



Embargoed until 0101 IST (0001 UTC) 14 October 2024

BNP Paribas Real Estate Ireland Construction PMI®

- **New business expands further at end of third quarter**
- **Renewed growth of housing activity**
- **Employment returns to growth**

The headline seasonally adjusted BNP Paribas Real Estate Ireland Construction Total Activity Index dipped below the 50.0 no-change mark in September, posting 49.0 from a reading of exactly 50.0 in August. Total activity has now decreased in four of the past five months.

Underneath the headline figure, latest data signalled differing trends among the sub-categories of construction than was the case in August. Housing activity returned to growth following a fractional reduction in the previous survey period. Activity on residential projects has now increased in six of the past seven months. In contrast, commercial activity dipped back into contraction during September after having seen growth in August.

The slight reduction in total construction activity in September was recorded in spite of a further expansion of new orders during the month. New business increased for the seventh month running, with panellists reporting improving client demand and the sign-off on projects which had been priced in previous months.

Construction firms responded to a further expansion of new business by raising staffing levels to help ensure that projects were completed on time. Employment increased modestly, reversing the decline seen in the previous month.

Another sharp increase in input costs was recorded in September amid general inflationary pressures on materials and higher wages. That said, the rate of input cost inflation eased for the third successive month and was the slowest since January.

PMI®

by **S&P Global**



Latest Construction PMI Readings	Aug '24	Sep '24
Total Activity	50.0	49.0
Housing Activity	49.8	51.0
Commercial Activity	51.1	47.9
Employment	47.7	51.7

Comment

Commenting on the latest survey results, John McCartney, Director & Head of Research at BNP Paribas Real Estate Ireland, said:

“September continued along the lines of the last six months with overall activity broadly flat and residential construction out-performing commercial. This pattern reflects conditions in these respective markets. House prices and, to a lesser extent, rents are rising strongly and the demand for residential property is well underpinned by population growth, the strong economy and Government schemes like Help to Buy which was extended again in the recent budget. Notwithstanding a continuous rise in costs since the spring of 2020, these factors have given builders confidence that they can deliver housing profitably, and residential commencements are strongly up. In contrast rising office vacancy has caused new starts in the commercial sector to dry-up, dragging on overall activity.”

****Ends****

BNP Paribas Real Estate Ireland Construction PMI Total Activity Index

sa, >50 = growth since previous month



Sources: BNP Paribas Real Estate Ireland, S&P Global PMI.



Contact

John McCartney

Director & Head of Research

BNP Paribas Real Estate Ireland

T: +353 (0) 1 661 1233

M: +353 87 974 8485

john.mccartney@bnpparibas.com

www.realestate.bnpparibas.ie

Sabrina Mayeen

Corporate Communications

S&P Global Market Intelligence

T: +44 (0) 7967 447030

sabrina.mayeen@spglobal.com

Survey Methodology

The BNP Paribas Real Estate Ireland Construction PMI[®] is compiled by S&P Global from responses to questionnaires sent to a panel of around 150 construction companies. The panel is stratified by company workforce size, based on contributions to GDP.

Survey responses are collected in the second half of each month and indicate the direction of change compared to the previous month. A diffusion index is calculated for each survey variable. The index is the sum of the percentage of 'higher' responses and half the percentage of 'unchanged' responses. The indices vary between 0 and 100, with a reading above 50 indicating an overall increase compared to the previous month, and below 50 an overall decrease. The indices are then seasonally adjusted.

The headline figure is the Total Activity Index. This is a diffusion index that tracks changes in the total volume of construction activity compared with one month previously. The Total Activity Index is comparable to the Manufacturing Output Index and Services Business Activity Index. It may be referred to as the 'Construction PMI' but is not comparable with the headline manufacturing PMI figure.

Underlying survey data are not revised after publication, but seasonal adjustment factors may be revised from time to time as appropriate which will affect the seasonally adjusted data series.

For further information on the PMI survey methodology, please contact economics@spglobal.com.

Data were collected 12-27 September 2024.

Survey data were first collected June 2000.

About S&P Global

S&P Global (NYSE: SPGI) S&P Global provides essential intelligence. We enable governments, businesses and individuals with the right data, expertise and connected technology so that they can make decisions with conviction. From helping our customers assess new investments to guiding them through ESG and energy transition across supply chains, we unlock new opportunities, solve challenges and accelerate progress for the world.

We are widely sought after by many of the world's leading organizations to provide credit ratings, benchmarks, analytics and workflow solutions in the global capital, commodity and automotive markets. With every one of our offerings, we help the world's leading organizations plan for tomorrow, today. www.spglobal.com.

About PMI

Purchasing Managers' Index[™] (PMI[®]) surveys are now available for over 40 countries and also for key regions including the eurozone. They are the most closely watched business surveys in the world, favoured by central banks, financial markets and business decision makers for their ability to provide up-to-date, accurate and often unique monthly indicators of economic trends.

www.spglobal.com/marketintelligence/en/mi/products/pmi

Disclaimer

The intellectual property rights to the data provided herein are owned by or licensed to S&P Global and/or its affiliates. Any unauthorised



use, including but not limited to copying, distributing, transmitting or otherwise of any data appearing is not permitted without S&P Global's prior consent. S&P Global shall not have any liability, duty or obligation for or relating to the content or information ("Data") contained herein, any errors, inaccuracies, omissions or delays in the Data, or for any actions taken in reliance thereon. In no event shall S&P Global be liable for any special, incidental, or consequential damages, arising out of the use of the Data. Purchasing Managers' Index™ and PMI® are either trade marks or registered trade marks of S&P Global Inc or licensed to S&P Global Inc and/or its affiliates.

This Content was published by S&P Global Market Intelligence and not by S&P Global Ratings, which is a separately managed division of S&P Global. Reproduction of any information, data or material, including ratings ("Content") in any form is prohibited except with the prior written permission of the relevant party. Such party, its affiliates and suppliers ("Content Providers") do not guarantee the accuracy, adequacy, completeness, timeliness or availability of any Content and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of such Content. In no event shall Content Providers be liable for any damages, costs, expenses, legal fees, or losses (including lost income or lost profit and opportunity costs) in connection with any use of the Content.

About BNP Paribas Real Estate

BNP Paribas Real Estate, one of the leading international real estate providers, offers its clients a comprehensive range of services that span the entire real estate lifecycle: Property Development, Transaction, Consulting, Valuation, Property Management and Investment Management. With 5,000 employees, BNP Paribas Real Estate as a one stop shop company, supports owners, leaseholders, investors and communities thanks to its local expertise across 30 countries (through its facilities and its Alliance network) in Europe, the Middle-East and Asia. BNP Paribas Real Estate is a as part of the BNP Paribas Group, a global leader in financial services.