

Embargoed until Midnight 27<sup>th</sup> July 2016

## Brexit effect assessed by latest DUBLIN ECONOMIC MONITOR

#dublineconomy

The sixth issue of the **Dublin Economic Monitor** shows that Dublin's economic performance is improving in particular unemployment which is now at 7.0%, but challenges related to housing are problematic, as the 2016 Census confirms strong population growth in the Capital. Meanwhile, the net impact of Brexit for Dublin and for Ireland is unclear at this stage.

Speaking at the publication of this issue, **John Lawlor, Director at DKM Economic Consultants** said, *"The April 2016 Census points to the focus of population growth in Dublin, as the population in Dublin and its commuter belt increased at over twice the rate experienced in the rest of the country. More broadly, Dublin, along with the rest of the developed world, is coming to terms with the potential fallout of Brexit. This holds both challenges and opportunities, albeit they are shrouded in uncertainty until the exact form Brexit takes begins to crystallise."*

### Key Highlights:

- **Dublin unemployment rates** fell sharply in Q1 2016 to 7.0%, the lowest level since Q3 2008
- **Residential rents in Dublin** reached new peaks in Q1 2016 with average rents for both houses and apartments increasing, albeit at slowing rates
- **Residential property prices** returned to growth in Dublin between March and May 2016, following declines around the turn of the year
- **Passenger trips on Dublin's public transport system** in Q1 2016 climbed to over 50 million for the first time in the series (commenced Q1 2010)
- **Dublin's population** recorded robust growth of 5.7% between 2011 and 2016 to stand at 1.35 million in April's Census.
- **The Dublin MARKIT PMI** signalled a further increase in business output in Q2 2016, but the rate of expansion was the weakest since Q2 2013.
- **Dublin KBC/ESRI** Consumer sentiment in Dublin fell in Q2 2016, reflecting consumers' greater uncertainty about the economic outlook and job prospects.

## Special Articles:

- “Implications of Brexit on Dublin”, by Brendan Dowling, Chairman DKM Economic Consultants.
- “Launch of a €60m University Bridge Fund between TCD and UCD”, by Dr. Diarmuid O’Brien (TCD) and Brendan Cremen (UCD)

**Austin Hughes, Chief Economist KBC Bank Ireland** said, *“The pull-back in Dublin consumer sentiment reflects notably greater uncertainty about the economic outlook and job prospects, making consumers in the capital more cautious in their spending plans. While the present level of the sentiment index suggests Dublin consumers are generally positive about their immediate economic circumstances, the survey suggests they are also increasingly conscious of a range of risks to a recovery that is still tentative for many households.”*

**Andrew Harker, Senior Economist at Markit** said, *“As we reach the mid-point of 2016, the Dublin private sector remains comfortably in growth territory, according to latest PMI data. That said, the rate of expansion continued to ease in Q2 and was the slowest for three years. Strong increases in activity were again recorded in the services and construction sectors, with manufacturing underperforming somewhat. The latest data suggest that the performance of the capital’s economy was broadly in line with the rest of the country. The future path will in part depend on how the UK’s decision to leave the European Union affects Irish companies, with market uncertainty having the potential to disrupt operations and limit growth.”*

Access to the full report is provided by clicking on the following link:

[www.dublineconomy.ie](http://www.dublineconomy.ie)

**Register at the following link <http://bit.ly/1W3Xdjs> for quarterly updates on Dublin’s economic performance.**

### **About Dublin Economic Monitor:**

The **Dublin Economic Monitor** is a joint initiative of the four Dublin local authorities, the Monitor looks exclusively at the Dublin region, and tracks 15 key economic indicators. It captures data from the height of the boom to the economic crash and subsequent recovery.

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