

Limited FX action recently

Mood swings remained a feature of market sentiment last week. Better than expected data helped to provide some support to risk appetite. However, concerns regarding renewed Covid outbreaks in the US, came to the fore. As a result, the main equity indices registered weekly losses.

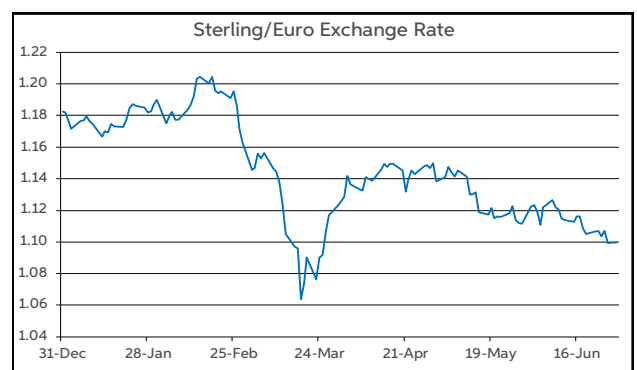
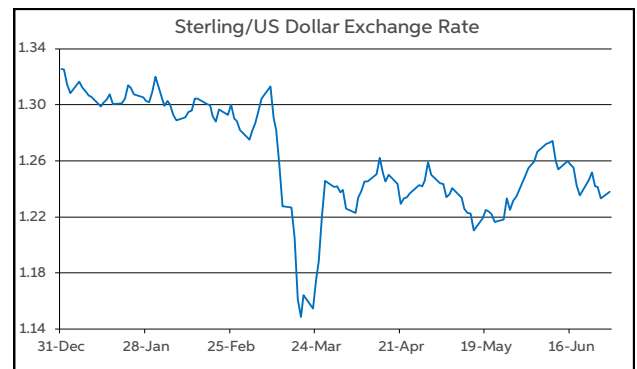
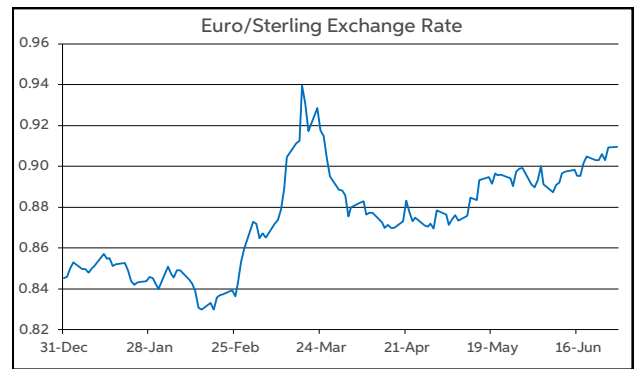
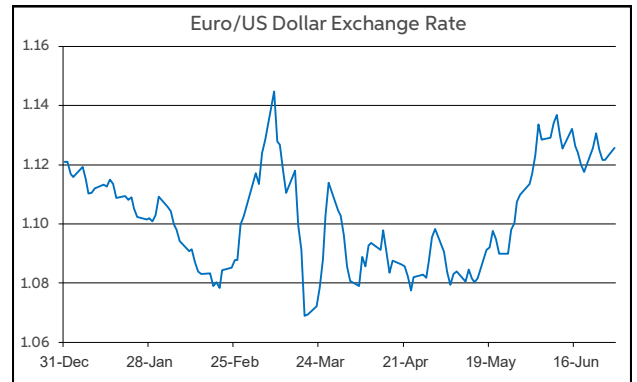
From a currency viewpoint, the action was contained within relatively narrow trading ranges last week. The limited moves to register saw the dollar and the euro at times react to the aforementioned shifts in risk appetite.

Overall, the euro starts this week showing some modest gains compared to the previous Monday. This is reflected in EUR/USD opening this morning in the upper half of \$1.12-1.13. Meanwhile, EUR/GBP is changing hands up close to the 91p threshold. Elsewhere, GBP/USD opens below the \$1.24 mark.

