

Sterling slightly higher on Supreme Court ruling

In what was a significant development, the UK Supreme Court yesterday ruled that PM Johnson's proroguing of Parliament until October 14th was "unlawful, void and of no effect". As a result, the House of Commons will reconvene today, with the PM likely to face heavy criticism. Against this backdrop, sterling is trading marginally higher.

Data-wise, the German Ifo for September surprised to the upside of expectations (94.6 vs f'cast 94.3). However, the index remains at a level consistent with an economic contraction. Euro reaction to the release was minimal.

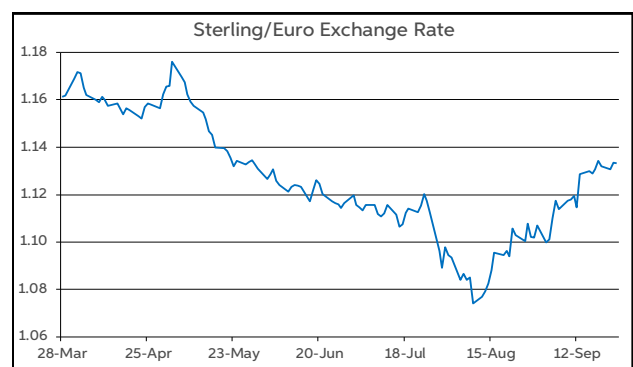
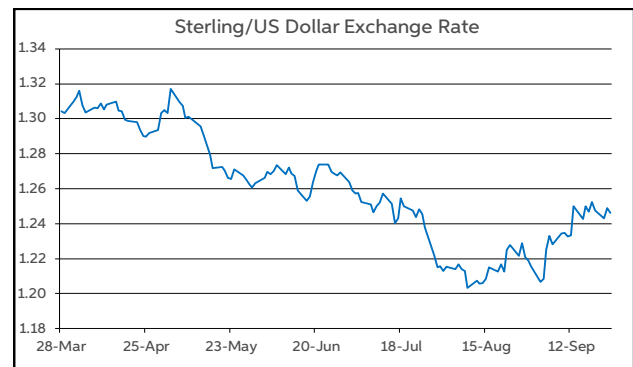
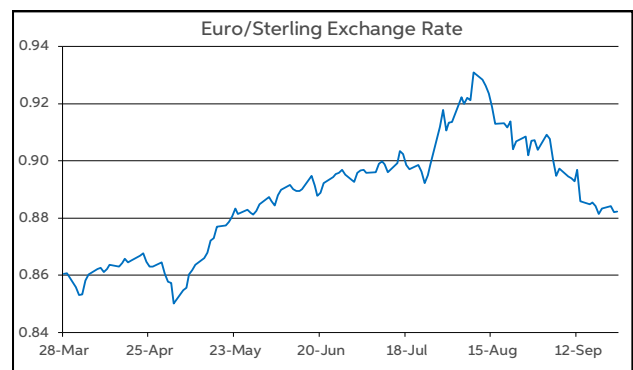
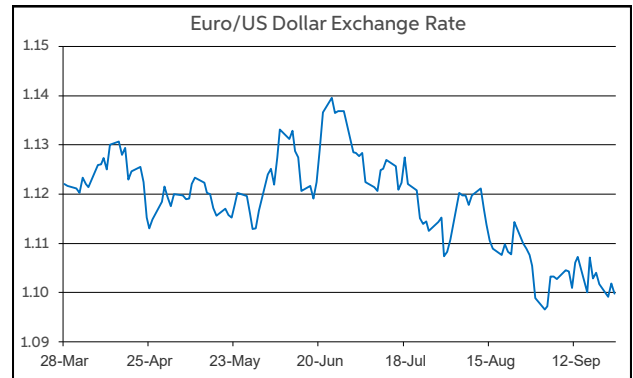
Across the Atlantic, there was a sharp fall in the September print of the Conference Board measure of consumer sentiment. The index dropped to 125.1, from 134.2, though there was no notable impact on the dollar.

In level terms, the firmer sterling tone is reflected in EUR/GBP opening this morning slightly closer to the 88p level. At the same time, GBP/USD is changing hands near the midpoint of \$1.24-1.25. Meanwhile, EUR/USD is trading at the \$1.10 threshold.

Overnight, it was announced that President Trump will face an impeachment inquiry. Currency market impact to this development was limited, though markets did adopt a risk-off tone with the S&P 500 closing 0.8% lower.

Today, the release calendar is unlikely to be a source of direction for currency markets. Although, markets will keep a close eye on the aforementioned political situations in the UK and US. Meanwhile, there is also a busy calendar of central bank speakers today, including BoE Governor Carney.

Conor Beake, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2018
EUR/USD	1.0999	0.08	-4.10
EUR/GBP	0.8824	-0.20	-1.78
GBP/USD	1.2464	0.29	-2.30
GBP/EUR	1.1331	0.20	1.81
USD/JPY	107.31	-0.26	-2.05
EUR/JPY	118.04	-0.17	-6.10

* 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	2.05	2.11	2.03	1.61	1.46
EUR	0.00	-0.45	-0.40	-0.30	-0.44	-0.42
GBP	0.75	0.71	0.77	0.94	0.75	0.69

