

Gains for equities; Chinese data rebound

There was a modest improvement in risk appetite evident on financial markets yesterday. This was reflected in the main equity indices finishing the session up between 1-3%. The gains were largest in the US, despite President Trump announcing the restrictions aimed at curtailing the spread of the coronavirus would be extended until the end of April.

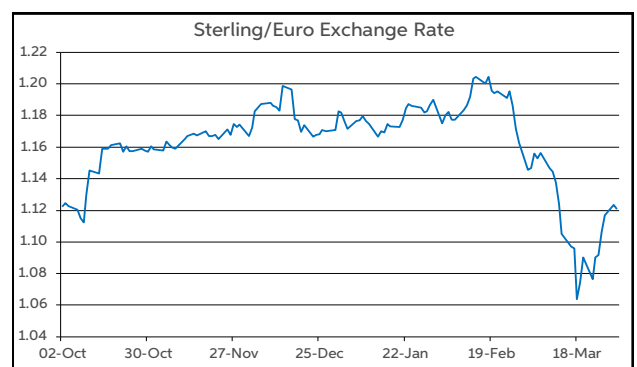
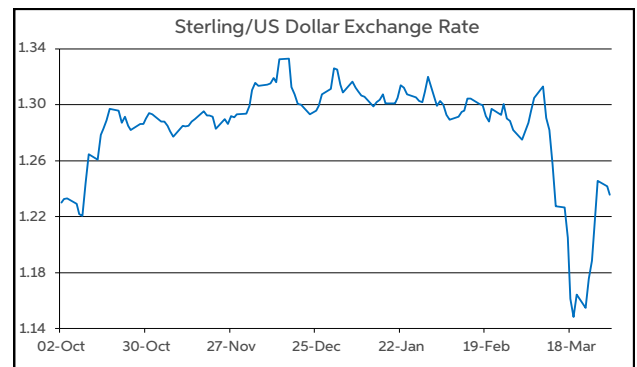
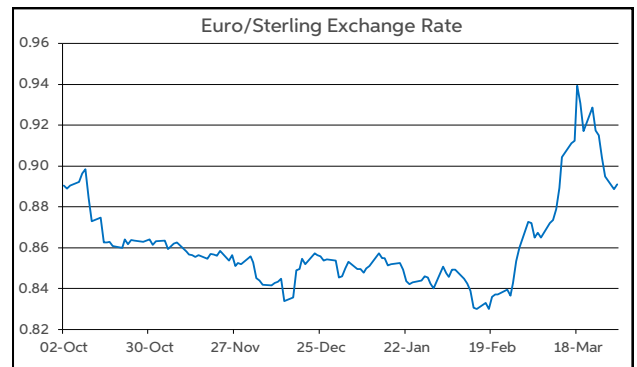
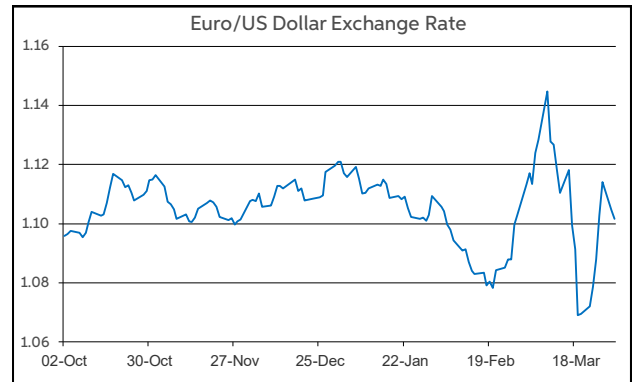
FX-wise, the action was relatively muted, with the main pairs largely confined to relatively narrow trading ranges. The euro softened slightly, while the dollar has adopted a very modestly firmer tone. Meantime, sterling stabilised yesterday after a number of volatile days of trading last week.

All of the above is reflected in EUR/USD opening this morning in the lower half of the \$1.10-1.11 range, while EUR/GBP is changing hands down at the 89p threshold. At the same time, cable (GBP/USD) is operating at the midpoint of the \$1.23-1.24 band.

Elsewhere on financial markets, despite the less risk averse tone, oil prices fell sharply on demand concerns. Brent crude dropped to below \$23, its lowest level since 2002. With regard to bond market action, Italian spreads widened yesterday as tensions rose between the EU and Italy over fiscal support measures.

Today, it will interesting to see if the calmer tone on markets remains in place. In overnight news, Chinese PMIs for March rebounded sharply as coronavirus related restrictions were removed. Notably, both the manufacturing and non-manufacturing PMIs returned to positive territory from historic lows. In terms of other macro data, the Conference Board consumer confidence index in the US will today show sentiment plummeted in March.

