

Cautious mood on markets

There was a generally cautious mood to investor sentiment yesterday. Uncertainty over US tax reform, the Trump Administration's foreign policy and Brexit concerns acted as headwinds to risk appetite.

As a result, most of the main global equity indices tended to trade sideways or modestly lower yesterday. The Euro Stoxx was down 0.3% at the end of the European session. Meanwhile, at the closing bell on Wall Street, the S&P 500 was flat on the day.

The action on currency markets was once again within tight ranges. Of the limited moves that did register, the dollar was slightly firmer on the exchanges, edging higher against a raft of currencies, including the euro and sterling.

In level terms, the modest gains for the dollar were reflected in EUR/USD trading below the \$1.18 level. Similarly, the GBP/USD pair also moved lower, changing hands back under the \$1.34 level.

Elsewhere, the lack of any top tier data releases in Europe and no significant Brexit newsflow meant that EUR/GBP was lacking in direction yesterday. Indeed, its opening level this morning at 88.2p is broadly unchanged from where it was 24 hours earlier.

Looking ahead to today, the macro calendar continues to have a sparse appearance. The main highlight is the third reading of Eurozone Q3 GDP. No changes are envisaged from the previous estimate of 0.6% quarterly growth, although today's release does contain the first details on the expenditure breakdown. Meanwhile, with time running out to get agreement on 'phase one' of the Brexit talks, before next week's EU Leader's Summit, sterling is likely to remain sensitive to any developments in this regard.

John Fahey, Senior Economist, AIB

Today's Opening Rates

		% Change	
		Day *	End 2016
EUR/USD	1.1791	-0.44	12.16
EUR/GBP	0.8817	0.00	3.51
GBP/USD	1.3372	-0.42	8.40
GBP/EUR	1.1337	0.00	-3.39
USD/JPY	112.58	0.46	-3.67
EUR/JPY	132.76	0.02	7.81

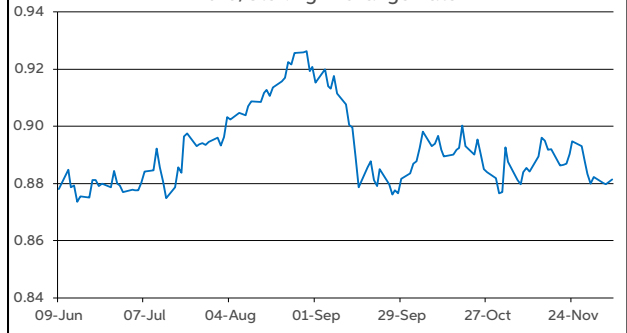
* v Previous Day's European Open

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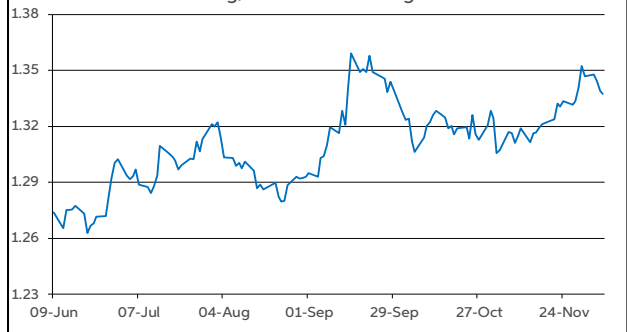
Euro/US Dollar Exchange Rate



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	1.125	1.41	1.52	1.99	2.01	2.19
EUR	0.00	-0.37	-0.33	-0.19	-0.19	0.20
GBP	0.50	0.50	0.52	0.77	0.83	1.09

Equity Indices				
	Latest Close	% Changes		
		on Day	End 2016 to Date	
Dow Jones	24140.91	-0.16	+22.15	
S&P 500	2629.27	-0.01	+17.44	
FTSE 100	7348.03	+0.28	+2.87	
DJ Stoxx 50	3561.57	-0.25	+8.24	
ISEQ	6972.57	+0.22	+6.99	
Nikkei	22498.03	+1.45	+17.70	

