

6-month delay to Brexit

Despite a busy macro calendar, currency markets retained a subdued tone yesterday. This continued overnight, with no notable reaction to the European Council's decision to offer the UK a further Article 50 extension until October 31st.

The EU's offer is lengthier than the extension that PM May had requested (until June 30th). However, under the terms of the extension, the UK can leave the EU before October, if the Withdrawal Agreement (WA) is ratified in Parliament. Although, the UK is now obliged to take part in the European Parliament elections, should the WA not be approved by MPs by May 22nd. If it does not hold the election, the UK will leave without a deal on June 1st.

Meanwhile, as expected, the ECB left rates unchanged at its April meeting. The ECB did not provide any new insight into a possible further pushing out of its forward guidance or the introduction of a multi-tier deposit facility. Currency-wise, the conclusion of the meeting had limited impact on the euro.

So, as action gets underway this morning, the main pairs are little changed from 24 hours previous. EUR/GBP remains just above the 86p level, while GBP/USD is changing hands in the upper half of the \$1.30-1.31 band. Elsewhere, EUR/USD is up near \$1.13.

Turning to the day ahead, there is a barren look to the global macro-data calendar. Therefore, both the euro and the dollar could struggle for direction today. In the UK, the focus will be on the political reaction to last night's developments. At the same time, markets will be eager for any insight into what the latest Article 50 negotiating period extension means for PM May's Brexit strategy. Overall, sterling could experience some volatility today.

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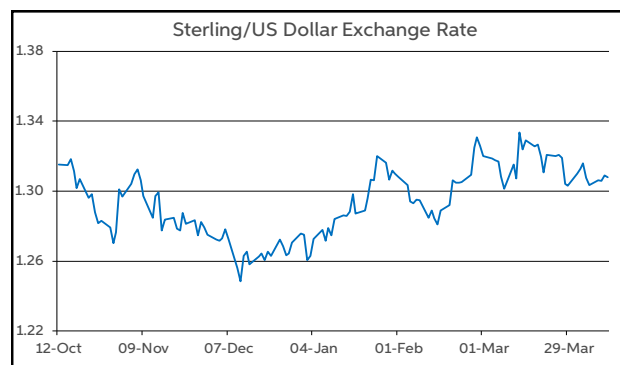
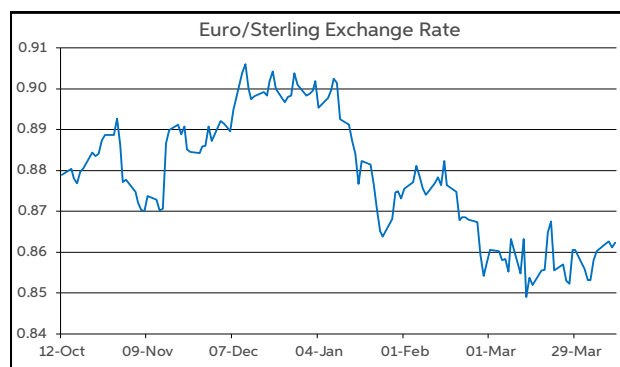
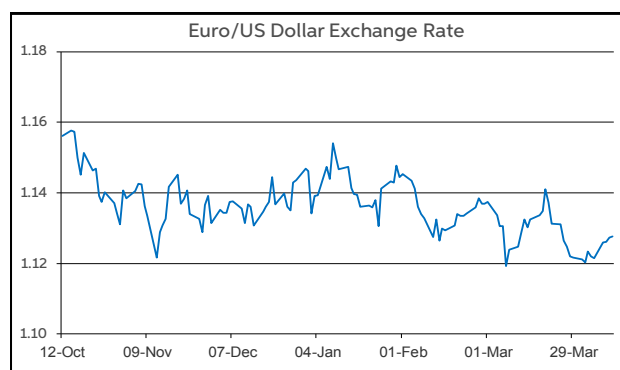
Opening Interest Rates						
	Base Rate	Short Term			Long Term	
		1-Mth	3-Mth	12-Mth	2-Yr	5-Yr
USD	2.375	2.48	2.60	2.74	2.41	2.31
EUR	0.00	-0.37	-0.31	-0.11	-0.20	0.01
GBP	0.75	0.73	0.82	1.08	0.99	1.14

Equity Indices				
	Latest Close	% Changes		
		on Day	End 2018 to Date	
Dow Jones	26157.16	+0.03	+12.13	
S&P 500	2888.21	+0.35	+15.21	
FTSE 100	7421.91	-0.05	+10.31	
DJ Stoxx 50	3424.65	+0.22	+14.10	
ISEQ	6241.86	-0.10	+13.91	
Nikkei	21703.39	+0.07	+8.44	

Today's Opening Rates			
		% Change	
		Day *	End 2018
EUR/USD	1.1279	0.17	-1.66
EUR/GBP	0.8621	0.02	-4.04
GBP/USD	1.3078	0.17	2.52
GBP/EUR	1.159	-0.02	4.21
USD/JPY	111.09	-0.02	1.40
EUR/JPY	125.3	0.14	-0.33

