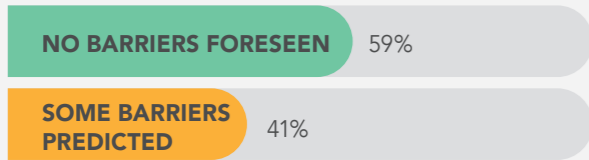


Economic Trends

The Q1 2025 Economic Trends survey of Cork Chamber members gathered insights into their experiences of doing business across January, February and March 2025, prior to the announcement of US tariffs. Sponsored by PTSB, this edition of the Economic Trends survey focused on international trade, asking Cork Chamber’s members about their experience of trading internationally and the challenges they face in growing their business globally.

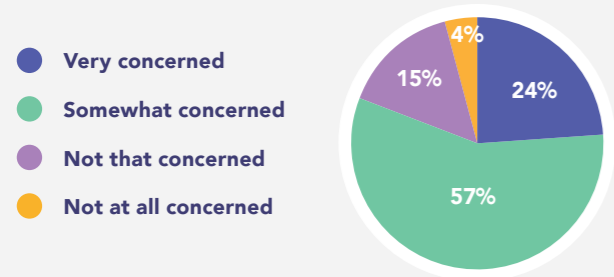
INTERNATIONAL TRADE

EXPECTATION OF BARRIERS TO INTERNATIONAL TRADE GROWTH



The majority of businesses surveyed do not foresee any major barriers to growing their level of international trade, with an encouraging 21% of respondents expecting their level of trade to grow in 2025. However, of those who predict challenges to growing their trade internationally, 30% cited market uncertainty as a key concern, particularly around tariffs, customs and inflation.

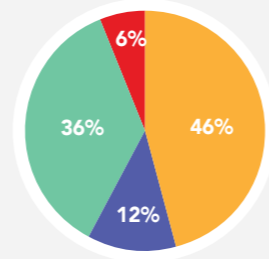
CONCERN ABOUT GEOPOLITICAL IMPACT ON TRADE



Geopolitical developments emerged as a key concern for those surveyed, with 81% expressing some level of concern about developments and their potential impact on international trading conditions.

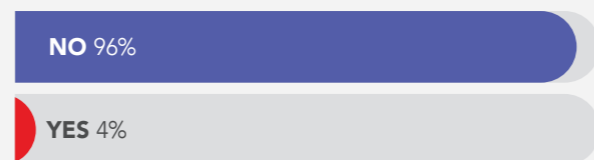
PRIMARY INTERNATIONAL TRADE MARKET

- European Union
- UK
- North America
- Other



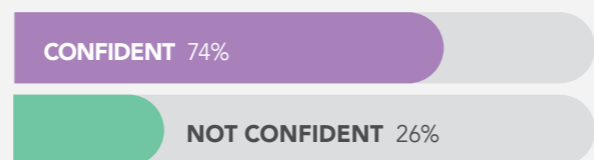
The European Union emerged as the preferred trading location, cited by 46% of respondents. This was closely followed by North America, with 36% stating that they engage in most trade with this region. The UK also remains an important trading partner, referenced by 12% of respondents.

CHALLENGES IN EU MARKET ACCESS



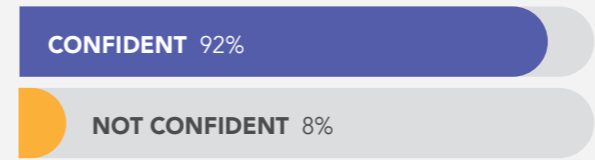
When it comes to trading within the EU Single Market, 96% of respondents reported experiencing no challenges. Of the 4% who did experience barriers, a lack of supports and difficulties overcoming legislative fragmentation at national level were cited as challenges.

CONFIDENCE IN THE IRISH ECONOMY



74% of respondents expressed confidence in the Irish economy in Q1 2025, on a par with 2024 levels. Of the 26% who cited a lack of confidence in the Irish economy, 38% referenced rising business costs as the main reason. Other concerns included geopolitical concerns, inflation, skills shortages and the speed of infrastructure delivery.

