



29th July 2022

This week's highlights

EA GDP

+0.7% in Q2

EA CPI Inflation

Up to 8.9% in July

Fed

Hikes by 75bps

US GDP

Falls again in Q2

Euro Area

- GDP increased by 0.7% q-o-q in Q2 with the annual rate of growth easing to 4.0% from 5.4% in Q1
- Annual headline and core rates of CPI inflation both nudged up in July, to 8.9% and 4.0% respectively
- EUR/\$ marginally lower on the week at c. \$1.0150; German 10-year bond yields fell by 15bps to 1.85%

UK

- The pound gained around a penny to 84p against the euro; up almost a cent to just shy of \$1.21 vs \$
- Government 10-year bond yields fell by around 5bps to end the week trading just below 1.90%
- Business confidence came off the boil some more in July, according to the Lloyds Business Barometer

US

- Fed raised interest rates by 75bps for a second meeting running, said further increase may be needed
- GDP fell for a 2nd quarter in a row in Q2 (-0.2% q-o-q), partly reflecting a decline in investment
- The annual rate of headline PCE inflation rose to 6.8% in June and the core rate ticked up to 4.8%

Ireland

- Economic Pulse fell to a seventeen month low in July with consumer and business sentiment both down
- The volume of retail sales fell by 1.3% in June and were 6.6% lower than in the same month in 2021
- There were 7,654 new dwelling completions in Q2, up 53.4% on Q2 2021 (and up 58.8% Q2 2019)

Monday	Manufacturing PMIs EA, UK & US; EA Unemployment; US ISM Manufacturing Index, Construction Spending
Tuesday	IRL Manufacturing PMI; UK Nationwide House Prices
Wednesday	Services PMIs EA, UK & US; EA Retail Sales, PPI; US ISM Services, Factory Goods Orders
Thursday	IRL Monthly Unemployment, Services PMI; UK BOE Meeting; US Jobless Claims
Friday	US Employment (Payrolls) Report, Consumer Credit

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