Summary

- Using data available through 18th July 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 3.1% year-on-year in May 2023; it has remained relatively stable since the beginning of the year.
- May did see a further tightening of financial conditions and more negative business sentiment indicators than 12 months ago. However, there were also saw strong improvements in the labour market and in the indicator of industrial production.
- Our nowcast currently estimates MDD for 2023Q2 to be 3.3% above its level in 2022Q2.

---

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

For further information, please contact:
Paul Egan, Research Officer
Email: paul.egan@esri.ie

https://doi.org/10.26504/ir9
© 2023 The Economic and Social Research Institute, Whitaker Square, Sir John Rogerson’s Quay, Dublin 2

This Open Access work is licensed under a Creative Commons Attribution 4.0 International License (https://creativecommons.org/licenses/by/4.0/), which permits unrestricted use, distribution, and reproduction in any medium, provided the original work is properly credited.