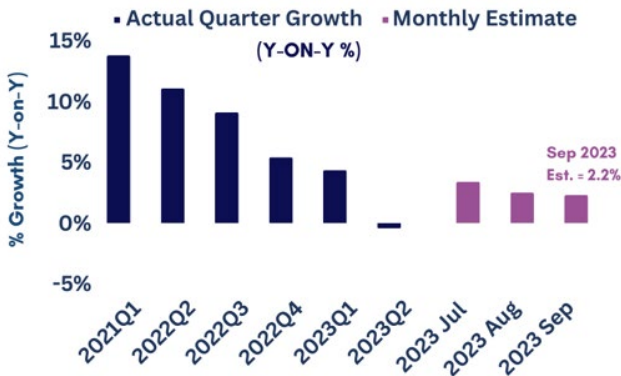
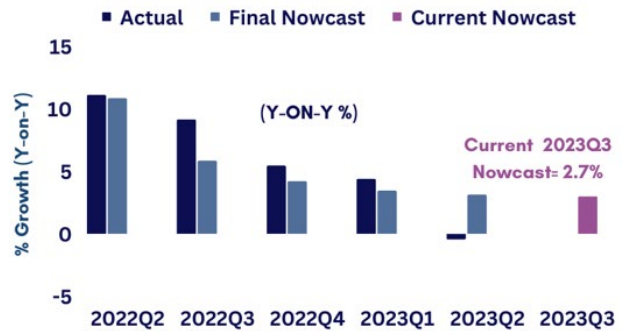




Estimated September 2023 MDD = 2.2%



2023Q3 MDD Nowcast = 2.7%
(based on all July, Aug and Sep data)



Summary

- Using data available to 20th November 2023, we provide an update to our monthly estimate of modified domestic demand (MDD)¹ using the ESRI’s Nowcasting model currently employed to support the forecasting exercise in the *Quarterly Economic Commentary*².
- We estimate that MDD grew 2.2% year-on-year in September 2023. This is down from the 2.6% reported for August 2023.
- While September again saw increases in the price of both goods and services as well as an improvement in consumer confidence from 12 months ago, there was a further tightening of financial conditions as well as a slight worsening of labour market indicators compared to September 2022.
- Based on a full complement of data from July, August and September data, our final nowcast estimates MDD for 2023Q3 to be 2.7% above its level in 2022Q3. This is down slightly from the 3.0% estimated 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 Based on Egan, P. (2023) Nowcasting domestic demand using a dynamic factor model: the case of Ireland, *Applied Economics Letters*, 30(19), 2711-2716. For further information, please contact Paul Egan, Research Officer. Email: paul.egan@esri.ie

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