

## Market remains wary of political developments

There was a mixed tone to financial market sentiment yesterday, following on from Wednesday's President Trump inspired wobble. The Euro Stoxx 50 remained under some pressure, closing down by 0.6% on the day. Although, in the US the S&P 500 was up 0.4% come the close on Wall Street.

In terms of yesterday's data schedule, the main event, UK retail sales for April, surprised to the upside. Sales, which have been very volatile recently, jumped by 2.3% (f'cast +1%) following on from March's 1.4% fall. The data helped to ease some concerns about the negative impact higher inflation is having on spending.

Sterling saw some support as a result of the data. However, it has been unable to hold onto these gains during overnight trading. Thus, cable (GBP/USD) opens this morning around \$1.295. EUR/GBP continues to trade up near the 86p mark.

Elsewhere, there was little to interest currency watchers in either the Eurozone or US. As a result, the EUR/USD pair was broadly unchanged on the day, continuing to trade above \$1.11. Meantime, the lack of major moves means that the yen has retained its firmer tone, with USD/JPY trading just above ¥111.

Turning to the day ahead, there is a very light look to the data/events schedule. Indeed, flash EC Eurozone consumer confidence (May) is the only release of note. The index is forecast to increase further, having hit a 10-year high in April. This suggests that the Eurozone consumer sector is continuing to strengthen.

Overall though, FX reaction to the data could be limited. However, the main pairs will remain sensitive to any political headlines/developments, most notably out of the US.

**Dara Turnbull, Economist, AIB**

### Today's Opening Rates

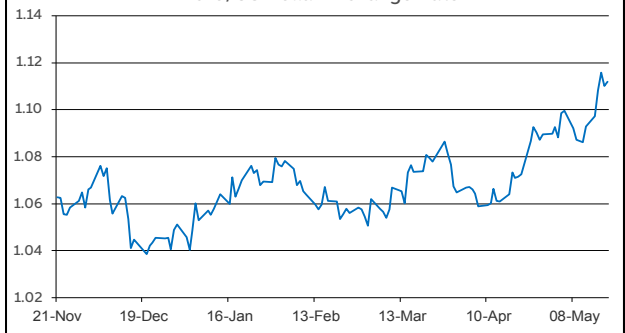
		% Change	
		Day *	End 2016
EUR/USD	1.1118	-0.22	5.75
EUR/GBP	0.8587	-0.03	0.81
GBP/USD	1.2946	-0.19	4.94
GBP/EUR	1.164	0.03	-0.80
USD/JPY	111.23	0.09	-4.83
EUR/JPY	123.7	-0.12	0.45

\* v Previous Day's European Open

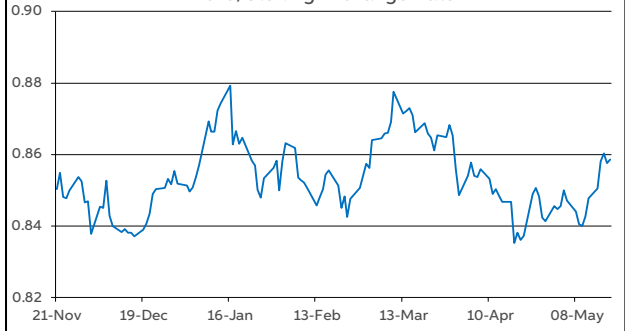
See Next Page for More Rates



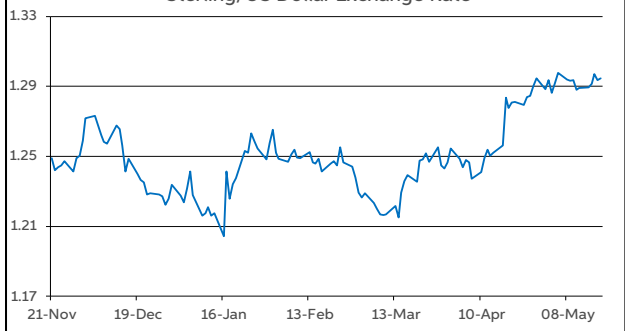
Euro/US Dollar Exchange Rate



Euro/Sterling Exchange Rate



Sterling/US Dollar Exchange Rate



Opening Interest Rates						
	Base Rate	Short Term			Long Term	
		1-Mth	3-Mth	12-Mth	2-Yr	5-Yr
USD	0.875	1.01	1.17	1.70	1.51	1.85
EUR	0.00	-0.37	-0.33	-0.13	-0.13	0.20
GBP	0.25	0.25	0.31	0.66	0.55	0.77

Equity Indices			
	Latest Close	% Changes	
		on Day	End 2016 to Date
Dow Jones	20663.02	+0.27	+4.56
S&P 500	2365.72	+0.37	+5.67
FTSE 100	7436.42	-0.89	+4.11
DJ Stoxx 50	3562.22	-0.63	+8.26
ISEQ	6868.25	-0.39	+5.39
Nikkei	19590.76	+0.19	+2.49

