

## US Q1 GDP in focus today

There was a subdued tone to currency markets yesterday, with the main pairs largely confined to narrow ranges. The euro, though, has remained somewhat on the back foot over the past 24 hours.

A barren macro calendar on this side of the Atlantic meant attention was focused on the US yesterday. In this regard, durable goods orders for March surprised to the upside of expectations. The headline number increased by a strong 2.7% (f'cast 0.8%), helped by a jump in aircraft orders. However, there was no notable reaction in the dollar.

As trading gets underway this morning, the opening levels show that the euro is still under some modest downward pressure. EUR/USD remains close to a 22-month low, near \$1.115, while EUR/GBP is changing hands in the lower half of the 86-87p range. Elsewhere, cable (GBP/USD) is trading at the \$1.29 level.

Today, the data schedule on this side of the Atlantic is devoid of any potential market moving releases. Therefore, both the euro and sterling could again struggle for direction.

The macro highlight of the day is the first estimate of US GDP for Q1. Growth is forecast to have slowed slightly from the 2.2% rate (q/q annualised) recorded in the final quarter of 2019, but remained solid at 2.0%. This in part reflects the usual seasonal adjustment issues, extreme weather in Q1, and the fading impact of last year's tax cuts.

The same report includes core-PCE for Q1, the Fed's preferred measure of inflation. It is projected to have edged down to 1.6%, from 1.8% in annualised terms. Overall, barring a major surprise, we do not anticipate a significant dollar reaction to today's data.

**Conor Beakey, Economist, AIB**

### Today's Opening Rates

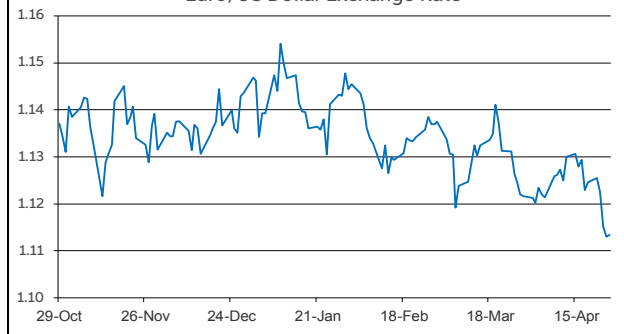
		% Change	
		Day *	End 2018
EUR/USD	1.1137	-0.16	-2.89
EUR/GBP	0.8628	-0.19	-3.96
GBP/USD	1.2907	0.02	1.18
GBP/EUR	1.1587	0.19	4.13
USD/JPY	111.67	-0.26	1.93
EUR/JPY	124.47	-0.42	-0.99

\* v Previous Day's European Open

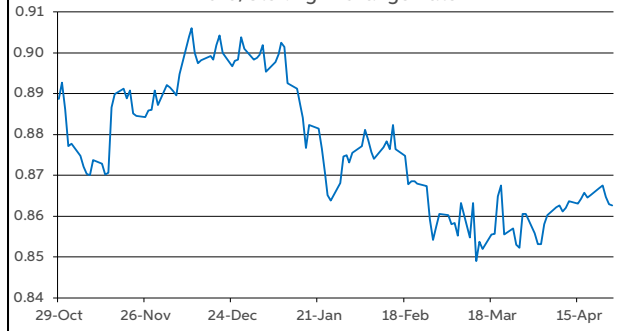
See Next Page for More Rates



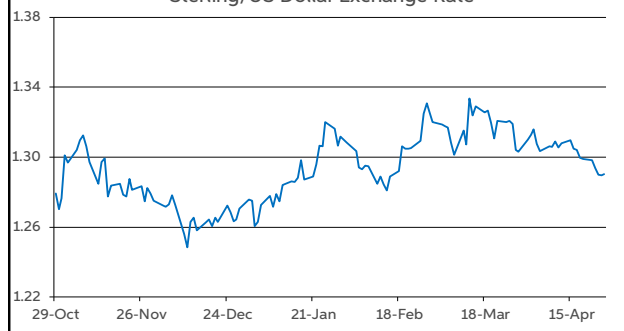
Euro/US Dollar Exchange Rate



Euro/Sterling Exchange Rate



Sterling/US Dollar Exchange Rate



Opening Interest Rates						
	Base Rate	Short Term			Long Term	
		1-Mth	3-Mth	12-Mth	2-Yr	5-Yr
USD	2.375	2.48	2.58	2.72	2.42	2.36
EUR	0.00	-0.37	-0.31	-0.11	-0.19	0.03
GBP	0.75	0.73	0.83	1.09	1.03	1.17

Equity Indices				
	Latest Close	% Changes		
		on Day	End 2018 to Date	
Dow Jones	26462.08	-0.51	+13.44	
S&P 500	2926.17	-0.04	+16.73	
FTSE 100	7434.13	-0.50	+10.49	
DJ Stoxx 50	3491.92	-0.31	+16.34	
ISEQ	6392.53	-0.87	+16.66	
Nikkei	22253.6	-0.24	+11.19	

