

Main pairs remain in narrow ranges

The action on currency markets last week was confined to relatively narrow ranges. Of the limited moves to register, the dollar found itself under some mild downward pressure. There was a busy US macro schedule for dollar watchers to digest. Although it generally produced results that were dollar friendly.

This included US Q3 GDP printing ahead of forecasts. More significantly, October payrolls surpassed expectations (+128k). There were also solid upward revisions to the Aug/Sept job numbers. Meantime, the Fed as expected cut rates but indicated it was now in pause mode, with no additional easing being envisaged. Overall though, the dollar still managed to finish the week modestly softer from where it started it.

Elsewhere, Brexit continued to generate headlines, which included another extension to Article 50 and the announcement of a UK general election for December 12th. However, sterling was largely unreactive. Meanwhile, the euro showed little interest to macro news that included Q3 GDP, the EC sentiment indices and flash inflation (both Oct).

So as trading gets underway this morning, EUR/USD is operating in the upper half of \$1.11-1.12, while EUR/GBP remains down close to the 86p mark. Meantime, cable (GBP/USD) has held onto its position above the \$1.29 level.

For the week ahead, the global data agenda is uninspiring with few highlights. On the central bank front, the BoE November meeting is expected to pass off without much incident (no policy changes anticipated). Overall then, from a currency viewpoint, it could be a case of relatively limited trading ranges for the main pairs.

John Fahey, Senior Economist, AIB

Today's Opening FX Rates			
		% Change	
		Day *	End 2018
EUR/USD	1.1172	0.08	-2.59
EUR/GBP	0.8638	0.29	-3.85
GBP/USD	1.2932	-0.21	1.37
GBP/EUR	1.1572	-0.29	4.01
USD/JPY	108.28	0.30	-1.17
EUR/JPY	120.98	0.37	-3.76

* v Previous Day's European Open

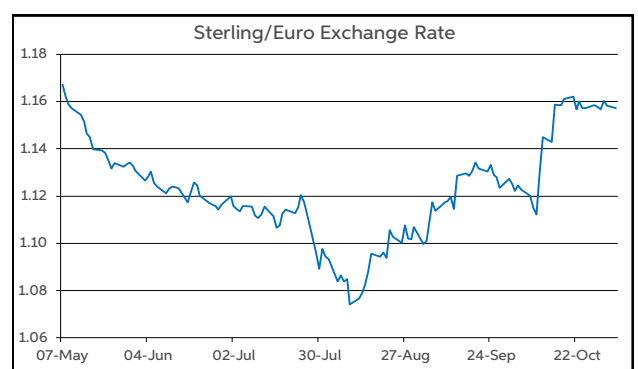
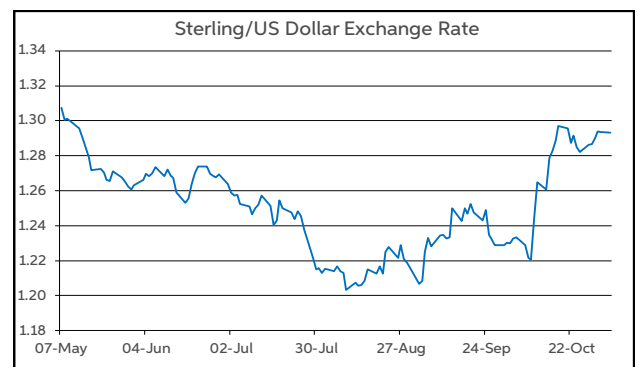
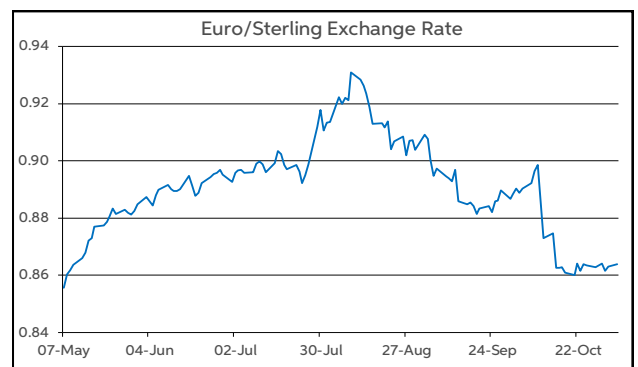
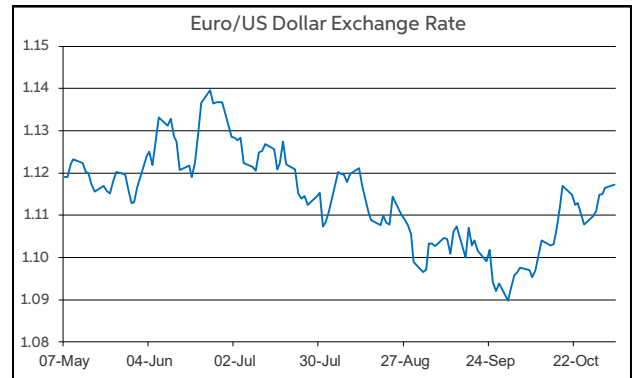
See Next Page for More Rates

Opening Interest Rates						
Base Rate	Short Term			Long Term		
	1-Mth	3-Mth	12-Mth	2-Yr	5-Yr	
USD	1.875	1.77	1.89	1.93	1.61	1.55
EUR	0.00	-0.44	-0.40	-0.28	-0.36	-0.24
GBP	0.75	0.71	0.82	0.98	0.81	0.80

