

EUR/GBP straddling 86p

Another week on financial markets got underway yesterday with Brexit continuing to cast a shadow over proceedings. Market participants remained very focused on Westminster and the effort to pass the revised Withdrawal Agreement. Despite the on-going uncertainty, sterling has been holding a firmer tone over the past 24 hours. This is reflected in EUR/GBP changing hands this morning just below the 86p mark and GBP/USD up near to \$1.30.

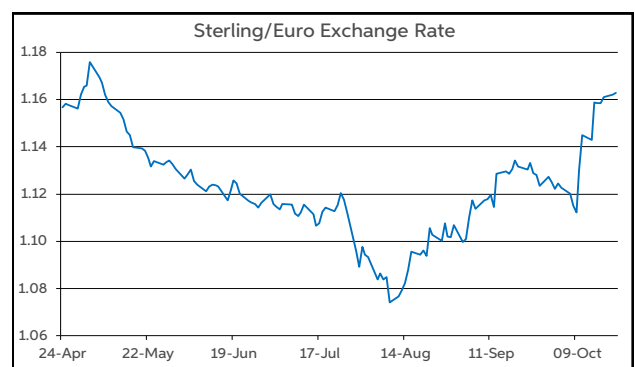
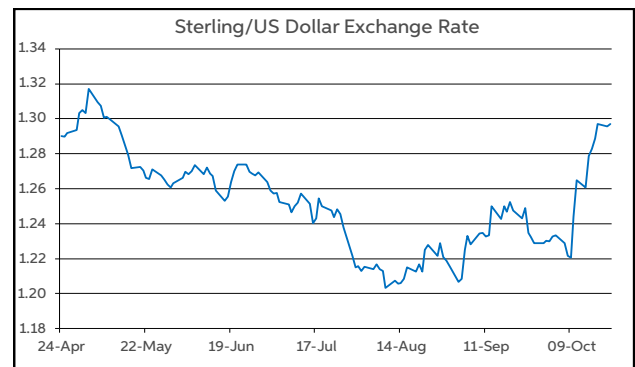
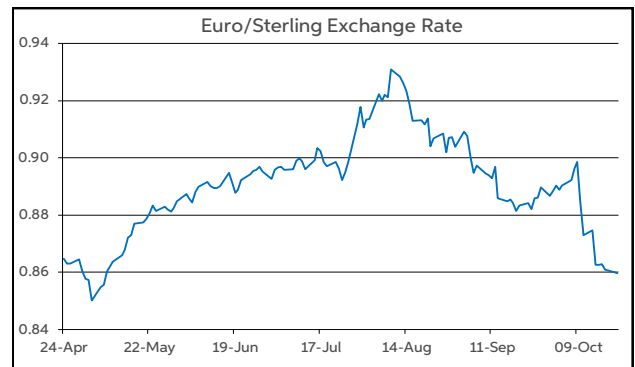
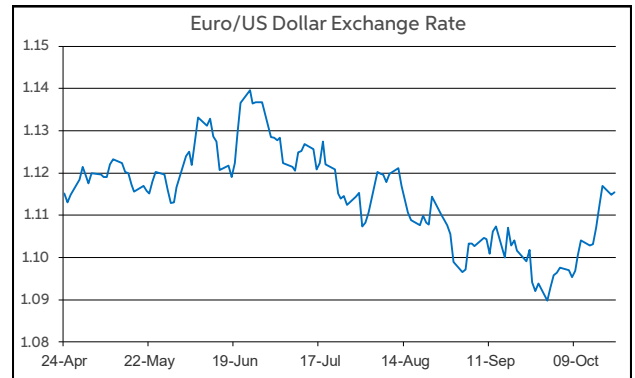
Elsewhere on the currency front, yesterday's macro diaries in both the US and Eurozone were very sparse. As a result, the action in EUR/USD has been uneventful. The pair is trading this morning near to the midpoint of \$1.11-1.12, which is little changed from yesterday's open.

Ahead today, the Commons is scheduled to hold a critical vote on the Withdrawal Agreement Bill (WAB). There is a growing view that the vote will be passed. This could see further modest sterling gains. However, there will still be plenty of hurdles before a Brexit deal gets fully through the UK parliament.

