



18th June 2021  
This week's highlights

<b>EUR/\$</b> Lower on the week	<b>Sterling</b> Loses ground to \$	<b>UK CPI Inflation</b> Up to 2.1% in May	<b>US Retail Sales</b> Dip in May
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**Euro Area**

- The euro weakened against the dollar post Wednesday's Fed meeting, shedding about 2 cents to \$1.19
- German 10-year bond yields reversed last week's increase, falling back by around 6bps to -0.21%
- Annual rate of CPI inflation confirmed at 2.0% in May, core rate revised up a little to a still subdued 1.0%

**UK**

- Employment rose by 0.3%, or 113k, in Feb-Apr (from Nov-Jan) and unemployment rate dipped to 4.7%
- Annual CPI inflation picked up to 2.1% in May from 1.5% in April, with core rate up to 2.0% from 1.3%
- Sterling shed around 2 cents against the dollar to \$1.39; broadly flat on the week vis-a-vis euro (at 86p)

**US**

- Fed left policy on hold this week; indicated a possible earlier start to rate hikes albeit still not until 2023
- 10-year bond yields rose to almost 1.60% post Fed but fell back again to 1.49% (marginally up on week)
- Retail sales fell by 1.3% in May, though this followed a robust gain of more than 12% over Mar-Apr period

**Ireland**

- The annual rate of residential property price inflation nationally picked up further in April to 4.5%
- The value of goods exports rose by 10% y-o-y in April with the value of goods imports up 45% y-o-y
- Good exports (value) to Great Britain were up 42% y-o-y in April, while goods imports from GB down 20%

<b>Monday</b>	UK Rightmove House Prices; US Chicago Fed National Activity Index
<b>Tuesday</b>	IRL Wholesale Prices; EA Consumer Confidence; UK Public Sector Borrowing; US Existing Home Sales
<b>Wednesday</b>	IRL Labour Force Survey (Q1), Monthly Unemployment; Flash PMIs EA,UK,US; US New Homes Sales
<b>Thursday</b>	EA ECB Monthly Bulletin; UK Bank of England Meeting; US GDP (Q1, 2nd est.), Capital Goods Orders
<b>Friday</b>	EA Money Supply; UK Consumer Confidence, CBI Retail Sales; US Consumer Spending, PCE Inflation

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