

## No major changes on the FX front

There was a fairly subdued start to the week on markets yesterday. This was not overly surprising given how quiet the data calendar was. The muted action was reflected in equity markets trading sideways for much of the day. At the close last night on Wall Street, the S&P 500 was flat on the day.

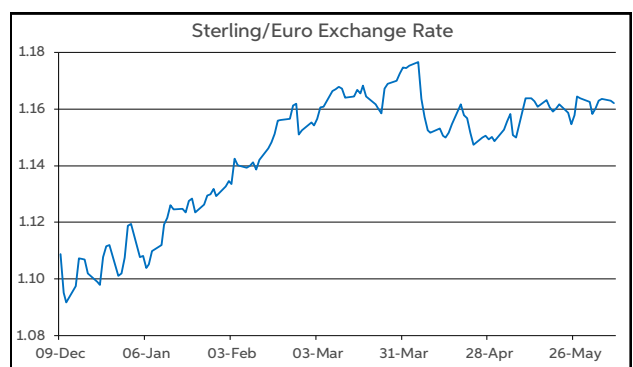
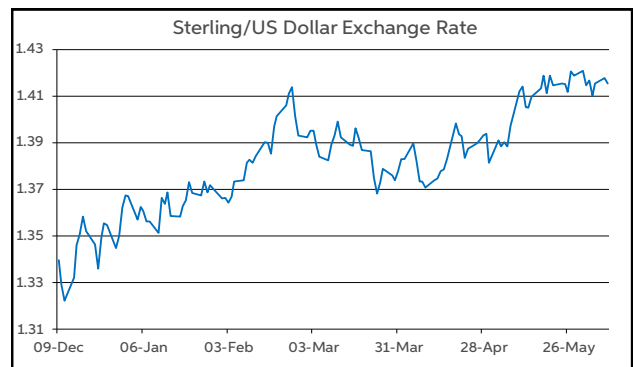
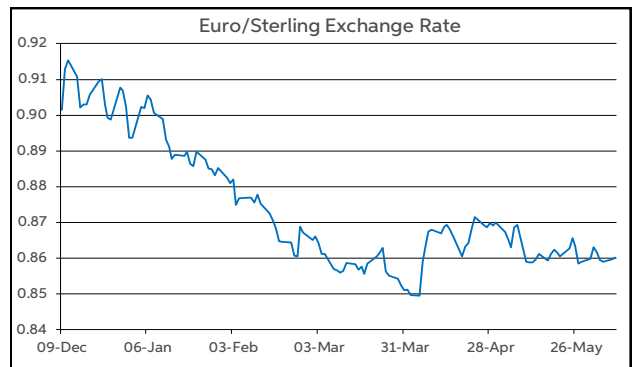
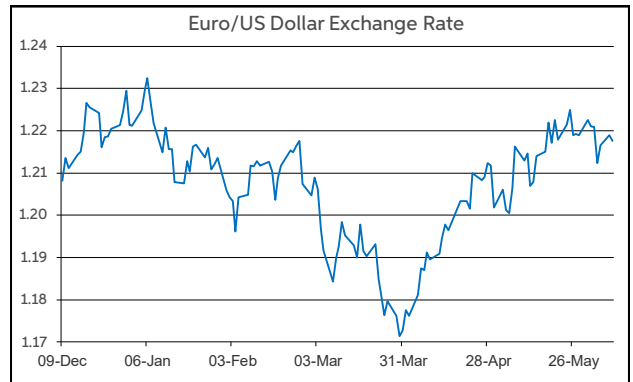
Meanwhile on the currency front, the action was contained within relatively narrow ranges. The dollar had ended last week on a softer footing, following the second straight month of a weaker than expected payroll number. The main dollar pairs remained close to these post-payroll levels yesterday.

So as trading gets underway this morning, EUR/USD remains in the upper half of \$1.21-1.22. Meantime, EUR/GBP continues to change hands in a relatively tight spread around the 86p level. Elsewhere, cable (GBP/USD) remains near to the midpoint of the \$1.41-1.42 trading band.