BUSINESS CONFIDENCE



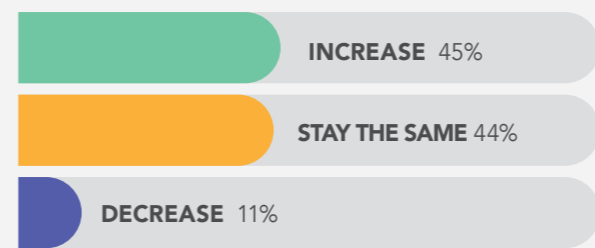
Business confidence from an overall financial perspective remains high, with 92% of respondents expressing confidence about the future of their business.

TOP THREATS TO BUSINESS GROWTH

1. Geopolitical concerns
2. Changing consumer spending habits
3. Skills availability

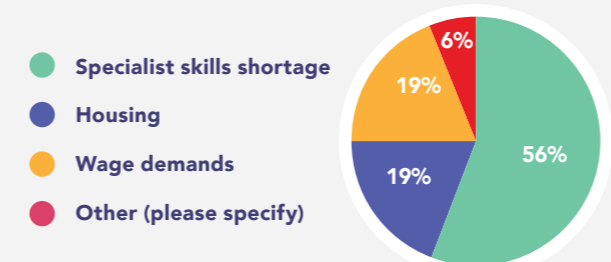
EMPLOYMENT

EXPECTED CHANGE IN EMPLOYEE NUMBERS OVER THE NEXT 12 MONTHS



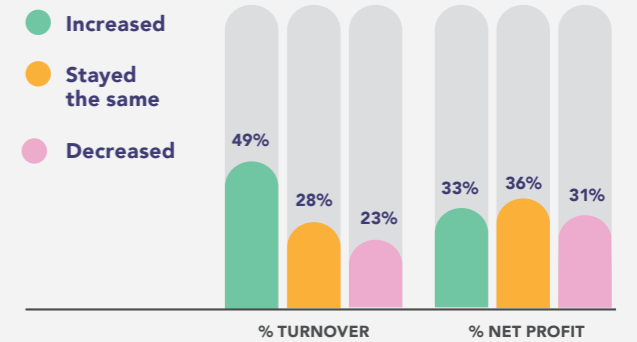
There was a slight decrease in the number of respondents projecting an increase in employee numbers over the next 12 months, down from 52% in Q4 2024 to 45% this quarter.

TOP BARRIERS TO FILLING VACANCIES



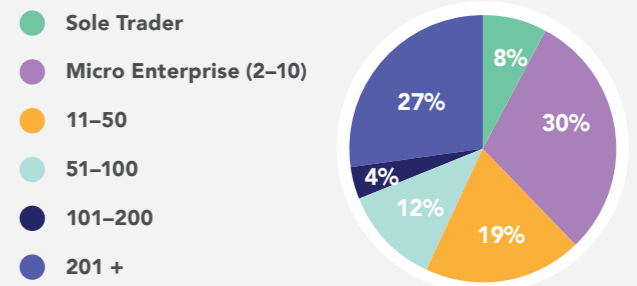
Of the 41% of respondents with vacancies advertised at present, 27% reported difficulties with filling these roles, with specialist skills shortages emerging as the top barrier to filling vacancies.

TURNOVER AND NET PROFIT Q1 2025



The number of respondents reporting an increase in turnover fell from 63% in Q4 2024 to 49% this quarter. Those reporting an increase in net profit fell to 33%, down from 47% in Q4 2024. There was a slight decrease in the number of firms predicting an increase in turnover in the next quarter, down from 66% in the last quarter to 53% this quarter. 40% expect an increase in net profit in Q2 2025, down from 52% in the last quarter.

RESPONDING BUSINESSES



Responding businesses are drawn from a broad range of sectors, including Life Sciences & Manufacturing (15%); Agriculture, Food & Drink (1%); ICT & Digital Economy (7%); Tourism, Hospitality, Retail & Leisure (17%); Culture, Arts, Community & Media (4%); Built Environment (9%); Education & Training (2%); Services (including Financial) (30%); Transport, Energy & Maritime (6%); Health (5%) and Not-for-Profit (4%).

We thank members for your valued insights and engagement with this survey. Your participation is vital. All previous quarterly economic surveys can be found on www.corkchamber.ie.