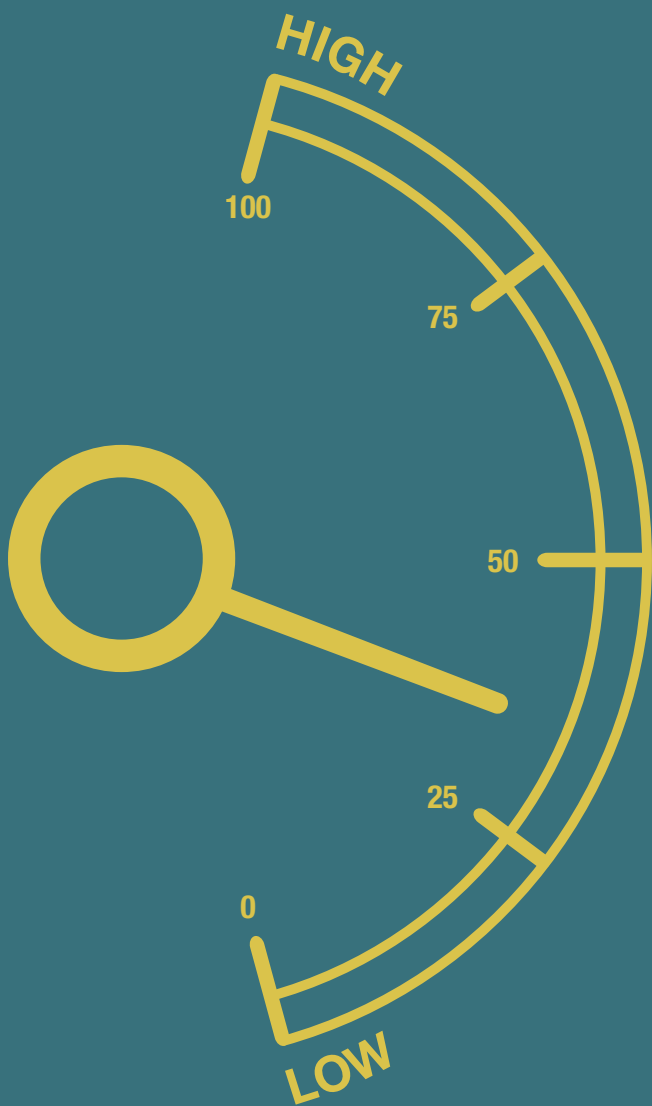


Business Monitor Survey Q1 2013



Business Confidence

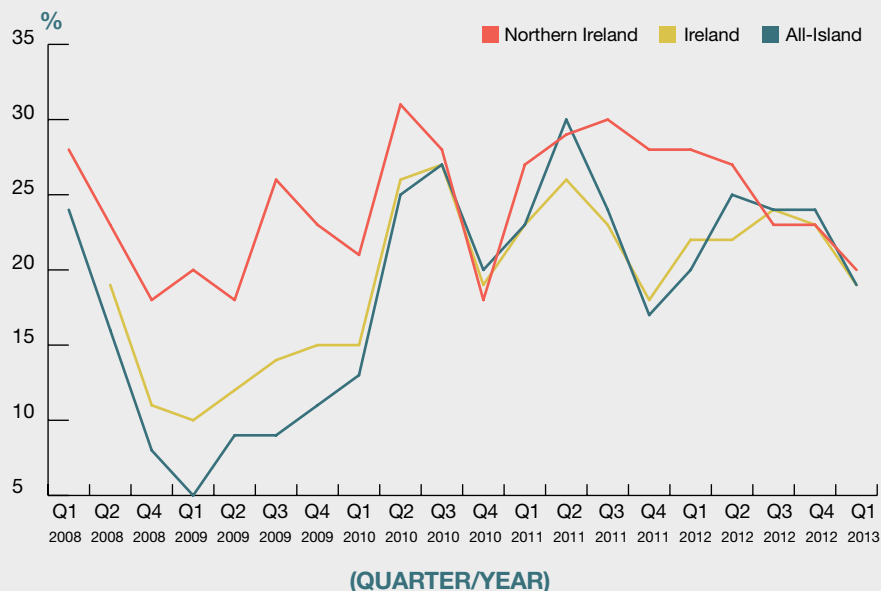
Key Findings Q1 2013

<p>Just less than a fifth (19%) of businesses reported an increase in sales in Q1 2013, with 39% reporting a decrease. Both figures are down on last quarter.</p>	<p>Almost every quarter had similar sales increase figures with the slight exceptions of Manufacturing (20%) and Business Services firms (22%).</p>
<p>There has been a convergence in sales and employment performance between businesses in Ireland and Northern Ireland in recent quarters to make them indistinguishable from one another.</p>	<p>Nearly half (47%) of businesses were contracting, fighting for survival or winding up with highest proportions among construction (62%), retail (54%) and small (49%) firms.</p>
<p>The costs of doing business, particularly energy, transport and supplies, are now a 'huge issue' for 2 in 5 (40%) of firms.</p>	<p>Almost three quarters (71%) of businesses have taken steps to reduce costs in the past year, energy, telecoms and supplies, being the main targets.</p>
<p>Over one third (36%) of businesses are not paid on time, with 19% having more than a tenth of their debtors over 90 days.</p>	<p>More than half (54%) have no practises in place for managing business debt with most relying on invoices with the goods and selective use of credit.</p>

