

## Dollar remains in the ascendancy

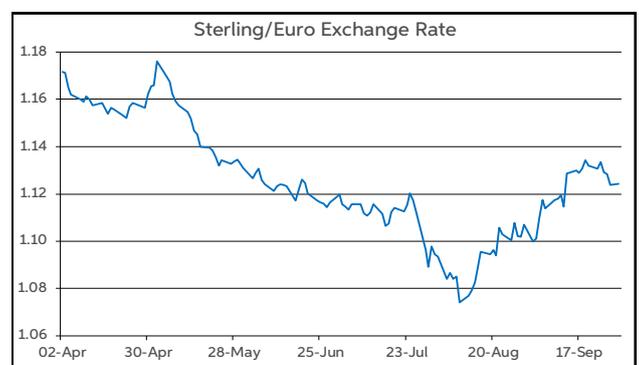
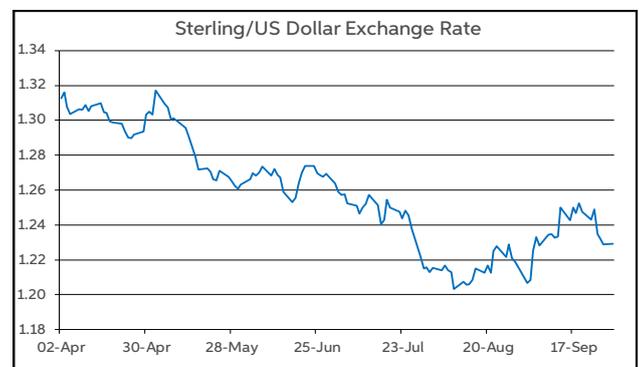
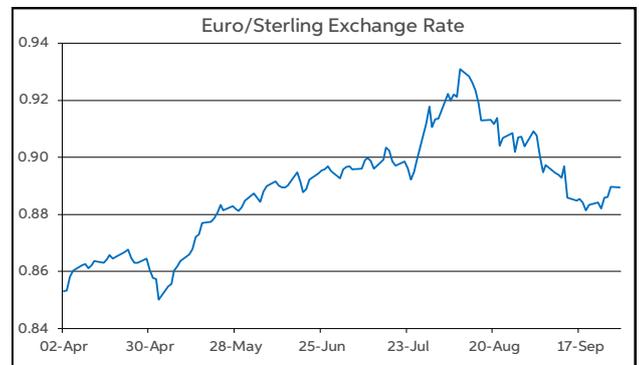
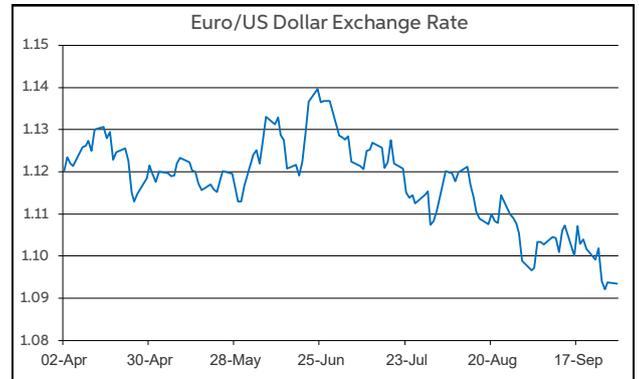
As trading gets underway this week, the dollar is holding the upper hand against both the euro and sterling. The currency has benefitted from some safe haven demand related to US political uncertainty and negative trade related headlines.

Meanwhile, abysmal Eurozone survey data for September, which suggested that growth in the region lost further momentum, were unhelpful for the euro last week. EUR/USD fell to a 28-month low near \$1.09, but has since moved closer to the \$1.095 mark.

Brexit uncertainty in the UK acted as a headwind to sterling. Parliament reconvened last Wednesday after a Supreme Court ruling that PM Johnson's move to prorogue was unlawful. Subsequent debates in the House of Commons highlighted the acrimonious state of UK politics. Dovish comments from the BoE's Saunders also saw sterling soften. EUR/GBP is trading up near the 89p level, while GBP/USD is below the \$1.23 threshold.

The highlight this week is the US employment report for September on Friday. Jobs growth has softened in the year-to-date. Indeed, non-farm payrolls expanded by just 130k in August. Another modest rise of 145k is forecast for September. Also due out are the September ISMs, which are expected to continue to point to a moderate level of US growth.

On this side of the Atlantic, the main Eurozone release is the September print of HICP. The forecast is for no change in either headline or core inflation. As a result, euro impact may be limited. Meanwhile, Brexit-related newsflow should remain the main driver of sterling. We do also get the September PMIs, though, which will likely paint a gloomy picture on the UK economy.



