



# Ireland

## Country Insights and Commodity Report

Q1 2022



# Ireland

## Q1 2022

As referenced in our previous Ireland Commodities report, the Irish economy proved resilient throughout 2021, posting 13.5% growth. The ESRI expects growth to remain this year, albeit at a healthy but slower pace of 6.2%, as technology, pharmaceuticals and digital services continue to post strong performances. Employment and export activities are converging on pre-pandemic levels.

Following two challenging years for construction, the industry is expected to rebound this year. However, downside risks exist with the volatility in material prices returning and supply chain disruptions remaining, driven by the Russia-Ukraine conflict, which has meant that the moderation previously anticipated following the COVID impact has not materialized.

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As material costs will continue to represent a challenge for the construction industry for the foreseeable future, Linesight will publish quarterly updates to track commodities and provide insights about future projections on movements.

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### Lumber

Disruptions in domestic supply, licensing issues and high import prices drove up lumber prices in 2021. Although there is likely to be an improvement on the supply side in 2022, prices will remain relatively high, reflecting a recovery in house building and high transportation costs.



### Concrete and aggregates

There was only marginal upward pressure on prices of cement and concrete in 2021 when compared to trends in other construction materials. However, as demand in the construction industry strengthens, and as energy costs push up production and transportation costs, prices will rise further.



### Concrete blocks and bricks

The cost of concrete blocks and bricks increased steadily over 2021, but in February there was a relatively sharp uptick, and given higher energy costs and expected increases in demand, prices will remain elevated in 2022.



### Steel (rebar and structural)

A reliance on imports has meant the price of steel products in Ireland has risen sharply, owing to stresses in the global market, which have been exacerbated by the Russia-Ukraine conflict. Continued volatility in iron ore prices is expected along with high energy costs, and with a recovery in demand anticipated in line with the expansion of infrastructure and buildings construction output, domestic steel prices will continue to face upwards pressure in the coming quarters.



### Copper

Although coming down from an all-time global high reached in May last year, copper prices remained high throughout 2021, and trended upwards again in early 2022. Although there was expected to be an improvement in the global demand-supply balance this year, the global market has been shocked by the Russia-Ukraine conflict, and this will contribute to higher prices amid concerns over disruptions and low inventories.



# Ireland - Commodity Report



Materials	Q3 Q4 2021		Q3 Q4 2022 (f)		Q4 - Q1 (e) 2022
	€	€	2021-22 (f) % change	% change	
<b>Copper</b> (€/MT)	8,173.9	9,252	13.2% ↑	4.6% ↑ ●	
<b>Steel rebar</b> (€/MT)	744.1	819	10.1% ↑	2% ↑ ●	
<b>Steel flat</b> (€/MT)	765.7	832	8.7% ↑	1.3% ↑ ■	
<b>Lumber</b> (€/M3)	97.8	106.8	9.3% ↑	0.0% ↑ ■	
<b>Asphalt</b> (€/MT)	749.0	856	14.3% ↑	3.1% ↑ ●	
<b>Limestone</b> (€/MT)	81.5	86.2	5.7% ↑	1.2% ↑ ●	
<b>Cement</b> (€/MT)	216.1	235	8.8% ↑	5.2% ↑ ●	
<b>Concrete</b> (€/M3)	69.6	75	7.1% ↑	4.1% ↑ ●	
<b>Welded mesh</b> (€/unit)	51.5	55	7.4% ↑	0.7% ↑ ■	
<b>Bricks</b> (€/000 unit)	715.0	778	8.9% ↑	3.1% ↑ ●	
<b>Plasterboard</b> (€/unit)	8.9	11.6	30.1% ↑	25.1% ↑ ●	
<b>Diesel</b> (€/litre)	1.5	1.76	15.8% ↑	3.9% ↑ ●	

**Q3 Q4 2021:** Average    **Q3 Q4 2022 (f):** Forecasted average  
**2021-22 % change:** % change from Q3 Q4 2021 average to Q3 Q4 2022 average  
 ● **Q4 to Q1 2022 % change greater than estimation in our Q4 report**  
 ■ **Q4 to Q1 2022 % change less than estimation in our Q4 report**

Material	% change Q1 – Q2 2022 (f)	Level of impact of pricing on construction procurement and supply chain *	
 <b>Copper</b>	+2.5%↑	High	Improvements in global supply were expected to contribute to an easing in copper prices this year, but the Russia-Ukraine conflict has driven prices higher. Domestic copper prices soared in 2021 amid high global demand and constrained supplies. With the recovery in Ireland's construction industry, following periods of major volatility in 2020-21 owing to COVID restrictions, domestic demand is set to remain strong.
 <b>Steel prices</b> - Steel rebar - Flat steel	+1.9%↑ +1.8%↑	High	Given Ireland's reliance on imports to meet domestic demand, and the importance of both Russia and Ukraine as suppliers of steel to the EU, domestic steel prices are set to continue on an upward trajectory, reflecting the supply chain disruption that is being seen as a result of the current conflict.
 <b>Cement Concrete</b>	+2.3%↑ +0.5%↑	Moderate	Cement and concrete prices had been relatively stable compared to other construction materials in 2021, in part reflecting the better availability of limestone in the country. However, prices have been ticking upwards, and with stronger demand amid the recovery in construction activity in 2022, as well as higher energy costs, prices are expected to edge up further in the coming quarters.
 <b>Asphalt</b>	+0.9%↑	High	The rise in international crude prices will contribute to further upward pressure on asphalt prices in Ireland, as demand is primarily met through imports.
 <b>Limestone</b>	+0.5%↑	Low	Limestone prices have been stable, supported by domestic quarrying. The price of limestone is expected to remain stable in the future.