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

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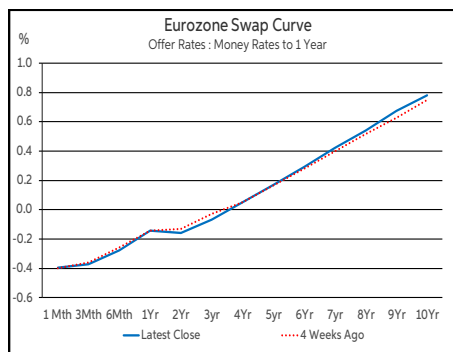
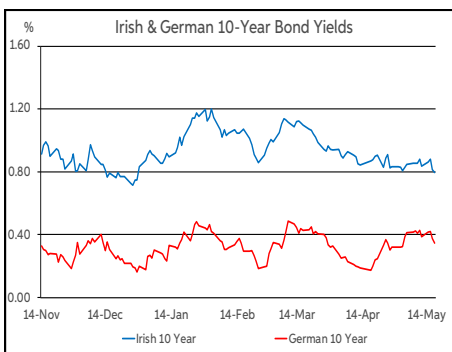
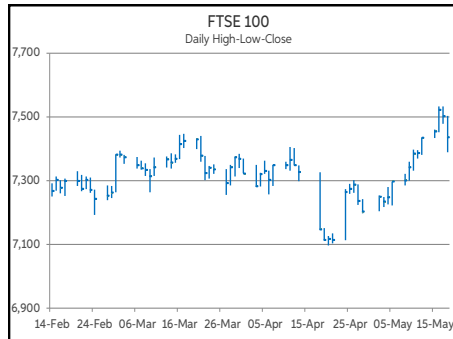
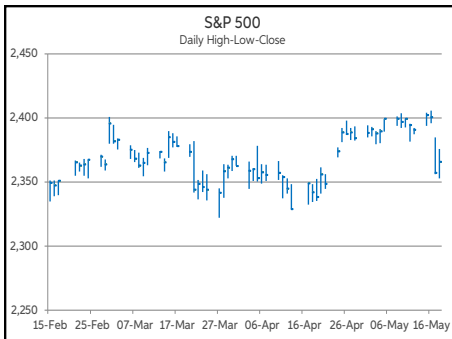
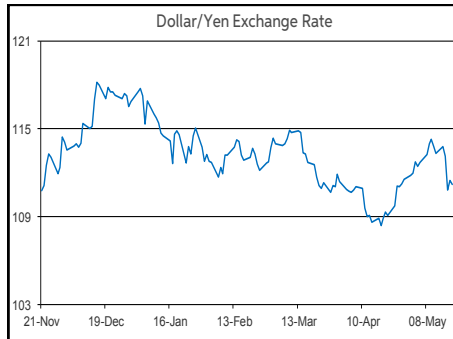
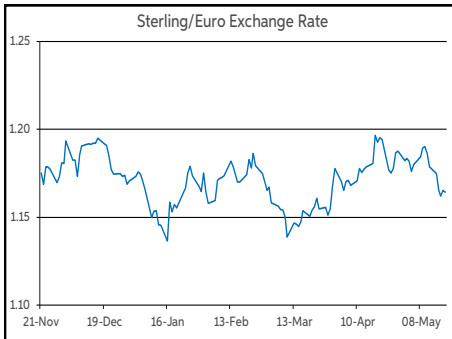
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# Opening Levels

Friday 19 May 2017  
07:32 am



Euro		Sterling		Dollar	
EUR/GBP	0.8588	GBP/EUR	1.164	USD/JPY	111.25
EUR/USD	1.1118	GBP/USD	1.2946	USD/CAD	1.3591
EUR/JPY	123.7	GBP/CAD	1.7594	USD/CHF	0.9798
EUR/SEK	9.7736	GBP/NZD	1.8788	USD/CNY	6.8928
EUR/DKK	7.4408	GBP/JPY	144.02	USD/BRL	3.3685
EUR/NOK	9.4002	GBP/SEK	11.3811	USD/RUB	57.2571
EUR/CHF	1.0898	GBP/DKK	8.6628	USD/INR	64.885
EUR/AUD	1.4957	GBP/NOK	10.9464	AUD/USD	0.7432
EUR/HKD	8.6525	GBP/CHF	1.2687	NZD/USD	0.6888
EUR/CAD	1.5111	GBP/AUD	1.7412		



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 16
<b>10 Year Yield %</b>				
US	2.23	+1	-1	-22
Germany	0.35	-3	+11	+15
UK	1.06	-1	-0	-17
Ireland	0.80	-2	-10	+5
Belgium	0.75	-3	-4	+24
France	0.79	-3	-5	+12
Italy	2.14	-0	-11	+33
Spain	1.54	-0	-13	+17
Portugal	3.18	-0	-56	-54
Greece	5.53	+1	-96	-135
<b>5 Year Swap %</b>				
US	1.81	+2	-5	-14
Eurozone	0.17	-2	+1	+9
UK	0.77	-0	-0	-11
<b>2 Year Swap %</b>				
US	1.48	+2	-6	+4
Eurozone	-0.16	-1	-3	+0
UK	0.53	-0	-2	-7
<b>10 Year Government Bond Spreads to Benchmark bps</b>				
Ireland	45	+1	-21	-10
Belgium	40	+0	-15	+9
France	45	+0	-16	-3
Italy	179	+3	-21	+18
Spain	120	+3	-24	+2
Portugal	284	+3	-67	-69
Greece	518	+4	-106	-150

Commodities				
	Close	% Change		
		Day	4 Weeks	End 16
Brent Oil	52.51	+0.57	-0.91	-7.59
West Texas Oil	49.36	+0.65	-1.79	-8.17
CRB - All Commodity	182.51	-0.40	-0.29	-5.20
CRB - Food	347.21	-1.32	+6.47	+2.50
Gold \$	1247.6	-1.08	-2.71	+8.27

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