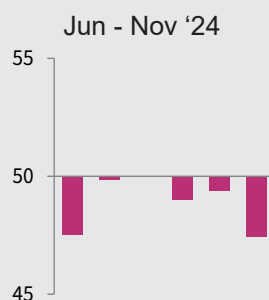


BNP Paribas Real Estate Ireland Construction PMI®

Renewed increase in new orders

Ireland Construction Total Activity Index



New orders return to growth

Solid reduction in total construction activity, but housing activity rises

Pace of job creation at seven-month high

While total construction activity continued to fall in November, there was a further improvement in housing work and new orders returned to growth. Higher new orders encouraged construction companies to expand both their staffing levels and purchasing activity. Meanwhile, input costs rose sharply again, albeit at a slightly softer pace than in October.

The headline seasonally adjusted BNP Paribas Real Estate Ireland Construction Total Activity Index posted 47.5 in November, down from 49.4 in October and signalling a reduction in total construction activity for the third straight month. Moreover, the fall was solid and the most pronounced since June. Some firms indicated that projects had been completed with insufficient new business to fully compensate, while others pointed to the impact of inflationary pressures on

activity.

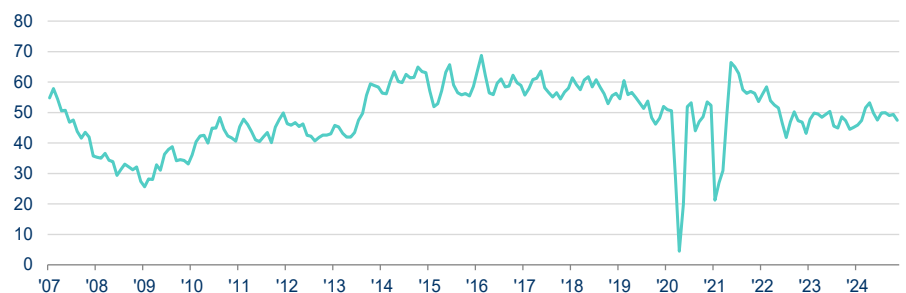
Bucking the wider trend, housing activity increased for the third consecutive month in November. That said, the pace of expansion was only slight and much weaker than that seen in October. Meanwhile, commercial activity continued to fall solidly and civil engineering work was down again.

After having fallen in October, new orders returned to growth in November. New business has now risen in eight of the past nine months, with the latest increase linked to the start of new projects and improved client demand. The solid expansion in new orders was the strongest since July.

Growth of new orders led construction firms to increase their staffing levels accordingly, often through the hiring of workers on a full-time basis. Employment was up for the third month

BNP Paribas Real Estate Ireland Construction Total Activity Index

sa, >50 = growth since previous month



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running, and to the greatest extent since April.

Purchasing activity also increased, both due to rising new orders and as part of efforts to accumulate stocks. The rate of expansion in input buying was only slight, but stronger than that seen in October.

Higher demand for inputs contributed to a lengthening of suppliers' delivery times, with shortages of stock and staff at vendors also behind delays. Lead times lengthened markedly, albeit to a lesser extent than in the previous survey period.

A further sharp increase in input prices

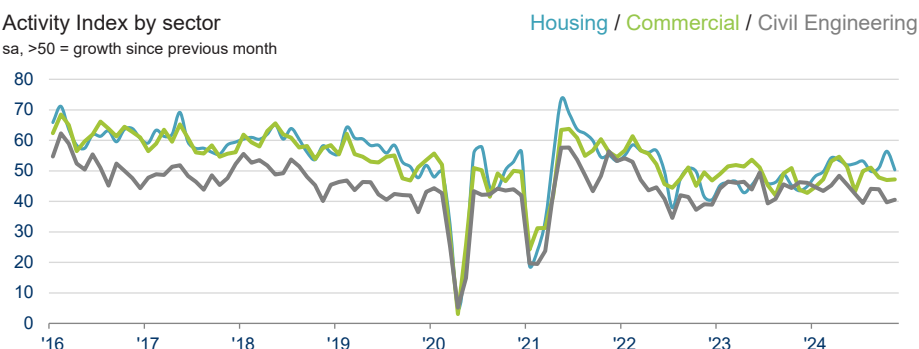
was recorded in November, although the pace of inflation ticked down and was slower than the series average.

