

Flash PMI data due today

Trading conditions remained somewhat volatile on both sides of the Atlantic yesterday. The Euro Stoxx 50 gained 0.8% on the day. In the US, the S&P 500 fell by 1.5%. On bond markets, German Bund yields rose by 7-14bps along the curve. US Treasury and UK gilt yields moved higher also.

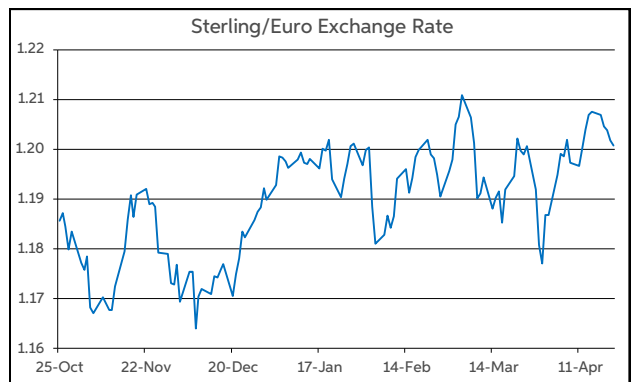
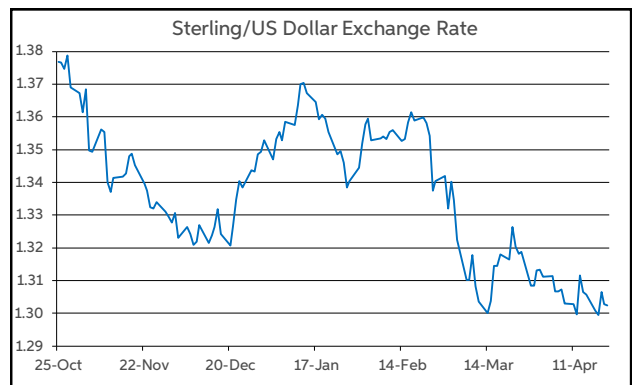
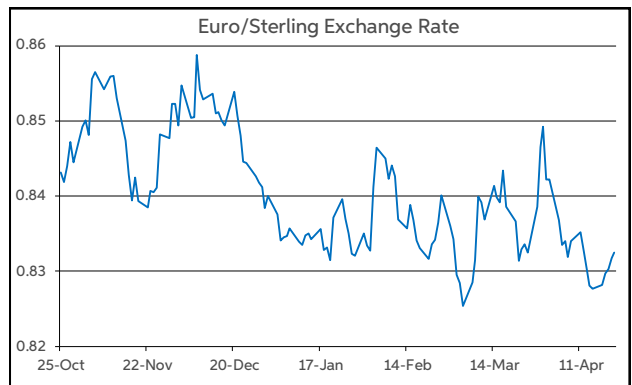
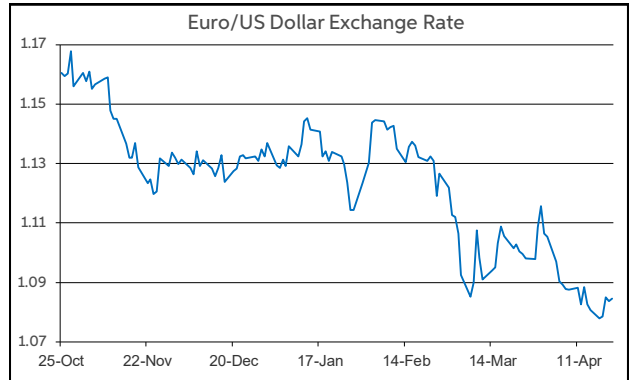
Currency-wise, the euro was holding a firmer tone throughout most of the European session, boosted by some hawkish ECB rhetoric. The currency moved up above the \$1.09 threshold versus the dollar. However, the move could not be sustained as the dollar regained momentum, in a similar pattern to the day before.

In terms of monetary policy, ECB President Lagarde reiterated that any policy tightening in the Eurozone will be gradual. However, Vice-President de Guindos commented that "July is possible", for the first rate hike. Elsewhere, Fed Chair Powell noted that the Fed could hike by 50bps at multiple meetings this year. Meanwhile, BoE Governor Bailey stated that the central bank is "walking a very tight line" between tackling inflation and avoiding a recession.

In level terms, EUR/USD starts this morning at the midpoint of \$1.08-1.09, similar to yesterday's open. EUR/GBP continues to change hands in the lower half of 83-84p. GBP/USD is trading back at the \$1.30 handle.

Already this morning, UK retail sales have printed below the consensus. Headline sales fell by 1.4% in March (vs. -0.3% f'cast) as the squeeze on household incomes weighs on spending. Later today, the flash PMI data for April in the US, Eurozone and UK are due. Meanwhile, the French presidential election on Sunday provides some event risk for the euro.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2021
EUR/USD	1.0841	0.10	-4.64
EUR/GBP	0.8326	0.34	-0.88
GBP/USD	1.302	-0.22	-3.76
GBP/EUR	1.2006	-0.34	0.89
USD/JPY	127.9	-0.35	11.14
EUR/JPY	138.69	-0.24	5.98

* 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	0.63	1.14	2.37	2.99	3.05
EUR	0.00	-0.57	-0.48	0.11	0.83	1.37
GBP	0.75	0.87	1.15	2.07	2.64	2.55

