

Main pairs trading in tight ranges

Currency markets adopted a subdued tone yesterday with the main pairs largely trading within narrow ranges. Of the modest moves we did see, the dollar partially regained some of its losses from Wednesday. This was despite a speech by Fed Chair Powell in which he re-emphasised his recent less hawkish stance. However, this was not new information for markets. Therefore, the impact on the dollar was negligible.

Elsewhere, as expected the release of the ECB 'account' from the December policy meeting was a non-event for the euro. Meantime, there was little to influence sterling, as a barren data calendar coincided with a day free of major Brexit developments.

In level terms, the slight gains for the dollar sees EUR/USD reverse some of Wednesday's moves. Although, the currency pair remains above the \$1.15 level. Cable (GBP/USD) has moved back to the midpoint of the \$1.27-1.28 band and USD/JPY has regained the ¥108 handle. Meanwhile, EUR/GBP is continuing to change hands in the lower half of the 90-91p range.

Looking to the day ahead, the macro-data schedule in the Eurozone is very sparse. As a result, we are likely to see the euro struggle for fresh direction.

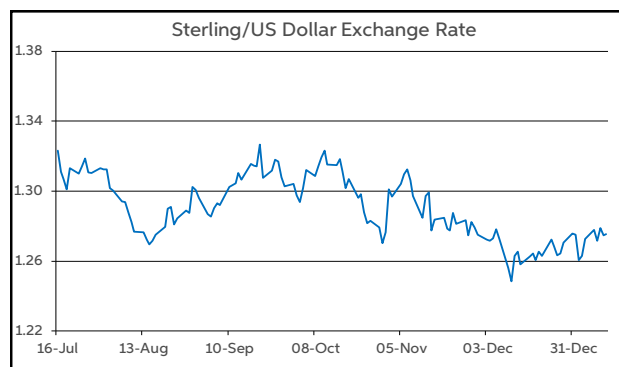
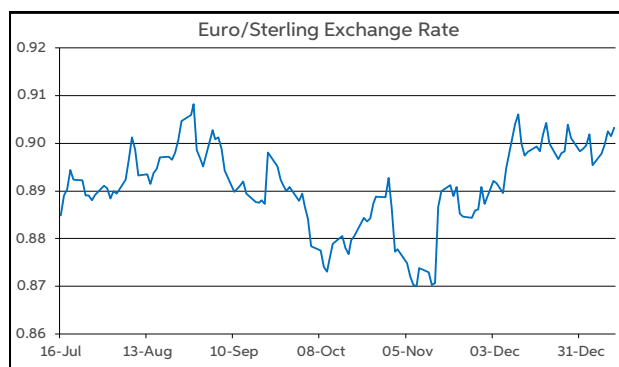
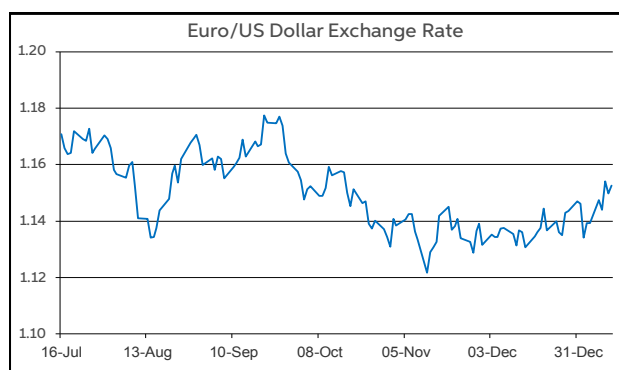
In the UK, a busy calendar includes the estimate of GDP for the 3-months to November. Growth is forecast to have slowed to 0.3% in the period. Industrial output and goods trade figures (both November) will also feature. However, with investors fixated on Brexit, the releases may not receive much attention from a sterling viewpoint. Elsewhere, the December printing of US CPI is likewise not expected to generate much of a dollar reaction. Overall then, from an FX perspective, we could be in for a quiet day.

Conor Beakey, Economist, AIB

Today's Opening Rates			
		% Change	
		Day *	End 2018
EUR/USD	1.1529	-0.26	0.52
EUR/GBP	0.9035	-0.04	0.57
GBP/USD	1.2758	-0.22	0.01
GBP/EUR	1.1063	0.04	-0.56
USD/JPY	108.37	0.44	-1.09
EUR/JPY	124.96	0.18	-0.60

* v Previous Day's European Open

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Opening Interest Rates						
	Base Rate	Short Term			Long Term	
		1-Mth	3-Mth	12-Mth	2-Yr	5-Yr
USD	2.375	2.51	2.80	3.02	2.69	2.63
EUR	0.00	-0.36	-0.31	-0.12	-0.13	0.22
GBP	0.75	0.73	0.92	1.18	1.16	1.31

Equity Indices				
	Latest Close	% Changes		
		on Day	End 2018 to Date	
Dow Jones	24001.92	+0.51	+2.89	
S&P 500	2596.64	+0.45	+3.58	
FTSE 100	6942.87	+0.52	+3.19	
DJ Stoxx 50	3075.73	+0.18	+2.48	
ISEQ	5743.29	+0.15	+4.81	
Nikkei	20359.7	+0.97	+1.72	

