



20 October 2023

This week's highlights

Bond Yields

Surge on the week

Stocks

Under pressure

EUR/\$

Regains ground

UK CPI Inflation

Remains at 6.7%

Euro Area

- The euro regained some ground against the dollar, rising by around three quarters of a cent to \$1.0590
- German 10-year yields rose by 15bps to 2.89%, while the Euro Stoxx 50 shed almost 2.5% on the week
- Annual rate of CPI inflation confirmed at 4.3% in Sep, according to final reading, down from 5.2% in Aug.

UK

- Annual rate of headline inflation held at 6.7% in Sept, while core rate dipped to 6.1% from 6.2% in Aug
- Retail sales volumes fell by 0.9% m-o-m in September, and in Q3 as a whole were down 0.8% from Q2
- Government 10-year yields rose by c.30bps to 4.68%; pound unchanged versus \$ but slips to 87p to euro

US

- Benchmark 10-year bond yields spiked by 30bps to 4.92%, having traded up to a high of 5% at one stage
- Not surprisingly, equity markets were under pressure as bond yields rose with the S&P 500 off about 2%
- Powell says proceeding 'carefully' regarding interest rates, suggests Fed to stay on hold at Nov 1 meeting

Ireland

- Value of goods exports fell by 17% y-o-y in August, and for Jan-Aug were down 5% on Jan-Aug 2022
- The number of new cars licensed in Sep fell by 9% from Sep'22, but still up 17% y-o-y in Jan-Sep period
- Government 10-year yields rose by 15bps to 3.33%, just shy of the multi-year high of 3.37% in early Oct

Mon Oct 23

EA Consumer Confidence; **US** Chicago Fed National Activity Index

Tue Oct 24

IRL Residential Property Prices; **EA, UK & US** Flash PMIs; **UK** Labour Market Report, Output per Hour; CBI Industry Survey

Wed Oct 25

IRL New Dwelling Completions; **EA** Money Supply & Credit Growth. **US** New Home Sales

Thu Oct 26

EA ECB Meeting; **UK** CBI Retail Sales Survey; **US** GDP (Q3, 1st est.), Jobless Claims, Durable Goods Orders, Pending Home Sales

Fri Oct 27

IRL GDP (Q3, flash estimate), HICP Inflation, Retail Sales; **US** Personal Income & Spending, PCE Inflation, Consumer Confidence

Contact Us at economics@boi.com

www.Corporate-Economy.Bankofireland.com

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