

Quarterly Business Monitor

Q2 2016

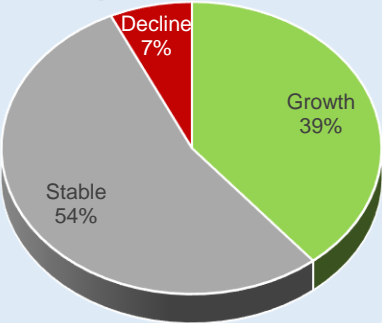
These findings are based on telephone interviews conducted between 27 June and 22 July 2016

InterTradelreland interviews over 750 businesses on the island of Ireland every quarter to understand their current economic position and issues affecting their performance

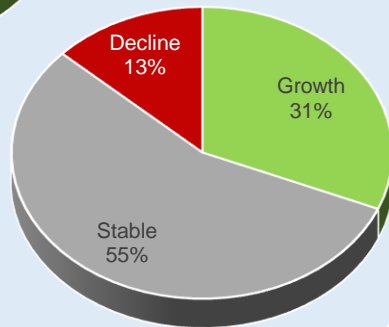
Survey highlights

The growth monitor

Republic of Ireland



Northern Ireland



61% of firms with 50+ employees are experiencing growth compared to **37%** of those businesses with less than 10 staff.



In this quarter, **47%** of businesses are at full capacity compared with **33%** in the last quarter. **17%** plan to extend their workforce in the next twelve months.



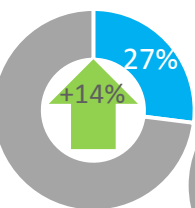
97% of firms have not made plans to deal with Brexit, though overall **16%** expect their speed and/or level of investment to decrease as a result of the vote.

Business issues tracker

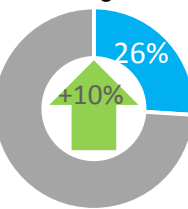
Percentage of businesses who said that this was an issue

Issues increasing in importance with business

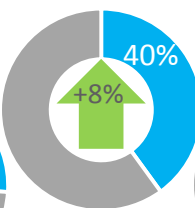
Exchange rates



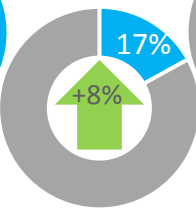
Difficulty recruiting skills



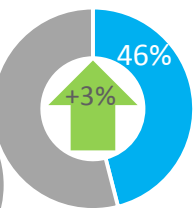
Energy costs



A lack of skills



Overhead costs



More businesses are reporting that costs, skills & exchange rates are important issues compared to the previous quarter

Other issues

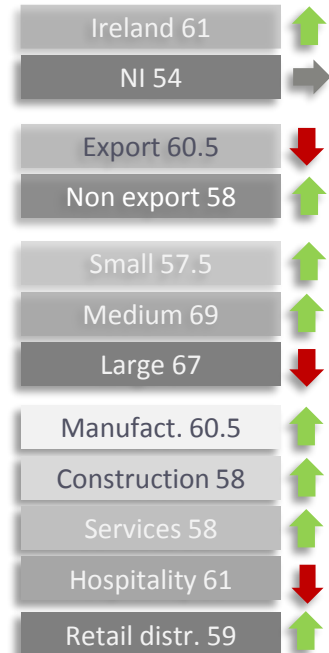
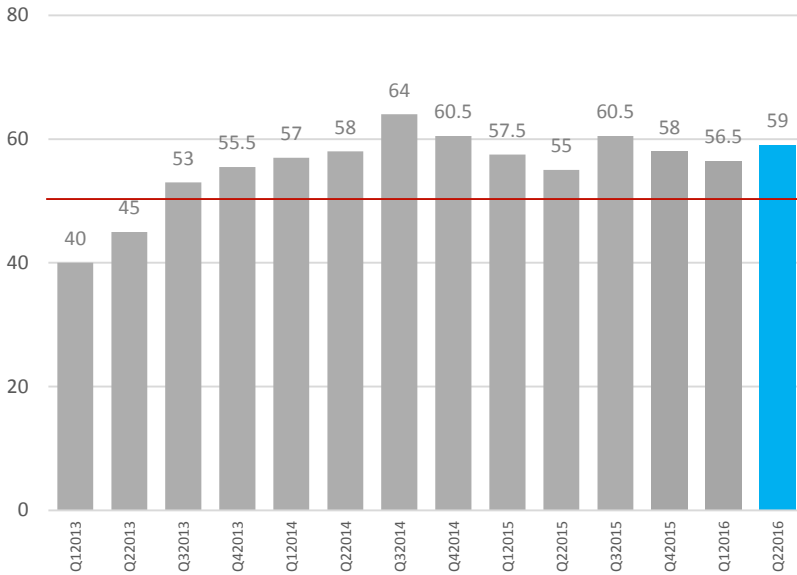
37%	Cash flow	↓
31%	New competitors	↓
30%	Late payments	↓
29%	Discounting	↓
26%	Reduction in demand	↑
18%	Consumer confidence	↑
18%	Innovation	↑
14%	Access to finance	↓

