

## Uninspiring FX action

Over the past 24 hours, the action on currency markets was once again generally limited. Sterling did adopt a softer tone in the aftermath of the BoE meeting yesterday, but it has since recovered most of the lost ground.

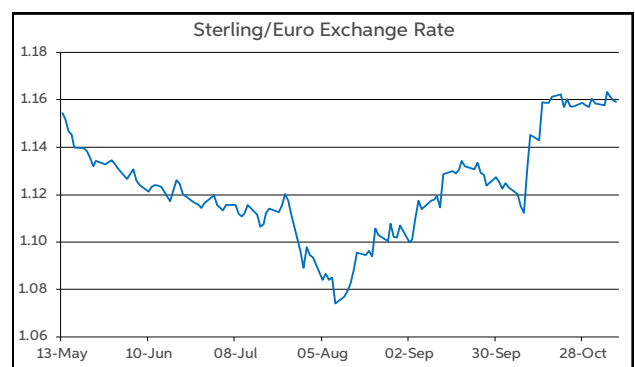
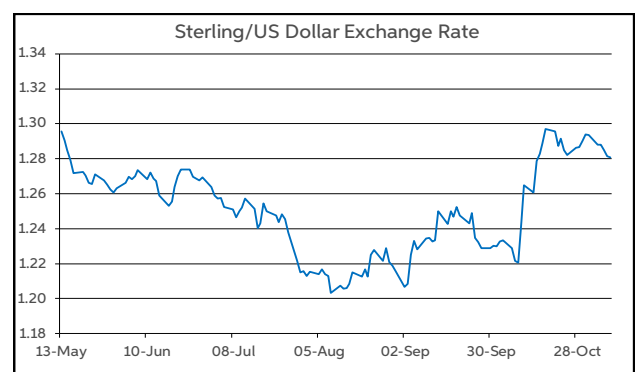
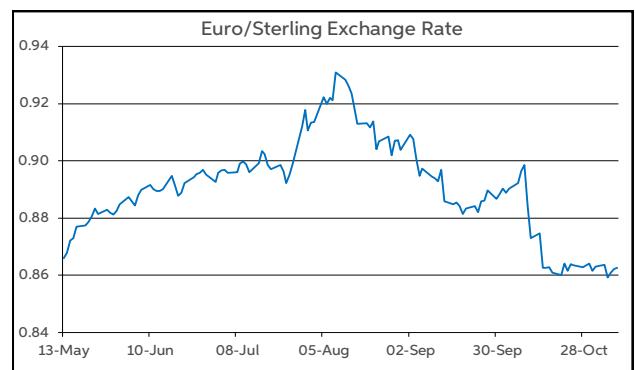
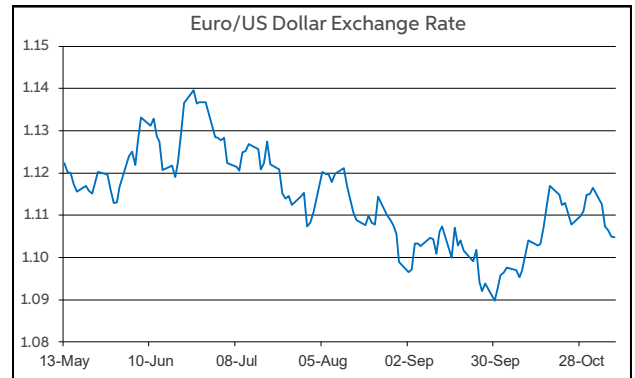
The central bank kept rates on hold. However, the tone of the meeting was more dovish than anticipated. Indeed, 2 members of the MPC voted to cut rates. The BoE also downgraded its macro-economic forecasts somewhat. GDP growth is now projected at 1% this year, while inflation looks set to remain below target in the near-term.

Elsewhere, positive headlines surrounding US-China trade tensions saw the yen under some slight pressure. Although, the impact was more clearly seen in bond markets. German, UK and US 10-year yields all rose by circa 10bps. At the same time, equities experienced some support, with the S&P 500 gaining 0.3% and hitting a new record high.

The lack of action on currency markets is reflected in EUR/USD opening this morning near the midpoint of the \$1.10-1.11 band for the second straight day. Meantime, EUR/GBP remains in the lower half of the 86-87p range. Elsewhere, cable (GBP/USD) is changing hands down near the \$1.28 level.

Today, there is an uninspiring look to the macro-data release schedule in both the Eurozone and the UK. As a result, the action in the euro and sterling could remain limited. Across the Atlantic, the only release of note is the flash November reading of the University of Michigan measure of US consumer confidence. Sentiment looks to have risen slightly in the month, but the data are unlikely to generate much of a reaction in the dollar.

**Conor Beakey, Economist, AIB**



Today's Opening FX Rates			
		% Change	
		Day *	End 2018
EUR/USD	1.1048	-0.10	-3.67
EUR/GBP	0.8624	0.17	-4.01
GBP/USD	1.2808	-0.29	0.40
GBP/EUR	1.1591	-0.17	4.17
USD/JPY	109.29	0.50	-0.25
EUR/JPY	120.75	0.39	-3.95

\* 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	1.76	1.90	1.98	1.71	1.70
EUR	0.00	-0.45	-0.41	-0.27	-0.33	-0.18
GBP	0.75	0.72	0.80	0.99	0.79	0.87

