

Quiet day on markets

There was a lacklustre tone to financial markets as the week got underway yesterday. This reflected a very quiet day on the data/events front.

As a result, the main equity indices were little changed on either side of the Atlantic. Indeed, both the Euro Stoxx 50 and S&P 500 were flat.

Meanwhile, the recent upward trend in oil prices continued yesterday. This reflected on-going market concerns around potential reduced global output due to renewed US sanctions on Iran. Brent oil rose by 1.4% yesterday, moving above \$78 a barrel for the first time since November 2014.

From a currency perspective, the quiet macro calendar over the last 24 hours has meant that the main FX pairs have been confined to narrow ranges. In level terms, EUR/USD spent the period in the \$1.19-1.20 band. The EUR/GBP pair traded in a very tight 87.9-88.3p range. Meanwhile, cable (GBP/USD) continued to trade close to the mid-point of \$1.35-1.36.

After the quiet start to the week, there is a busier data schedule today. This includes a raft of key UK labour market data for Q1. The overall upbeat forecasts for employment, unemployment and average earnings suggest the data could help to provide some support to sterling today.

Dollar-wise, the focus will be on April retail sales figures. Markets are expecting sales to record a healthy increase, starting Q2 on a firmer footing after retail sales had a weak performance in Q1. Thus, the data may be somewhat helpful to the dollar today.

Dara Turnbull, Economist, AIB

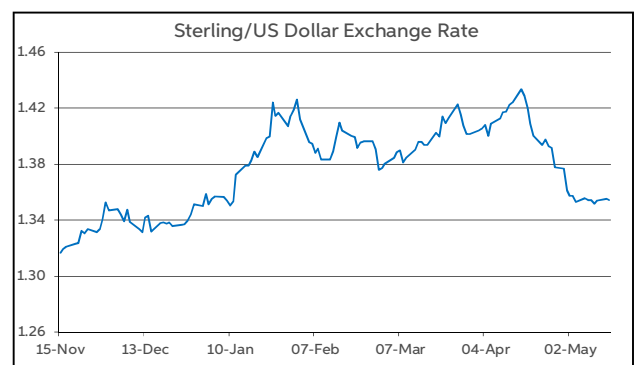
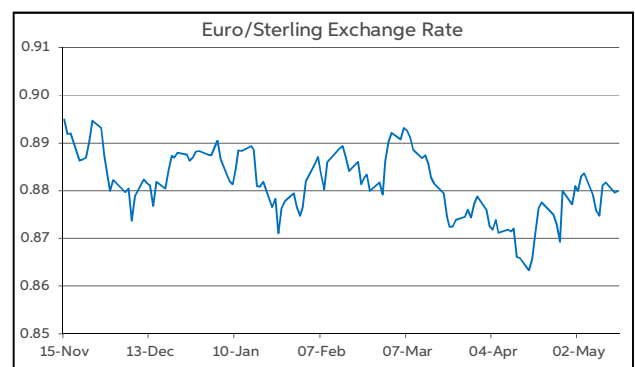
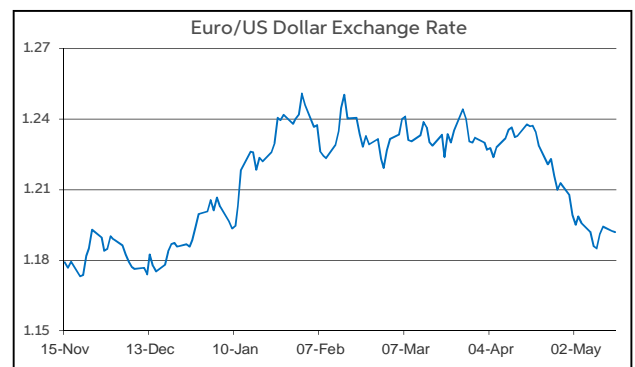
Opening Interest Rates						
	Base Rate	Short Term			Long Term	
		1-Mth	3-Mth	12-Mth	2-Yr	5-Yr
USD	1.625	1.93	2.33	2.76	2.76	2.94
EUR	0.00	-0.37	-0.33	-0.19	-0.11	0.44
GBP	0.50	0.50	0.65	0.93	1.05	1.37

Equity Indices				
	Latest Close	% Changes		
		on Day	End 2017 to Date	
Dow Jones	24899.41	+0.27	+0.73	
S&P 500	2730.13	+0.09	+2.11	
FTSE 100	7710.98	-0.18	+0.30	
DJ Stoxx 50	3565.74	+0.01	+1.76	
ISEQ	7010.48	+0.70	-0.39	
Nikkei	22818.02	-0.21	+0.23	

Today's Opening Rates			
		% Change	
		Day *	End 2017
EUR/USD	1.1922	-0.27	-0.62
EUR/GBP	0.8802	-0.15	-0.91
GBP/USD	1.3545	-0.10	0.24
GBP/EUR	1.1358	0.15	0.92
USD/JPY	109.92	0.50	-2.44
EUR/JPY	131.06	0.23	-3.05

* 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 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 15 May 2018
07:31 am



