

Euro softer; Dollar firmer

Yesterday's ECB meeting concluded in line with market expectations, with no changes to monetary policy. ECB President Draghi's post-meeting press conference provided no new information on the timeframe for halting net asset purchases, with the issue not discussed at the meeting. Instead, the view of the ECB was that it maintain a "steady hand" while it awaits further data on the economy. Draghi noted that data in the last couple of months point to "some moderation" in growth.

Despite the lack of significant new information from the ECB yesterday, the euro has weakened. This may be due to some disappointment over the lack of discussion of the outlook for QE. At the same time, the dollar has adopted a firmer tone. This may reflect a number of factors, including recent higher US bond yields prompting some investors to unwind short dollar positions.

In level terms, EUR/USD opens this morning trading just below \$1.21, its lowest level since the start of January. EUR/GBP has moved to below 87p. Meantime, cable (GBP/USD) has edged down to near the \$1.39 mark.

There is a very busy data/events schedule today. It is dominated by Q1 GDP for a number of major economies. French data out earlier this morning were slightly softer than expected (+0.3% vs f'cast +0.4%). US, UK and Spanish figures are due later on. Barring any major surprises, though, currency impact may be limited. Dollar watchers will be keeping a close eye on US Q1 wage data, though. A pick-up in growth (was 2.6% in Q4'17) could help the Fed to adopt a more hawkish policy outlook. Thus, such a result could provide some further support to the US currency today. Meantime, a speech from BoE Governor Carney may provide some event risk for sterling.

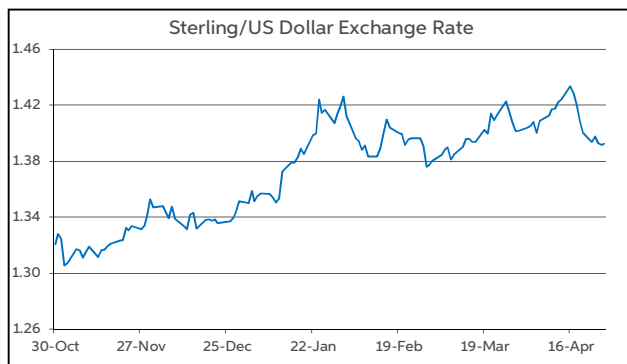
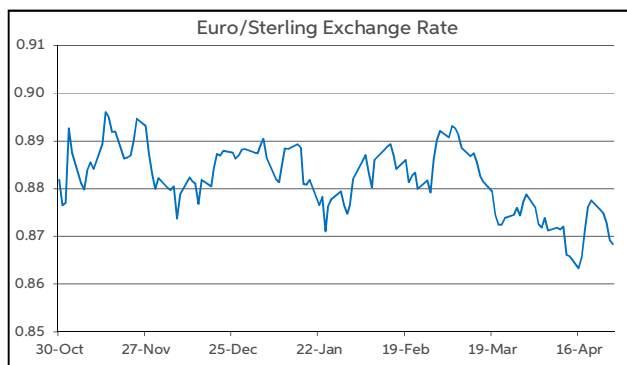
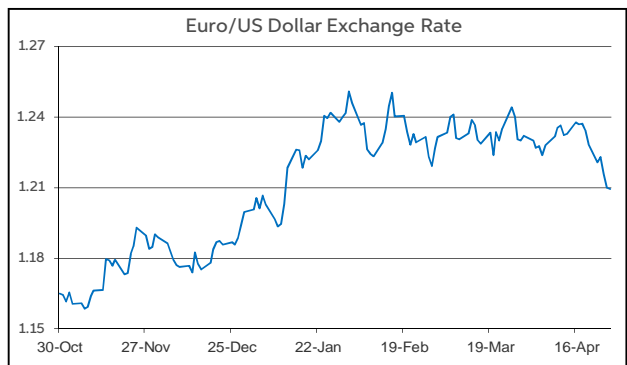
Dara Turnbull, Economist, AIB

Today's Opening Rates

		% Change	
		Day *	End 2017
EUR/USD	1.2091	-0.68	0.79
EUR/GBP	0.869	-0.47	-2.17
GBP/USD	1.3913	-0.22	2.97
GBP/EUR	1.1501	0.47	2.22
USD/JPY	109.32	0.00	-2.97
EUR/JPY	132.22	-0.68	-2.19

* v Previous Day's European Open

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	Opening Interest Rates					
	Base Rate	Short Term			Long Term	
		1-Mth	3-Mth	12-Mth	2-Yr	5-Yr
USD	1.625	1.90	2.36	2.77	2.74	2.90
EUR	0.00	-0.37	-0.33	-0.19	-0.13	0.41
GBP	0.50	0.54	0.76	1.03	1.13	1.43

	Equity Indices		
	Latest Close	% Changes	
		on Day	End 2017 to Date
Dow Jones	24322.34	+0.99	-1.61
S&P 500	2666.94	+1.04	-0.25
FTSE 100	7421.43	+0.57	-3.46
DJ Stoxx 50	3506.03	+0.58	+0.06
ISEQ	6810.53	+0.80	-3.24
Nikkei	22467.87	+0.66	-1.30

