

EUR/USD continues to move lower

The action on currency markets yesterday saw the euro on the defensive. At the same time, the dollar was generally retaining its firmer tone against some of the other key majors.

For the euro, the main focus from a macro viewpoint was on the release of the German Ifo for April. The headline index printed to the downside of expectations. It fell to 99.2 from 99.7 the previous month and versus a consensus forecast of 99.9. The disappointing update from the Eurozone's largest economy provided an unhelpful backdrop for the euro yesterday.

Elsewhere on the data front, there were no US releases of note to be of any influence on the dollar. Similarly, the UK schedule, was also on the quiet side. Although, the public finance data for March, which completed the fiscal year 2018/19, offered some encouraging news.

In level terms, the softer euro tone over the past 24 hours sees EUR/USD open this morning below the \$1.12 mark, having hit a 22 month low at \$1.114 last night. The EUR/GBP pair has edged back into the lower half of the 86-87p band. Meanwhile, GBP/USD starts the day pinned down at the \$1.29 level.

Looking ahead to today's macro diary, both the Eurozone and UK calendars are very sparse. As a result, the respective currencies could struggle for direction.

For the dollar, the schedule is also relatively quiet, although we do get durable goods orders for March. However, unless the report surprises significantly, it may not generate much reaction from the dollar.

John Fahey, Senior Economist, AIB

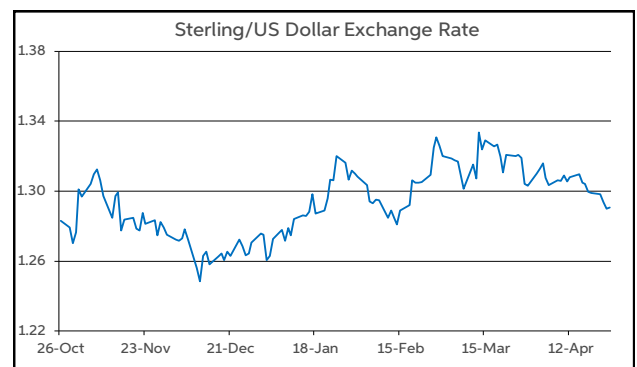
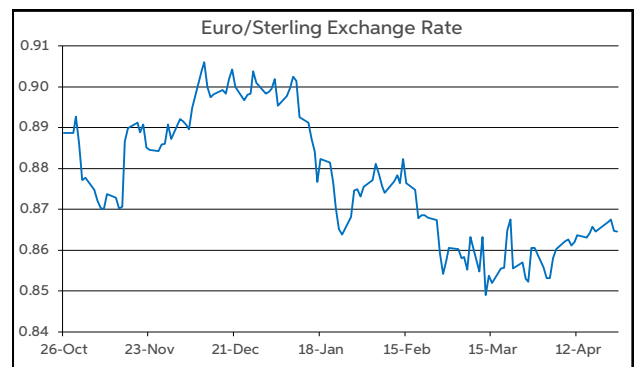
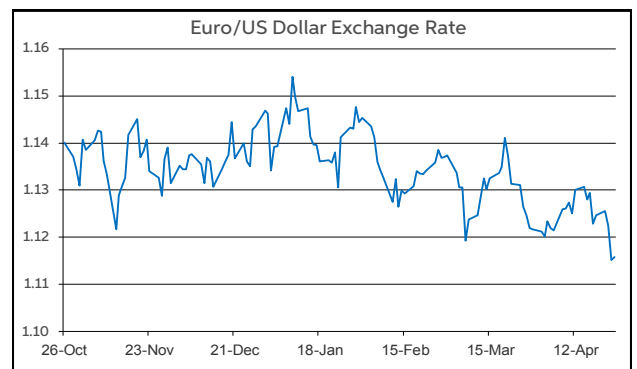
| Opening Interest Rates | | | | | | |
|------------------------|-----------|------------|-------|--------|-----------|------|
| | Base Rate | Short Term | | | Long Term | |
| | | 1-Mth | 3-Mth | 12-Mth | 2-Yr | 5-Yr |
| USD | 2.375 | 2.48 | 2.59 | 2.73 | 2.41 | 2.34 |
| EUR | 0.00 | -0.37 | -0.31 | -0.11 | -0.20 | 0.04 |
| GBP | 0.75 | 0.73 | 0.82 | 1.09 | 1.04 | 1.20 |

