

## EUR/GBP back below 90p

The action on currency markets yesterday saw sterling make some gains. The currency was aided by the release of a better than expected UK June retail sales report. Sales rose by a strong 1% (f'cast -0.3%), breaking the downward trend that had been in place since the start of Q2.

Developments in Westminster were also positive for sterling. MPs voted by a wide margin (41) in favour of an amendment that prevents the new Prime Minister from using one particular mechanism to push through a no-deal Brexit in October. The vote served as a reminder that the House of Commons is resolutely opposed to leaving the EU without a deal.

Meanwhile, in overnight action the dollar came under some pressure. This followed comments by two FOMC members who suggested that the Fed should begin to ease policy before the economic data deteriorates. However, a clarification by one of the speakers that he had not meant to send a policy signal later saw the dollar regain some of the lost ground.

In level terms, the firmer sterling tone is reflected in EUR/GBP opening this morning back below the 90p threshold, while cable (GBP/USD) is changing hands above the \$1.25 level. Meantime, EUR/USD has moved into the upper half of the \$1.12-1.13 range.

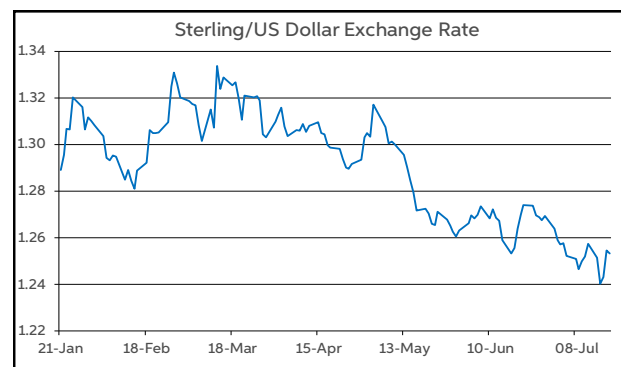
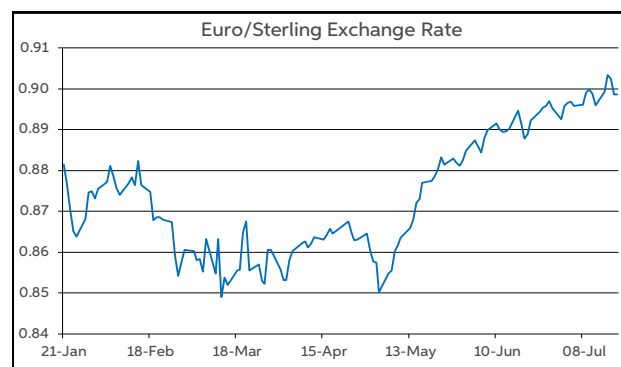
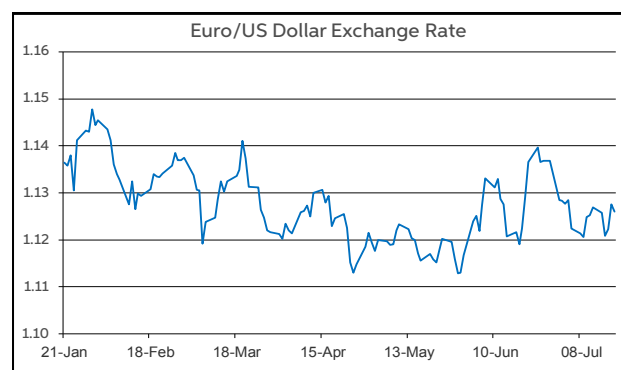
Today, the global macro-data schedule is relatively quiet. Indeed, the only release of any note is the preliminary estimate of US consumer sentiment index for July (Uni of Michigan measure). However, the data are unlikely to generate much of a reaction in the dollar. Overall then, we could see the main pairs trade within relatively narrow ranges. Although, there may be some further reaction in the dollar to last night's FOMC developments.

**Conor Beakey, Economist, AIB**

Today's Opening Rates			
		% Change	
		Day *	End 2018
EUR/USD	1.1262	0.25	-1.80
EUR/GBP	0.8986	-0.51	0.02
GBP/USD	1.2533	0.77	-1.76
GBP/EUR	1.1126	0.51	-0.02
USD/JPY	107.59	-0.10	-1.80
EUR/JPY	121.18	0.13	-3.60

\* 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	2.375	2.27	2.28	2.19	1.81	1.76
EUR	0.00	-0.40	-0.37	-0.30	-0.43	-0.29
GBP	0.75	0.72	0.77	0.86	0.74	0.82

Equity Indices				
	Latest Close	% Changes		
		on Day	End 2018 to Date	
Dow Jones	27222.97	+0.01	+16.70	
S&P 500	2995.11	+0.36	+19.48	
FTSE 100	7493.09	-0.56	+11.37	
DJ Stoxx 50	3482.83	-0.54	+16.04	
ISEQ	6277.07	-0.58	+14.55	
Nikkei	21471.95	+2.02	+7.28	

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	AlBI 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
		Equity Options	Gary Luff				

