

Quarterly Business Monitor

Q4 2016

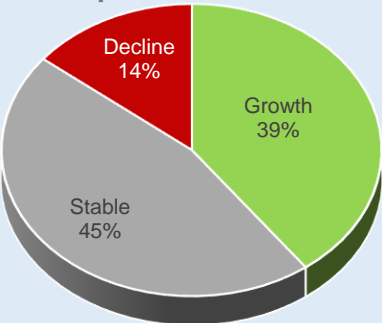
These findings are based on telephone interviews conducted between 5 January and 23 January 2017

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

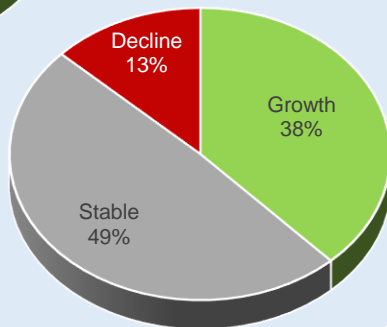
Survey highlights

The growth monitor

Republic of Ireland



Northern Ireland



54% of firms with 50+ employees are experiencing growth compared to **37%** of those businesses with less than 10 staff.



In this quarter, **34%** of businesses are at full capacity compared with **40%** in the last quarter. **25%** plan to extend their workforce in the next twelve months.



98% of firms have not made plans to deal with Brexit, though overall **9%** expect their speed and/or level of investment to decrease as a result of the vote.

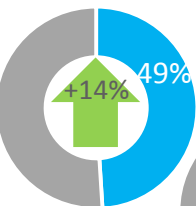
Business issues tracker

A higher proportion of businesses are reporting 'energy costs' and 'new competitors' as important issues compared to the previous quarter. Also up by 14% points is 'difficulty recruiting skills'.

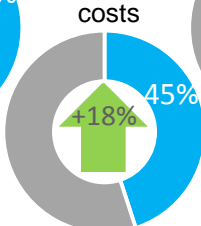
Percentage of businesses who said that this was an issue

Five most important issues with business

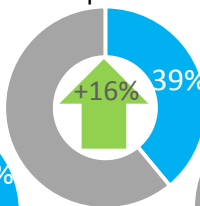
Overhead costs



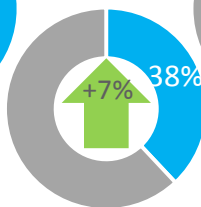
Energy costs



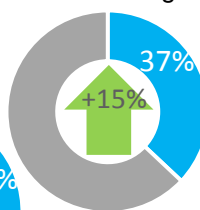
New competitors



Cash flow



Discounting



Other issues

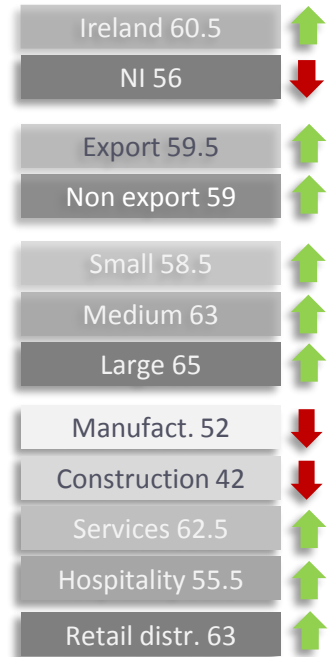
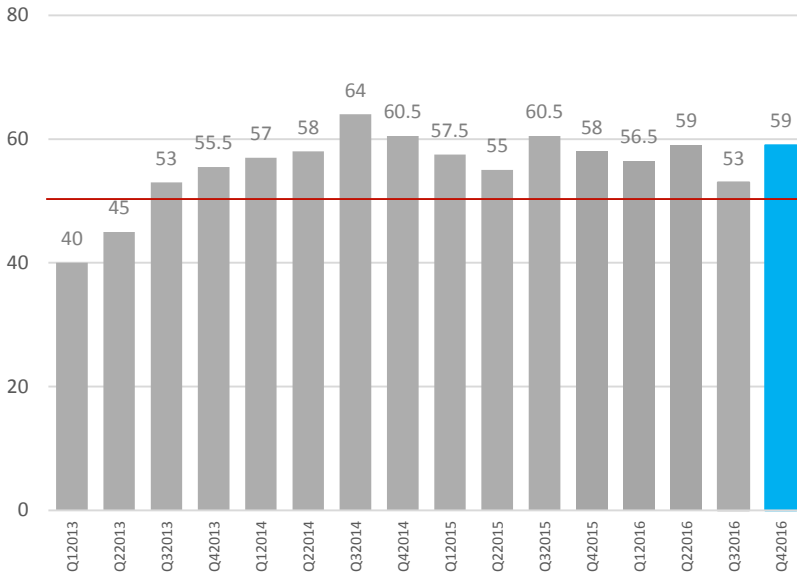
29%	Difficulty recruiting skills	↑
26%	Exchange rates	↓
25%	Consumer confidence	↓
23%	Reduction in demand	↑
22%	Late payments	→
22%	Innovation	↑
20%	A lack of skills	↑
14%	Access to finance	→