The rate of growth in usage of sub-contractors quickened to a 21-month high, with their availability continuing to fall. Meanwhile, rates charged by sub-contractors rose at a sharp pace, and one that was the fastest since April.

The securing of new projects for 2025 meant that construction firms remained optimistic that output will increase over the coming year. Around 38% of respondents predicted growth, with sentiment unchanged from the previous month.

Activity Index by sector

sa, >50 = growth since previous month



Comment

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

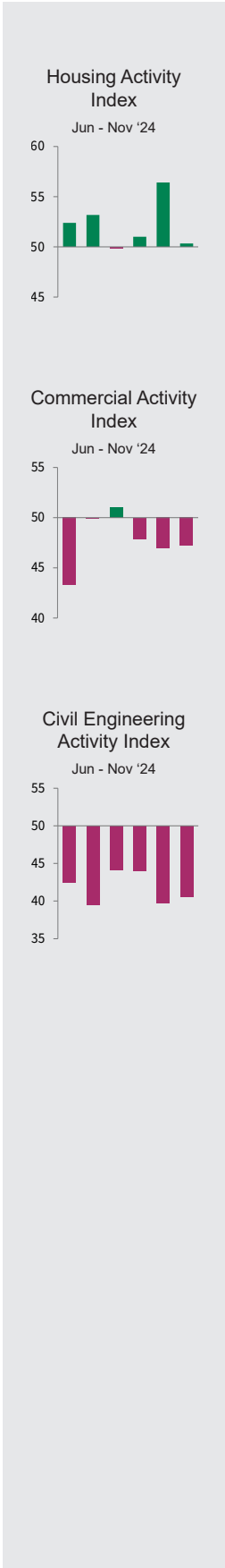
“Cutting through the complexity in November’s data, three clear points emerge. Firstly, overall construction activity is being dragged lower by a contraction in commercial building. This is not necessarily a bad thing as some segments of the commercial market are over-stocked with space, and a slowdown in production will give demand a chance to catch-up with supply. Secondly, residential construction is bucking the overall trend, and activity has been expanding almost continuously since March. This dovetails with recent commencements data and suggests

that 2025 will be significantly better than this year for housing delivery. Thirdly, the general air of optimism in the sector remains, with the forward-looking PMI elements such as order books, hiring and materials purchasing all pointing in a positive direction.”

Activity by sector

Residential

Irish construction companies posted a third consecutive monthly increase in housing activity during November, with residential the only category of construction to see a rise. That said, the rate of expansion was much slower than seen in October and only marginal.



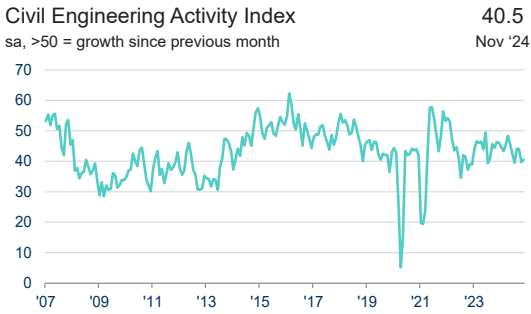
Commercial

November data pointed to a further monthly fall in commercial construction activity, extending the current sequence of decline to three months. The latest reduction was solid, and broadly in line with that seen in the previous survey period.



Civil Engineering

The worst performing of the three monitored categories of construction remained civil engineering, with November seeing a further sharp reduction in activity in the sector. The rapid fall was only slightly softer than recorded in October.



Demand and jobs

New orders

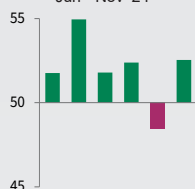
New orders returned to growth in the Irish construction sector during November, after having fallen in October. New business has now risen in eight of the past nine months. Panellists linked the solid expansion to improving customer demand and the commencement of new projects.