* v Previous Day's European Open

See Next Page for More Rates ▶▶▶



All rates quoted are indicative market rates

See Next Page For More Rates & Charts

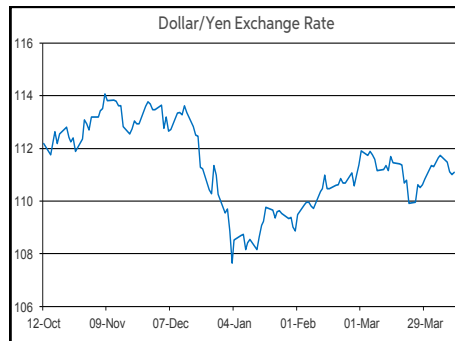
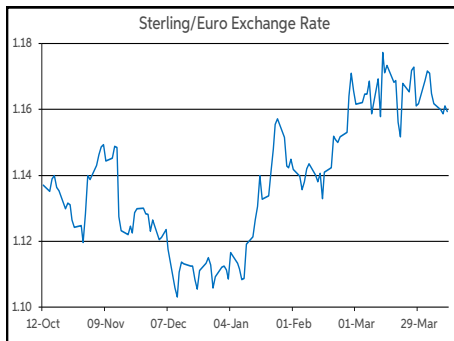
FX Spot	Karl Cooke Shane Gargan Enda Homan	FX Options	Mark Tuite Lenny Hogan	Reuters Phone	AIB 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
		Equity Options	Gary Luff				

Opening Levels

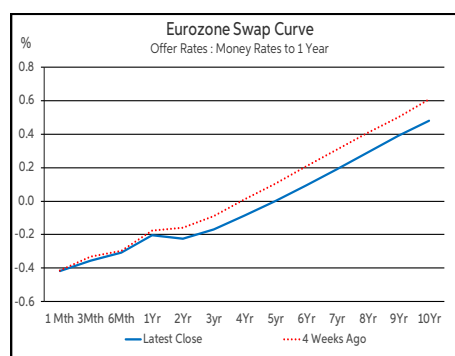
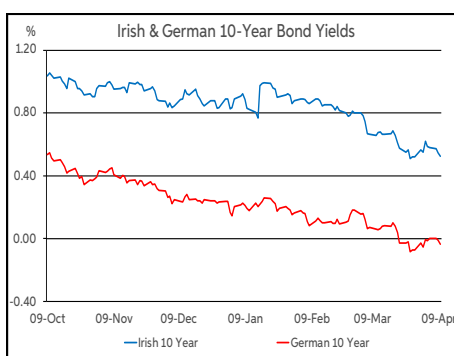
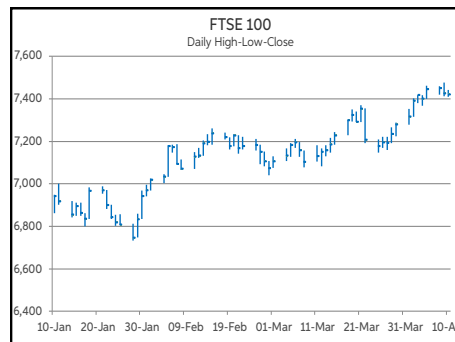
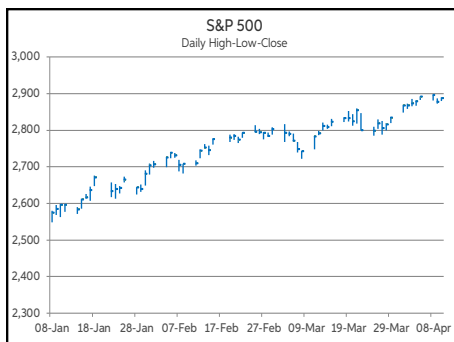
Thursday 11 April 2019
07:19 am



Euro		Sterling		Dollar	
EUR/GBP	0.8622	GBP/EUR	1.1596	USD/JPY	111.1
EUR/USD	1.1279	GBP/USD	1.308	USD/CAD	1.3337
EUR/JPY	125.31	GBP/CAD	1.7447	USD/CHF	1.002
EUR/SEK	10.4413	GBP/NZD	1.9335	USD/CNY	6.7144
EUR/DKK	7.465	GBP/JPY	145.32	USD/BRL	3.8252
EUR/NOK	9.5786	GBP/SEK	12.1054	USD/RUB	64.3064
EUR/CHF	1.1304	GBP/DKK	8.6566	USD/INR	68.974
EUR/AUD	1.575	GBP/NOK	11.1095	AUD/USD	0.716
EUR/HKD	8.8439	GBP/CHF	1.3109	NZD/USD	0.676
EUR/CAD	1.5044	GBP/AUD	1.826		



	Close	Change bps		
		Day	4 Weeks	End 18
10 Year Yield %				
US	2.46	-4	-16	-22
Germany	-0.03	-3	-10	-27
UK	1.09	-2	-11	-18
Ireland	0.53	-2	-15	N/A
Belgium	0.41	-3	-11	-35
France	0.31	-3	-15	-39
Italy	2.55	-2	+1	-16
Spain	1.03	-3	-15	-38
Portugal	1.15	-4	-19	-55
Greece	3.38	-6	-39	-92
5 Year Swap %				
US	2.28	-5	-20	-28
Eurozone	0.00	-4	-10	-23
UK	1.12	-3	-12	-19
2 Year Swap %				
US	2.39	-3	-17	-25
Eurozone	-0.22	-3	-6	-8
UK	0.98	-1	-9	-18
10 Year Government Bond Spreads to Benchmark bps				
Ireland	56	+0	-6	N/A
Belgium	45	-1	-1	-8
France	35	-0	-5	-12
Italy	259	+1	+10	+11
Spain	107	-1	-5	-11
Portugal	119	-1	-9	-28
Greece	342	-3	-29	-64



	Close	% Change		
		Day	4 Weeks	End 18
Brent Oil	71.73	+1.59	+6.19	+33.33
West Texas Oil	64.62	+0.89	+10.90	+43.12
CRB - All Commodity	189.66	+0.58	+3.41	+11.70
CRB - Food	345.59	+1.30	+3.72	+6.59
Gold \$	1308.3	+0.30	-0.09	+1.98

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