Sales increases...

Just less than a fifth (19%) of businesses reported an increase in sales in Q1 2013. This marks a fall on the figures for the previous three quarters and shows how sluggish demand remains. One notable feature is the convergence between Northern Ireland (20% reporting an increase) and Ireland (19%), something which has developed strongly over the past year. Large firms (32%), cross-border traders (26%) and the Business Services (22%) sector are the most positive.

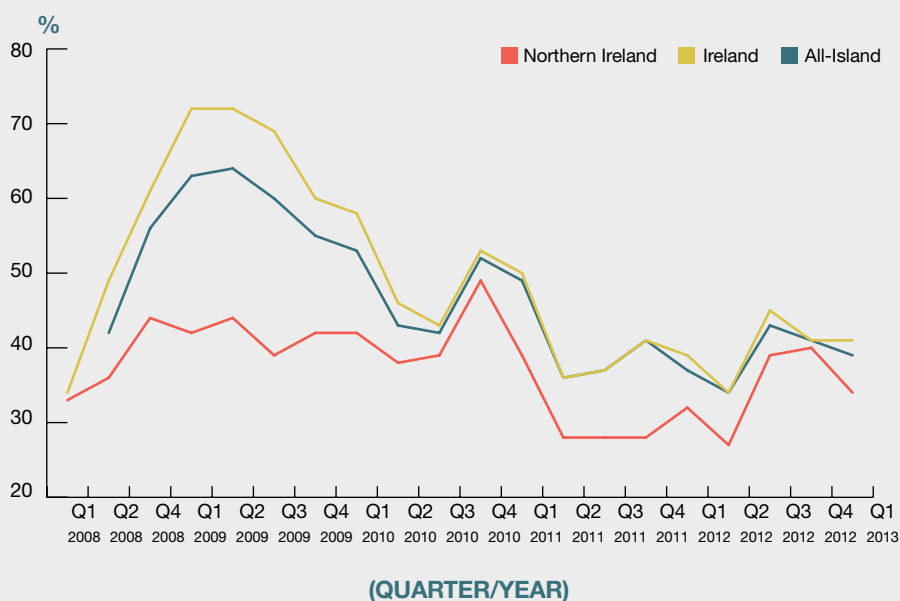
Percentage of businesses reporting an increase in sales from Quarter 1 2008 to Quarter 4 2012



Sales decreases...

There was another small fall in the number of businesses (39%) reporting a decrease in sales. The numbers of firms in Ireland (41%) reporting a decrease remains the same but numbers in Northern Ireland (34%) show a sharp drop. Construction (49%) and leisure and hotels (51%) are the sectors with higher than average decreases while non-exporters (42%) are also performing less well.

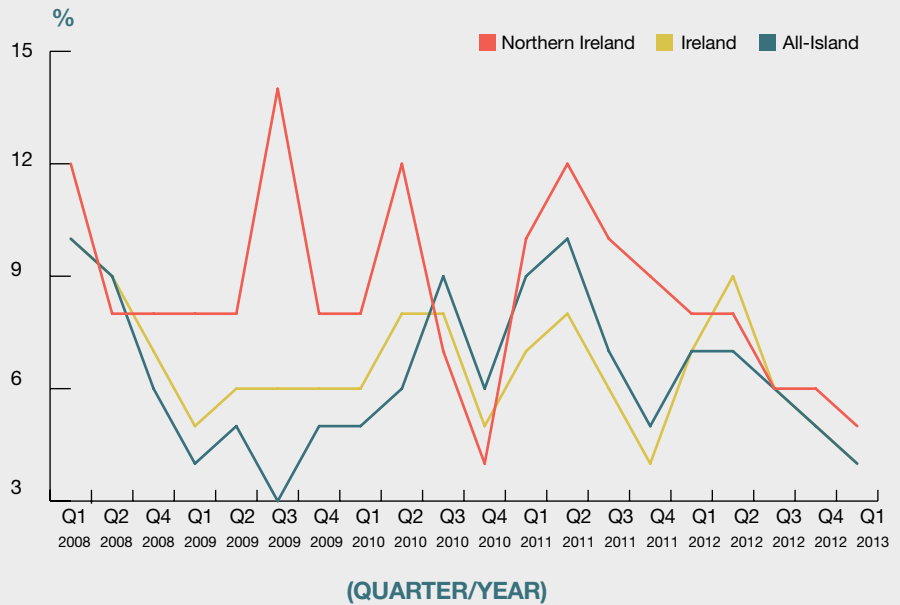
Percentage of businesses reporting a decrease in sales from Quarter 1 2008 to Quarter 4 2012



