# Indecon Publishes Report on the Economic Impact of Ireland's Stock Market and Securities Industry

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- **Indecon analysis finds major benefits to Irish economy from having its own stock market**
- **2,100 people directly employed in the Irish securities industry**
- **ISE-listed companies support 97,000 jobs in Ireland and 263,000 jobs worldwide**
- **€23.5bn raised by ISE-listed companies in the last 10 years**

Having a local stock market and securities industry directly supports 2,100 jobs in Ireland and is worth €207 million each year to the Irish economy, according to a major independent study published today.

The study, conducted by Indecon economic consultants, found that having a domestic securities industry centred on the Irish Stock Exchange (ISE) generates:

- **2,100 jobs** directly in the securities industry
- **€207m** in estimated direct economic impact (measured in Gross Value Added or GDP)
- **€230m** in direct tax for the Irish exchequer (including stamp duty on trading in Irish shares)

The study found that the ISE was the number three exchange in the world in 2013 for debt listings; the number two exchange in Europe in 2013 for volumes of new debt listings; and the number four exchange in the world in 2013 for fund listings.

The study also found that ISE-listed companies raised €23.5 billion in equity funding in the past decade.

More than 40 companies listed on the ISE during the period under review (2004-2013), including Aer Lingus, Smurfit Kappa, C&C Group, CPL Resources, Hibernia REIT and Green REIT. A further three companies listed on ISE markets subsequent to the period under review – Mainstay Medical, Irish Residential Properties REIT and Dalata.

**Simon Harris, Minister of State at the Department of Finance; the Department of Public Expenditure and Reform; and the Department of An Taoiseach, said:**

"This research is a welcome resource for Government in its efforts to maintain and build on Ireland's position as a global hub and destination of choice for the financial services sector.

Knowledge of the stock exchange and securities industry's capacity for job creation and economic activity is essential to ensuring that a strategic approach strengthens Ireland's standing as a centre for international financial services.

This ISE-commissioned study has set the bar for other areas of the financial services and international banking sector to follow."

**Alan Gray, Chairman of London Economics and Indecon Managing Partner, said:**

"Ireland has an ecosystem that supports the listing and trading of securities on the ISE. The Irish economy benefits from the success of the securities industry and having a stock exchange plays a positive role in this. Our study quantifies these benefits in terms of the jobs sustained in Ireland and the value added to the Irish economy.

Our research found that companies listing on the ISE's markets have significant impacts on the Irish economy, with estimated annual sales from their Irish operations amounting to €12.1 billion, while they directly employ over 49,000 persons and indirectly support an additional 48,000 jobs in Ireland.

Since 2004, Irish companies raised a total of over €20 billion in funds on ISE markets. Our econometric research also highlighted a wider role of the ISE in supporting investment and GDP, and in lowering the cost of finance for enterprises in Ireland."

**Deirdre Somers, Chief Executive of the ISE, said:**

"I welcome this comprehensive study. It highlights the important role played by the ISE and the wider securities industry, as well as the significant contribution this industry makes to the Irish economy.

We aim to maintain our leading role as a global hub for listing funds and debt and to continue providing companies with valuable access to investors in Ireland and around the world.

We are here to support companies looking for investment to grow and prosper."

**The ISE consists of three markets:**

the Main Securities Market, which hosts quoted company, fund and debt listings;

the Enterprise Securities Market, for trading shares in growth companies; and

the Global Exchange Market, which specialises in debt instruments for professional investors.

**Other findings in the study** include:

- ISE-listed companies employ 263,000 people worldwide and support 97,000 jobs in Ireland (49,000 directly)
- ISE-listed companies generate annual revenues of €83bn and earnings of €8bn
- ISE-listed companies contribute €9.5bn to the Irish economy
- Companies say the top reasons for listing equities on the ISE are access to Irish and international investors, getting the best valuation for the company and maintaining a liquid market in shares
- Debt and fund issuers say the top reasons for listing on the ISE are its efficient listing process; the experience and reputation of the ISE and the Central Bank; and the ISE's technical knowledge

**Key figures** – what is listed on ISE markets:

- 52 companies whose shares are traded on the ISE
- 30 Irish Government bonds
- 2,196 funds
- 24,169 debt instruments
- Issuers from 80 countries have listings on ISE markets.

**Relevant links**

Booklet on key facts and statistics from Indecon study about the Irish Stock Exchange, its listed companies and related securities industry

A copy of the full Indecon research report is available on request

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