

## EUR/USD just above \$1.08

There was a mixed tone to investor sentiment yesterday. The Euro Stoxx 50 finished down 0.5% for the day. However, the mood on Wall Street was more upbeat. The S&P 500 recorded a 1.6% gain, boosted by some strong earnings reports. Meantime, oil prices edged back below \$110 bbl.

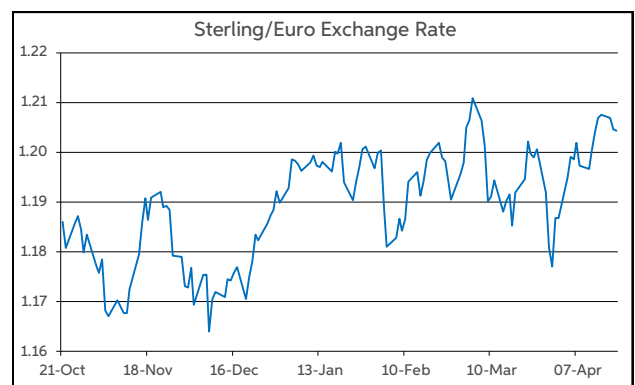
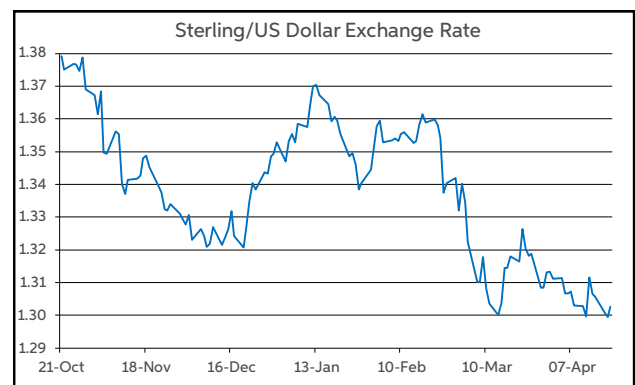
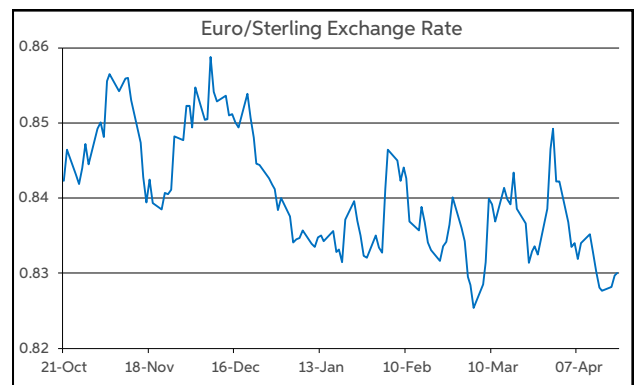
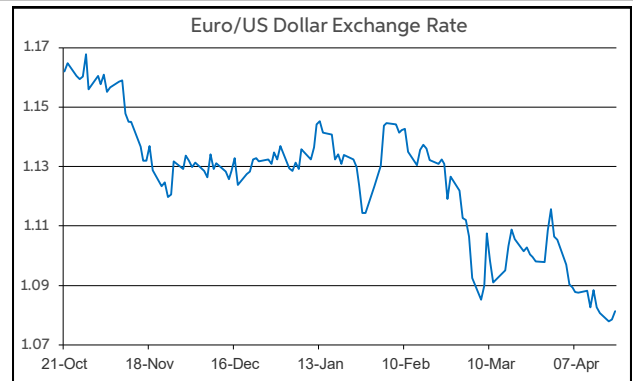
On bond markets, US Treasury yields continued to march higher, with the 30-year yield rising above 3% for the first time since April 2019. The 10-year US Treasury yield reached its highest level since December 2018 also, above 2.9%, as the inflation/interest rate outlook continued to weigh on fixed income. German Bund and UK Gilt yields continued to rise also.

Currency-wise, the main pairs operated in relatively tight ranges. The dollar continued to trade in and around the \$1.08 level versus the euro, and near the \$1.30 threshold against sterling. Meanwhile, the yen remained on the back foot, as the BoJ stepped in for the third time to keep its policy of yield curve control in place.

As trading gets underway this morning, EUR/USD is up above the \$1.08 mark. EUR/GBP is operating at 83p. GBP/USD is trading in the lower half of \$1.30-1.31. Elsewhere, USD/JPY is changing hands up above the midpoint of ¥128-129.

Turning to the day ahead, the main release of note will be Eurozone industrial production for March. Output is forecast to rise by 0.8% in the month, led by a rebound in the production of consumer goods. However, barring any major surprises the data are unlikely to impact on currency markets. The French presidential election debate (after the close in Europe) between President Macron and Marine Le Pen will also garner attention.

**Daniel Noonan, Economist, AIB**



Today's Opening FX Rates			
		% Change	
		Day *	End 2021
EUR/USD	1.0814	0.41	-4.87
EUR/GBP	0.83	0.17	-1.19
GBP/USD	1.3026	0.22	-3.72
GBP/EUR	1.2043	-0.17	1.20
USD/JPY	128.65	0.40	11.79
EUR/JPY	139.14	0.80	6.32

\* 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	0.59	1.06	2.19	2.84	2.98
EUR	0.00	-0.55	-0.45	0.02	0.73	1.33
GBP	0.75	0.83	1.12	1.96	2.48	2.46

