

## Main pairs unchanged

There was some volatility on currency markets last week. The dollar continued to make gains in the first half of the week, aided by hawkish comments from Fed Chair Powell. However, the main dollar pairs eventually finished the week broadly unchanged, as some weaker than expected US CPI inflation data weighed on the currency. Elsewhere, sterling lost some ground in the second half of the week after the BoE sounded a 'cautious' tone at its policy meeting.

Overall, the main FX pairs open this morning broadly unchanged from their positions seven days ago. EUR/GBP is trading close to the 88p mark, while the EUR/USD pair is changing hands near the mid-point of the \$1.19-1.20 band. Meantime, cable (GBP/USD) is trading at \$1.355.

In the week ahead, from a dollar perspective, US retail sales figures for April will garner attention. Weak goods sales were a drag on US growth in Q1. Retail sales are forecast to have recorded a solid increase at the start of Q2. This may help to provide some support to the dollar.

In the UK, the focus will be on a raft of labour market data for Q1. The figures may help to provide some support to sterling. Improvements are expected in employment and underlying wage growth, while the unemployment rate looks set to hold at a 43-year low.

Meanwhile, a quiet Eurozone data calendar may do little to move the euro in the coming days, with German Q1 GDP the pick of the releases. However, markets will be keeping a close eye on political events in Italy, with an 'anti-establishment' government expected to be formed, posing some potential headline risk for the euro.

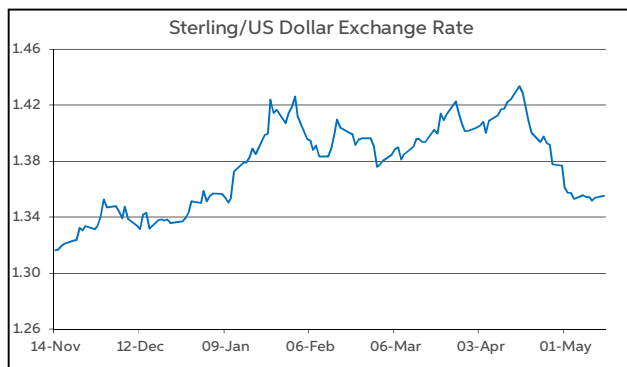
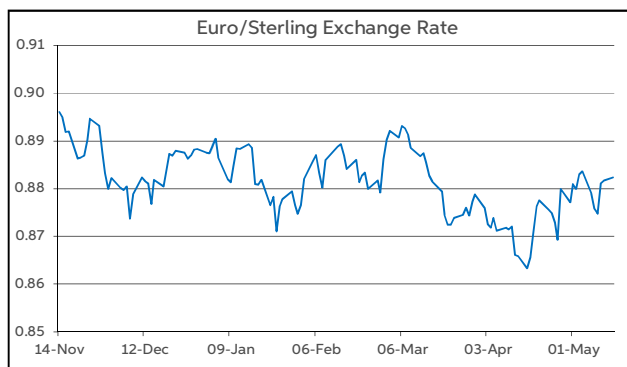
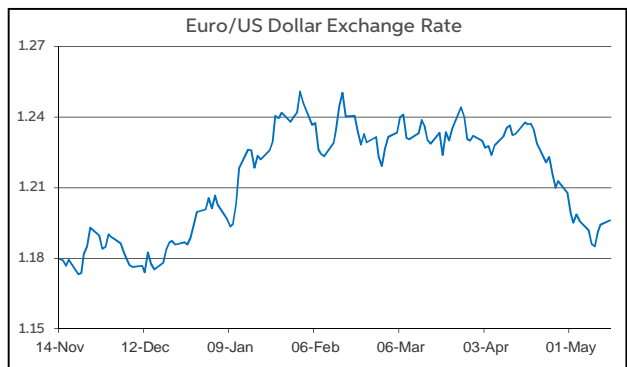
**Dara Turnbull, Economist, AIB**

### Today's Opening Rates

		% Change	
		Day *	End 2017
EUR/USD	1.1959	0.39	-0.31
EUR/GBP	0.8823	0.19	-0.68
GBP/USD	1.3552	0.18	0.30
GBP/EUR	1.1328	-0.19	0.68
USD/JPY	109.39	-0.05	-2.91
EUR/JPY	130.84	0.35	-3.21

\* 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	1.92	2.34	2.77	2.75	2.92
EUR	0.00	-0.37	-0.33	-0.19	-0.14	0.41
GBP	0.50	0.50	0.65	0.93	1.03	1.35

Equity Indices				
	Latest Close	% Changes		
		on Day	End 2017 to Date	
Dow Jones	24831.17	+0.37	+0.45	
S&P 500	2727.72	+0.17	+2.02	
FTSE 100	7724.55	+0.31	+0.48	
DJ Stoxx 50	3565.52	-0.12	+1.76	
ISEQ	6961.59	-0.43	-1.09	
Nikkei	22865.86	+0.47	+0.44	

