



10th July 2020
This week's highlights

EUR/\$ Steady	Sterling Firmer again	Bond Yields Lower on week	Retail Sales Rebound in EA
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Euro Area

- The euro continued to trade in a relatively tight range against the dollar and closed out the week at about \$1.13
- German 10-year yields were down about 6bps to -0.49%, while the Euro Stoxx 50 shed around 1% or so
- Retail sales rebounded in May, increasing by almost 18% in volume terms having fallen in both March and April

UK

- Government announces a fiscal stimulus package of £30bn, including a cut in VAT for the hospitality sector
- Latest RICS housing market survey reports an improvement in activity, notable increase in new buyer enquiries
- Pound gained ground for second week running, strengthening to \$1.26 and 89.5p v dollar and euro respectively

US

- ISM index of non-manufacturing activity posts sizeable increase in June, increasing by almost 12 points to 57.1
- The number of continuing jobless claims fell further through month of June, now down 7m from early May peak
- 10-year bond yields fall 10bps to 0.58%, while concerns about increase in COVID-19 cases weigh on stocks

Ireland

- Annual rate of CPI inflation edged up in June but remained in negative territory for 3rd month in a row at -0.4%
- New cars licensed in June down 43.3% y-o-y, compares with annual declines of 90.3% & 83.7% in Apr & May
- NTMA raises €1.5bn through auction of 7-, 10- and 30-year bonds at yields of -0.257%, -0.025% and 0.602%

Monday	US Monthly Budget Statement
Tuesday	EA Industrial Production; UK GDP (May), BRC Retail Sales; US CPI, Small Business Optimism Index
Wednesday	IRL Goods Exports & Imports, Residential Property Prices; Trade Balance; UK CPI, PPI; US Industrial Production
Thursday	ECB Meeting; UK Labour Market (May); US Retail Sales, Jobless Claims
Friday	EA CPI, Construction Output; US Housing Starts, Consumer Confidence

Contact Us at economics@boi.com

www.Corporate-Economy.Bankofireland.com

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