

Weekly Round Up



13th December 2019
This week's highlights

Pound

Keeps its BoJo!

EUR/\$

Stronger

Bond Yields

Edge higher

UK GDP

Flat in Aug-Oct

Euro Area

- Euro strengthens against the dollar, gaining about 1.5 cents to trade at a near 4-month high of almost \$1.12
- Core bond yields edge higher for a 2nd consecutive week with German 10-year yields up circa 3bps to -0.27%
- ECB on hold at Thursday's meeting, following which President Lagarde reiterates rates to remain low (or lower)

UK

- Sterling advances further (to 83p and \$1.34) after Boris Johnson's Conservatives romp to victory in the election
- UK is now set to formally leave the EU on 31st January with a transition period running until at least end-2020
- Brexit uncertainty has taken a toll on the economy with GDP flat in August-October and up just 0.8% y-o-y

US

- Talk of interim trade deal agreed with China prompts increase in 10-year yields, which are now around 1.87%
- Fed keeps rates unchanged (in range of 1.5%-1.75%) and says policy appropriate to sustain the expansion
- Annual rate of CPI inflation picks up to an 11-month high of 2.1% in November with core rate steady at 2.3%

Ireland

- The economy put in another solid performance in Q3 2019 with GDP increasing by 5.0% year-on-year
- Growth was broad-based with agriculture, industry, construction and services posting annual gains
- Exports were robust in the third quarter increasing by 11.1% y-o-y, while consumer spending was up 3.3%

Monday	IRL Goods Trade; EA, UK & US PMIs; EA Labour Costs; US Empire Manufacturing Index, Housing Market Index
Tuesday	EU New Car Regs; UK Labour Market Report, CBI Industry Survey; US Industrial Production, Housing Starts
Wednesday	IRL Planning Permissions; EA CPI, Construction Output; UK CPI, Producer Prices, ONS House Prices
Thursday	IRL Overseas Travel, UK Retail Sales, Consumer Confidence, BOE Meeting; US Jobless Claims
Friday	IRL Wholesale Prices, EA Consumer Confidence; UK GDP (Q3); US Consumer Spending, PCE Inflation

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