



24 February 2023  
This week's highlights

<p><b>Dollar</b></p> <p>Firmer</p>	<p><b>Bond Yields</b></p> <p>Higher again</p>	<p><b>PMIs</b></p> <p>Improve in Feb</p>	<p><b>US PCE Inflation</b></p> <p>Up to 5.4% in Jan</p>
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**Euro Area**

- The euro lost further ground against a generally firmer dollar, shedding about a cent to trade at \$1.0550
- German 10-year bond yields rose for a third week in a row, increasing by another 10bps or so to 2.55%
- Composite PMI increased for a 4th consecutive month in February, coming in at 52.3 (after 50.3 in Jan)

**UK**

- Sterling lost around one cent to \$1.19 against the dollar; but rose marginally versus euro to circa 88p
- Government 10-year bond yields increased by more than 10bps on the week to trade just above 3.65%
- Composite PMI for February surprised to the upside, moving back up into expansionary territory at 53.0

**US**

- The headline and core rates of PCE inflation both ticked up in January, to 5.4% and 4.7% respectively
- Consumer spending advanced quite strongly in January, increasing by more than 1% from December
- Benchmark government 10-year bond yields jumped by almost 15bps this week to trade at 3.95%

**Ireland**

- Employment rose by 68.6k (2.7%) in the year to Q4 2022, with the number in work now at 2.575 million
- Unemployment rate fell to 4.5% in Q4 last year from 5.2% in Q4 2021, and estimated at 4.4% in January
- Government announces another package of "cost of living" supports amounting to some EUR 1.3 billion

Mon Feb 27	EA Economic Sentiment Indicator, M3; US Durable Goods Orders
Tue Feb 28	IRL Retail Sales Index, Earnings & Labour Costs (Q4); UK Lloyds Business Barometer; US Consumer Confidence, House Prices
Wed Mar 1	Manufacturing PMIs IRL, EA, UK & US; IRL Unemployment; UK Mortgage Approvals, Nationwide House Prices; US ISM Manufacturing
Thu Mar 2	EA CPI, Unemployment; US Jobless Claims, Unit Labour Costs
Fri Mar 3	Services PMIs IRL, EA, UK & US; IRL GDP (Q4); US ISM Services

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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