

## EUR/USD back below \$1.17

The moves on currency markets for much of yesterday were largely uneventful, continuing the pattern we have seen earlier in the week. A sparse macro data and event calendar meant there was little to interest or provide direction.

However, a risk averse mood to investor sentiment did coincide with some modest gains for the dollar. This was reflected in EUR/USD being unable to hold the \$1.17 level and GBP/USD straddling the \$1.32 mark.

The 'risk off' tone was against a backdrop of an escalation of trade tensions between the US and China. This followed the release by the Trump administration of a list of additional Chinese imports that could be subject to new tariffs, which in turn prompted threats of retaliation from China. As a result, most of the main global equity indices struggled yesterday. The Euro Stoxx 50 finished the day down 1.5%. Meantime, at the closing bell on Wall Street last night, the S&P 500 was 0.7% lower.

In overnight action, Asia markets have experienced a firmer tone to risk appetite, including strong gains for Chinese and Japanese equity markets. At the same time, the yen has weakened, evident in USD/JPY trading up into ¥112 territory. Elsewhere on the currency front, EUR/GBP continues to change hands near the midpoint of 88-89p.

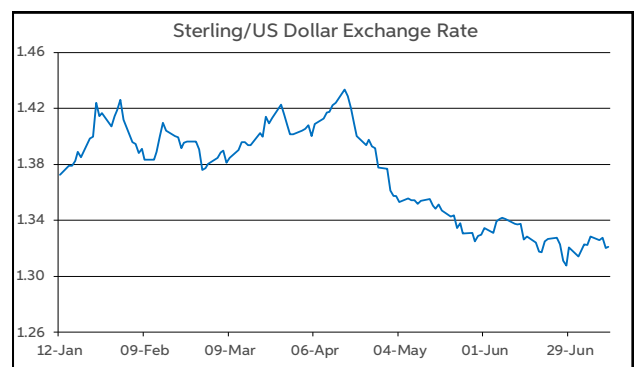
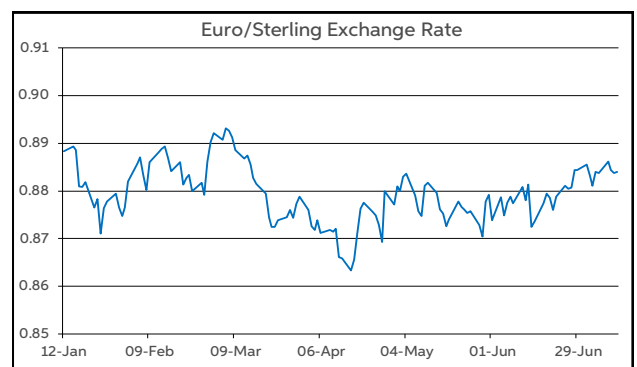
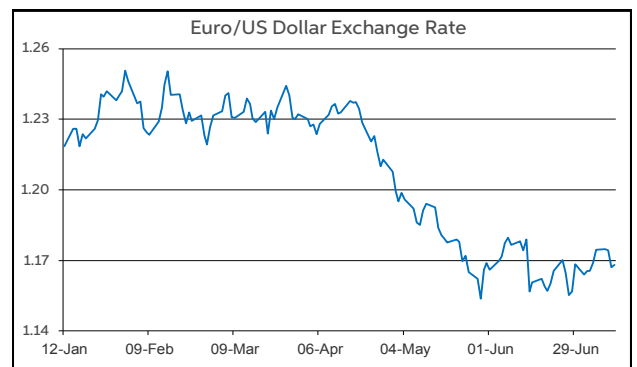
Looking ahead to today, the macro agenda remains quiet in terms of tier-one releases. Data-wise, the few highlights are Eurozone industrial production (May) and US CPI data (June). Meanwhile, the release of the ECB 'account' from its June meeting will be of some interest. Currency-wise, unless the calendar springs a surprise there may not be much directional impact from it.

**John Fahey, Senior Economist, AIB**

Today's Opening Rates			
		% Change	
		Day *	End 2017
EUR/USD	1.168	-0.40	-2.63
EUR/GBP	0.884	-0.03	-0.48
GBP/USD	1.3209	-0.35	-2.24
GBP/EUR	1.1306	0.03	0.49
USD/JPY	112.23	1.09	-0.39
EUR/JPY	131.09	0.69	-3.03

\* 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	2.07	2.34	2.78	2.82	2.89
EUR	0.00	-0.37	-0.32	-0.18	-0.16	0.28
GBP	0.50	0.55	0.72	1.00	1.07	1.33

Equity Indices				
	Latest Close	% Changes		
		on Day	End 2017 to Date	
Dow Jones	24700.45	-0.88	-0.08	
S&P 500	2774.02	-0.71	+3.76	
FTSE 100	7591.96	-1.30	-1.25	
DJ Stoxx 50	3422.35	-1.47	-2.33	
ISEQ	6945.37	-0.64	-1.32	
Nikkei	22187.96	+1.17	-2.53	