Conor Beakey, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2019
EUR/USD	1.1017	-0.56	-1.72
EUR/GBP	0.8913	-0.28	5.43
GBP/USD	1.2355	-0.30	-6.82
GBP/EUR	1.1211	0.28	-5.15
USD/JPY	108.13	0.49	-0.44
EUR/JPY	119.13	-0.08	-2.22

* 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	0.98	1.43	1.01	0.51	0.52
EUR	0.00	-0.44	-0.35	-0.15	-0.32	-0.24
GBP	0.10	0.25	0.57	0.86	0.51	0.53

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

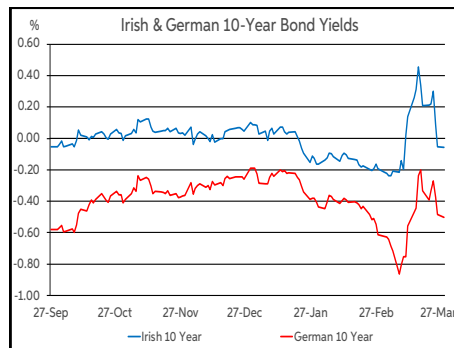
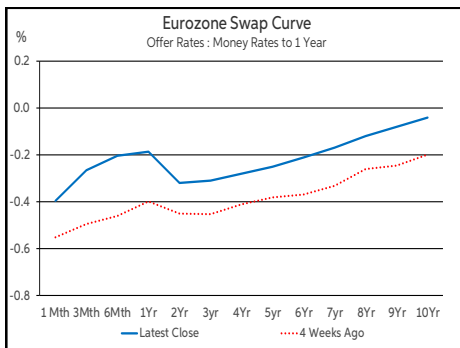
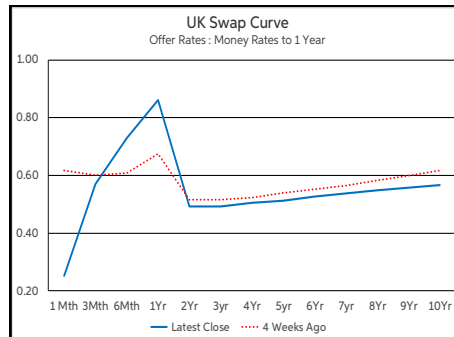
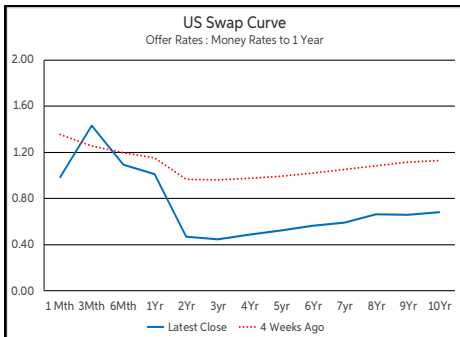
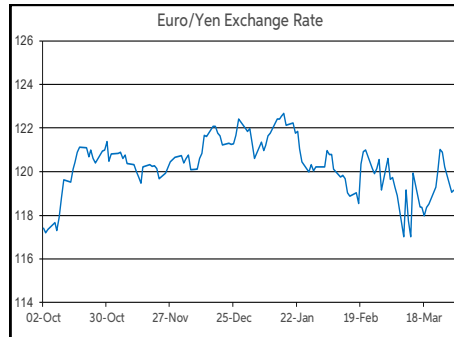
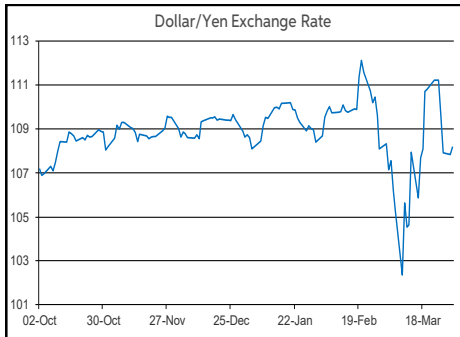
FX Spot	Karl Cooke Shane Gargan Enda Homan	FX Options	Mark Tuite	Reuters Phone	AIBG.I 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
		Equity Options	Gary Luff				

Opening Levels

Tuesday 31 March 2020
07:09 am



Euro		Sterling		Dollar	
EUR/GBP	0.8913	GBP/EUR	1.1211	USD/JPY	108.13
EUR/USD	1.1017	GBP/USD	1.2355	USD/CAD	1.4173
EUR/JPY	119.13	GBP/CAD	1.7512	USD/CHF	0.96
EUR/SEK	11.0558	GBP/NZD	2.0481	USD/CNY	7.0927
EUR/DKK	7.4677	GBP/JPY	133.59	USD/BRL	5.1936
EUR/NOK	11.515	GBP/SEK	12.4388	USD/RUB	79.2732
EUR/CHF	1.0578	GBP/DKK	8.3731	USD/INR	75.385
EUR/AUD	1.7758	GBP/NOK	12.9182	AUD/USD	0.6199
EUR/HKD	8.5404	GBP/CHF	1.1861	NZD/USD	0.603
EUR/CAD	1.5614	GBP/AUD	1.9922		



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 19
10 Year Yield %				
US	0.72	+5	-43	-120
Germany	-0.50	-2	+12	-32
UK	0.33	-3	-8	-49
5 Year Swap %				
US	0.52	+3	-47	-119
Eurozone	-0.25	-1	+13	-13
UK	0.51	-2	-3	-38
2 Year Swap %				
US	0.47	-4	-50	-123
Eurozone	-0.32	-0	+13	-3
UK	0.49	-0	-2	-32
10 Year Government Bond Spreads to Benchmark bps				
Ireland	45	+2	+4	+17
Belgium	49	+5	+9	+22
France	43	+3	+11	+12
Italy	195	+17	+20	+39
Spain	107	+7	+16	+42
Portugal	115	+8	+24	+54
Greece	208	+8	+12	+48

Commodities				
	% Change			
	Close	Day	4 Weeks	End 19
Brent Oil	22.76	-8.70	-56.15	-65.52
West Texas Oil	14.1	-8.91	-69.86	-76.94
Gold \$	1624.7	-0.30	+2.12	+7.04

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