Indeed, the accelerated 3 day timetable for approving the WAB in the Commons also needs to be agreed by MPs. There is then the raft of enabling legislation that needs to be passed, which could see the Opposition tabling amendments to it. In this regard, the PM has indicated his willingness to call a general election if some of these amendments (e.g. requiring UK to remain in Customs Union) succeed. Therefore, sterling could continue to be sensitive to Brexit newsflow over the coming days.

Today's data schedule is fairly dull. UK public finance data and US existing home sales are the only releases of any note. Neither is expected to have much impact on their respective currencies.

John Fahey, Senior Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2018
EUR/USD	1.1154	-0.02	-2.75
EUR/GBP	0.8598	-0.56	-4.30
GBP/USD	1.2971	0.54	1.68
GBP/EUR	1.1627	0.56	4.49
USD/JPY	108.58	0.05	-0.89
EUR/JPY	121.14	0.04	-3.64

* v Previous Day's European Open

See Next Page for More Rates

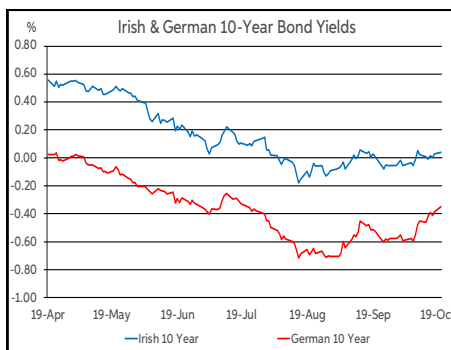
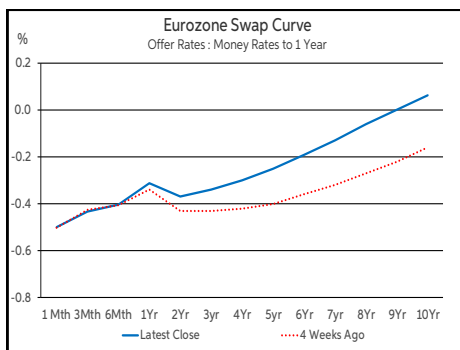
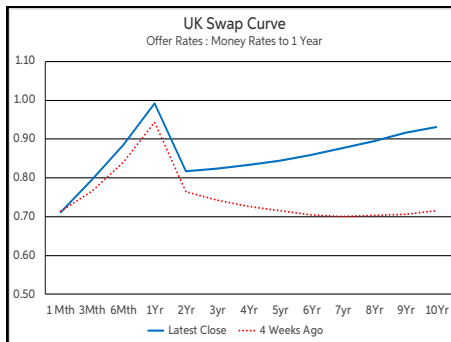
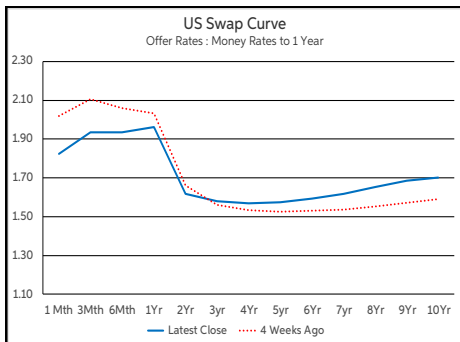
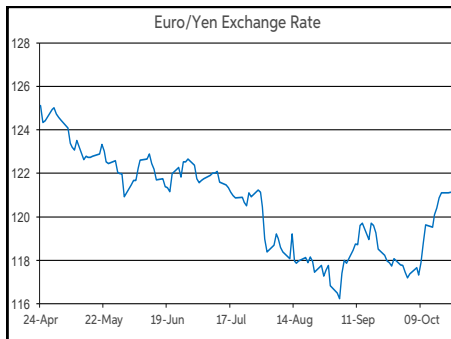
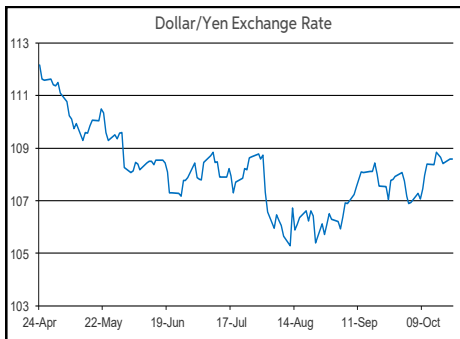
Opening Interest Rates						
	Base Rate	Short Term			Long Term	
		1-Mth	3-Mth	12-Mth	2-Yr	5-Yr
USD	1.875	1.82	1.93	1.96	1.63	1.60
EUR	0.00	-0.44	-0.41	-0.30	-0.36	-0.23
GBP	0.75	0.71	0.80	0.99	0.82	0.85

