



DKM issues May 2010 *Economy Watch*

Today (25th May 2010), **DKM Economic Consultants** released the May 2010 issue of ***Economy Watch***. It is available free online at www.dkm.ie

DKM's unique ***Snapshot of Economic Forecasts*** gives a concise but comprehensive outlook for the Irish economy based on the latest projections from 15 leading sources, both Irish and key international bodies such as the IMF, EU and OECD.

This issue, while acknowledging that the worst may be over for the Irish and global economy, highlights the structural difficulties going forward in the Eurozone and the UK. It further suggests that the contractionary effects of achieving fiscal stability in Ireland may be understated.

Launching the latest issue, **DKM Chairman Brendan Dowling** commented, "The general consensus amongst forecasters is that regardless of events this year, the public deficit will be on track, for fear of emulating the Greeks. While this is welcome, it is however unlikely that the private sector will be in a position to offset this fiscal retrenchment. The implication is that the contractionary effects of moves to substantially reduce Ireland's public deficit may be understated."

"For 2010, the **DKM Snapshot** predicts GNP will contract by 1.4% which is an improvement of 1.5 percentage points from the forecast in our last issue. There have also been notable improvements in the projections for imports/exports this year on the back of positive trade data released over recent months. Latest projections for unemployment, while still high, have also improved."

Economy Watch is produced on a regular basis and is freely available to those who register at www.dkm.ie.

DKM is one of the longest-established economic research firms in Ireland, and has been providing decision-makers with quality advice on economic issues since 1981. Visit www.dkm.ie for further information about us.

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