

Dollar continues to hold softer tone

A very quiet macro calendar yesterday meant there was little on the data front to be of interest or provide direction to the main currency pairs. Indeed, the only release of note on either side of the Atlantic was US homebuilder sentiment for November. The survey surprised strongly to the downside of forecasts, although it generated limited reaction from the dollar.

However, the dollar did continue to hold a softer tone, which has been in place over the last week. This has coincided with some softening in US rate hike expectations, which in turn has seen US treasury yields move lower. This is despite US economic data remaining strong. However, there is increased concerns over the risks facing the global economy. These risks have also been highlighted by a number of Fed speakers recently.

Elsewhere, it was a quiet day for Brexit newsflow. The widely speculated vote of no confidence within the Conservative party on the leadership of Theresa May has so far failed to materialise. Overall then, sterling pairs tended to trade in tight ranges.

So as trading gets underway this morning, EUR/GBP is changing hands in a very tight range at the 89p level. Meantime, the aforementioned softer tone in the dollar has seen EUR/USD continue to edge higher. The pair has managed to trade up to the midpoint of the \$1.14-1.15 band. This represents a gain of around 2% compared to a week ago.

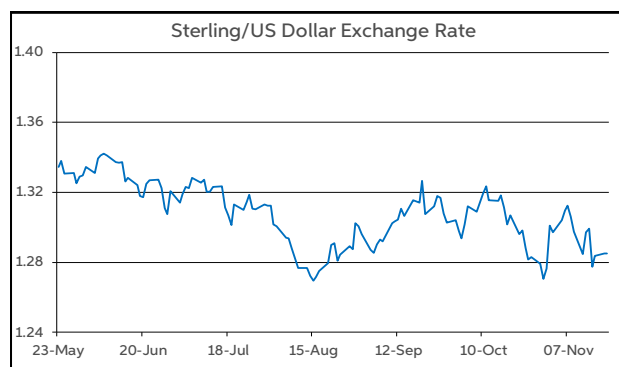
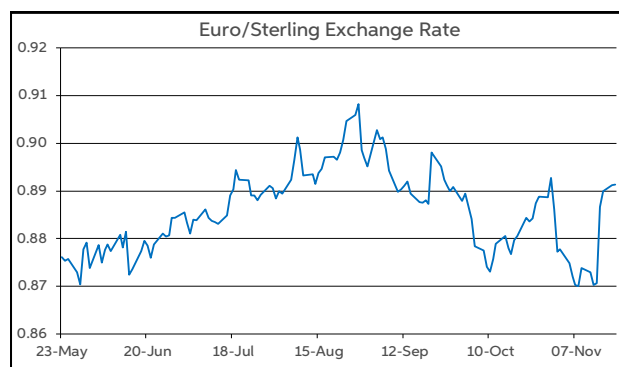
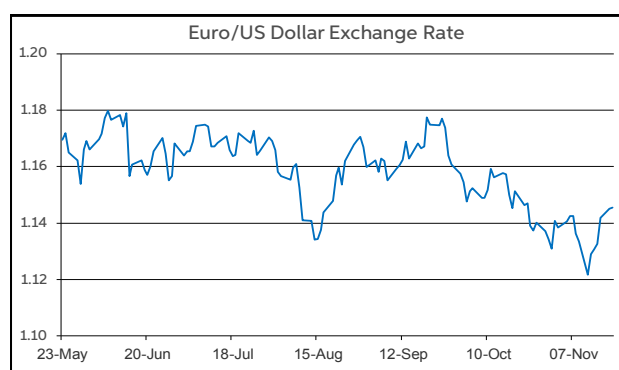
Ahead today, the macro data schedule remains sparse from a dollar, euro and sterling viewpoint. An appearance by BoE Governor Carney before the Treasury Select Committee poses some headline risk for sterling. At the same time, the currency remains sensitive to Brexit developments.

John Fahey, Senior Economist, AIB

Today's Opening Rates			
		% Change	
		Day *	End 2017
EUR/USD	1.1455	0.53	-4.51
EUR/GBP	0.8912	0.30	0.33
GBP/USD	1.2851	0.20	-4.89
GBP/EUR	1.1216	-0.30	-0.33
USD/JPY	112.47	-0.30	-0.18
EUR/JPY	128.89	0.25	-4.65

* 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	2.125	2.30	2.65	3.11	2.98	2.99
EUR	0.00	-0.37	-0.32	-0.15	-0.12	0.33
GBP	0.75	0.73	0.89	1.14	1.14	1.35

Equity Indices				
	Latest Close	% Changes		
		on Day	End 2017 to Date	
Dow Jones	25017.44	-1.56	+1.21	
S&P 500	2690.73	-1.66	+0.64	
FTSE 100	7000.89	-0.19	-8.93	
DJ Stoxx 50	3160.33	-0.64	-9.81	
ISEQ	5900.09	-1.39	-16.17	
Nikkei	21583.12	-1.09	-5.19	

