

February 2024

DUBLIN

Mastercard SpendingPulse™

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

DUBLIN
ECONOMIC
MONITOR

KEY HIGHLIGHTS YEAR-ON-YEAR Q4 2023*



+3.4%
OVERALL
SALES



+5.7%
OVERSEAS
TOURISM SPEND



+5.6%

NECESSITIES



-1.9%

DISCRETIONARY



+2.8%

HOUSEHOLD GOODS



+9.5%

ENTERTAINMENT



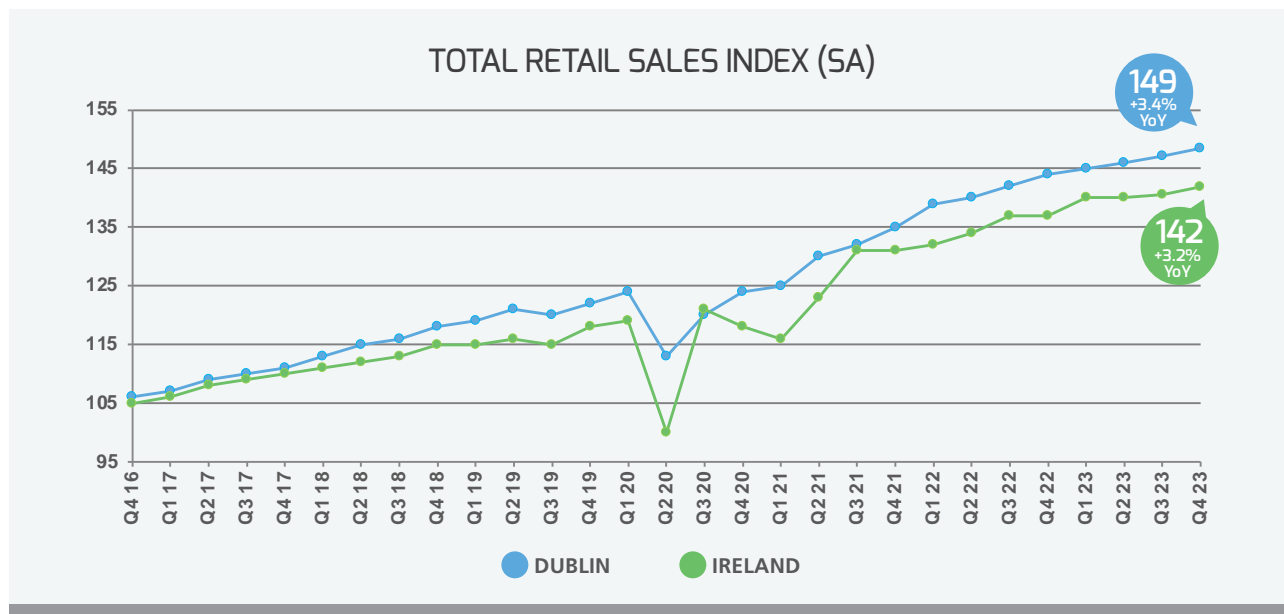
+3.4%

ECOMMERCE

*RETAIL SALES VALUE (SA)



DUBLIN RETAIL SPENDING MAINTAINS UPWARD MOMENTUM



Retail spending in the Dublin economy remained on an upward trajectory in Q4 2023. The value of expenditure increased by 0.9% QoQ and 3.4% YoY – broadly in line with the growth rates recorded in the preceding quarter. The expansions in Q4 were also in line with the rates recorded across the country (+0.8% QoQ, +3.2% YoY). Despite rising levels of consumer confidence across the country, there was no seismic surge in spending through to Christmas, but rather a sustained level of growth in demand.

The Entertainment sector – consisting of hotels, bars and restaurants – was the main driver of QoQ growth in the Capital with an expansion of 2.4%. This was followed by Necessities (+1.5%) and Household Goods spending (+1.3%), the latter of which has remained remarkably resilient over the past two years. Expenditure via eCommerce platforms continued to expand but at a slower rate of 0.9% QoQ compared to 1.3% in Q3. Discretionary spending was

the sole category in which a contraction was seen in Q4. A reduction in expenditure in department and clothing stores of 1.1% QoQ was the third such contraction in 2023 and indicates that consumers somewhat tailored their spending patterns in the face of inflation and rising interest rates throughout the year.

Dublin and the broader Irish retail performance was generally stable YoY in Q4 2023. Dublin retail sales were up by 3.4% (SA) versus Q4 2022. Overall tourist spending grew for Dublin as well Ireland in the quarter. The growth rate for the Capital was an impressive 5.7% while tourist spending across Ireland grew by 8.7% compared to Q4 2022.