Euro

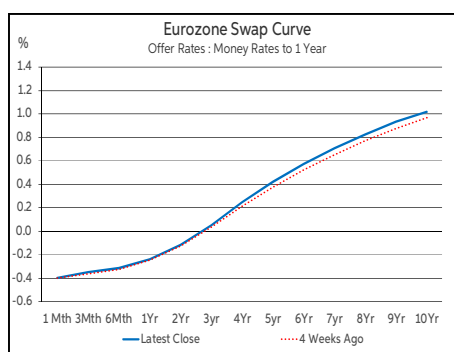
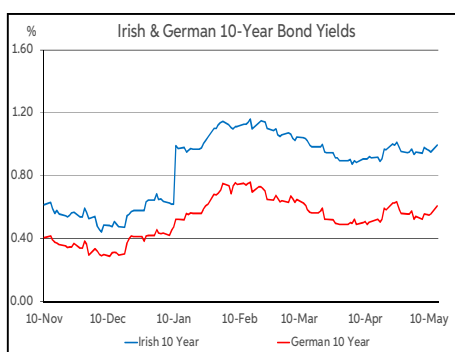
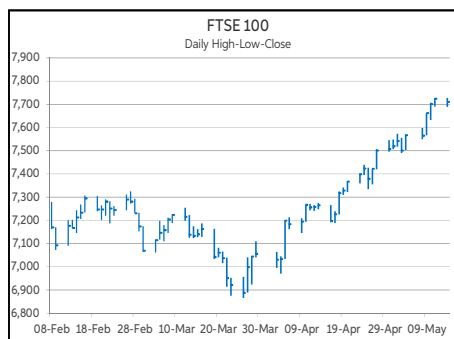
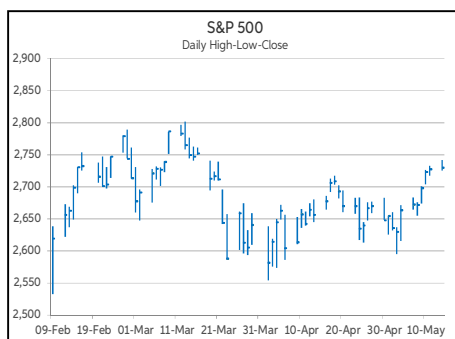
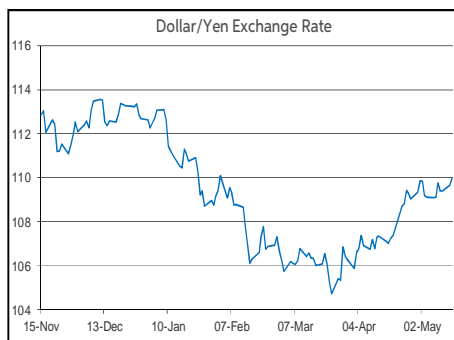
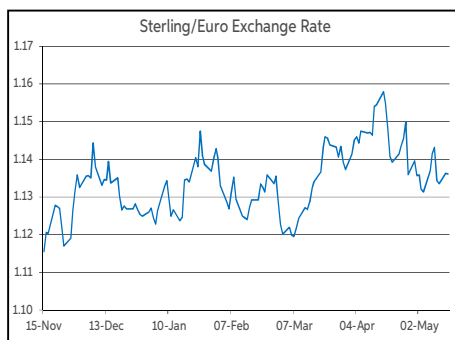
EUR/GBP	0.8801
EUR/USD	1.1922
EUR/JPY	131.06
EUR/SEK	10.3019
EUR/DKK	7.449
EUR/NOK	9.5693
EUR/CHF	1.1933
EUR/AUD	1.5871
EUR/HKD	9.3579
EUR/CAD	1.5276

Sterling

GBP/EUR	1.1359
GBP/USD	1.3545
GBP/CAD	1.7352
GBP/NZD	1.9625
GBP/JPY	148.89
GBP/SEK	11.7021
GBP/DKK	8.462
GBP/NOK	10.8717
GBP/CHF	1.3555
GBP/AUD	1.8026

Dollar

USD/JPY	109.92
USD/CAD	1.2811
USD/CHF	1.0008
USD/CNY	6.3494
USD/BRL	3.6229
USD/RUB	61.9429
USD/INR	67.535
AUD/USD	0.7509
NZD/USD	0.69



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 17
10 Year Yield %				
US	3.00	+3	+17	+60
Germany	0.61	+5	+8	+19
UK	1.47	+3	+1	+29
Ireland	1.00	+5	+8	N/A
Belgium	0.86	+5	+8	+25
France	0.82	+3	+8	+5
Italy	1.91	+4	+11	-9
Spain	1.32	+5	+9	-23
Portugal	1.69	+2	+6	-20
Greece	3.99	+2	+1	-5
5 Year Swap %				
US	2.92	+1	+13	+68
Eurozone	0.42	+1	+4	+10
UK	1.36	+0	-7	+33
2 Year Swap %				
US	2.72	-2	+4	+63
Eurozone	-0.12	+1	+1	+2
UK	1.03	+0	-14	+23
10 Year Government Bond Spreads to Benchmark bps				
Ireland	39	-0	-1	N/A
Belgium	26	-0	-1	+6
France	21	-2	-1	-14
Italy	130	-1	+3	-27
Spain	71	+0	+0	-41
Portugal	108	-3	-2	-39
Greece	338	-3	-8	-24

Commodities				
	Close	% Change		
		Day	4 Weeks	End 17
Brent Oil	78.23	+1.44	+9.54	+16.99
West Texas Oil	71.01	+0.45	+7.22	+17.45
CRB - All Commodity	203.83	+0.13	+2.15	+5.14
CRB - Food	354.86	+0.44	+3.48	+5.60
Gold \$	1313.2	-0.42	-2.46	+0.81

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