

Weekly Round Up



22nd July 2022

This week's highlights

EUR/\$

To parity and below

Bond Yields

Lower

UK GDP

+0.5% in May

US CPI Inflation

Up to 9.1% in June

Euro Area

- The euro fell below parity against the dollar for a time this week amid a bout of political upheaval in Italy
- Equity markets lost ground, while German government 10-year bond yields fell by about 20bps to 1.12%
- ECB Governing Council meets next Thursday (21st) and a 25bps hike in interest rates is on the cards

UK

- GDP rose by 0.5% m/m in May with the annual rate of growth easing to 3.5% from 3.7% in April
- Sterling shed 2 cents against the dollar to \$1.1850, but largely unchanged vis-a-vis euro at circa 85p
- Tory party leadership contest in full swing with the number of candidates now whittled down to five

US

- Annual rate of consumer price inflation rose to 9.1% in June from 8.6% in April; core rate dipped to 5.9%
- Value of retail sales rose by 1.0% (m/m) last month, while industrial output declined by 0.2% from May
- Government 10-year bond yields reversed course this week, falling by 15bps to just shy of 2.90%

Ireland

- Annual rate of consumer price inflation picked up again in June, to 9.1% from 7.8% the previous month
- The year-on-year rate of increase in residential property prices nationally eased to 14.4% in May
- GDP rose by 13.6% in calendar year 2021 and by 10.7% on an annual basis in the first quarter of 2022

Monday

IRL Goods Exports and Imports; UK Rightmove House Prices; US Housing Market Index

Tuesday

EA Construction Output, CPI (June, final); UK Labour Market Report; US Housing Starts

Wednesday

EA Consumer Confidence; UK CPI, Producer Prices; US Existing Home Sales

Thursday

EA ECB Meeting; UK Public Sector Borrowing; US Jobless Claims, Leading Index

Friday

IRL Wholesale Prices; Flash PMIs EA, UK & US; UK Retail Sales

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