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

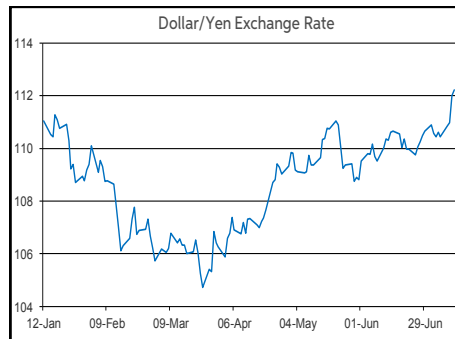
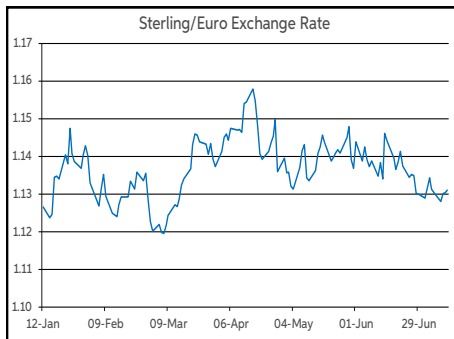
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# Opening Levels

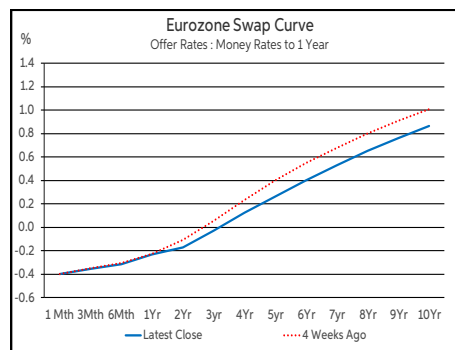
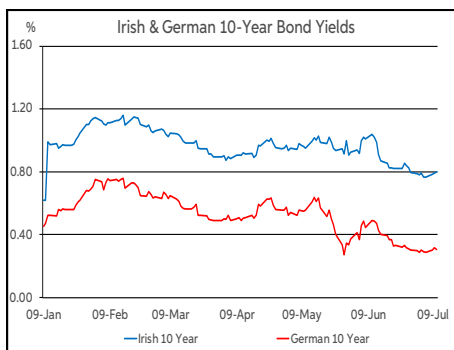
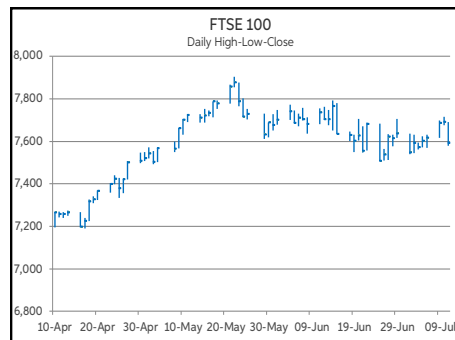
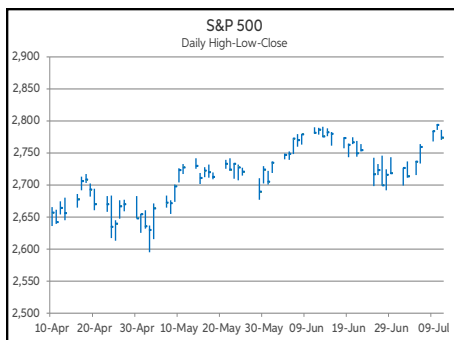
Thursday 12 July 2018  
07:30 am



Euro		Sterling		Dollar	
EUR/GBP	0.884	GBP/EUR	1.1306	USD/JPY	112.23
EUR/USD	1.168	GBP/USD	1.3209	USD/CAD	1.3202
EUR/JPY	131.09	GBP/CAD	1.744	USD/CHF	0.9954
EUR/SEK	10.272	GBP/NZD	1.9528	USD/CNY	6.6903
EUR/DKK	7.4539	GBP/JPY	148.24	USD/BRL	3.8774
EUR/NOK	9.4538	GBP/SEK	11.6177	USD/RUB	62.2991
EUR/CHF	1.1627	GBP/DKK	8.4298	USD/INR	68.635
EUR/AUD	1.5817	GBP/NOK	10.6931	AUD/USD	0.7383
EUR/HKD	9.166	GBP/CHF	1.3151	NZD/USD	0.6763
EUR/CAD	1.5418	GBP/AUD	1.7889		



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 17
<b>10 Year Yield %</b>				
US	2.84	-3	-13	+43
Germany	0.31	-1	-17	-11
UK	1.29	-1	-6	+11
Ireland	0.80	+1	-19	N/A
Belgium	0.67	-1	-16	+6
France	0.65	+0	-18	-13
Italy	2.68	+1	-11	+69
Spain	1.29	+2	-10	-25
Portugal	1.74	+0	-18	-15
Greece	3.83	+4	-66	-22
<b>5 Year Swap %</b>				
US	2.86	-1	-10	+62
Eurozone	0.26	-2	-14	-5
UK	1.33	-2	-3	+29
<b>2 Year Swap %</b>				
US	2.78	-1	-3	+70
Eurozone	-0.17	-1	-6	-3
UK	1.05	-2	+2	+25
<b>10 Year Government Bond Spreads to Benchmark bps</b>				
Ireland	49	+2	-2	N/A
Belgium	37	+0	+1	+18
France	34	+2	-1	-2
Italy	238	+3	+6	+80
Spain	98	+4	+6	-14
Portugal	144	+1	-2	-4
Greece	352	+5	-49	-10



Commodities				
	Close	% Change		
		Day	4 Weeks	End 17
Brent Oil	73.4	-6.92	-4.35	+9.77
West Texas Oil	70.47	-4.91	+5.76	+16.56
CRB - All Commodity	192.83	-2.75	-3.63	-0.53
CRB - Food	345.93	-3.37	-3.46	+2.94
Gold \$	1242.6	-1.08	-4.43	-4.61

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