Please note that commodity prices are based on representative materials available in the respective countries, and as these materials may not be standard across all markets, cross-country comparisons on prices can be ineffective. For example, asphalt types can vary between hot, cold or a bitumen price, and standard unit sizes for materials can vary across countries.

# Ireland - Commodity Report



## Linesight construction cost index 2011-2021



## Knoema World Data Atlas

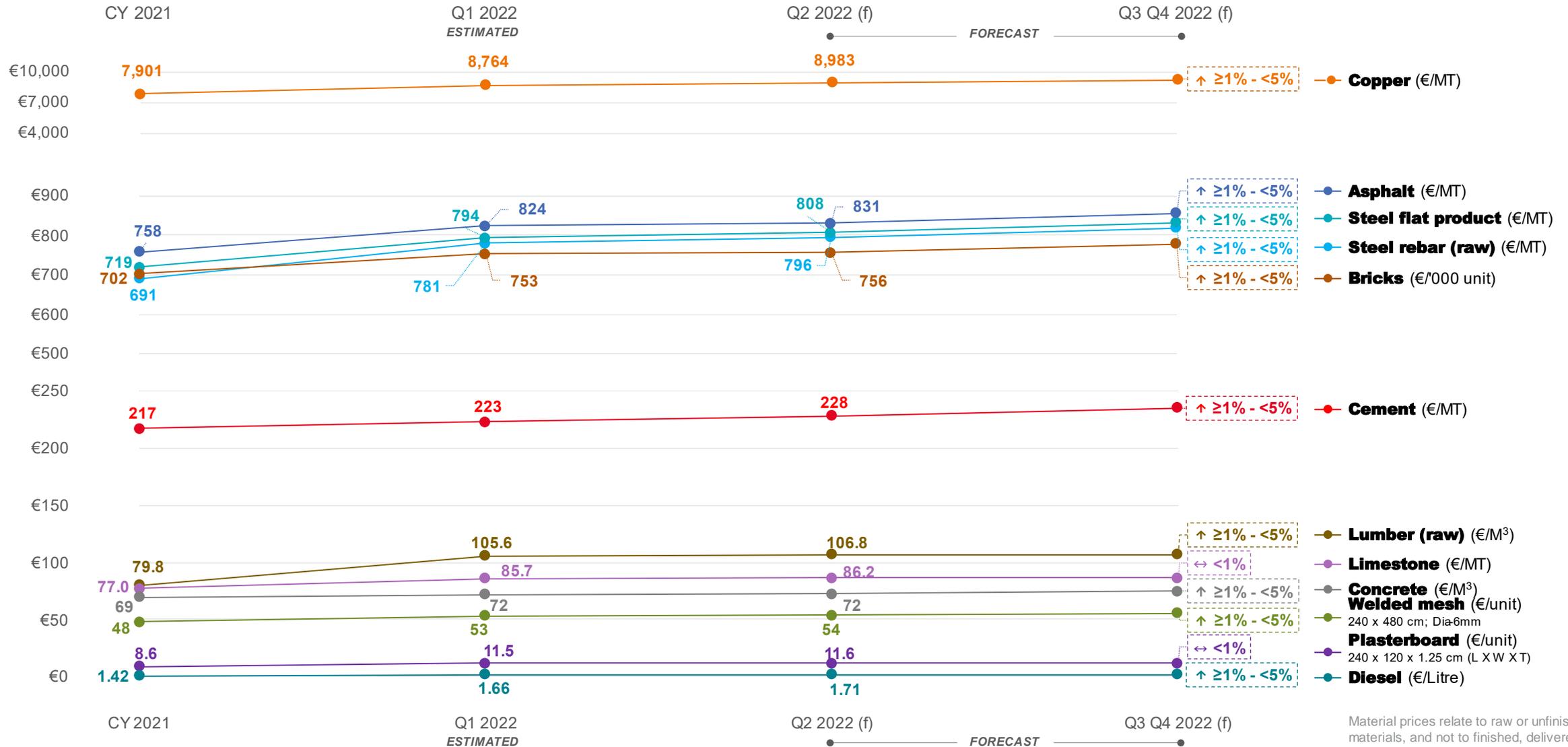
Index of economic freedom **81.4 out of 100**