| Equity Indices | | | | |
|----------------|--------------|-----------|------------------|--|
| | Latest Close | % Changes | | |
| | | on Day | End 2018 to Date | |
| Dow Jones | 26597.05 | -0.22 | +14.02 | |
| S&P 500 | 2927.25 | -0.22 | +16.77 | |
| FTSE 100 | 7471.75 | -0.68 | +11.05 | |
| DJ Stoxx 50 | 3502.63 | -0.03 | +16.70 | |
| ISEQ | 6448.65 | -0.70 | +17.68 | |
| Nikkei | 22323.82 | +0.56 | +11.54 | |

| Today's Opening Rates | | | |
|-----------------------|--------|----------|----------|
| | | % Change | |
| | | Day * | End 2018 |
| EUR/USD | 1.1157 | -0.53 | -2.72 |
| EUR/GBP | 0.8646 | -0.24 | -3.76 |
| GBP/USD | 1.2904 | -0.26 | 1.15 |
| GBP/EUR | 1.1562 | 0.24 | 3.91 |
| USD/JPY | 111.91 | 0.07 | 2.14 |
| EUR/JPY | 124.96 | -0.37 | -0.60 |

* 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

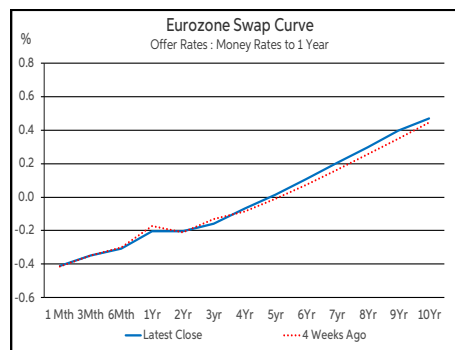
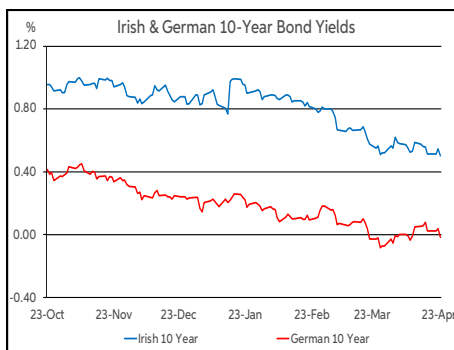
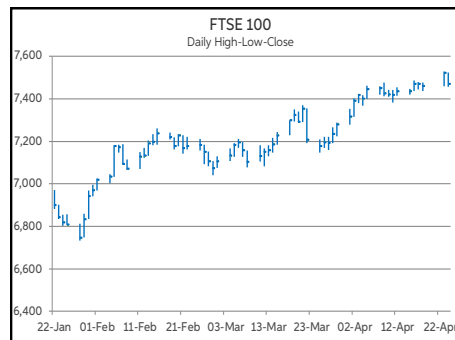
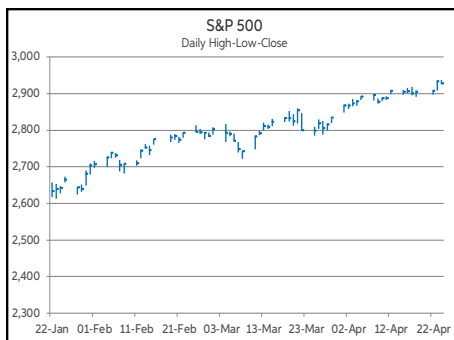
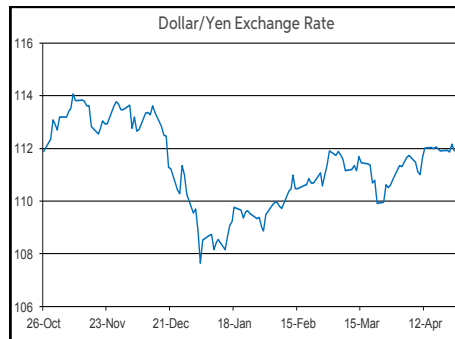
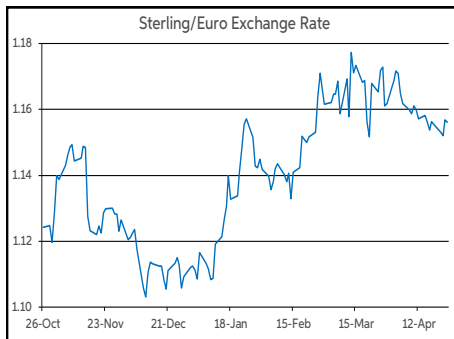
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|---------|--|----------------|---------------------------|------------------|-------------------------|-----------------|-----------------------------------|
| FX Spot | Karl Cooke Shane Gargan Enda Homan | FX Options | Mark Tuite Lenny Hogan | Reuters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

