

Quiet data week ahead

Last week proved to be an eventful one for sterling. The currency gained in the lead up to Thursday's BoE policy meeting. However, despite the Bank delivering its first rate hike in a decade, sterling fell by 1.5-2.0%. This partly reflected the strong emphasis placed by the BoE on the very gradual pace of future policy tightening.

In level terms, the softer post-BoE sterling tone was reflected in EUR/GBP trading up near 89p. Meanwhile, GBP/USD moved back below the \$1.31 level, having traded as high as \$1.33 mid-week.

The currency looks to be in an 87-92p range against the euro. The movement within this band over the coming months will be largely determined by the tone/progress on the Brexit talks.

Elsewhere, despite a very busy week of data/events in the Eurozone and US (incl. US payrolls, Fed meeting, new Fed Chair announcement and Eurozone GDP) market reaction to the schedule was relatively muted. As a result, the EUR/USD pair was mostly confined to the \$1.16-1.17 band.

The calendar for the week ahead is lacking in 'top-tier' data on both sides of the Atlantic. The few highlights there are include Eurozone retail sales (Sept), UK Industrial production (Sept). Meantime, the only noteworthy releases in the holiday shortened 4-day US schedule is the preliminary reading of consumer sentiment for October.

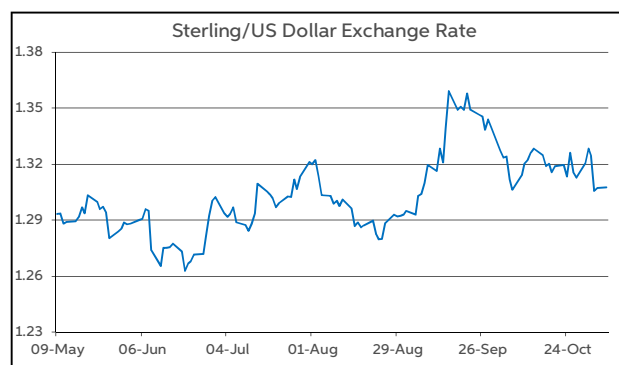
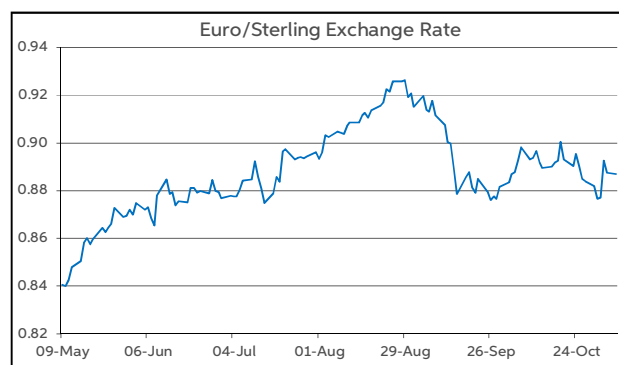
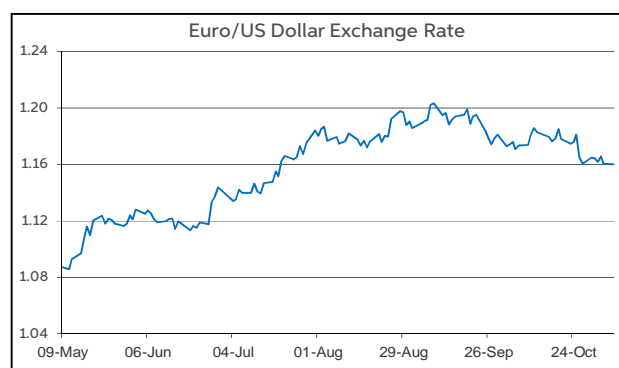
Therefore, the data newsflow is unlikely to provide much direction to FX markets. Indeed, barring any political developments/headlines (e.g. Brexit, Catalonia, Trump administration), the main currency pairs could largely trade within relatively narrow ranges near current levels this week.

John Fahey, Senior Economist, AIB

Today's Opening Rates			
		% Change	
		Day *	End 2016
EUR/USD	1.1601	-0.53	10.35
EUR/GBP	0.8871	-0.57	4.14
GBP/USD	1.3075	0.04	5.99
GBP/EUR	1.1269	0.57	-3.98
USD/JPY	114.38	0.36	-2.13
EUR/JPY	132.69	-0.19	7.76

* 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	1.125	1.24	1.39	1.86	1.84	2.05
EUR	0.00	-0.37	-0.33	-0.19	-0.20	0.21
GBP	0.50	0.50	0.52	0.78	0.80	1.05

Equity Indices				
	Latest Close	% Changes		
		on Day	End 2016 to Date	
Dow Jones	23539.19	+0.10	+19.11	
S&P 500	2587.84	+0.31	+15.59	
FTSE 100	7560.35	+0.07	+5.85	
DJ Stoxx 50	3689.96	+0.03	+12.14	
ISEQ	6984.3	+0.27	+7.17	
Nikkei	22548.35	+0.04	+17.97	

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
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Opening Levels