Material	% change Q1 – Q2 2022 (f)	Level of impact of pricing on construction procurement and supply chain *	
 <b>Lumber</b>	+1.2%↑	 High	Lumber prices rose sharply in 2021, driven by a recovery in demand, as well as supply side issues relating to delays in processing licensing for felling. Demand will remain strong in 2022 as the recovery in the construction industry gathers pace, while disruptions in supply combined with high transport costs stemming from the fallout of the Russia-Ukraine conflict will add to price pressures in the short term. However, an increase in felling licences will help to bolster domestic supplies.
 <b>Welded mesh</b>	+1.6%↑	 High	An improvement in construction output in 2022 (following two years of weakness) will prop up demand for mesh, and based on the trend for steel prices, there will be upward pressure on mesh prices.
 <b>Bricks</b>	+0.4%↑	 High	Brick prices are expected to remain at relatively high levels, reflecting an improvement in demand alongside higher production costs, stemming from increased gas prices.
 <b>Plasterboard</b>	+0.5%↑	 Low	Having risen from late 2021 levels, plasterboard prices are expected to remain high in the coming quarters, supported by a pick-up in construction output, and also higher production and transportation costs.
 <b>Diesel</b>	+2.8%↑	 High	Domestic diesel prices soared in late 2021, in part owing to the increase in carbon taxes applied in October. Prices continued to trend upwards in early 2022, before jumping sharply in early March in line with the surge in global crude oil prices. A cut in excise duty on petrol and diesel came into effect in March, but prices will remain high given the prospect of continued Russia-Ukraine conflict. Ireland's main source of diesel imports are from the UK and the EU rather than Russia, but it will continue to face higher prices as supplies are disrupted to both regions, as the conflict continues.

\* Level of impact rating reflects a combination of factors: the price movement and also price level (compared to recent past beyond the last quarter), the importance of the material, and general state of the supply chain in terms of stability.

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# Ireland - Construction Materials Pricing (2021-2022)



Material prices relate to raw or unfinished materials, and not to finished, delivered and erected on-site prices.

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# Ireland - Macroeconomic overview



## Economic indicators



**6.2%**  
GDP growth in 2022 (f) and 13.5% in 2021



**6.7%** inflation rate in 2022 (f), and 2.4% for 2021



**2.48M** people employed in 2022 (f) and 2.18M in 2021



**6.3%** unemployment rate (as % of labour force – COVID-adjusted) for 2022 (f) and 16.1% in 2021



**6.7%** Consumer Price Index YoY change in March 2022 and 1.9% MoM

## Weather conditions

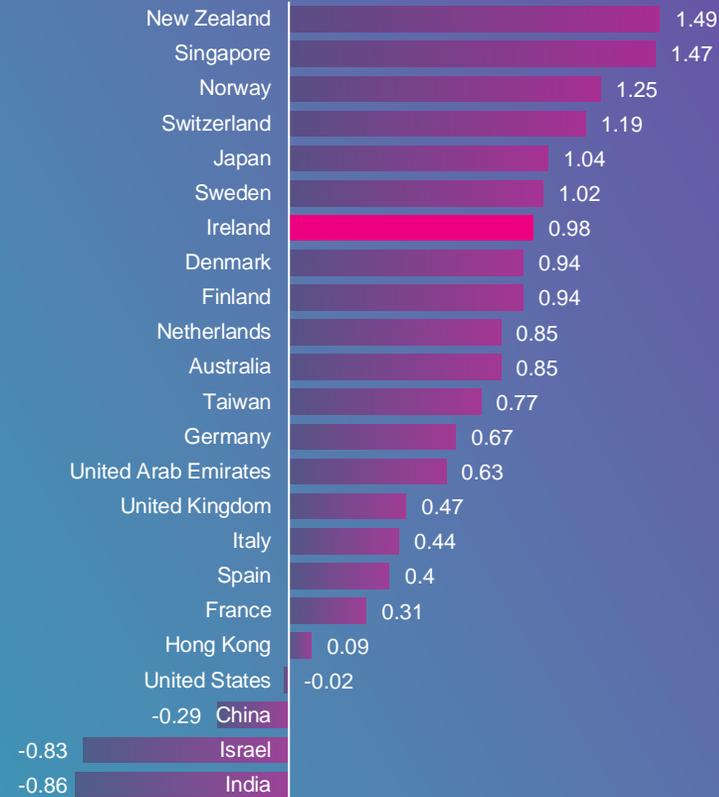


**3°C to 19°C**  
typical temperature range throughout the year



**1,230mm**  
average annual rainfall

## Political stability



Political stability index (-2.5 weak; 2.5 strong)

The index of Political Stability and Absence of Violence/Terrorism measures perceptions of the likelihood that the government will be destabilised or overthrown by unconstitutional or violent means, including politically-motivated violence and terrorism.