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

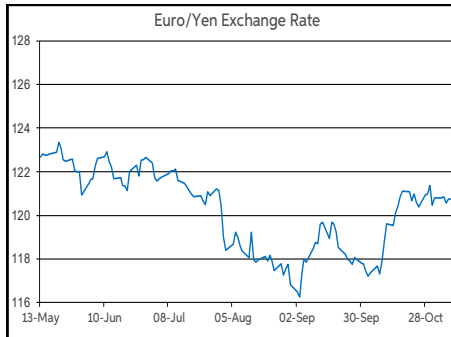
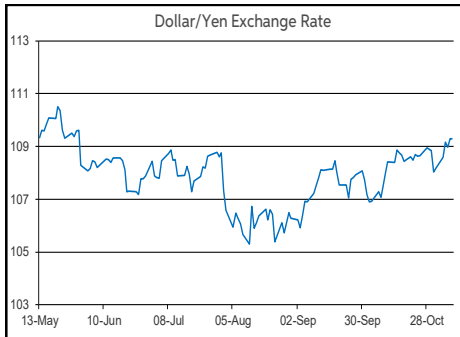
FX Spot	Karl Cooke Shane Gargan Enda Homan	FX Options	Mark Tuite	Reuters Phone	AIBI 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
		Equity Options	Gary Luff				

# Opening Levels

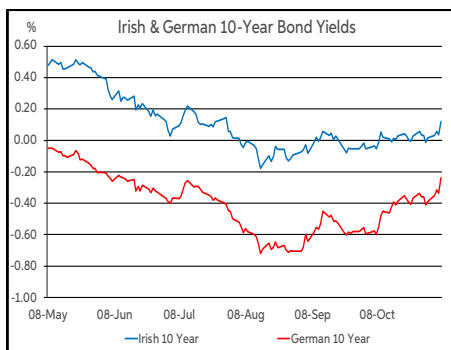
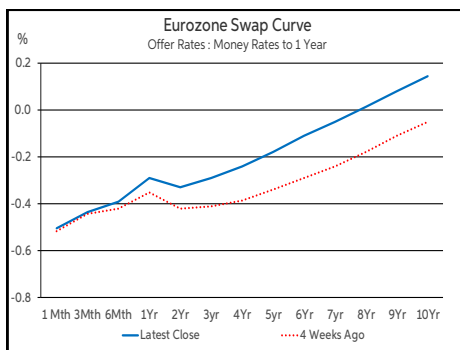
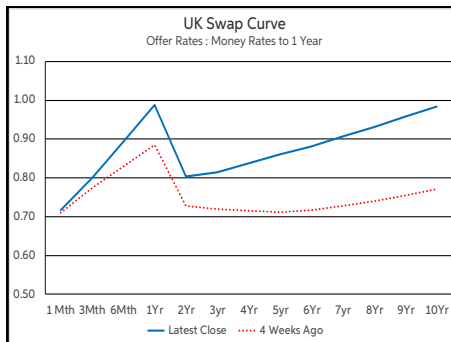
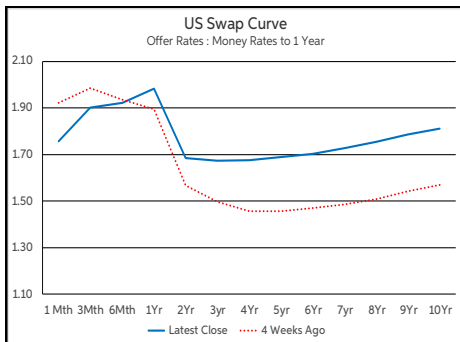
Friday 08 November 2019  
07:18 am



Euro		Sterling		Dollar	
EUR/GBP	0.8624	GBP/EUR	1.1591	USD/JPY	109.29
EUR/USD	1.1048	GBP/USD	1.2808	USD/CAD	1.3186
EUR/JPY	120.75	GBP/CAD	1.6894	USD/CHF	0.9949
EUR/SEK	10.6478	GBP/NZD	2.0118	USD/CNY	6.9798
EUR/DKK	7.4717	GBP/JPY	139.98	USD/BRL	4.1004
EUR/NOK	10.0801	GBP/SEK	12.343	USD/RUB	63.67
EUR/CHF	1.0993	GBP/DKK	8.6605	USD/INR	71.265
EUR/AUD	1.6053	GBP/NOK	11.6793	AUD/USD	0.6881
EUR/HKD	8.6427	GBP/CHF	1.2743	NZD/USD	0.6365
EUR/CAD	1.4572	GBP/AUD	1.861		



	Close	Change bps		
		Day	4 Weeks	End 18
<b>10 Year Yield %</b>				
US	1.93	+10	+26	-75
Germany	-0.24	+10	+24	-47
UK	0.79	+8	+20	-48
Ireland	0.12	+9	+7	N/A
Belgium	0.04	+8	+20	-72
France	0.05	+8	+24	-66
Italy	1.24	+13	+20	-148
Spain	0.36	+8	+16	-105
Portugal	0.29	+7	+11	-142
Greece	1.21	+3	-20	-309
<b>5 Year Swap %</b>				
US	1.69	+8	+23	-87
Eurozone	-0.18	+5	+16	-41
UK	0.86	+3	+15	-45
<b>2 Year Swap %</b>				
US	1.69	+4	+12	-95
Eurozone	-0.33	+1	+9	-19
UK	0.80	-1	+8	-36
<b>10 Year Government Bond Spreads to Benchmark bps</b>				
Ireland	36	-2	-17	N/A
Belgium	27	-2	-4	-25
France	28	-2	-0	-18
Italy	148	+3	-4	-100
Spain	60	-2	-8	-58
Portugal	53	-3	-13	-94
Greece	145	-7	-44	-261



	% Change			
	Close	Day	4 Weeks	End 18
Brent Oil	62.29	+0.89	+5.40	+15.78
West Texas Oil	56.91	+1.35	+6.23	+26.05
Gold \$	1468.3	-1.49	-1.76	+14.45

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