

Dollar back in the ascendancy

Currency markets started the week in a relatively uneventful fashion yesterday. A relatively quiet data and events calendar meant there was little from the day's agenda to provide direction. Data-wise, the only release of note from the Eurozone was the flash reading of the EC consumer sentiment index for July. It printed slightly better than forecast. Meanwhile, the UK diary was very sparse. In the US, the main release of note was existing home sales data for June, which disappointed to the downside of expectations. However, neither of these releases had any noticeable impact on their respective currencies.

Of the limited action that has registered on the currency front, we have seen a firmer tone to the dollar. It has regained most of the ground it lost following President Trump's comments on Friday. These gains have come amid rising US treasury yields and swap rates. EUR/USD has been unable to hold above \$1.17. Meanwhile GBP/USD has edged back below \$1.31. Elsewhere, EUR/GBP continues to trade in a very narrow range just above 89p.

Ahead today, there is a much busier macro calendar. In the Eurozone, we get the flash readings of the PMIs for July, which provide an early read on how the economy started Q3. Overall, the survey results are expected to be very similar to their June readings and therefore consistent with a solid pace of expansion in the economy. Likewise, today's US diary also features PMI data for July, and these too are forecast to be largely unchanged from the previous month.

From a currency viewpoint, today's schedule is busier and contains some important/timely releases to digest. However, unless the data spring a major surprise, they may not be enough to have any noticeable impact on today's forex proceedings.

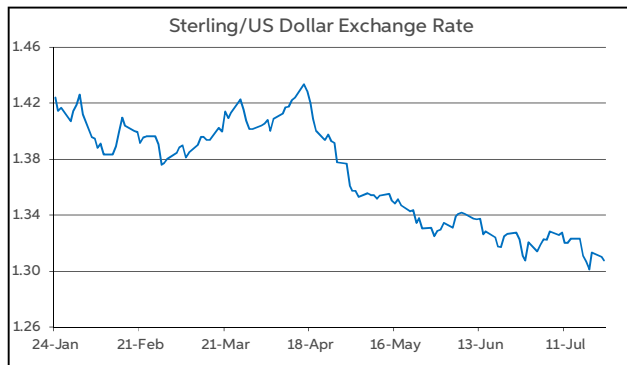
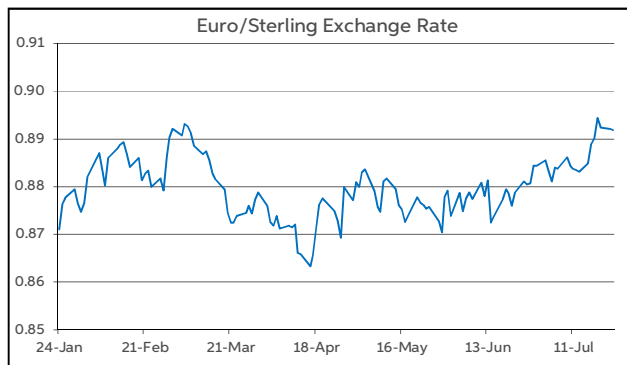
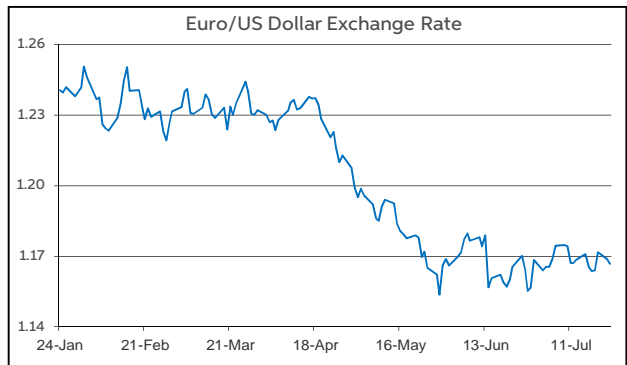
John Fahey, Senior Economist, AIB

Today's Opening Rates

		% Change	
		Day *	End 2017
EUR/USD	1.1669	-0.53	-2.73
EUR/GBP	0.892	-0.06	0.42
GBP/USD	1.3078	-0.49	-3.21
GBP/EUR	1.1207	0.06	-0.41
USD/JPY	111.39	0.41	-1.14
EUR/JPY	129.96	-0.15	-3.86

* 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	1.875	2.06	2.34	2.80	2.84	2.93
EUR	0.00	-0.37	-0.32	-0.18	-0.16	0.31
GBP	0.50	0.62	0.77	1.03	1.07	1.31

Equity Indices			
	Latest Close	% Changes	
		on Day	End 2017 to Date
Dow Jones	25044.29	-0.06	+1.32
S&P 500	2806.98	+0.18	+4.99
FTSE 100	7655.79	-0.30	-0.42
DJ Stoxx 50	3454.05	-0.17	-1.42
ISEQ	6864.64	-1.02	-2.47
Nikkei	22510.48	+0.51	-1.12