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				

Opening Levels

Tuesday 20 November 2018
07:30 am



Euro

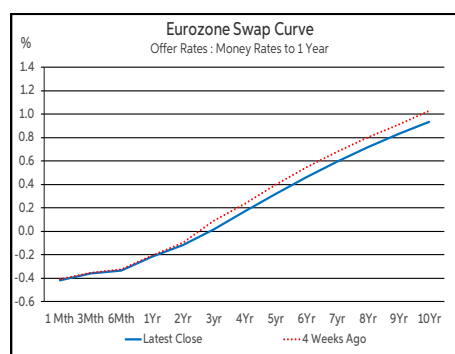
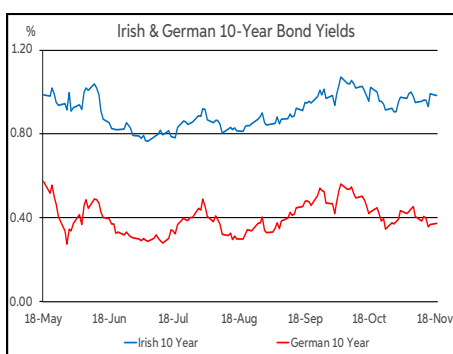
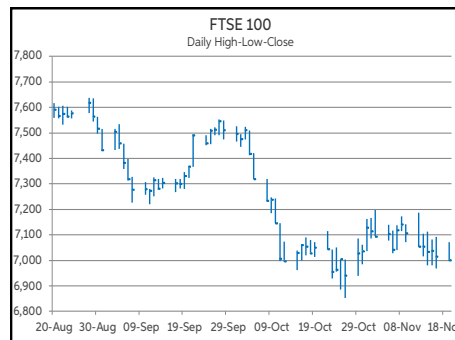
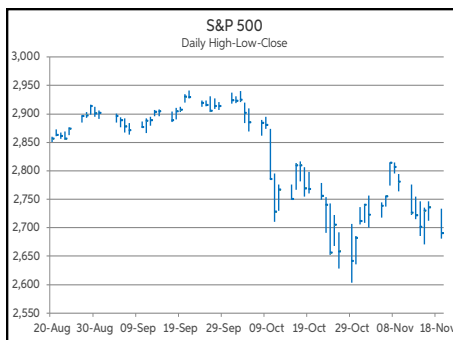
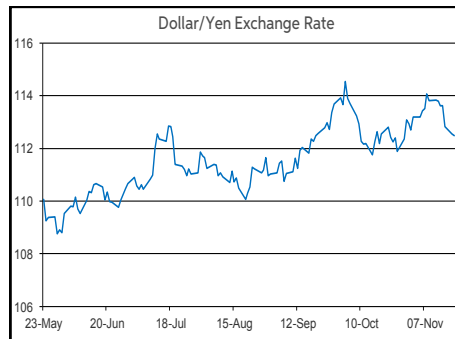
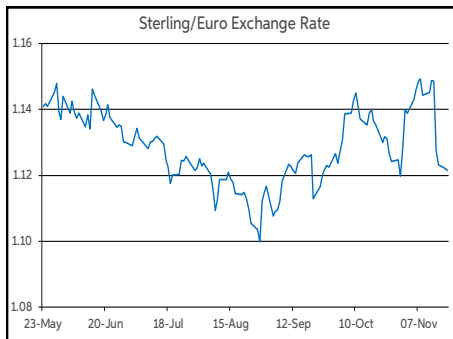
EUR/GBP	0.8912
EUR/USD	1.1455
EUR/JPY	128.89
EUR/SEK	10.315
EUR/DKK	7.4625
EUR/NOK	9.7032
EUR/CHF	1.137
EUR/AUD	1.5724
EUR/HKD	8.971
EUR/CAD	1.508

Sterling

GBP/EUR	1.1216
GBP/USD	1.2851
GBP/CAD	1.6917
GBP/NZD	1.874
GBP/JPY	144.54
GBP/SEK	11.5715
GBP/DKK	8.3701
GBP/NOK	10.8856
GBP/CHF	1.2753
GBP/AUD	1.7634

Dollar

USD/JPY	112.47
USD/CAD	1.316
USD/CHF	0.9921
USD/CNY	6.9404
USD/BRL	3.7558
USD/RUB	65.6323
USD/INR	71.405
AUD/USD	0.7285
NZD/USD	0.6855



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 17
10 Year Yield %				
US	3.06	-0	-14	+66
Germany	0.37	+1	-8	-5
UK	1.37	-4	-15	+19
5 Year Swap %				
US	2.97	-4	-21	+73
Eurozone	0.32	-1	-8	+0
UK	1.33	-4	-9	+29
2 Year Swap %				
US	2.94	-4	-16	+85
Eurozone	-0.12	+0	-2	+2
UK	1.13	-2	+0	+33
10 Year Government Bond Spreads to Benchmark bps				
Ireland	61	-1	+6	N/A
Belgium	46	+2	+3	+26
France	40	+1	+3	+5
Italy	320	+10	+20	+163
Spain	126	+1	+4	+14
Portugal	159	+1	+5	+12
Greece	412	-2	+31	+50

Commodities				
	Close	% Change		
		Day	4 Weeks	End 17
Brent Oil	66.79	+0.04	-16.33	-0.12
West Texas Oil	57.16	+1.19	-17.46	-5.46
CRB - All Commodity	188.76	+0.78	-4.30	-2.63
CRB - Food	333.4	+0.86	-0.33	-0.79
Gold \$	1224.1	+0.21	+0.11	-6.03

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