

Weekly Round Up



3 November 2023

This week's highlights

Fed

Stays on hold

BoE MPC

Rates unchanged

EUR/\$

Firmer on the week

US Payrolls

+150k in October

Euro Area

- The economy contracted slightly in Q3, with GDP falling by 0.1% q-o-q following increase of 0.2% in Q2.
- Annual CPI inflation rate decelerated to 2.9% in Oct from 4.3% in Sep, core rate fell to 4.2% from 4.5%.
- The euro gained ground against a generally weaker dollar, advancing by around 1.5 cents to \$1.07.

UK

- MPC left rates on hold (5.25%) for 2nd meeting running, though 3 (of 9) members voted for 25bps hike.
- On outlook for rates, MPC says policy needs to be restrictive for extended period to return inflation to 2%.
- Pound gained two cents to over \$1.23 against the dollar; a touch firmer vis-a-vis the euro just below 87p.

US

- As expected, the Fed left interest rates on hold in a range of 5.25%-5.50% for a second meeting in a row.
- Powell says Fed not yet confident that monetary policy "sufficiently restrictive" to get inflation back to 2%.
- Payrolls up 150k in Oct vs +180k expected, prompts further fall in 10-yields (-30bps on week to 4.54%).

Ireland

- The unemployment rate ticked up to 4.8% in October from an upwardly revised 4.7% in September.
- Manufacturing PMI remained below key 50 level in Oct, while services index fell to 12-month low of 52.6.
- 10-year government bond yields fell for a second week running, down by around 20bps to 3.05%.

Mon Nov 6

IRL Live Register, Services Index; EA Services PMI; UK Construction PMI

Tue Nov 7

EA Producer Prices; UK BRC Retail Sales; US Trade Balance, Consumer Credit

Wed Nov 8

EA Retail Sales, ECB Consumers' Inflation Expectations; UK REC Report on Jobs; US Wholesale Inventories

Thu Nov 9

IRL CPI, Vehicle Licenses; UK RICS Housing Survey; US Jobless Claims

Fri Nov 10

IRL Industrial Production, Agricultural Prices; UK GDP (September & Q2), Trade Balance; US University of Michigan Consumer Confidence

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