Michael McNamara
GLOBAL HEAD OF SPENDING PULSE, MASTERCARD

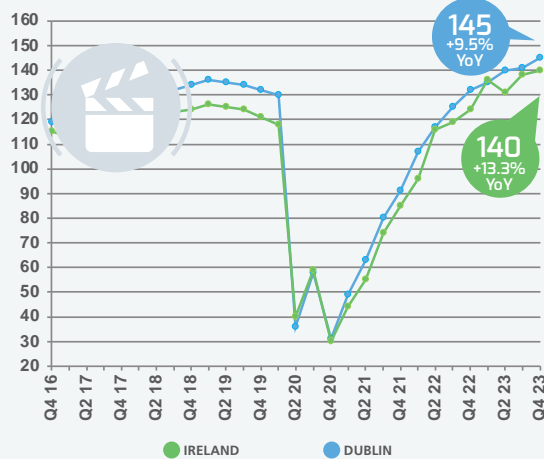
DUBLIN RETAIL SALES VALUE INDEX (SA)



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



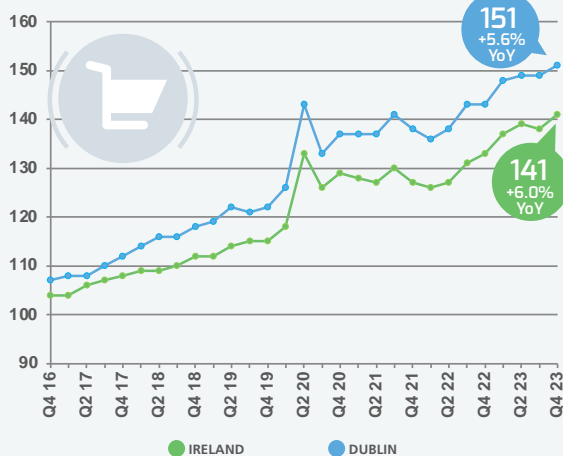
Hotels, restaurants and bars.

HOTELS, BARS AND RESTAURANTS
DRIVE SPENDING GROWTH

Dublin retail spending grew by 3.4% YoY in Q4 2023. This represented a stable expansion in demand, down from rates of over 14% at the tail end of the pandemic, but in a strong position nonetheless. Entertainment remained the primary driver of growth (+ 9.5% YoY) in what may be a reflection of the sector's restored VAT rate of 13.5% being passed through to consumers from September 2023 onwards.

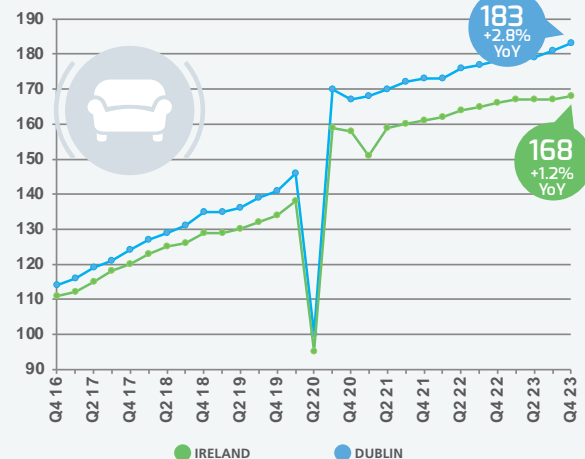
Necessities spending also increased at a robust YoY rate of 5.6% - likely related to food price inflation which exceeded 5% in each month of 2023. A more modest growth rate of 2.8% YoY was recorded in Household Goods expenditure, though Discretionary spending reduced YoY (-1.9%) for the first time in three years. eCommerce spending increased at the weakest YoY rate (+3.4%) since the series began in what may be a signal of maturing demand after consecutive quarters of remarkable expansions. Spending growth of 3.2% YoY across Ireland was largely influenced by the same dynamics in Q4 with Entertainment (+13.3%) and Necessities (+6%) to the fore.

RETAIL CATEGORY: NECESSITIES



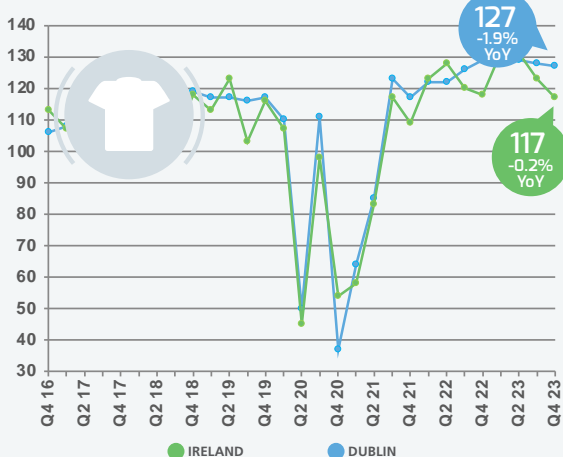
Grocery: all food and beverage stores.

