



Economic Developments and Outlook

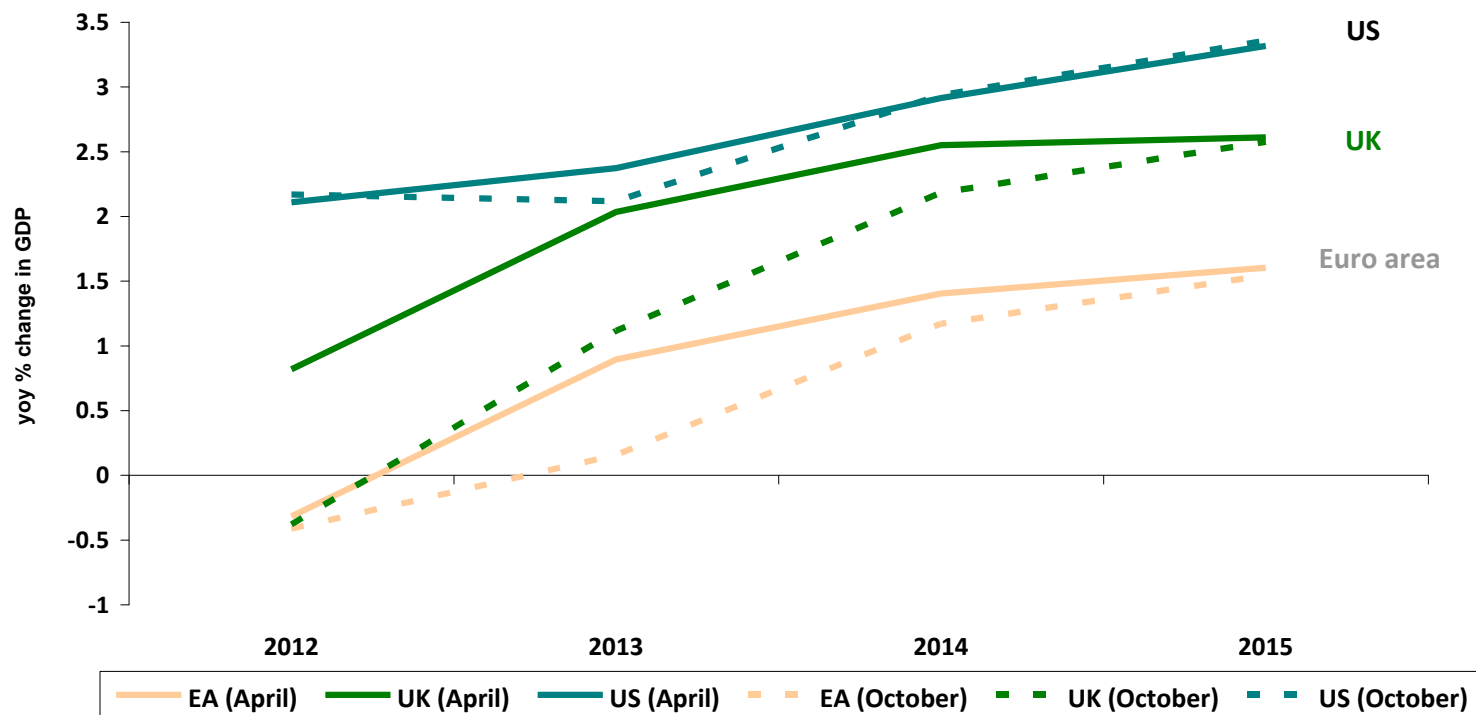
BUDGET 2013



An Roinn Airgeadais
Department of Finance



