

February 2023

DUBLIN

Mastercard SpendingPulse™

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

DUBLIN
ECONOMIC
MONITOR

KEY HIGHLIGHTS YEAR-ON-YEAR Q4 2022*



+6.0%
OVERALL
SALES



+9.1%
OVERSEAS
TOURISM SPEND



+3.8%
NECESSITIES



+14%
DISCRETIONARY



+4.3%
HOUSEHOLD GOODS



+38.1%
ENTERTAINMENT



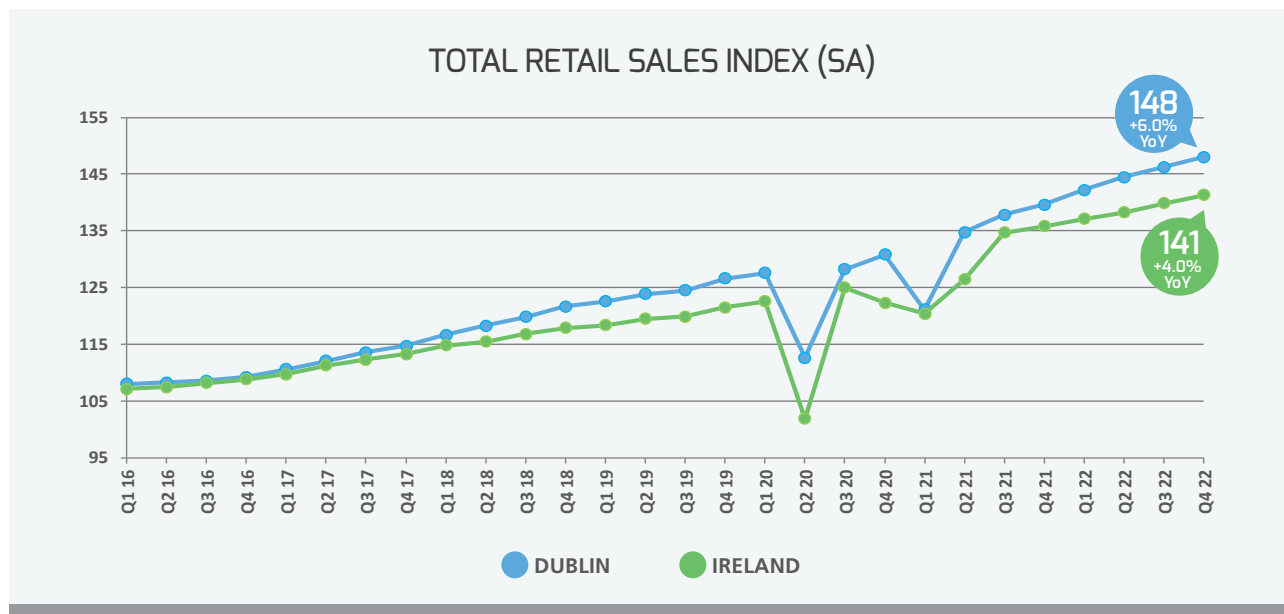
+8.8%

ECOMMERCE

*RETAIL SALES VALUE (SA)



DUBLIN RETAIL SPENDING REACHES STEADY STATE POST-PANDEMIC



Dublin retail spending remained broadly stable in Q4 2022, in spite of concerns surrounding inflation and its impact on disposable incomes. Growth rates in Dublin retail spending of 1.2% QoQ and 6% YoY (SA) are in line with typical retail activity levels for the Capital, and represent a more 'normalised' level of activity compared to the quarters immediately following the pandemic. Nonetheless, inflation – which eased but remained at a high level nationally across the quarter according to the CSO – is a pressing issue and likely contributed significantly to the increasing value of retail expenditure amongst Dublin consumers.

On a QoQ basis, the growth rate in retail spending of 1.2% reflected a modest slowdown relative to growth rates of closer to 2% in early 2022. The most significant growth in Q4 2022 was in Entertainment where sales expanded by 4.6% QoQ. This was a weaker rate of growth than in each of the previous five quarters, yet underlined the lingering appetite for hospitality amongst consumers in Dublin. Household

Goods sales also remained on a promising trajectory with growth of 1.6% QoQ in spending on big-ticket domestic items. Growth rates for expenditure on Discretionary goods and Necessities were less significant, yet positive at 1.1% and 0.8% QoQ respectively. The prominence and unrelenting expansion of sales via eCommerce platforms also continued in Q4, with growth of 1.5% QoQ.

Overall, Q4 growth rates of 6% YoY for Dublin and 4% YoY for Ireland are in a range that is more typical for general retail economic activity when compared to the quarters immediately following the pandemic. Some sectors, such as Entertainment, remain elevated as we continue to recover from some suppressed activity a year ago, though many sectors are showing more typical growth in the low-to-mid single digits.

