

Weekly Round Up



22nd July 2022

This week's highlights

ECB

Hikes by 50bps

EUR/\$

A little firmer

Flash PMIs

Soft in July

UK CPI Inflation

Up to 9.4% in June

Euro Area

- ECB raised interest rates by 50bps at this week's meeting and indicated that there is more to come
- Euro marginally firmer against the dollar at \$1.02; German 10-year bond yields lower again at 1.0%
- The flash Composite PMI slipped to 49.4 in July, pointing to weakening economic activity in the zone

UK

- Sterling gained a little ground against the dollar to just over \$1.20; flat vis-a-vis the euro at around 85p
- The flash Composite PMI slipped to 52.8 in July, while annual rate of CPI inflation up to 9.4% in June
- Tory leadership contest now down to final two - former Chancellor Sunak and Foreign Secretary Truss

US

- The flash Composite PMI declined for a fourth month running in July, coming in at 47.5 (vs 52.3 in June)
- Benchmark government 10-year bond yields fell again this week, down about 15bps to around 2.75%
- The Fed meets next week (Tue/Wed) with another 75bps increase in interest rates still on the cards

Ireland

- The value of goods exports rose by 33% y-o-y in May 2022, while value of goods imports was up 46%
- Goods exports (value) to Great Britain were up 27% on annual basis in May; imports from GB rose 71%
- Government 10-year yields fell by around 10bps to 1.60% (now down about 30bps over past two weeks)

Monday

UK CBI Industry Survey; US Chicago Fed National Activity Index

Tuesday

UK CBI Retail Sales Survey; US Consumer Confidence, New Home Sales, House Prices

Wednesday

EA Money Supply; US Fed Meeting, Trade Balance, Capital Goods Orders

Thursday

EA Economic Sentiment Indicator; UK House Prices; US GDP (Q2), Jobless Claims

Friday

IRL Flash HICP Inflation; EA GDP (Q2), CPI; UK Lloyds Business Barometer; US PCE Inflation

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