

Dollar makes further gains

There was a subdued tone to financial market sentiment yesterday. This was despite a busy calendar of data releases, which largely surprised to the upside. The lacklustre tone was highlighted by the S&P 500, which was flat on the day.

Data-wise, the Eurozone flash composite PMI for April showed no change in the month, versus a forecast for a slight decline. This suggests that growth in the currency bloc has not slowed any further. Improved German and French data provided some additional good news, though Euro impact from the PMIs was limited. Likewise, the dollar saw no significant reaction from upside surprises from the US April manufacturing and services PMIs.

After gaining at the end of last week, which coincided with US 10-year Treasury yields rising to 4-year highs, the dollar continued to move higher yesterday. It was also aided by geopolitical news in relation to North Korea and optimistic comments from US Treasury Secretary Mnuchin on US/China trade relations.

In level terms, the firmer dollar means that cable (GBP/USD) has lost further ground, opening this morning below the \$1.40 level, at \$1.395. EUR/USD has moved down to near the \$1.22 mark. Elsewhere, EUR/GBP has been confined to a very tight 87.4-87.7p range.

The German Ifo is the main release in Europe today, while Conference Board US consumer confidence also features (both April). However, reaction to the data may remain muted. A speech by BoE Governor Carney poses some two-way risk for sterling. If he seems to reaffirm recent comments downplaying the chances of a UK rate hike in May, then sterling may lose ground.

Dara Turnbull, Economist, AIB

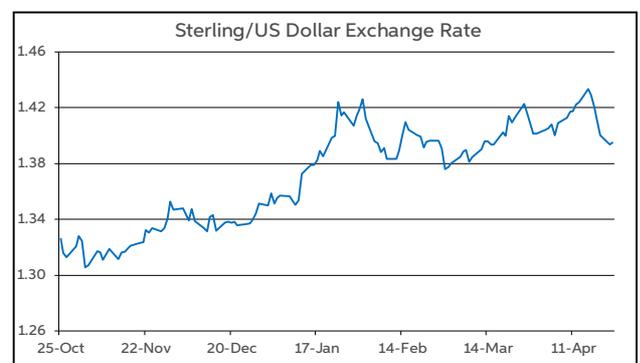
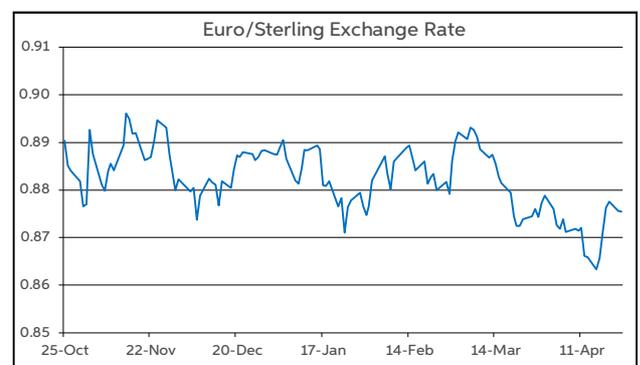
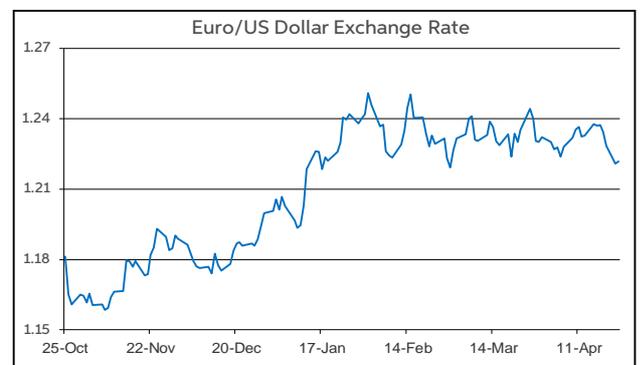
Opening Interest Rates						
	Base Rate	Short Term			Long Term	
		1-Mth	3-Mth	12-Mth	2-Yr	5-Yr
USD	1.375	1.90	2.36	2.77	2.75	2.92
EUR	0.00	-0.37	-0.33	-0.19	-0.13	0.42
GBP	0.50	0.53	0.75	1.02	1.11	1.42

Equity Indices				
	Latest Close	% Changes		
		on Day	End 2017 to Date	
Dow Jones	24448.69	-0.06	-1.09	
S&P 500	2670.29	+0.01	-0.12	
FTSE 100	7398.87	+0.42	-3.76	
DJ Stoxx 50	3513.06	+0.54	+0.26	
ISEQ	6841.26	+0.20	-2.80	
Nikkei	22278.12	+0.86	-2.14	

Today's Opening Rates			
		% Change	
		Day *	End 2017
EUR/USD	1.2217	-0.44	1.84
EUR/GBP	0.876	0.06	-1.38
GBP/USD	1.3947	-0.49	3.22
GBP/EUR	1.1413	-0.06	1.40
USD/JPY	108.78	0.91	-3.45
EUR/JPY	132.92	0.48	-1.67

* 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 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 24 April 2018
07:30 am



