



26th March 2021  
This week's highlights

<b>Euro</b> Loses ground	<b>US Yields</b> Lower on the week	<b>PMIs</b> Improve in March	<b>UK Retail Sales</b> +2.1% in Feb
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- Euro Area**
- The euro lost further ground against the dollar, shedding more than a cent to trade below \$1.18
  - German government 10-year bond yields ended lower on the week, falling by around 6bps to -0.36%
  - Composite PMI in expansionary territory (>50) in March for the first time since last September at 52.5

- UK**
- The composite PMI rose to 56.6 in March with both the manufacturing and services PMIs coming in above 50
  - Retail sales partially recovered in Feb, rising by 2.1% after falling 8.2% in Jan as restrictions were tightened
  - Annual CPI inflation dipped to 0.4% last month from 0.7% in Jan; the core rate eased to 0.9% from 1.4%

- US**
- GDP rose by 1.1% in Q4 2020, a touch more than previously estimated, but was down 2.4% on Q4 2019
  - The annual rate of PCE inflation nudged up for a third consecutive month in February to 1.6%
  - Benchmark 10-year bond yields posted their first weekly decline since late January, falling by 7bps to 1.65%

- Ireland**
- The number of mortgages approved in February amounted to 3,651, up 3.9% on February last year
  - ESRI expects GDP to increase by 4.4% this year and by 5.2% in 2022 according to its latest forecasts
  - Government 10-year bond yields reversed course this week, falling by around 5bps or so to about 0.0%

<b>Monday</b>	IRL Economic Pulse, Retail Sales; UK Mortgage Approvals
<b>Tuesday</b>	EA Economic Sentiment Indicator; UK Lloyds Business Barometer; US Consumer Confidence, House Prices
<b>Wednesday</b>	IRL Monthly Unemployment; EA CPI; UK GDP (Q4, final), Nationwide House Prices; US ADP Employment
<b>Thursday</b>	Manufacturing PMIs in IRL, EA, UK & US; IRL Services Index; US Jobless Claims, ISM Manufacturing Index
<b>Friday</b>	US Employment Report

Contact Us at [economics@boi.com](mailto:economics@boi.com)

[www.Corporate-Economy.BankofIreland.com](http://www.Corporate-Economy.BankofIreland.com)

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