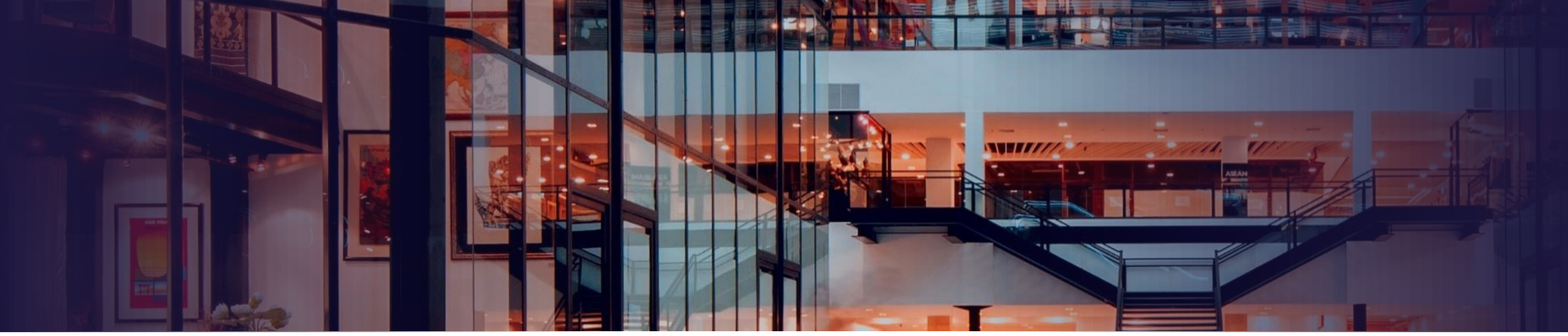
MARKETBEAT

IRELAND

RETAIL Q2 2026



MARKET FUNDAMENTALS

	YOY Chg
+4.3% High Street Prime Rental Growth	▲
+6.7% Retail Warehouse Rental Growth	▲
+4.3% Shopping Centre Rental Growth	▲

Source: MSCI, Q2 2026

ECONOMIC INDICATORS

	YOY Chg	Outlook
+11% Consumer Sentiment Change	▲	▲
+0.6% Retail Sales Volume Change (annual)	▲	▬
+5.0% Unemployment Rate Q2 2026	▬	▬

Source: MSCI, Irish League of Credit Unions, CSO, May

EARLY-YEAR ACTIVITY REMAINS SELECTIVE

Activity in the second quarter of 2026 remained light in terms of volume, however there were a number of higher profile transactions that completed in the period, the most notable of which was the sale of the ILAC Shopping Centre which was purchased by Hammerson for approximately €45m. Dublin also saw two more deals complete for a total of €56.3m in the quarter while there was the sale of a service station in Waterford for €3.2m.

There were two notable high-quality assets brought to market: Nutgrove Shopping Centre which was brought to market in June, which is understood to be currently in legals with strong interest while Frascati Shopping Centre in Blackrock launched in the same month, with initial bids expected to be submitted in the coming weeks.

RESILIENT CONSUMER BACKDROP DESPITE HEADWINDS

Irish consumer spending remains resilient, although growth in retail activity remains modest. The volume of retail sales increased by 0.4% in June 2026 and was 0.6% higher than a year earlier. Excluding Motor Trades, sales volumes also rose by 0.4% in the month and by 0.3% year-on-year. Performance across sectors was mixed, with the strongest annual growth recorded in Hardware, Paints & Glass (+6.8%), Books, Newspapers & Stationery (+3.8%) and Pharmaceuticals, Medical & Cosmetic Articles (+3.7%). By contrast, Furniture & Lighting volumes fell by 6.8% annually, while Fuel volumes were down 3.6%. The latest figures therefore continue to point to broadly positive, if subdued, consumer demand, with spending patterns remaining uneven across discretionary categories