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	AIBI 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
		Equity Options	Gary Luff				

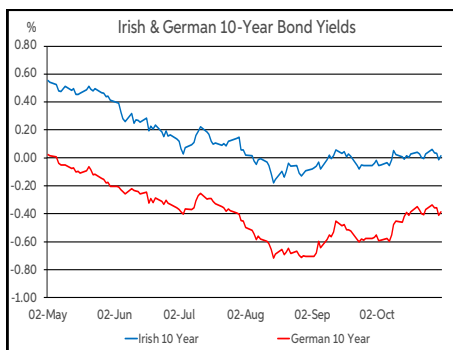
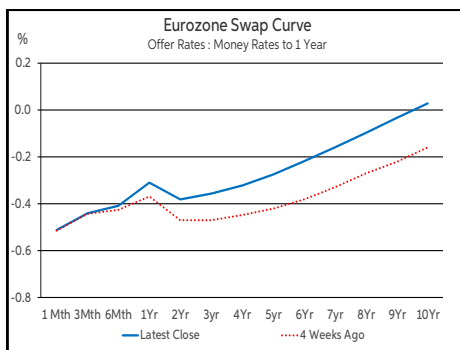
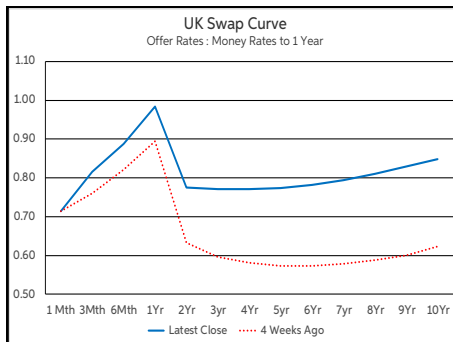
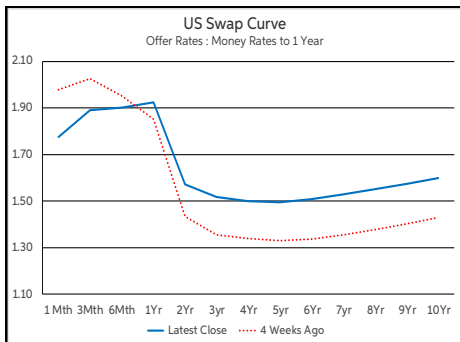
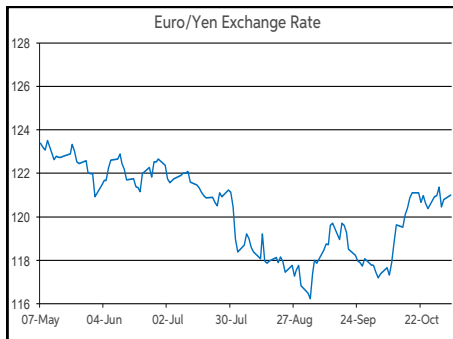
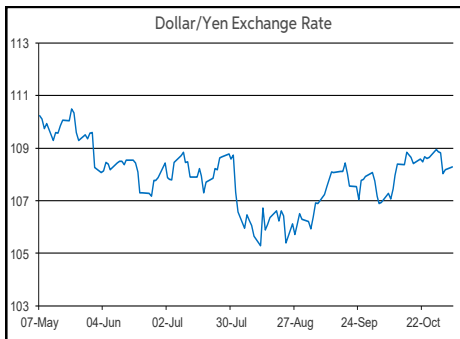


Opening Levels

Monday 04 November 2019
07:23 am



Euro		Sterling		Dollar	
EUR/GBP	0.8638	GBP/EUR	1.1572	USD/JPY	108.28
EUR/USD	1.1172	GBP/USD	1.2932	USD/CAD	1.313
EUR/JPY	120.98	GBP/CAD	1.6982	USD/CHF	0.9853
EUR/SEK	10.672	GBP/NZD	2.0008	USD/CNY	7.0222
EUR/DKK	7.4713	GBP/JPY	140.03	USD/BRL	3.9882
EUR/NOK	10.1432	GBP/SEK	12.3491	USD/RUB	63.2812
EUR/CHF	1.101	GBP/DKK	8.6472	USD/INR	70.67
EUR/AUD	1.6136	GBP/NOK	11.7374	AUD/USD	0.6924
EUR/HKD	8.7557	GBP/CHF	1.2744	NZD/USD	0.6461
EUR/CAD	1.4671	GBP/AUD	1.8675		



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 18
10 Year Yield %				
US	1.71	+3	+18	-97
Germany	-0.39	+2	+20	-63
UK	0.66	+3	+22	-61
5 Year Swap %				
US	1.50	+0	+17	-106
Eurozone	-0.28	-2	+14	-51
UK	0.77	+2	+20	-54
2 Year Swap %				
US	1.57	+3	+14	-107
Eurozone	-0.38	-2	+9	-24
UK	0.77	+1	+14	-39
10 Year Government Bond Spreads to Benchmark bps				
Ireland	41	+1	-14	N/A
Belgium	31	+1	-2	-21
France	32	+1	+1	-15
Italy	146	+4	+4	-102
Spain	64	+2	-7	-54
Portugal	58	+2	-13	-89
Greece	154	+0	-36	-252

Commodities				
	% Change			
	Close	Day	4 Weeks	End 18
Brent Oil	61.69	+2.42	+5.69	+14.67
West Texas Oil	56.04	+3.74	+6.06	+24.12
Gold \$	1514.4	+0.05	+0.63	+18.04

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