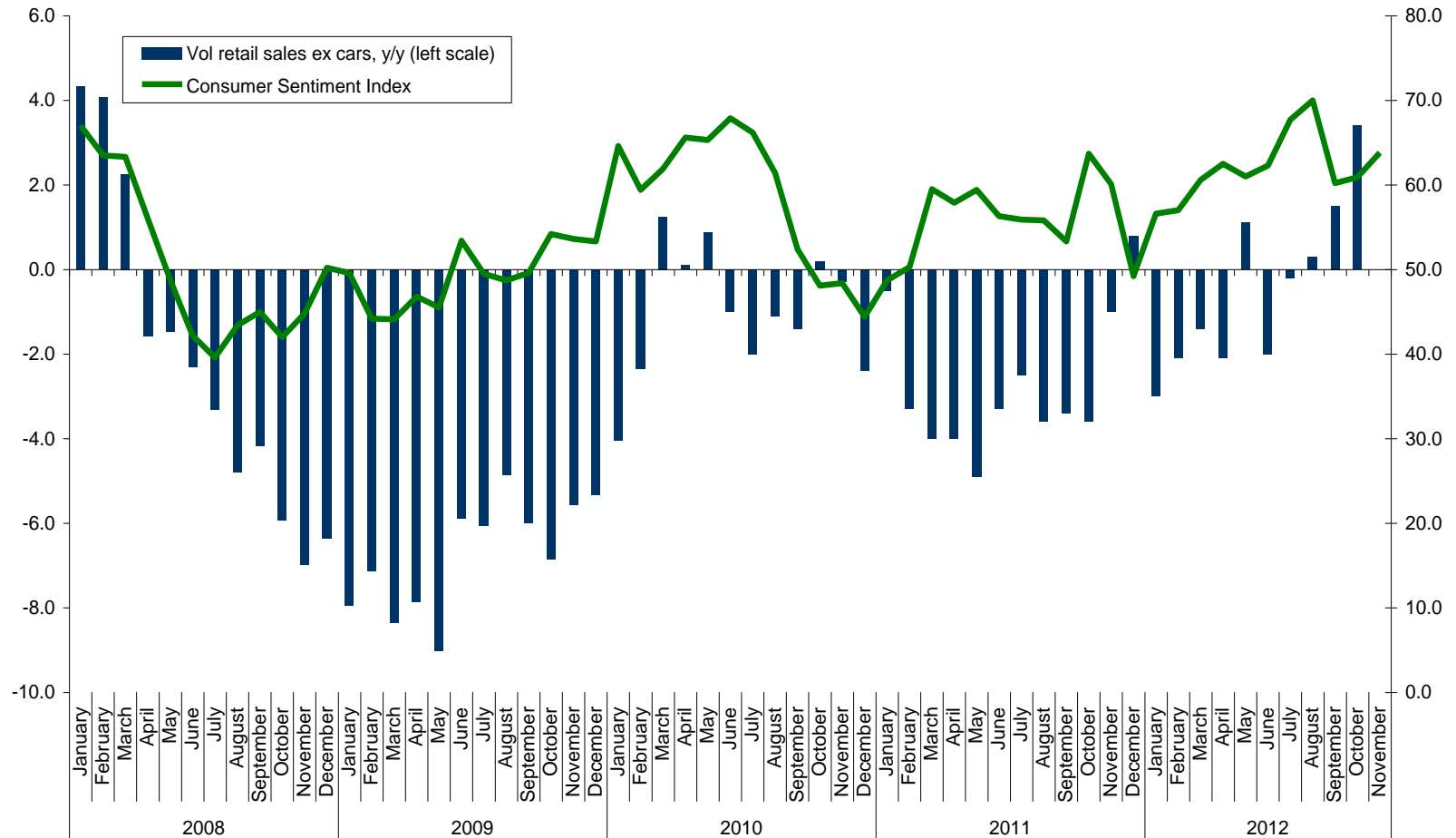
The IMF has revised its growth forecasts for Ireland's main trading partners



