



16 July 2021  
This week's highlights

<b>EUR/\$</b> A touch weaker	<b>Bond yields</b> Slightly lower	<b>UK CPI Inflation</b> 2.5% in June	<b>US CPI Inflation</b> Up to 5.4% in June
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**Euro Area**

- The euro lost a little ground against the dollar over the course of the week, dipping to around \$1.18
- There was another, albeit small, decline in German 10-year bond yields, which were down 5bps to -0.35%
- Industrial production fell by 1.0% month-on-month in May, having gained ground in both March and April

**UK**

- The annual rate of CPI inflation picked up to 2.5% in June; core rate up to 2.3%
- Employment rose by 0.1% (or 25k) in the 3 months to May, while the unemployment rate was steady at 4.8%
- Sterling marginally weaker against the dollar at around \$1.3780, largely flat vis-a-vis the euro at 85.5p

**US**

- Annual CPI inflation rose further in June to stand at 5.4%, which is the highest reading since August 2008
- Fed Chair Jerome Powell says inflation will "remain elevated in coming months before moderating"
- 10-year bond yields spiked to over 1.40% early in the week before retreating to around 1.30%

**Ireland**

- Annual GDP growth in 2020 is now put at 5.9% according to the CSO's latest estimate, revised up from 3.4%
- CSO revised up its estimate of seasonally-adjusted q-o-q GDP growth in Q1 2021 to 8.6% (from 7.8%)
- The annual rate of residential property price inflation nationally picked up again in May to 5.5%

<b>Monday</b>	EA Industrial Production; UK Rightmove House Prices; US NAHB Housing Market Index
<b>Tuesday</b>	EA Current Account; US Housing Starts and Building Permits
<b>Wednesday</b>	UK Public Sector Net Borrowing
<b>Thursday</b>	IRL Wholesale Prices; EA Consumer Confidence, ECB Meeting; US Jobless Claims, Existing Home Sales
<b>Friday</b>	Flash PMIs in EA, UK & US; UK Retail Sales, Consumer Confidence

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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