All rates quoted are indicative market rates

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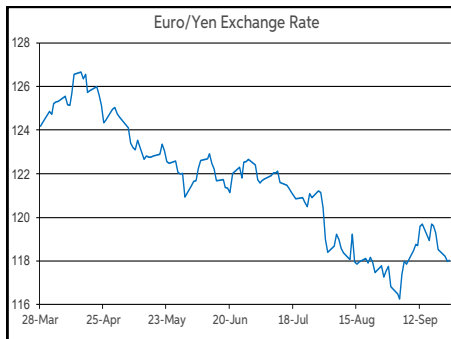
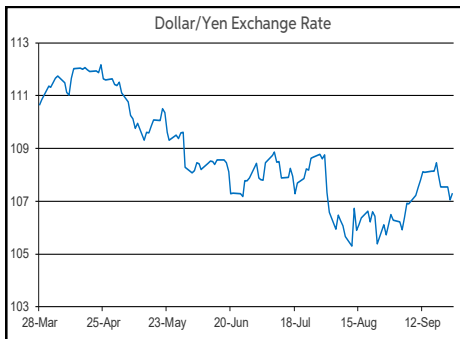
FX Spot	Karl Cooke Shane Gargan Enda Homan	FX Options	Mark Tuite	Reuters Phone	AIB 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
		Equity Options	Gary Luff				

Opening Levels

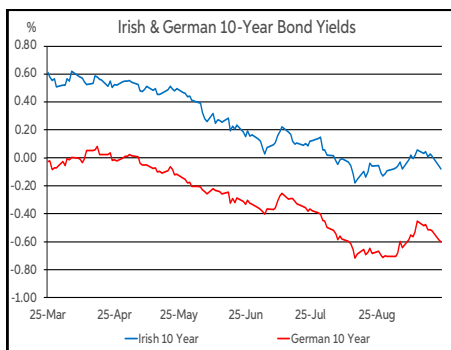
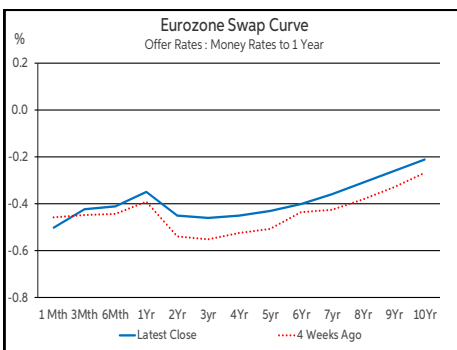
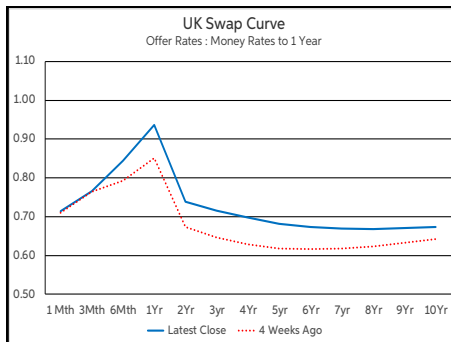
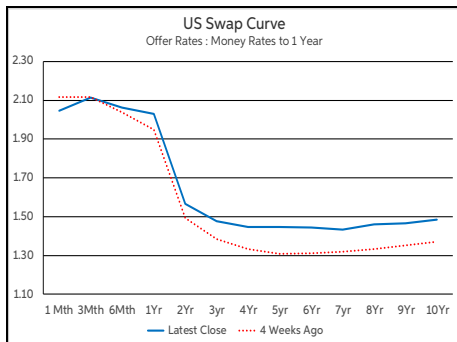
Wednesday 25 September 2019
07:17 am



Euro		Sterling		Dollar	
EUR/GBP	0.8823	GBP/EUR	1.1331	USD/JPY	107.31
EUR/USD	1.0999	GBP/USD	1.2464	USD/CAD	1.3261
EUR/JPY	118.04	GBP/CAD	1.653	USD/CHF	0.9867
EUR/SEK	10.6477	GBP/NZD	1.9699	USD/CNY	7.1157
EUR/DKK	7.4658	GBP/JPY	133.75	USD/BRL	4.1631
EUR/NOK	9.9256	GBP/SEK	12.0614	USD/RUB	63.9155
EUR/CHF	1.0854	GBP/DKK	8.4591	USD/INR	71.055
EUR/AUD	1.6221	GBP/NOK	11.2442	AUD/USD	0.6778
EUR/HKD	8.6217	GBP/CHF	1.2299	NZD/USD	0.6324
EUR/CAD	1.4581	GBP/AUD	1.8376		



Debt Markets				
	Close	Day	4 Weeks	End 18
10 Year Yield %				
US	1.65	-7	+18	-103
Germany	-0.60	-2	+9	-84
UK	0.52	-2	+3	-74
Ireland	-0.08	-2	+3	N/A
Belgium	-0.27	-2	+9	-103
France	-0.30	-1	+12	-101
Italy	0.82	-1	-32	-190
Spain	0.10	-3	+4	-131
Portugal	0.13	-3	+4	-157
Greece	1.30	+1	-49	-300
5 Year Swap %				
US	1.45	-8	+14	-111
Eurozone	-0.43	-3	+8	-66
UK	0.68	-3	+6	-63
2 Year Swap %				
US	1.57	-9	+7	-107
Eurozone	-0.45	-2	+9	-31
UK	0.74	-3	+6	-43
10 Year Government Bond Spreads to Benchmark bps				
Ireland	52	-1	-7	N/A
Belgium	33	+0	-0	-19
France	30	+1	+2	-17
Italy	142	+1	-41	-106
Spain	70	-1	-6	-47
Portugal	74	-1	-6	-73
Greece	190	+3	-59	-216



Commodities				
	Close	Day	4 Weeks	End 18
Brent Oil	63.1	-2.58	+6.03	+17.29
West Texas Oil	57.22	-2.50	+4.06	+26.73
Gold \$	1532.8	+0.69	-0.65	+19.48

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