



2nd October 2020
This week's highlights

EUR/\$ Firmer	Sterling Gains on week	EA Inflation Dips to -0.3%	US Payrolls +661k in Sept
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Euro Area

- The euro reversed about half of last week's fall against the dollar, gaining around a cent to just over \$1.17
- ECB's Lagarde says the COVID crisis will continue to weigh on economy, ready to adjust policy if necessary
- The annual rate of CPI inflation dipped further into negative territory in September to stand at -0.3%

UK

- Sterling rebounded by almost 2 cents to over \$1.29 against the dollar; also firmer against euro at about 90.5p
- BOE's Haldane says it will take some months to assess if negative interest rates can be implemented in the UK
- PM Johnson to meet European Commission President this weekend to discuss the "state of play" in trade talks

US

- Employment ("payrolls") rose for a fifth consecutive month in September, increasing by 661k from August
- The unemployment rate was lower again last month, dropping to 7.9% and down from peak of 14.7% in April
- News that Donald Trump tests positive for COVID-19 sees stocks lose ground on Friday - Dow down 1%

Ireland

- The Economic Pulse stood at 65.1 in September, up 5.8 from August but still 11.1 lower than a year earlier
- Retail sales volumes rose for 4th month in a row in August, increasing by 1.3% from July (and up 9.1% y-o-y)
- The Department of Finance expects GDP to contract by 2.5% this year before expanding by 1.4% in 2021

Monday	Services PMIs in IRL, EA, UK and US; EA Retail Sales; US ISM Services Index
Tuesday	IRL Services Index; UK Construction PMI; US Job Openings
Wednesday	IRL Industrial Production; UK House Prices (ONS), Unit Labour Costs; US Fed Minutes, Consumer Credit
Thursday	IRL CPI; UK RICS Housing Survey; US Jobless Claims
Friday	IRL Vehicle Licenses; UK GDP (Aug), Industrial Production, Trade Balance

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