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

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Opening Levels

Thursday 07 December 2017
07:33 am



Euro

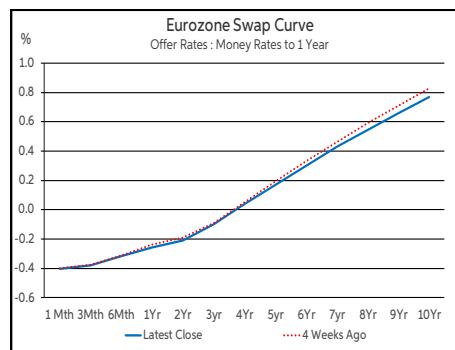
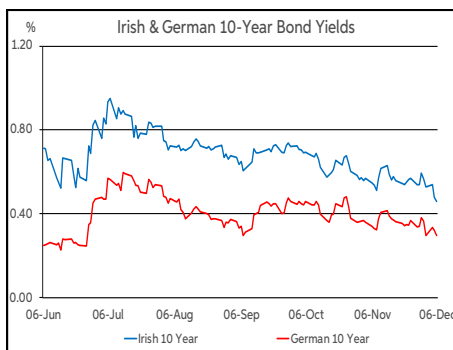
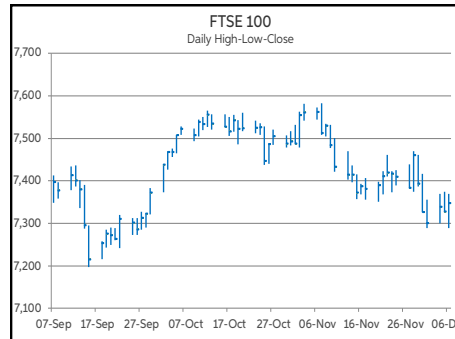
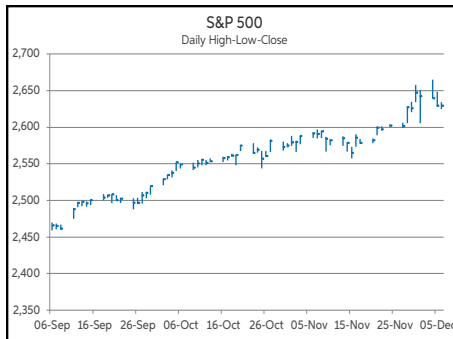
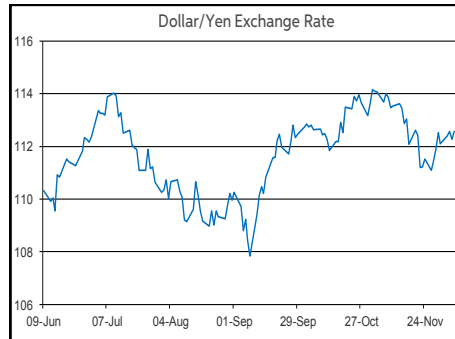
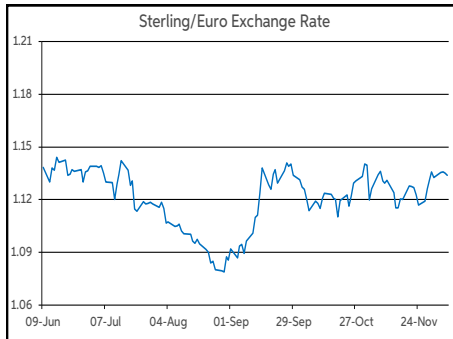
EUR/GBP	0.8817
EUR/USD	1.1791
EUR/JPY	132.76
EUR/SEK	9.952
EUR/DKK	7.4414
EUR/NOK	9.7802
EUR/CHF	1.1682
EUR/AUD	1.5647
EUR/HKD	9.2117
EUR/CAD	1.5109

Sterling

GBP/EUR	1.1337
GBP/USD	1.3372
GBP/CAD	1.7137
GBP/NZD	1.9541
GBP/JPY	150.54
GBP/SEK	11.286
GBP/DKK	8.4375
GBP/NOK	11.09
GBP/CHF	1.3244
GBP/AUD	1.7743

Dollar

USD/JPY	112.58
USD/CAD	1.2813
USD/CHF	0.9904
USD/CNY	6.6149
USD/BRL	3.2356
USD/RUB	59.2774
USD/INR	64.52
AUD/USD	0.7535
NZD/USD	0.6843



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 16
10 Year Yield %				
US	2.34	-1	+1	-11
Germany	0.30	-2	-3	+10
UK	1.23	-3	+2	-0
5 Year Swap %				
US	2.15	-5	+8	+19
Eurozone	0.17	-3	-2	+9
UK	1.08	-2	+5	+20
2 Year Swap %				
US	1.95	-5	+11	+50
Eurozone	-0.21	-4	-2	-5
UK	0.82	-2	+2	+22
10 Year Government Bond Spreads to Benchmark bps				
Ireland	16	+0	-3	-39
Belgium	19	+1	-4	-13
France	30	-0	-6	-17
Italy	141	+3	-0	-20
Spain	112	+4	-2	-5
Portugal	155	+0	-8	-198
Greece	444	+4	-25	-224

Commodities				
	Close	% Change		
		Day	4 Weeks	End 16
Brent Oil	61.22	-2.61	-3.58	+7.74
West Texas Oil	55.79	-3.24	-1.81	+3.80
CRB - All Commodity	184.72	-1.46	-3.74	-4.05
CRB - Food	343.78	-1.17	-1.78	+1.48
Gold \$	1264.0	-0.23	-1.38	+9.70

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