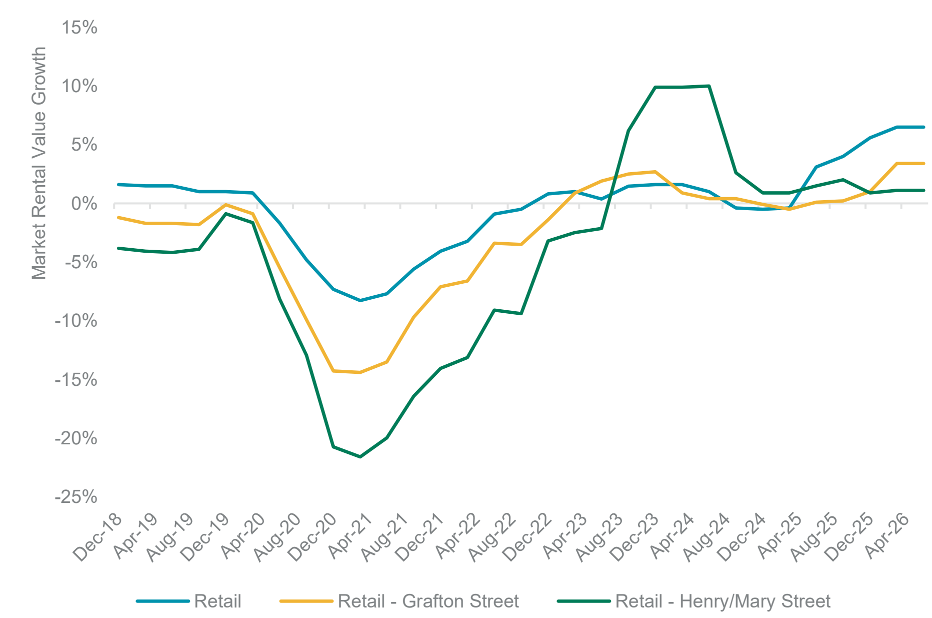
Consumer confidence has recovered somewhat from the sharp deterioration seen earlier in 2026, although households remain cautious. The Credit Union Consumer Sentiment Index stood at 62.2 in June, up from a 40-month low of 53.3 in April, but still well below its long-term average. Cost-of-living pressures remain front of mind, while geopolitical tensions and their impact on energy prices continue to impact consumer spending. This weaker sentiment has not yet translated into a major pullback in spending, with retail sales and broader domestic demand remaining relatively resilient. The key question for the remainder of the year will be whether households continue to spend through these pressures, or whether persistently higher living costs begin to weigh more heavily on discretionary expenditure.

Taking a broader view, Irish consumers remain relatively well placed despite recent pressures. Unemployment stood at 5.0% in June, with 145,100 people unemployed, while household deposits reached €175 billion at end-May, up €9.6 billion or 5.8% year-on-year. The household saving rate was 12.5% in Q1, with disposable income rising 2.0% quarter-on-quarter, providing a buffer against higher living costs and a more uncertain external backdrop.

ENERGY PRICES DRIVE NOTABLE PICK UP IN INFLATION IN Q1

Consumer price inflation remained elevated in Q2, with the CPI rising by 3.4% in the year to June 2026, easing slightly from 3.6% in May. Housing, Water, Electricity, Gas & Other Fuels remained a key driver, rising by 7.3% annually, while energy prices were around 10% higher than a year earlier. The Central Bank now forecasts HICP inflation of 3.5% for 2026, with energy prices expected to rise by 9.6% over the year.

HIGH STREET ANNUAL RENTAL GROWTH 2017 – 2026



Source: MSCI

IRISH SELECT RETAIL YIELDS 2014 – 2026

Source: Cushman & Wakefield Research 2026

TOP RETAIL INVESTMENT TRANSACTIONS Q2 2026

PROPERTY	Location	Purchaser	SqFt	Price (€)
The Ilac Shopping Centre	Dublin	Hammerson	290,000	€45,000,000
The Maple Centre	Dublin	Alderan	27,500	€7,150,000
44 Henry Street	Dublin	P&C	4,300	€4,150,000
Motorpoint Service Station, Waterford	Waterford	Corrib Oil	Unknown	€3,200,000

PRIME HIGH STREET METRICS, Q2 2026

Market	€ per Zone A	Yield
Grafton Street	€5,800	5.00%
Henry Street	€3,100	6.25%
Cork (Patrick Street)	€2,045	6.75%
Galway (Shop Street)	€1,775	7.50%
Limerick (O'Connell Street)	€650	9.50%

Source: Cushman & Wakefield

ACTIVE RETAIL REQUIREMENTS Q2 2026

MARKET COMMENTARY

"While the investment market remains selective, Q2 brought a welcome improvement in activity, with approximately €60 million transacted and several further opportunities progressing. On the occupier side, demand remains encouraging, particularly from grocery, convenience, value, food and beverage and sportswear operators. What we are seeing is a continued focus on proven locations with strong footfall and established catchments. Supply on Dublin's prime high streets remains tight, supporting rents and creating real competition for the best units, while dominant shopping centres and retail parks continue to perform well."

KARL STEWART, DIRECTOR, HEAD OF RETAIL, CUSHMAN & WAKEFIELD

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