Due to rounding percentages sum to between 99% and 101%

Sales

Number of firms experiencing sales growth is up on Q1 2016

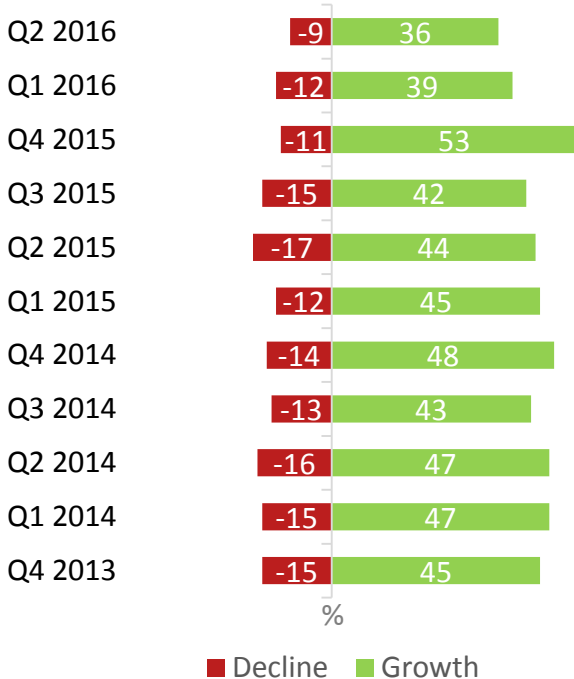
Sales performance index



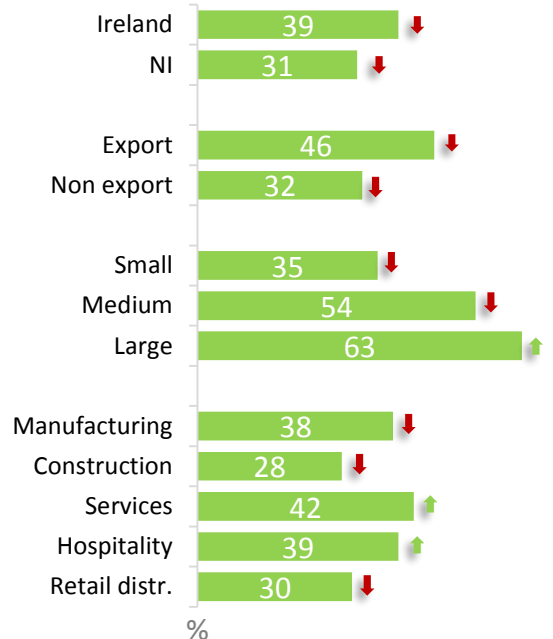
Growth

There has been a decrease in those reporting growth since Q1 2016

Businesses were asked to describe the current condition of their business



Percentage currently in growth Q2 2016



InterTradeIreland's quarterly Business Monitor survey is the largest and most comprehensive business survey on the island covering business owner's views both Northern Ireland and Ireland. It has a lengthy time series of six years and tracks all-island economic indicators such as sales, employment, business outlook and other specific topical issues on a quarterly basis.

The findings outlined above are based on telephone interviews with 750 businesses conducted by researchers at Perceptive Insight Market Research Limited between 26 June and 22 July 2016.

