

## Winter hibernation setting in on markets

The main currency pairs continued to drift sideways yesterday. A barren data calendar on this side of the Atlantic meant there was nothing to influence either the euro or sterling. After the close in Europe, the Fed published the minutes from its October meeting.

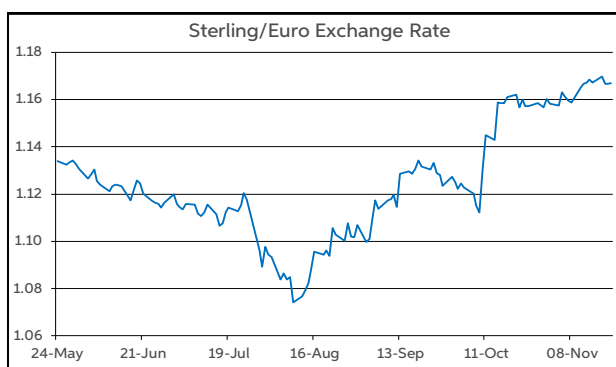
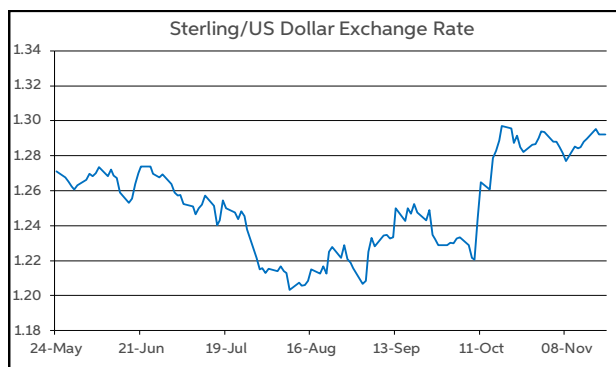
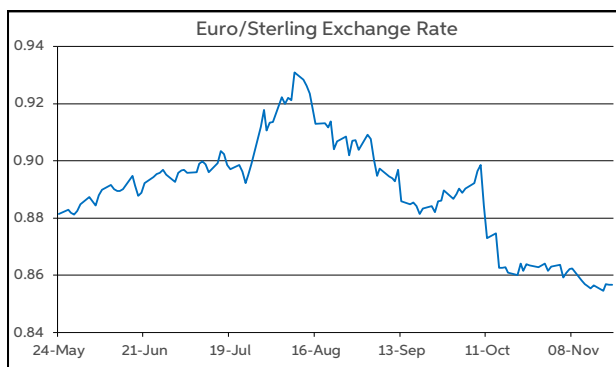
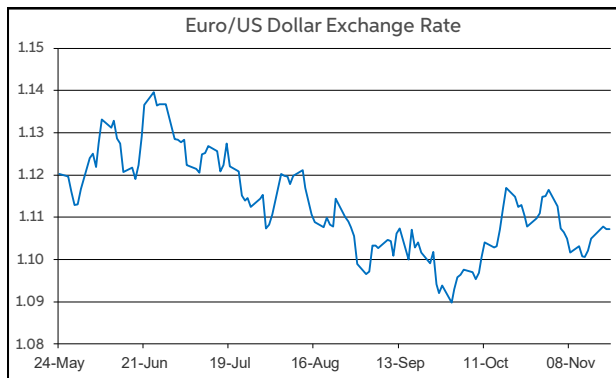
As expected, the minutes offered little in the way of new insight into the Fed's current mindset and as a result there was no impact on the dollar. The text reinforced the previous guidance from the central bank that it is on hold in the near term as it assesses the impact of its recent policy easing (75bps of rate cuts in its last three meetings) on the US economy.

The lack of action over the past 24 hours is reflected in the majors starting today at levels that are broadly unchanged from yesterday's open. EUR/GBP remains near to the midpoint of the 85-86p band, while EUR/USD continues in the upper half of \$1.10-1.11. Meantime, cable (GBP/USD) is once again changing hands close to the \$1.29 threshold.

Elsewhere on financial markets, investor sentiment retained its cautious tone. This was in part due to US-China tensions over Hong Kong, with concerns it may impact their on-going trade talks. At the closing bell last night on Wall Street, the S&P 500 was down 0.4% on the day.

Looking ahead to today, the global macro agenda continues to be on the sparse side. One of the few highlights is the publication of the ECB's account of its October meeting. However, the release is not expected to have much directional impact on the euro. Elsewhere, the UK and US calendars are very quiet. Overall then, it could be another day of uneventful tight range trading for the main FX pairs.

**John Fahey, Senior Economist, AIB**



Today's Opening FX Rates			
		% Change	
		Day *	End 2018
EUR/USD	1.1072	0.00	-3.46
EUR/GBP	0.8567	-0.13	-4.64
GBP/USD	1.2924	0.14	1.31
GBP/EUR	1.1672	0.13	4.87
USD/JPY	108.61	0.09	-0.87
EUR/JPY	120.26	0.08	-4.34

\* 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	1.625	1.72	1.90	1.91	1.55	1.53
EUR	0.00	-0.46	-0.41	-0.27	-0.32	-0.22
GBP	0.75	0.71	0.80	0.96	0.79	0.83

