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**InterTradeIreland Business Monitor shows trade remains resilient in face of growing challenges**

**Embargoed until 00:01, Monday, November 5th**

* 41% of businesses continuing to grow
* Cross-border trading increases a business’s probability of growing rapidly by over 60%
* 54% of SMEs reporting issues with rising costs of overheads
* 41% of larger firms (50+ employees) reporting skills shortages within their sector
* 42% of exporters reporting a negative ‘Brexit’ impact on sales

The latest InterTradeIreland Business Monitor (Q3 2018) shows that trade has remained resilient over the past quarter with 41% of companies continuing to grow.

This quarter’s Business Monitor highlights once again the higher growth performance of exporters and cross-border traders. Almost half of all firms that trade across the border are growing, with 30% of these companies experiencing a rapid growth in sales, compared to just 18% that do not export.

Aidan Gough InterTradeIreland’s Designated Officer and Director of Strategy and Policy says,

“The figures from our latest Business Monitor are supported by InterTradeIreland’s recent research1 which shows that SMEs that export, including cross-border traders, have significantly better outcomes across a range of key indicators including turnover, employment and productivity.

"Goods firms exporting across the border have 9% higher levels of productivity than firms that don’t export beyond their local market, moreover turnover is almost 100% higher and employment is almost doubled. Expanding participation in cross-border trading makes an important contribution to the individual performance of the firm and to the wider economy.”

In the context of this positive sales backdrop, businesses across the board are facing a number of challenges. The primary one being the rising costs of overheads, with 54% of SMEs saying it is their biggest issue. This jumps to 64% for manufacturing and 67% for the leisure and catering sector. Rising energy costs are also a significant factor for firms with 51% reporting it as a concern.

Certain types of businesses and sectors are feeling the impact of skills shortages more acutely than others. While more than 1 in 5 (26%) of businesses are experiencing difficulty recruiting, this rises to 36% for large businesses and 29% and 31% in the construction and professional services sectors respectively.  41% of larger firms (50+ employees) say there are skills shortages within their sector.

Brexit continues to be a significant issue, particularly for exporters as 42% report it has already had a negative impact on sales and 38% state that it has impacted negatively on investment decision making within their organisation. There have also been additional negative impacts on supply chains and logistics for more than a quarter of exporters to date.

InterTradeIreland has a Brexit advisory service that SMEs can avail of. This includes a “Start to plan” voucher, which enables firms to access professional advice with a value of up to €2250/£2000 to analyse the challenges and opportunities that Brexit poses in their business.

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**A copy of the 2018 Q3  InterTradeIreland Business Monitor Executive Summary can be viewed at:**[**https://intertradeireland.com/insights/business-monitor/**](https://intertradeireland.com/insights/business-monitor/)

1 - InterTradeIreland*Export Participation and Performance of Firms on the Island of Ireland*September 2018 <https://intertradeireland.com/insights/publications/export-participation-and-performance-of-firms-across-the-island-of-ireland/>

**Notes to the Editor:**

InterTradeIreland’s quarterly Business Monitor survey is the largest and most comprehensive business survey on the island and is based on the views of more than 750 business managers across Northern Ireland and Ireland since 2008. The Business Monitor differs from other surveys in that it is seen to be the ‘voice of local businesses’ feeding directly from telephone interviews conducted with firms of all sizes from across a range of sectors to track all-island economic indicators such as sales, employment, business outlook and other specific topical research areas on a quarter by quarter basis.

**Business Monitor infographic:**

Along with this press release is an infographic highlighting key findings from the Business Monitor report for use and reference where applicable.