## National holidays



**9** public holidays in Ireland each year. Most holidays are taken during December.

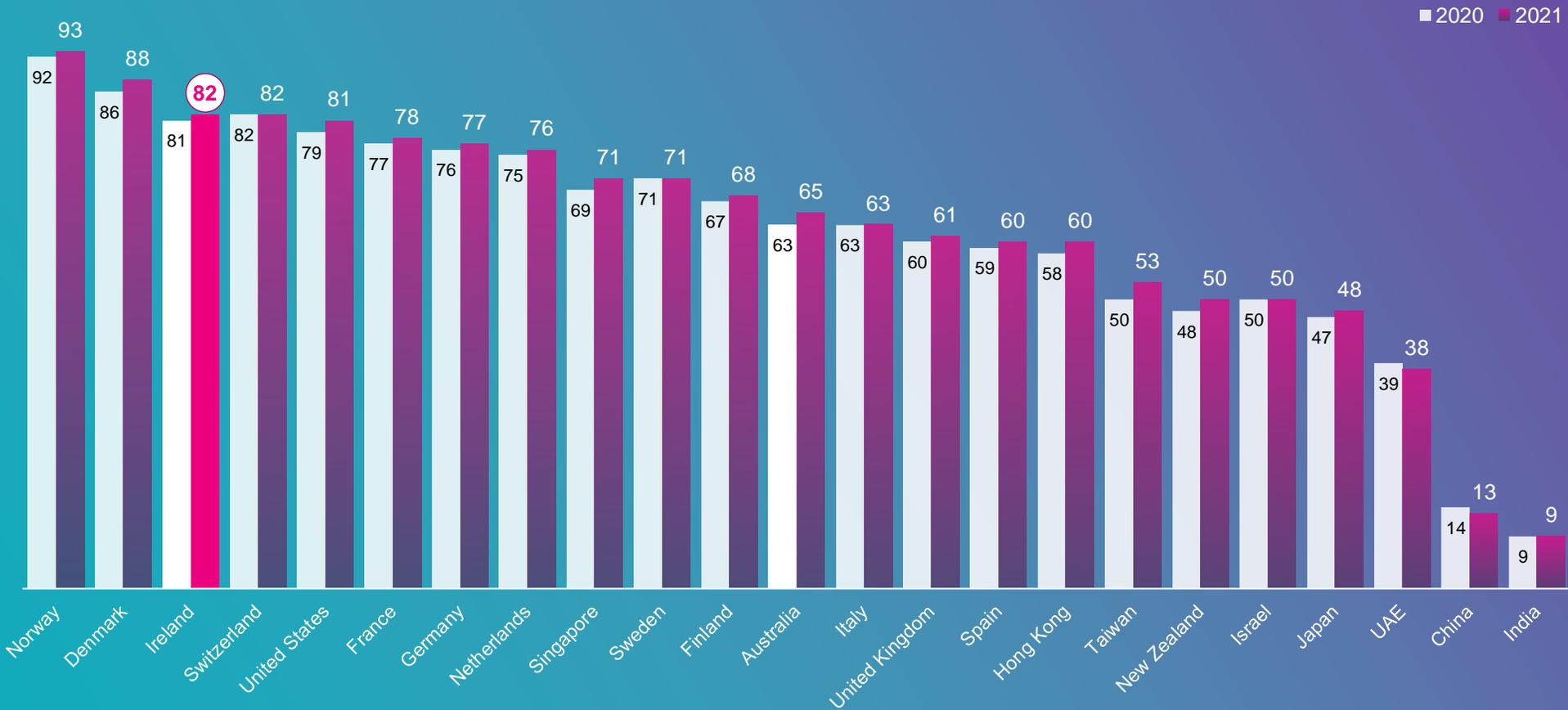
10 days for Christmas period (from 23<sup>rd</sup> December to 3<sup>rd</sup> January)

- New Year's Day (1 January)
- First Monday in February, or 1 February if the date falls on a Friday (from 2023 onwards)
- Saint Patrick's Day (17 March)
- Extra public holiday (18 March in 2022 only)
- Easter Monday
- First Monday in May
- First Monday in June
- First Monday in August
- Last Monday in October
- Christmas Day (25 December)
- Saint Stephen's Day (26 December)

# Ireland - Macroeconomic overview



## Labour productivity



Labour productivity per hour worked in 2020 international dollars, converted using Purchasing Power Parities

## Labour costs

**€26.22**

average hourly earnings in Q4 2021, an increase of 2.6% from €25.56 in Q4 2020 and an increase of 8.2% from €24.23 in Q4 2019.

**€29.48**

average hourly total labour costs in Q4 2021, an increase of 5.0% from the value of €28.07 in Q4 2020 and an increase of 4.6% from €28.19 in 2019.

# Ireland - Construction overview



Output 2021 and 2022(f) (in millions)			
Sector	Total 2021	Total 2022(f)	% change
Commercial 	€5,220.33	€5,762.64	10.4%
Energy and utilities 	€1,622.44	€1,751.35	7.9%
Industrial 	€1,861.12	€2,113.20	13.5%
Infrastructure 	€4,140.27	€4,592.84	10.9%
Institutional 	€2,667.55	€2,997.33	11.6%
Residential 	€9,558.81	€11,475.10	20%
<b>Total output</b>	<b>€25,070.53</b>	<b>€28,672.46</b>	<b>14.4%</b>

## Long-lead equipment (LLE) – time risks

Long-lead equipment (LLE) lead times have changed drastically since the start of 2022. Suppliers have seen the implications of material shortages, delays and price hikes throughout the supply chain, which is leading to extended lead times and reduced commitment from suppliers for new projects. The key areas in focus are:

- Demand:** The demand for long-lead equipment in the data centre sector has increased exponentially with the IT boom. More data centre and crypto mining providers are joining the market, and this new demand far outweighs the capacity of the supply chain. Entry onto the production line has become a significant challenge, with suppliers reporting fully booked capacity until Q1 2023. Opportunities exist for the development of Tier 2 and Tier 3 suppliers to Tier 1 status. However, it will take time to develop an extended supply chain.
- Material shortage:** The end of Q1 2022 saw a significant drop in the availability of raw materials used for LLE production. Global factors such as the Russia-Ukraine conflict and the resurgence of COVID-19 has halted production, which is at its lowest levels in recent years. The ethical approach in the supply chain to manoeuvre away from the use of Russian gas and oil has reduced production levels and added longer lead times within the supply chain. The raw material shortages are expected to continue into Q2 2022, whilst there is uncertainty for the security of the supply chain.
- Freight durations and costs:** Heightened by the increase in fuel costs and compounded by the shortage of labour and low supply of shipping containers, freight durations have soared as suppliers look for ways to mitigate these challenges. The demand for freight services has grown across all markets in recent years and the competition amongst industries has had a negative effect on availability and durations. As clients consider alternative solutions, it almost becomes cost prohibitive to use quicker forms of transport, such as air freight, due to increasing fuel costs.