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				

Euro		Sterling		Dollar	
EUR/GBP	0.8598	GBP/EUR	1.1627	USD/JPY	108.58
EUR/USD	1.1154	GBP/USD	1.2971	USD/CAD	1.3082
EUR/JPY	121.14	GBP/CAD	1.6962	USD/CHF	0.9864
EUR/SEK	10.7456	GBP/NZD	2.0162	USD/CNY	7.076
EUR/DKK	7.4706	GBP/JPY	140.84	USD/BRL	4.1283
EUR/NOK	10.1825	GBP/SEK	12.4919	USD/RUB	63.7484
EUR/CHF	1.1004	GBP/DKK	8.6855	USD/INR	70.87
EUR/AUD	1.6221	GBP/NOK	11.836	AUD/USD	0.6874
EUR/HKD	8.7495	GBP/CHF	1.2798	NZD/USD	0.6431
EUR/CAD	1.4589	GBP/AUD	1.8861		



	Close	Change bps		
		Day	4 Weeks	End 18
10 Year Yield %				
US	1.80	+5	+8	-88
Germany	-0.35	+4	+24	-59
UK	0.75	+4	+20	-52
Ireland	0.04	+1	+10	N/A
Belgium	-0.05	+5	+21	-81
France	-0.05	+4	+25	-75
Italy	1.07	+6	+25	-164
Spain	0.26	+4	+14	-115
Portugal	0.23	+5	+7	-148
Greece	1.30	+2	+1	-300
5 Year Swap %				
US	1.57	+1	+5	-99
Eurozone	-0.25	-1	+15	-48
UK	0.84	+3	+13	-47
2 Year Swap %				
US	1.62	+0	-4	-102
Eurozone	-0.37	-1	+6	-23
UK	0.82	+1	+5	-35
10 Year Government Bond Spreads to Benchmark bps				
Ireland	39	-2	-14	N/A
Belgium	30	+1	-3	-22
France	30	+0	+1	-16
Italy	142	+2	+1	-106
Spain	61	+0	-10	-56
Portugal	58	+1	-17	-89
Greece	165	-2	-23	-241

	Commodities			
	% Change			
	Close	Day	4 Weeks	End 18
Brent Oil	58.96	-0.77	-8.97	+9.59
West Texas Oil	53.28	-0.87	-9.22	+18.01
Gold \$	1484.8	-0.39	-2.47	+15.73

This publication is for information purposes and is not an invitation to deal. The information is believed to be reliable but is not guaranteed. Any expressions of opinions are subject to change without notice. This publication is not to be reproduced in whole or in part without prior permission. In the Republic of Ireland it is distributed by Allied Irish Banks, p.l.c. In the UK it is distributed by Allied Irish Banks, p.l.c. and Allied Irish Bank (GB). In Northern Ireland it is distributed by First Trust Bank. In the United States of America it is distributed by Allied Irish Banks, p.l.c. Allied Irish Banks, p.l.c. is regulated by the Central Bank of Ireland. Allied Irish Bank (GB) and First Trust Bank are trade marks used under licence by AIB Group (UK) p.l.c. (a wholly owned subsidiary of Allied Irish Banks, p.l.c.), incorporated in Northern Ireland. Registered Office 92 Ann Street, Belfast BT1 3HH. Registered Number NI018800. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. In the United States of America, Allied Irish Banks, p.l.c., New York Branch, is a branch licensed by the New York State Department of Financial Services. Deposits and other investment products are not FDIC insured, they are not guaranteed by any bank and they may lose value. Please note that telephone calls may be recorded in line with market practice.