



15th October 2021
This week's highlights

Sterling

Firmer

Bond Yields

Edge lower

UK GDP

Up 0.4% in Aug

US Inflation

5.4% in Sept

- Euro Area

 - The euro recovered a little ground against the dollar, gaining around half a cent or so to about \$1.16
 - Government bond yields reversed course this week, with German 10-year yields edging down to -0.16%
 - Industrial production fell quite sharply in August - by 1.6% from July - as supply bottlenecks weighed
- UK

 - GDP rose by 0.4% in August, after dipping by 0.1% in July, and was up 6.9% on August last year
 - Employment rose by 235k - or 0.7% - in Jun-Aug (from Mar-May), unemployment rate dipped to 4.5%
 - Sterling rose by around a cent against the dollar to \$1.37; a touch firmer against the euro at c.84.5p
- US

 - The annual rate of CPI inflation ticked up to 5.4% in September, while the core rate held steady at 4.0%
 - Fed minutes (September meeting) indicate tapering of bond purchases to begin before end of this year
 - Benchmark government 10-year bond yields fell for the first week in eight, down around 5bps to 1.55%
- Ireland

 - The annual rate of CPI inflation picked up for a third month running in September to stand at 3.7%
 - Residential property prices nationally rose by 2.2% in August, leaving them up 10.9% on August 2020
 - The Budget 2022 package of €4.7bn heavily favoured spending increases with tax reductions of just €500m

Monday	UK Rightmove House Prices; US Industrial Production
Tuesday	IRL Government Finances (Q2);EA Construction Output; US Housing Starts
Wednesday	EA CPI; UK CPI, PPI
Thursday	EA Consumer Confidence; UK Public Borrowing; US Jobless Claims, Existing Home Sales
Friday	IRL Wholesale Prices; Flash PMIs EA, UK, US; UK Retail Sales, Consumer Confidence

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