RETAIL CATEGORY: HOUSEHOLD GOODS



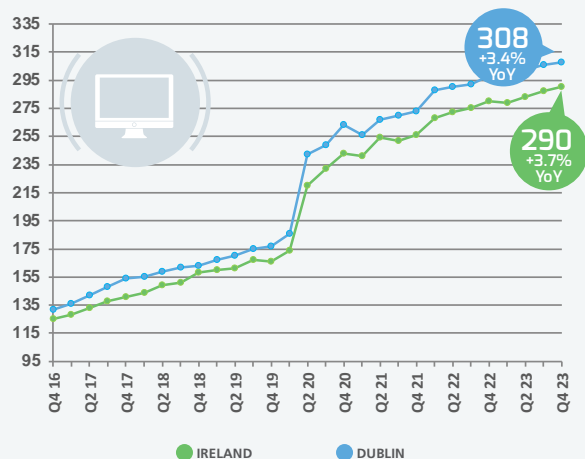
Household furniture, electronics and hardware.

RETAIL CATEGORY: DISCRETIONARY



Discretionary Retail: Department Stores and Clothing Stores.

METHOD: ECOMMERCE



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

US TOURIST SPENDING CONTRACTS SHARPLY IN Q4

Tourism spending in the Dublin economy contracted in Q4 2023 in what was a disappointing conclusion to the year. While expenditure increased by 5.7% YoY, it contracted by 1.7% QoQ – the first such reduction since early in the pandemic.

The US market – which is critical to tourism across the country – continued on an unsteady path with a contraction of 16.4% QoQ, after an expansion of almost a quarter in Q3. Such undulations may be partially related to the College Football Classic in August 2023 which brought 40,000 Americans to the Capital – but also the impact of record increases in US interest rates throughout the year which may have had lagged impacts in the final quarter.

Despite the slowdown in the US market, QoQ growth was recorded in Dublin's other key tourism markets with expansions

in the French (+13%), UK (+8.6%) and German visitor markets (+4.6%). Spending patterns were broadly stable amongst Chinese visitors in the quarter (-0.4% QoQ).

Across Ireland, tourist spending growth was flat (+0.1% QoQ) in Q4 with a contraction in the UK market (-1.4%) counterbalanced by the French (+2.1%) and German (+1.4%) markets.

Dublin and Ireland Tourist Spend by Origin – Q4 2023 (SA)

OVERALL

+0.1%
QoQ OVERALL
INCREASE IN TOURISM
SPEND IN IRELAND

-1.7%
QoQ OVERALL
INCREASE IN TOURISM
SPEND IN DUBLIN

-1.4%
QoQ CHANGE
IN SPENDING IN
IRELAND

+8.6%
QoQ CHANGE
IN SPENDING IN
DUBLIN

+0.2%
QoQ CHANGE
IN SPENDING IN
IRELAND

-16.4%
QoQ CHANGE
IN SPENDING IN
DUBLIN

+1.4%
QoQ CHANGE
IN SPENDING IN
IRELAND

+4.6%
QoQ CHANGE
IN SPENDING IN
DUBLIN

+2.1%
QoQ CHANGE
IN SPENDING IN
IRELAND

+13.0%
QoQ CHANGE
IN SPENDING IN
DUBLIN

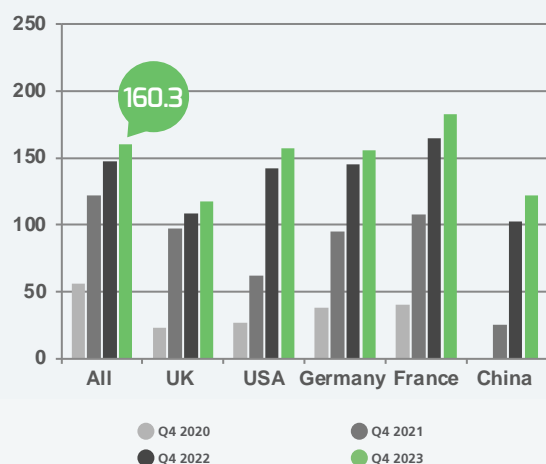
+3.5%
QoQ CHANGE
IN SPENDING IN
IRELAND

-0.4%
QoQ CHANGE
IN SPENDING IN
DUBLIN

● IRELAND ● DUBLIN

IRELAND TOURISM SPEND SALES INDEX (SA)

Q1 2015 = 100



DUBLIN TOURISM SPEND SALES INDEX (SA)

Q1 2015 = 100

