

## Focus back on data calendar

A busy central bank calendar last week saw the Fed cut rates by 25bps, but stress the move does not signal it is on a sustained easing cycle. Later in the week, the BoE left rates unchanged given ongoing Brexit related uncertainty.

Currency market reaction was limited. Indeed, the main pairs open this morning relatively unchanged from a week previous. Although, some slight euro weakness over the period sees EUR/USD open back near \$1.10, while EUR/GBP is slightly lower, just below the 88.5p mark. GBP/USD remains in the upper half of \$1.24-1.25.

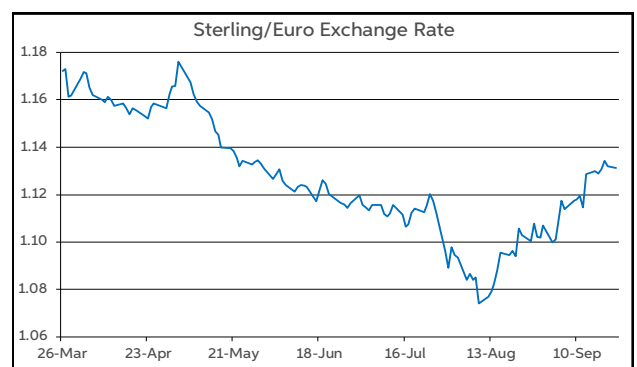
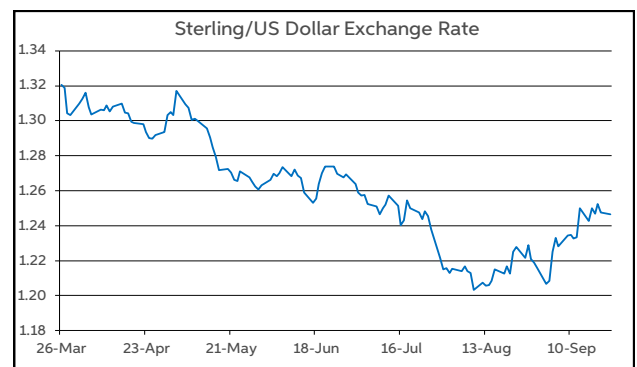
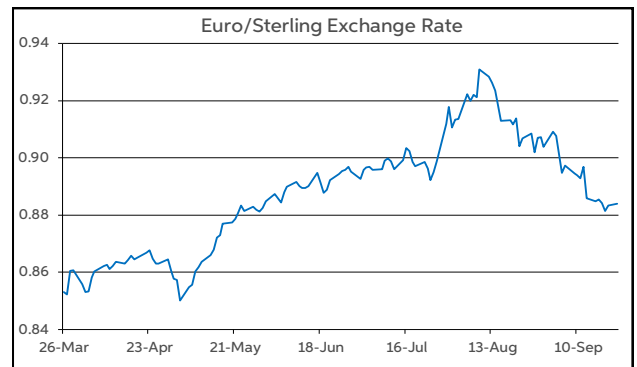
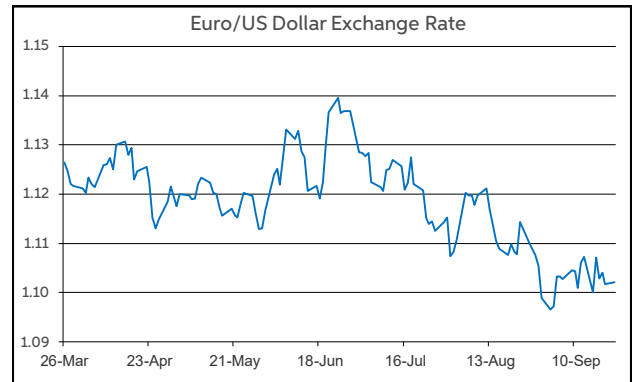
Elsewhere on financial markets, the recent sell-off in bond markets paused. Indeed, yields fell over the course of the week. This was partly linked to safe haven demand following an attack on Saudi production facilities that lead to a spike in oil prices.

This week, a busy Eurozone schedule includes a raft of September survey data. Flash PMIs (today) and the EC sentiment indices are both set to feature. Overall, it is expected that the releases will indicate that growth in the region remains sluggish. A downside surprise could see the euro lose some ground.

In the US, it is anticipated that today's flash September PMIs may point to a slight pick up in growth. This could provide a somewhat supportive backdrop for the dollar. Later this week, we get the August reading of the Fed's preferred measure of price pressures, core-PCE. It is forecast to have picked up to 1.8%.

Meanwhile, there is little data out to influence sterling. However, the currency could prove reactive to the Supreme Court's decision, which is expected early this week, on whether PM Johnson's proroguing of Parliament was unlawful.

**Conor Beake, Economist, AIB**



Today's Opening FX Rates			
		% Change	
		Day *	End 2018
EUR/USD	1.1022	-0.33	-3.90
EUR/GBP	0.8843	0.42	-1.57
GBP/USD	1.2462	-0.75	-2.31
GBP/EUR	1.1305	-0.42	1.59
USD/JPY	107.7	-0.12	-1.70
EUR/JPY	118.73	-0.44	-5.55

\* 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	1.875	2.04	2.13	2.07	1.69	1.56
EUR	0.00	-0.45	-0.39	-0.30	-0.41	-0.37
GBP	0.75	0.72	0.78	0.95	0.80	0.77

