

Currency pairs little changed

The action on currency markets was subdued yesterday. This was in spite of sterling facing plenty of Brexit related headlines. Specifically, yesterday saw the publication of the government's legal advice on the 'backstop' element of the Withdrawal Agreement (WA). While the newsflow was somewhat unhelpful, overall the currency's reaction was relatively limited.

The market's fixation on Brexit meant that UK data releases continued to take a back seat. This was despite a significant downside surprise in the November reading of the key services PMI (50.4 vs f'cast 52.5). The latest survey result suggests that the sector has continued to perform sluggishly through Q4.

In level terms, yesterday's events see EUR/GBP open this morning just above the 89p threshold, while cable (GBP/USD) is trading close to the \$1.27 handle. Meanwhile, EUR/USD is changing hands in the lower half of the \$1.13-1.14 band after briefly trading above the \$1.14 level yesterday.

Turning to the day ahead, the Eurozone and UK data calendars are barren. Therefore, movements in both the euro and sterling may be limited, given the lack of new macro-data for market participants to digest. Although, sterling will remain sensitive to Brexit newsflow, with the UK parliament continuing to debate the WA before next week's vote.

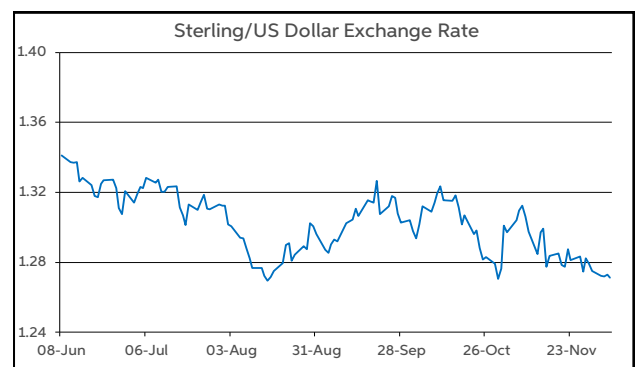
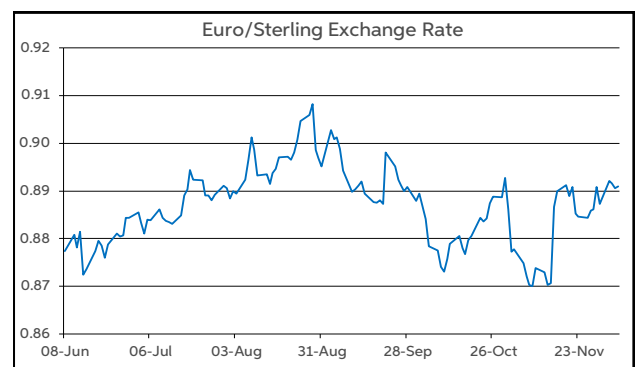
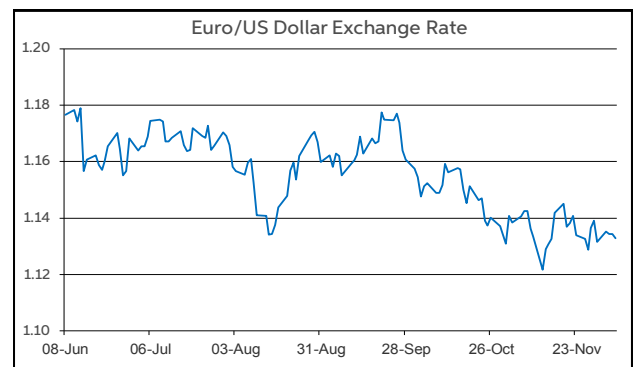
The focus from a data perspective will therefore be on the US today. The highlight of the calendar is the postponed release of the non-manufacturing ISM for November. The index is forecast to have remained at a level consistent with strong growth in the sector. However, barring any major surprises, dollar impact is likely to be minimal.