Source: IMF World Economic Outlook April 2012 and October 2012



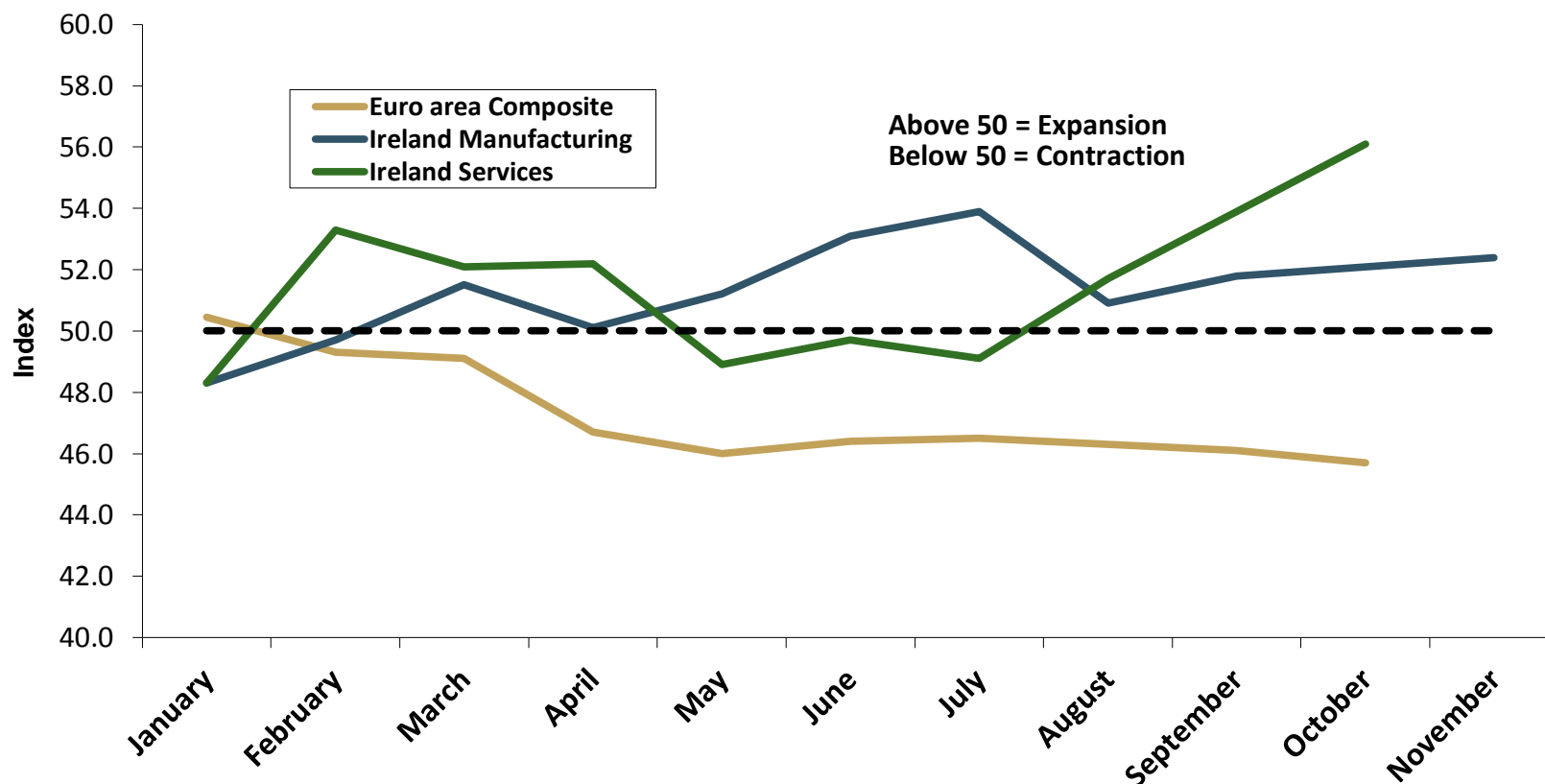
There have been signs of stabilisation in relation to consumer spending in recent months and consumer sentiment has improved slightly





Ireland continues to out-perform the euro area with positive PMI readings this year for both manufacturing and services

