

FX pairs remain range bound

There was a mixed tone to investor sentiment yesterday, as month and quarter end flows impacted proceedings on markets. In the US, the S&P 500 gained 0.4%, while the Euro Stoxx 50 recorded a modest loss, as it was announced that France would enter another national lockdown.

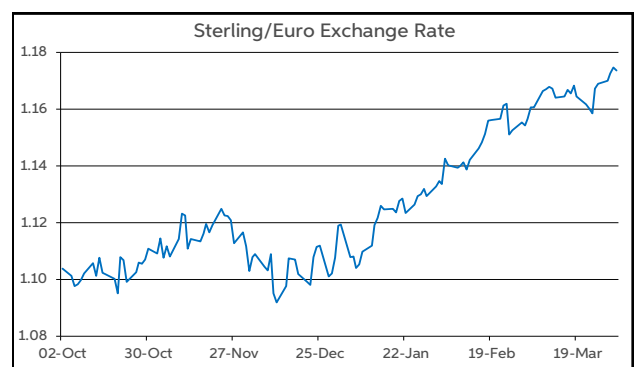
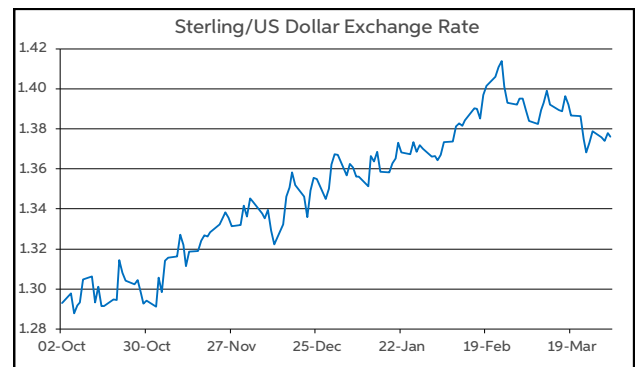
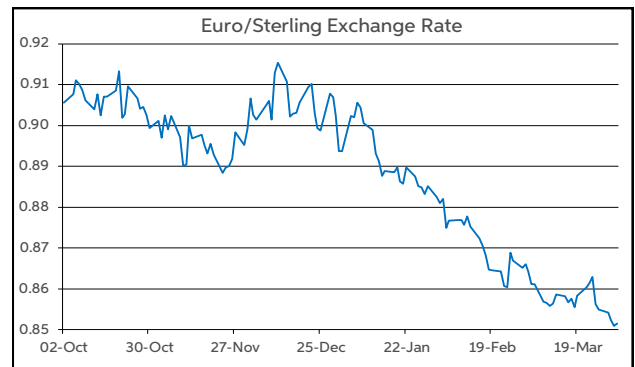
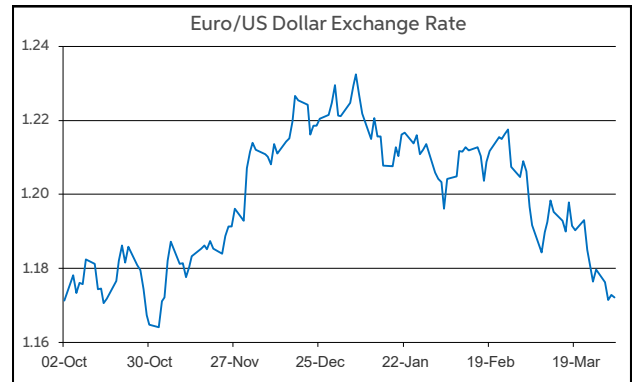
On the currency front, the action was confined to very narrow ranges. This was in part due to a quiet macro calendar. Indeed, the only release of note was Eurozone inflation for March. The headline rate printed in line with the consensus, rising to 1.3% from 0.9%, mainly driven by an increase in energy prices. However, the ex-food and energy rate came in slightly below the forecast of 1.2%, with a reading of 1%. This indicates that underlying price pressures remain subdued in the Eurozone.

In other news, President Biden revealed his infrastructure plan which calls for \$2trn to be invested this decade in transport, energy and green initiatives. The proposal will be part-funded by an increase in corporation tax. However, it remains to be seen if the proposal will be passed by Congress. The speech coincided with some upward momentum for the dollar which had been slightly softer earlier in the day.

Overall, most of the main pairs open this morning broadly similar to 24 hours earlier. EUR/USD is changing hands just above the \$1.17 mark. Cable (GBP/USD) is near to the midpoint of \$1.37-1.38. Meanwhile, EUR/GBP is operating close to the 85p handle.

Turning to today, the manufacturing ISM in the US is expected to edge higher to 61.3 from 60.8 in March. However, barring a major miss in either direction, the release is unlikely to impact the dollar.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2020
EUR/USD	1.1721	0.13	-4.03
EUR/GBP	0.8518	-0.12	-4.69
GBP/USD	1.3759	0.25	0.63
GBP/EUR	1.1738	0.12	4.92
USD/JPY	110.77	-0.08	7.29
EUR/JPY	129.83	0.05	2.91

* 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	0.12	0.20	0.20	0.31	1.06
EUR	0.00	-0.56	-0.54	-0.51	-0.49	-0.31
GBP	0.10	0.05	0.09	0.12	0.29	0.70

