

Some pressure on the dollar

There was a generally muted market reaction to the weekend geopolitical events in relation to Syria. It appeared investor sentiment may have taken some solace from the relatively limited military intervention. Indeed, US equities managed to start the week on the rise. At the close last night on Wall Street, the S&P 500 was up 0.8%.

The macro news yesterday was mostly from the US. The results were somewhat mixed. Headline retail sales for March printed ahead of expectations, while underlying core measures were in line with forecasts. Overall, the sales data suggest that after a weak first quarter, spending does have some renewed momentum heading into Q2. Elsewhere, the New York Fed manufacturing index and homebuilder sentiment (both April) missed to the downside of expectations.

The moves on currency markets over the last 24 hours has seen the dollar under some pressure as the market digested the weekend developments in Syria as well as a tweet from President Trump on the topic of currency manipulation. The softer dollar tone is reflected in EUR/USD managing to trade up close to the \$1.24 mark. Similarly, GBP/USD has also moved higher, with the pair trading up into \$1.43 territory and rising to its highest level since the Brexit vote. Meantime, EUR/GBP has been mostly changing hands in a tight range below 86.5p.

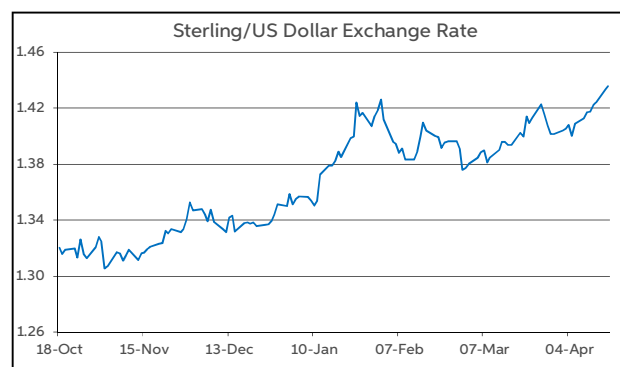
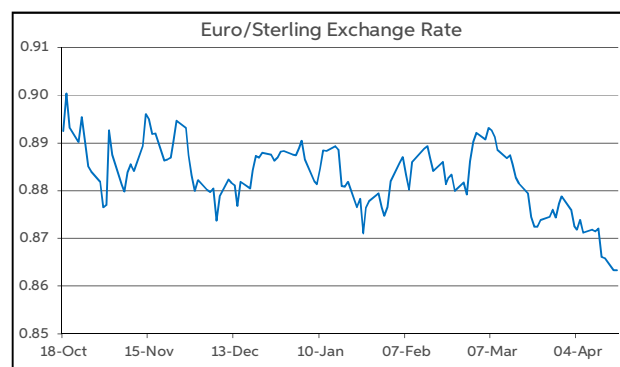
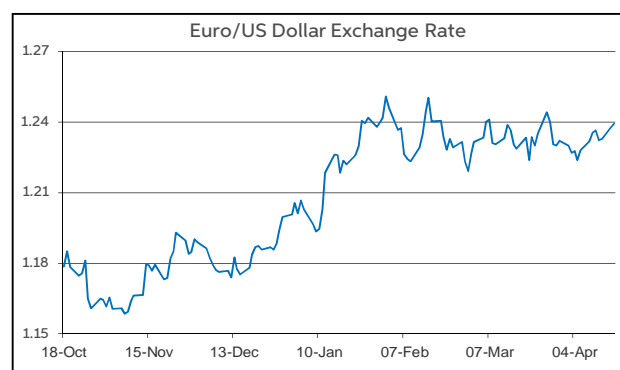
Data-wise today, market attention will be on a raft of UK labour market figures (Feb). While they include unemployment and employment updates, the main focus may be on the wage growth data (in the context of a more hawkish BoE) for further signs of a pick-up in underlying earnings. While this is anticipated, confirmation of this could still provide some support to sterling.

John Fahey, Senior Economist, AIB

Today's Opening Rates			
		% Change	
		Day *	End 2017
EUR/USD	1.2394	0.51	3.32
EUR/GBP	0.8631	-0.20	-2.84
GBP/USD	1.4359	0.72	6.27
GBP/EUR	1.1583	0.20	2.92
USD/JPY	106.92	-0.29	-5.10
EUR/JPY	132.54	0.22	-1.95

* v Previous Day's European Open

See Next Page for More Rates ▶▶▶



Opening Interest Rates						
	Base Rate	Short Term			Long Term	
		1-Mth	3-Mth	12-Mth	2-Yr	5-Yr
USD	1.375	1.89	2.36	2.74	2.70	2.81
EUR	0.00	-0.37	-0.33	-0.19	-0.13	0.39
GBP	0.50	0.53	0.79	1.06	1.17	1.43

Equity Indices				
	Latest Close	% Changes		
		on Day	End 2017 to Date	
Dow Jones	24573.04	+0.87	-0.59	
S&P 500	2677.84	+0.81	+0.16	
FTSE 100	7198.2	-0.91	-6.37	
DJ Stoxx 50	3441.04	-0.20	-1.80	
ISEQ	6709.89	+1.08	-4.67	
Nikkei	21847.59	+0.06	-4.03	

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

FX Spot	Karl Cooke Shane Gargan Adrian Flanagan 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

