



13 October 2023
This week's highlights

<p>EUR/\$</p> <p>Lower on the week</p>	<p>Bond Yields</p> <p>Reverse course</p>	<p>US GDP</p> <p>+0.2% in August</p>	<p>US CPI Inflation</p> <p>3.7% in September</p>
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Euro Area

- The euro fell from an intra week high of over \$1.06 against the dollar to end lower overall at circa \$1.05.
- Amid heightened geopolitical tensions, German 10-year yields fell for 1st week in six (-15bps to 2.75%).
- ECB minutes state that current level of deposit rate (4%) 'consistent' with inflation returning to 2% target.

UK

- GDP rose by 0.2% in month-on-month in August, only partially reversing a decline of 0.6% in July.
- The pound lost ground to the dollar, falling to \$1.2150; but little changed vis-a-vis the euro at 86.4p.
- Government 10-year bond yields fell by the best part of 20bps on the week to just north of 4.35%.

US

- Consumer prices rose 0.4% m-o-m in Sept to leave annual rate of inflation at 3.7%, unchanged from Aug.
- The annual rate of core inflation eased for a sixth month running to 4.1%, down from 4.3% in August.
- Benchmark government 10-year bond yields fell by around 15bps on the week to a touch below 4.65%.

Ireland

- Annual rate of CPI rose for a 2nd month running in Sept, albeit marginally so to 6.4% from 6.3% in Aug.
- Number of payroll employees was up 0.1% in Aug, with annual increase easing to 2.5% from 2.9% in Jul.
- Budget 2024 delivered a total package of €14bn (2.7% of GDP), which was in line with expectations.

Mon Oct 16	IRL Goods Exports & Imports, Vehicles Licenses; EA Trade Balance; UK Rightmove House Prices; US Empire Manufacturing Index, Monthly Budget Statement
Tue Oct 17	EA ZEW Index; UK Labour Market Report; US Retail Sales, Industrial Output, NAHB Housing Market Index
Wed Oct 18	EA CPI (Sep, final), Construction Output; UK CPI, PPI, House Prices; US Housing Starts, Fed Beige Book
Thu Oct 19	EA Current Account; US Jobless Claims, Leading Index, Philly Fed Manufacturing Index
Fri Oct 20	IRL Wholesale Prices; UK Consumer Confidence, Retail Sales, Public Finances

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