

# Weekly Round Up

11th October 2019  
This week's highlights

## Pound

Powers ahead

## Bond Yields

Sharply higher

## UK GDP

+0.3% Jun-Aug

## US Inflation

1.7% in Sep

### Euro Area

- The euro advanced against the dollar, strengthening to well over \$1.10 for the first time since mid-September
- Bond yields in the core markets generally higher this week, with German 10-year yields up 15bps to -0.44%
- Minutes of ECB's September meeting says 'all members' agreed further monetary policy easing warranted then

### UK

- The pound powers ahead after Johnson-Varadkar meeting raises hopes that a Brexit deal can be secured
- Sterling strengthens to 87p to the euro from an intra-week low of over 90p; rises to \$1.27 from a low of \$1.22
- The economy grew by 0.3% in GDP terms over the 3 months to August (compared to the March-May period)

### US

- Fed Chair Powell reiterates that the economy is in a 'good place' but downside risks to the outlook persist
- The annual rate of CPI inflation held steady at 1.7% in September and the core rate remained at 2.4%
- 10-year bond yields sharply higher amid optimism around US-China trade talks, rising by 20bps to 1.74%

### Ireland

- Budget 2020 included a €1.2bn Brexit package to be drawn upon in the event that there is a 'no deal' exit
- Residential property prices nationally rose 2.0% y-o-y in August, with ex Dublin up 4.4% but Dublin down 0.3%
- The annual rate of CPI inflation picked up to 0.9% in September from 0.7% in August (and 0.5% in July)

### The week ahead

Monday	EA Industrial Production
Tuesday	IRL Goods Exports & Imports; EA ZEW Index; UK Labour Market Report; US Empire Manufacturing Index
Wednesday	EA CPI, Trade Balance; UK CPI, PPI, House Prices; US Retail Sales, Housing Market Index, Fed Beige Book
Thursday	EA Construction Output; UK Retail Sales; US Jobless Claims, Industrial Production, Housing Starts
Friday	EA Current Account; US Leading Indicators

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