Tuesday 17 April 2018
07:28 am



Euro

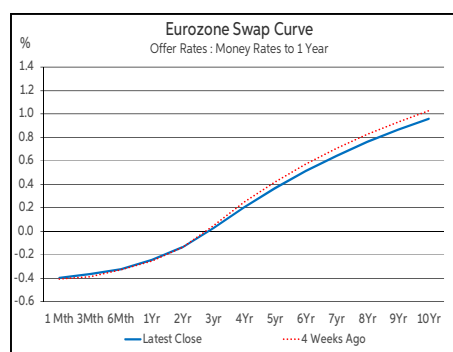
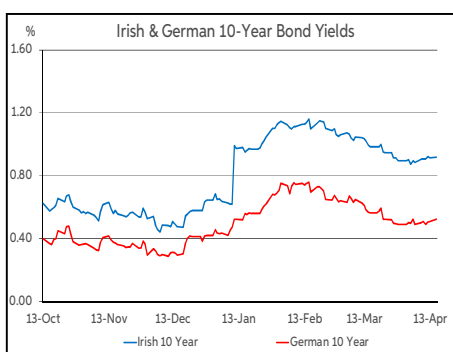
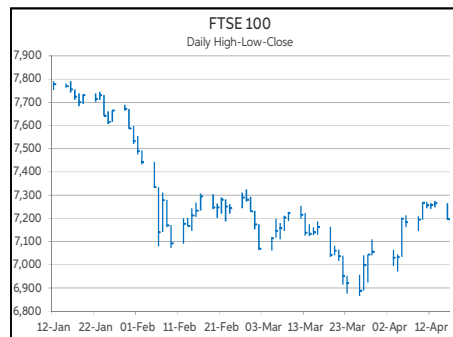
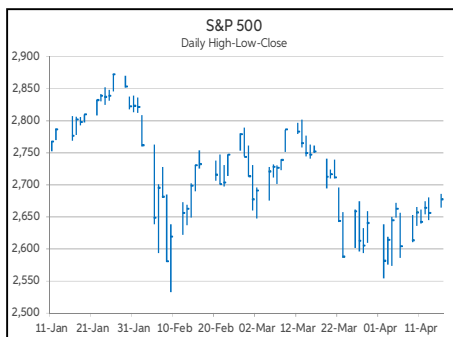
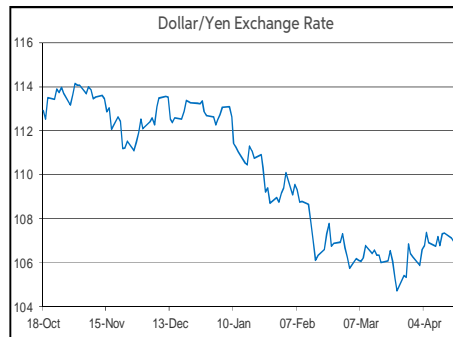
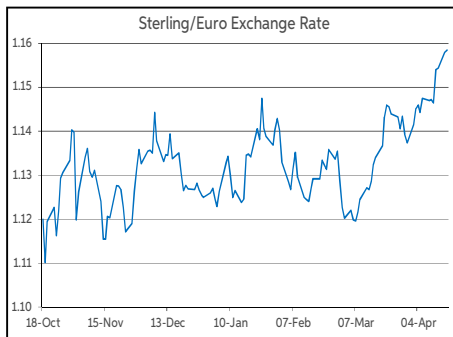
EUR/GBP	0.8631
EUR/USD	1.2394
EUR/JPY	132.54
EUR/SEK	10.4184
EUR/DKK	7.4471
EUR/NOK	9.6182
EUR/CHF	1.1889
EUR/AUD	1.594
EUR/HKD	9.728
EUR/CAD	1.5576

Sterling

GBP/EUR	1.1583
GBP/USD	1.4359
GBP/CAD	1.8043
GBP/NZD	1.9552
GBP/JPY	153.54
GBP/SEK	12.0711
GBP/DKK	8.6274
GBP/NOK	11.1451
GBP/CHF	1.3773
GBP/AUD	1.8461

Dollar

USD/JPY	106.92
USD/CAD	1.2565
USD/CHF	0.9592
USD/CNY	6.2774
USD/BRL	3.4191
USD/RUB	61.1046
USD/INR	65.61
AUD/USD	0.7775
NZD/USD	0.7343



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 17
10 Year Yield %				
US	2.83	+0	-3	+42
Germany	0.52	+1	-4	+11
UK	1.46	+2	+2	+28
Ireland	0.92	+1	-7	N/A
Belgium	0.78	+1	-6	+17
France	0.75	+1	-6	-3
Italy	1.80	+1	-16	-20
Spain	1.23	+1	-9	-31
Portugal	1.63	-1	-9	-26
Greece	3.98	-5	-15	-6
5 Year Swap %				
US	2.80	-1	+2	+55
Eurozone	0.37	-1	-5	+5
UK	1.42	-0	+6	+38
2 Year Swap %				
US	2.67	-0	+8	+59
Eurozone	-0.14	+0	+0	+0
UK	1.16	-0	+10	+36
10 Year Government Bond Spreads to Benchmark bps				
Ireland	40	-1	-3	N/A
Belgium	26	-1	-2	+7
France	22	-0	-2	-14
Italy	127	-0	-12	-30
Spain	71	-1	-5	-42
Portugal	111	-3	-5	-37
Greece	346	-7	-11	-16

Commodities				
	Close	% Change		
		Day	4 Weeks	End 17
Brent Oil	71.42	-1.60	+8.13	+6.80
West Texas Oil	66.23	-1.66	+6.81	+9.54
CRB - All Commodity	199.55	-0.08	+3.45	+2.93
CRB - Food	342.94	+1.22	+0.26	+2.05
Gold \$	1346.3	+0.03	+2.20	+3.35

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