



5th November 2021  
This week's highlights

<b>BOE</b> A surprise hold	<b>Sterling</b> Slides	<b>Bond Yields</b> UK leads a decline	<b>US Payrolls</b> +531k in Oct
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**Euro Area**

- Euro shed about half a cent on the week against the dollar to \$1.15 (and off Thursday's high of > \$1.16)
- There was a notable decline in German 10-year bond yields, which fell by more than 15bps to -0.28%
- ECB's Lagarde says conditions for an increase in interest rates "are unlikely to be satisfied next year"

**UK**

- The Bank of England (BOE) surprised markets by keeping interest rates on hold at Thursday's meeting
- Pound slides post central bank's decision, to under \$1.35 against the dollar and to 85.5p vis-a-vis euro
- Government 10-year bond yields also fell sharply post BOE, declining by more than 20bps to 0.85%

**US**

- As it had flagged, Fed announced the start of a tapering of bond purchases following this week's meeting
- Employment rose by 531k in October according to latest 'payrolls' report, unemployment dipped to 4.6%
- Benchmark government 10-year bond yields were almost 10ps lower on the week at just under 1.50%

**Ireland**

- The COVID-19 adjusted unemployment rate fell further in October to 7.9% from (a revised) 8.9% in Sep
- Latest Exchequer returns show tax receipts in Jan-Oct totalled €50,946 million, up 19.6% on Jan-Oct '20
- Government 10-year bond yields reversed course this week, falling by about 20bps to around 0.12%

<b>Monday</b>	IRL Industrial Production, New Vehicle Licenses
<b>Tuesday</b>	EA ZEW Index; UK BRC Retail Sales; US Small Business Optimism Index, PPI
<b>Wednesday</b>	US CPI, Real Earnings, Jobless Claims
<b>Thursday</b>	IRL CPI; EU European Commission Forecasts; UK GDP (Q3), RICS Housing Survey
<b>Friday</b>	EA Industrial Production; US Consumer Confidence, Job Openings

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