

## Economic Research Unit



5 April 2024

## This week's highlights

**EUR/\$**

Little changed

**Bond Yields**

Higher on the week

**EA Inflation**

Down to 2.4%

**US Payrolls**

+303k in March

**Euro Area**

- Headline CPI inflation rate fell to 2.4% in March from 2.6% in February, core rate down to 2.9% (3.1%).
- Inflation data leaves ECB on track to lower rates soon - next week's meeting may signal a cut in June.
- Euro gave up earlier gains vs dollar post Friday's firmer than forecast US payrolls to end flat at \$1.08.

**UK**

- Latest BoE data point to ongoing recovery in housing market, with mortgage approvals up again in Feb.
- House prices dipped in March (-0.2% m-o-m) according to Nationwide, but after strong gains in Jan-Feb.
- 10-year gilt yields rose by around 10bps on the week, while pound touch lower versus dollar at \$1.2580..

**US**

- Economy added 303k jobs in March (+215k expected), while unemployment rate nudged down to 3.8%.
- Hourly earnings rose by 0.3% in March, as expected, with the annual increase easing to 4.1% from 4.3%.
- Benchmark 10-year yields rose further post payrolls, increased by around 15bps on the week to 4.35%.

**Ireland**

- Annual rate of HICP inflation fell to 1.7% in March, down from 2.3% in Feb and lowest since June 2021.
- Unemployment ticked up to 4.3% in March, averaged 4.4% in first quarter of 2024 after 4.5% in Q4 2023.
- Tax revenue up 1.8% y-o-y in Q1, strong income tax & VAT outturns offset weakness in corporation tax.

**Mon Mar 25**IRL Live Register; **EA** Sentix Investor Confidence; **UK** REC Jobs Report; **US** New York Fed Inflation Expectations Survey**Tue Mar 26**IRL Industrial Production; **UK** BRC Retail Sales Survey; **US** Small Business Optimism Index, MBA Mortgage Applications**Wed Mar 27**IRL New Vehicle Licenses, Services Index; **US** CPI Inflation, Real Hourly Earnings, Monthly Budget Statement, Minutes of Fed's March Meeting**Thu Mar 28**IRL CPI Inflation **EA** ECB Meeting; **UK** Bank of England Credit Conditions Survey; **US** PPI Inflation, Jobless Claims

Fri Mar 29

**IRL** Institutional Sector Accounts (Non-Financial); **EA** ECB Survey of Professional Forecasters; **UK** GDP (Feb), Trade Balance; **US** Consumer Confidence and Inflation Expectations, Import and Export Prices[Contact Us at economics@boi.com](mailto:economics@boi.com)[www.Corporate-Economy.BankofIreland.com](http://www.Corporate-Economy.BankofIreland.com)**Disclaimer**

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