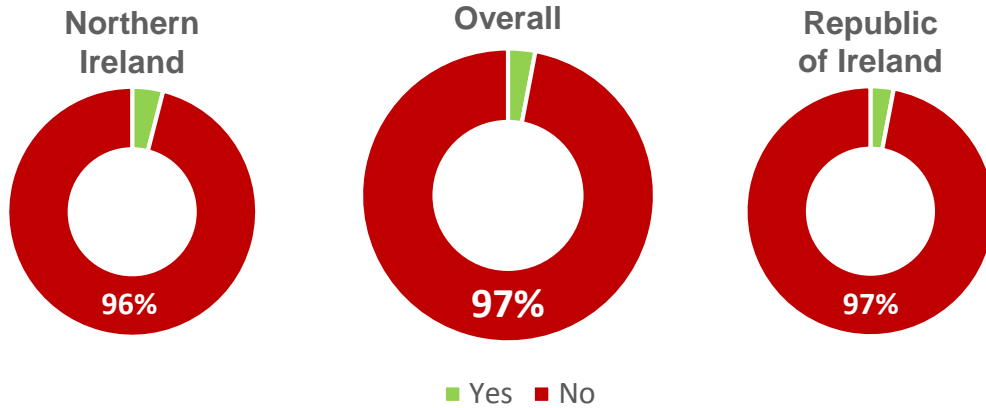
Brexit watch

Interviews with businesses began as soon as the Brexit referendum result was announced. The InterTradeIreland Business Monitor will continue to capture the views of businesses on Brexit in the coming quarters.

Plans

The vast majority of firms have not made plans to deal with a Brexit, regardless of location.

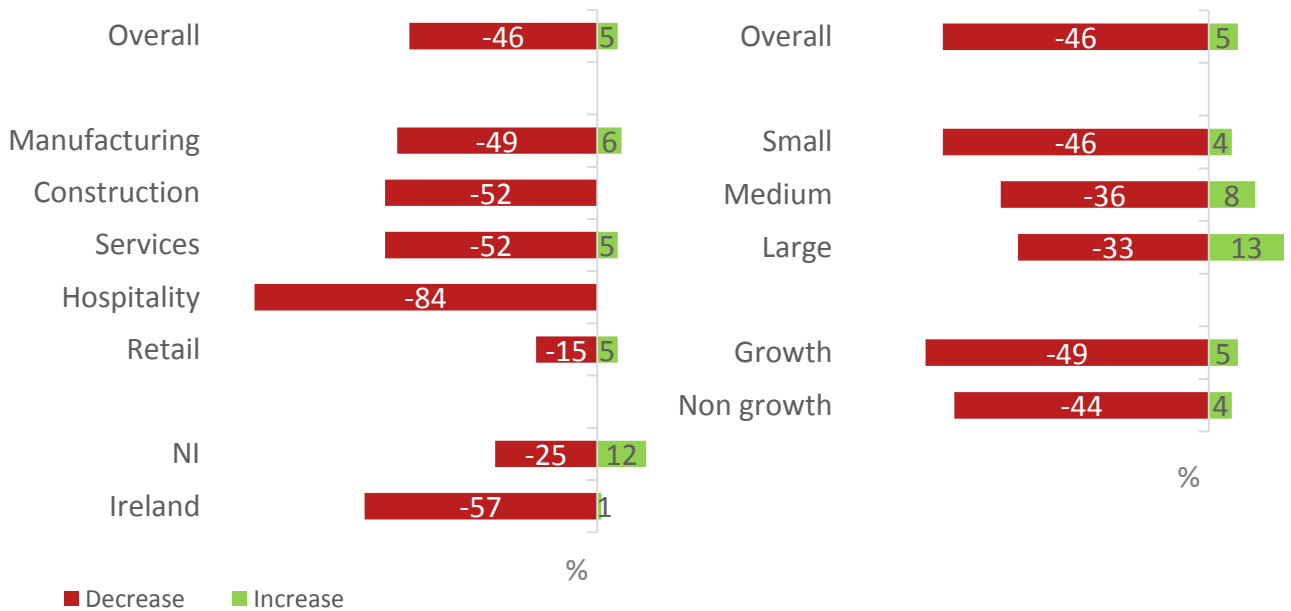
Businesses were asked whether they had plans to deal with a Brexit



Sales

Across all business types, it is expected that cross-border sales are likely to decrease as a result of Brexit. Few businesses expect sales to increase.

Businesses with cross-border sales were asked how they think the UK voting to leave the EU will impact on these sales



Investment

Firms based in Northern Ireland are more likely to indicate that they will change their level and / or speed of investment as a result of Brexit, with a greater proportion planning a decrease

Businesses were asked how, if at all, their plans for investment over the next 12 months will change as a result of the UK referendum on Europe

