

## EUR/USD above \$1.21 level

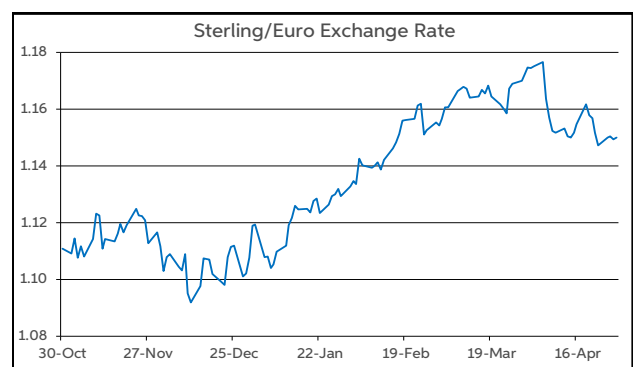
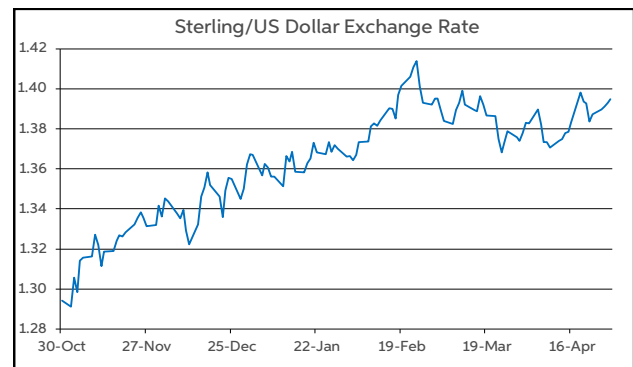
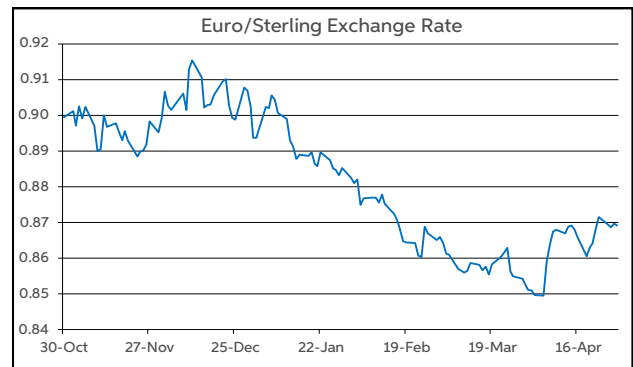
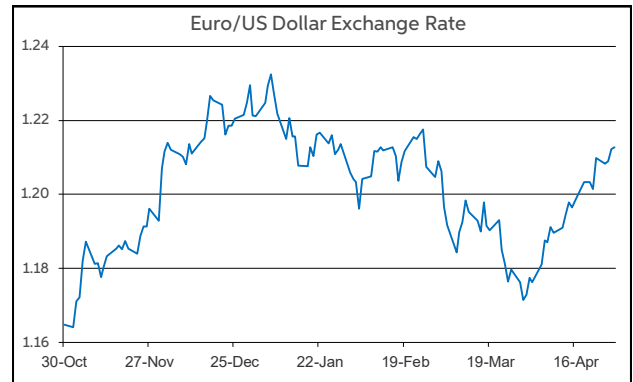
Proceedings throughout the European session on financial markets were subdued yesterday, as investors kept their powder dry ahead of the conclusion of the Fed meeting. This was reflected in mostly sideways trading on currency markets throughout the day in Europe. Overnight though, a dovish sounding Fed Chair Powell saw the dollar come under some downward pressure. Elsewhere in the US, in a speech last night, President Biden outlined the third part of his expansionary fiscal policy, the American Families Plan.

