

Quiet macro calendar ahead today

Risk appetite remained subdued yesterday as investors stayed on the sidelines amid a quiet macro diary. Indeed the only event of note was the FOMC meeting minutes, which were released after the close in Europe yesterday. Both the Euro Stoxx 50 and the S&P 500 registered only modest changes for the day. On the currency front, the action was confined to relatively narrow ranges.

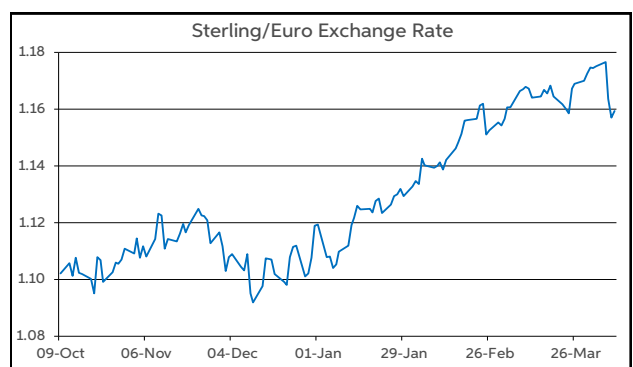
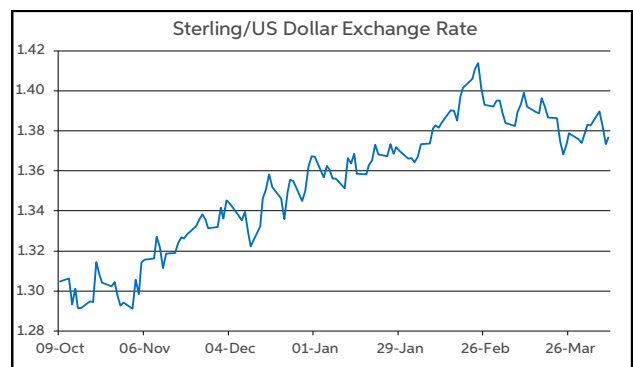
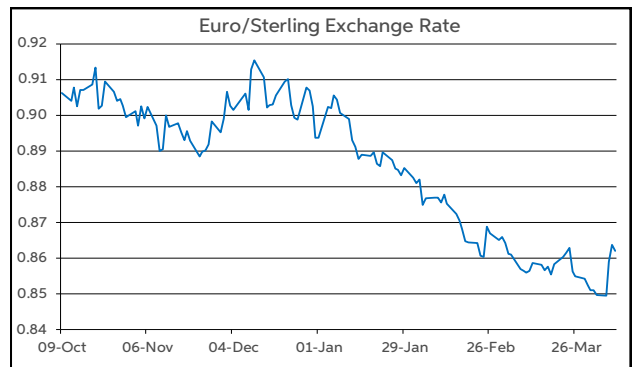
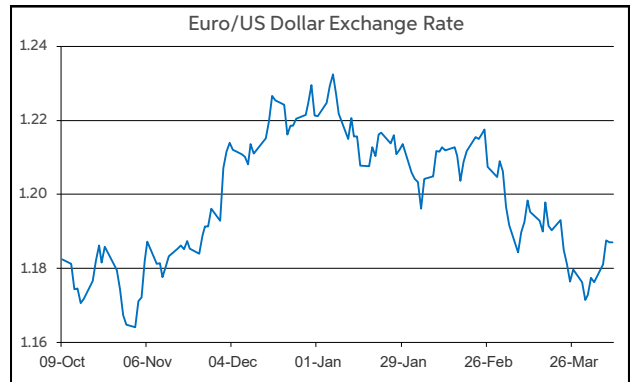
However, sterling continued to be on the back foot yesterday, after it emerged the AstraZeneca vaccine will not be offered to people under 30 in the UK. This may delay the UK's efforts to have all adults fully vaccinated by the end of July. Sterling lost 0.5% against the euro and the dollar amid the negative newsflow.

The aforementioned Fed minutes highlighted, that while the FOMC believes the outlook has improved due to vaccines and increased fiscal stimulus, the US economy remains far from their goals. The minutes also noted that any tightening of monetary policy will be based on "observed outcomes" rather than on forecasts. US Treasury yields moved slightly higher following the release. However, the dollar had a muted reaction to the minutes.

In level terms, the slightly softer tone to sterling is evidenced by EUR/GBP opening this morning above the 86p mark. Cable (GBP/USD) is operating close to the midpoint of the \$1.37-1.38 range. Meanwhile, EUR/USD is changing hands in the top half of the \$1.18-1.19 band.

Turning to today's calendar, the minutes from the latest ECB meeting are due. However, barring any major surprises, the release is unlikely to impact the single currency.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2020
EUR/USD	1.187	-0.01	-2.81
EUR/GBP	0.8622	0.48	-3.52
GBP/USD	1.3765	-0.47	0.67
GBP/EUR	1.1594	-0.48	3.65
USD/JPY	109.66	-0.05	6.22
EUR/JPY	130.17	-0.05	3.18

* 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	0.11	0.20	0.20	0.29	1.00
EUR	0.00	-0.55	-0.54	-0.52	-0.51	-0.34
GBP	0.10	0.05	0.09	0.13	0.29	0.67