### Conor Beakey, Economist, AIB

Today's Opening FX Rates			
		% Change	
		Day *	End 2018
EUR/USD	1.0932	0.10	-4.68
EUR/GBP	0.8894	0.40	-1.00
GBP/USD	1.2289	-0.32	-3.67
GBP/EUR	1.1238	-0.39	1.01
USD/JPY	107.85	0.17	-1.56
EUR/JPY	117.9	0.27	-6.21

\* 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	2.03	2.10	2.04	1.63	1.50
EUR	0.00	-0.46	-0.41	-0.33	-0.45	-0.40
GBP	0.75	0.71	0.76	0.89	0.68	0.62

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

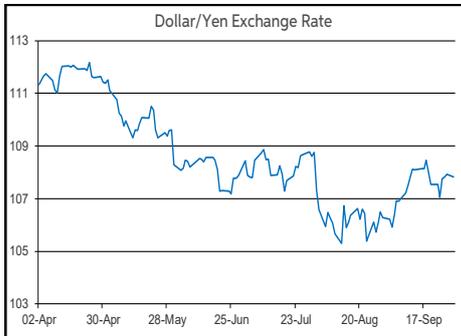
FX Spot	Karl Cooke Shane Gargan Enda Homan	FX Options	Mark Tuite	Reuters Phone	AIB 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
		Equity Options	Gary Luff				

# Opening Levels

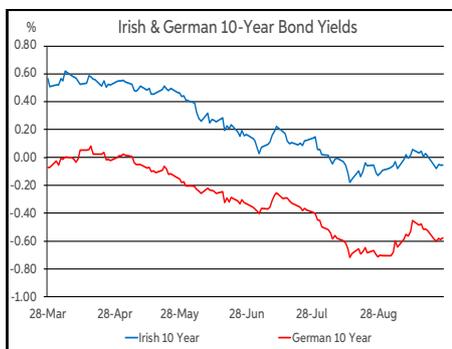
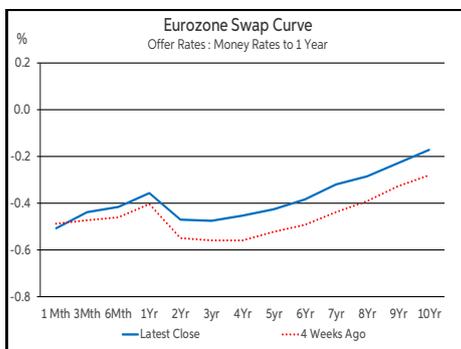
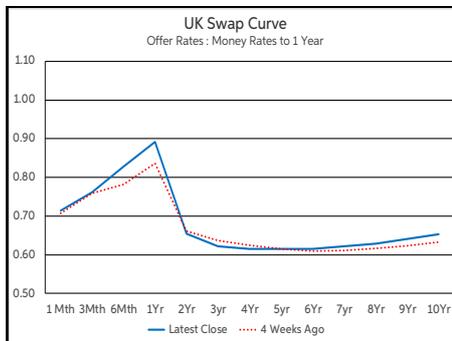
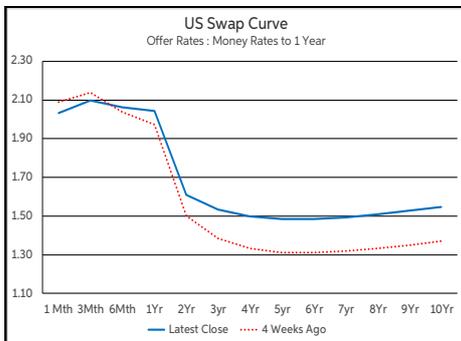
Monday 30 September 2019  
07:19 am



Euro		Sterling		Dollar	
EUR/GBP	0.8894	GBP/EUR	1.1238	USD/JPY	107.85
EUR/USD	1.0932	GBP/USD	1.2289	USD/CAD	1.3236
EUR/JPY	117.9	GBP/CAD	1.6267	USD/CHF	0.9917
EUR/SEK	10.7141	GBP/NZD	1.9638	USD/CNY	7.126
EUR/DKK	7.4656	GBP/JPY	132.54	USD/BRL	4.16
EUR/NOK	9.9342	GBP/SEK	12.0388	USD/RUB	64.5911
EUR/CHF	1.0843	GBP/DKK	8.3917	USD/INR	70.68
EUR/AUD	1.6199	GBP/NOK	11.1627	AUD/USD	0.6746
EUR/HKD	8.5724	GBP/CHF	1.219	NZD/USD	0.6257
EUR/CAD	1.4467	GBP/AUD	1.821		



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 18
<b>10 Year Yield %</b>				
US	1.69	-1	+19	-100
Germany	-0.58	+1	+13	-82
UK	0.49	-2	+2	-77
Ireland	-0.05	+0	+4	N/A
Belgium	-0.27	+0	+8	-103
France	-0.29	+1	+12	-99
Italy	0.82	+0	-18	-190
Spain	0.13	+0	+5	-128
Portugal	0.15	-1	+4	-155
Greece	1.30	-1	-25	-300
<b>5 Year Swap %</b>				
US	1.48	-2	+17	-108
Eurozone	-0.43	-4	+10	-66
UK	0.62	-5	-0	-70
<b>2 Year Swap %</b>				
US	1.61	-3	+11	-103
Eurozone	-0.47	-3	+8	-33
UK	0.65	-8	-1	-51
<b>10 Year Government Bond Spreads to Benchmark bps</b>				
Ireland	53	-1	-9	N/A
Belgium	31	-1	-5	-22
France	29	-1	-0	-17
Italy	140	-1	-31	-108
Spain	71	-1	-8	-46
Portugal	73	-2	-8	-74
Greece	188	-2	-38	-218



Commodities				
	% Change			
	Close	Day	4 Weeks	End 18
Brent Oil	61.91	-1.32	+2.45	+15.07
West Texas Oil	55.95	-0.52	+1.60	+23.92
Gold \$	1497.3	-0.58	-1.53	+16.71

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