



9th October 2020
This week's highlights

EUR/\$ Firmer again	US bonds Yields higher	Retail Sales Up in Euro Area	UK GDP +2.1% in Aug
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Euro Area

- The euro gained ground against the dollar for a second week in a row, strengthening to just over \$1.18
- Retail sales rebounded in August after slipping back in July, increasing by almost 4.5% in volume terms
- ECB President Christine Lagarde warns against "the premature withdrawal of (policy) support measures"

UK

- GDP rose for 4th month in a row in August, increasing by 2.1%, and is now up some 22% from its April trough
- Over the first eight months of this year GDP was still about 11.5% lower than in the same period in 2019
- The pound was a touch softer on the week against the euro at 91p; slightly firmer against dollar at almost \$1.30

US

- The ISM index of activity in the services sector comfortably in expansionary territory in September at 57.8
- Fed Chair Powell says the risk of "too little (economic policy) support" greater than the "risks of overdoing it"
- Benchmark 10-year bond yields rose for a second week running to 0.76%, highest level since early June

Ireland

- Annual rate of CPI inflation moved further into negative territory in September to -1.2% (versus 1.3% in Dec'19)
- The volume of industrial production fell by 13.4% m-o-m in August after posting large increases in June & July
- New private cars licensed in September totalled 5,747 - increase of 40% on the corresponding month in 2019

Monday	-
Tuesday	EA ZEW Index; UK Labour Market Report, BRC Retail Sales; US CPI, Small Business Optimism Index
Wednesday	IRL Residential Property Prices, Agricultural Prices; EA Industrial Production; US Producer Prices
Thursday	IRL Goods Exports & Imports; US Jobless Claims, Import Prices
Friday	EA CPI, Trade Balance; US Retail Sales, Consumer Confidence, Industrial Production

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