

Currency markets remain range bound

Investor sentiment was holding a cautious tone yesterday. Uncertainty regarding tensions centred around Ukraine weighed on sentiment throughout proceedings. The Euro Stoxx 50 lost 0.2%. Across the Atlantic though, the S&P 500 rallied late in the session to finish flat, having been in the red for most of the day.

On bond markets, benchmark sovereign yields edged slightly lower across the board. Meantime, on currency markets, the main pairs continued to operate within tight ranges yesterday.

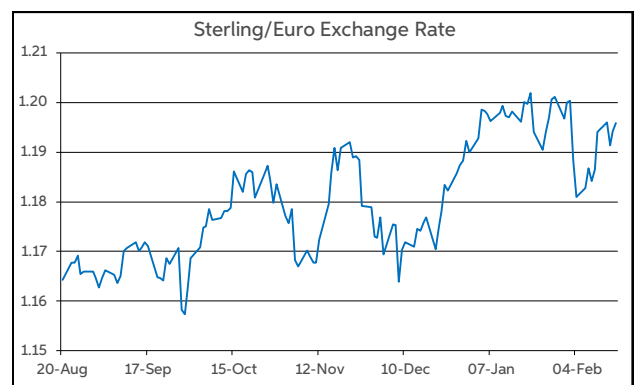
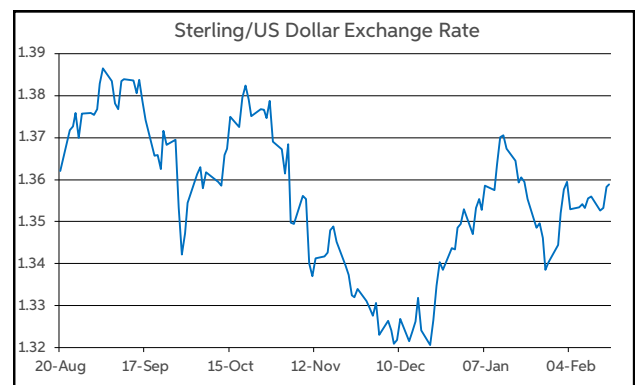
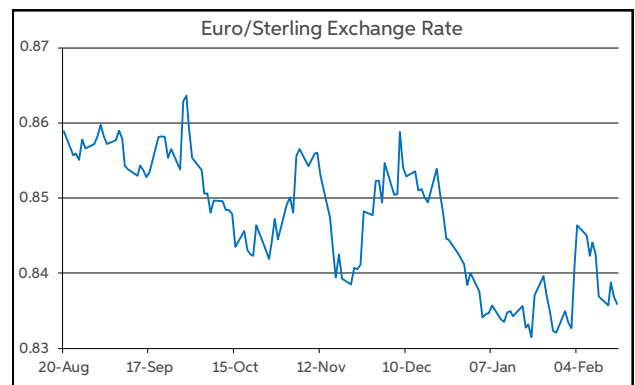
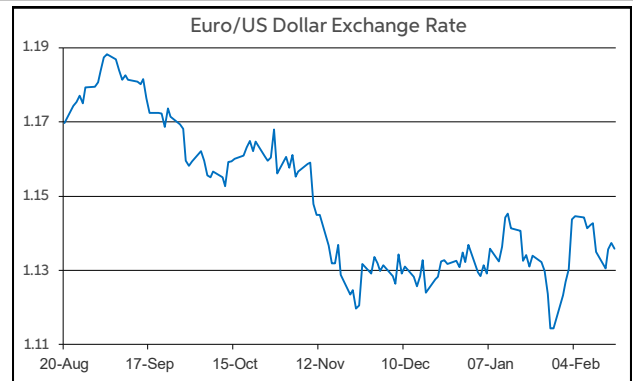
Data-wise, there was a busy schedule yesterday. US retail sales rose by more than expected, jumping by 3.8% in January (vs. +2% f'cast). Meanwhile, US industrial production also rose by more than the consensus, (+1.4% vs. +0.4% f'cast). Industrial production data was released from the Eurozone as well, and showed that output regained its pre-pandemic level in December.

Elsewhere, the Fed meeting minutes (after the close in Europe) confirmed the central bank believes that a faster tightening of monetary policy than during the last hiking cycle, is appropriate this time around. The release did not greatly impact the dollar.

As trading gets underway this morning, EUR/USD is changing hands near the midpoint of \$1.13-1.14. GBP/USD is operating in the top half of the \$1.35-1.36 range. Meanwhile, EUR/GBP remains between 83.5-84p.

Ahead today, there is a relatively quiet data calendar. Thus, the markets focus will likely remain on developments in Ukraine and on monetary policy, with a number of key ECB and Fed officials due to make prepared remarks throughout the day.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2021
EUR/USD	1.1359	0.05	-0.08
EUR/GBP	0.8359	-0.23	-0.49
GBP/USD	1.359	0.30	0.45
GBP/EUR	1.1958	0.23	0.49
USD/JPY	115.28	-0.35	0.17
EUR/JPY	130.95	-0.30	0.06

* 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	0.12	0.47	1.19	1.71	1.95
EUR	0.00	-0.56	-0.52	-0.29	0.16	0.59
GBP	0.25	0.48	0.89	1.74	2.04	1.98

