



30 September 2022  
This week's highlights

<b>UK Markets</b> Highly volatile	<b>Bank of England</b> Intervenes	<b>EA Inflation</b> Rises in Sept	<b>Irish Budget</b> €11bn package
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**Euro Area**

- The EUR/USD cross declined to \$0.955 but recovered to end the week broadly unchanged at c.\$0.98
- Economic Sentiment Indicator falls to 93.7 (from 97.3) in September, below expectations
- Inflation rose to 10% in September according to the flash estimate, up from 9.1% in August

**UK**

- Sterling falls below \$1.04, and bond yields spiking, early in the week
- Prompts Bank of England intervention announcing temporary purchase programme of long dated gilts
- Following this sterling recovered sharply to end the week at \$1.11, with bond yields falling back

**US**

- Durable goods orders declined 0.2% month-on-month in August, a touch better than expected
- Personal income rose 0.3% on the month in August, while personal spending was up 0.4%
- PCE inflation came in at 6.2% in August, with the core rate above expectations at 4.9%

**Ireland**

- Budget 2023 package, totaling roughly €11bn, includes energy credits, welfare increases, and tax cuts
- Value of retail sales rose 3.4% year-on-year in August, though sales were down 5.6% in volume terms
- Flash estimate for HICP inflation falls to 8.6% in September from 9.0% in August

<b>Monday</b>	IRL Manufacturing PMI; US ISM Manufacturing, Construction Spending
<b>Tuesday</b>	EA Producer Prices; US Factory Orders, ECB's Lagarde speaks
<b>Wednesday</b>	IRL Services PMI, Unemployment Rate; US Trade Balance, ISM Non-Manufacturing
<b>Thursday</b>	IRL Construction PMI, Services Index; EA Construction PMI, Retail Sales; UK Construction PMI
<b>Friday</b>	IRL Industrial Production; US Non-Farm Payrolls, Earnings

[Contact Us at economics@boi.com](mailto:economics@boi.com)

[www.Corporate-Economy.BankofIreland.com](http://www.Corporate-Economy.BankofIreland.com)

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