



17th December 2021  
This week's highlights

<b>EUR/\$</b> Little changed again	<b>BOE</b> Hikes rates	<b>ECB</b> PEPP to end in Q1	<b>Fed</b> Speeds up tapering
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**Euro Area**

- The ECB confirmed that it will end its pandemic emergency bond purchases next March as planned
- To avoid a 'cliff edge', ECB to temporarily boost its regular bond purchases to €40bn a month in Apr-Jun
- The euro was largely unchanged against the dollar for a third week running at around \$1.13

**UK**

- The Bank of England raised interest rates to 0.25% from 0.1%, the first rate hike since 2018
- It also said some further 'modest' increase in rates is 'likely to be needed' to meet its inflation target
- Sterling was marginally firmer against the dollar at around \$1.33; little changed vis-a-vis the euro at 85p

**US**

- The Fed announced that it would speed up the tapering of its bond purchases to \$30bn a month from Jan
- It also indicated that it is likely to increase interest rates to 0.75%-1.00% by the end of next year
- Benchmark 10-year yields still managed to end the week lower though, falling 10bps to just under 1.40%

**Ireland**

- Residential property prices nationally rose by 13.5% y-o-y in Oct - Dublin up 12.3% & Ex Dublin up 14.6%
- The value of goods exports rose by 21% on an annual basis in October, with goods imports up 15%
- Good exports (value) to Great Britain increased by 4% y-o-y in Oct, while good imports from GB fell 26%

<b>Monday</b>	UK CBI Industry Survey; US Leading Index
<b>Tuesday</b>	EA Consumer Confidence; UK Lloyds Business Barometer, CBI Retail Sales Survey; US Current Account
<b>Wednesday</b>	IRL Wholesale Prices; UK GDP (Q3, final), Current Account; US Consumer Confidence, GDP (Q3, final)
<b>Thursday</b>	US PCE Inflation, Consumer Spending, New Home Sales, Jobless Claims, Durable Goods Orders
<b>Friday</b>	-

Contact Us at [economics@boi.com](mailto:economics@boi.com)

[www.Corporate-Economy.BankofIreland.com](http://www.Corporate-Economy.BankofIreland.com)

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