## Construction health and safety practices and culture



**38**

work-related fatalities were recorded in Ireland in 2021, the lowest annual figure for more than three decades.



**30% decline**

According to the Health and Safety Authority (HSA), 2021's total represents a 30% decline on the 54 workplace deaths reported in 2020.

**38%**

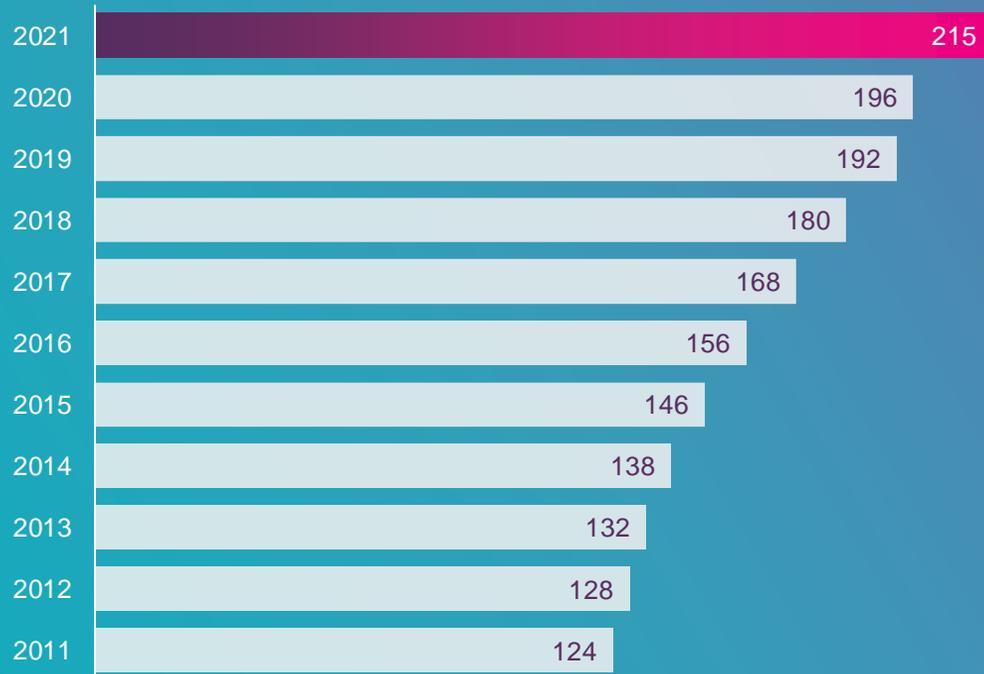


The construction industry saw a 38% decline, with just 10 deaths recorded, compared with 16 in 2020.

