



27th March 2020  
This week's highlights

<b>Euro</b> Firmer v \$	<b>Sterling</b> Advances	<b>Stocks</b> Some respite	<b>PMIs</b> Plunge
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**Euro Area**

- There was some respite for equity markets this week with the Euro Stoxx 50 advancing by around 7% or so
- The euro rebounded from last Friday's low of under \$1.07 to close out the week trading at about \$1.10
- Composite PMI falls to an all-time low of 31.4 in March, pointing to a sizeable COVID-19 hit to the economy

**UK**

- BOE kept policy on hold on Thursday, having already cut rates twice in the past 2 weeks and reactivated QE
- Sterling had a reasonably good week, strengthening to under 90p against the euro and to \$1.22 vs the dollar
- Composite PMI fell to a record low of 37.1 in March, consistent with a 'material' contraction in GDP says BOE

**US**

- The weekly jobless claims release highlighted the damage wrought by C-19 with new claims surging to 3.3m
- Composite PMI fell to 40.5 in March, led very much by a sharp decline in activity in the services sector
- Equities rallied with the S&P 500 up some 10%, while 10-year bond yields fell by 10bps to just under 0.75%

**Ireland**

- Having spiked higher recently, bond yields fell back on the week with 10-year yields 25bps lower at 0.02%
- Government announces a €3.7 billion welfare and support package, including a wage subsidy for employees
- The volume of retail sales fell by 0.3% y-o-y in February, but was up 1.6% y-o-y when cars are excluded

Monday	IRL Economic Pulse; EA Economic Sentiment Indicator; UK Mortgage Approvals
Tuesday	EA CPI; UK Consumer Confidence, GDP (Q4,final); US Consumer Confidence, House Prices
Wednesday	Manufacturing PMIs in IRL,EA, UK & US; EA Unemployment; US ISM Manufacturing Index, ADP Employment
Thursday	IRL Live Register; EA PPI; US Jobless Claims, Factory Goods Orders
Friday	Services PMIs in IRL,EA, UK & US; EA Retail Sales; US Employment Report, ISM Non-Manufacturing Index

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