

## Investor sentiment mixed at the start of the week

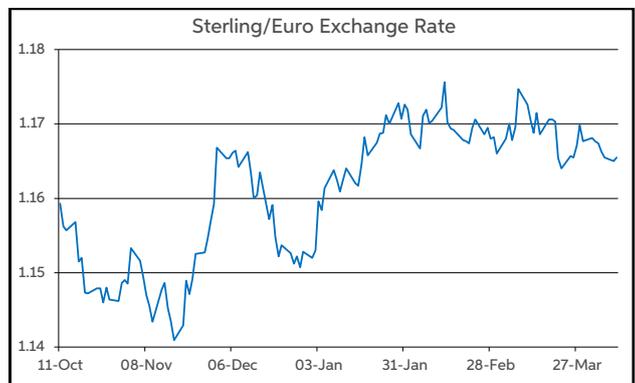
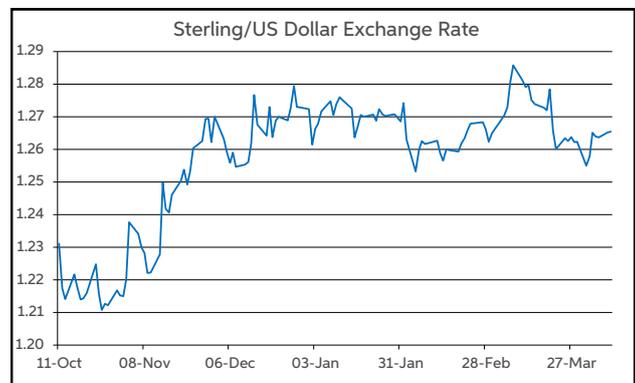
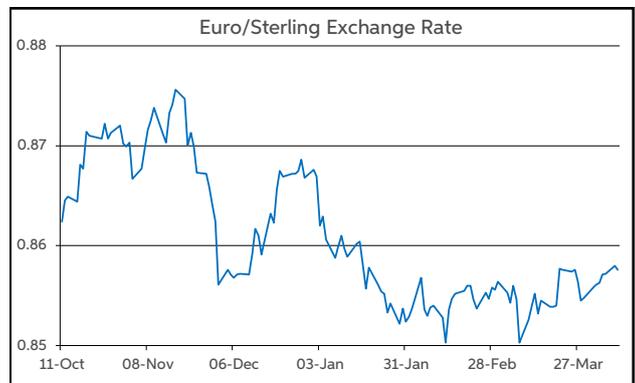
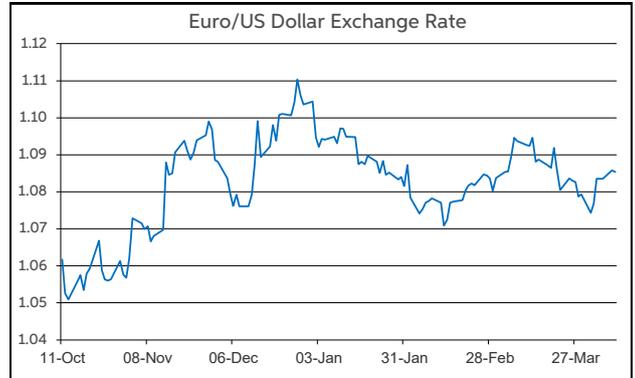
There was a mixed tone to investor sentiment yesterday, amid a quiet start to the week on financial markets. The Euro Stoxx 50 gained 0.6%. Meantime, on Wall Street, the S&P 500 finished flat for the day. In terms of fixed income, benchmark sovereign bond yields maintained some upward momentum, rising modestly across the board. Brent crude oil continued to trade in and around \$90 per barrel, having moved higher last week.

Data-wise, German industry showed further signs of recovery, with output rising by 2.1% in February (vs. +0.3% f'cast). The January reading was also revised slightly higher to +1.3% from +1.0% previously. However, German exports declined by 2% in February (vs. -0.5% f'cast). Overall, the releases suggest that growth was muted at best in Europe's largest economy in Q1. Elsewhere on the data front, the EU Sentix rose to -5.9 (vs. -8.5 f'cast), its highest level since February 2022. However, the data had no major impact on the euro.