Purchasing Managers' Index 2012





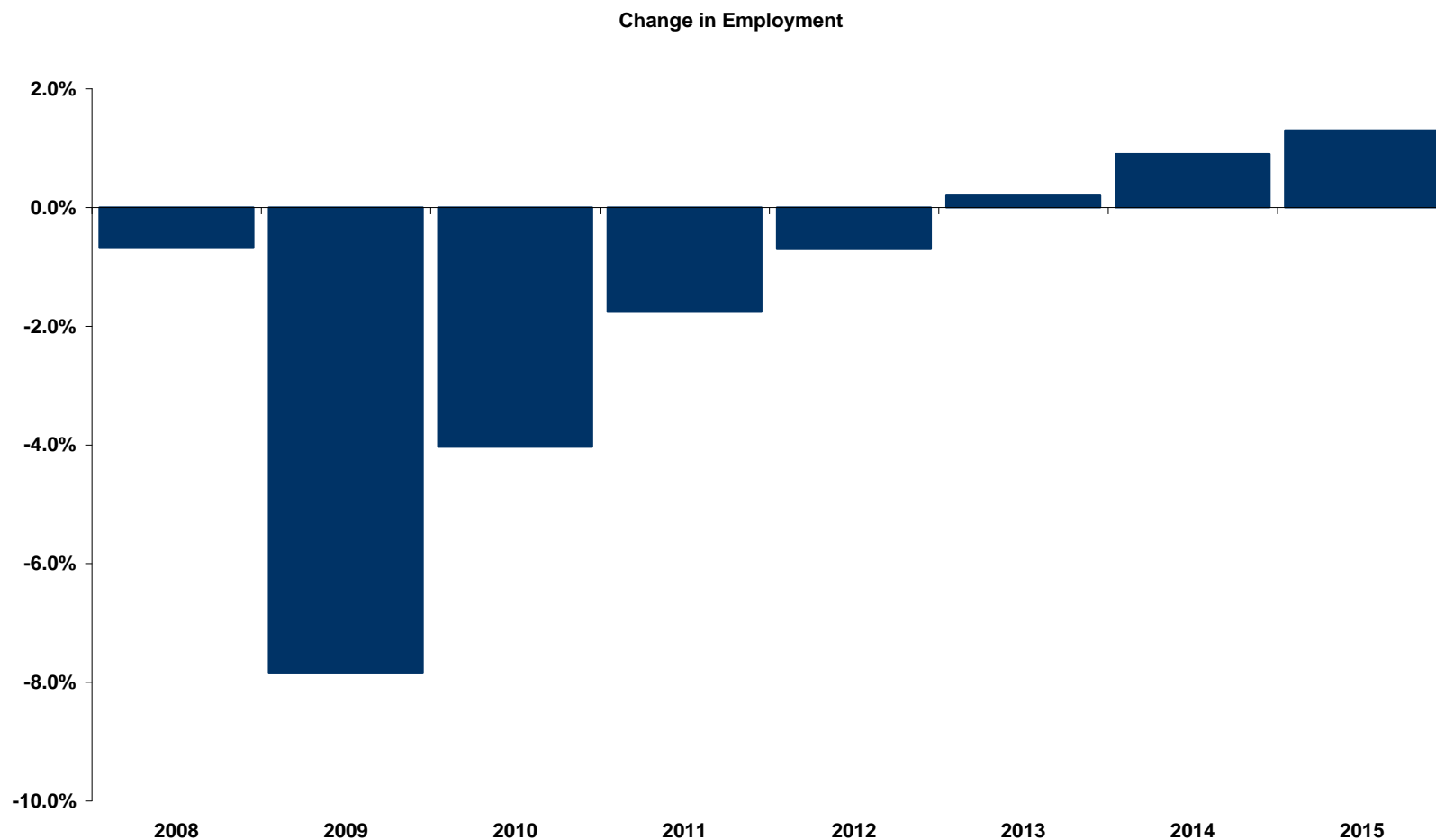
Budget 2013 macroeconomic/fiscal outlook

	2012	2013	2014	2015
GDP	0.9	1.5	2.5	2.9
GNP	1.4	0.9	1.7	2.1
Employment	-0.7	0.2	0.9	1.3
Unemployment	14.9	14.6	14.1	13.1
GG/balance % GDP	-8.2	-7.5	-5.1	-2.9
GG/Debt % GDP	118	121	120	117