Employment increases...

The numbers of businesses reporting an increase in staff numbers remains very low at 4%, falling for the second quarter running. Mid-sized and larger firms (both 11%), the manufacturing sector (9%) and cross-border traders and exporters (both 9%) have all been employing more than normal. Fewest construction (1%) and leisure & hotels (2%) businesses have been employing.

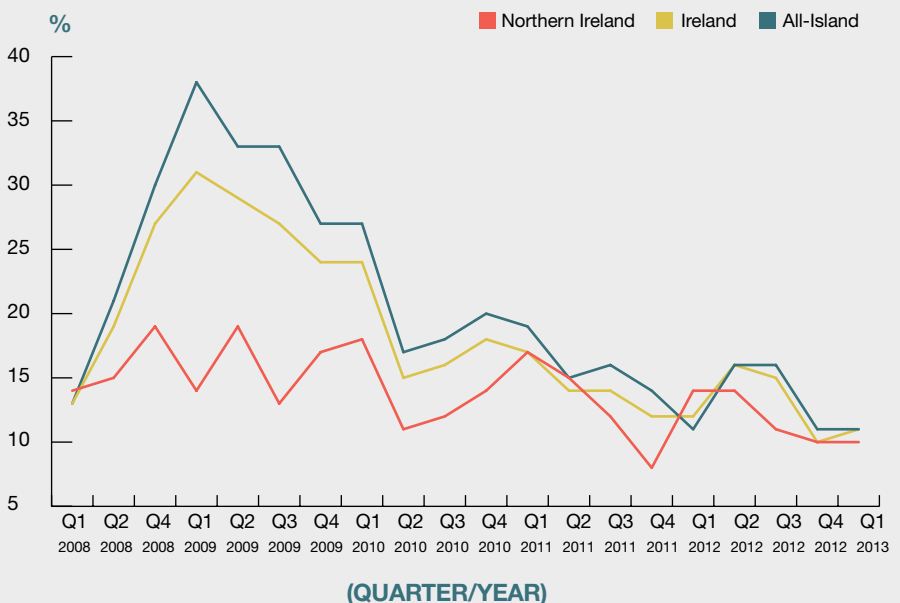
Percentage of businesses reporting an increase in employment from Quarter 1 2008 to Quarter 4 2012



Employment decreases...

Just over one in ten (11%) of firms reported that they had decreased the size of their workforces in the previous quarter. As in q4 2012 this figure is lower than it has been for several years. There is almost no difference between businesses in Ireland (11%) and Northern Ireland (10%) or across sectors with the exceptions of construction (21%) and retail (13%) which are the key sectors for shedding employment.

Percentage of businesses reporting a decrease in employment from Quarter 1 2008 to Quarter 4 2012



About the Business Monitor

InterTradeIreland commissioned Perceptive Insight Market Research to conduct the quarterly Business Monitor. Each quarter interviews are conducted with 1,000 business owner/managers across the island of Ireland. The sample is stratified by number of employees, sector, region (Ireland/Northern Ireland) and the data weighted at the overall reporting level to reflect the profile of businesses.

About us

InterTradeIreland is the only organisation which has been given responsibility by both Governments to boost North/South economic co-operation to the mutual benefit of Northern Ireland and Ireland. By encouraging better use of our collective resources we help to expedite trade and business growth across the island and create an environment where it is easier to do business. We support SMEs across the island to identify and develop North/South trade and innovation opportunities.

We do this through:

- Business programmes
- Research and statistics
- Networks and partnerships

InterTradeIreland will endeavour to facilitate requests for alternative formats of this publication including Irish Language, Ulster Scots, Braille, disk and audio cassette.

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