

This is the day that is...

Monday 23 July 2018

Global bond yields added around five basis points in ten years on Friday, erasing a move lower seen throughout the week. There are mounting concerns that recent conflicts over trade, led by the US, are going to breakout into all out war and the weekend's G20 finance ministers' gathering in Argentina did nothing to alleviate those fears. The communique included reference to trade tensions this time around, something that was missing in March.

The MPC's Tenreyro said in the Evening Standard on Friday that although she thinks the Q1 dip in growth was temporary, she will be watching "very closely the data we have in the coming weeks", which suggests to us that she is not ready to pull the rate rise trigger next week. Broadbent speaks today and he will be strutting his hawkish stuff.

The UK media was full of plot and sub-plot regarding Brexit and the leadership of the Conservative Party at the weekend as MPs begin their summer recess. The PM herself is sending a message to the EU this morning to "get on with it" in relation to a trade agreement.

There is no economic data due from the UK today.

The Treasury bill market took today's gilt maturity in its stride at Friday's tender. We saw good demand and all but the more speculative of bids got their stock. In CDs we saw buying of one year UK named stock.

Have a good day.

Sterling Interest Rates

Cash Deposit Bid Prices				IRS Mid Prices			
				6mths	3mths		
O/night	0.450 %	SONIA fix	0.4564	Gilt repo	2 Year	1.050 %	0.980 %
1 Week	0.450 %			O/N GC	3 Year	1.140 %	1.070 %
2 Weeks	0.450 %			0.46/0.45	4 Year	1.220 %	1.140 %
1 Month	0.550 %	1M LIBOR	0.59438	Specials	5 Year	1.290 %	1.200 %
2 Months	0.600 %				10 Year	1.500 %	1.410 %
3 Months	0.700 %	3M LIBOR	0.75888		15 Year	1.590 %	1.510 %
6 Months	0.800 %	6M LIBOR	0.86213		25 Year	1.610 %	1.540 %
9 Months	0.860 %				30 Year	1.590 %	1.520 %
1 Year	0.940 %	1Y LIBOR	1.01050				

**Matched principal dealing in gilts, CDs, T-bills, FRNs and bonds.
A quick, efficient service allowing you to deal on the finest prices.
Repo and derivative prices on request.
Custody facilities available - ask for details.**

Marc Dodd 020 7929 8483 Dave Price 020 7929 8485

Local Authority Team

Paul Turner 020 7929 8529

Robert Den Hollander 020 7929 8524 Patrick McFann 020 7929 8525

Jack Hall 020 7929 8527 Alison Hepper 020 7929 8480

Crest 7382 Euroclear 10082 / Custody: Crest ONKAV Euroclear 18451

The information used here is obtained from sources that we consider to be reliable but its accuracy and completeness cannot be guaranteed. The opinions and conclusions contained are those of King Shaxson Limited. ("KS"), and are subject to change without notice. No responsibility is taken for any losses, including any consequential loss, which may be incurred by acting upon such recommendations or information.

Whilst all reasonable care has been taken to ensure that the facts stated herein are accurate and that the forecasts opinions and expectations contained herein are fair and reasonable, neither the author nor KS has verified the information contained herein and accordingly none of the author, KS nor any of their respective directors, officers or employees makes any representation or warranty, express or implied as to the accuracy or completeness of the information or opinions contained herein and shall not be in any way responsible or liable for the contents hereof and no reliance should be placed on the accuracy, fairness or completeness of the information contained in this document. No person accepts any liability whatsoever for any loss howsoever arising from any use of this document or its contents or otherwise arising in connection therewith. Nothing in this paragraph shall exclude liability for any representations or warranties made fraudulently. The material does not attempt to describe all the economic, political, competitive and other factors that underlie any estimates, forecasts, or opinions, or potential changes that could affect the assumptions on which these estimates, forecasts and opinions are based. KS makes no representation that the information is current. In particular, but without limiting the preceding sentence, statements of fact or opinion regarding securities, investments, financial products, companies, markets, territories or particular circumstances may not be up-to-date or may not represent the current opinion of KS.

Any opinions, forecasts or estimates herein constitute a judgment as at the date of this report. There can be no assurance that future results or events will be consistent with any such opinions, forecasts or estimates. This information is subject to change without notice. It may be incomplete or condensed and it may not contain all material information concerning the Company.

This document does not constitute or form part of and should not be construed as any offer for sale or purchase of (or solicitation of or invitation to make any offer to buy or sell) any securities nor shall it or any part of it form the basis of or be relied on in connection with any contract or commitment whatsoever. The information contained in this transmission is legally privileged and confidential information intended only for the use of the individual or entity named above. If the reader of this message is not the intended recipient you are hereby notified that any dissemination, distribution or copy of this facsimile or any parts of it is strictly prohibited. If you have received this facsimile in error, please notify us immediately by telephone +44 (0)20 7426 5950 and speak to Compliance).

Group Information:

PhillipCapital UK Ltd (Company Number: 2863591) and King Shaxson Limited (Company Number: 869780), a member of the London Stock Exchange, are companies registered in England and are a part of the PhillipCapital Group. The Registered Office for both companies is 6th Floor, Candlewick House, 120 Cannon Street, London, EC4N 6AS.

PhillipCapital UK Ltd (Firm Reference Number: 169760) and King Shaxson Limited (Firm Reference Number: 179213) are Authorised and Regulated by the Financial Conduct Authority, 25 The North Colonnade, Canary Wharf, London, E14 5HS.