The Fed policy meeting finished as expected, with the central bank keeping monetary policy unchanged. At the press conference, Chair Powell stated, "It is not the time to start talking about tapering" the Fed's QE programmes. Chair Powell also reiterated that rising inflation this year will likely be transitory, while the meeting statement noted that the risks to the outlook have become more balanced.

In level terms, the softer dollar tone is reflected in EUR/USD opening this morning above the \$1.21 threshold. GBP/USD has climbed back above the \$1.39 level also, and is trading at the midpoint of \$1.39-1.40. Meanwhile, EUR/GBP continues to change hands in a tight range near to 87p.

Today, the main data highlight will be the first reading of Q1 GDP in the US. In general, US data has printed ahead of expectations so far in 2021, and the consensus is for a 6.1% rise in annualised terms. However, the lagged nature of the release suggests that barring any major surprises, it may not impact currency markets. We will also get an update on the US labour market in the form of the latest initial jobless claims data. In the Eurozone, the EC sentiment indices for April are all forecast to improve.

**Daniel Noonan, Economist, AIB**



Today's Opening FX Rates			
		% Change	
		Day *	End 2020
EUR/USD	1.2129	0.48	-0.69
EUR/GBP	0.8692	-0.09	-2.74
GBP/USD	1.3952	0.56	2.04
GBP/EUR	1.15	0.09	2.82
USD/JPY	108.71	-0.13	5.30
EUR/JPY	131.87	0.33	4.53

\* v Previous Day's European Open  
See Next Page for More Rates

Opening Interest Rates						
		Money Market		Swap Rates		
	Base Rate	1-Mth	3-Mth	1-Yr	2-Yr	5-Yr
USD	0.125	0.11	0.18	0.20	0.29	0.97
EUR	0.00	-0.56	-0.54	-0.51	-0.47	-0.27
GBP	0.10	0.05	0.09	0.13	0.31	0.70

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

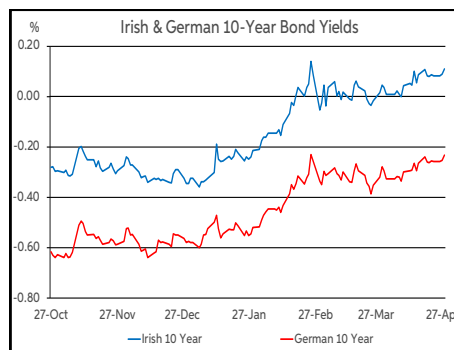
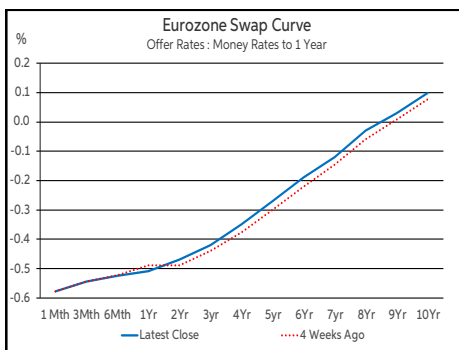
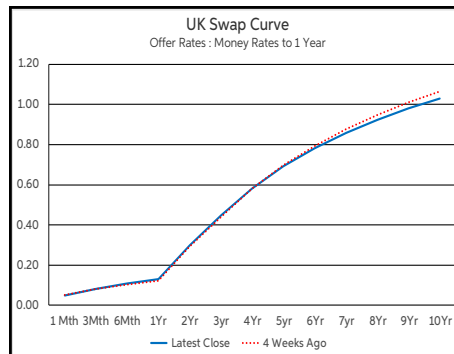
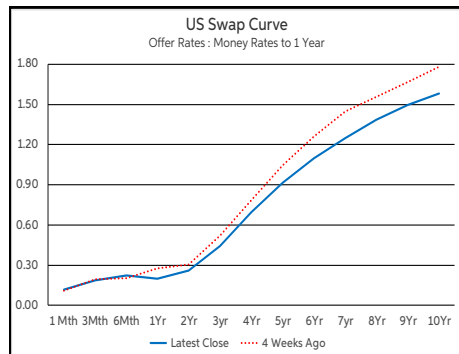
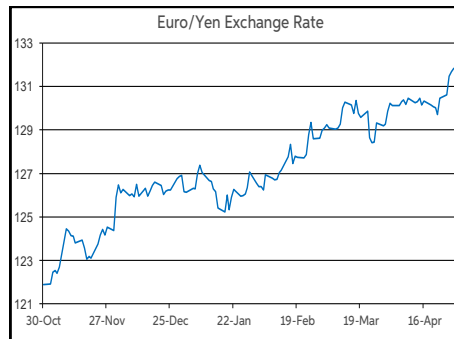
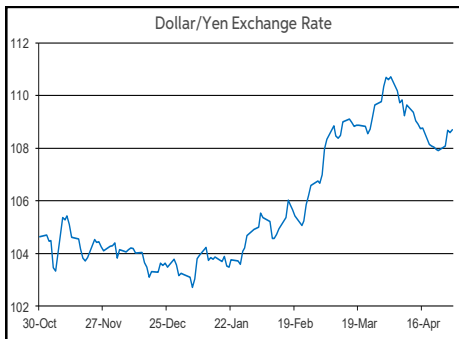
FX Spot	Karl Cooke Shane Gargan Enda Homan	FX Options	Mark Tuite	Reuters Phone	AIBG.I 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
		Equity Options	Gary Luff				

