

Cautious mood prevails

There was a generally cautious mood to the proceedings on financial markets yesterday. Despite the recent encouraging vaccine newsflow, rising Covid-19 numbers and increasing restrictions mean that near term challenges remain. In Europe, the Euro Stoxx 50 fell by 0.9%. Meanwhile, at the close on Wall Street last night, the S&P 500 was up modestly on the day (+0.4%).

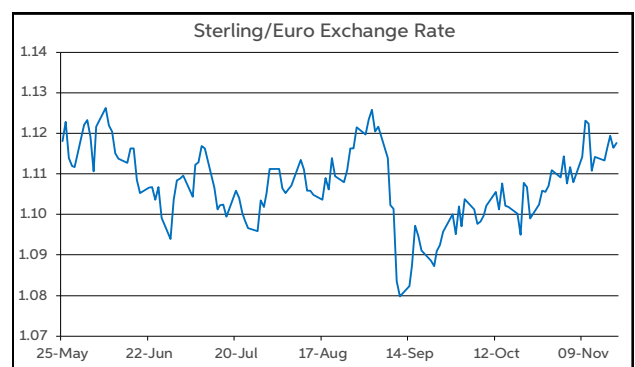
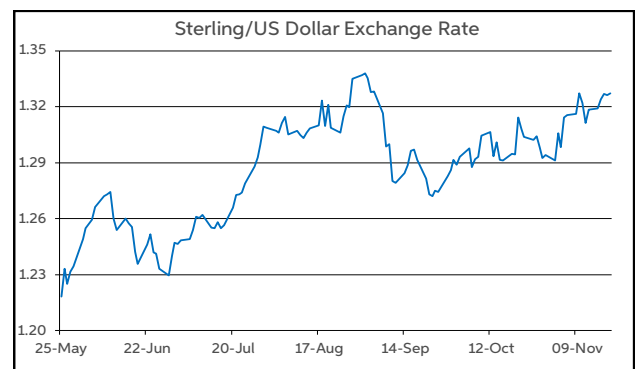
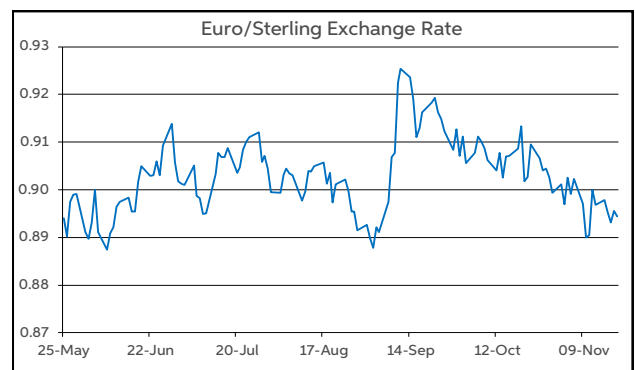
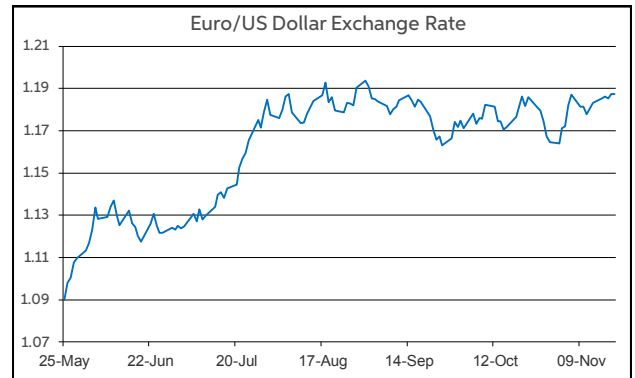
On the currency front, the action was once again confined to very tight ranges. Data-wise, while the US calendar was relatively busy yesterday, none of the releases had any significant influence on the dollar. In terms of the US macro news, it was a bit of a mixed bag. Existing home sales (Oct) printed ahead of expectations, as did the regional Philly Fed survey (Nov). Meanwhile the latest weekly initial jobless claims number disappointed versus forecasts.

Elsewhere, both the Eurozone and UK data schedules were very sparse yesterday. Earlier this morning though we did get UK retail sales figures for October. The report was better than expected, however, initial sterling reaction to the news has been muted. Meanwhile, there have been no major developments from the on-going trade talks between the EU and UK over the last 24 hours.

So as trading gets underway this morning, the main FX pairs are at levels very similar to yesterday's open. EUR/GBP continues to operate near to the midpoint of 89-90p. EUR/USD has edged slightly higher but remains confined within the \$1.18-1.19 band.

Looking ahead to today, there is a quiet macro schedule to end the week. Therefore, barring any major EU-UK trade talk developments, the main pairs may remain range bound heading into the weekend.

John Fahey, Senior Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2019
EUR/USD	1.1875	0.22	5.93
EUR/GBP	0.8944	-0.09	5.80
GBP/USD	1.3277	0.32	0.14
GBP/EUR	1.118	0.09	-5.48
USD/JPY	103.8	0.03	-4.43
EUR/JPY	123.26	0.24	1.17

* v Previous Day's European Open

See Next Page for More Rates

Opening Interest Rates						
	Base Rate	Money Market		Swap Rates		
		1-Mth	3-Mth	1-Yr	2-Yr	5-Yr
USD	0.125	0.15	0.21	0.19	0.26	0.45
EUR	0.00	-0.55	-0.53	-0.53	-0.52	-0.45
GBP	0.10	0.04	0.05	0.04	0.09	0.26

