



AUTUMN 2009 ECONOMIC OUTLOOK FOR IRELAND: ANSWERS FROM IBEC

MAIN FORECAST	i				
		2009	2010		
Real GDP growth		-8.4	-2.9		
Consumer price inflation		-1.0	0.5		
Jnemployment rate		12.2	15.7		
Employment growth		-8.0	-5.4		
		5.0	U .T		
Commonweate of commonste domonal					
Components of aggregate demand					
Annual % change		2009	2010		
Private consumption		-8.7	-5.0		
Public consumption		-1.0	-1.0		
nvestment (Gross fixed capital formation)		-31.9	-10.0		
Exports		-4.0	-1.5		
mports		-9.5	-4.0		
ECONOMIC SENTIMENT					
	B	N	11		
	Positive	Negative	Unchanged		
Trend in business climate over the next		Industry			
5 months		Services			
	Positive	Negative	Unchanged		
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Trend in profitability over the next 6		Industry			
months		Services			
	Increase	Increase		Decrease	Decrease
			Unchanged		
	(faster pace)	(slower pace)	-	(slower pace)	(faster pace)
Investment intentions over the next 6				Industry	
nonths				Services	
	Fall in global damas d	Cost of finance	Availability of finances		
	Fall in global demand	Cost of finance	Availability of finance		
Influence on companies' investment	negative	negative	nogativo		
decisions	negative	negative	negative		
	Replacement	Extension	Rationalisation	Innovation	
Driving force behind investment					
decisions in the next 6 months	not important	not important	important	important	
decisions in the next o month's					
	Industry: past 6 months	Industry: next 6 months	Services: past 6 months	Services: next 6 months	
A		-	Services: past 6 months		
Overall trend in employment	Industry: past 6 months Down	Industry: next 6 months Down	Services: past 6 months Down	Services: next 6 months Down	
	Down	Down	· · · · · · · · · · · · · · · · · · ·		
	Down	Down	· · · · · · · · · · · · · · · · · · ·		
ACCESS TO FINANCE AND IMPACT OF	Down	Down	· · · · · · · · · · · · · · · · · · ·		
Overall trend in employment ACCESS TO FINANCE AND IMPACT OF Compared to 6 months ago,	Down	Down AL GROWTH	Down	Down	
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POLICY MIX					
	Tight, appropriate for the euro area	Tight	Appropriate	Loose	Loose, appropriate for the euro area
Monetary policy is			yes		
	adequate	inadequate			
Consistency between fiscal and monetary policies		yes			
	excellent committment	satisfactory committment	neither satisfactory nor unsatisfactory committment	unsatisfactory committment	no clear committment creating an extremely worrying situation
Regarding the sustainability of public finances, government shows		yes			
	respect the 3% limit	be in balance			
In 2015, the government deficit will	yes	no			