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

Friday 27 April 2018
07:30 am



Euro

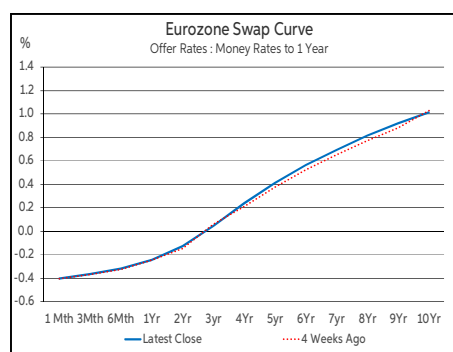
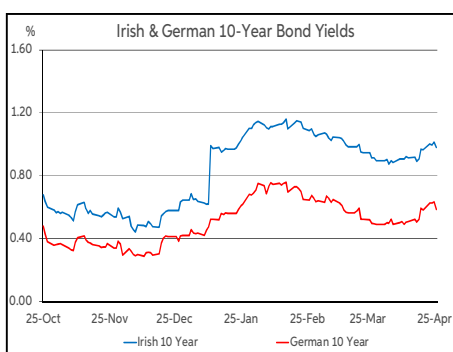
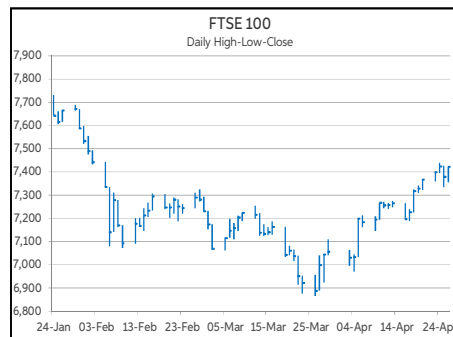
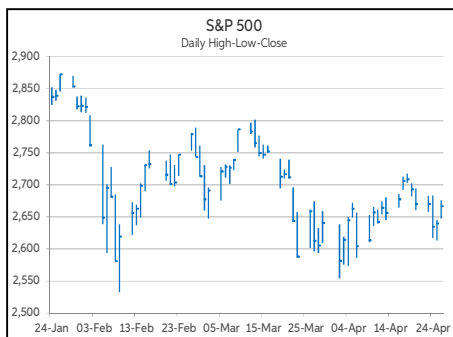
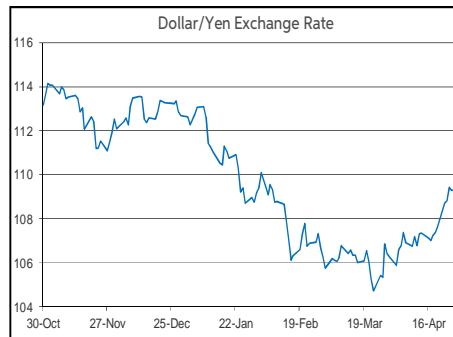
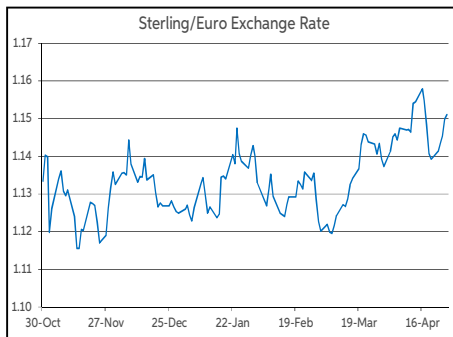
EUR/GBP	0.869
EUR/USD	1.2091
EUR/JPY	132.22
EUR/SEK	10.491
EUR/DKK	7.4497
EUR/NOK	9.6643
EUR/CHF	1.1974
EUR/AUD	1.6029
EUR/HKD	9.4903
EUR/CAD	1.5575

Sterling

GBP/EUR	1.1501
GBP/USD	1.3913
GBP/CAD	1.792
GBP/NZD	1.9726
GBP/JPY	152.1
GBP/SEK	12.0671
GBP/DKK	8.5691
GBP/NOK	11.1195
GBP/CHF	1.3776
GBP/AUD	1.8441

Dollar

USD/JPY	109.32
USD/CAD	1.288
USD/CHF	0.9901
USD/CNY	6.3385
USD/BRL	3.4755
USD/RUB	62.6728
USD/INR	66.78
AUD/USD	0.7543
NZD/USD	0.705



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 17
10 Year Yield %				
US	2.98	-5	+24	+58
Germany	0.59	-5	+10	+17
UK	1.50	-4	+15	+32
Ireland	0.98	-3	+9	N/A
Belgium	0.83	-2	+8	+22
France	0.81	-5	+10	+3
Italy	1.74	-3	-4	-25
Spain	1.25	-3	+11	-29
Portugal	1.66	-3	+6	-23
Greece	3.89	-4	-35	-15
5 Year Swap %				
US	2.90	-6	+19	+66
Eurozone	0.41	-3	+4	+9
UK	1.42	-3	+7	+38
2 Year Swap %				
US	2.71	-3	+14	+63
Eurozone	-0.13	-1	+2	+1
UK	1.12	-1	+0	+32
10 Year Government Bond Spreads to Benchmark bps				
Ireland	39	+2	-1	N/A
Belgium	25	+3	-1	+6
France	22	+0	+0	-13
Italy	115	+1	-14	-42
Spain	67	+1	+1	-46
Portugal	108	+2	-3	-40
Greece	330	+1	-45	-32

Commodities				
	Close	% Change		
		Day	4 Weeks	End 17
Brent Oil	74.74	+1.00	+6.36	+11.77
West Texas Oil	68.18	+0.26	+5.10	+12.77
CRB - All Commodity	201.22	+0.26	+3.00	+3.79
CRB - Food	352.73	-0.80	+4.68	+4.97
Gold \$	1317.7	-0.46	-0.63	+1.15

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