

Main FX pairs range bound

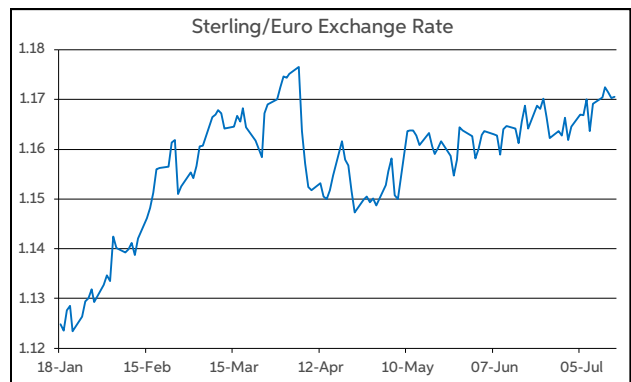
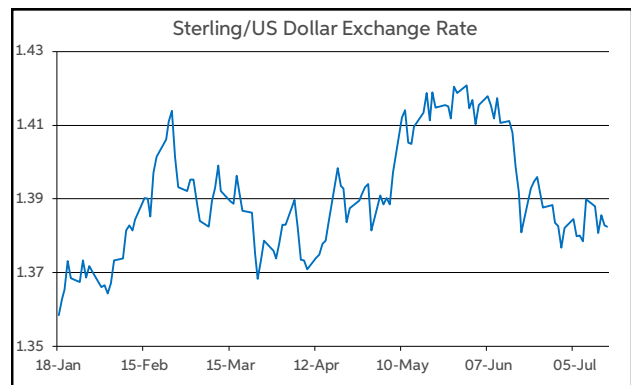
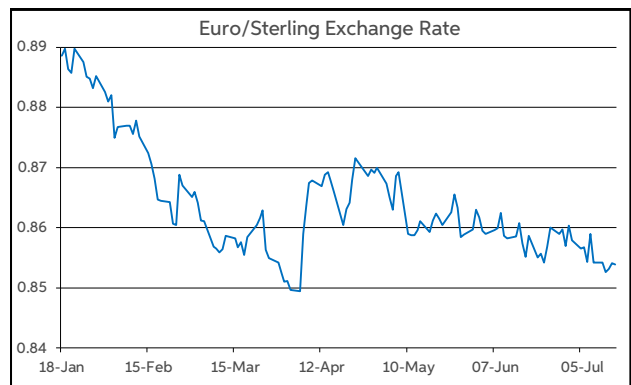
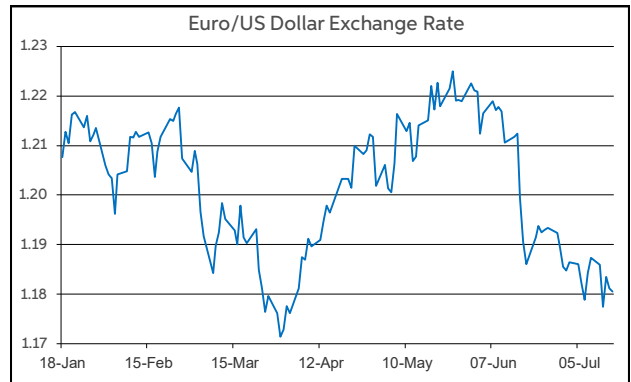
Risk appetite was somewhat cautious yesterday across financial markets. The Euro Stoxx 50 finished down 1.1% for the day, while at the close on Wall Street, the S&P 500 edged lower by 0.3%. On bond markets, UK Gilt yields moved higher, and the curve flattened due to a more hawkish tone from two MPC members over the past 48 hours. Currency-wise though, there was no noticeable impact on sterling from this newsflow. Indeed, the main pairs were tightly range bound.

There was a mixed bag in terms of US data released yesterday. Industrial production (June) rose by 0.4%, below the 0.6% consensus, as manufacturing remained constraint, particularly in the autos sector. Meanwhile, initial jobless claims fell to 360k from an upwardly revised 386k the week before. Regional bellwethers, such as the Empire State and Philly Fed indices were also mixed, with the later printing below expectations, and the former at a new record high in July.

In level terms, EUR/USD opens this morning once again just above \$1.18. Meantime, EUR/GBP is near the midpoint of 85-86p, having spent the whole of this week so far in that corridor. Elsewhere, Cable (GBP/USD) continues to change hands in the bottom half of the \$1.38-1.39 band.

Today, US data once again dominates an otherwise quiet schedule. Retail sales (June) are projected to fall by 0.4% in the month, albeit from elevated levels. Meanwhile, the Michigan measure of consumer sentiment is forecast to rise to 86.5 in July from 85.5. However, barring any major surprises, the data is unlikely to impact the dollar. Thus, range trading may remain the order of the day on the exchanges.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2020
EUR/USD	1.1807	-0.20	-3.32
EUR/GBP	0.854	-0.12	-4.44
GBP/USD	1.3824	-0.08	1.10
GBP/EUR	1.1704	0.12	4.65
USD/JPY	109.99	0.11	6.54
EUR/JPY	129.87	-0.09	2.94

* 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	0.09	0.13	0.15	0.33	0.87
EUR	0.00	-0.56	-0.55	-0.50	-0.45	-0.31
GBP	0.10	0.05	0.08	0.26	0.49	0.75

