



21st January 2022
This week's highlights

Stocks Under pressure	Bond Yields Off highs	EUR/\$ Lower on week	UK CPI Inflation 5.4% in Dec
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Euro Area

- The euro lost ground against the dollar over the course of the week, shedding almost a cent to \$1.1350
- German government 10-year bond yields briefly in positive territory before easing back to about -0.08%
- Annual rate of CPI inflation in the zone confirmed at 5.0% in December, up marginally from Nov (4.9%)

UK

- Annual CPI inflation rate picked up to 5.4% in December from 5.1% in Nov; core rate at 4.2% (from 4%)
- Unemployment rate dipped to 4.1% in the 3 months to November, not far off pre-pandemic low of 3.8%
- Sterling fell by around a cent against the dollar to \$1.3550; a little softer vis-a-vis euro just shy of 84p

US

- Stocks were on the back foot through the week with the S&P 500 down around 5% to a three-month low
- Benchmark 10-year yields got up to around 1.90% in early trading before falling back to around 1.75%
- Fed's Williams says "approaching a decision" to raise interest rates given "signs of strong labor market"

Ireland

- Residential property prices nationally up 14% y-o-y in November - Dublin up 12.8%, Ex-Dublin up 15%
- Annual rate of CPI inflation picked up further to 5.5% in December, the highest reading since April 2001
- The value of goods exports rose by 2% y-o-y in November while the value of goods imports was up 6%

Monday	Flash PMIs EA, UK & US, US Chicago Fed National Activity Index
Tuesday	UK Public Sector Borrowing, CBI Industry Survey; US Consumer Confidence, House Prices
Wednesday	US Fed Meeting, New Home Sales, Trade Balance
Thursday	IRL New Dwelling Completions; UK CBI Retail Survey; US GDP (Q4'21), Jobless Claims
Friday	IRL Retail Sales; EA Economic Sentiment Indicator, M3; UK House Prices (Nationwide); US PCE Inflation

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