

Another dull FX day's trading

Continuing the trend from this week, the past 24 hours on currency markets have once again been very uneventful. The main pairs remain stuck in fairly narrow ranges for a fourth day in a row. Data-wise, there was very little yesterday to prompt a reaction on the currency front. The only release of any note was Eurozone industrial production for April. It printed in line with expectations for a 0.5% fall on the month. The details of the report show that the weakness was relatively broad-based. From a euro viewpoint, the data created a slightly unhelpful backdrop for the currency.

Meanwhile, for sterling, the focus yesterday was on politics rather than macro data with the first round of voting in the Conservative Party leadership contest. However, sterling did not display any sensitivity to the result of the first ballot. The second round of voting is scheduled for next Tuesday (18th June).

Overall then, the main pairs start this morning at levels similar to yesterday's open. The EUR/USD pair has edged slightly further below the \$1.13 level, while EUR/GBP remains very near to the 89p mark. Meantime, GBP/USD continues to change hands in the upper half of the \$1.26-1.27 trading band.

Ahead today, it is another spare release schedule in the Eurozone and UK. This means that neither currency will be influenced by their respective macro diaries. In contrast, the US calendar features some useful updates. Chief among these are retail sales data for May. Industrial production (May) and consumer sentiment (June) are also due. However, unless there are significant surprises, the macro newsflow may have limited impact on the dollar. This is in the context of the market holding fire ahead of next week's plethora of central bank events, especially the Fed meeting.

John Fahey, Senior Economist, AIB

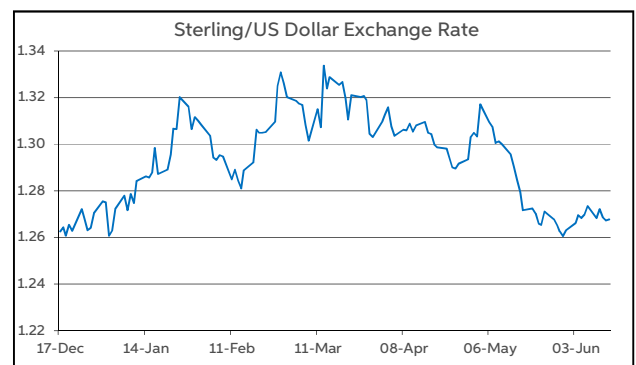
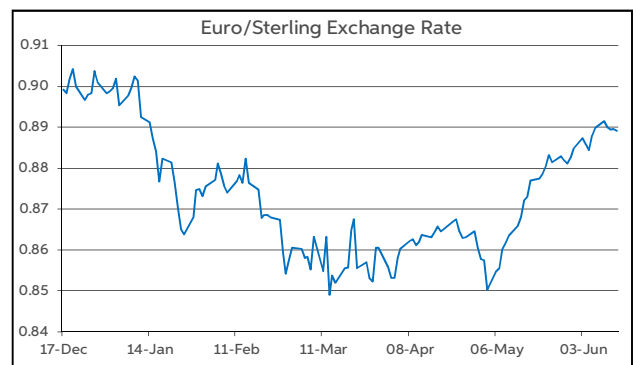
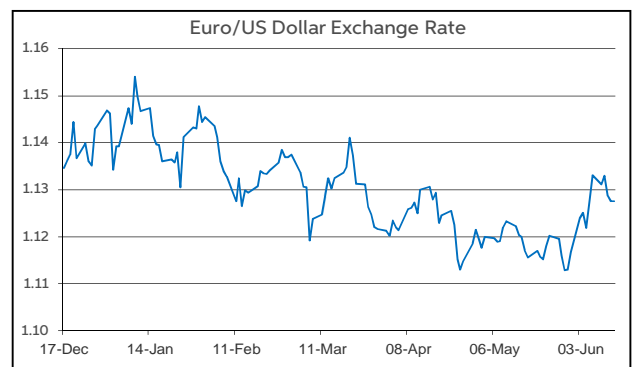
Opening Interest Rates						
	Base Rate	Short Term			Long Term	
		1-Mth	3-Mth	12-Mth	2-Yr	5-Yr
USD	2.375	2.39	2.41	2.31	1.84	1.80
EUR	0.00	-0.38	-0.32	-0.17	-0.31	-0.16
GBP	0.75	0.72	0.79	0.99	0.87	0.91

Equity Indices				
	Latest Close	% Changes		
		on Day	End 2018 to Date	
Dow Jones	26106.77	+0.39	+11.91	
S&P 500	2891.64	+0.41	+15.35	
FTSE 100	7368.57	+0.01	+9.52	
DJ Stoxx 50	3390.5	+0.11	+12.96	
ISEQ	6192.63	+1.00	+13.01	
Nikkei	21116.89	+0.40	+5.51	

Today's Opening Rates			
		% Change	
		Day *	End 2018
EUR/USD	1.1274	-0.19	-1.70
EUR/GBP	0.8894	-0.08	-1.00
GBP/USD	1.2675	-0.13	-0.64
GBP/EUR	1.124	0.08	1.01
USD/JPY	108.29	-0.06	-1.16
EUR/JPY	122.1	-0.28	-2.87