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

Sales

Number of firms experiencing sales growth is up on Q3 2016

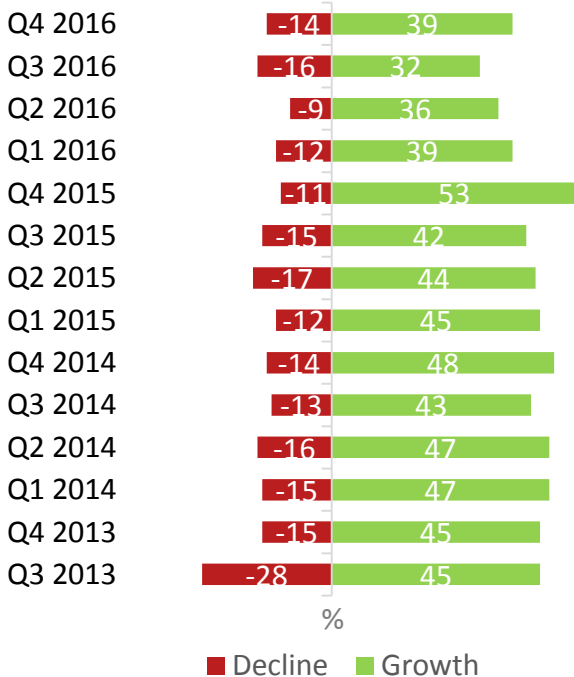
Sales performance index



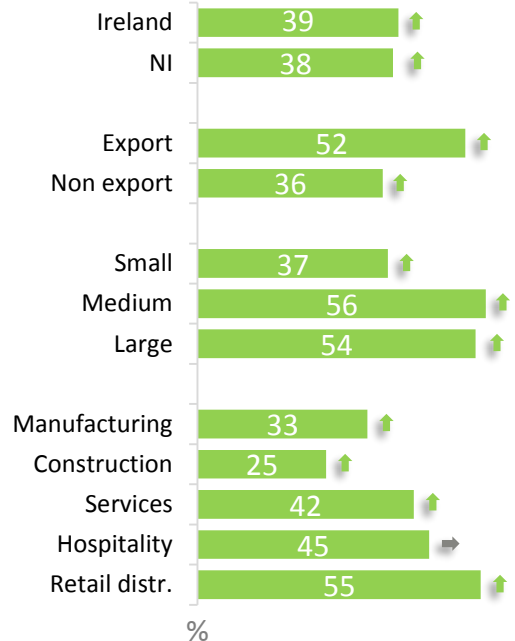
Growth

There has been an increase in those reporting growth since Q3 2016

Businesses were asked to describe the current condition of their business



Percentage currently in growth Q4 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 5 January to 23 January 2016.

