

US equities recover ground despite abysmal data

Yesterday, US weekly jobless claims figures provided the first evidence of the extent of the damage the coronavirus is having on the labour market. Claims soared from 300k to an unprecedented 3.3m. The previous record was 695k in 1982.

Despite the abysmal data, US equities rallied yesterday, with the S&P 500 finishing the session up 6.2%. The index has gained over 17% in the past three days. The sizeable fiscal and monetary measures taken by the Fed and the US government appear to be supporting sentiment for now.

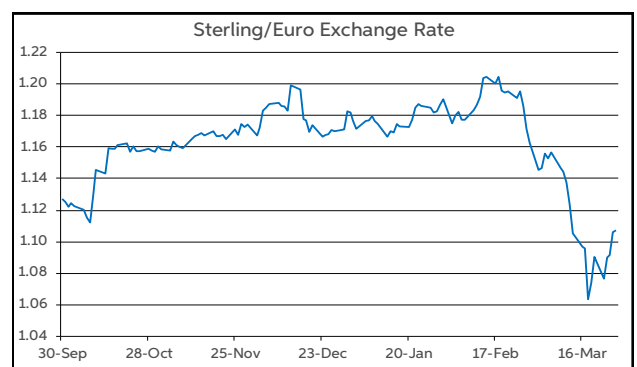
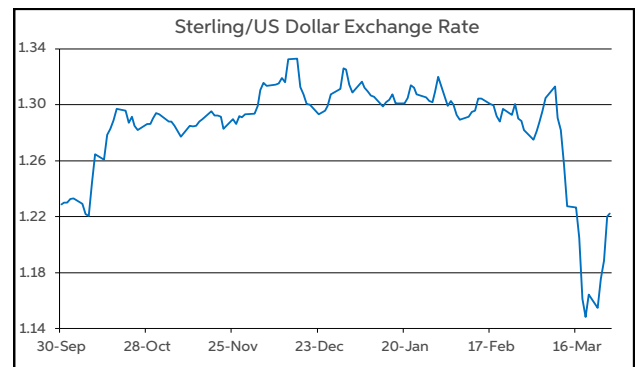
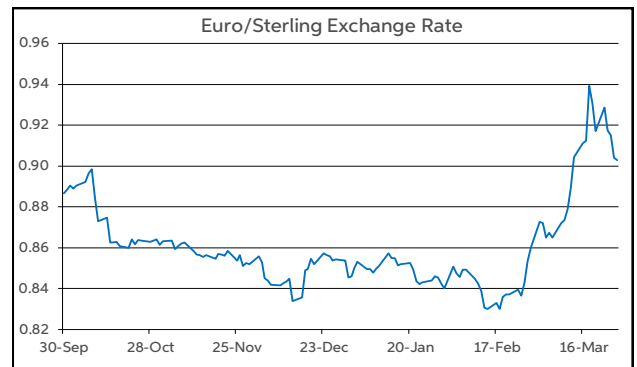
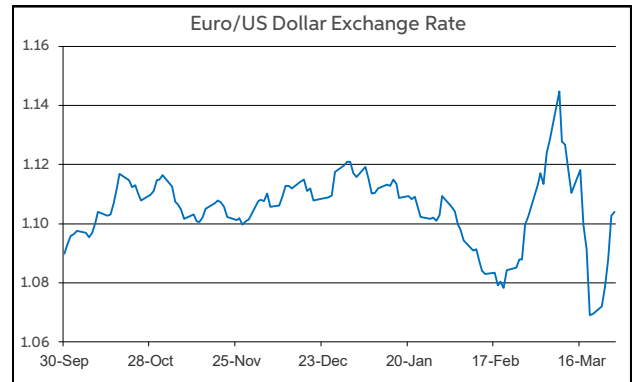
Currency-wise, sterling made good gains yesterday. The currency may have been aided by the generally firmer tone to risk appetite yesterday. It was little impacted by the BoE's policy meeting, with the central bank refraining from taking any further easing measures, but signalling a willingness to do more if necessary.

The support for sterling sees EUR/GBP open back down near the 90p level. At the same time, dollar weakness, coinciding with the less risk averse tone on markets, has seen GBP/USD move up above \$1.22. Meantime, EUR/USD is trading up at \$1.105.

On fixed income markets, yields have fallen sharply in the Eurozone over the past 24 hours. Periphery bonds have outperformed, aided by the ECB's announcement that it will not apply its self-imposed purchase limits in its latest round of QE.

Today, attention will remain centred on coronavirus related developments. Of particular interest will be whether the improvement in risk appetite remains in place, with Asia-Pacific markets having moved higher again overnight.