Euro

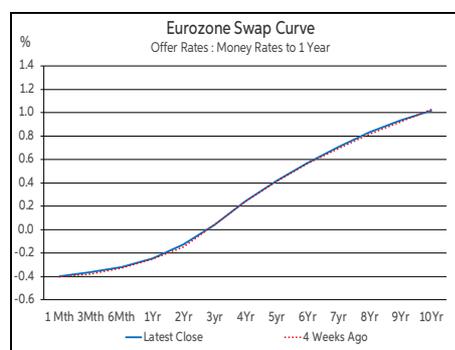
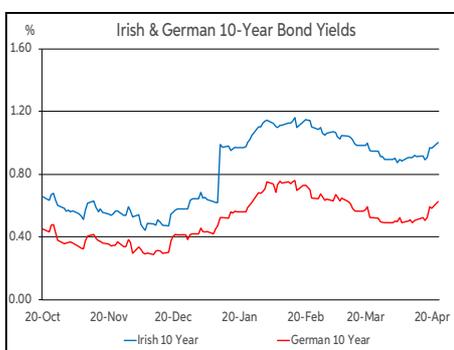
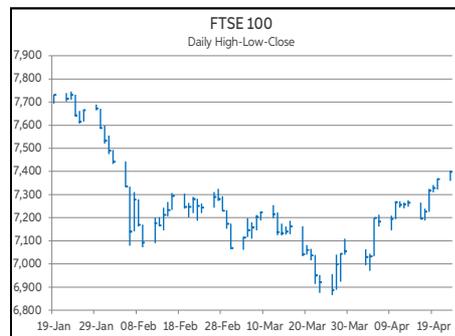
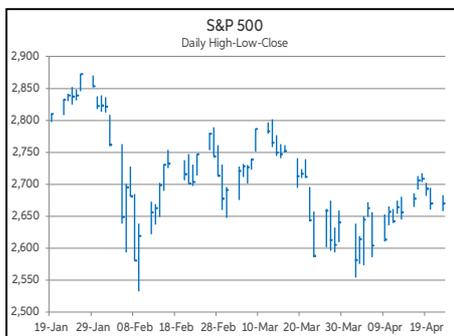
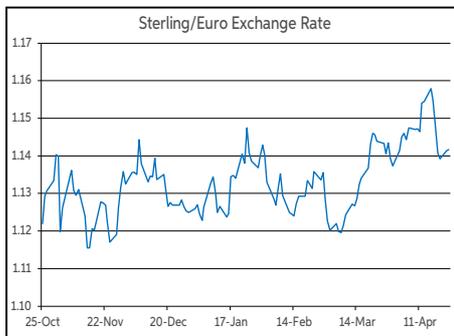
EUR/GBP	0.8757
EUR/USD	1.2217
EUR/JPY	132.9
EUR/SEK	10.383
EUR/DKK	7.4474
EUR/NOK	9.6221
EUR/CHF	1.1939
EUR/AUD	1.6054
EUR/HKD	9.5825
EUR/CAD	1.5678

Sterling

GBP/EUR	1.1414
GBP/USD	1.3949
GBP/CAD	1.789
GBP/NZD	1.9589
GBP/JPY	151.72
GBP/SEK	11.8489
GBP/DKK	8.501
GBP/NOK	10.9855
GBP/CHF	1.3629
GBP/AUD	1.8323

Dollar

USD/JPY	108.77
USD/CAD	1.283
USD/CHF	0.9771
USD/CNY	6.3104
USD/BRL	3.4521
USD/RUB	61.425
USD/INR	66.33
AUD/USD	0.7608
NZD/USD	0.7117



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 17
10 Year Yield %				
US	2.98	+2	+13	+57
Germany	0.63	+4	+11	+21
UK	1.53	+5	+8	+34
Ireland	1.00	+3	+6	N/A
Belgium	0.87	+3	+9	+26
France	0.84	+3	+8	+6
Italy	1.79	+2	-12	-21
Spain	1.30	+3	+6	-24
Portugal	1.68	+5	-3	-21
Greece	3.98	+0	-41	-6
5 Year Swap %				
US	2.90	+0	+13	+66
Eurozone	0.42	-1	+1	+10
UK	1.41	+1	-1	+37
2 Year Swap %				
US	2.71	-2	+11	+63
Eurozone	-0.13	+1	+2	+1
UK	1.11	-0	-2	+30
10 Year Government Bond Spreads to Benchmark bps				
Ireland	38	-1	-5	N/A
Belgium	25	-1	-2	+6
France	21	-2	-3	-14
Italy	116	-2	-23	-41
Spain	68	-1	-5	-45
Portugal	105	+1	-13	-42
Greece	336	-4	-52	-26

Commodities				
	Close	% Change		
		Day	4 Weeks	End 17
Brent Oil	74.71	+0.88	+6.55	+11.72
West Texas Oil	67.61	-0.95	+3.24	+11.83
CRB - All Commodity	200.73	-0.59	+2.53	+3.54
CRB - Food	349.18	-0.66	+3.11	+3.91
Gold \$	1326.0	-0.71	-2.06	+1.79

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.