



15th May 2020  
This week's highlights

<b>EUR/\$</b> Lower again	<b>Sterling</b> Loses ground	<b>UK GDP</b> Big fall in March	<b>US Inflation</b> Slows in April
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**Euro Area**

- The euro drifted lower against the dollar, briefly dipping under \$1.08 (and down from \$1.10 at the start of May)
- Industrial production in the zone fell by 11.3% in March (from February) with Italy recording a decline of 28.4%
- ECB member Panetta says "we will do everything..necessary to avoid disinflationary or even deflationary risks"

**UK**

- Economy contracted quite sharply in March with GDP falling by 5.8% from February, but worst still to come
- BOE Governor says "it is clear" markets expect further policy easing (additional QE the most likely option)
- Sterling lost more ground against the euro and the dollar, weakening to 89p and to under \$1.22 respectively

**US**

- Retail sales have collapsed, falling by a further 16.4% in April following a decline of 8.3% in March
- Annual CPI inflation slowed to just 0.3% in April, while the ex food & energy rate eased to a 9-year low of 1.4%
- Fed Chair Powell says "additional policy measures" (monetary and fiscal) will be required to support economy

**Ireland**

- The annual rate of CPI inflation dipped into negative territory in April, coming in at -0.1% after 0.7% in March
- Residential property prices rose by 1.0% annually in March; Dublin prices up 0.6% and ex-Dublin rose 1.5%
- The number of new private cars licensed in April - at 1,338 - was down 90.3% on the same month in 2019

Monday	IRL Business Impact of COVID-19 survey; UK Rightmove House Prices; US Housing Market Index
Tuesday	EA Construction Output, ZEW Index; UK Labour Market Report; US Housing Starts & Permits
Wednesday	EA CPI, Consumer Confidence; UK CPI, PPI, House Prices; Fed Minutes (April Meeting)
Thursday	IRL Labour Force Survey (Q1); UK Flash PMIs; US Jobless Claims, Flash PMIs
Friday	IRL Wholesale Prices; EA Flash PMIs; UK Retail Sales

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