



21st May 2021  
This week's highlights

<b>EUR/\$</b> A touch firmer	<b>Bond Yields</b> Flat	<b>UK Retail Sales</b> Jump in April	<b>PMIs</b> Improve again
---------------------------------	----------------------------	---	------------------------------

**Euro Area**

- The euro gained some ground against the dollar, rising by around a half a cent to just under \$1.22
- German 10-year bond yields were largely unchanged at about -0.12% (having risen by 10bps last week)
- The Composite PMI rose for a fourth month in a row in May and at 56.9 is signalling positive GDP growth

**UK**

- Sterling strengthened by about a cent against the dollar to \$1.42, its highest level since early 2018
- Retail sales rose by 9.2% in April as restrictions were eased and were up some 42% on April 2020
- Composite PMI increased to 62.0 in May with both services & manufacturing activity expanding strongly

**US**

- The Composite PMI remained comfortably in expansionary territory again in May, rising further to 68.1
- Fed minutes show a 'number' of members believe it will soon be appropriate to discuss scaling back QE
- Benchmark government 10-year bond yields end at 1.63%, down from an intra-week high of 1.68%

**Ireland**

- The value of goods exports fell by 17% year-on-year in March, while goods imports were up 30% y-o-y
- Good exports to Great Britain increased by 13% y-o-y in March with goods imports from GB down 31%
- 10-year bond yields eased from an intra-week high of 0.32% to end a little lower overall at 0.27%

<b>Monday</b>	US Chicago Fed National Activity Index
<b>Tuesday</b>	UK Public Sector Borrowing, CBI Retail Sales Survey; US Consumer Confidence, New Home Sales
<b>Wednesday</b>	US MBA Mortgage Applications
<b>Thursday</b>	US Jobless Claims, Durable Goods Orders, GDP (Q1, 2nd est.)
<b>Friday</b>	IRL Retail Sales; EA Economic Sentiment Indicator; US Consumer Spending, PCE Inflation

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

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

**Disclaimer**

This document has been prepared by the Economic Research Unit at The Governor and Company of the Bank of Ireland ("BOI") for information purposes only and BOI is not soliciting any action based upon it. BOI believes the information contained herein to be accurate but does not warrant its accuracy nor accepts or assumes any responsibility or liability for such information other than any responsibility it may owe to any party under the European Communities (Markets in Financial Instruments) Regulations 2007 as may be amended from time to time, and under the Financial Conduct Authority rules (where the client is resident in the UK), for any loss or damage caused by any act or omission taken as a result of the information contained in this document. Any decision made by a party after reading this document shall be on the basis of its own research and not be influenced or based on any view or opinion expressed by BOI either in this document or otherwise. This document does not address all risks and cannot be relied on for any investment contract or decision. A party should obtain independent professional advice before making any investment decision. Expressions of opinion contained in this document reflect current opinion as at 21st May 2021 and is based on information available to BOI before that date. This document is the property of BOI and its contents may not be reproduced, either in whole or in part, without the express written consent of a suitably authorised member of BOI.

The Governor and Company of the Bank of Ireland is regulated by the Central Bank of Ireland. In the UK, The Governor and Company of the Bank of Ireland is authorised by the Central Bank of Ireland and the Prudential Regulation Authority and subject to limited regulation by the Financial Conduct Authority and the Prudential Regulation Authority. Details about the extent of our authorisation and regulation by the Prudential Regulation Authority and regulation by the Financial Conduct Authority are available from us on request. The Governor and Company of the Bank of Ireland is incorporated in Ireland with limited liability. Registered Office - 40 Mespil Road, Dublin 4, Ireland.

Registered Number - C-1.

[Update My Preferences](#)

If you'd rather not receive future e-mails from us, please [opt-out here](#).