

Some spring in the euro

There was a generally cautious tone to investor sentiment last week. Some negative Covid newsflow (rising infection numbers globally), along with a muted reaction to the start of the Q1 earnings season, and the prospect for a hike in US capital gains tax saw the main equity indices struggle for upward momentum. The S&P 500 finished flat for the week.

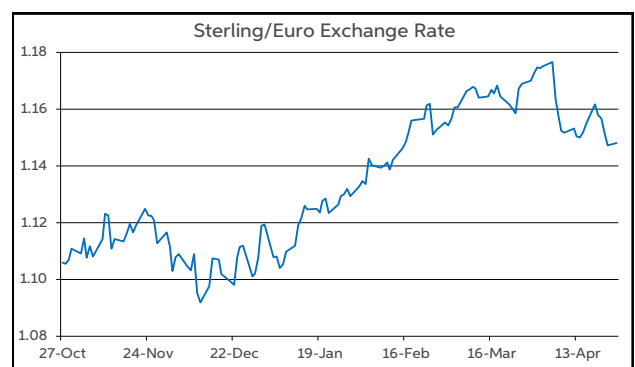
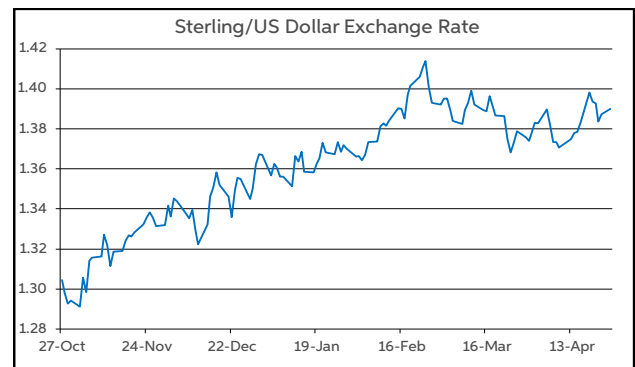
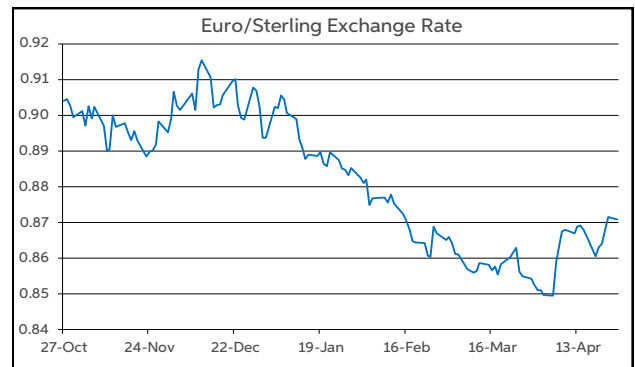
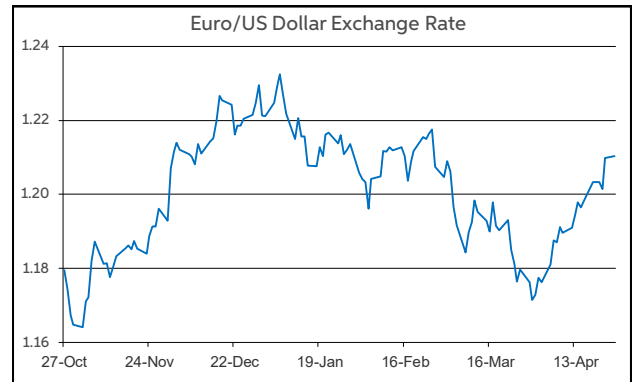
Meanwhile, the action on currency markets for much of last week was confined to relatively narrow trading ranges. A fairly sparse macro calendar, along with an uneventful ECB meeting meant there was limited macro news/developments to influence proceedings. Of the modest moves to register, the euro was holding a firmer tone.

The firmer tone to the euro over recent days is reflected in EUR/USD starting this week above the \$1.21 threshold, having opened last week near to the midpoint of \$1.19-1.20. Meanwhile, the EUR/GBP pair opens just above 87p, having fallen below 86p at one stage last week. Elsewhere, on the currency front, GBP/USD is changing hands at the \$1.39 level.

Looking ahead to this week's macro highlights, it is the turn of the US Fed to hold its policy setting meeting for April. However, similar to the ECB meeting, no policy changes are anticipated. Therefore, it may be a non-event from a dollar perspective.

Data-wise, the schedule is a busy one. Some of the main releases are Q1 GDP readings from the US, Eurozone (incl. Germany) as well as Eurozone inflation numbers for April. However, unless the data surprise significantly versus expectations, the main FX pairs may remain confined to relatively tight trading ranges.

