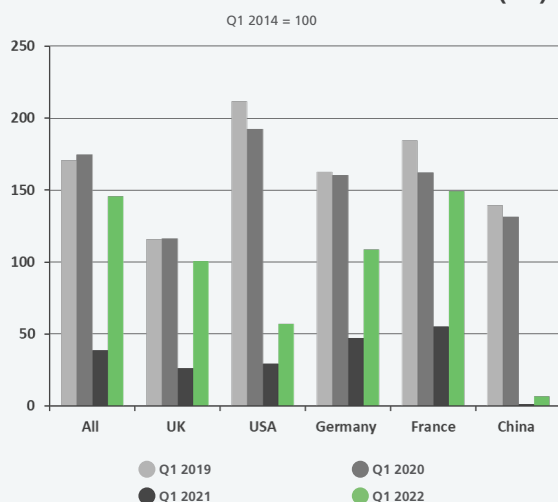
The UK and US, which are critical to Ireland's tourism sector, have also continued on a recovery path. The UK market has recorded a swifter resurgence as would be expected given its proximity. Growth in spending by UK tourists in the Capital more than doubled YoY in Q1. This was outstripped by an exceptional expansion of over 282% YoY nationally. For the US market, expenditure jumped by 138.8% in Dublin and by 94.1% nationally in Q1. This recovery will be expected to strengthen further as the busy summer season arrives.

Spending by visitors from China remained at historic lows in the quarter, and will take some time to recover given the tight Covid-19 restrictions which remain in place in the country.

DUBLIN AND IRELAND TOURIST SPEND BY ORIGIN - Q1 2022 (SA)



IRELAND TOURISM SPEND SALES INDEX (SA)



DUBLIN TOURISM SPEND SALES INDEX (SA)

