

Quiet start to the week

There was a relatively quiet start to the week on markets yesterday. On equity markets, the Eurostoxx 50 fell by a modest 0.4%. Across the Atlantic, the S&P 500 finished flat for the day. Meanwhile, on the currency front, the main pairs traded within fairly narrow ranges. Of the limited moves to note, there was a slightly firmer tone to sterling.

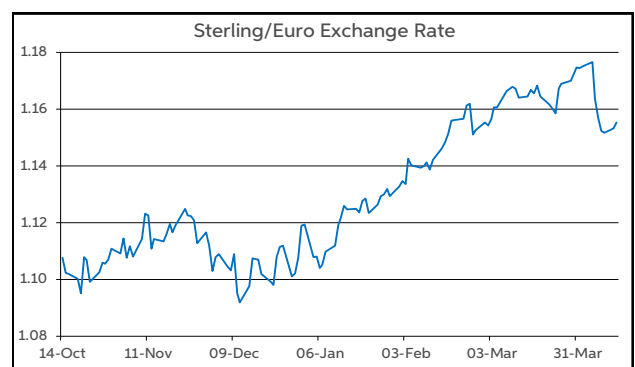
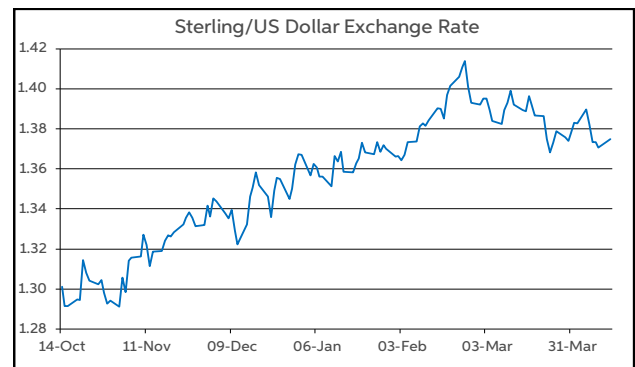
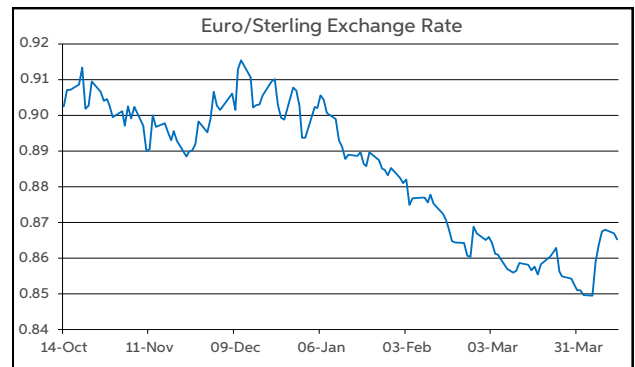
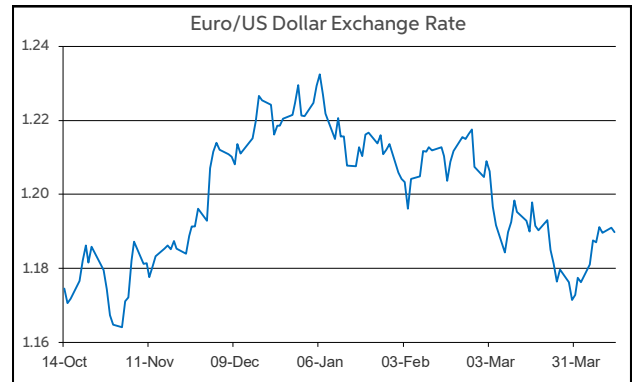
Data-wise, the only release of note was Eurozone retail sales data for February. Despite restrictions being in place across the bloc, sales increased by 3%, double the consensus 1.5% forecast. This suggests that consumers and businesses have to some extent, adapted to the restrictions, which is supporting economic activity. However, retail sales were still 2.9% lower on a year-on-year basis. The lagged nature of the release meant it did not impact the euro.

In level terms, the slightly firmer tone to sterling is reflected by EUR/GBP edging back to the midpoint of the 86-87p range. GBP/USD has regained the \$1.37 handle, and opens this morning near the halfway mark of \$1.37-1.38. Meanwhile, EUR/USD continues to trade close to the \$1.19 threshold.

Already this morning, UK GDP for February has printed just below expectations, rising by 0.4% (+0.6% f'cast). However, economic growth should accelerate from Q2 onwards, as some retail and services industries reopened yesterday in the UK. The release has not impacted sterling so far in early morning trading.

Later today, US CPI inflation is forecast to rise to 2.5% in March, from 1.7%. However, this is largely due to base effects. In the Eurozone, the German ZEW for April is projected to remain on its recent upward trend.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2020
EUR/USD	1.1896	0.08	-2.60
EUR/GBP	0.8653	-0.39	-3.18
GBP/USD	1.3746	0.48	0.53
GBP/EUR	1.1554	0.39	3.28
USD/JPY	109.58	0.05	6.14
EUR/JPY	130.37	0.13	3.34

* 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	0.19	0.20	0.31	1.02
EUR	0.00	-0.56	-0.54	-0.52	-0.50	-0.30
GBP	0.10	0.05	0.09	0.12	0.30	0.69

