



16 February 2024  
This week's highlights

<p><b>UK GDP</b></p> <p>Falls again in Q4</p>	<p><b>UK CPI Inflation</b></p> <p>Steady in January</p>	<p><b>US CPI Inflation</b></p> <p>Firmer than forecast</p>	<p><b>US Bond Yields</b></p> <p>Higher on the week</p>
---	---	--	--

**Euro Area**

- Euro recovered from post-US inflation data low of just under \$1.07 against the dollar, ending at \$1.0750
- European Commission lowers forecast for inflation in 2024 to 2.7% (from 3.2%), sees it at 2.2% in 2025
- ECB's Villeroy: shouldn't "overly delay" rate cut, preferable to acting too late and having to "over-adjust"

**UK**

- Economy contracted for 2nd consecutive quarter in Q4 2023, with GDP falling by 0.3% after -0.1% in Q3
- Headline and core CPI inflation unchanged in Jan at 4% and 5.1%; wage growth eased to 5.8% yoy in Q4
- Pound lower on the week against the dollar at around \$1.2550; little changed versus euro at about 85.5p

**US**

- Headline and core CPI inflation in Jan firmer than forecast at 3.1% and 3.9%, after 3.4% & 3.9% in Dec
- Retail sales fell last month and Dec outturn revised down; manufacturing output also weak in Jan (-0.5%)
- Government bond yields rose again with 2- and 10-year yields increasing by around 15bps on the week

**Ireland**

- The annual rate of CPI inflation resumed its descent in January, falling to 4.1% from 4.6% in December
- Number of new private cars licensed in Jan up 24% year-on-year; share of EVs at 14% vs 15% in Jan 23
- The value of goods exports from Ireland fell by 6% in 2023, while value of goods imports was down 1%.

Mon Feb 19	<b>UK</b> Rightmove House Prices;
Tue Feb 20	<b>IRL</b> Payroll Employees; <b>EA</b> Construction Output, Current Account; <b>US</b> Leading Index
Wed Feb 21	<b>IRL</b> Residential Property Prices; <b>EA</b> Consumer Confidence; <b>UK</b> Public Sector Net Borrowing, CBI Industry Survey; <b>US</b> Fed Minutes (January meeting)
Thu Feb 22	<b>IRL</b> Labour Force Survey (Q4), Wholesale Prices; <b>EA, UK &amp; US</b> Flash PMIS; <b>EA</b> CPI (Jan, final reading); <b>US</b> Jobless Claims, Existing Home Sales, Chicago Fed National Activity Index
Fri Feb 23	<b>EA</b> ECB Inflation Expectations; <b>UK</b> Consumer Confidence

Contact Us at [economics@boi.com](mailto:economics@boi.com)

[www.Corporate-Economy.Bankofireland.com](http://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 16th February 2024 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 regulated by the Central Bank of Ireland. In the UK, Bank of Ireland is regulated by the Central Bank of Ireland and authorised by the Prudential Regulation Authority. Subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. Details about the extent of our regulation by the Prudential Regulation Authority are available from us on request. The Governor and Company of the Bank of Ireland is incorporated in Ireland with limited liability. Registered Office 2 College Green, Dublin, D02 VR66. Registered Number C1.

[Update My Preferences](#)

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