

# Weekly Round Up

8th February 2019  
This week's highlights

## EUR/\$

Lower

## Sterling

Weaker v \$

## Bond Yields

Fall

## UK PMI

Down in Jan

### Euro Area

- Euro falls to \$1.13 amid more weak economic data and as European Commission slashes growth forecasts
- European Commission now projecting GDP growth of 1.3% this year, down from November forecast of 1.9%
- Commission also lowers its forecast for inflation, to 1.4% and 1.5% for this year and next year respectively

### UK

- The composite PMI falls to 50.3 in January, holding just above the expansion-contraction threshold of 50
- Bank of England cuts its forecast for GDP growth this year to 1.2% from 1.7% projected back in November
- Sterling sheds almost 2 cents to \$1.29 against the dollar, but largely unchanged against euro at about 87.5p

### US

- Equity markets take a breather after their recent gains, with the S&P 500 ending marginally lower on the week
- Benchmark 10-year yields fall by around 5bps to 2.64%, not far off their early January lows of 2.55%
- ISM index of activity in the non-manufacturing sector slips to 56.7 in January, still consistent with solid growth

### Ireland

- The unemployment rate held steady in January at 5.3% (which compares to 6.0% in January 2018)
- New dwelling completions totalled 5,542 in Q4 2018, an increase of 20.9% on the corresponding period in 2017
- Industrial production ended 2018 on a weak note, falling by 17.8% year-on-year in December

### The week ahead

Monday	UK GDP (Q4), Trade Balance, Industrial Production, Construction Output, Index of Services
Tuesday	US Small Business Optimism Index, Job Openings
Wednesday	EA Industrial Production; UK CPI, PPI, House Prices, RICS Housing Survey; US CPI, Real Weekly Earnings
Thursday	IRL CPI, Residential Property Prices; EA GDP (Q4), Employment; US PPI, Jobless Claims, Retail Sales
Friday	IRL Goods Exports & Imports; UK Retail Sales; US Consumer Confidence, Industrial Production, Import Prices

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

[www.Corporate-Economy.Bankofireland.com](http://www.Corporate-Economy.Bankofireland.com)

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