



23 September 2022  
This week's highlights

<p><b>Fed</b></p> <p>Ups rates by 75bps</p>	<p><b>Bank of England</b></p> <p>Hikes by 50bps</p>	<p><b>UK Bond Yields</b></p> <p>Soar</p>	<p><b>Pound</b></p> <p>Tanks</p>
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**Euro Area**

- Euro fell to a fresh low against the dollar this week, shedding about 2.5 cents to trade at around \$0.9750
- German government 10-year bond yields increased by a further 25bps to a circa ten-year high of 2.0%
- ECB's Schnabel says "starting point of interest rates is very low, clear we need to continue raising them"

**UK**

- The Bank of England MPC hiked interest rates by another 50bps to 2.25% at this week's meeting
- The new government's Growth Plan includes reversing recent increase in NICs and income tax cuts
- Government 10-year bond yields soar 70bps to 3.80%; pound down 5 cents to \$1.09 vs the dollar

**US**

- The Fed raised interest rates by 75bps to a range of 3.0%-3.25% and signalled there is more to come
- Fed indicated rates to rise to 4.25%-4.50% by the end of this year and to end next year at 4.50%-4.75%
- Benchmark government 10-year bond yields increase by the best part of 30bps on the week to c. 3.75%

**Ireland**

- The annual rate of manufacturing output price inflation eased to 4.7% in August from 6.2% in July
- Government 10-year bond yields rose by around 30bps to j2.60%, the highest level since mid-2014
- Budget 2023 next Tuesday expected to contain substantial energy supports for households and business

Monday	IRL Economic Pulse; UK Rightmove House Prices; OECD Interim Economic Outlook
Tuesday	IRL Budget 2023; EA Money Supply (M3); US Consumer Confidence, House Prices, New Home Sales
Wednesday	IRL Retail Sales; UK Nationwide House Prices; US Trade Balance
Thursday	EA Economic Sentiment Indicator; UK Mortgage Approvals; US Jobless Claims, GDP (Q2, final)
Friday	IRL Flash HICP Inflation; EA Unemployment, CPI; UK GDP (Q2, final); US PCE Inflation, Consumer Spending

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