

EUR/USD at fresh lows

There was a risk-off tone evident on financial markets yesterday. This may have been linked to concerns surrounding the impeachment inquiry into President Trump. Negative trade-related headlines also likely weighed on sentiment.

The cautious mood saw the S&P 500 dip by 0.2% yesterday, while the Nikkei lost 0.8% in overnight trading. Safe haven currencies, including the yen and the dollar have seen some support in this environment.

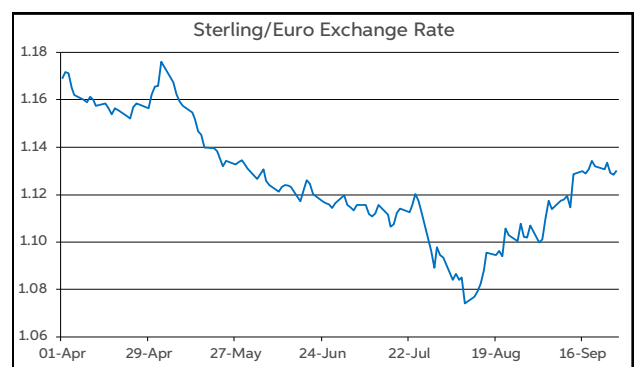
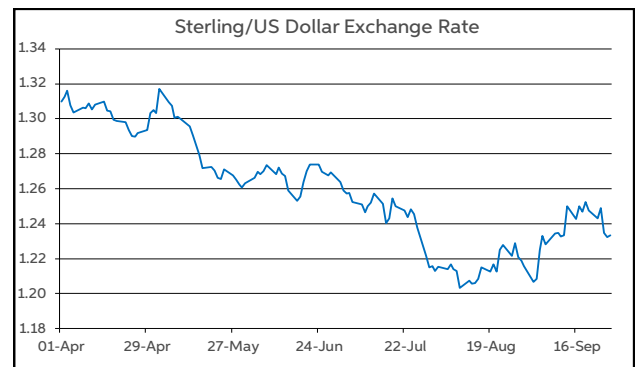
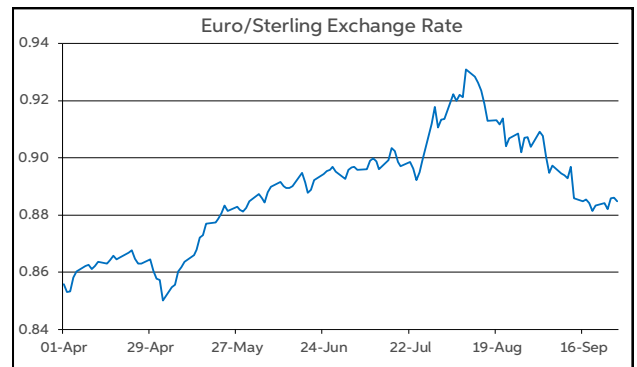
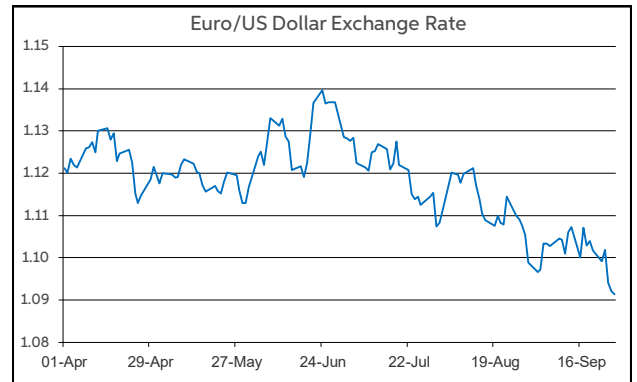
Data-wise, a raft of second tier releases had no currency market impact. In the US, the trade deficit widened to \$72.8bn in August, but beat expectations (\$73.4bn). Meanwhile, the GfK measure of UK consumer sentiment moved slightly higher in September.

In level terms, the gains for the dollar have seen EUR/USD fall to a 28-month low level of \$1.09. At the same time, cable (GBP/USD) is changing hands in the lower half of the \$1.23-1.24 band, while EUR/GBP continues to trade in a tight range around the midpoint of the 88-89p range.

Today, we get the EC sentiment indices for September in the Eurozone. The forecast is for no change in the headline index. However, given the abysmal PMI data released earlier in the week, there is the potential for a downside surprise. This could create an unhelpful backdrop for the euro.

In the US, it is expected that the Fed's preferred measure of inflation, core-PCE, edged up to 1.8% in August, from 1.6%. The same report will likely show that consumer spending recorded another healthy gain. Overall, the release could aid the dollar. Meanwhile, there are no major data due in the UK.

Conor Beakey, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2018
EUR/USD	1.0909	-0.47	-4.88
EUR/GBP	0.8846	-0.14	-1.54
GBP/USD	1.2328	-0.35	-3.36
GBP/EUR	1.1299	0.14	1.56
USD/JPY	107.75	0.07	-1.65
EUR/JPY	117.56	-0.40	-6.48

* 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	2.04	2.10	2.02	1.65	1.52
EUR	0.00	-0.45	-0.41	-0.33	-0.45	-0.39
GBP	0.75	0.72	0.77	0.93	0.74	0.67