% change unless stated

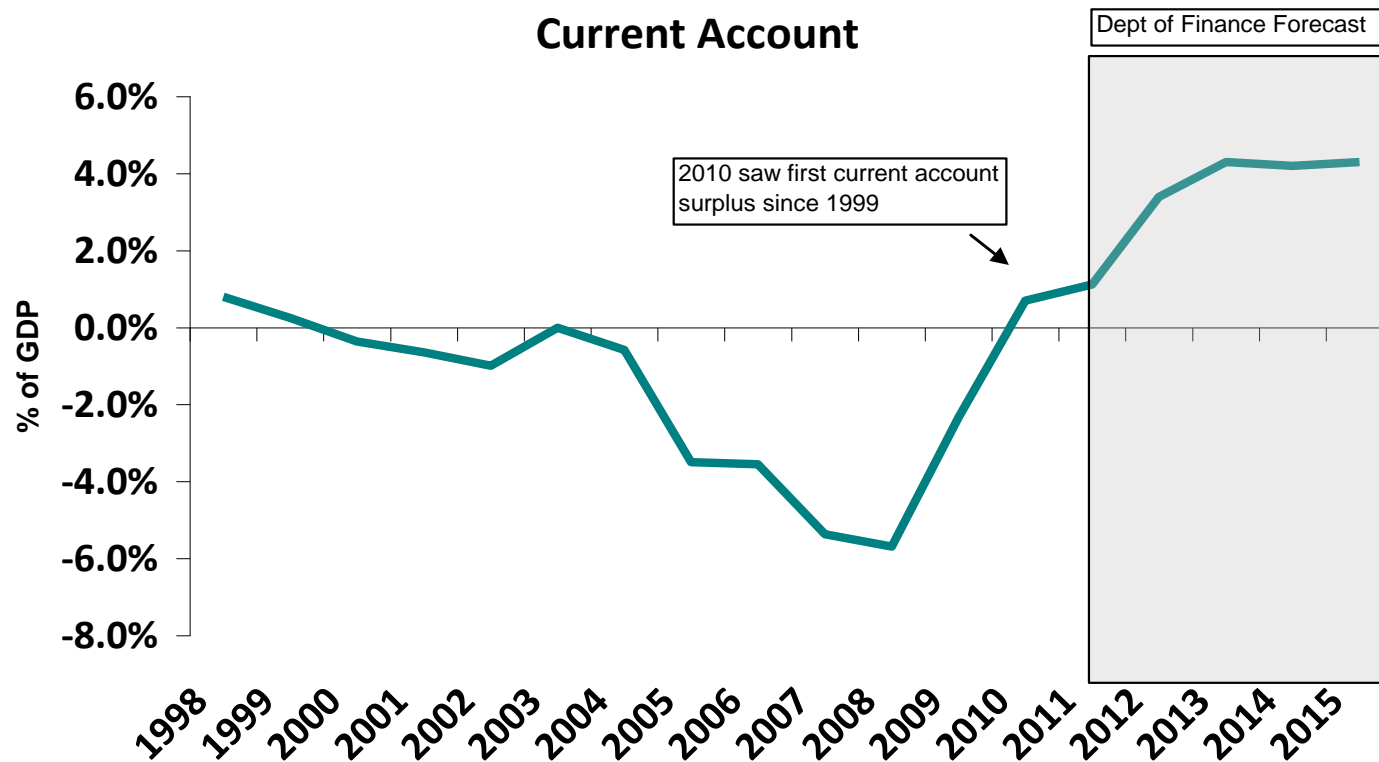


Clear signs of stabilisation in the labour market and modest employment growth expected next year, picking up thereafter





2010 saw the first balance of payments surplus since 1999 – a key indication of our adjustments taking effect





Exports will continue to be the driver of growth

Contribution to GDP Growth 2012 to 2015