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

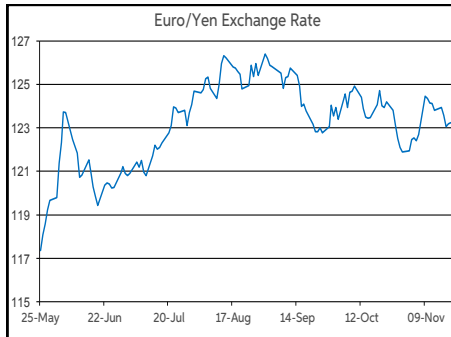
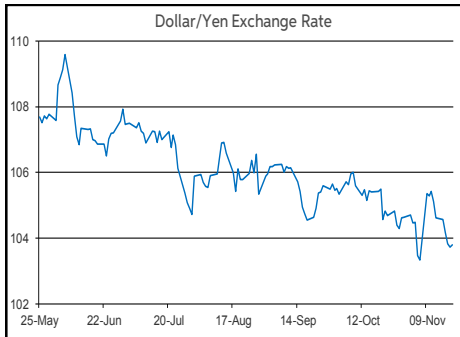
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Opening Levels

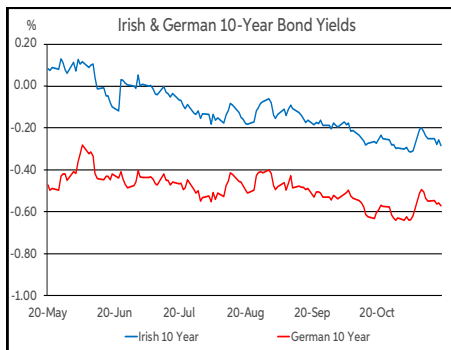
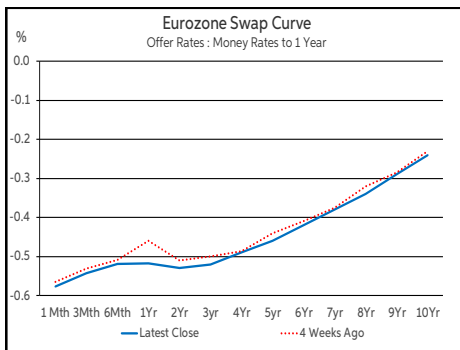
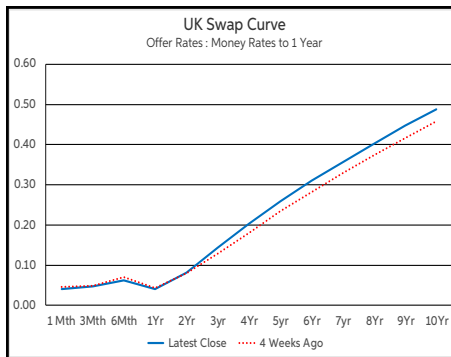
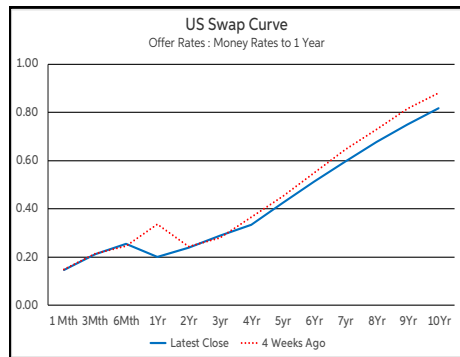
Friday 20 November 2020
07:17 am



Euro		Sterling		Dollar	
EUR/GBP	0.8941	GBP/EUR	1.1178	USD/JPY	103.8
EUR/USD	1.1875	GBP/USD	1.3277	USD/CAD	1.3072
EUR/JPY	123.25	GBP/CAD	1.7354	USD/CHF	0.9102
EUR/SEK	10.2083	GBP/NZD	1.9167	USD/CNY	6.5714
EUR/DKK	7.4516	GBP/JPY	137.82	USD/BRL	5.3054
EUR/NOK	10.6813	GBP/SEK	11.4087	USD/RUB	75.9374
EUR/CHF	1.081	GBP/DKK	8.3299	USD/INR	74.14
EUR/AUD	1.6279	GBP/NOK	11.942	AUD/USD	0.7292
EUR/HKD	9.2046	GBP/CHF	1.2085	NZD/USD	0.6924
EUR/CAD	1.5522	GBP/AUD	1.8206		



Debt Markets				
	Close	Day	4 Weeks	End 19
10 Year Yield %				
US	0.84	-3	-2	-108
Germany	-0.57	-1	-0	-38
UK	0.33	-1	+4	-50
Ireland	-0.24	-1	-6	-36
Belgium	-0.38	-1	-5	-47
France	-0.33	-1	-5	-46
Italy	0.61	-1	-19	-82
Spain	0.07	-1	-15	-40
Portugal	0.04	-1	-17	-41
Greece	0.71	+3	-23	-75
5 Year Swap %				
US	0.43	-1	+0	-128
Eurozone	-0.46	-1	-1	-34
UK	0.26	-1	+3	-62
2 Year Swap %				
US	0.24	-1	+2	-142
Eurozone	-0.53	-1	-1	-23
UK	0.08	-0	+1	-71
10 Year Government Bond Spreads to Benchmark bps				
Ireland	33	+1	-5	+2
Belgium	19	+1	-5	-9
France	23	+0	-5	-7
Italy	118	+1	-19	-44
Spain	64	+1	-15	-1
Portugal	61	+0	-16	-2
Greece	128	+5	-23	-37



Commodities				
	Close	Day	4 Weeks	End 19
Brent Oil	44.2	-0.32	+4.10	-33.03
West Texas Oil	41.57	-0.17	+2.74	-32.01
Gold \$	1867.4	-0.22	-1.93	+23.10

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