# Opening Levels

Thursday 29 April 2021  
07:19 am



Euro		Sterling		Dollar	
EUR/GBP	0.8692	GBP/EUR	1.15	USD/JPY	108.71
EUR/USD	1.2129	GBP/USD	1.3952	USD/CAD	1.23
EUR/JPY	131.87	GBP/CAD	1.7169	USD/CHF	0.91
EUR/SEK	10.1082	GBP/NZD	1.9207	USD/CNY	6.4717
EUR/DKK	7.4363	GBP/JPY	151.67	USD/BRL	5.3425
EUR/NOK	9.9179	GBP/SEK	11.6221	USD/RUB	74.369
EUR/CHF	1.1039	GBP/DKK	8.5514	USD/INR	74.06
EUR/AUD	1.5563	GBP/NOK	11.4106	AUD/USD	0.7793
EUR/HKD	9.4147	GBP/CHF	1.2698	NZD/USD	0.7262
EUR/CAD	1.4925	GBP/AUD	1.7899		



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 20
<b>10 Year Yield %</b>				
US	1.61	-1	-13	+69
Germany	-0.23	+2	+6	+34
UK	0.80	+2	-5	+60
Ireland	0.15	+2	+7	+45
Belgium	0.09	+2	+8	+47
France	0.02	+2	+7	+37
Italy	0.83	+1	+16	+31
Spain	0.44	+2	+10	+38
Portugal	0.44	+2	+22	+38
Greece	0.95	+3	+8	+32
<b>5 Year Swap %</b>				
US	0.92	-3	-12	+49
Eurozone	-0.27	+1	+4	+19
UK	0.69	+1	+0	+50
<b>2 Year Swap %</b>				
US	0.26	-1	-2	+7
Eurozone	-0.47	+1	+3	+6
UK	0.30	+0	+1	+27
<b>10 Year Government Bond Spreads to Benchmark bps</b>				
Ireland	38	+0	+1	+11
Belgium	32	-0	+2	+13
France	26	+0	+1	+2
Italy	106	-1	+10	-3
Spain	67	-0	+4	+4
Portugal	68	+0	+15	+4
Greece	118	+1	+2	-2

Commodities				
	% Change			
	Close	Day	4 Weeks	End 20
Brent Oil	67.27	+1.28	+5.87	+29.86
West Texas Oil	63.81	+1.24	+7.81	+31.98
Gold \$	1781.3	+0.26	+4.35	-6.07

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.