For the dollar, the main focus this week will be on the June payrolls number. In May, payrolls surprised very much to the upside of expectations (+2.5m vs f'cast for -8m). The consensus for June is for a gain of 3m. From a sterling perspective, the resumption of the trade talks with the EU is the main highlight. Although, no breakthrough in negotiations is anticipated this week. Meanwhile, a generally uninspiring Eurozone macro diary means there is limited scope for it to impact the euro.

Overall then, if we get any directional moves on the currency front, the origin of this may stem from the ebb and flow in investor sentiment. This in turn is likely to remain reactive to Covid-19 related newsflow.

John Fahey, Senior Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2019
EUR/USD	1.1261	0.36	0.45
EUR/GBP	0.9096	0.75	7.59
GBP/USD	1.238	-0.40	-6.63
GBP/EUR	1.099	-0.75	-7.06
USD/JPY	107.09	0.02	-1.40
EUR/JPY	120.6	0.36	-1.01

* 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	0.18	0.31	0.26	0.26	0.35
EUR	0.00	-0.50	-0.40	-0.36	-0.37	-0.34
GBP	0.10	0.09	0.14	0.25	0.21	0.25

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

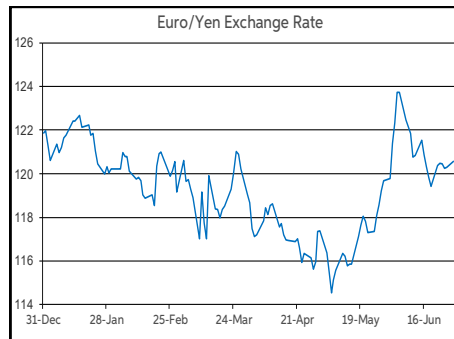
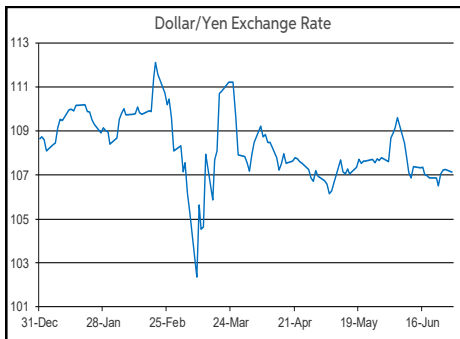
FX Spot	Karl Cooke Shane Gargan Enda Homan	FX Options	Mark Tuite	Reuters Phone	AIBG.I 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
		Equity Options	Gary Luff				

Opening Levels

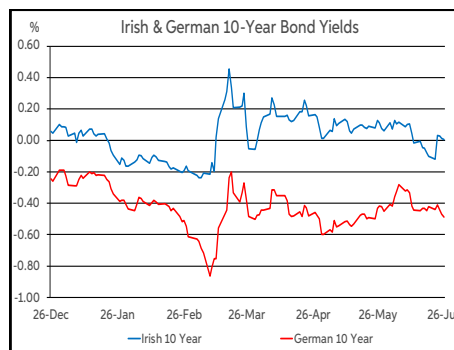
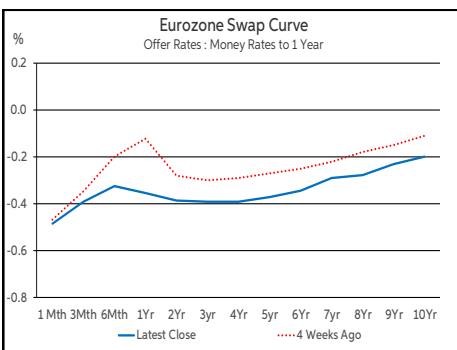
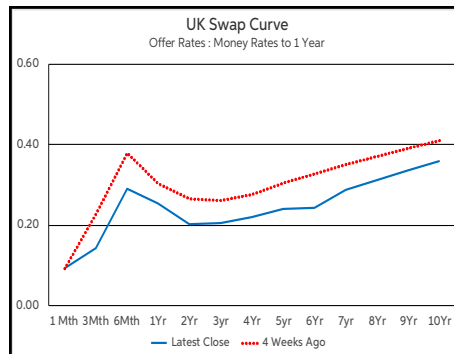
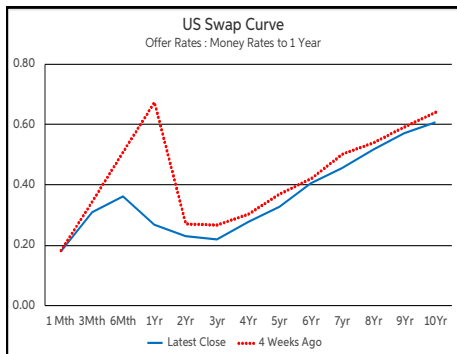
Monday 29 June 2020
07:24 am



