



29 September 2023
This week's highlights

<p>Bond Yields</p> <p>Higher on the week</p>	<p>EUR/\$</p> <p>Bounces off lows</p>	<p>EA CPI Inflation</p> <p>Falls to 4.3%</p>	<p>US PCE Inflation</p> <p>Ticks up to 3.5%</p>
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Euro Area

- The euro bounced off intra-week low of just under \$1.05 to trade at \$1.06; marginally lower v £ at 86.5p.
- German 10-year yields rose by around 20bps to 3.93% before falling back to 2.84% post inflation data.
- Euro area headline and core inflation fell to 4.3% & 4.5% respectively in Sep, from 5.2% & 5.3% in Aug.

UK

- Government 10-year bond yields more than reversed last week's fall, increasing by 20bps to circa 4.45%.
- The pound fell to an intra-week low of \$1.21 against the dollar before recovering to end flat at \$1.2260
- GDP up 0.2% in Q2 according to final estimate, same as previous estimate. Q1 revised to 0.3% (0.1%).

US

- The annual rate of headline PCE inflation ticked up for a second month in a row in August, to 3.5%.
- However core PCE inflation fell to 3.9% (from 4.3% in July), first time it has been below 4% since Jun'21.
- Benchmark government 10-year bond yields rose for a 4th week running, increasing by 10bps to 4.53%.

Ireland

- Annual HICP inflation rate ticked up to 5% in September, above the average rate of 4.3% for Euro area.
- Volume of total retail sales fell for a 4th month in a row in September (-0.1%), but sales ex cars up 2.3%.
- The population increased by 97,600 (+1.9%) in the year to April 2023, driven by net migration of 77,600.

Mon Oct 2	IRL, EA, UK & US Manufacturing PMIs; EA Unemployment; UK Nationwide House Prices; US ISM Manufacturing Index, Construction Spending
Tue Oct 3	IRL Exchequer Returns; US Job Openings
Wed Oct 4	IRL, EA, UK & US Services PMIs; IRL Unemployment; EA Retail Sales, PPI; US ISM Services Index, ADP Employment Report, Factory Orders
Thu Oct 5	UK Construction PMI; US Jobless Claims, Trade Balance
Fri Oct 6	IRL Services Index, Liver Register; US Employment (Payrolls) Report

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