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 16 July 2021
07:33 am



Euro

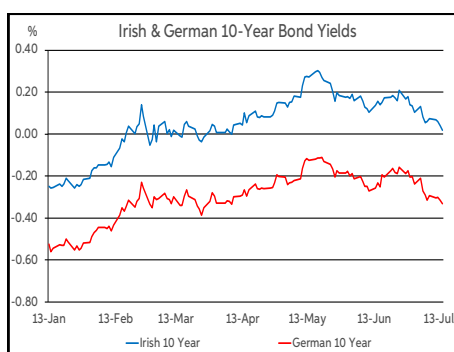
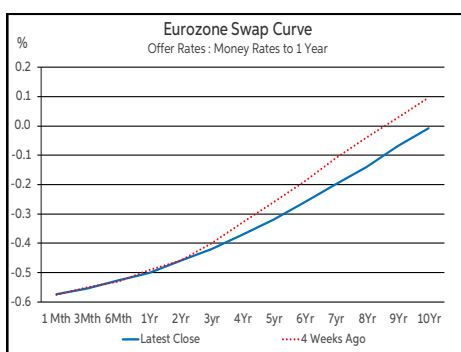
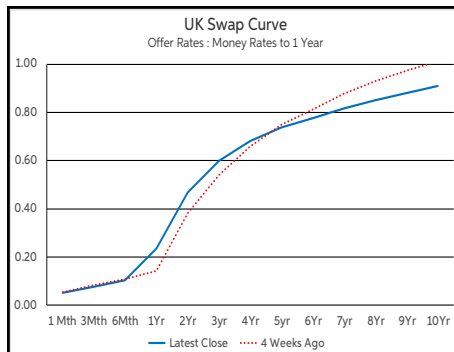
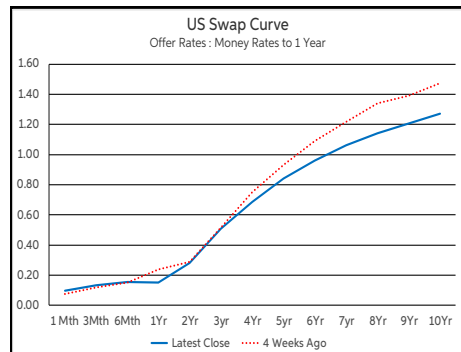
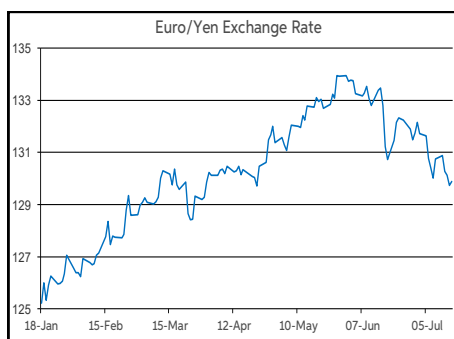
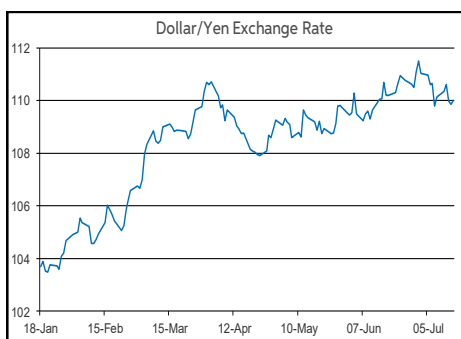
EUR/GBP	0.854
EUR/USD	1.1807
EUR/JPY	129.87
EUR/SEK	10.2218
EUR/DKK	7.4372
EUR/NOK	10.408
EUR/CHF	1.0843
EUR/AUD	1.5882
EUR/HKD	9.1714
EUR/CAD	1.4849

Sterling

GBP/EUR	1.1704
GBP/USD	1.3824
GBP/CAD	1.7381
GBP/NZD	1.9692
GBP/JPY	152.05
GBP/SEK	11.9672
GBP/DKK	8.7051
GBP/NOK	12.1799
GBP/CHF	1.2697
GBP/AUD	1.8588

Dollar

USD/JPY	109.99
USD/CAD	1.2573
USD/CHF	0.9184
USD/CNY	6.465
USD/BRL	5.11
USD/RUB	74.27
USD/INR	74.601
AUD/USD	0.7434
NZD/USD	0.7018



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 20
10 Year Yield %				
US	1.30	-5	-21	+38
Germany	-0.33	-2	-14	+24
UK	0.66	+3	-11	+47
Ireland				
Ireland	0.05	-2	-14	+36
Belgium	-0.03	-2	-16	+35
France	0.00	-2	-16	+34
Italy	0.73	+1	-9	+21
Spain	0.31	-0	-12	+26
Portugal	0.28	-1	-13	+22
Greece	0.69	-1	-11	+6
5 Year Swap %				
US	0.84	-1	-9	+42
Eurozone	-0.32	-1	-5	+14
UK	0.74	+5	-1	+55
2 Year Swap %				
US	0.28	-1	+0	+9
Eurozone	-0.46	+0	+1	+7
UK	0.47	+5	+10	+44
10 Year Government Bond Spreads to Benchmark bps				
Ireland	38	-0	+1	+11
Belgium	30	+0	-2	+11
France	33	+0	-2	+10
Italy	106	+3	+5	-4
Spain	64	+2	+2	+1
Portugal	61	+1	+1	-2
Greece	102	+1	+4	-18

Commodities				
	% Change			
	Close	Day	4 Weeks	End 20
Brent Oil	73.47	-1.73	+0.53	+41.83
West Texas Oil	71.67	-1.90	+0.86	+48.23
Gold \$	1829.2	+0.12	+3.15	-3.55

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