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

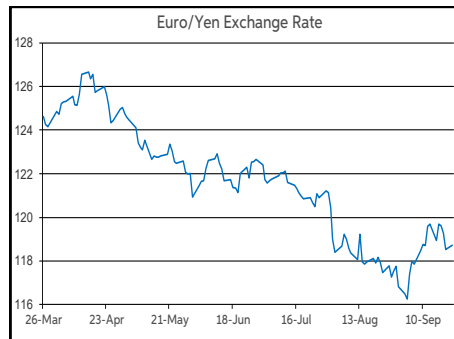
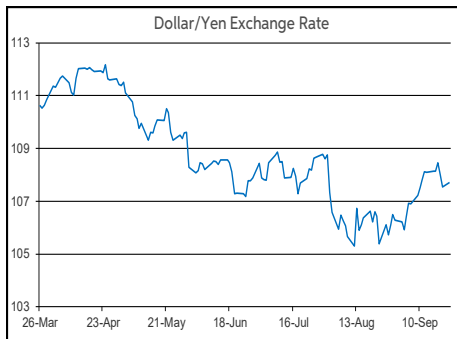
FX Spot	Karl Cooke Shane Gargan Enda Homan	FX Options	Mark Tuite	Reuters Phone	AIB 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
		Equity Options	Gary Luff				

# Opening Levels

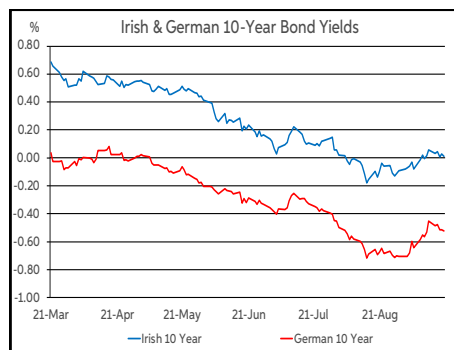
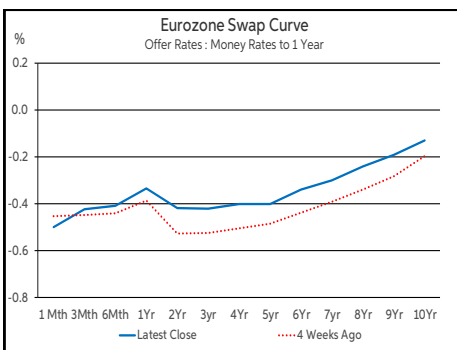
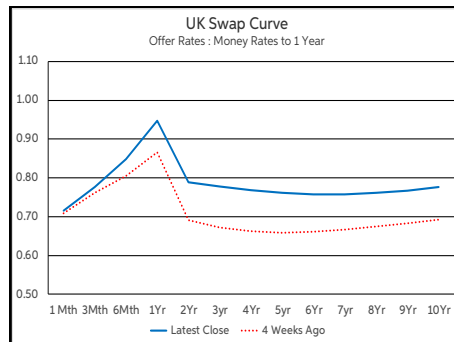
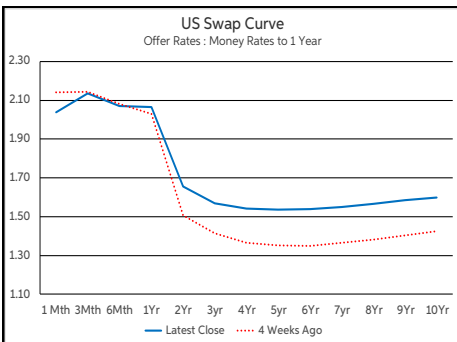
Monday 23 September 2019  
07:28 am



Euro		Sterling		Dollar	
EUR/GBP	0.8842	GBP/EUR	1.1303	USD/JPY	107.7
EUR/USD	1.1021	GBP/USD	1.2462	USD/CAD	1.327
EUR/JPY	118.72	GBP/CAD	1.6538	USD/CHF	0.991
EUR/SEK	10.6863	GBP/NZD	1.9875	USD/CNY	7.1112
EUR/DKK	7.4673	GBP/JPY	134.22	USD/BRL	4.1482
EUR/NOK	9.9721	GBP/SEK	12.0839	USD/RUB	63.905
EUR/CHF	1.0925	GBP/DKK	8.4416	USD/INR	70.93
EUR/AUD	1.6264	GBP/NOK	11.2739	AUD/USD	0.6776
EUR/HKD	8.639	GBP/CHF	1.2353	NZD/USD	0.6268
EUR/CAD	1.4627	GBP/AUD	1.8384		



	Close	Change bps		
		Day	4 Weeks	End 18
<b>10 Year Yield %</b>				
US	1.72	-7	+19	-96
Germany	-0.53	-1	+16	-76
UK	0.62	-1	+15	-64
Ireland	0.01	-2	+7	N/A
Belgium	-0.19	-1	+13	-95
France	-0.22	-1	+15	-93
Italy	0.92	+3	-39	-180
Spain	0.22	-1	+11	-120
Portugal	0.23	-2	+8	-147
Greece	1.30	-5	-62	-300
<b>5 Year Swap %</b>				
US	1.54	-5	+18	-102
Eurozone	-0.40	-4	+9	-63
UK	0.76	+1	+10	-55
<b>2 Year Swap %</b>				
US	1.65	-3	+15	-99
Eurozone	-0.42	-1	+11	-28
UK	0.79	+1	+10	-38
<b>10 Year Government Bond Spreads to Benchmark bps</b>				
Ireland	54	-1	-9	N/A
Belgium	34	+0	-3	-18
France	30	+0	-1	-16
Italy	144	+4	-54	-104
Spain	74	-0	-5	-43
Portugal	76	-1	-8	-71
Greece	183	-4	-77	-224



	% Change			
	Close	Day	4 Weeks	End 18
Brent Oil	64.28	-0.19	+8.32	+19.48
West Texas Oil	57.92	-0.46	+7.10	+28.28
Gold \$	1517.6	+1.21	-0.66	+18.29

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