

Euro has regained some lost ground

Investor sentiment continued to be swayed by developments in relation to the war in Ukraine last week. Risk appetite was supported by reports of progress in negotiations. However, ongoing uncertainty in relation to how the situation will evolve and the economic and inflationary consequences of the conflict remained a drag on markets.

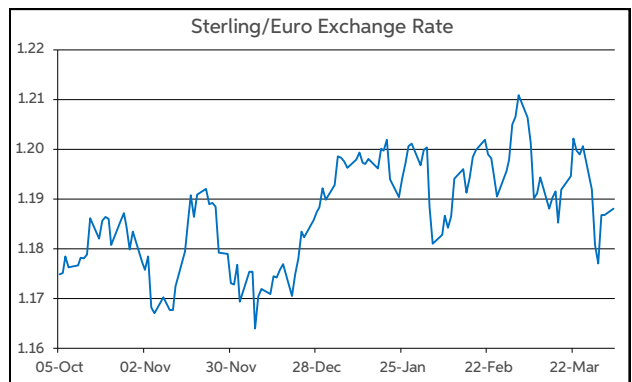
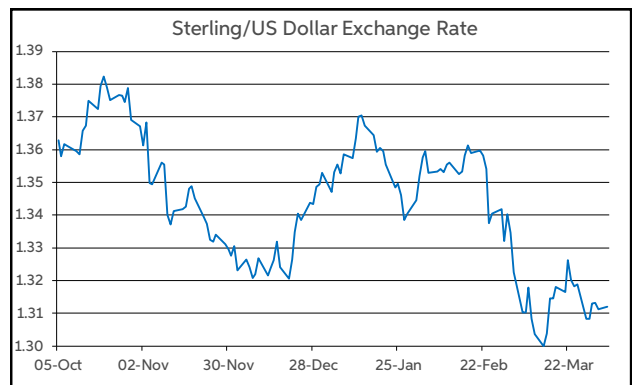
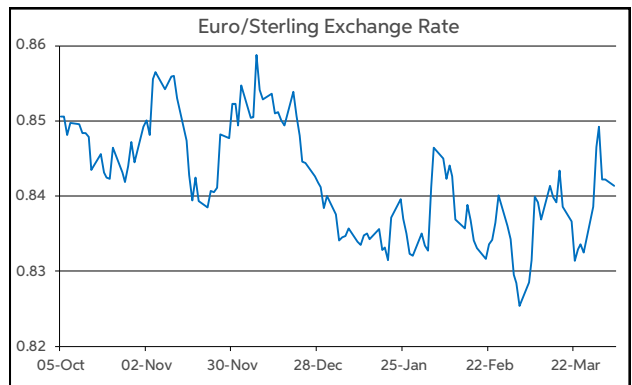
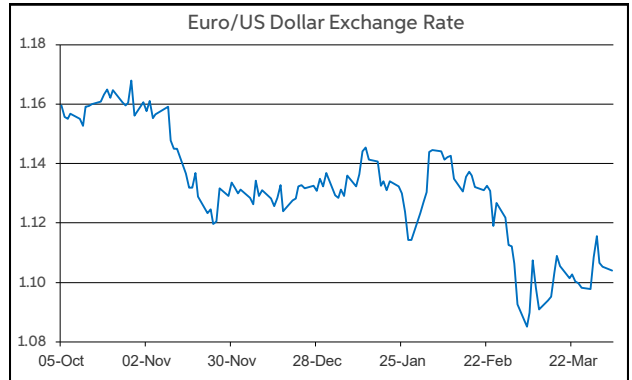
From an equity market perspective, there was a mixed tone to proceedings. The Euro Stoxx 50 managed to register a 1.3% gain on the week. Meanwhile, on Wall Street, the S&P 500 finished on Friday broadly unchanged from where it started the week.

On the currency front, the euro benefitted from the tentative encouraging soundings emanating from the Ukraine/Russia talks. This in part helped the EUR/USD rate trade to a high of \$1.118. At the same time, EUR/GBP had a weekly peak of 85.1p. While the euro was not able to sustain this upward momentum, edging back heading into the weekend, it still closed on Friday around 1% higher on the week against the dollar and sterling.

As trading gets underway this morning, EUR/USD is near to the midpoint of the \$1.10-1.11 band. Meanwhile, EUR/GBP starts the week in the lower half of 84-85p. Elsewhere, GBP/USD is changing hands around the \$1.31 threshold, representing a modest fall from where it opened the previous Monday.

Looking ahead to this week, the Fed meeting minutes (Wed) will be carefully assessed as the market looks for the strength of opinion within the FOMC for hiking in 50bps increments. The ECB meeting 'account' will also attract attention. Data-wise, the macro diary is fairly quiet.

