



26th November 2021  
This week's highlights

**Equities tumble**

New C-19 variant

**Bond yields**

Reverse course

**Flash PMIs**

Solid in Nov

**US PCE Inflation**

Up to 5.0% in Oct

**Euro Area**

- Euro Stoxx 50 sold off on Friday amid concerns about the emergence of a new variant of COVID-19
- Bond yields retreat on the same concerns; euro flat against the dollar on the week at around \$1.13
- The flash composite PMI rose to 55.8 in November, led by a pick up in services sector activity

**UK**

- FTSE 100 down c.2% on the week; 10-year bond yields fall by 15bps from Wed's high to around 0.82%
- Sterling shed around a cent against the dollar to \$1.33; almost a penny lower vis-a-vis the euro at c.85p
- Flash composite PMI largely unchanged in November at 57.7 - points to solid pace of economic growth

**US**

- The annual rate of headline PCE inflation rose to 5.0% in October with the core rate picking up to 4.1%
- Minutes of Fed's Oct meeting highlight a number of factors that could keep inflation 'elevated' for longer
- 10-year bond yields tumble on COVID worries - fall by best part of 15 bps from intra-week highs to 1.50%

**Ireland**

- Employment rose by 9.8% year-on-year in Q3 to 2,471,200, according to CSO data published this week
- The standard (ILO) unemployment rate fell to 5.5% in Q3 from 7.0% in Q2 (and 7.3% in the first quarter)
- The COVID-19 adjusted unemployment rate has also declined steadily and stood at 7.9% at end-Oct

<b>Monday</b>	IRL Economic Pulse, Retail Sales; EA Economic Sentiment Indicator; UK Mortgage Approvals, House Prices
<b>Tuesday</b>	IRL Industrial Disputes Q3; EA (flash) CPI; UK Lloyds Business Barometer; US Consumer Confidence
<b>Wednesday</b>	Manufacturing PMIs (IRL, EA, UK, US); IRL Earnings (Q3), Unemployment; US ISM Manufacturing Index
<b>Thursday</b>	IRL Building & Construction Output; EA Unemployment; US Jobless Claims
<b>Friday</b>	Services PMIs (IRL, EA, UK, US); IRL GDP (Q3); EA Retail Sales; US Employment, ISM Services Index

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