

Weekly Round Up

8th March 2019
This week's highlights

EUR/\$

Lower on week

Sterling

Softer v \$

UK PMIs

Mixed

US Payrolls

Up 20k in Feb

Euro Area

- The euro falls to around \$1.12 against the dollar as ECB cuts growth forecasts and says rate hike delayed
- ECB lowers projection for 2019 GDP growth to 1.1% (from 1.7%), sees inflation falling to 1% by year-end
- Also says interest rates to remain unchanged at least through 2019, prompting a further decline in bond yields

UK

- Mixed bag of PMIs in February, with manufacturing and construction falling but services rebounding
- Overall, PMIs suggest the economy is growing at only a very modest pace as Brexit uncertainty weighs
- Pound unchanged against euro (86p), weaker v dollar (\$1.3050), ahead of next week's votes in parliament

US

- Employment rises by just 20k in February, but this follows an outsized increase of over 310k in January
- The unemployment rate fell to 3.8% last month, having ticked up over the December-January period
- Benchmark 10-year bond yields fall by around 11bps to 2.64%, more or less reversing last week's rise

Ireland

- The unemployment rate nudged down to 5.6% in February from 5.7% in the opening month of this year
- Tax revenues in January-February were up 3.7% y-o-y according to the Exchequer Returns, broadly on target
- New private car licenses fell by 14.1% y-o-y in February, while used (imported) car licenses were up 0.8%

The week ahead

Monday	US Retail Sales, Small Business Optimism Index
Tuesday	EA Industrial Production; UK GDP (Jan), Trade Balance, Industrial Production, Index of Services; US CPI
Wednesday	IRL Tourism & Travel; UK RICS Housing Survey; US PPI, Durable Goods Orders, Construction Spending
Thursday	IRL Quarterly National Accounts (Q4'18), CPI, House Prices; US Jobless Claims, Import Prices, New Home Sales
Friday	IRL Goods Exports & Imports, Planning Permissions; EA CPI; US Industrial Production, Consumer Confidence

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