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

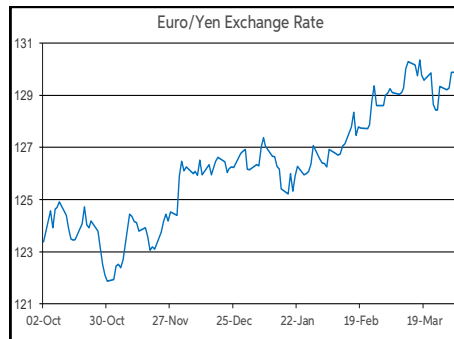
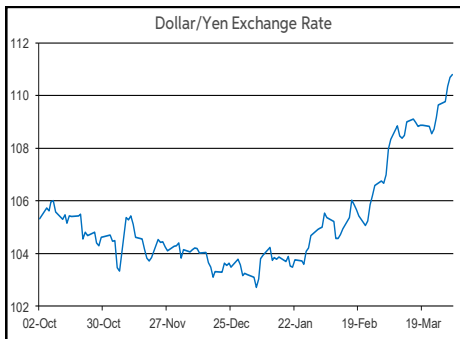
FX Spot	Karl Cooke Shane Gargan Enda Homan	FX Options	Mark Tuite	Reuters Phone	AIBG.I 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
		Equity Options	Gary Luff				

Opening Levels

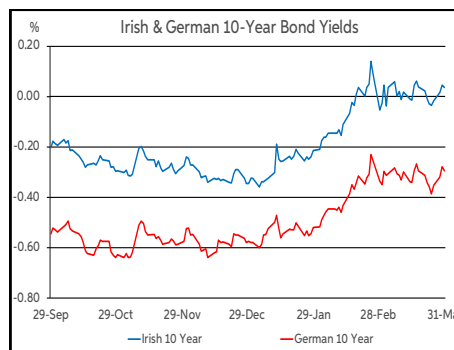
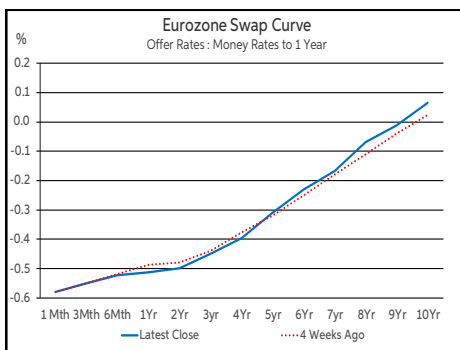
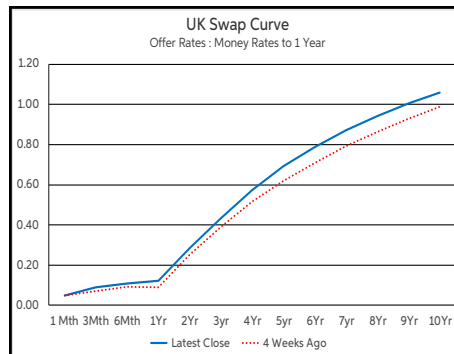
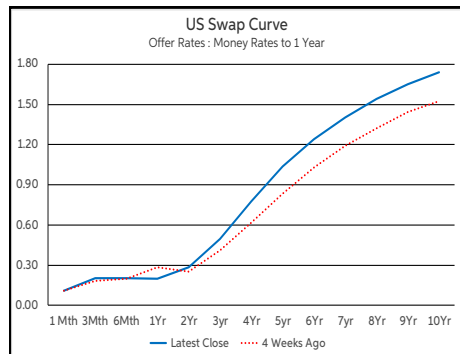
Thursday 01 April 2021
07:33 am



Euro		Sterling		Dollar	
EUR/GBP	0.8517	GBP/EUR	1.1736	USD/JPY	110.77
EUR/USD	1.172	GBP/USD	1.3758	USD/CAD	1.2594
EUR/JPY	129.84	GBP/CAD	1.733	USD/CHF	0.9449
EUR/SEK	10.2601	GBP/NZD	1.9781	USD/CNY	6.5699
EUR/DKK	7.4369	GBP/JPY	152.4	USD/BRL	5.6315
EUR/NOK	10.046	GBP/SEK	12.0397	USD/RUB	75.64
EUR/CHF	1.1076	GBP/DKK	8.7291	USD/INR	73.399
EUR/AUD	1.5534	GBP/NOK	11.7886	AUD/USD	0.7544
EUR/HKD	9.1113	GBP/CHF	1.3002	NZD/USD	0.6954
EUR/CAD	1.4764	GBP/AUD	1.8235		



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 20
10 Year Yield %				
US	1.74	+3	+26	+83
Germany	-0.29	-2	+1	+28
UK	0.85	+2	+6	+65
Ireland	0.08	-0	+0	+38
Belgium	0.01	-2	-0	+39
France	-0.05	-1	-1	+29
Italy	0.67	-2	-9	+15
Spain	0.34	-1	-7	+28
Portugal	0.23	-1	-5	+17
Greece	0.87	-3	-12	+24
5 Year Swap %				
US	1.04	+5	+23	+61
Eurozone	-0.31	+1	+2	+15
UK	0.69	+2	+8	+50
2 Year Swap %				
US	0.29	+1	+7	+9
Eurozone	-0.50	+0	-1	+3
UK	0.28	+1	+4	+26
10 Year Government Bond Spreads to Benchmark bps				
Ireland	37	+1	-1	+10
Belgium	30	-1	-1	+11
France	24	+0	-1	+1
Italy	96	+0	-10	-14
Spain	63	+1	-7	+0
Portugal	52	+0	-5	-12
Greece	116	-2	-12	-4



Commodities				
	% Change			
	Close	Day	4 Weeks	End 20
Brent Oil	63.54	-0.94	-0.83	+22.66
West Texas Oil	59.19	-2.25	-3.49	+22.42
Gold \$	1707.0	+1.32	-0.23	-9.99

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 Allied Irish Bank (NI). 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 AIB (NI) 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.