

Improvement in sentiment

Investor sentiment experienced a more upbeat tone to start the week yesterday. Risk appetite was supported by some positive newsflow in relation to the Coronavirus. This included signs that some key Eurozone economies are seeing a slower pace of increase in new infections and deaths. Meanwhile, Austria yesterday became the first Eurozone country to announce a schedule for the removal of restrictions post-Easter.

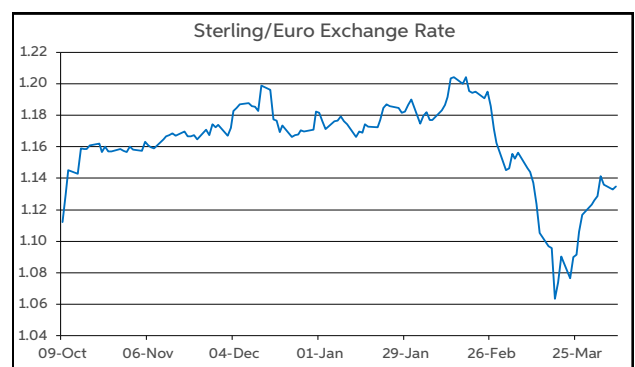
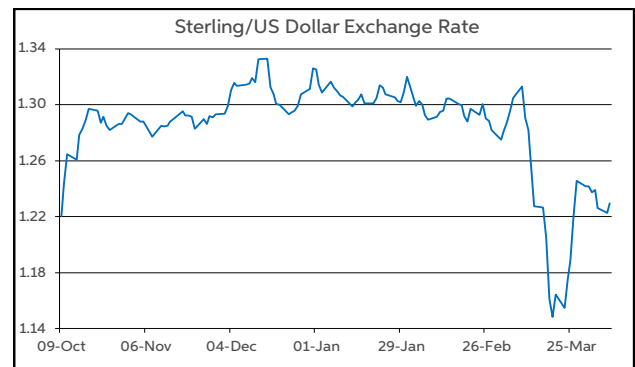
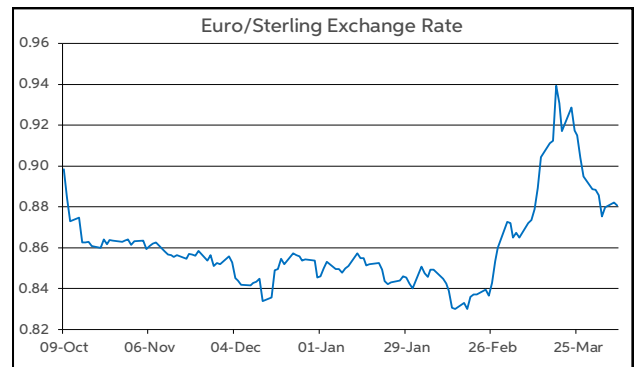
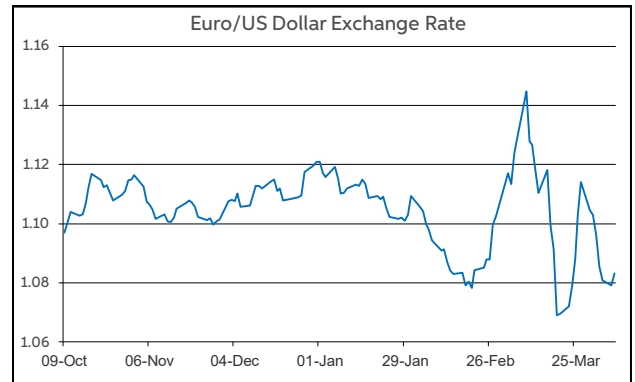
The firmer tone to sentiment was evident in the strong performance of the main global equity indices. The Euro Stoxx 50 registered a 5% gain. Meanwhile, at the closing bell on Wall Street last night, the S&P 500 was up 7% on the day. This 'risk on' mood has continued overnight, with the Nikkei up 2% during Asia trading.

Meanwhile, on the currency front, the action has been more muted over the past 24 hours. The euro has managed to stabilise, having steadily lost ground over the course of last week. At the same time, sterling has edged slightly higher versus the euro and the dollar since yesterday's open.

In level terms, EUR/GBP starts this morning at the 88p mark, reflecting the slightly firmer tone to sterling. Meanwhile, EUR/USD remains in the lower half of \$1.08-1.09. Elsewhere, cable (GBP/USD) has edged up towards the \$1.23 level.

Looking ahead to today, while risk appetite has improved, sentiment still remains vulnerable in the still highly uncertain environment. In terms of scheduled events, the Eurozone Finance Minister's meeting, which is due to discuss debt financing to mitigate the impact of the coronavirus, will be closely followed by markets.

John Fahey, Senior Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2019
EUR/USD	1.0833	0.18	-3.36
EUR/GBP	0.8806	-0.45	4.16
GBP/USD	1.2298	0.63	-7.25
GBP/EUR	1.1348	0.45	-4.00
USD/JPY	108.92	0.00	0.29
EUR/JPY	117.99	0.17	-3.15

* v Previous Day's European Open

See Next Page for More Rates

Opening Interest Rates						
Base Rate	Short Term			Long Term		
	1-Mth	3-Mth	12-Mth	2-Yr	5-Yr	
USD	0.125	0.92	1.35	1.04	0.53	0.61
EUR	0.00	-0.44	-0.34	-0.15	-0.26	-0.20
GBP	0.10	0.23	0.65	0.83	0.49	0.51