Employment

Rising volumes of new work encouraged companies to increase their staffing levels in November, the third month running in which this has been the case. Firms often reported hiring additional staff on a full-time basis. The rate of job creation was modest, but quickened to a seven-month high.

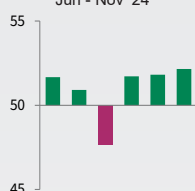
New Orders Index

Jun - Nov '24



Employment Index

Jun - Nov '24



New Orders Index

sa, >50 = growth since previous month



Employment Index

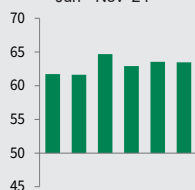
sa, >50 = growth since previous month



Business expectations

Future Activity Index

Jun - Nov '24



Irish construction firms remained optimistic that output will increase over the coming year, with sentiment unchanged from that seen in October. Around 38% of respondents predicted that activity will rise over the next 12 months, often linked to the securing of new projects for 2025.

Future Activity Index

>50 = growth expected over next 12 months



Purchasing

Quantity of purchases

As has been the case in each month since March, purchasing activity increased during November. Respondents linked the expansion to higher new orders and efforts to accumulate stocks. That said, the rate of growth was only slight.

Suppliers' delivery times

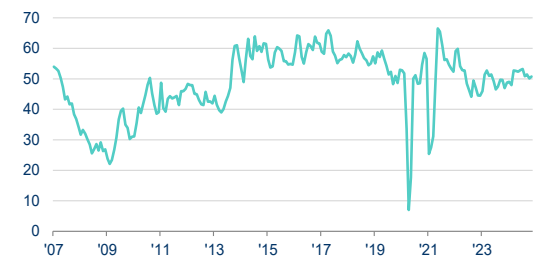
Higher demand for inputs and shortages of both stock and staff at suppliers meant that vendor performance deteriorated again midway through the final quarter of the year. Suppliers' delivery times lengthened markedly, albeit to a slightly lesser extent than seen in October. Lead times have lengthened in six consecutive months.

Input prices

Irish construction firms signalled a further marked rise in input prices during November, with around 15% of respondents signalling an increase in their cost burdens over the course of the month. The rate of inflation ticked down, however, and was slower than the series average.

Quantity of Purchases Index

sa, >50 = growth since previous month



Suppliers' Delivery Times Index

sa, >50 = faster times since previous month



Input Prices Index

sa, >50 = inflation since previous month



Items up in price

Concrete
Insulation

Items down in price

Wages

Items in short supply

Insulation
Timber

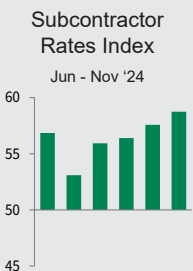
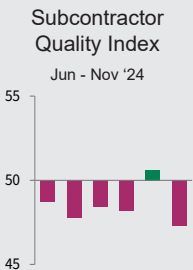
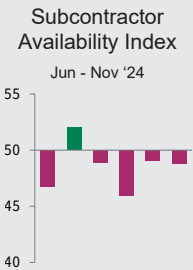
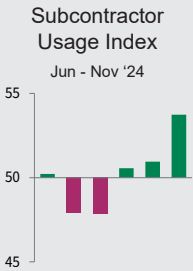
Subcontractors

The usage of sub-contractors by Irish construction firms increased for the third consecutive month in November. Moreover, the rate of expansion was solid and the fastest since February 2023. Rising usage of sub-contractors meant that their availability decreased modestly.

The rates charged by sub-contractors increased sharply, with the pace of inflation quickening to a seven-month high. Meanwhile, sub-contractor quality deteriorated following an improvement in October.

