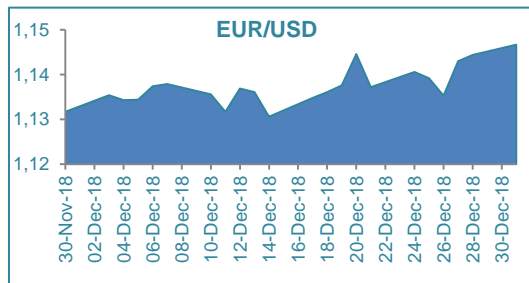


FX Monthly Update December 2018

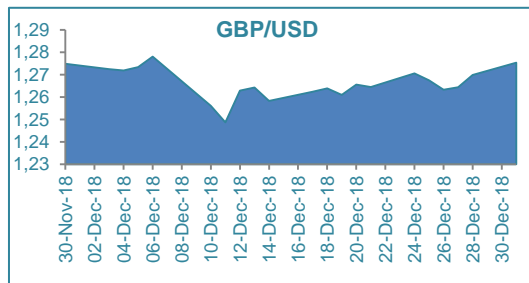
Currency	Month Close Price	1 Month Change %	30 Day High	30 Day Low
EUR/USD	1,1467	1,33%	1,1497	1,1267

The US dollar edged lower in December as US yields (a key driver of the dollars strength in 2018) fell sharply while geopolitical risks surrounding Italy's budget dispute with the EU receded. EUR/USD closed the month at the upper end of its recent trading range but still unable to break through key resistance at 1,15, which has capped the single currency since October.

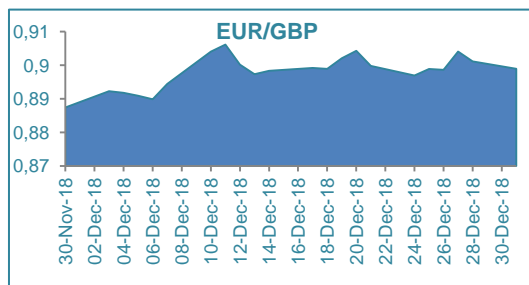


Currency	Month Close Price	1 Month Change %	30 Day High	30 Day Low
GBP/USD	1,2754	0,04%	1,2864	1,2441
EUR/GBP	0,8990	1,30%	0,9108	0,8811

GBP/USD initially sold-off as UK Prime Minister Theresa May lost three key Parliamentary votes related to Brexit and then postponed a vote on her Brexit deal, knowing full well that it would be defeated. However the weaker dollar environment lent support to Cable as it rallied from its lows to settle the month unchanged. UK final GDP q/q surprised to the upside coming in at 0,6% in the 3-months to September 2018.

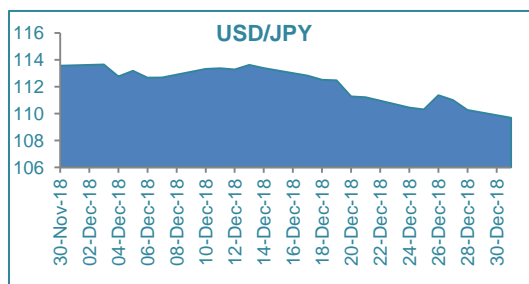


Sterling weakened vs. the Euro in December as UK domestic political troubles in the form of a "no confidence" vote for UK PM Theresa May outweighed European political woes (Italy budget, French protests). The Bank of England kept interest rates at 0,75% at its December meeting in a unanimous vote (9-0), seeing a fall in inflation below 2% due to a drop in oil prices.



Currency	Month Close Price	1 Month Change %	30 Day High	30 Day Low
USD/JPY	109,69	-3,42%	114,04	104,87

The yen was the best performing G-10 currency in December as the rout in global risk assets drove demand for safe-haven assets, sending USD/JPY below 110, a 6-month low. At the Bank of Japan's latest meeting the board decided in a 7-to-2 vote to remain steady on monetary policy, leaving yield curve control of the asset purchases unchanged, as Japan's economy is expanding moderately despite the downside risks.



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