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

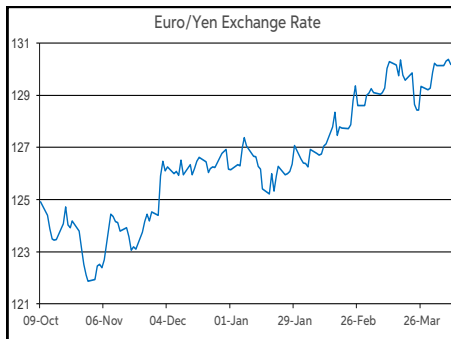
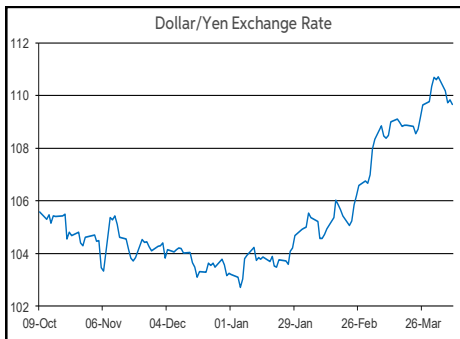
FX Spot	Karl Cooke Shane Gargan Enda Homan	FX Options	Mark Tuite	Reuters Phone	AIBG.I 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
		Equity Options	Gary Luff				

Opening Levels

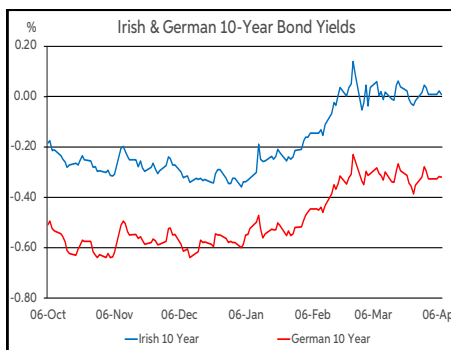
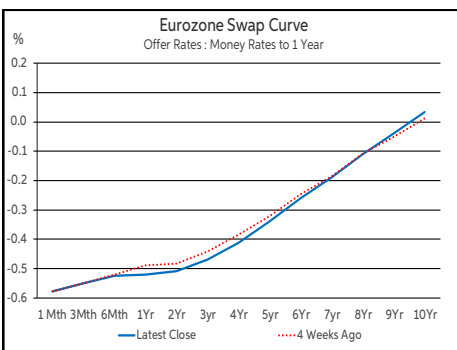
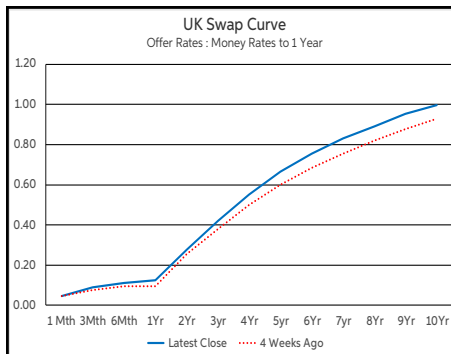
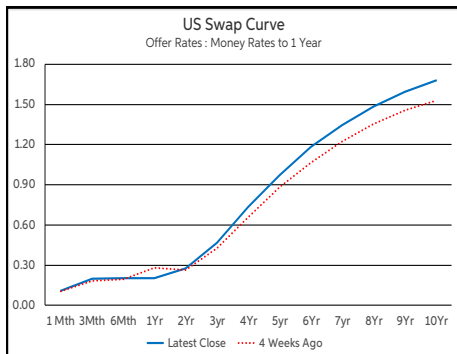
Thursday 08 April 2021
07:27 am



Euro		Sterling		Dollar	
EUR/GBP	0.8622	GBP/EUR	1.1595	USD/JPY	109.66
EUR/USD	1.187	GBP/USD	1.3765	USD/CAD	1.2605
EUR/JPY	130.17	GBP/CAD	1.7345	USD/CHF	0.9289
EUR/SEK	10.2332	GBP/NZD	1.9573	USD/CNY	6.5478
EUR/DKK	7.4367	GBP/JPY	150.95	USD/BRL	5.6133
EUR/NOK	10.0587	GBP/SEK	11.8615	USD/RUB	76.81
EUR/CHF	1.1029	GBP/DKK	8.6235	USD/INR	74.358
EUR/AUD	1.5552	GBP/NOK	11.657		
EUR/HKD	9.2388	GBP/CHF	1.2788	AUD/USD	0.7632
EUR/CAD	1.4963	GBP/AUD	1.8034	NZD/USD	0.703



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 20
10 Year Yield %				
US	1.68	+2	+16	+76
Germany	-0.32	-0	-1	+26
UK	0.78	-2	+6	+58
Ireland	0.04	-2	-1	+34
Belgium	0.00	-0	+0	+39
France	-0.07	-1	-1	+27
Italy	0.70	+0	+2	+18
Spain	0.35	-0	-1	+29
Portugal	0.25	+0	+0	+19
Greece	0.86	+0	+1	+23
5 Year Swap %				
US	0.97	+1	+13	+55
Eurozone	-0.34	+0	-1	+12
UK	0.66	-2	+8	+47
2 Year Swap %				
US	0.28	-1	+5	+8
Eurozone	-0.51	+0	-2	+2
UK	0.28	-0	+3	+25
10 Year Government Bond Spreads to Benchmark bps				
Ireland	35	-2	-1	+8
Belgium	32	+0	+1	+13
France	25	-1	-0	+2
Italy	102	+0	+3	-8
Spain	67	+0	-1	+4
Portugal	57	+0	+1	-7
Greece	117	+1	+2	-3



Commodities				
	% Change			
	Close	Day	4 Weeks	End 20
Brent Oil	63.16	+0.67	-6.98	+21.93
West Texas Oil	59.77	+0.72	-7.26	+23.62
Gold \$	1737.3	-0.36	+0.65	-8.39

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