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

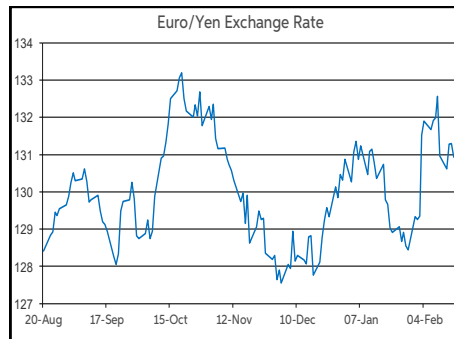
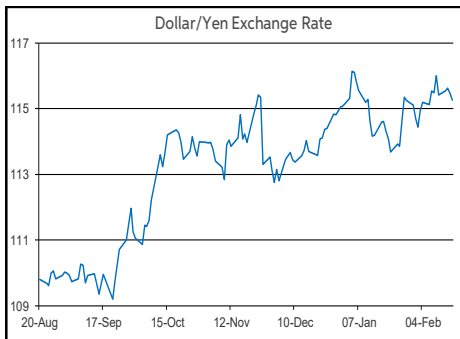
FX Spot	Karl Cooke Shane Gargan Enda Homan	FX Options	Mark Tuite	Reuters Phone	AIBG.I 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
		Equity Options	Gary Luff				

Opening Levels

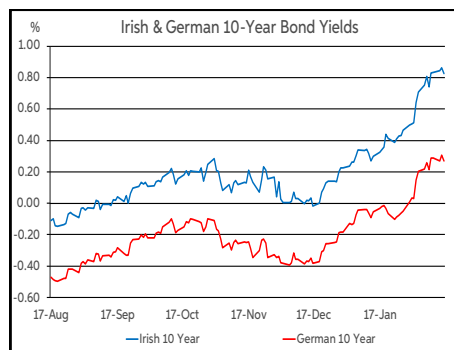
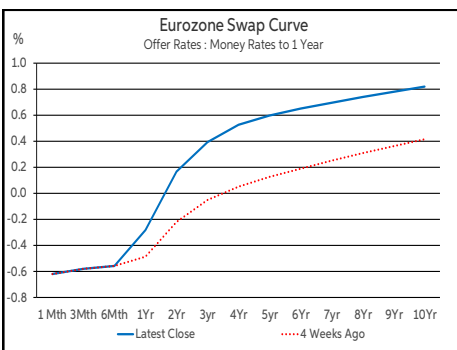
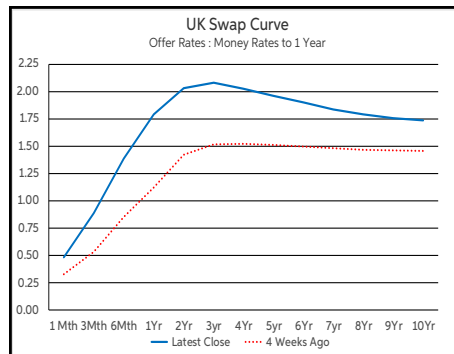
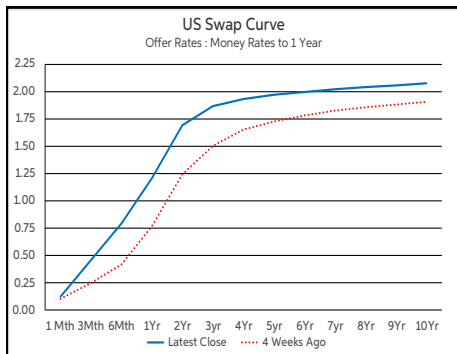
Thursday 17 February 2022
07:23 am



Euro		Sterling		Dollar	
EUR/GBP	0.8359	GBP/EUR	1.1958	USD/JPY	115.28
EUR/USD	1.1359	GBP/USD	1.359	USD/CAD	1.271
EUR/JPY	130.95	GBP/CAD	1.7272	USD/CHF	0.9226
EUR/SEK	10.5684	GBP/NZD	2.0305	USD/CNY	6.334
EUR/DKK	7.4401	GBP/JPY	156.67	USD/BRL	5.1365
EUR/NOK	10.1173	GBP/SEK	12.6405	USD/RUB	75.742
EUR/CHF	1.0481	GBP/DKK	8.898	USD/INR	75.051
EUR/AUD	1.5797	GBP/NOK	12.0944	AUD/USD	0.719
EUR/HKD	8.8617	GBP/CHF	1.2538	NZD/USD	0.669
EUR/CAD	1.444	GBP/AUD	1.8897		



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 21
10 Year Yield %				
US	2.04	-0	+19	+53
Germany	0.27	-4	+28	+45
UK	1.53	-6	+27	+55
Ireland				
Ireland	0.84	-4	+46	+59
Belgium	0.78	-3	+48	+60
France	0.75	-3	+38	+56
Italy	1.92	-5	+51	+73
Spain	1.29	-3	+61	+70
Portugal	1.16	-3	+55	+68
Greece	2.66	-5	+98	+135
5 Year Swap %				
US	1.97	-4	+28	+63
Eurozone	0.60	-3	+48	+59
UK	1.96	-10	+46	+69
2 Year Swap %				
US	1.69	-4	+49	+75
Eurozone	0.17	-4	+40	+47
UK	2.03	-13	+61	+84
10 Year Government Bond Spreads to Benchmark bps				
Ireland	57	-0	+17	+14
Belgium	50	+1	+20	+15
France	48	+1	+10	+11
Italy	165	-2	+23	+28
Spain	102	+1	+32	+25
Portugal	89	+0	+27	+23
Greece	239	-1	+70	+90



Commodities				
	% Change			
	Close	Day	4 Weeks	End 21
Brent Oil	94.81	+1.64	+7.20	+21.90
West Texas Oil	93.83	+1.91	+8.05	+24.56
Gold \$	1868.4	+0.83	+1.54	+2.19

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