



28th May 2021
This week's highlights

EUR/\$ Flat on the week	Bond Yields A little lower	US GDP +1.6% in Q1	US PCE Inflation 3.6% in April
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Euro Area

- The euro retreated from an intra-week high of over \$1.2250 against the dollar to end flat at around \$1.2150
- German 10-year bond yields were marginally lower on the week, falling by around 5bps or so to -0.18%
- ECB's Schnabel says she's confident economy has 'reached a turning point' with the outlook brightening

UK

- Sterling little changed overall, at just under \$1.42 against the dollar and a touch below 86p versus the euro
- Business confidence rose to a three-year high in May according to the Lloyds Business Barometer
- BOE's Haldane says with the economy recovering quickly, policymakers should be ready to withdraw stimulus

US

- The annual rate of PCE inflation picked up to 3.6% in April from 2.3% in March; core rate also up, to 3.1%
- GDP rose by 1.6% quarter-on-quarter in Q1 2021, according to the 2nd estimate, and by 0.4% from Q1'20
- Benchmark government 10-year bond yields drifted down on the week to end at around 1.60%

Ireland

- Retail sales volumes rose by 7.4% in April and were up 90.1% on April last year (when spending plunged)
- Excluding Motor Trades, the volume of retail sales fell by 4.1% last month but was up 27.6% on April 2020
- Government 10-year bond yields were down on the week, falling by around 8bps or so to 0.20%

Monday	IRL Economic Pulse; EA Money Supply; OECD Economic Outlook
Tuesday	Manufacturing PMIs IRL, EA, UK, US; IRL Earnings & Labour Costs; EA CPI; US ISM Manufacturing Index
Wednesday	IRL Building & Construction Index; EA PPI; UK Mortgage Approvals; US Fed Beige Book
Thursday	Services PMIs IRL, EA, UK, US; US Jobless Claims, ISM Services Index
Friday	IRL GDP (Q1 2021); EA Retail Sales; UK Construction PMI; US Employment Report, Durable Goods Orders

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