



14th May 2021
This week's highlights

EUR/\$ A little lower	Sterling Firmer	UK GDP Rises in March	US Inflation 4.2% in April
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Euro Area

- The euro was marginally lower against the dollar, shedding around a half a cent to just over \$1.21
- There was a notable jump in German 10-year bond yields on the week, of the order of 10bps to -0.12%
- European Commission raises forecast for GDP growth this year and next to 4.3% and 4.4% respectively

UK

- Sterling rose by about a cent against the dollar to \$1.41 and gained around 1p against the euro to 86p
- The economy expanded for a second month in a row in March with GDP rising by 2.1% from February
- The value of goods exports to the EU rose again in March but remained below their end-2020 level

US

- The annual rate of CPI inflation jumped to 4.2% in April (from 2.6% in March), the highest in c.13 years
- The core (or underlying) rate of inflation also moved up last month, to 3%, the highest since early 1996
- Benchmark government 10-year bond yields rose by around 8bps or so on the week to around 1.65%

Ireland

- Annual CPI inflation picked up to 1.1% in April (from 0.0% in March), its highest level since Feb 2020
- The year-on-year increase in residential property prices came in at 3.7% in March, up from 3.0% in Feb
- European Commission expects GDP growth of 4.6% this year (after 3.4% in 2020) and 5.0% next year

Monday	IRL Goods Exports & Imports; US NAHB Housing Market Index
Tuesday	EA GDP (Q1), Employment, Trade Balance; UK Labour Market Report; US Housing Starts
Wednesday	EA CPI; UK CPI, PPI; US Fed Minutes (April meeting)
Thursday	EA Construction Output; US Jobless Claims
Friday	IRL Wholesale Prices; Flash PMIs EA,UK & US; EA Consumer Confidence; UK Retail Sales

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