# Ireland - Construction overview

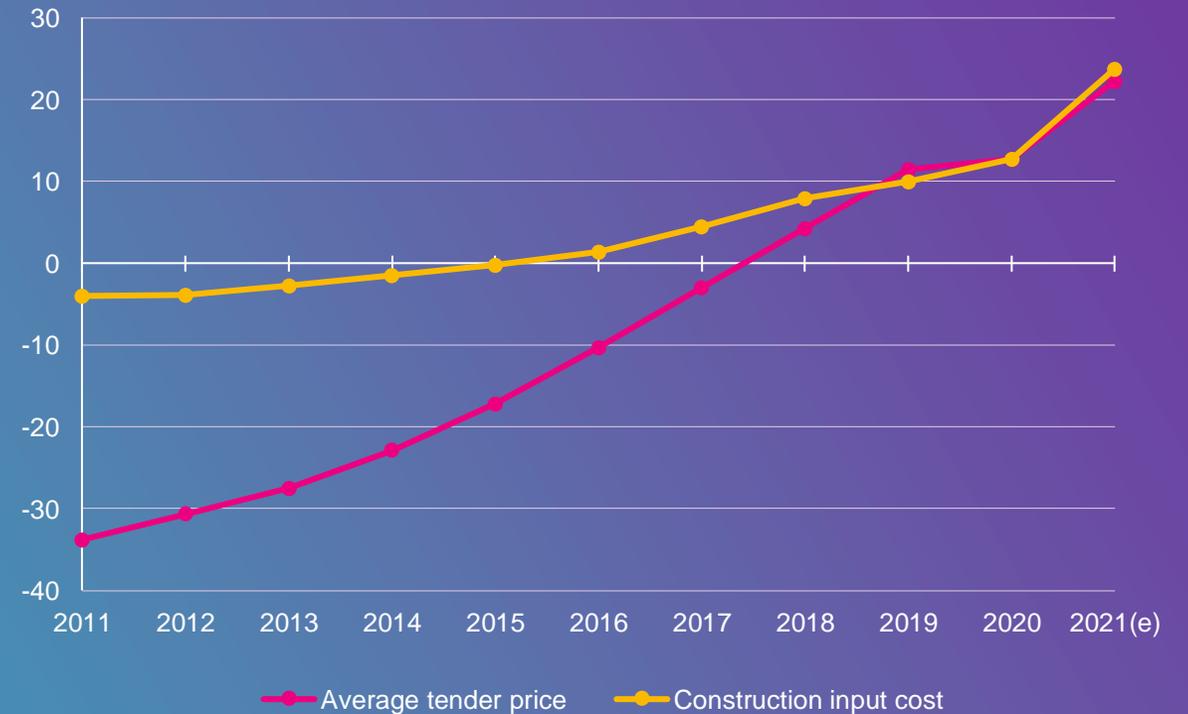


## Linesight tender price index



Note: The above infers a full-year increase of 9.7%. At present, we estimate that Q1 2022 saw a circa 5% increase. The full-year 2022 figure will be subject to several factors, including: projects go on hold and there is an eventual correction (supply and demand metrics change, the outcome and duration of the Russia-Ukraine conflict, a stabilisation of energy prices, the occurrence of a global recession and subsequent correction, further COVID-19 waves, Brexit impacts and supply chain liquidations/receiverships.

## Linesight tender price and cost indices



Note: The Linesight tender price index is an average view of changes in tender prices across different locations, project types and project sizes. It is intended to provide general guidance only and should not be used for any other purpose. Please contact us for specific advice about construction inflation related to specific projects.

# Ireland – Average construction costs



Building type	Cost range		M&E (inc. @)	
<b>Commercial offices</b>				
<b>Suburban, naturally ventilated</b>				
Shell and core	€1,800	€2,600	per sq.m.	10-15%
Developer standard	€2,000	€2,500	per sq.m.	15-20%
Extra for air conditioning	€300	€600	per sq.m.	-
<b>City centre, air conditioned</b>				
Shell and core	€2,300	€3,600	per sq.m.	15-20%
Developer standard (CAT A)	€2,800	€4,200	per sq.m.	25-30%
<b>Office fit-out</b>				
95% open-plan, no catering	€700	€1,100	per sq.m.	20-30%
75% open-plan, limited catering	€900	€1,400	per sq.m.	20-30%
60% open-plan, full catering	€1,300	€2,000	per sq.m.	25-35%
Corporate HQ	€2,000	€2,700	per sq.m.	25-35%
<b>High-tech industrial</b>				
Shell and core	€1,500	€2,200	per sq.m.	20-25%
Fit-out	€1,100	€2,100	per sq.m.	25-45%

Building type	Cost range		M&E (inc. @)	
<b>Residential</b>				
Estate house (approx. 100sq.m.)	€1,400	€2,000	per sq.m.	10-20%
Purpose-built student accommodation (incl. FF&E)	€2,900	€3,600	per sq.m.	10-20%
<b>Apartments - suburban/city edge (superstructure)</b>				
BTR - 4-8 storey (incl. FF&E)	€2,300	€2,800	per sq.m.	15-20%
BTS - 4-8 storey	€2,200	€2,600	per sq.m.	15-20%
<b>Apartments - Urban (superstructure)</b>				
BTR - 5-8 storey (incl. FF&E)	€2,400	€3,100	per sq.m.	20-25%
BTR - 12-15 storey (incl. FF&E)	€2,600	€3,500	per sq.m.	20-25%
BTS - 5-8 storey	€2,300	€3,000	per sq.m.	15-20%
BTS - 12-15 storey	€2,500	€3,300	per sq.m.	20-25%
Co-living	€2,800	€3,600	per sq.m.	20-25%
<b>Shopping centres</b>				
Anchor unit	€1,000	€1,400	per sq.m.	10 -15%
Unit shops	€1,300	€2,100	per sq.m.	10-15%
Mall	€2,300	€4,400	per sq.m.	20-25%
Retail fit-out	€1,800	€2,700	per sq.m.	25-30%
<b>Site development business parks</b>				
Roads and primary services	€238,700	€816,500	per hectare	-
<b>Warehouses</b>				
Without offices	€800	€1,200	per sq.m.	8-12%
With 10% offices	€1,000	€1,700	per sq.m.	10-15%

# Ireland - Average construction costs



Building type	Cost range		M&E (inc. @)	
<b>Healthcare</b>				
Tertiary care	€5,200	€6,600	per sq.m.	35-40%
Acute teaching hospital	€4,500	€5,700	per sq.m.	35-40%
General hospital	€4,100	€5,200	per sq.m.	30-35%
Nursing home	€2,500	€3,700	per sq.m.	20-25%
<b>Car park</b>				
Surface	€1,600	€2,200	per space	-
Multistorey	€13,800	€29,100	per space	-
Undercroft	€17,100	€26,100	per space	-
Single-level basement	€23,300	€48,800	per space	-
Double-level basement	€29,700	€65,800	per space	-
<b>Basement (no car parking)</b>				
Bicycle storage general	€1,400	€2,700	per sq.m.	-
Shower and changing facilities	€1,900	€3,500	per sq.m.	-
Plant space (excl. plant)	€1,300	€2,600	per sq.m.	-
<b>Education</b>				
Primary-level (DoES)	-	€1,640*	per sq.m.	10-15%
Second-level (DoES)	-	€1,640*	per sq.m.	15-20%
Third-level	€2,500	€4,000	per sq.m.	20-25%