Indeed, throughout the European session, the main FX pairs were confined to very narrow ranges. This has continued overnight, and is reflected by EUR/GBP opening this morning in the top half of 85-86p once again. Meanwhile, EUR/USD opens at the midpoint of the \$1.08-1.09 corridor. GBP/USD is operating near the halfway mark of the \$1.26-1.27 band.

Turning to the day ahead, the macro-calendar is relatively sparse on both sides of the Atlantic. Of the limited releases to note, US Small Business Optimism for March is due. However, barring any major changes in the index, the release is unlikely to impact the dollar. In the Eurozone, the ECB Bank Lending Survey results for Q1 will garner attention.

**Daniel Noonan, Economist, AIB**



| Today's Opening FX Rates |        |          |          |
|--------------------------|--------|----------|----------|
|                          |        | % Change |          |
|                          |        | Day *    | End 2023 |
| EUR/USD                  | 1.0854 | 0.20     | -1.65    |
| EUR/GBP                  | 0.8576 | 0.01     | -1.06    |
| GBP/USD                  | 1.2654 | 0.21     | -0.59    |
| GBP/EUR                  | 1.1654 | -0.01    | 1.07     |
| USD/JPY                  | 151.88 | 0.06     | 7.67     |
| EUR/JPY                  | 164.86 | 0.27     | 5.93     |

\* 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                    | 5.38         | 5.43  | 5.56       | 5.34 | 4.96 | 4.46 |
| EUR                    | 4.50         | 3.89  | 3.89       | 3.62 | 3.23 | 2.79 |
| GBP                    | 5.25         | 5.18  | 5.15       | 4.85 | 4.69 | 4.17 |

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

|         |                            |            |            |                  |                           |                 |                                   |
|---------|----------------------------|------------|------------|------------------|---------------------------|-----------------|-----------------------------------|
| FX Spot | Karl Cooke<br>Shane Gargan | FX Options | Mark Tuite | Reuters<br>Phone | AIBG.I<br>00353-1-7724018 | Morning Comment | John Fahey<br>john.j.fahey@aib.ie |
|---------|----------------------------|------------|------------|------------------|---------------------------|-----------------|-----------------------------------|

# Opening Levels

Tuesday 09 April 2024  
07:29 am



## Euro

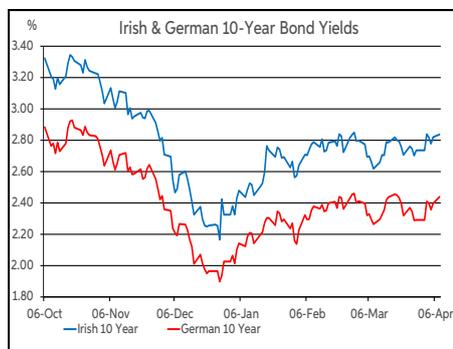
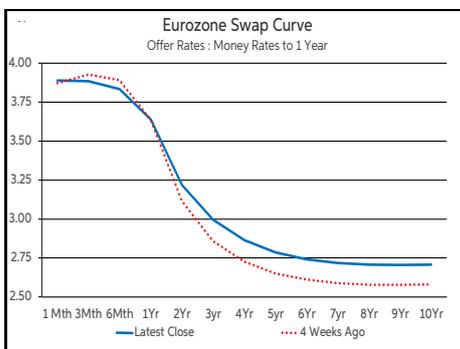
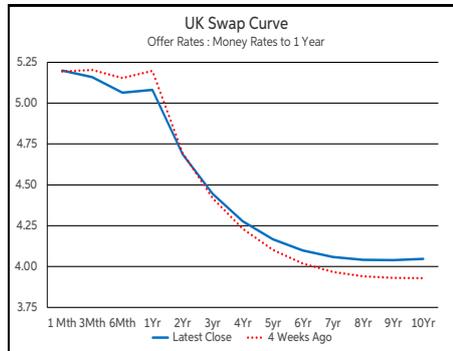
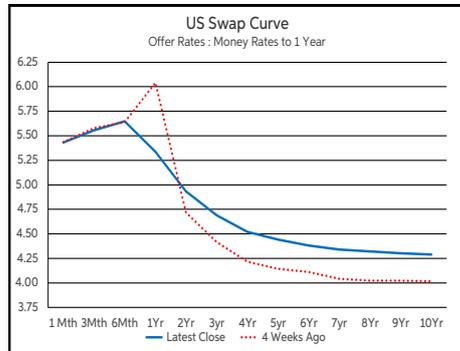
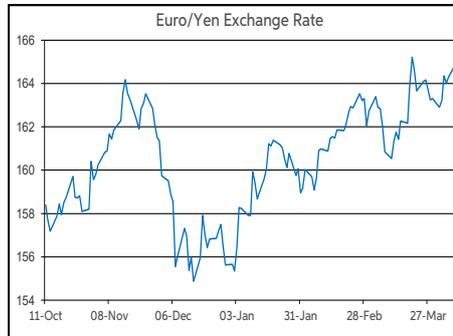
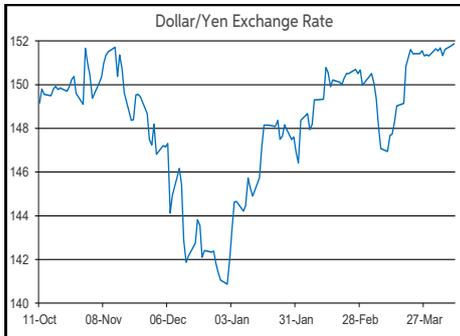
|         |         |
|---------|---------|
| EUR/GBP | 0.8576  |
| EUR/USD | 1.0854  |
| EUR/JPY | 164.86  |
| EUR/SEK | 11.4624 |
| EUR/DKK | 7.4579  |
| EUR/NOK | 11.596  |
| EUR/CHF | 0.9819  |
| EUR/AUD | 1.6442  |
| EUR/HKD | 8.501   |
| EUR/CAD | 1.4736  |