John Fahey, Senior Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2021
EUR/USD	1.104	-0.20	-2.89
EUR/GBP	0.8413	-0.13	0.15
GBP/USD	1.3121	-0.07	-3.02
GBP/EUR	1.1881	0.13	-0.15
USD/JPY	122.72	0.10	6.64
EUR/JPY	135.51	-0.09	3.55

* 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	0.375	0.44	0.96	2.01	2.68	2.65
EUR	0.00	-0.54	-0.46	-0.07	0.58	1.03
GBP	0.75	0.72	1.04	1.88	2.30	2.17

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

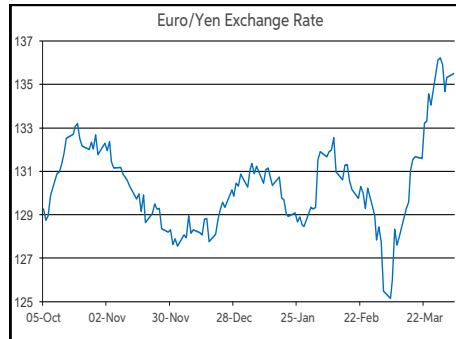
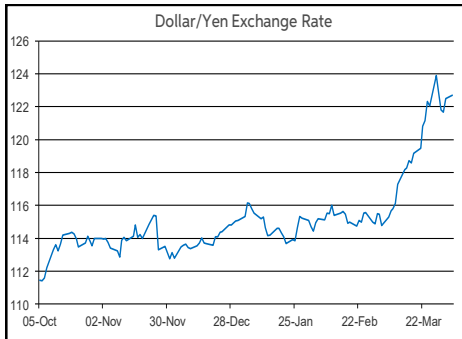
FX Spot	Karl Cooke Shane Gargan Enda Homan	FX Options	Mark Tuite	Reuters Phone	AIBG.I 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
		Equity Options	Gary Luff				

Opening Levels

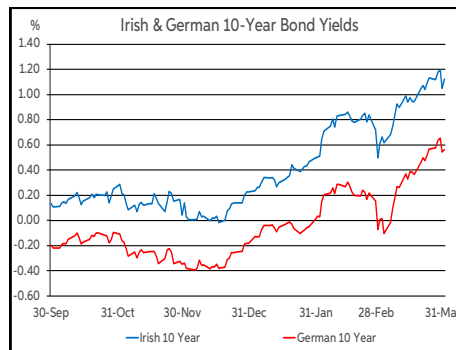
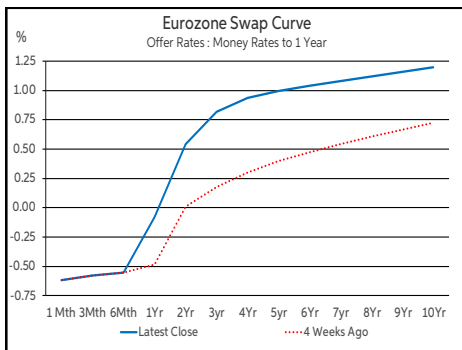
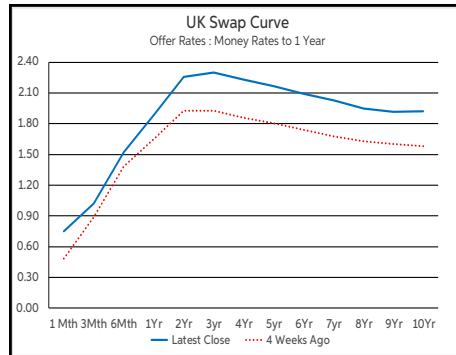
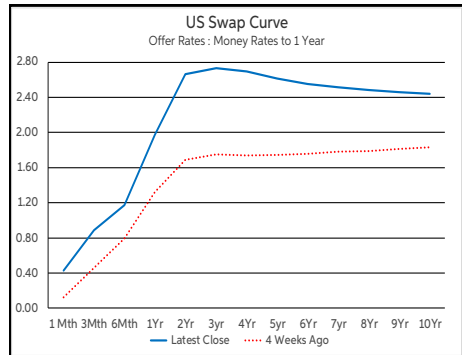
Monday 04 April 2022
07:19 am



Euro		Sterling		Dollar	
EUR/GBP	0.8413	GBP/EUR	1.188	USD/JPY	122.72
EUR/USD	1.104	GBP/USD	1.3121	USD/CAD	1.2502
EUR/JPY	135.5	GBP/CAD	1.6405	USD/CHF	0.926
EUR/SEK	10.3425	GBP/NZD	1.891	USD/CNY	6.3625
EUR/DKK	7.4381	GBP/JPY	161.02	USD/BRL	4.6582
EUR/NOK	9.6498	GBP/SEK	12.285	USD/RUB	83.015
EUR/CHF	1.0226	GBP/DKK	8.8369	USD/INR	75.564
EUR/AUD	1.4691	GBP/NOK	11.4652	AUD/USD	0.7511
EUR/HKD	8.6492	GBP/CHF	1.2151	NZD/USD	0.6938
EUR/CAD	1.3804	GBP/AUD	1.7463		



Debt Markets				
	Close	Day	4 Weeks	End 21
10 Year Yield %				
US	2.39	+4	+65	+88
Germany	0.57	+2	+67	+75
UK	1.61	+0	+40	+64
5 Year Swap %				
US	2.61	+14	+91	+128
Eurozone	1.00	+1	+61	+98
UK	2.16	+3	+36	+89
2 Year Swap %				
US	2.66	+15	+102	+172
Eurozone	0.54	+1	+54	+84
UK	2.26	+1	+34	+107
10 Year Government Bond Spreads to Benchmark bps				
Ireland	57	+6	-18	+15
Belgium	49	+1	-12	+13
France	45	+2	-8	+8
Italy	153	+4	-10	+17
Spain	92	+2	-15	+15
Portugal	83	+1	-8	+17
Greece	212	-1	-35	+62



Commodities				
	Close	Day	4 Weeks	End 21
Brent Oil	104.39	-3.26	-11.62	+34.21
West Texas Oil	99.32	-1.20	-14.21	+31.85
Gold \$	1924.3	-0.67	-2.24	+5.25

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.