



11th February 2022
This week's highlights

<p>EUR/\$</p> <p>A touch lower</p>	<p>Bond Yields</p> <p>Increase again</p>	<p>US CPI Inflation</p> <p>Up to 7.5% in Jan</p>	<p>UK GDP</p> <p>Dips in Dec</p>
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Euro Area

- The euro lost ground to the dollar over the week as a whole, shedding about half a cent to under \$1.14
- German government 10-year bond yields up again, rising by around around 7bps to just over 0.25%
- European Commission expects GDP growth of 4% in 2022 (revised from 4.3%) & 2.7% in 2023 (2.4%)

UK

- Pound firmer against both the dollar and the euro at close to \$1.36 and a bit below 84p respectively
- There was another notable jump in government bond yields, with 10-year yields up 10bps to 1.50%
- GDP dipped by 0.2% in December amid the spread of Omicron but was still up 6% on December 2020

US

- The annual rate of CPI inflation picked up once again in January, rising to 7.5% from 7% in December
- Benchmark government 10-year bond yields up about 10bps on the week, hitting 2% in the process
- Market is now pricing in an increase of at least 75bps in Fed interest rates by the middle of this year

Ireland

- The number of new private cars licensed in January was 15,814, a drop of 6.7% compared with Jan 2021
- Industrial production rose by almost 17% in 2021, following an increase of 14.6% the previous year
- The European Commission is forecasting GDP growth of 5.5% in 2022 and 4.5% for 2023

Monday	-
Tuesday	IRL Goods Imports and Exports; EA GDP & Employment (Q4); UK Labour Market Report (Q4); US PPI
Wednesday	IRL Residential Property Prices, EA Industrial Production (IP); UK CPI; US Retail Sales, IP, Fed minutes
Thursday	IRL Labour Force Survey (Q4), CPI; US Housing Starts, Jobless Claims
Friday	EA Consumer Confidence, Construction Output; UK Retail Sales; US Existing Home Sales

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