Building type	Cost range		M&E (inc. @)	
<b>Leisure</b>				
Hotel building 3-4* (incl. FF&E)	€2,500	€3,700	per sq.m.	25-35%
Hotel building 5* (incl. FF&E)	€3,200	€5,800	per sq.m.	30-40%
Aparthotels	€2,900	€4,300	per sq.m.	25-35%
Restaurant	€2,400	€4,000	per sq.m.	25-30%
Cinema	€2,000	€3,500	per sq.m.	20-30%
Sports hall	€1,400	€2,300	per sq.m.	10-15%
Swimming pool	€3,100	€4,600	per sq.m.	30-40%
<b>Municipal</b>				
Fire station	€2,900	€3,700	per sq.m.	15-25%
Prison	€3,000	€4,100	per sq.m.	20-30%
Courthouse	€3,900	€5,300	per sq.m.	20-30%

## Notes:

1. Costs are based on March 2022 prices and based on gross floor area. Average costs as indicated should not be used for insurance valuation purposes. The costs are representative of typical valuations for each type of project. Unique designs or challenging sites may not be within the cost range shown. The rates shown are average construction build only and do not include VAT, professional fees, any other soft costs, or allow for future inflation.
2. The building costs noted above for the various building types are exclusive of site development costs and external works, which can vary significantly based on the specific site.
3. The costs associated with brownfield sites can vary significantly and the building costs above exclude abnormal contamination.
4. The basic building costs above exclude basement construction costs. Should a basement be required, this should be costed separately.
5. Costs per car parking space assume a large, efficient car park layout, providing a gross 28-34sq.m. per car parking space. Note that this relates to pure car parking areas, and additional basement spaces such as bicycle parking, plant rooms, shower and changing facilities are not accounted for, and should be costed separately.  
\* Current basic building cost (BBC) limit based on May 2021 circular and includes VAT, but excludes external works, fitted furniture and abnormal cost provisions.
6. Costs exclude further market-driven forces associated with Brexit/COVID-19, and conflict in Russia-Ukraine or elsewhere.

# Ireland – Main contractors' turnover



2021 rank	2020 rank	Contractor	Est. global – 2021 €m	Est. Irish – 2021 €m	Actual global – 2020 €m
1	1	John Sisk & Son Limited	€1,489.50	€774.54	€1,510.50
2	2	Winthrop Engineering Limited	€658.44	€233.12	€560.00
3	4	BAM Contractors Limited *	€633.00	€633.00	€460.00
4	6	John Paul Construction Limited	€544.00	€420.00	€447.80
5	5	Collen Construction Limited	€505.12	€227.30	€408.87
6	3	PJ Hegarty & Sons Limited	€375.00	€340.00	€566.00
7	7	Bennett Construction Limited	€320.00	€250.00	€367.00
8	9	Walls Construction Limited	€303.00	€303.00	€274.00
9	8	JJ Rhatigan & Co Limited	€263.00	€256.05	€287.00
10	/	Wills Bros Limited	€163.00	€81.98	€143.00
11	/	Murphy Ireland	€158.00	€136.13	€138.00
12	11	Mac Group	€144.50	€98.26	€141.90
13	12	Ardmac Limited	€130.19	€70.30	€129.09
14	13	StructureTone Limited **	€127.00	€127.00	€125.00
15	17	Conack Construction Ltd	€122.00	€122.00	€73.00
16	20	Monami Construction Ltd	€106.60	€106.60	€61.20
17	14	Flynn Management & Contractors Limited	€96.00	€77.76	€105.00
18	18	Clancy Construction Limited	€95.72	€95.72	€70.67
19	15	Duggan Brothers (Contractors) Limited	€87.00	€87.00	€106.50
20	16	Townmore Construction	€84.00	€56.00	€80.00
21	22	Elliott Group	€75.00	€60.00	€45.00
22	23	Purcell Construction Limited	€65.90	€65.90	€42.94
23	21	MMD Construction Cork Limited	€64.66	€64.66	€49.42
24	19	Vision Contracting Limited	€63.50	€63.50	€61.49
25	/	Mannings Construction Group	€51.10	€21.10	€51.10
26	/	Gem Group	€47.24	€47.24	€59.83
27	/	David Flynn Ltd.	€45.43	€36.34	€35.84
28	24	Townlink Construction Limited	€30.00	€30.00	€35.00

