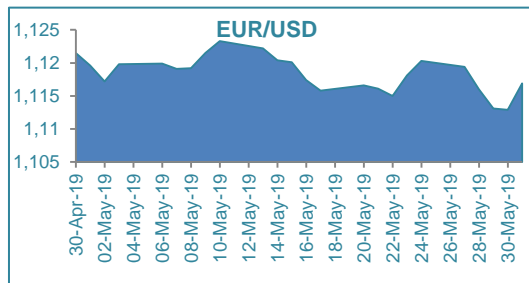


## FX Monthly Update May 2019

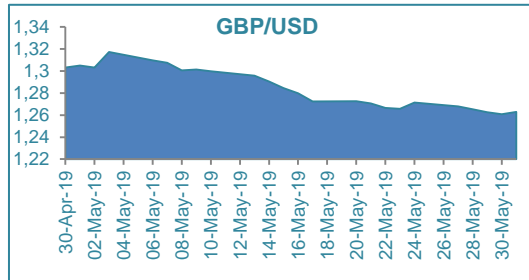
Currency	Month Close Price	1 Month Change %	30 Day High	30 Day Low
<b>EUR/USD</b>	<b>1,1169</b>	<b>-0,41%</b>	<b>1,1265</b>	<b>1,1107</b>

The Euro initially declined to 1,1107, a fresh 2-year low in May as the US dollar benefitted from safe-haven flows and the Fed minutes reiterating that the current low inflation environment is “transitory.” Further supporting the USD was the relative outperformance of US economic data over the Eurozone. US Non-Farm payrolls came in well-above estimates at 263k for April while EU business sentiment continued to deteriorate.

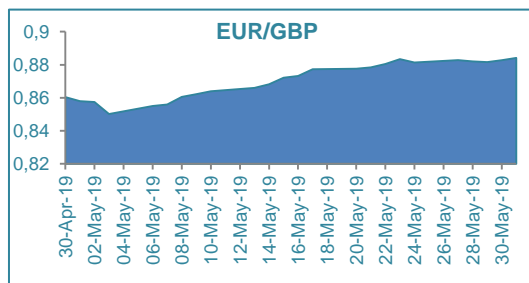


Currency	Month Close Price	1 Month Change %	30 Day High	30 Day Low
<b>GBP/USD</b>	<b>1,2629</b>	<b>-3,09%</b>	<b>1,3185</b>	<b>1,2559</b>
<b>EUR/GBP</b>	<b>0,8841</b>	<b>2,76%</b>	<b>0,8875</b>	<b>0,8490</b>

GBP/USD fell sharply during the month towards 1,25, its lowest level since early January, driven by political instability surrounding Brexit and PM Theresa May who eventually announced she was stepping down on June 7<sup>th</sup>. On the data front, the UK economy fared well as GDP grew by 0,5% in Q1, accelerating from a 0,2% expansion in the previous period and matching market forecasts.

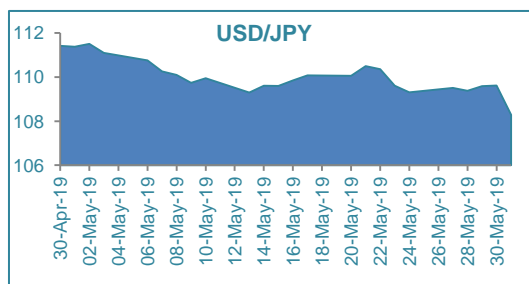


Sterling weakness due to Brexit and the Conservative leadership contest propelled the Euro to a 5-month high against the pound above 0,88. The FX market largely ignored Bank of England Governor Mark Carney’s warning that the bank was ready to raise rates by more than the market expected.



Currency	Month Close Price	1 Month Change %	30 Day High	30 Day Low
<b>USD/JPY</b>	<b>108,29</b>	<b>-2,81%</b>	<b>112,40</b>	<b>108,07</b>

The yen was the biggest beneficiary of the risk-off environment due to escalating trade tensions between the US and China as it strengthened across the board in May. Dollar yen posted its biggest 1-month drop (-2,81%) since December 2018 as investors searched for a refuge from risk-assets. Meanwhile, Bank of Japan (BoJ) Governor Kuroda commented that the Bank is carefully watching the impact of FX rates on the economy.



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