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

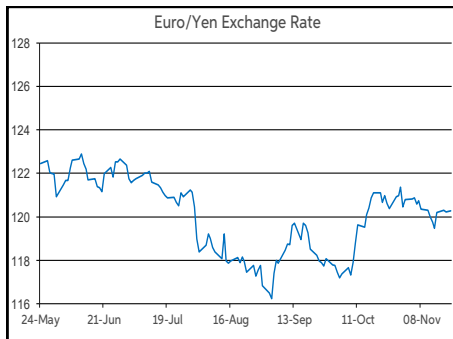
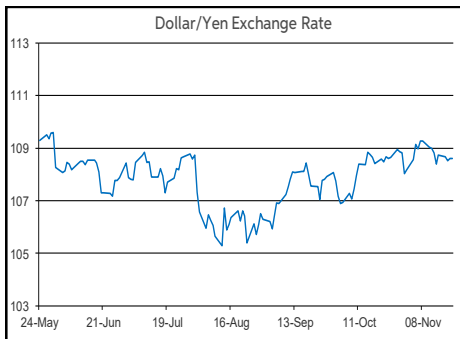
FX Spot	Karl Cooke Shane Gargan Enda Homan	FX Options	Mark Tuite	Reuters Phone	AIB 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
		Equity Options	Gary Luff				

# Opening Levels

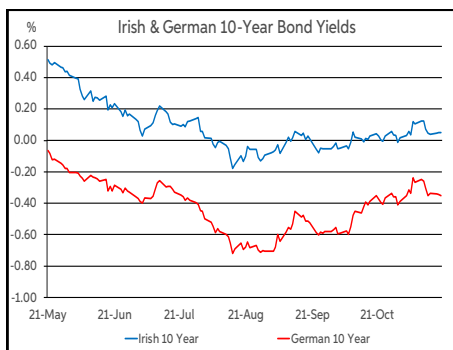
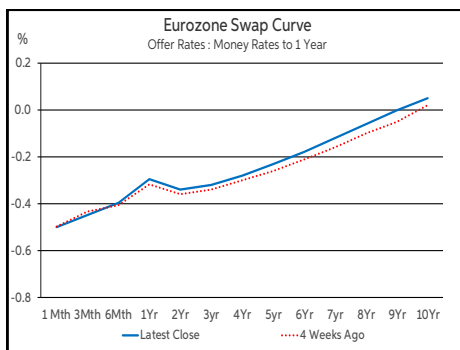
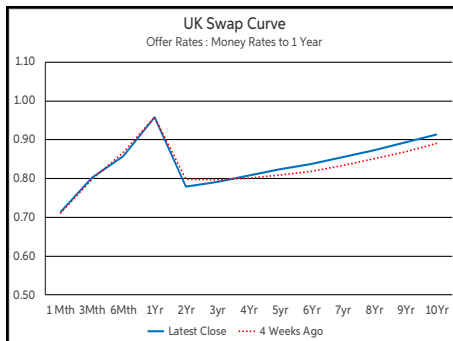
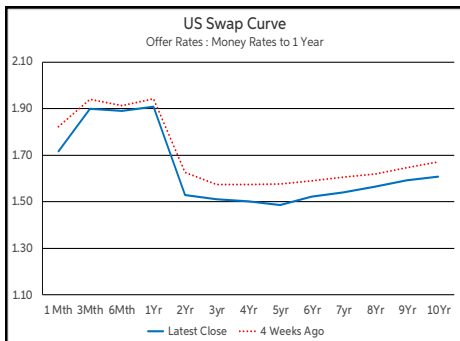
Thursday 21 November 2019  
07:15 am



Euro		Sterling		Dollar	
EUR/GBP	0.8567	GBP/EUR	1.1672	USD/JPY	108.61
EUR/USD	1.1072	GBP/USD	1.2924	USD/CAD	1.331
EUR/JPY	120.26	GBP/CAD	1.7202	USD/CHF	0.9912
EUR/SEK	10.6773	GBP/NZD	2.0141	USD/CNY	7.0365
EUR/DKK	7.4729	GBP/JPY	140.37	USD/BRL	4.1955
EUR/NOK	10.1259	GBP/SEK	12.459	USD/RUB	63.84
EUR/CHF	1.0975	GBP/DKK	8.7215	USD/INR	71.8
EUR/AUD	1.6277	GBP/NOK	11.817	AUD/USD	0.6799
EUR/HKD	8.6637	GBP/CHF	1.2811	NZD/USD	0.6415
EUR/CAD	1.4736	GBP/AUD	1.9003		



Debt Markets				
	Close	Day	4 Weeks	End 18
<b>10 Year Yield %</b>				
US	1.74	-4	-2	-94
Germany	-0.35	-1	+5	-59
UK	0.73	-0	+5	-54
<b>5 Year Swap %</b>				
US	1.49	-6	-9	-107
Eurozone	-0.23	-2	+3	-46
UK	0.82	-1	+2	-49
<b>2 Year Swap %</b>				
US	1.53	-6	-10	-111
Eurozone	-0.34	-1	+2	-20
UK	0.78	-2	-2	-38
<b>10 Year Government Bond Spreads to Benchmark bps</b>				
Ireland	40	+1	+0	N/A
Belgium	29	-0	+0	-23
France	31	-1	+0	-16
Italy	164	-2	+21	-84
Spain	76	+0	+13	-42
Portugal	73	+2	+14	-74
Greece	171	-3	+6	-235



Commodities				
	Close	Day	4 Weeks	End 18
Brent Oil	62.4	+2.45	+2.01	+15.99
West Texas Oil	56.71	+3.24	+1.45	+25.60
Gold \$	1471.4	-0.08	-1.41	+14.69

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