# Opening Levels

Friday 19 July 2019  
07:19 am



## Euro

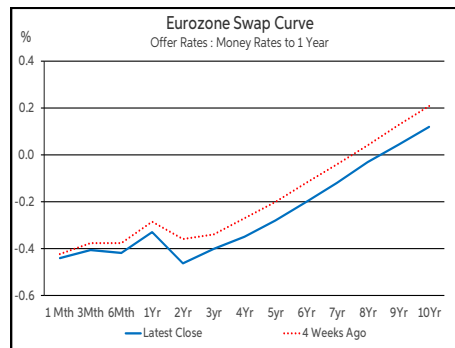
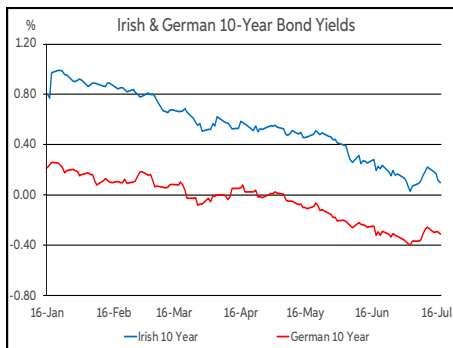
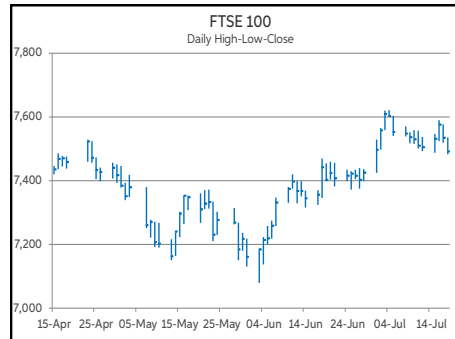
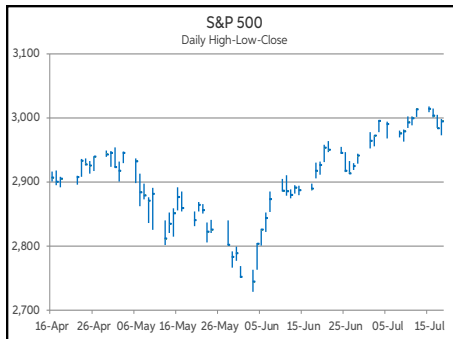
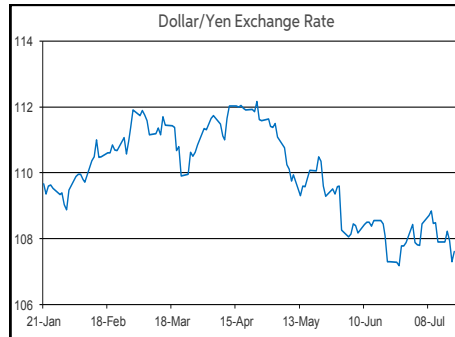
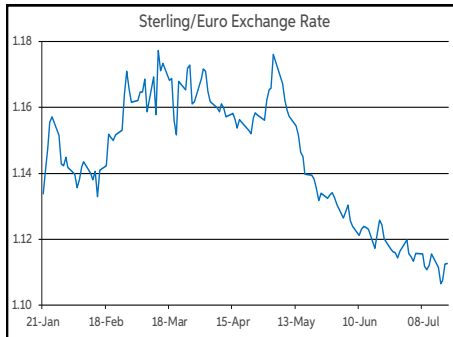
EUR/GBP	0.8985
EUR/USD	1.1262
EUR/JPY	121.18
EUR/SEK	10.493
EUR/DKK	7.4663
EUR/NOK	9.6201
EUR/CHF	1.1073
EUR/AUD	1.5931
EUR/HKD	8.7911
EUR/CAD	1.468

## Sterling

GBP/EUR	1.1124
GBP/USD	1.2532
GBP/CAD	1.6336
GBP/NZD	1.8482
GBP/JPY	134.83
GBP/SEK	11.6744
GBP/DKK	8.3068
GBP/NOK	10.7058
GBP/CHF	1.2324
GBP/AUD	1.7722

## Dollar

USD/JPY	107.59
USD/CAD	1.3034
USD/CHF	0.9831
USD/CNY	6.8737
USD/BRL	3.7187
USD/RUB	62.7757
USD/INR	68.823
AUD/USD	0.7068
NZD/USD	0.6778



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 18
<b>10 Year Yield %</b>				
US	2.02	-2	+0	-66
Germany	-0.31	-2	+1	-55
UK	0.76	+0	-5	-51
Ireland	0.10	-2	-11	N/A
Belgium	0.00	-2	-7	-76
France	-0.07	-3	-7	-77
Italy	1.55	-5	-59	-117
Spain	0.39	-3	+1	-102
Portugal	0.46	-4	-7	-125
Greece	2.10	-9	-37	-220
<b>5 Year Swap %</b>				
US	1.73	-6	-2	-84
Eurozone	-0.28	-3	-8	-51
UK	0.80	-2	-7	-51
<b>2 Year Swap %</b>				
US	1.76	-7	-3	-88
Eurozone	-0.46	-5	-10	-32
UK	0.73	-1	-10	-43
<b>10 Year Government Bond Spreads to Benchmark bps</b>				
Ireland	41	+0	-12	N/A
Belgium	31	-0	-8	-21
France	25	-1	-8	-22
Italy	186	-2	-60	-62
Spain	70	-1	-0	-48
Portugal	77	-2	-8	-70
Greece	241	-7	-38	-165

Commodities				
	Close	% Change		
		Day	4 Weeks	End 18
Brent Oil	61.93	-2.72	-3.91	+15.11
West Texas Oil	55.08	-2.51	-3.16	+21.99
CRB - All Commodity	177.45	-1.10	-0.66	+4.50
CRB - Food	347.31	+0.07	-2.34	+7.12
Gold \$	1446.6	+1.37	+4.18	+12.76

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