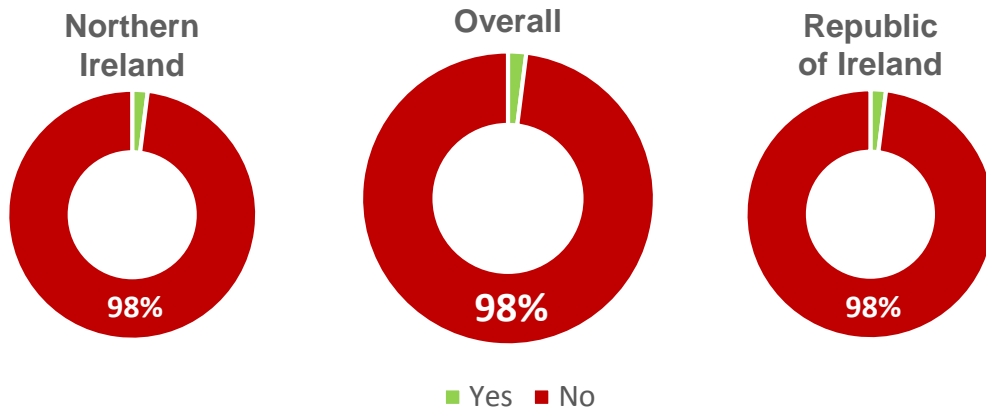
Brexit watch

The InterTradeIreland Business Monitor has captured the views of businesses on Brexit since Q3 2016 and will continue to do this in the coming quarters.

Plans

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

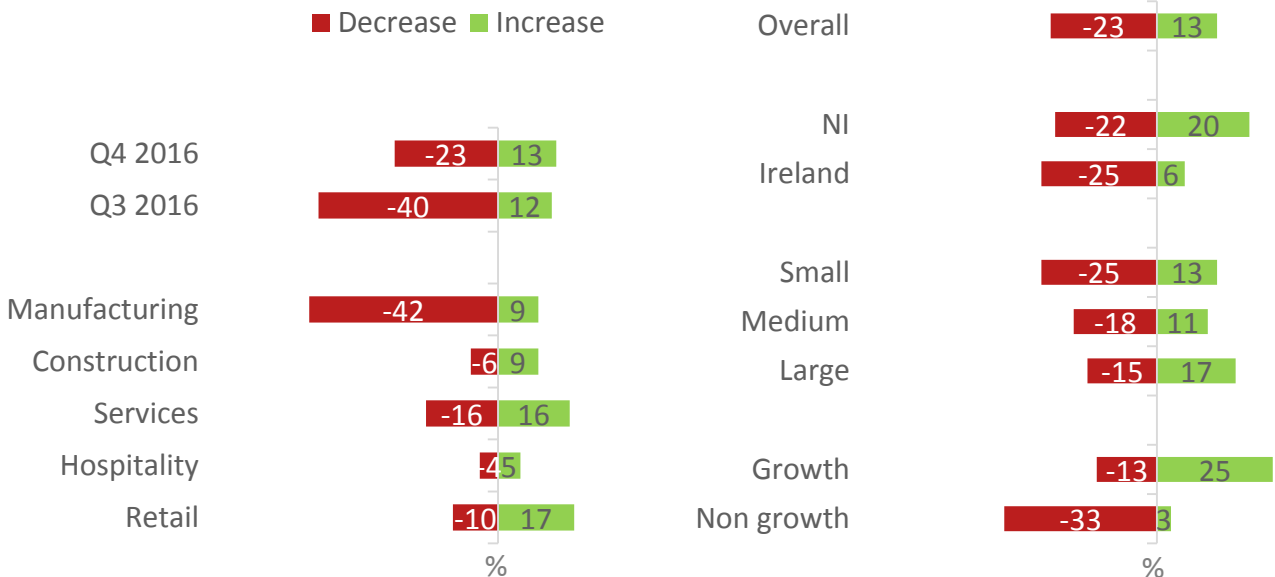
Businesses were asked whether they had plans to deal with a Brexit



Sales

Although not as pessimistic as Q3 2016, on balance those with cross border sales are more likely to expect a decrease in sales as a result of Brexit.

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



Costs

Around half of businesses have seen their costs for supplies, consumables and energy increase in the last six months with those in NI more likely to be affected.

Businesses were asked if their costs in any of the following areas have a increased in the past six months