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

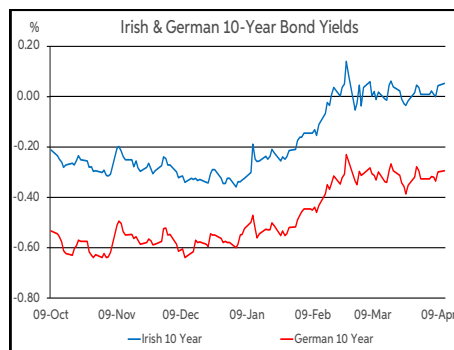
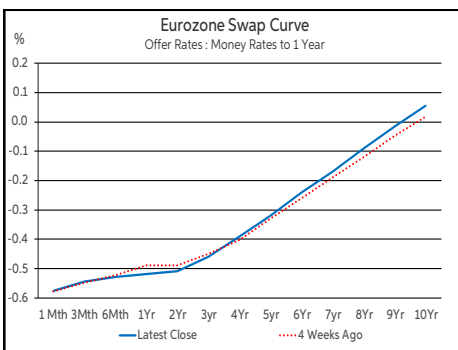
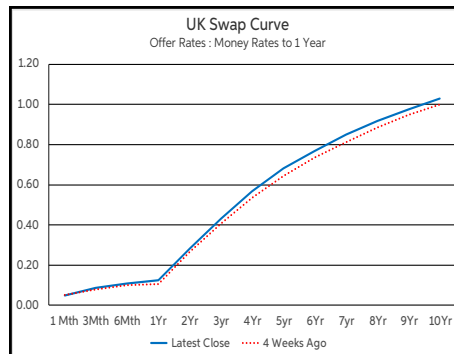
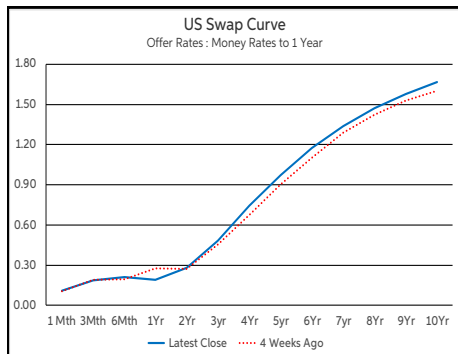
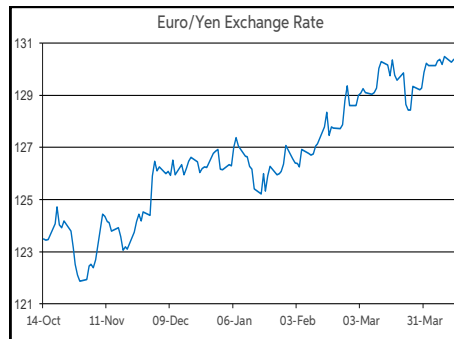
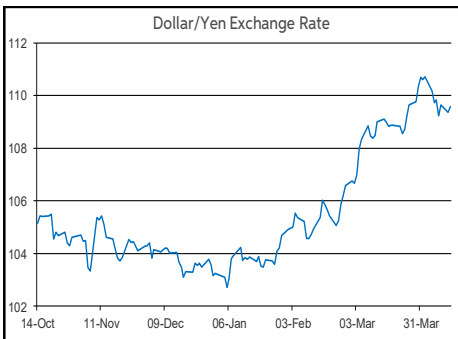
FX Spot	Karl Cooke Shane Gargan Enda Homan	FX Options	Mark Tuite	Reuters Phone	AIBG.I 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
		Equity Options	Gary Luff				

Opening Levels

Tuesday 13 April 2021
07:35 am



Euro		Sterling		Dollar	
EUR/GBP	0.8653	GBP/EUR	1.1554	USD/JPY	109.58
EUR/USD	1.1896	GBP/USD	1.3746	USD/CAD	1.2576
EUR/JPY	130.37	GBP/CAD	1.7283	USD/CHF	0.9236
EUR/SEK	10.2105	GBP/NZD	1.9579	USD/CNY	6.5506
EUR/DKK	7.437	GBP/JPY	150.63	USD/BRL	5.7333
EUR/NOK	10.103	GBP/SEK	11.7955	USD/RUB	77.355
EUR/CHF	1.0988	GBP/DKK	8.5926	USD/INR	75.326
EUR/AUD	1.5632	GBP/NOK	11.6713	AUD/USD	0.7608
EUR/HKD	9.2463	GBP/CHF	1.2695	NZD/USD	0.702
EUR/CAD	1.4961	GBP/AUD	1.807		



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 20
10 Year Yield %				
US	1.67	+1	+6	+75
Germany	-0.29	+0	+4	+28
UK	0.79	+1	-1	+59
Ireland	0.08	+1	+7	+39
Belgium	0.04	+2	+6	+42
France	-0.03	+1	+6	+31
Italy	0.74	+0	+14	+22
Spain	0.39	+1	+9	+34
Portugal	0.29	+0	+11	+23
Greece	0.88	+1	+5	+25
5 Year Swap %				
US	0.97	+1	+7	+55
Eurozone	-0.32	+1	+2	+14
UK	0.68	+1	+4	+49
2 Year Swap %				
US	0.28	+1	+5	+9
Eurozone	-0.51	+0	-1	+2
UK	0.28	+0	+3	+26
10 Year Government Bond Spreads to Benchmark bps				
Ireland	38	+1	+2	+11
Belgium	33	+1	+1	+14
France	26	+1	+2	+3
Italy	103	-0	+9	-6
Spain	69	+1	+4	+6
Portugal	59	+0	+6	-5
Greece	117	+0	+1	-3

Commodities				
	% Change			
	Close	Day	4 Weeks	End 20
Brent Oil	63.28	+0.52	-8.13	+22.16
West Texas Oil	59.7	+0.69	-8.66	+23.47
Gold \$	1732.5	-0.61	+0.04	-8.65

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