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

Friday 26 April 2019  
07:15 am



## Euro

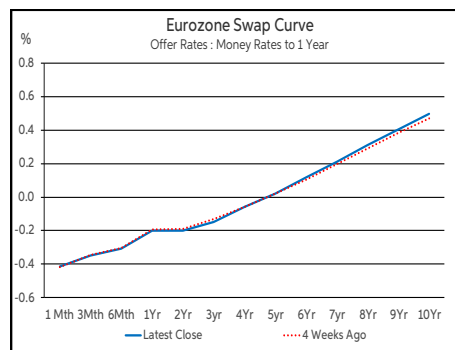
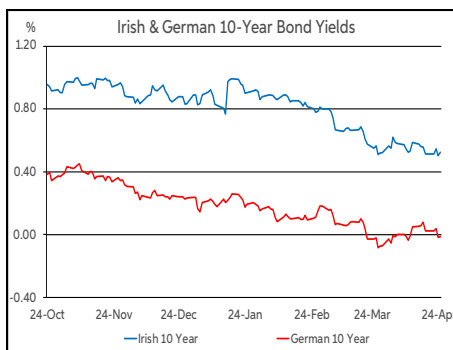
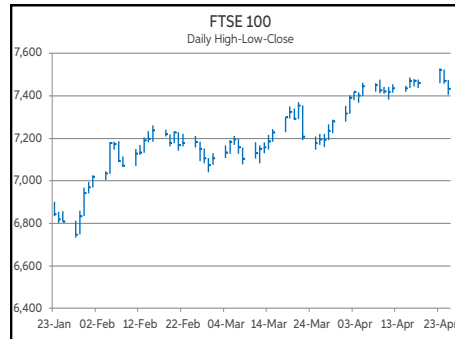
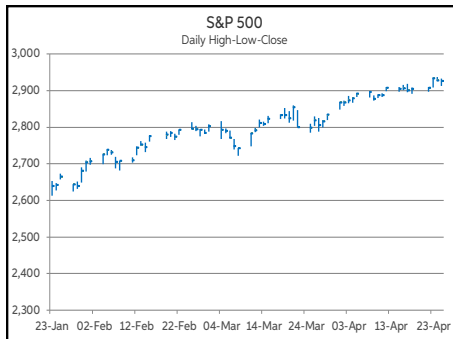
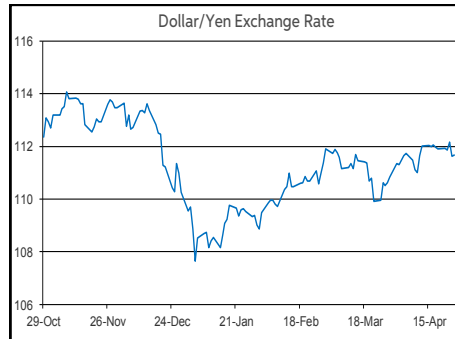
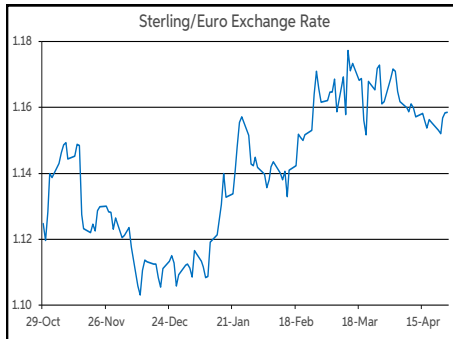
EUR/GBP	0.8628
EUR/USD	1.1137
EUR/JPY	124.47
EUR/SEK	10.62
EUR/DKK	7.4653
EUR/NOK	9.6547
EUR/CHF	1.1364
EUR/AUD	1.585
EUR/HKD	8.736
EUR/CAD	1.5013

## Sterling

GBP/EUR	1.1587
GBP/USD	1.2907
GBP/CAD	1.74
GBP/NZD	1.9414
GBP/JPY	144.13
GBP/SEK	12.3074
GBP/DKK	8.6513
GBP/NOK	11.1909
GBP/CHF	1.3169
GBP/AUD	1.8368

## Dollar

USD/JPY	111.67
USD/CAD	1.3481
USD/CHF	1.0201
USD/CNY	6.7343
USD/BRL	3.953
USD/RUB	64.6396
USD/INR	70.124
AUD/USD	0.7025
NZD/USD	0.6644



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 18
<b>10 Year Yield %</b>				
US	2.53	+2	+14	-15
Germany	-0.01	+0	+6	-25
UK	1.15	-2	+15	-12
<b>5 Year Swap %</b>				
US	2.33	+0	+9	-23
Eurozone	0.02	+0	+0	-21
UK	1.17	-4	+10	-15
<b>2 Year Swap %</b>				
US	2.39	+0	+6	-25
Eurozone	-0.20	+0	-1	-6
UK	1.02	-2	+7	-14
<b>10 Year Government Bond Spreads to Benchmark bps</b>				
Ireland	54	+2	-5	N/A
Belgium	47	+2	+1	-5
France	38	+2	-0	-9
Italy	270	+6	+16	+22
Spain	109	+2	-4	-8
Portugal	119	+2	-14	-28
Greece	328	+1	-49	-79

Commodities				
	Close	% Change		
		Day	4 Weeks	End 18
Brent Oil	74.35	-0.30	+9.63	+38.20
West Texas Oil	65.23	-1.11	+10.02	+44.47
CRB - All Commodity	185.96	-0.29	+1.43	+9.51
CRB - Food	340.81	+0.29	-1.25	+5.11
Gold \$	1277.8	+0.16	-1.02	-0.40

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