Euro		Sterling		Dollar	
EUR/GBP	0.9096	GBP/EUR	1.099	USD/JPY	107.09
EUR/USD	1.1261	GBP/USD	1.238	USD/CAD	1.3654
EUR/JPY	120.6	GBP/CAD	1.6904	USD/CHF	0.9461
EUR/SEK	10.4558	GBP/NZD	1.9231	USD/CNY	7.0765
EUR/DKK	7.4539	GBP/JPY	132.58	USD/BRL	5.484
EUR/NOK	10.8777	GBP/SEK	11.4958	USD/RUB	69.737
EUR/CHF	1.0655	GBP/DKK	8.1921	USD/INR	75.575
EUR/AUD	1.6359	GBP/NOK	11.9603	AUD/USD	0.6884
EUR/HKD	8.7285	GBP/CHF	1.1713	NZD/USD	0.6434
EUR/CAD	1.5377	GBP/AUD	1.7986		



Debt Markets				
	Close	Day	4 Weeks	End 19
10 Year Yield %				
US	0.64	-4	-1	-128
Germany	-0.48	-2	-3	-29
UK	0.17	+2	-1	-65
5 Year Swap %				
US	0.33	-2	-1	-138
Eurozone	-0.37	-2	-9	-25
UK	0.24	+0	-5	-64
2 Year Swap %				
US	0.23	-2	-0	-143
Eurozone	-0.39	-1	-10	-9
UK	0.20	-1	-5	-59
10 Year Government Bond Spreads to Benchmark bps				
Ireland	51	+1	-5	+20
Belgium	34	+1	-10	+5
France	36	+1	-2	+5
Italy	185	+2	-9	+24
Spain	95	+2	-7	+30
Portugal	95	+2	-2	+32
Greece	176	-1	-20	+12



Commodities				
	Close	Day	4 Weeks	End 19
Brent Oil	41.02	-0.07	+16.11	-37.85
West Texas Oil	38.53	-0.34	+8.32	-36.98
Gold \$	1770.6	+0.52	+2.57	+16.72

This publication is for information purposes and is not an invitation to deal. The information is believed to be reliable but is not guaranteed. Any expressions of opinions are subject to change without notice. This publication is not to be reproduced in whole or in part without prior permission. In the Republic of Ireland it is distributed by Allied Irish Banks, p.l.c. In the UK it is distributed by Allied Irish Banks, p.l.c. and Allied Irish Bank (GB). In Northern Ireland it is distributed by First Trust Bank. In the United States of America it is distributed by Allied Irish Banks, p.l.c. Allied Irish Banks, p.l.c. is regulated by the Central Bank of Ireland. Allied Irish Bank (GB) and First Trust Bank are trade marks used under licence by AIB Group (UK) p.l.c. (a wholly owned subsidiary of Allied Irish Banks, p.l.c.), incorporated in Northern Ireland. Registered Office 92 Ann Street, Belfast BT1 3HH. Registered Number NI018800. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. In the United States of America, Allied Irish Banks, p.l.c., New York Branch, is a branch licensed by the New York State Department of Financial Services. Deposits and other investment products are not FDIC insured, they are not guaranteed by any bank and they may lose value. Please note that telephone calls may be recorded in line with market practice.