

## EUR/USD modestly lower in subdued FX action

There was a mixed tone to investor sentiment yesterday. Some upbeat corporate earnings updates helped support European risk appetite, with the Euro Stoxx 50 gaining 0.7% on the day. However on Wall Street, the mood remained cautious. Newsflow regarding the Trump administration appeared to act as a drag on US equity markets. While the S&P 500 finished the day only ever so slightly lower, it did represent its first four day losing streak of 2018. Although, it must be noted that the index is still up around 3% year to date, whereas the Euro Stoxx 50 is down c.2.5% over the same period.

On the currency front, it has been a rather dull 24 hours. A sparse macro calendar, lacking in both events and data was a contributing factor to the lacklustre moves. Indeed, the action has been confined to very narrow ranges. Of the limited moves that has registered over this period, the euro has been holding a modestly softer tone on the exchanges.

As trading gets underway this morning, the slightly weaker euro tone sees EUR/USD changing hands below the midpoint of the \$1.23-1.24 band. Meantime, the EUR/GBP has edged down into the lower half of the 88-89p range. Elsewhere, cable (GBP/USD) is trading in a tight range within \$1.39-1.40.

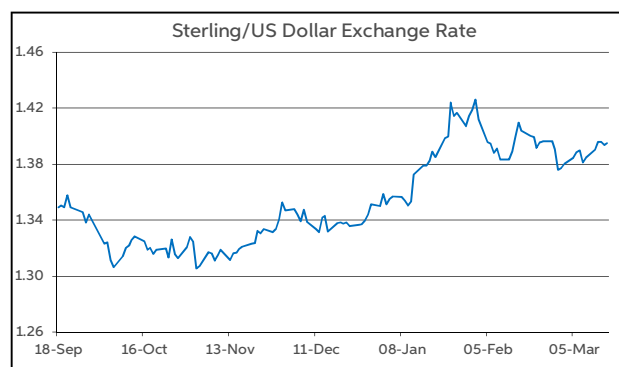
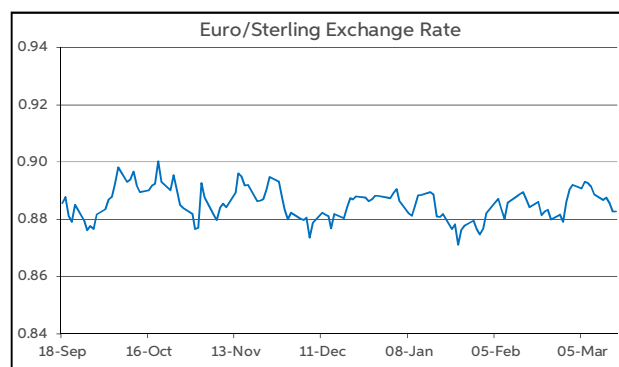
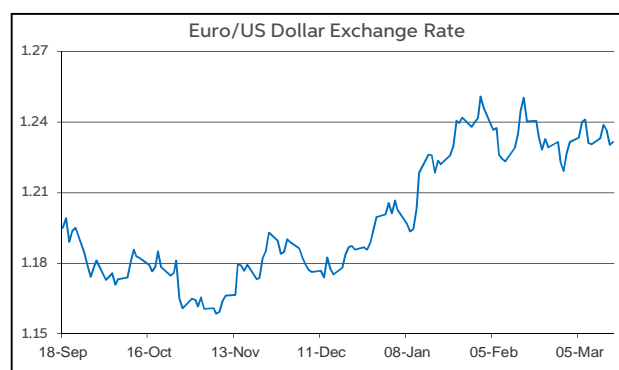
Looking ahead to today's macro diary, the newsflow remains quiet from a UK and Eurozone viewpoint. In the US, the schedule includes housing starts and industrial production (both February). We also get an early read on the consumer side of the economy in March, with the release of the preliminary measure of consumer sentiment (University of Michigan). Overall though, barring any major data and/or political surprises, the main pairs may remain near current levels heading into the weekend.

**John Fahey, Senior Economist, AIB**

Today's Opening Rates			
		% Change	
		Day *	End 2017
EUR/USD	1.2314	-0.48	2.65
EUR/GBP	0.8827	-0.30	-0.63
GBP/USD	1.3949	-0.16	3.23
GBP/EUR	1.1326	0.31	0.63
USD/JPY	105.84	-0.06	-6.06
EUR/JPY	130.35	-0.55	-3.57

\* 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	1.375	1.81	2.18	2.60	2.58	2.76
EUR	0.00	-0.37	-0.33	-0.19	-0.14	0.41
GBP	0.50	0.50	0.61	0.92	1.04	1.34

Equity Indices				
	Latest Close	% Changes		
		on Day	End 2017 to Date	
Dow Jones	24873.66	+0.47	+0.62	
S&P 500	2747.33	-0.08	+2.76	
FTSE 100	7139.76	+0.10	-7.13	
DJ Stoxx 50	3414.13	+0.68	-2.56	
ISEQ	6707.76	+0.46	-4.70	
Nikkei	21676.51	-0.58	-4.78	