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

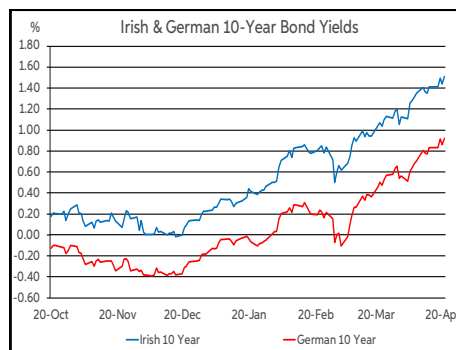
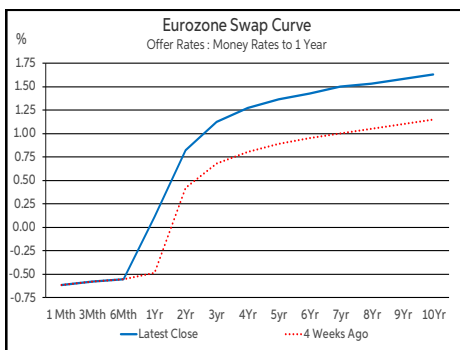
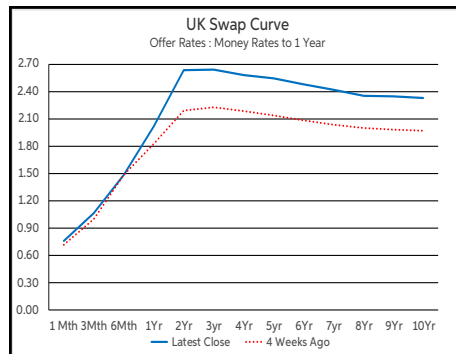
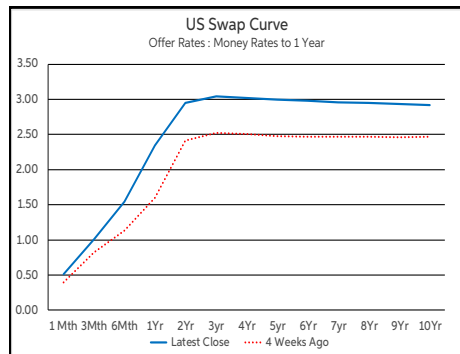
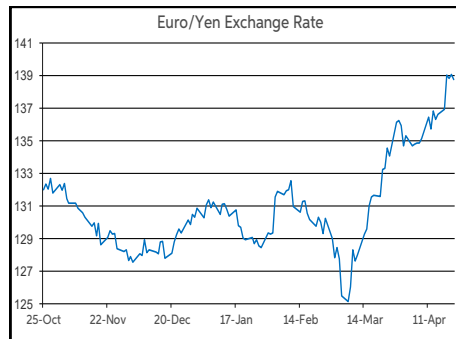
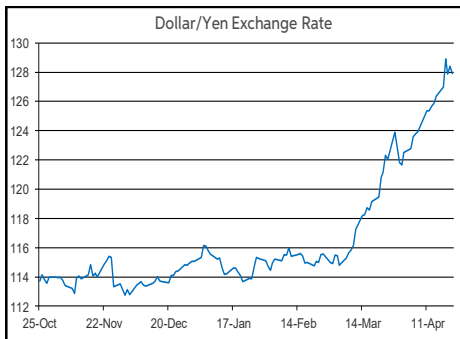
FX Spot	Karl Cooke Shane Gargan Enda Homan	FX Options	Mark Tuite	Reuters Phone	AIBG.I 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
		Equity Options	Gary Luff				

Opening Levels

Friday 22 April 2022
07:00 am



Euro		Sterling		Dollar	
EUR/GBP	0.8326	GBP/EUR	1.2006	USD/JPY	127.87
EUR/USD	1.0841	GBP/USD	1.302	USD/CAD	1.2602
EUR/JPY	138.65	GBP/CAD	1.6407	USD/CHF	0.9529
EUR/SEK	10.3022	GBP/NZD	1.9451	USD/CNY	6.467
EUR/DKK	7.4401	GBP/JPY	166.45	USD/BRL	4.622
EUR/NOK	9.6367	GBP/SEK	12.3703	USD/RUB	78.677
EUR/CHF	1.0335	GBP/DKK	8.9324	USD/INR	76.2525
EUR/AUD	1.4784	GBP/NOK	11.5724		
EUR/HKD	8.5038	GBP/CHF	1.2408	AUD/USD	0.7333
EUR/CAD	1.3662	GBP/AUD	1.7751	NZD/USD	0.6691



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 21
10 Year Yield %				
US	2.91	+7	+54	+140
Germany	0.93	+6	+40	+110
UK	2.02	+10	+37	+104
5 Year Swap %				
US	2.99	+11	+56	+166
Eurozone	1.36	+10	+48	+135
UK	2.55	+12	+41	+127
2 Year Swap %				
US	2.95	+16	+57	+200
Eurozone	0.82	+14	+41	+112
UK	2.63	+16	+45	+144
10 Year Government Bond Spreads to Benchmark bps				
Ireland	61	+1	+1	+18
Belgium	52	+0	+5	+17
France	48	+1	+3	+11
Italy	167	+3	+14	+31
Spain	98	+3	+9	+20
Portugal	102	+2	+24	+35
Greece	203	+1	-23	+53

Commodities				
	Close	% Change		
		Day	4 Weeks	End 21
Brent Oil	108.33	+1.43	-8.99	+39.28
West Texas Oil	103.89	+1.30	-9.03	+37.91
Gold \$	1951.5	-0.30	-0.31	+6.73

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.