



11th August 2023
This week's highlights

EUR/\$
Marginally lower

US Bond Yields
Higher again

US CPI Inflation
Ticks up to 3.2%

UK GDP
+0.5% in June

Euro Area

- The euro was marginally lower against the dollar on the week overall, trading just a little below \$1.10
- German 10-year bond yields were around 6bps higher at 2.62%, having traded below 2.50% at one point.
- ECB survey showed consumers' expectations for inflation 3 years ahead at 2.3% in June (2.5% in May)

UK

- GDP rose by 0.5% m-o-m in June, with positive contributions from, industry, construction and services
- For the second quarter (April-June) as a whole, the economy grew by 0.2% q-o-q and by 0.4% y-o-y
- The pound fell by about half a cent against the dollar to around \$1.27; little changed at 86.5p to the euro

US

- Annual rate of headline CPI inflation ticked up to 3.2% in Jul (3% in Jun); core rate dipped to 4.7% (4.8%)
- Market pricing just a 20% chance of Fed hike in September, and 40% chance of hike before year-end.
- Government 10-year bond yields rose for a third week running, increasing by around 10bps to 4.15%

Ireland

- The annual rate of CPI inflation fell for a fifth month running in July, coming in at 5.8% (after 6.1% in June)
- Volume of industrial output rose 0.3% in Q2, following a fall of 3.8% in Q1, and was up 3.6% on Q2'22
- Number of new private cars licensed in July (3,028) up 20% on Jul'22; for Jan-Jul (91,272) up 18% y-o-y

Mon Aug 14	IRL Agricultural Price Indices
Tue Aug 15	IRL Goods Exports & Imports; EA ZEW Index; UK Labour Market Report (Q2), Output Per Hour (Q2); US Retail Sales, NAHB Housing Market Index, Import Prices, Empire Manufacturing Index, Business Inventories
Wed Aug 16	IRL Residential Property Prices; EA GDP & Employment (Q2), Industrial Production; UK CPI, RPI, Producer Prices, House Prices; US Industrial Production, Housing Starts & Building Permits, Fed Minutes
Thu Aug 17	IRL Payroll Employees; EA Trade Balance; US Jobless Claims, Leading Index, Philadelphia Fed Manufacturing Index
Fri Aug 18	EA CPI, Construction Output; UK Retail Sales, Consumer Confidence; US

Contact Us at economics@boi.com

www.Corporate-Economy.BankofIreland.com

Disclaimer

This document has been prepared by the Economic Research Unit at The Governor and Company of the Bank of Ireland ("BOI") for information purposes only and BOI is not soliciting any action based upon it. BOI believes the information contained herein to be accurate but does not warrant its accuracy nor accepts or assumes any responsibility or liability for such information other than any responsibility it may owe to any party under the European Union (Markets in Financial Instruments) Regulations 2017 as may be amended from time to time, and under the Financial Conduct Authority rules (where the client is resident in the UK), for any loss or damage caused by any act or omission taken as a result of the information contained in this document. Any decision made by a party after reading this document shall be on the basis of its own research and not be influenced or based on any view or opinion expressed by BOI either in this document or otherwise. This document does not address all risks and cannot be relied on for any investment contract or decision. A party should obtain independent professional advice before making any investment decision. Expressions of opinion contained in this document reflect current opinion as at 11th August 2023 and is based on information available to BOI before that date. This document is the property of BOI and its contents may not be reproduced, either in whole or in part, without the express written consent of a suitably authorised member of BOI. Bank of Ireland is authorised and regulated by the Central Bank of Ireland. Authorised by the Prudential Regulation Authority and with deemed variation of permission. Subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. The nature and extent of consumer protections may differ from those for firms based in the UK. Details of the Temporary Permissions Regime, which allows EEA-based firms to operate in the UK for a limited period while seeking full authorisation, are available on the Financial Conduct Authority's website. The Governor and Company of the Bank of Ireland is incorporated in Ireland with limited liability. Registered Office 40 Mespil Road, Dublin 4, Ireland.

Registered Number C1.

[Update My Preferences](#)

If you'd rather not receive future e-mails from us, please [opt-out here](#).