## Sterling

|         |         |
|---------|---------|
| GBP/EUR | 1.1654  |
| GBP/USD | 1.2654  |
| GBP/CAD | 1.7181  |
| GBP/NZD | 2.0958  |
| GBP/JPY | 192.19  |
| GBP/SEK | 13.3608 |
| GBP/DKK | 8.6936  |
| GBP/NOK | 13.5189 |
| GBP/CHF | 1.1446  |
| GBP/AUD | 1.9167  |

## Dollar

|         |        |
|---------|--------|
| USD/JPY | 151.88 |
| USD/CAD | 1.3576 |
| USD/CHF | 0.9045 |
| USD/CNY | 7.2337 |
| USD/BRL | 5.0249 |
| USD/RUB | 92.705 |
| USD/INR | 83.226 |
| AUD/USD | 0.6602 |
| NZD/USD | 0.6037 |



| Debt Markets  |       |            |         |        |
|---|-------|------------|---------|--------|
|   | Close | Change bps |         |        |
|   |       | Day        | 4 Weeks | End 23 |
| <b>10 Year Yield %</b>                                  |       |            |         |        |
| US  | 4.42  | +2         | +32     | +56    |
| Germany   | 2.44  | +4         | +14     | +41    |
| UK  | 4.09  | +2         | +12     | +55    |
| <b>5 Year Swap %</b>                                    |       |            |         |        |
| US  | 4.44  | +4         | +34     | +65    |
| Eurozone  | 2.79  | +5         | +15     | +36    |
| UK  | 4.17  | +3         | +7      | +52    |
| <b>2 Year Swap %</b>                                    |       |            |         |        |
| US  | 4.94  | +3         | +26     | +60    |
| Eurozone  | 3.22  | +4         | +11     | +42    |
| UK  | 4.69  | +3         | -0      | +42    |
| <b>10 Year Government Bond Spreads to Benchmark bps</b> |       |            |         |        |
| Ireland   | 43    | -2         | +2      | +8     |
| Belgium   | 56    | -4         | +0      | -9     |
| France  | 49    | -2         | +3      | -4     |
| Italy   | 136   | -3         | +3      | -31    |
| Spain   | 81    | -2         | -2      | -15    |
| Portugal  | 67    | -2         | -0      | -9     |
| Greece  | 94    | -2         | +2      | -11    |

| Commodities    |        |          |         |        |
|----------------|--------|----------|---------|--------|
|                | Close  | % Change |         |        |
|                |        | Day      | 4 Weeks | End 23 |
| Brent Oil      | 90.38  | -0.87    | +9.94   | +17.32 |
| West Texas Oil | 71.65  | -0.17    | -1.90   | -1.27  |
| Gold \$        | 2338.9 | +0.40    | +7.17   | +13.40 |

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