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

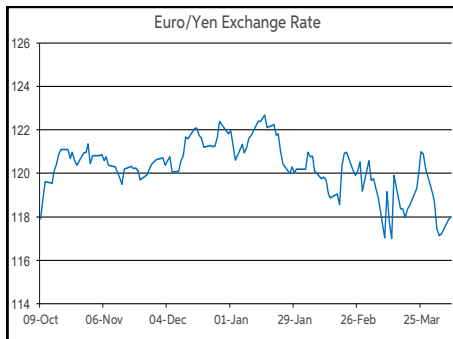
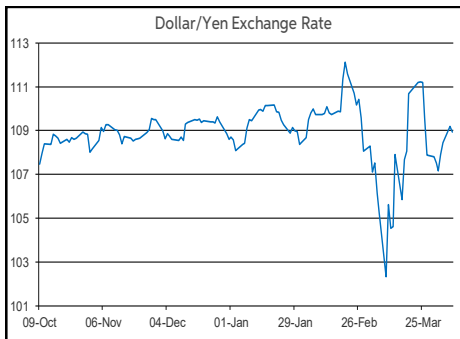
FX Spot	Karl Cooke Shane Gargan Enda Homan	FX Options	Mark Tuite	Reuters Phone	AIBG.I 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
		Equity Options	Gary Luff				

Opening Levels

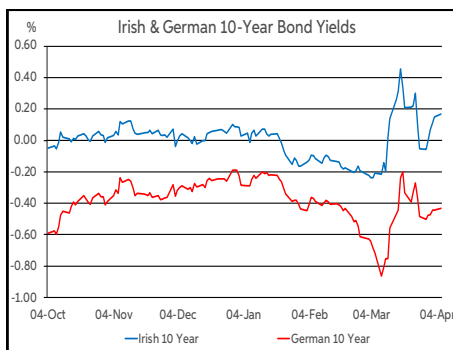
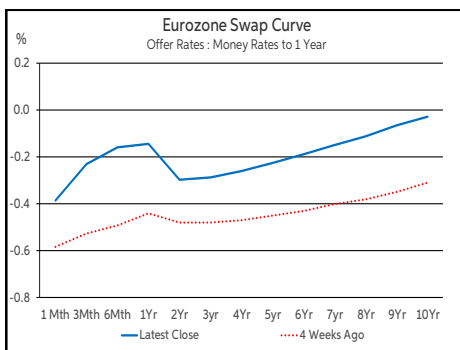
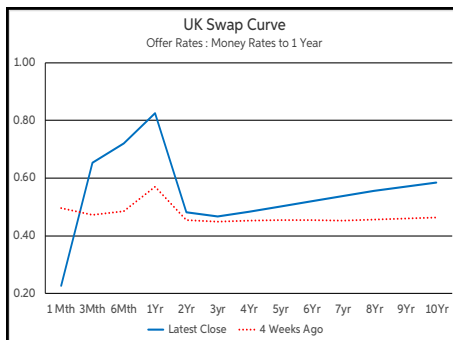
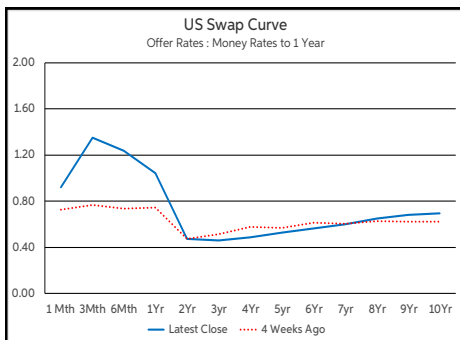
Tuesday 07 April 2020
07:21 am



Euro		Sterling		Dollar	
EUR/GBP	0.8806	GBP/EUR	1.1348	USD/JPY	108.92
EUR/USD	1.0833	GBP/USD	1.2298	USD/CAD	1.4038
EUR/JPY	117.99	GBP/CAD	1.7271	USD/CHF	0.9759
EUR/SEK	10.885	GBP/NZD	2.0509	USD/CNY	7.0688
EUR/DKK	7.466	GBP/JPY	133.95	USD/BRL	5.2859
EUR/NOK	11.156	GBP/SEK	12.3548	USD/RUB	75.4758
EUR/CHF	1.0573	GBP/DKK	8.4744	USD/INR	75.82
EUR/AUD	1.7573	GBP/NOK	12.6667	AUD/USD	0.6163
EUR/HKD	8.3971	GBP/CHF	1.2002	NZD/USD	0.5993
EUR/CAD	1.5212	GBP/AUD	1.9948		



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 19
10 Year Yield %				
US	0.68	+8	+12	-124
Germany	-0.43	+1	+43	-24
UK	0.33	+2	+18	-49
Ireland	0.17	+2	+38	+8
Belgium	0.12	+0	+45	+4
France	0.05	-1	+44	-7
Italy	1.47	-4	+8	+10
Spain	0.71	-2	+45	+25
Portugal	0.80	-1	+49	+38
Greece	1.83	-2	+1	+43
5 Year Swap %				
US	0.53	+0	-4	-119
Eurozone	-0.23	+1	+22	-11
UK	0.50	+0	+5	-39
2 Year Swap %				
US	0.47	+0	-0	-123
Eurozone	-0.30	+0	+18	-1
UK	0.48	+0	+3	-33
10 Year Government Bond Spreads to Benchmark bps				
Ireland	60	+1	-5	+32
Belgium	55	-1	+2	+28
France	48	-2	+1	+17
Italy	190	-6	-35	+34
Spain	114	-3	+2	+50
Portugal	124	-3	+6	+63
Greece	227	-4	-42	+67



Commodities				
	% Change			
	Close	Day	4 Weeks	End 19
Brent Oil	33.05	-3.11	-3.81	-49.92
West Texas Oil	26.21	-7.58	-15.59	-57.13
Gold \$	1664.3	+2.71	-0.98	+9.65

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