



30th July 2021  
This week's highlights

<b>EUR/\$</b> Gains ground	<b>Bond yields</b> Marginally lower	<b>Euro Area GDP</b> Recovers in Q2	<b>US GDP</b> Up again in Q2
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**Euro Area**

- The euro gained against the dollar over the latter part of the week, strengthening by about a cent to \$1.19
- German 10-year bond yields fell for a fifth week in a row, albeit marginally so, by around 4bps to -0.45%
- Economy recovered in Q2 with GDP rising by 2.0% q/q, while annual CPI inflation ticked up to 2.2% in July

**UK**

- Sterling gained around 2 cents against the dollar to over \$1.39; rose by almost 1p vis-a-vis euro to 85p
- Number of mortgage approvals for house purchase slipped in June, as stamp duty holiday coming to an end
- House prices dipped in the month of July according to the Nationwide measure, falling by 0.5% from June

**US**

- Fed left policy on hold, considered how bond purchases "might be adjusted" re "their pace and composition"
- Economy expanded for a fourth quarter a row in Q2 with GDP increasing by 1.6% q/q (and by 12.2% y/y)
- Annual PCE inflation picked up slightly in June, to 4%. Benchmark 10-year bond yields dipped to 1.25%

**Ireland**

- The Economic Pulse came in at 89.3 in July - down 0.5 from June but up 27.4 on the same month in 2020
- The volume of retail sales rose by 3.3% m/m in June (after a 3.4% gain in May) and was up 10.6% y/y
- Number of Pandemic Unemployment Payment recipients fell by almost 10k in latest week to 192,296

<b>Monday</b>	Manufacturing PMIs EA, UK, US; UK Lloyds Business Barometer; US ISM Manufacturing Index
<b>Tuesday</b>	IRL Manufacturing PMI, Monthly Services Index; EA PPI; US Factory Goods Orders
<b>Wednesday</b>	Services PMIs EA, UK, US; EA Retail Sales; US ISM Services Index, ADP Employment Report
<b>Thursday</b>	IRL Services PMI, Monthly Unemployment; UK Construction PMI, BOE Meeting; US Jobless Claims
<b>Friday</b>	US Payrolls Report, Consumer Credit

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