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

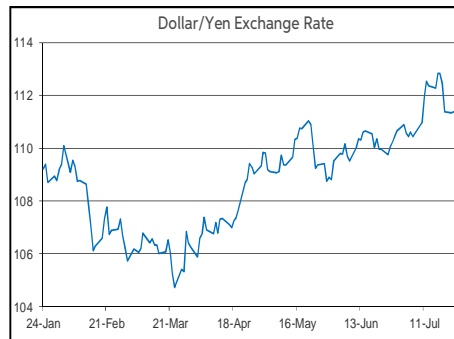
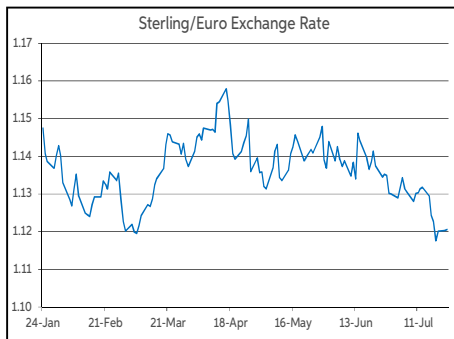
FX Spot	Karl Cooke Shane Gargan Adrian Flanagan Enda Homan	FX Options	Mark Tuite Lenny Hogan	Reuters Phone	AIB 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
		Equity Options	Gary Luff				

Opening Levels

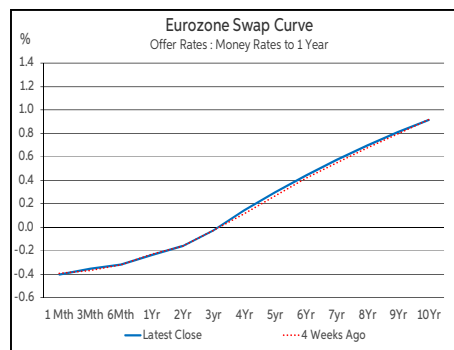
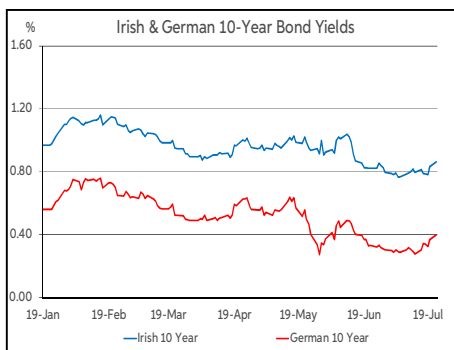
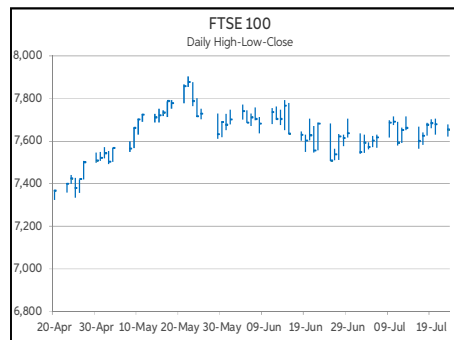
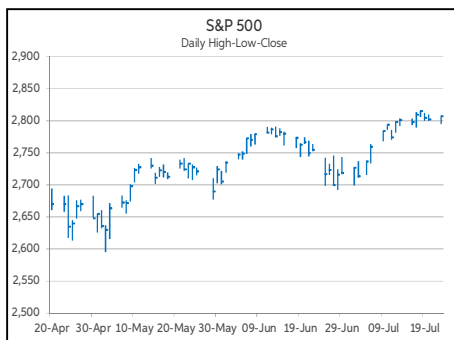
Tuesday 24 July 2018
07:29 am



Euro		Sterling		Dollar	
EUR/GBP	0.892	GBP/EUR	1.1206	USD/JPY	111.39
EUR/USD	1.1668	GBP/USD	1.3077	USD/CAD	1.3184
EUR/JPY	129.97	GBP/CAD	1.7241	USD/CHF	0.9946
EUR/SEK	10.363	GBP/NZD	1.9312	USD/CNY	6.82
EUR/DKK	7.4502	GBP/JPY	145.66	USD/BRL	3.7819
EUR/NOK	9.5785	GBP/SEK	11.6107	USD/RUB	63.0229
EUR/CHF	1.1607	GBP/DKK	8.3497	USD/INR	69.02
EUR/AUD	1.5835	GBP/NOK	10.732	AUD/USD	0.7367
EUR/HKD	9.1551	GBP/CHF	1.301	NZD/USD	0.677
EUR/CAD	1.5383	GBP/AUD	1.7744		



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 17
10 Year Yield %				
US	2.96	+6	+8	+55
Germany	0.40	+3	+8	-2
UK	1.27	+4	-2	+9
Ireland	0.86	+3	+4	N/A
Belgium	0.71	+3	-1	+10
France	0.70	+3	-0	-7
Italy	2.62	+5	-19	+63
Spain	1.30	+0	-4	-24
Portugal	1.75	-1	-7	-14
Greece	3.82	-0	-27	-22
5 Year Swap %				
US	2.93	+4	+5	+69
Eurozone	0.30	+2	+3	-2
UK	1.30	+1	-2	+27
2 Year Swap %				
US	2.81	+0	+3	+73
Eurozone	-0.16	-1	+0	-2
UK	1.06	+1	+1	+26
10 Year Government Bond Spreads to Benchmark bps				
Ireland	46	-0	-4	N/A
Belgium	31	-1	-9	+12
France	30	-0	-8	-5
Italy	222	+2	-27	+65
Spain	90	-3	-12	-22
Portugal	135	-5	-15	-12
Greece	342	-4	-35	-20



Commodities				
	Close	% Change		
		Day	4 Weeks	End 17
Brent Oil	73.06	-0.01	-2.23	+9.26
West Texas Oil	67.9	-3.43	-2.88	+12.31
CRB - All Commodity	192.49	-0.07	-1.46	-0.71
CRB - Food	341.75	-0.55	-1.95	+1.70
Gold \$	1224.9	-0.59	-3.32	-5.97

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.