Conor Beakey, Economist, AIB

		% Change	
		Day *	End 2017
EUR/USD	1.1328	0.09	-5.57
EUR/GBP	0.8912	-0.15	0.33
GBP/USD	1.2709	0.24	-5.94
GBP/EUR	1.1214	0.15	-0.33
USD/JPY	113.09	0.04	0.37
EUR/JPY	128.12	0.13	-5.22

* v Previous Day's European Open

See Next Page for More Rates ▶▶▶



	Base Rate	Short Term			Long Term	
		1-Mth	3-Mth	12-Mth	2-Yr	5-Yr
USD	2.125	2.38	2.77	3.13	2.97	2.91
EUR	0.00	-0.37	-0.32	-0.14	-0.14	0.27
GBP	0.75	0.74	0.90	1.16	1.18	1.34

	Latest Close	% Changes	
		on Day	End 2017 to Date
Dow Jones	25027.07	+0.00	+1.25
S&P 500	2700.06	+0.00	+0.99
FTSE 100	6921.84	-1.44	-9.96
DJ Stoxx 50	3150.27	-1.22	-10.09
ISEQ	5669.09	-0.57	-19.45
Nikkei	21501.62	-1.91	-5.55

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

CONTACTS		
AIB Customer Treasury Services business.treasury@aib.ie aib.corporatetreasury@aib.ie fxcentre.aib.ie	Customer Treasury Services GB treasury.gb@aib.ie aibgb.co.uk/fxcentre	Customer Treasury Services NI FTBtreasury@aib.ie firsttrustbank.co.uk/fxcentre

Opening Levels

Thursday 06 December 2018
07:29 am



Euro

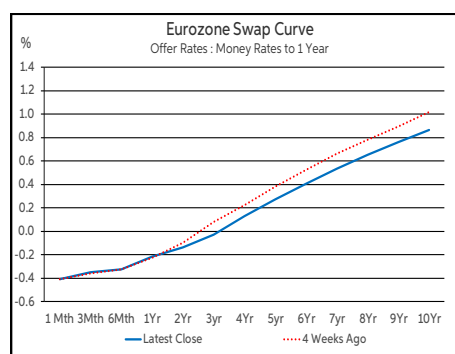
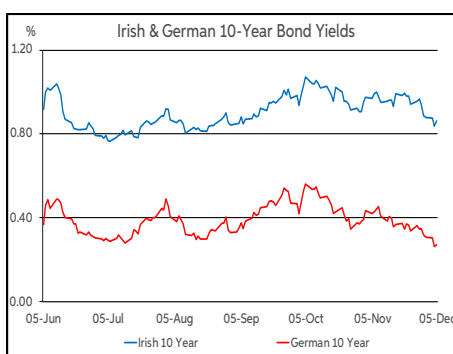
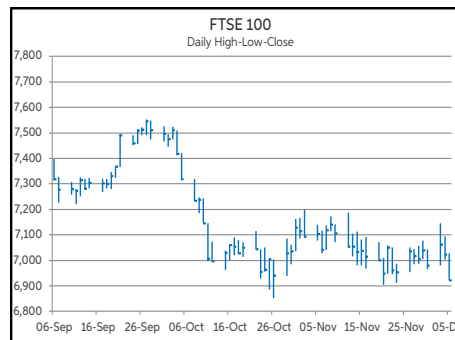
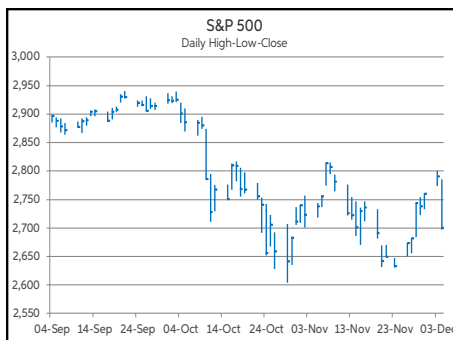
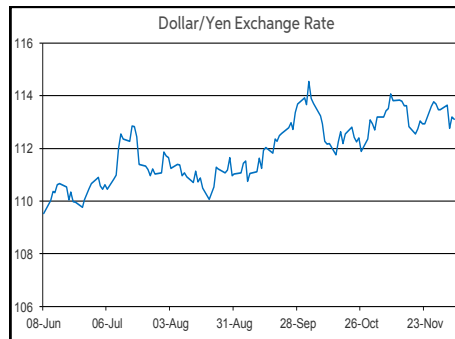
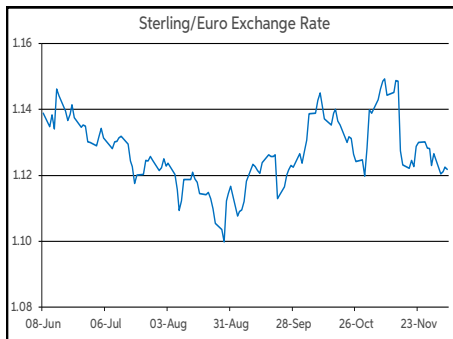
EUR/GBP	0.8912
EUR/USD	1.1328
EUR/JPY	128.12
EUR/SEK	10.196
EUR/DKK	7.4637
EUR/NOK	9.6687
EUR/CHF	1.1307
EUR/AUD	1.5669
EUR/HKD	8.8494
EUR/CAD	1.5179