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

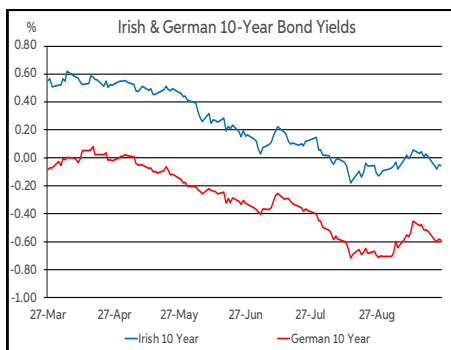
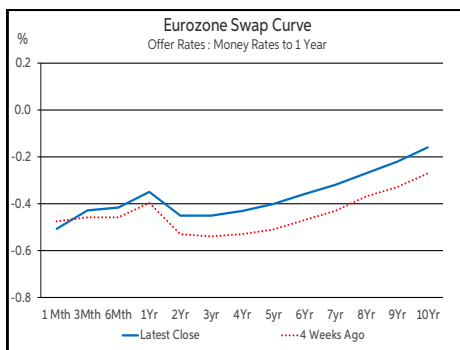
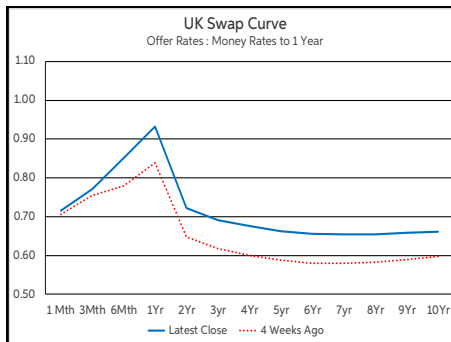
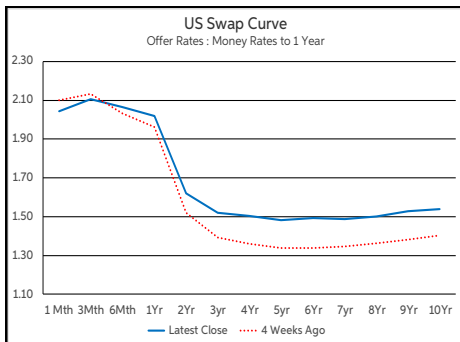
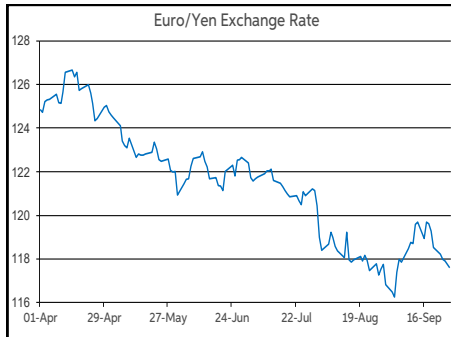
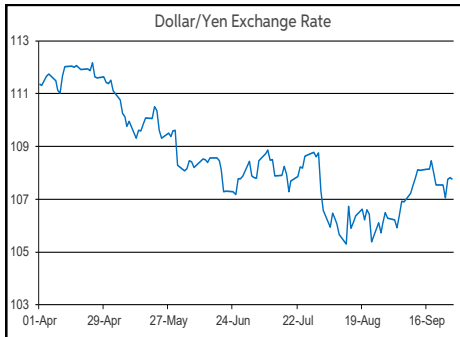
FX Spot	Karl Cooke Shane Gargan Enda Homan	FX Options	Mark Tuite	Reuters Phone	AIB 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
		Equity Options	Gary Luff				

Opening Levels

Friday 27 September 2019
07:18 am



Euro		Sterling		Dollar	
EUR/GBP	0.8846	GBP/EUR	1.1299	USD/JPY	107.75
EUR/USD	1.0909	GBP/USD	1.2328	USD/CAD	1.327
EUR/JPY	117.56	GBP/CAD	1.6363	USD/CHF	0.9945
EUR/SEK	10.6589	GBP/NZD	1.9591	USD/CNY	7.1345
EUR/DKK	7.4663	GBP/JPY	132.83	USD/BRL	4.1707
EUR/NOK	9.9174	GBP/SEK	12.0442	USD/RUB	64.338
EUR/CHF	1.0852	GBP/DKK	8.4379	USD/INR	70.8712
EUR/AUD	1.6148	GBP/NOK	11.2054	AUD/USD	0.6755
EUR/HKD	8.553	GBP/CHF	1.2261	NZD/USD	0.6291
EUR/CAD	1.4481	GBP/AUD	1.8249		



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 18
10 Year Yield %				
US	1.70	-4	+20	-99
Germany	-0.59	-1	+11	-83
UK	0.51	-1	+8	-75
Ireland	-0.06	-1	+6	N/A
Belgium	-0.27	-3	+8	-103
France	-0.29	-1	+12	-99
Italy	0.82	-2	-16	-190
Spain	0.13	+2	+5	-128
Portugal	0.16	+2	+5	-154
Greece	1.31	+1	-21	-298
5 Year Swap %				
US	1.48	-4	+14	-108
Eurozone	-0.40	-1	+11	-63
UK	0.66	-3	+8	-65
2 Year Swap %				
US	1.62	-5	+10	-102
Eurozone	-0.45	-2	+8	-31
UK	0.72	-3	+7	-44
10 Year Government Bond Spreads to Benchmark bps				
Ireland	53	+0	-5	N/A
Belgium	32	-2	-3	-21
France	30	-1	+1	-17
Italy	141	-1	-27	-107
Spain	72	+2	-6	-46
Portugal	75	+3	-6	-72
Greece	190	+1	-32	-216

Commodities				
	% Change			
	Close	Day	4 Weeks	End 18
Brent Oil	62.74	+0.56	+2.72	+16.62
West Texas Oil	56.24	-0.25	-0.76	+24.56
Gold \$	1506.0	+0.10	-1.44	+17.39

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.