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

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Opening Levels

Friday 11 January 2019
07:27 am



Euro

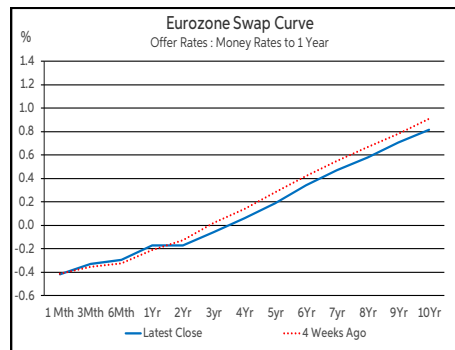
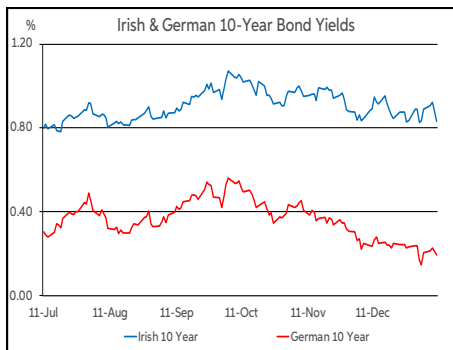
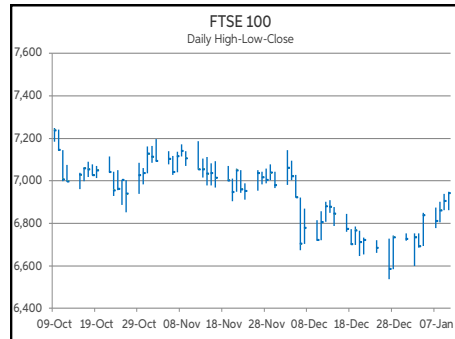
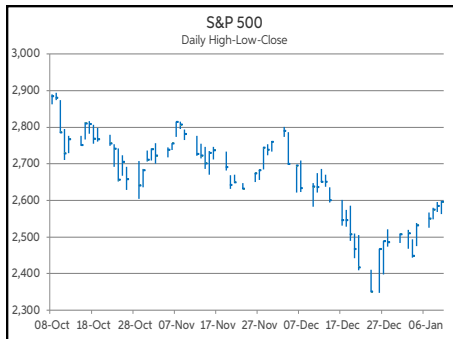
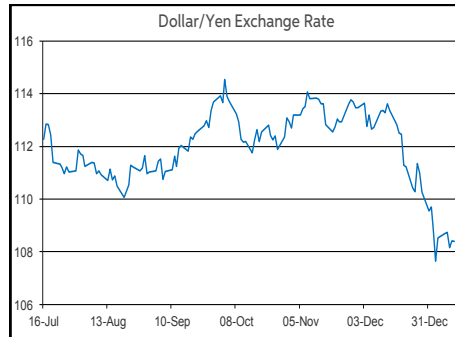
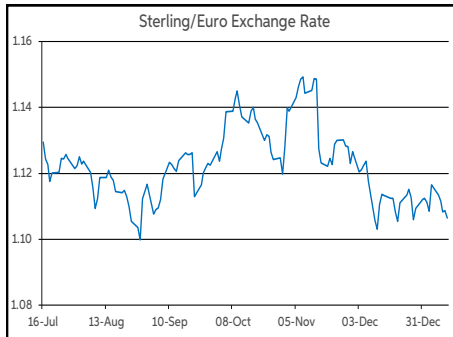
EUR/GBP	0.9035
EUR/USD	1.1529
EUR/JPY	124.96
EUR/SEK	10.2342
EUR/DKK	7.4647
EUR/NOK	9.7531
EUR/CHF	1.1332
EUR/AUD	1.5979
EUR/HKD	9.0399
EUR/CAD	1.5221

Sterling

GBP/EUR	1.1063
GBP/USD	1.2758
GBP/CAD	1.6844
GBP/NZD	1.8688
GBP/JPY	138.26
GBP/SEK	11.3249
GBP/DKK	8.2593
GBP/NOK	10.7934
GBP/CHF	1.2538
GBP/AUD	1.7679

Dollar

USD/JPY	108.37
USD/CAD	1.3202
USD/CHF	0.9826
USD/CNY	6.7483
USD/BRL	3.7104
USD/RUB	66.88
USD/INR	70.4675
AUD/USD	0.7214
NZD/USD	0.6824



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 18
10 Year Yield %				
US	2.74	+3	-17	+6
Germany	0.19	-2	-9	-4
UK	1.27	+3	-1	+1
Ireland	0.83	-5	-9	-6
Belgium	0.71	-4	-5	-5
France	0.67	-2	-4	-3
Italy	2.88	+0	-7	+16
Spain	1.44	-4	+3	+3
Portugal	1.70	-6	+4	-1
Greece	4.27	-0	+8	-3
5 Year Swap %				
US	2.61	-2	-25	+5
Eurozone	0.19	-3	-9	-4
UK	1.29	+1	-6	-2
2 Year Swap %				
US	2.68	-3	-22	+4
Eurozone	-0.17	-3	-4	-3
UK	1.16	+1	-3	-1
10 Year Government Bond Spreads to Benchmark bps				
Ireland	64	-4	-1	-2
Belgium	52	-2	+4	-1
France	48	-0	+5	+1
Italy	269	+2	+1	+21
Spain	125	-2	+11	+7
Portugal	151	-4	+12	+4
Greece	408	+2	+16	+2

Commodities				
	Close	% Change		
		Day	4 Weeks	End 18
Brent Oil	61.68	+0.39	+0.37	+14.65
West Texas Oil	52.42	+0.44	-0.51	+16.10
CRB - All Commodity	178.60	-0.25	-2.42	+5.18
CRB - Food	329.58	-2.14	-0.21	+1.65
Gold \$	1286.4	-0.52	+3.51	+0.27

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