

ECB and BoE non-events; Dollar and yen softer

Yesterday's main calendar events, the ECB and BoE meetings, concluded in line with expectations, with no changes to policy or interest rate guidance. As a result, the meetings had negligible impact on the euro and sterling.

Of the modest currency moves that we have seen over the past 24 hours, the dollar has adopted a softer tone. The currency was not helped by some softer than expected US CPI data yesterday.

Headline US inflation slowed in August to 2.7%, from 2.9%. The core measure (excludes food and energy) declined to 2.2%, from 2.4%. Inflation was impacted by a sharp drop in apparel prices, as well as a fall in healthcare costs.

In level terms, the softer dollar tone means EUR/USD opens this morning trading up near \$1.17, having briefly touched above it yesterday. Cable (GBP/USD) is also firmer, trading above \$1.31. Although, with the yen also falling back yesterday (coinciding with a somewhat more positive tone to market sentiment) USD/JPY has edged up to near ¥112. EUR/JPY has moved up to ¥131. Elsewhere, the EUR/GBP pair continues to trade close to the 89p mark.

Looking at the day ahead, most of the focus, from a data perspective, will be on the US. The schedule there includes retail sales and industrial production data for August, along with the preliminary Michigan measure of US consumer sentiment for September. Markets are expecting positive results from all three releases.

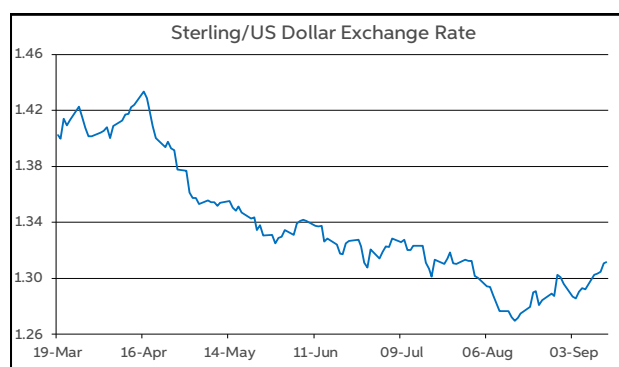
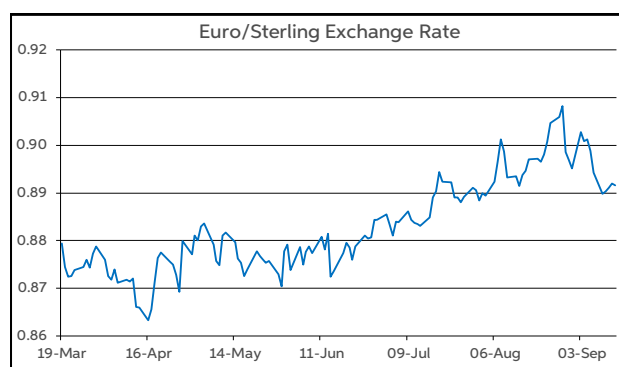
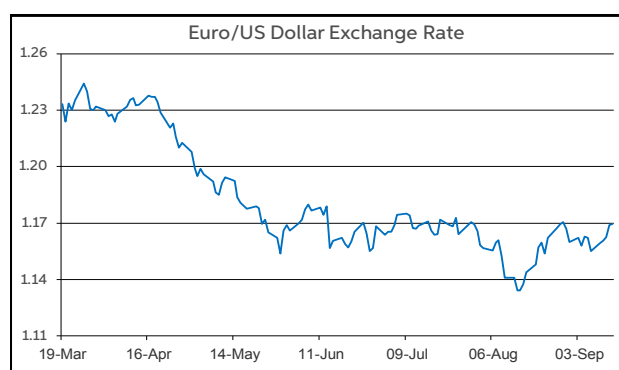
Overall, given yesterday's US CPI disappointment, the data could help to provide a more supportive backdrop for the dollar as we head into the weekend.

Dara Turnbull, Economist, AIB

Today's Opening Rates			
		% Change	
		Day *	End 2017
EUR/USD	1.1697	0.65	-2.49
EUR/GBP	0.8917	0.09	0.38
GBP/USD	1.3113	0.55	-2.95
GBP/EUR	1.121	-0.09	-0.38
USD/JPY	111.94	0.48	-0.65
EUR/JPY	130.95	1.12	-3.13

* 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	1.875	2.16	2.33	2.87	2.93	3.00
EUR	0.00	-0.37	-0.32	-0.17	-0.13	0.32
GBP	0.75	0.73	0.80	1.05	1.13	1.39

Equity Indices				
	Latest Close	% Changes		
		on Day	End 2017 to Date	
Dow Jones	26145.99	+0.57	+5.77	
S&P 500	2904.18	+0.53	+8.62	
FTSE 100	7281.57	-0.43	-5.28	
DJ Stoxx 50	3333.68	+0.21	-4.86	
ISEQ	6629.66	+0.26	-5.81	
Nikkei	23094.67	+1.20	+1.45	