Michael McNamara
GLOBAL HEAD OF SPENDING PULSE, MASTERCARD

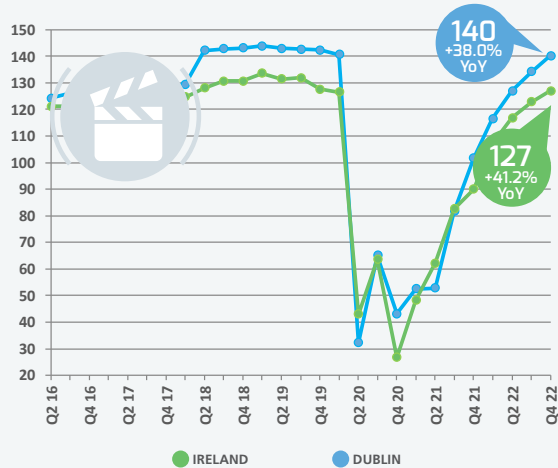
DUBLIN RETAIL SALES VALUE INDEX (SA)



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 CATEGORY: ENTERTAINMENT

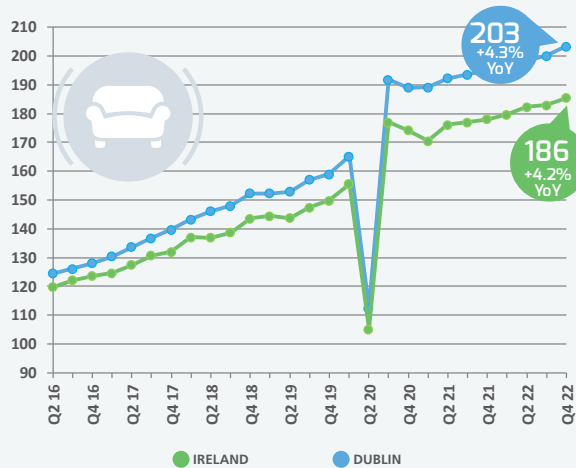


Hotels, restaurants and bars.

DISCRETIONARY SECTOR SPURS SPENDING YOY GROWTH

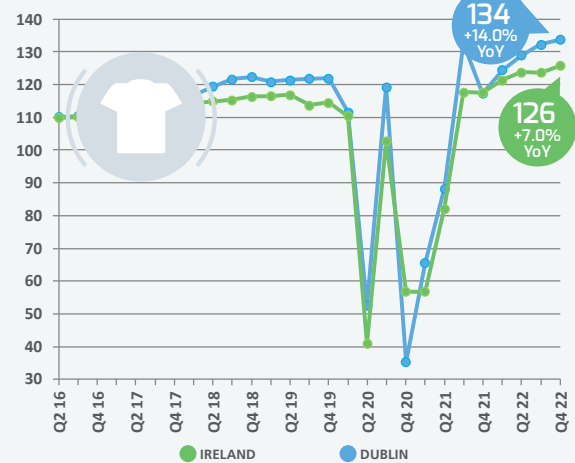
Retail spending in both Dublin and Ireland remained on upward trajectories YoY in Q4 2022, although the 6% expansion in Dublin outstripped the equivalent rate of 4% nationally. The Dublin outperformance was largely driven by spending in department and clothing stores where the Capital recorded spending growth of 14% YoY, double the rate seen nationally. The significant recovery in Entertainment spending was reflected in YoY spending growth at hotels, bars and restaurants of 38.1% in Dublin and 41.2% nationally as hospitality activity levels in the run up to Christmas in 2022 differed considerably from pandemic-era 2021. Spending on Necessities and Household Goods items increased at similar YoY rates in Dublin and Ireland in Q4, with the former no doubt affected by food inflation which rose to over 10% in each of the final three months of 2022 according to the CSO. Spending via eCommerce platforms continued to rise at strong YoY rates in Dublin (+8.8%) and Ireland (9.8%) which is consistent with the previous 2 quarters.

RETAIL CATEGORY: HOUSEHOLD GOODS



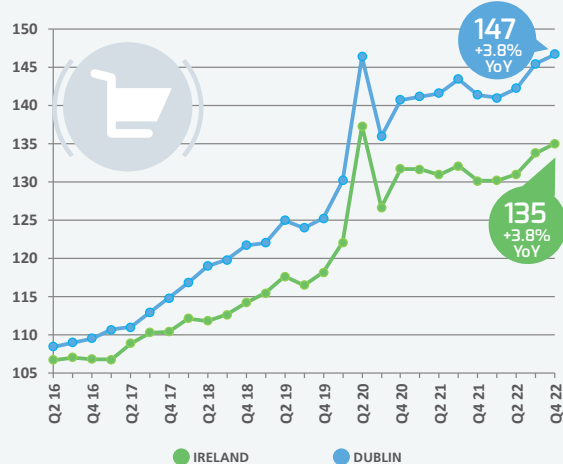
Household furniture, electronics and hardware.