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 16 March 2018  
07:28 am



## Euro

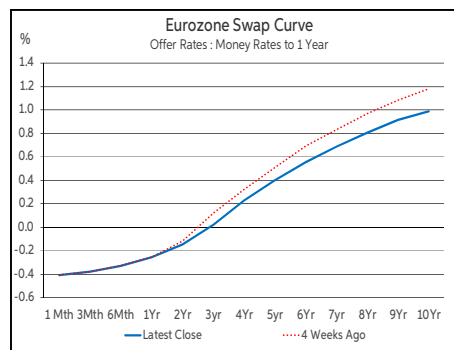
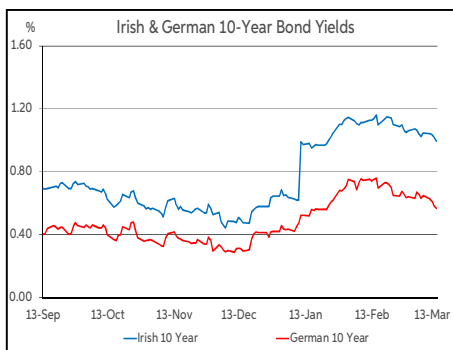
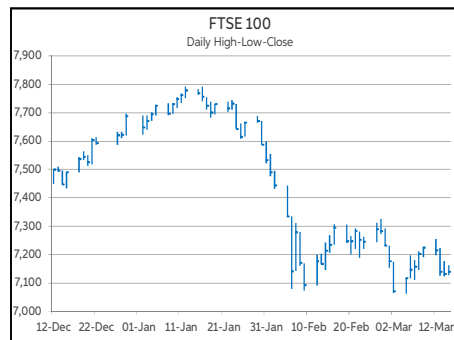
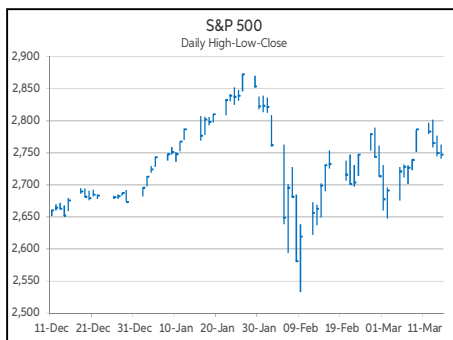
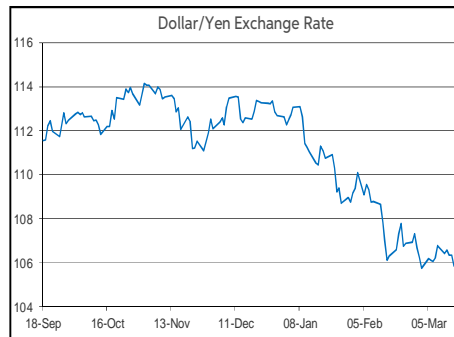
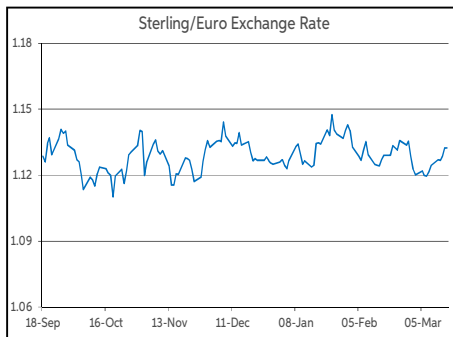
EUR/GBP	0.8827
EUR/USD	1.2314
EUR/JPY	130.36
EUR/SEK	10.07
EUR/DKK	7.4488
EUR/NOK	9.4925
EUR/CHF	1.1704
EUR/AUD	1.5787
EUR/HKD	9.6575
EUR/CAD	1.6079

## Sterling

GBP/EUR	1.1323
GBP/USD	1.3947
GBP/CAD	1.8214
GBP/NZD	1.9224
GBP/JPY	147.63
GBP/SEK	11.4034
GBP/DKK	8.4354
GBP/NOK	10.7508
GBP/CHF	1.3255
GBP/AUD	1.7888

## Dollar

USD/JPY	105.85
USD/CAD	1.3056
USD/CHF	0.9503
USD/CNY	6.3261
USD/BRL	3.2854
USD/RUB	57.42
USD/INR	64.8725
AUD/USD	0.7796
NZD/USD	0.7254



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 17
<b>10 Year Yield %</b>				
US	2.82	+1	-8	+42
Germany	0.57	-1	-19	+15
UK	1.43	+0	-21	+25
Ireland	0.99	-3	-17	N/A
Belgium	0.85	-1	-17	+24
France	0.81	-2	-18	+3
Italy	1.98	-3	-8	-2
Spain	1.37	-2	-13	-18
Portugal	1.76	-2	-28	-13
Greece	4.16	+3	-23	+12
<b>5 Year Swap %</b>				
US	2.73	-2	-1	+48
Eurozone	0.40	-3	-11	+9
UK	1.33	-1	-12	+29
<b>2 Year Swap %</b>				
US	2.55	-0	+11	+47
Eurozone	-0.15	-2	-3	-1
UK	1.03	-1	+1	+23
<b>10 Year Government Bond Spreads to Benchmark bps</b>				
Ireland	42	-2	+2	N/A
Belgium	28	+0	+2	+9
France	24	-1	+1	-12
Italy	141	-1	+11	-17
Spain	80	-0	+6	-33
Portugal	120	-1	-9	-28
Greece	359	+5	-4	-3

Commodities				
	Close	% Change		
		Day	4 Weeks	End 17
Brent Oil	65.12	+0.35	+1.23	-2.62
West Texas Oil	61.16	+0.44	-0.52	+1.16
CRB - All Commodity	193.89	-0.31	+0.22	+0.01
CRB - Food	348.39	-0.82	+1.44	+3.68
Gold \$	1316.7	-0.66	-2.72	+1.08

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