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

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Opening Levels

Friday 14 September 2018
07:32 am



Euro

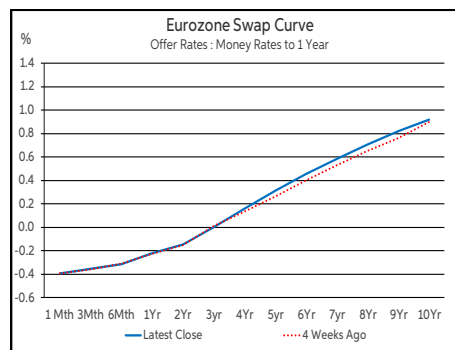
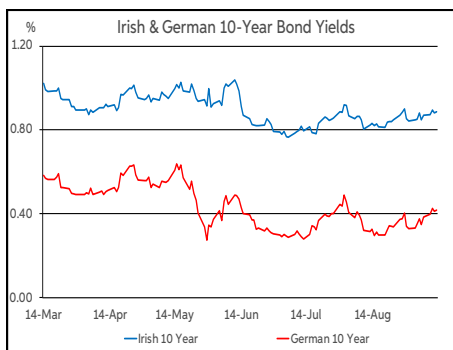
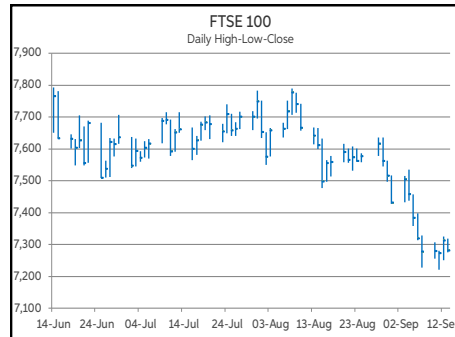
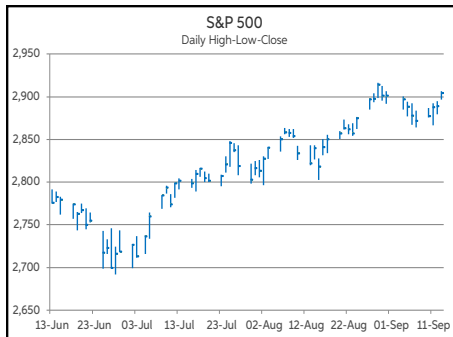
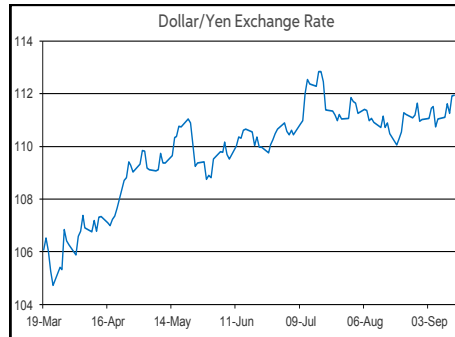
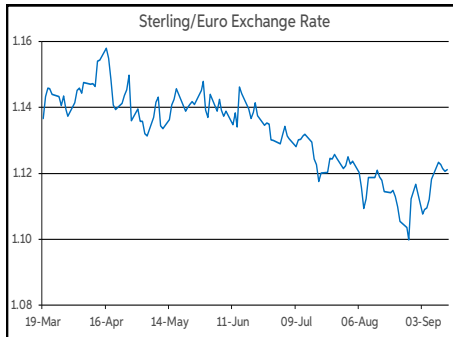
EUR/GBP	0.8917
EUR/USD	1.1697
EUR/JPY	130.95
EUR/SEK	10.474
EUR/DKK	7.4593
EUR/NOK	9.6122
EUR/CHF	1.1291
EUR/AUD	1.6245
EUR/HKD	9.1791
EUR/CAD	1.5184

Sterling

GBP/EUR	1.121
GBP/USD	1.3113
GBP/CAD	1.703
GBP/NZD	1.9917
GBP/JPY	146.79
GBP/SEK	11.7434
GBP/DKK	8.3615
GBP/NOK	10.7784
GBP/CHF	1.2658
GBP/AUD	1.8213

Dollar

USD/JPY	111.94
USD/CAD	1.2985
USD/CHF	0.9653
USD/CNY	6.8525
USD/BRL	4.2062
USD/RUB	68.279
USD/INR	71.77
AUD/USD	0.7199
NZD/USD	0.6582



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 17
10 Year Yield %				
US	2.97	+1	+10	+57
Germany	0.42	+0	+10	-0
UK	1.50	+2	+27	+32
Ireland	0.89	+1	+6	N/A
Belgium	0.74	+1	+5	+13
France	0.73	+1	+7	-5
Italy	2.77	+0	-33	+78
Spain	1.43	-1	+0	-11
Portugal	1.85	+0	+2	-4
Greece	3.98	-6	-28	-6
5 Year Swap %				
US	2.97	-1	+11	+73
Eurozone	0.31	-1	+5	-0
UK	1.38	-0	+7	+34
2 Year Swap %				
US	2.90	-3	+9	+81
Eurozone	-0.15	-1	+0	-1
UK	1.12	-1	+5	+32
10 Year Government Bond Spreads to Benchmark bps				
Ireland	47	+0	-5	N/A
Belgium	33	+0	-5	+13
France	31	+1	-4	-4
Italy	235	-0	-43	+78
Spain	101	-1	-10	-11
Portugal	144	-0	-8	-4
Greece	356	-7	-39	-6

Commodities				
	Close	% Change		
		Day	4 Weeks	End 17
Brent Oil	78.18	-1.96	+9.45	+16.91
West Texas Oil	68.6	-2.52	+4.83	+13.46
CRB - All Commodity	191.41	-1.01	+1.61	-1.27
CRB - Food	323.23	+0.52	-0.30	-3.81
Gold \$	1202.2	-0.39	+2.33	-7.71

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