RETAIL CATEGORY: DISCRETIONARY



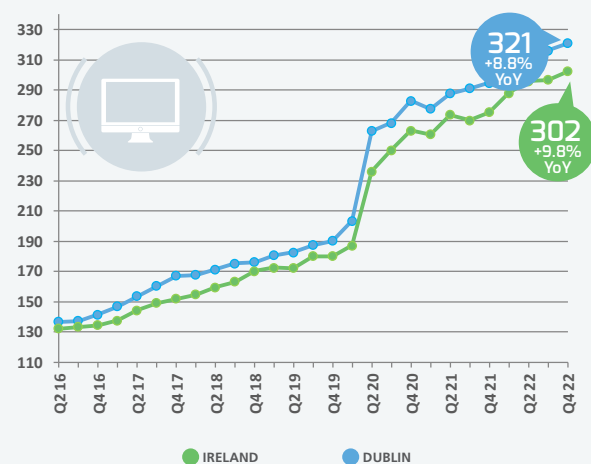
Discretionary Retail: Department Stores and Clothing Stores.

RETAIL CATEGORY: NECESSITIES



Grocery: all food and beverage stores.

METHOD: ECOMMERCE



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

DUBLIN TOURIST SPENDING REMAINS STAGNANT IN Q4

Despite the global recovery in tourism in 2022, which saw Dublin Airport report that passenger numbers in Q4 had returned to 96% of pre-pandemic Q4 2019 levels, spending by visitors to Dublin stagnated (-1% QoQ) in the quarter. This disappointing outturn is at odds with the national level where spending grew by 3.7% QoQ, and followed another minor reversal in Dublin spending (-0.5% QoQ) in Q3.

Declining expenditure amongst American visitors to the Capital appears to be the main contributory factor. Spending by visitors from that market dropped by 6.8% QoQ in Q4, which is at odds of growth of 9.4% nationally. Such a contraction for Dublin may be an initial sign of a slowdown or recession in this key market. Spending by visitors from China also slowed

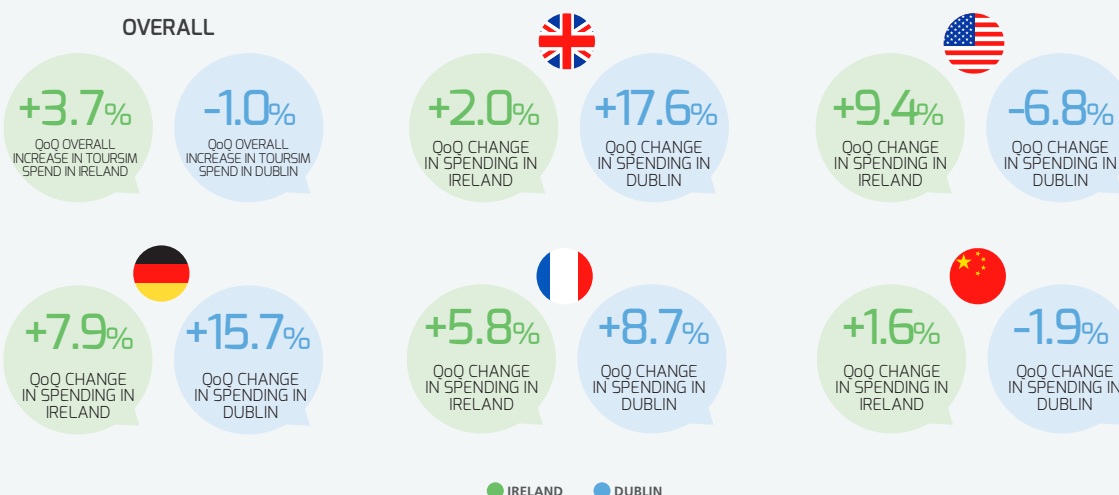
sharply in Q4, and reversed in the case of Dublin (-1.9% QoQ), further suggesting that long haul tourism is experiencing the most substantial challenges.

The final quarter of 2022 was far more encouraging in terms of QoQ spending growth from Dublin's other key tourist markets – notably the UK (+17.6%), Germany (+15.7%) and France (+8.7%). Spending growth accelerated in each instance, and exceeded the equivalent rates at the national level.

2022 proved to be a mixed year for retail spending by visitors to Dublin, with QoQ growth of over 5% in each of the first two quarters being followed by minor reversals in Q3 and Q4.

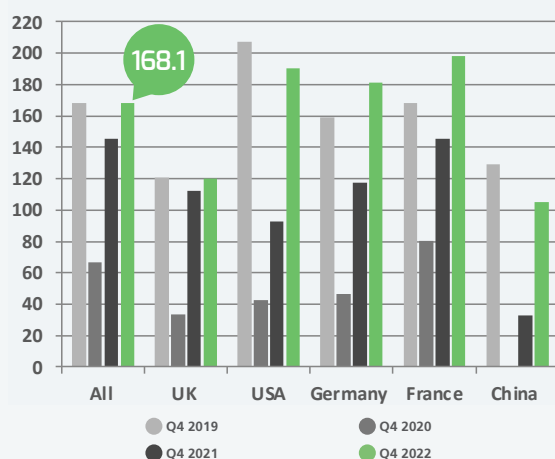
DUBLIN AND IRELAND TOURIST SPEND BY ORIGIN - Q4 2022 (SA)

OVERALL



IRELAND TOURISM SPEND SALES INDEX (SA)

Q1 2014 = 100



DUBLIN TOURISM SPEND SALES INDEX (SA)

Q1 2014 = 100

