



3rd April 2020  
This week's highlights

<b>EUR/\$</b> Lower	<b>Sterling</b> Firmer again	<b>Stocks</b> Give up ground	<b>US Payrolls</b> -701k in Mar
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**Euro Area**

- The euro gave up a good chunk of last week's gains against the dollar, falling by more than 3 cents to \$1.08
- Equity markets also gave up some of last week's gains with the Euro Stoxx 50 shedding about 2% or so
- The Composite PMI fell to 29.7 in March (from 51.6) according to final reading, signalling a sharp fall in GDP

**UK**

- Sterling advanced for 2nd week running, strengthening to around 88p and \$1.2250 vs euro and \$ respectively
- 10-year yields fell again this week though at 0.30% they still remain off their early March lows of around 0.15%
- House prices up 3% y-o-y in March according to Nationwide, but activity 'on pause' now on account of C-19

**US**

- Employment fell by -701k in Mar according to payrolls report, and unemployment rate rose to 4.4% (from 3.5%)
- However jobless claims surged over latter part of March, pointing to unemployment rate of 10% and climbing
- With the Fed having cut interest rates sharply, 10-year yields continue to head lower - down 10bps to 0.59%

**Ireland**

- Exchequer returns show impact of COVID-19 with tax revenues in March over 20% lower than in March 2019
- Central Bank says economy could contract by c.8% this year with unemployment rate averaging around 14%
- 10-year bond yields backed up, reversing last week's decline, ending almost 20bps higher at just under 0.20%

Monday	UK Construction PMI
Tuesday	UK Unit Labour Costs; US Job Openings, Consumer Credit
Wednesday	IRL New Vehicle Licences; UK Monthly GDP (Feb), RICS Housing Market Survey; US Fed Meeting Minutes
Thursday	IRL CPI; US Jobless Claims, Consumer Confidence
Friday	US CPI

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