Sterling

GBP/EUR	1.1214
GBP/USD	1.2709
GBP/CAD	1.7031
GBP/NZD	1.8488
GBP/JPY	143.73
GBP/SEK	11.4345
GBP/DKK	8.3727
GBP/NOK	10.8468
GBP/CHF	1.2686
GBP/AUD	1.7576

Dollar

USD/JPY	113.09
USD/CAD	1.34
USD/CHF	0.998
USD/CNY	6.8878
USD/BRL	3.8682
USD/RUB	66.7155
USD/INR	70.9175
AUD/USD	0.7229
NZD/USD	0.6873



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 17
10 Year Yield %				
US	2.91	+0	-32	+51
Germany	0.27	+1	-17	-15
UK	1.31	+3	-22	+13
Ireland	0.86	+3	-14	N/A
Belgium	0.74	+1	-9	+13
France	0.67	-0	-14	-11
Italy	3.05	-9	-26	+106
Spain	1.44	-3	-13	-10
Portugal	1.79	-1	-12	-11
Greece	4.11	-9	-15	+7
5 Year Swap %				
US	2.90	-1	-30	+65
Eurozone	0.27	+3	-11	-4
UK	1.33	+2	-15	+30
2 Year Swap %				
US	2.94	-2	-19	+86
Eurozone	-0.14	+1	-4	+0
UK	1.16	+0	-5	+36
10 Year Government Bond Spreads to Benchmark bps				
Ireland	59	+2	+3	N/A
Belgium	47	+0	+8	+28
France	40	-1	+3	+4
Italy	278	-10	-9	+120
Spain	117	-4	+4	+5
Portugal	151	-2	+5	+4
Greece	384	-10	+2	+21

Commodities				
	Close	% Change		
		Day	4 Weeks	End 17
Brent Oil	61.56	-0.84	-14.58	-7.94
West Texas Oil	52.64	-1.07	-14.67	-12.93
CRB - All Commodity	183.75	-0.21	-3.97	-5.22
CRB - Food	332.51	-2.02	-1.53	-1.05
Gold \$	1237.6	-0.10	+0.91	-4.99

This publication is for information purposes and is not an invitation to deal. The information is believed to be reliable but is not guaranteed. Any expressions of opinions are subject to change without notice. This publication is not to be reproduced in whole or in part without prior permission. In the Republic of Ireland it is distributed by Allied Irish Banks, p.l.c. In the UK it is distributed by Allied Irish Banks, p.l.c. and Allied Irish Bank (GB). In Northern Ireland it is distributed by First Trust Bank. In the United States of America it is distributed by Allied Irish Banks, p.l.c. Allied Irish Banks, p.l.c. is regulated by the Central Bank of Ireland. Allied Irish Bank (GB) and First Trust Bank are trade marks used under licence by AIB Group (UK) p.l.c. (a wholly owned subsidiary of Allied Irish Banks, p.l.c.), incorporated in Northern Ireland. Registered Office 92 Ann Street, Belfast BT1 3HH. Registered Number NI018800. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. In the United States of America, Allied Irish Banks, p.l.c., New York Branch, is a branch licensed by the New York State Department of Financial Services. Deposits and other investment products are not FDIC insured, they are not guaranteed by any bank and they may lose value. Please note that telephone calls may be recorded in line with market practice.