John Fahey, Senior Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2020
EUR/USD	1.2103	0.65	-0.90
EUR/GBP	0.8706	0.38	-2.58
GBP/USD	1.3901	0.27	1.67
GBP/EUR	1.1484	-0.38	2.65
USD/JPY	107.83	-0.06	4.45
EUR/JPY	130.51	0.59	3.45

* 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	0.18	0.19	0.29	0.94
EUR	0.00	-0.56	-0.54	-0.51	-0.48	-0.28
GBP	0.10	0.05	0.09	0.13	0.30	0.66

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

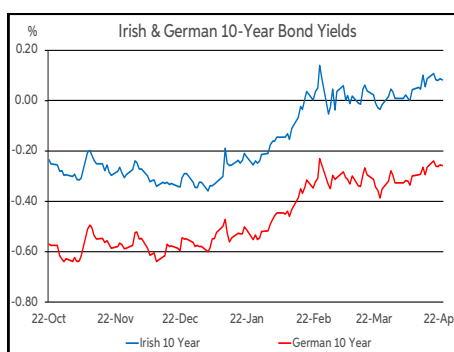
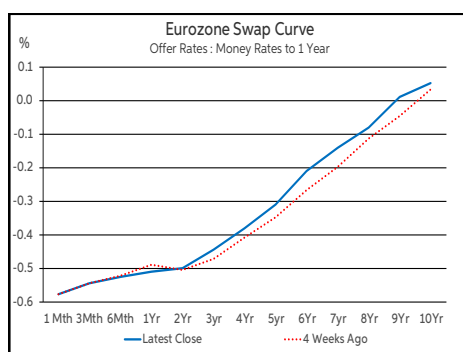
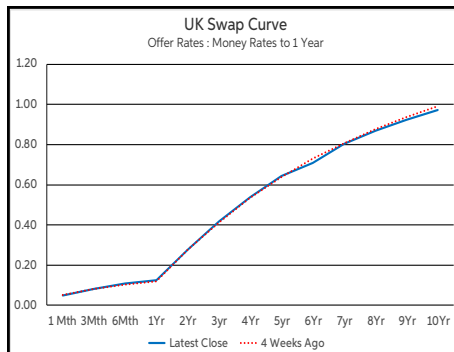
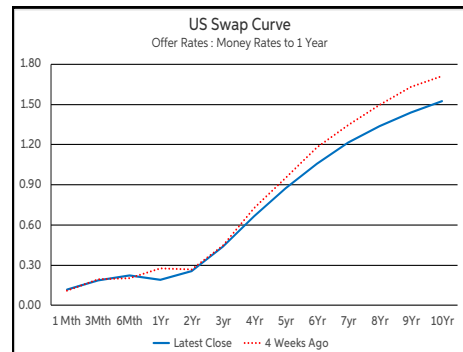
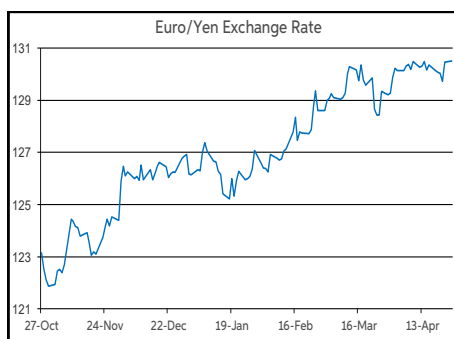
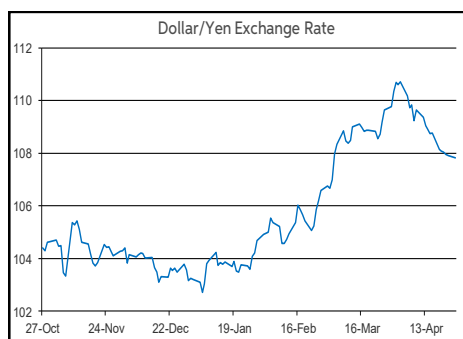
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		Equity Options	Gary Luff				

Opening Levels

Monday 26 April 2021
07:33 am



Euro		Sterling		Dollar	
EUR/GBP	0.8704	GBP/EUR	1.1485	USD/JPY	107.83
EUR/USD	1.2102	GBP/USD	1.3902	USD/CAD	1.246
EUR/JPY	130.52	GBP/CAD	1.7315	USD/CHF	0.9135
EUR/SEK	10.1366	GBP/NZD	1.9284	USD/CNY	6.4905
EUR/DKK	7.4358	GBP/JPY	149.91	USD/BRL	5.4749
EUR/NOK	10.0286	GBP/SEK	11.6429	USD/RUB	74.858
EUR/CHF	1.1059	GBP/DKK	8.539	USD/INR	74.77
EUR/AUD	1.5584	GBP/NOK	11.512	AUD/USD	0.7766
EUR/HKD	9.3912	GBP/CHF	1.27	NZD/USD	0.7205
EUR/CAD	1.5081	GBP/AUD	1.7898		



Debt Markets				
	Close	Day	Change bps	
			4 Weeks	End 20
10 Year Yield %				
US	1.56	+2	-11	+64
Germany	-0.26	-0	+9	+32
UK	0.75	+0	-1	+55
5 Year Swap %				
US	0.88	+0	-7	+45
Eurozone	-0.31	+0	+4	+15
UK	0.64	+1	+1	+45
2 Year Swap %				
US	0.26	+0	-0	+7
Eurozone	-0.50	-1	+2	+3
UK	0.28	+1	+1	+25
10 Year Government Bond Spreads to Benchmark bps				
Ireland	37	-0	+2	+10
Belgium	32	+0	+1	+13
France	25	+0	+1	+2
Italy	104	+3	+8	-6
Spain	66	+1	+2	+3
Portugal	66	+0	+13	+3
Greece	115	-0	-8	-6

Commodities				
	Close	Day	% Change	
			4 Weeks	End 20
Brent Oil	66.11	+1.09	+2.39	+27.63
West Texas Oil	62.18	+1.19	+2.05	+28.60
Gold \$	1777.2	-0.38	+2.61	-6.29

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