

Weekly Round Up



14 July 2023

This week's highlights

US CPI Inflation

Notable fall in June

Dollar

A good deal weaker

Bond Yields

Plunge

UK GDP

Dips in May

Euro Area

- The euro advanced against a generally much weaker dollar, gaining almost three cents to over \$1.12
- German government 10-year bond yields fell amid a decline in yields elsewhere, down 15bps to 2.47%
- Industrial production rose for a second consecutive month in May but still running below its level in Q1

UK

- The pound also gained considerable ground against the dollar, rising by almost three cents to over \$1.31
- Government 10-year bond yields reversed all of last week's jump, falling by more than 25bps to 4.38%
- GDP fell by 0.1% in May (from April) and over the 3 months to May was flat on the 3 months to February

US

- Softer than expected CPI inflation data was the catalyst for sharp moves in FX, bond and equity markets
- Annual rate of headline inflation fell to 3% in June, lowest since March 2021; core rate down to 4.8%
- Government 2- and 10-year bond yields both fell by about 30bps to 4.68% and 3.78% respectively

Ireland

- Economy grew by 9.4% in 2022 according to latest GDP estimate from CSO, revised down from 12%
- In Q1 2023, GDP fell 2.8% from Q4'22 (revised from -4.6%) but up 2.2% on Q1'22 (revised from -0.2%)
- Annual rate of CPI inflation fell for a fourth consecutive month in June to 6.1% (down from 6.6% in May)

Mon Jul 17

IRL Goods Exports and Imports; **UK** Rightmove House Prices; **US** Empire Manufacturing Index

Tue Jul 18

IRL Residential Property Price Index; **UK** CBI Industry Survey; **US** Retail Sales, Industrial Production, NAHB Housing Market Index

Wed Jul 19

EA CPI, Construction Output; **UK** CPI, Producer Prices, House Prices; **US** Housing Starts & Building Permits

Thu Jul 20

EA Consumer Confidence, Current Account; **US** Jobless Claims, Existing Home Sales, Philadelphia Fed Manufacturing Index

Fri Jul 21

IRL Wholesale Price Index; **UK** Consumer Confidence, Retail Sales, Public Sector Borrowing;

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