# Ireland – Subcontractors' turnover



2021 rank	2020 rank	Contractor	Est. global – 2021 €m	Est. Irish – 2021 €m	Actual global – 2020 €m
1	1	Mercury Engineering Group	€1,480.00	€595.00	€1,040.00
2	2	Jones Engineering Group	€930.00	€558.00	€727.00
3	4	Kirby Group Engineering Limited	€401.84	€253.16	€292.75
4	3	Dornan Engineering Limited	€370.00	€105.00	€488.00
5	/	Specialist Technical Engineering Services (STS Group)	€255.00	€85.00	€170.84
6	5	Suir Engineering Limited	€242.00	€175.00	€178.00
7	/	Designer Group Engineering Contractors Limited	€202.30	€125.40	€203.42
8	6	King & Moffat Building Services	€128.57	€36.02	€109.93
9	9	B.M.D & Company Limited	€62.60	€62.60	€43.30
10	7	Lynskey Engineering Limited	€52.00	€34.00	€48.35
11	10	DMG Engineering Limited	€47.05	€47.05	€40.24
12	13	CJK Electrical Limited	€44.55	€44.55	€29.05
13	8	L. Lynch & Co. Limited	€44.27	€44.27	€44.32
14	/	Alucraft Ltd	€43.32	€36.20	€84.79
15	11	LMC Energy Solutions Limited	€42.00	€41.16	€37.66
16	/	Tritech Engineering	€36.25	€36.25	€18.00
17	15	Rockwell Engineering	€19.95	€19.95	€19.48
18	/	Buttimer	€19.60	€11.17	€18.23
19	16	T Bourke & Co. Limited	€15.11	€15.11	€11.14
20	/	Sean Ahern Limited	€11.00	€11.00	€9.30

# Ireland - Sectoral overview



1

## 1. Life sciences

- Continuing to excel and demonstrate robust growth, now accounting for 32% of GDP (according to the Irish Medtech Association)
- Med-tech market is particularly prominent, with 14 of the top 15 companies in this space boasting a presence in Ireland, and a strong, collaborative digital market, the emergence of tech, biopharma and medtech clusters, and attractive tax credits for R&D expenditure making for favourable conditions



2

## 2. Data centres

- There are now 70 data centres operational in Ireland
- Considerable demand in-market remains, but with the moratorium on new DC projects in the greater Dublin area, other locations around Ireland will be more prominent
- Host in Ireland estimated in a 2021 report that approx. €7 billion was spent on developing DC facilities between 2010 and 2020, and that a further €7 billion investment was expected between 2021 and 2026



3

## 3. Commercial

- GeoDirectory found in its March 2022 release that the national commercial vacancy rate increased to 13.9% in Q4 2021 (0.4 percentage points), which is the highest level in nine years of reporting, in spite of the resurgence in H2 2021
- The highest commercial vacancy rates for Q4 were recorded in the west of the country, with the Connaught average at 17.3%. Meath was the lowest at 10.2%, while Dublin's vacancy rate was 12.9%
- However, with the easing of restrictions at the start of the year and the gradual return to offices, momentum is building in the sector, which made for a strong Q1 performance
- A number of tech, financial and professional services firms are actively looking at space at present, with adaptable spaces attuned to hybrid working and offering ESG credentials expected to see the most demand
- According to CBRE research, 56% of the approx. 240,000sq.m. of offices under construction and due for delivery in Dublin this year has already been pre-let



4

## 4. Retail

- Sectoral performance generally has been significantly impacted by COVID and associated lockdowns, although all remaining sectoral restrictions lifted January 2022, so normality in activity is returning
- Food and beverage retail somewhat bucked the trend
- Strong occupier demand resuming in late 2021 and early this year
- With the increased prevalence of e-commerce, close integration of online and offline is proving crucial
- Lease structures are evolving, with more term flexibility
- Significant variance across sub-sectors – overall, footfall in city centres remains subdued, but shopping centre and neighbourhood retail have recovered well



5

## 5. Residential

- Demand continues to grow, with 2021 recording a 16.7% increase in market-based household purchases of residential dwellings to 44,221 units, according to the CSO, which is a reversal of the 16.3% decline in 2020.
- After a 15.6% decline in 2020, the value of sales saw strong year-on-year growth of 27.9% to hit €14.5 billion in 2021.
- New dwelling completions were down very slightly by 0.5% at 20,433 units in 2021, according to the CSO. This followed a 2.5% fall in 2020

# Ireland - Report methodology



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Linesight has commissioned independent global research to track construction materials and commodity prices. The approach and methodology for the collection of construction material pricing and other indicators is based on primary and secondary research.

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## Primary and secondary research

Primary research is conducted on a quarterly basis with stakeholders in the value chain, including manufacturers and suppliers/distributors of the target materials, to ascertain market information on prices in recent quarters, and also on projections for changes in the coming quarter and remainder of the year. The market analysis also involves a thorough assessment of secondary sources of data on materials and labour prices, in addition to underlying demand and supply trends that will impact market prices.

Sources include GlobalData's Construction Intelligence Center (CIC), the World Bank, IMF, OECD, as well as country specific national statistics offices, such as the U.S. Bureau of Economic Analysis, Bureau of Labor Statistics, and also industry specific associations and publications. A more comprehensive list of sources is included below.

## Definitions

- Commodity prices are net of taxes for all the countries
- Prices are not customer delivered
- All commodities are raw materials
- Nominal and real data

Nominal data series do not exclude changes in prices and are also referred to as current prices series.

Annual changes in nominal data for construction output will include changes in construction activity, as well as changes in costs for materials and equipment.

Real data series are calculated by keeping prices constant (so, are also referred to as constant price series), and therefore, they reflect changes in activity only. Growth rates in nominal terms can overstate the pace of growth in construction activity if there is high inflation stemming from rising prices for key inputs.

## Sample sources - Ireland

For Ireland, sources for this report include, but are not limited to:

- IMF
- ESRI
- The Global Economy
- Weather Spark
- Citizens Information
- CSO
- GlobalData's Construction Intelligence Center (CIC)
- Conference-board.org

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