



20th August 2021
This week's highlights

Sterling Loses ground	EUR/\$ Lower on the week	UK CPI Inflation Eases in July	US Retail Sales Slip in July
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Euro Area

- The euro shed around a cent against the dollar over the course of the week, falling to just under \$1.17
- Equity markets lost ground, while German 10-year bond yields were marginally lower at -0.50%
- GDP rose by 2% quarter-on-quarter in Q2 having declined by 0.3% in the opening quarter of this year

UK

- Sterling fell by more than 2 cents to \$1.36 against the dollar; almost a penny lower versus euro at c.86p
- Retail sales dropped for a second month in three in July with volumes down 2.5% from their June level
- Annual CPI inflation eased to 2.0% in July from 2.5% in June, core rate down to 1.8% from 2.3%

US

- Fed minutes show most members judge it appropriate to start tapering bond purchases later this year
- Retail sales fell by 1.1% m-o-m in July, while manufacturing output was up 1.4% on its level in June
- Bond yields edged down for second week in a row, with 10-year yields about 5bps lower at 1.23%

Ireland

- The value of goods exports rose by 6% y-o-y in June, while goods imports were up 43% on June 2020
- Numbers in receipt of the Pandemic Unemployment Payment continued to fall through mid-August
- Government 10-year bond yields were a touch lower on the week at about -0.11%

Monday	Flash PMIs in EA, UK and US; EA Consumer Confidence; US Chicago Fed National Activity Index
Tuesday	US New Home Sales
Wednesday	UK CBI Retail Sales Survey; US Capital Goods Orders
Thursday	EA Money Supply (M3); US GDP (Q2, 2nd estimate), Jobless Claims
Friday	IRL Retail Sales; US Consumer Spending, PCE Inflation, U of Michigan Consumer Confidence

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