

# AIB Irish Economic Forecasts July 2017

| <i>% change in real terms unless stated</i> | 2014       | 2015        | 2016       | 2017 (f)   | 2018 (f)   | 2019 (f)   |
|---------------------------------------------|------------|-------------|------------|------------|------------|------------|
| <b>GDP</b>                                  | <b>8.3</b> | <b>25.6</b> | <b>5.1</b> | <b>4.0</b> | <b>3.5</b> | <b>3.0</b> |
| <b>GNP</b>                                  | 9.0        | 16.3        | 9.6        | 3.5        | 3.0        | 2.5        |
| <b>Personal Consumption</b>                 | 2.0        | 4.2         | 3.3        | 3.0        | 2.5        | 2.2        |
| <b>Government Spending</b>                  | 4.8        | 1.8         | 5.3        | 1.5        | 1.5        | 1.5        |
| <b>Fixed Investment</b>                     | 18.1       | 27.9        | 61.2       | 6.0        | 5.0        | 4.5        |
| <b>Core Fixed Investment*</b>               | 13.5       | 10.8        | 13.6       | 6.0        | 5.0        | 5.0        |
| <b>Core Domestic Spending*</b>              | 4.3        | 4.8         | 5.4        | 3.9        | 3.3        | 3.0        |
| <b>Exports</b>                              | 14.4       | 38.4        | 4.6        | 4.5        | 4.2        | 4.0        |
| <b>Imports</b>                              | 14.9       | 26.0        | 16.4       | 4.0        | 3.8        | 3.7        |
| <b>HICP Inflation (%)</b>                   | 0.3        | 0.0         | -0.2       | 0.2        | 1.0        | 1.5        |
| <b>Unemployment Rate (%)</b>                | 11.3       | 9.5         | 7.9        | 6.3        | 5.3        | 4.8        |
| <b>Budget Balance (% GDP)</b>               | -3.7       | -2.0        | -0.5       | -0.4       | -0.1       | 0.1        |
| <b>Gross General Gov Debt (% GDP)</b>       | 105.3      | 78.7        | 75.4       | 73.0       | 71.0       | 69.0       |

\*Excludes investment in aircraft and intangibles

Source: CSO, AIB ERU Forecasts

Note: All Irish data in tables are sourced from the CSO unless otherwise stated. Non-Irish data are from the IMF, OECD and Thomson Financial. Irish forecasts are from AIB Economic Research Unit. This presentation is for information purposes and is not an invitation to deal. The information is believed to be reliable but is not guaranteed. Any expressions of opinions are subject to change without notice. This presentation is not to be reproduced in whole or in part without prior permission. In the Republic of Ireland it is distributed by Allied Irish Banks, p.l.c. In the UK it is distributed by Allied Irish Banks, plc and Allied Irish Banks (GB). In Northern Ireland it is distributed by First Trust Bank. In the United States of America it is distributed by Allied Irish Banks, plc. Allied Irish Banks, p.l.c. is regulated by the Central Bank of Ireland. Allied Irish Bank (GB) and First Trust Bank are trade marks used under licence by AIB Group (UK) p.l.c. (a wholly owned subsidiary of Allied Irish Banks, p.l.c.), incorporated in Northern Ireland. Registered Office 92 Ann Street, Belfast BT1 3HH. Registered Number NI 018800. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. In the United States of America, Allied Irish Banks, p.l.c., New York Branch, is a branch licensed by the New York State Department of Financial Services. Deposits and other investment products are not FDIC insured, they are not guaranteed by any bank and they may lose value. Please note that telephone calls may be recorded in line with market practice.