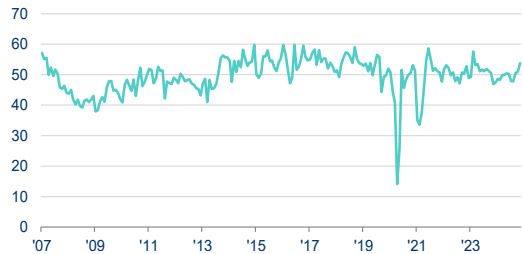
Subcontractors in short supply

Blocklayers	Joiners
Carpenters	Ornithologists
Ecologists	Plasters
Electricians	Plumbers
Geohydrologists	Visual Impact Specialists



Subcontractor Usage Index

sa, >50 = growth since previous month



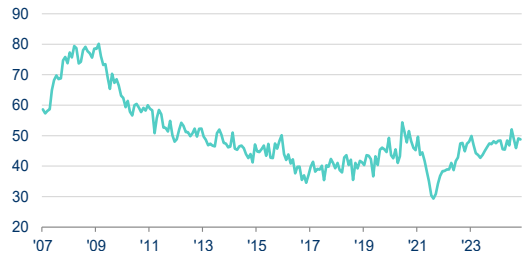
Subcontractor Quality Index

sa, >50 = improvement since previous month



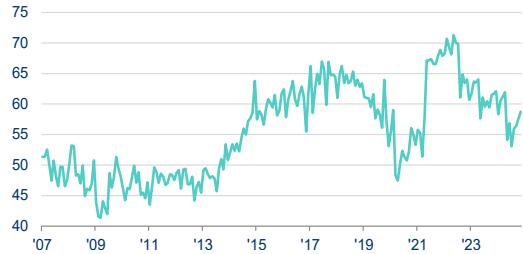
Subcontractor Availability Index

sa, >50 = improvement since previous month



Subcontractor Rates Index

sa, >50 = inflation since previous month



Survey methodology

Survey panel size

150

construction firms

Index calculation

$$\begin{aligned}
 &\% \text{ 'Higher' } \\
 &+ \\
 &(\% \text{ 'No change' })/2 \\
 &+ \\
 &(\% \text{ 'Lower' }) \times 0
 \end{aligned}$$

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.

Survey dates and history

Data were collected 12-28 November 2024.

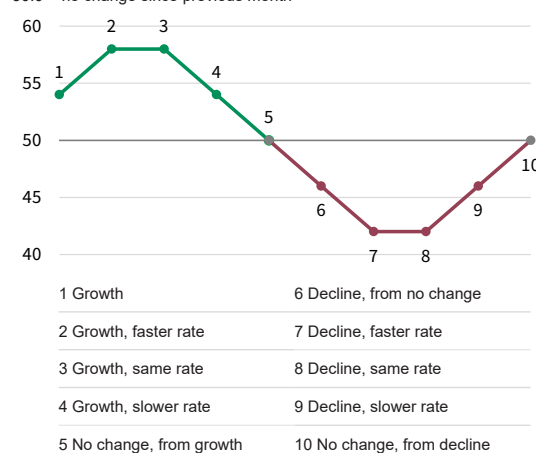
Survey data were first collected June 2000.

Survey questions

Total activity	Quantity of purchases
Housing activity	Suppliers' delivery times
Commercial activity	Input prices
Civil engineering activity	Subcontractor usage
New orders	Subcontractor availability
Employment	Subcontractor quality
Future activity	Subcontractor rates

Index interpretation

50.0 = no change since previous month



Sector coverage

Construction PMI data include responses from companies operating in the entire construction sector, including the following ISIC Rev.4 codes:

41 Construction of buildings	electricity and telecommunications	43.29 Other construction installation
41.10 Development of building projects	42.91 Construction of water projects	43.31 Plastering
41.20 Construction of residential and non-residential buildings	42.99 Construction of other civil engineering projects n.e.c.	43.32 Joinery installation
42 Civil engineering	43 Specialised construction activities	43.33 Floor and wall covering
42.11 Construction of roads and motorways	43.11 Demolition	43.34 Painting and glazing
42.12 Construction of railways and underground railways	43.12 Site preparation	43.39 Other building completion and finishing
42.13 Construction of bridges and tunnels	43.13 Test drilling and boring	43.91 Roofing activities
42.21 Construction of utility projects for fluids	43.21 Electrical installation	43.99 Other specialised construction activities n.e.c.
42.22 Construction of utility projects for	43.22 Plumbing, heat and air-conditioning installation	

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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.

About PMI

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