* 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

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				

Euro

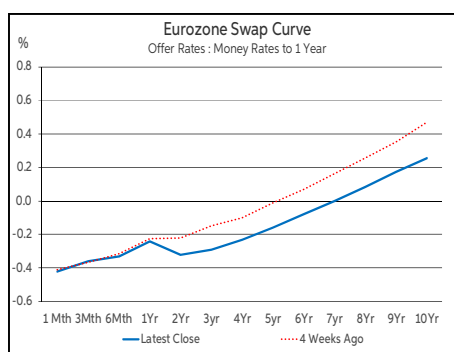
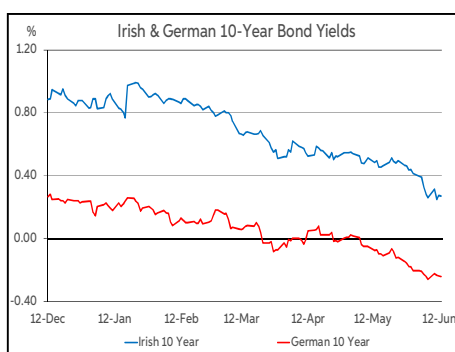
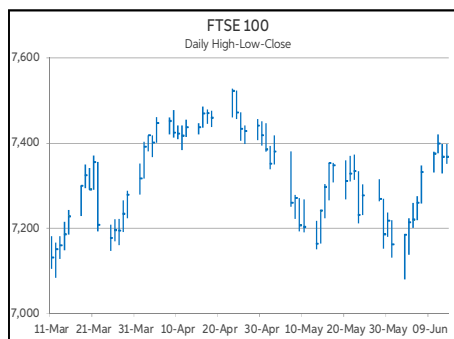
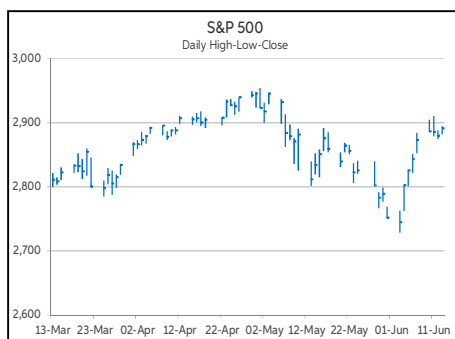
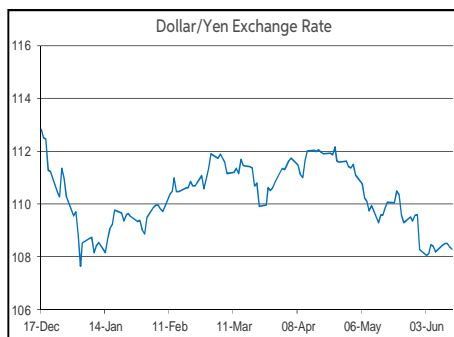
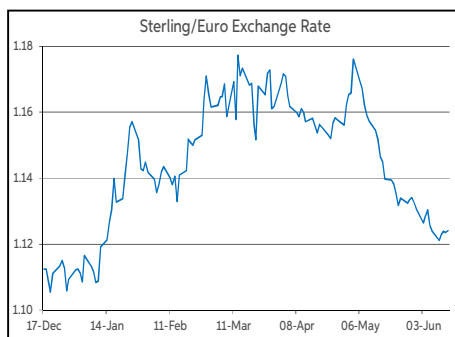
EUR/GBP	0.8894
EUR/USD	1.1274
EUR/JPY	122.1
EUR/SEK	10.7
EUR/DKK	7.4676
EUR/NOK	9.7907
EUR/CHF	1.1203
EUR/AUD	1.6346
EUR/HKD	8.8244
EUR/CAD	1.504

Sterling

GBP/EUR	1.124
GBP/USD	1.2675
GBP/CAD	1.6908
GBP/NZD	1.9397
GBP/JPY	137.26
GBP/SEK	12.0263
GBP/DKK	8.3943
GBP/NOK	11.005
GBP/CHF	1.2597
GBP/AUD	1.8377

Dollar

USD/JPY	108.29
USD/CAD	1.3338
USD/CHF	0.9935
USD/CNY	6.9226
USD/BRL	3.8492
USD/RUB	64.5458
USD/INR	69.565
AUD/USD	0.6896
NZD/USD	0.6534



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 18
10 Year Yield %				
US	2.09	-3	-30	-59
Germany	-0.24	-1	-15	-48
UK	0.83	-3	-24	-43
Ireland	0.27	-0	-19	N/A
Belgium	0.17	-1	-22	-59
France	0.11	-0	-18	-60
Italy	2.36	-7	-32	-36
Spain	0.54	-3	-36	-88
Portugal	0.63	-1	-43	-107
Greece	2.67	-5	-75	-163
5 Year Swap %				
US	1.81	-5	-38	-75
Eurozone	-0.16	-2	-15	-39
UK	0.90	-3	-21	-41
2 Year Swap %				
US	1.84	-7	-42	-80
Eurozone	-0.32	-2	-10	-18
UK	0.86	-1	-12	-30
10 Year Government Bond Spreads to Benchmark bps				
Ireland	51	+0	-4	N/A
Belgium	42	+0	-7	-11
France	35	+0	-3	-12
Italy	260	-6	-17	+12
Spain	78	-3	-21	-40
Portugal	88	-0	-28	-59
Greece	291	-5	-61	-115

Commodities				
	Close	% Change		
		Day	4 Weeks	End 18
Brent Oil	61.31	+2.23	-15.57	+13.96
West Texas Oil	52.38	+2.44	-16.76	+16.01
CRB - All Commodity	174.42	+0.68	-4.33	+2.72
CRB - Food	349.54	-5.91	+1.16	+7.81
Gold \$	1342.8	+0.66	+4.34	+4.66

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