Monday 06 November 2017
07:31 am



Euro

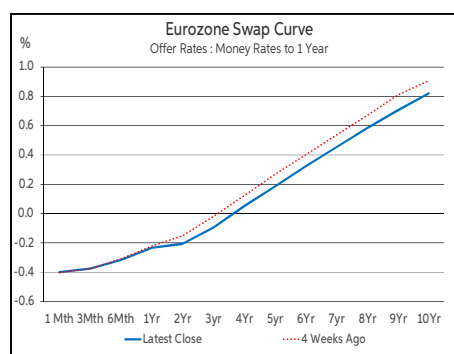
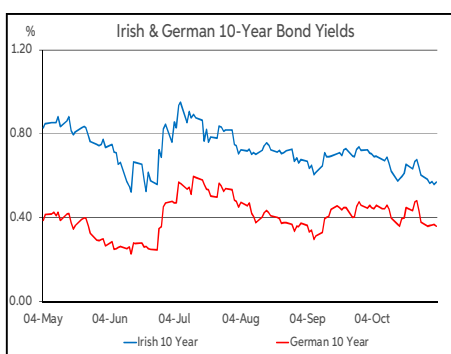
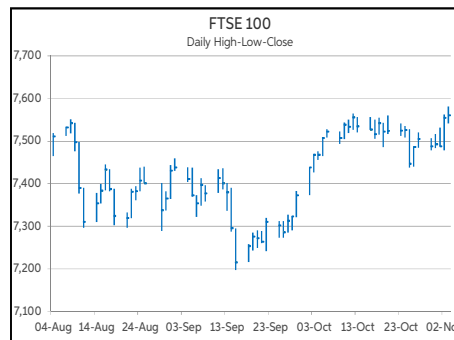
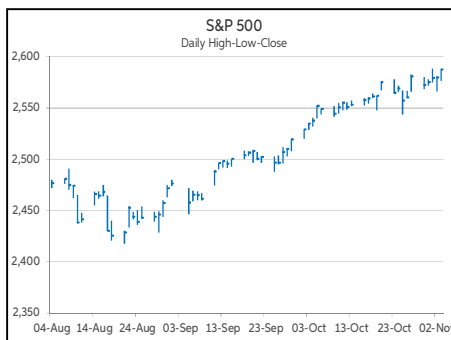
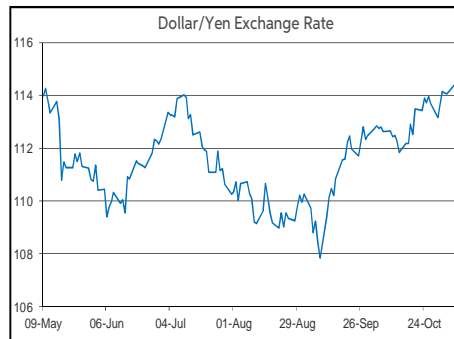
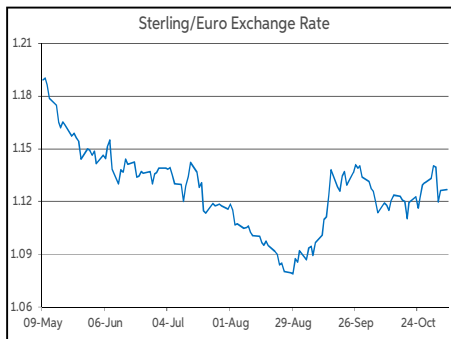
EUR/GBP	0.8871
EUR/USD	1.1601
EUR/JPY	132.69
EUR/SEK	9.7949
EUR/DKK	7.4424
EUR/NOK	9.4854
EUR/CHF	1.1625
EUR/AUD	1.5168
EUR/HKD	9.0509
EUR/CAD	1.4812

Sterling

GBP/EUR	1.1268
GBP/USD	1.3074
GBP/CAD	1.669
GBP/NZD	1.8993
GBP/JPY	149.54
GBP/SEK	11.0354
GBP/DKK	8.3872
GBP/NOK	10.6906
GBP/CHF	1.3103
GBP/AUD	1.709

Dollar

USD/JPY	114.38
USD/CAD	1.2762
USD/CHF	1.002
USD/CNY	6.6367
USD/BRL	3.3143
USD/RUB	59.1306
USD/INR	64.7
AUD/USD	0.7646
NZD/USD	0.6883



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 16
10 Year Yield %				
US	2.33	-2	-3	-11
Germany	0.36	-1	-10	+16
UK	1.26	+0	-10	+3
5 Year Swap %				
US	2.05	-2	+1	+9
Eurozone	0.18	-3	-8	+11
UK	1.04	-0	-3	+16
2 Year Swap %				
US	1.81	-1	+3	+37
Eurozone	-0.21	-2	-6	-4
UK	0.79	-2	+0	+19
10 Year Government Bond Spreads to Benchmark bps				
Ireland	21	+2	-3	-34
Belgium	24	+1	-2	-8
France	39	+1	+11	-9
Italy	142	+0	-32	-18
Spain	110	+0	-5	-7
Portugal	167	-3	-28	-186
Greece	467	+2	-38	-201

Commodities				
	Close	% Change		
		Day	4 Weeks	End 16
Brent Oil	62.07	+2.39	+11.60	+9.24
West Texas Oil	55.63	+1.98	+12.75	+3.50
CRB - All Commodity	189.38	+0.67	+4.66	-1.63
CRB - Food	346.43	-3.38	+3.40	+2.27
Gold \$	1270.2	-0.48	-0.51	+10.24

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