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

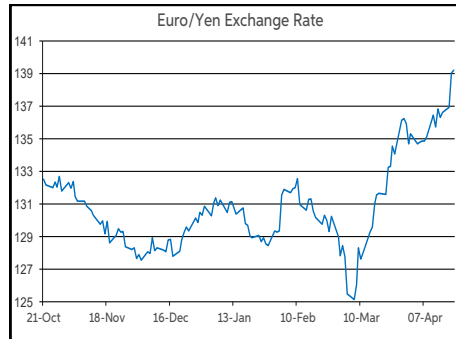
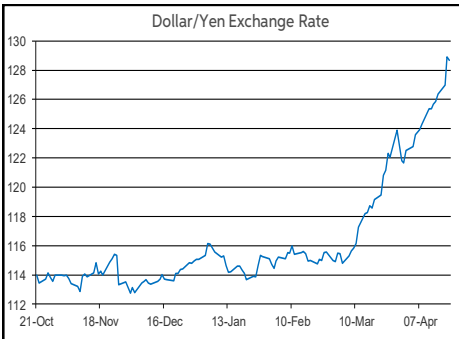
FX Spot	Karl Cooke Shane Gargan Enda Homan	FX Options	Mark Tuite	Reuters Phone	AIBG.I 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
		Equity Options	Gary Luff				

# Opening Levels

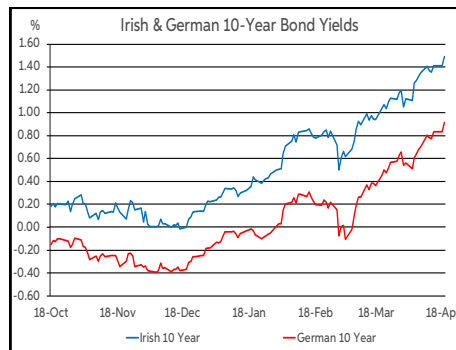
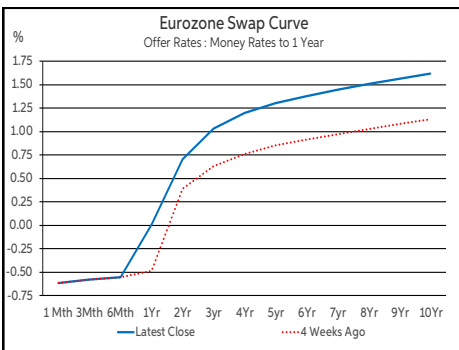
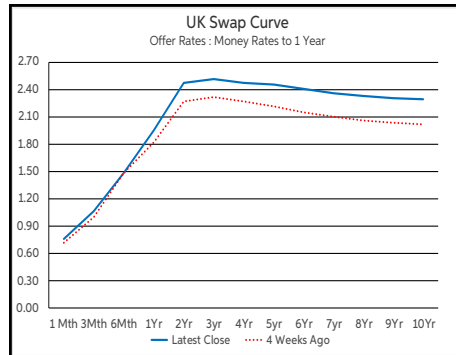
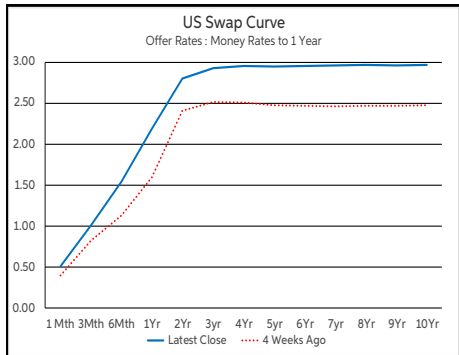
Wednesday 20 April 2022  
07:06 am



Euro		Sterling		Dollar	
EUR/GBP	0.83	GBP/EUR	1.2042	USD/JPY	128.64
EUR/USD	1.0814	GBP/USD	1.3026	USD/CAD	1.2584
EUR/JPY	139.14	GBP/CAD	1.6394	USD/CHF	0.9508
EUR/SEK	10.2765	GBP/NZD	1.9251	USD/CNY	6.3992
EUR/DKK	7.439	GBP/JPY	167.57	USD/BRL	4.6658
EUR/NOK	9.517	GBP/SEK	12.3762	USD/RUB	80.032
EUR/CHF	1.0284	GBP/DKK	8.9586	USD/INR	76.3925
EUR/AUD	1.4573	GBP/NOK	11.461	AUD/USD	0.7421
EUR/HKD	8.4825	GBP/CHF	1.2384	NZD/USD	0.6764
EUR/CAD	1.361	GBP/AUD	1.7552		



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 21
<b>10 Year Yield %</b>				
US	2.94	+8	+56	+143
Germany	0.92	+8	+41	+110
UK	1.97	+8	+26	+100
<b>5 Year Swap %</b>				
Ireland	1.51	+8	+43	+126
Belgium	1.42	+6	+44	+125
France	1.39	+5	+43	+120
Italy	2.56	+6	+53	+137
Spain	1.86	+6	+43	+126
Portugal	1.90	+5	+60	+142
Greece	2.97	+9	+23	+166
<b>2 Year Swap %</b>				
US	2.95	+15	+52	+162
Eurozone	1.30	+4	+46	+129
UK	2.46	+10	+25	+118
<b>10 Year Government Bond Spreads to Benchmark bps</b>				
Ireland	60	+0	+2	+17
Belgium	51	-2	+3	+15
France	47	-3	+2	+10
Italy	164	-2	+12	+28
Spain	94	-2	+2	+17
Portugal	99	-3	+19	+32
Greece	206	+1	-19	+56



Commodities				
	% Change			
	Close	Day	4 Weeks	End 21
Brent Oil	107.25	-5.22	-7.13	+37.89
West Texas Oil	102.54	-5.27	-7.65	+36.12
Gold \$	1949.8	-1.45	+1.48	+6.64

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