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

Monday 14 May 2018  
07:33 am



## Euro

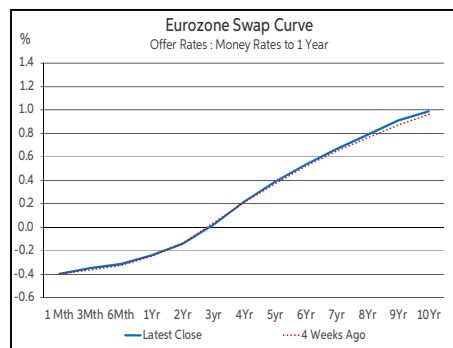
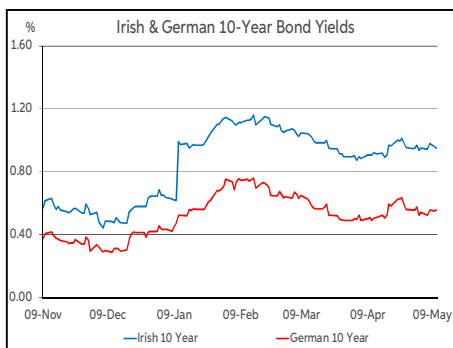
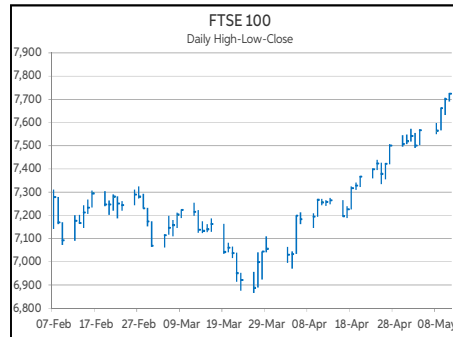
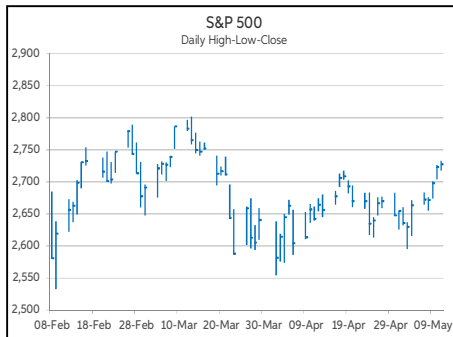
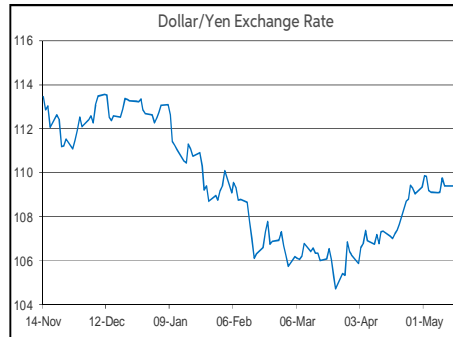
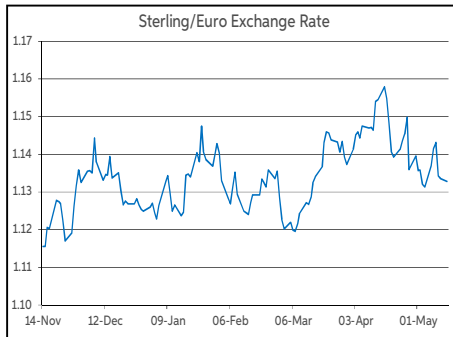
EUR/GBP	0.8823
EUR/USD	1.1959
EUR/JPY	130.84
EUR/SEK	10.2738
EUR/DKK	7.4491
EUR/NOK	9.5411
EUR/CHF	1.1956
EUR/AUD	1.585
EUR/HKD	9.3876
EUR/CAD	1.529

## Sterling

GBP/EUR	1.1328
GBP/USD	1.3552
GBP/CAD	1.7326
GBP/NZD	1.9505
GBP/JPY	148.25
GBP/SEK	11.6386
GBP/DKK	8.4394
GBP/NOK	10.8129
GBP/CHF	1.3549
GBP/AUD	1.7959

## Dollar

USD/JPY	109.39
USD/CAD	1.2785
USD/CHF	0.9996
USD/CNY	6.3393
USD/BRL	3.5982
USD/RUB	61.7731
USD/INR	67.325
AUD/USD	0.7544
NZD/USD	0.6946



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 17
<b>10 Year Yield %</b>				
US	2.97	+1	+14	+56
Germany	0.56	+1	+5	+14
UK	1.44	+2	+0	+26
Ireland	0.95	-1	+4	N/A
Belgium	0.81	-1	+4	+20
France	0.79	+1	+5	+1
Italy	1.87	-6	+9	-12
Spain	1.26	-4	+4	-28
Portugal	1.67	-3	+3	-22
Greece	3.97	-6	-7	-7
<b>5 Year Swap %</b>				
US	2.90	-3	+9	+65
Eurozone	0.39	-1	+1	+7
UK	1.35	-0	-7	+31
<b>2 Year Swap %</b>				
US	2.73	-3	+6	+65
Eurozone	-0.14	-1	-0	+0
UK	1.02	-1	-14	+22
<b>10 Year Government Bond Spreads to Benchmark bps</b>				
Ireland	39	-2	-1	N/A
Belgium	26	-2	-1	+6
France	23	+0	+1	-12
Italy	131	-7	+4	-26
Spain	71	-5	-1	-42
Portugal	112	-4	-2	-36
Greece	341	-7	-11	-21

Commodities				
	Close	% Change		
		Day	4 Weeks	End 17
Brent Oil	77.12	-0.45	+6.26	+15.33
West Texas Oil	70.69	-0.94	+4.96	+16.92
CRB - All Commodity	203.56	-0.47	+1.93	+5.00
CRB - Food	354.42	-1.53	+3.72	+5.47
Gold \$	1318.8	-0.23	-2.02	+1.24

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