Opening Levels

Thursday 25 April 2019
07:07 am



| Euro | | Sterling | | Dollar | |
|---------|---------|----------|---------|---------|--------|
| EUR/GBP | 0.8646 | GBP/EUR | 1.1563 | USD/JPY | 111.91 |
| EUR/USD | 1.1158 | GBP/USD | 1.2904 | USD/CAD | 1.3489 |
| EUR/JPY | 124.97 | GBP/CAD | 1.7404 | USD/CHF | 1.0203 |
| EUR/SEK | 10.5184 | GBP/NZD | 1.9548 | USD/CNY | 6.7272 |
| EUR/DKK | 7.4665 | GBP/JPY | 144.41 | USD/BRL | 3.9911 |
| EUR/NOK | 9.6417 | GBP/SEK | 12.1608 | USD/RUB | 64.291 |
| EUR/CHF | 1.1386 | GBP/DKK | 8.6347 | USD/INR | 69.954 |
| EUR/AUD | 1.5894 | GBP/NOK | 11.146 | | |
| EUR/HKD | 8.7513 | GBP/CHF | 1.3165 | AUD/USD | 0.702 |
| EUR/CAD | 1.505 | GBP/AUD | 1.838 | NZD/USD | 0.6598 |



| Debt Markets | | | | |
|---|-------|------------|---------|--------|
| | Close | Change bps | | |
| | | Day | 4 Weeks | End 18 |
| 10 Year Yield % | | | | |
| US | 2.52 | -5 | +14 | -17 |
| Germany | -0.02 | -5 | +7 | -25 |
| UK | 1.17 | -5 | +16 | -10 |
| 5 Year Swap % | | | | |
| US | 2.32 | -5 | +14 | -24 |
| Eurozone | 0.01 | -4 | +2 | -22 |
| UK | 1.19 | -6 | +11 | -13 |
| 2 Year Swap % | | | | |
| US | 2.37 | -8 | +8 | -27 |
| Eurozone | -0.21 | -2 | +0 | -7 |
| UK | 1.04 | -4 | +6 | -13 |
| 10 Year Government Bond Spreads to Benchmark bps | | | | |
| Ireland | 52 | +1 | -7 | N/A |
| Belgium | 46 | +1 | -1 | -7 |
| France | 36 | +1 | -2 | -11 |
| Italy | 264 | +1 | +13 | +16 |
| Spain | 108 | +1 | -4 | -10 |
| Portugal | 117 | +2 | -16 | -30 |
| Greece | 327 | +1 | -56 | -79 |

| Commodities | | | | |
|---------------------|--------|----------|---------|--------|
| | Close | % Change | | |
| | | Day | 4 Weeks | End 18 |
| Brent Oil | 74.57 | +0.08 | +9.94 | +38.61 |
| West Texas Oil | 65.96 | -0.42 | +11.06 | +46.09 |
| CRB - All Commodity | 186.49 | -0.58 | +1.39 | +9.83 |
| CRB - Food | 340.52 | -1.85 | -1.65 | +5.02 |
| Gold \$ | 1275.8 | +0.24 | -2.63 | -0.56 |

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