Conor Beakey, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2019
EUR/USD	1.1046	1.27	-1.46
EUR/GBP	0.9031	-1.86	6.83
GBP/USD	1.223	3.23	-7.76
GBP/EUR	1.1064	1.89	-6.39
USD/JPY	108.61	-1.82	0.00
EUR/JPY	119.98	-0.57	-1.52

* 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	0.94	1.37	0.97	0.52	0.55
EUR	0.00	-0.46	-0.37	-0.18	-0.30	-0.18
GBP	0.10	0.25	0.55	0.84	0.48	0.53

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

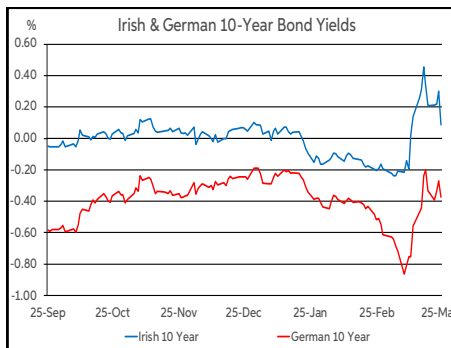
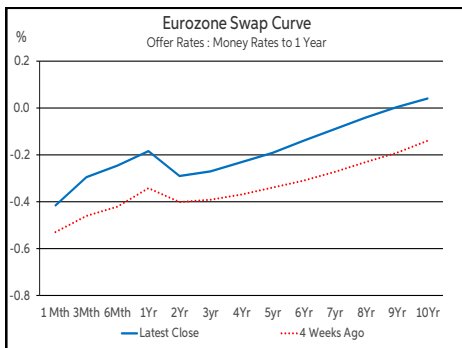
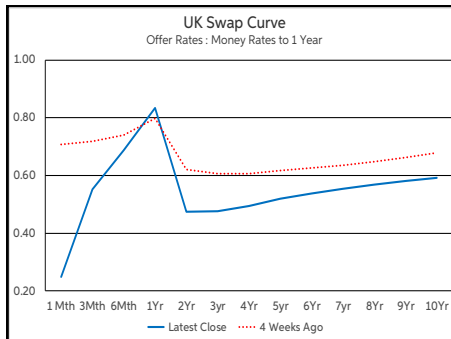
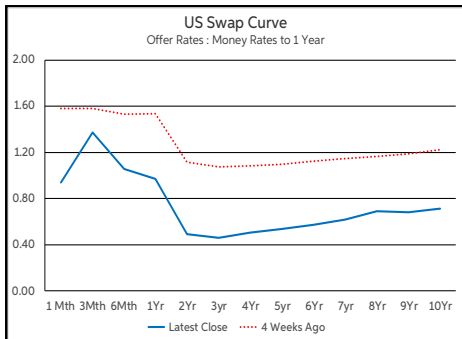
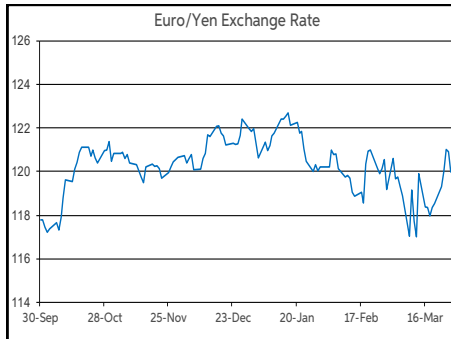
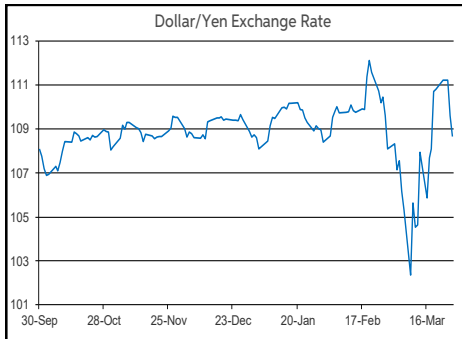
FX Spot	Karl Cooke Shane Gargan Enda Homan	FX Options	Mark Tuite	Reuters Phone	AIBG.I 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
		Equity Options	Gary Luff				

Opening Levels

Friday 27 March 2020
07:12 am



Euro		Sterling		Dollar	
EUR/GBP	0.9031	GBP/EUR	1.1064	USD/JPY	108.61
EUR/USD	1.1046	GBP/USD	1.223	USD/CAD	1.4036
EUR/JPY	119.98	GBP/CAD	1.7167	USD/CHF	0.9614
EUR/SEK	10.968	GBP/NZD	2.0538	USD/CNY	7.0693
EUR/DKK	7.4658	GBP/JPY	132.83	USD/BRL	5.0225
EUR/NOK	11.581	GBP/SEK	12.1207	USD/RUB	77.6947
EUR/CHF	1.0621	GBP/DKK	8.263	USD/INR	74.795
EUR/AUD	1.8145	GBP/NOK	12.8123	AUD/USD	0.6087
EUR/HKD	8.5602	GBP/CHF	1.1759	NZD/USD	0.5952
EUR/CAD	1.5505	GBP/AUD	2.0089		



Debt Markets				
	Close	Day	4 Weeks	End 19
10 Year Yield %				
US	0.84	-2	-43	-107
Germany	-0.37	-10	+18	-18
UK	0.39	-5	-7	-43
5 Year Swap %				
US	0.54	-9	-56	-117
Eurozone	-0.19	-7	+15	-7
UK	0.52	-2	-10	-37
2 Year Swap %				
US	0.49	-4	-62	-121
Eurozone	-0.29	-2	+11	+0
UK	0.47	-2	-15	-33
10 Year Government Bond Spreads to Benchmark bps				
Ireland	46	-11	+7	+18
Belgium	42	-10	+7	+15
France	38	-9	+10	+7
Italy	156	-22	-4	+0
Spain	91	-21	+7	+27
Portugal	103	-22	+18	+42
Greece	187	-67	+15	+28

Commodities				
	Close	Day	4 Weeks	End 19
Brent Oil	26.34	-3.83	-49.52	-60.09
West Texas Oil	16.6	-20.00	-64.81	-72.85
Gold \$	1635.8	+1.33	-0.42	+7.78

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