Summary

- Using data available through 18th August 2023, we provide an update to our monthly estimate of modified domestic demand (MDD)\(^1\) using the ESRI Nowcasting model currently employed to support the forecasting exercise in the Quarterly Economic Commentary.\(^2\)

- We estimate that MDD grew 3.5% year-on-year in June 2023. This is up slightly from our May 2023 estimate of 3.1%.

- While June saw a further tightening of financial conditions and more negative business sentiment indicators than 12 months ago, there were strong improvements in retail sales as well as an increase in industrial production from 12 months ago.

- Based on a full complement of data from April, May and June, our final nowcast estimates MDD for 2023Q2 to be 3.4% above its level in 2022Q2, up from the 3.3% estimate last month.

\(^1\) MDD is a measure of domestic economic activity in Ireland including spending by households, investment by enterprises and net spending by the government.

\(^2\) For further information, please contact:

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