



28th February 2020  
This week's highlights

<b>Stocks</b> Sink	<b>Core bonds</b> Yields collapse	<b>Euro</b> Firmer	<b>Sterling</b> Weaker
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**Euro Area**

- Heightened coronavirus concerns weigh heavily on equity markets with Euro Stoxx 50 down around 13%
- 'Flight to safety' sees core bond yields fall sharply with German 10-year yields about 20bps lower at -0.62%
- The euro gains ground against the dollar over the course of the week, rising by around 1.5 cents to \$1.10

**UK**

- Government says won't "negotiate any arrangement (with EU) in which UK doesn't have control of own laws"
- Sterling weakens against both the euro and the dollar, falling to circa 85.5p and around \$1.2850 respectively
- The annual rate of house price inflation picks up further in February to 2.3%, according to Nationwide index

**US**

- The S&P 500 falls by almost 13% on the week and is now down around 10% year to date in 2020
- Benchmark 10-year yields collapse, declining by around 30bps to stand at historic low of just under 1.20%
- Annual PCE inflation ticked up for a second month in a row in January to 1.7%; core rate nudged up to 1.6%

**Ireland**

- Economic Pulse came in at 86.4 in February, up 0.3 from the previous month but down 4.4 on a year earlier
- Average weekly earnings rose by 3.5% y-o-y in the fourth quarter of 2019, after an increase of 3.6% in Q3
- Trips to Ireland by overseas residents totalled 654,500 in January, up 0.5% on the same month in 2019

Monday	Manufacturing PMIs in IRL, EA, UK & US; UK Mortgage Approvals; US ISM Manufacturing, OECD Interim Outlook
Tuesday	IRL Unemployment; EA CPI, PPI, Unemployment; UK Construction PMI
Wednesday	IRL Services Index; Services PMIs in IRL, EA, UK & US; EA Retail Sales; US ISM Non-Manufacturing, Beige Book
Thursday	IRL Industrial Production; UK New Car Registrations; US Jobless Claims, Factory Orders
Friday	IRL Quarterly National Accounts, International Accounts; US Employment Report, Trade Balance, Consumer Credit

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