Today, the macro diary is somewhat busier. In the Eurozone, we get the German ZEW survey of investor sentiment for June. Meanwhile, the UK calendar is very uneventful. In the US, the schedule features April international trade data and the JOLTS job openings figures (which will be closely watched in light of recent weaker payroll data and fact that openings are at an all-time high). We also get the NFIB measure of small business optimism (May).

Overall though, none of these releases would be expected to have much influence on their respective currencies. Therefore, the FX majors could remain within fairly confined ranges over the course of today as they await the ECB meeting, and US inflation data later in the week.

**John Fahey, Senior Economist, AIB**



Today's Opening FX Rates			
		% Change	
		Day *	End 2020
EUR/USD	1.2179	0.11	-0.28
EUR/GBP	0.8603	0.02	-3.74
GBP/USD	1.4154	0.06	3.52
GBP/EUR	1.162	-0.02	3.88
USD/JPY	109.44	0.03	6.01
EUR/JPY	133.29	0.12	5.65

\* 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	0.08	0.12	0.13	0.24	0.87
EUR	0.00	-0.56	-0.55	-0.52	-0.46	-0.27
GBP	0.10	0.05	0.08	0.14	0.33	0.70

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

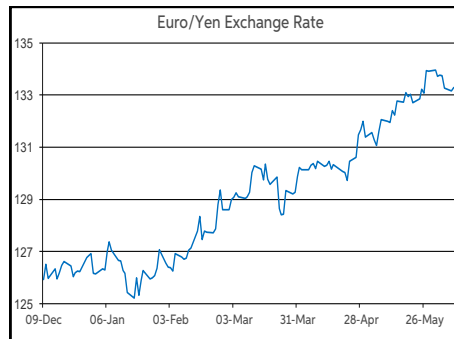
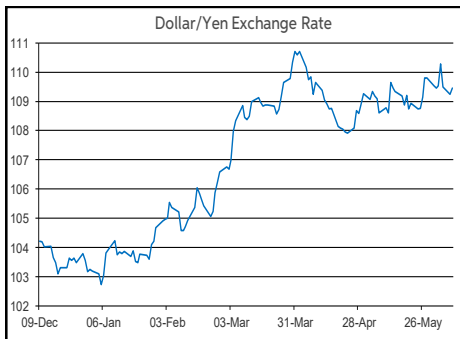
FX Spot	Karl Cooke Shane Gargan Enda Homan	FX Options	Mark Tuite	Reuters Phone	AIBG.I 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
		Equity Options	Gary Luff				

# Opening Levels

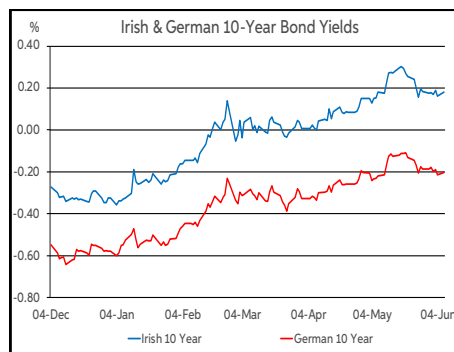
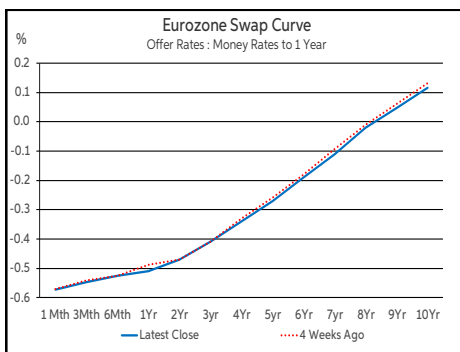
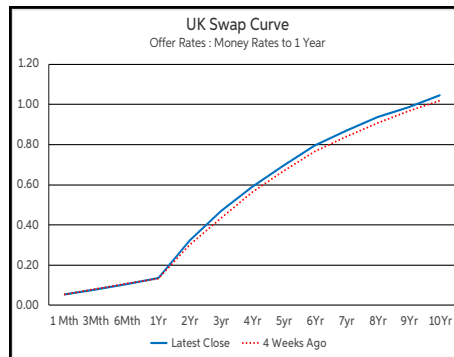
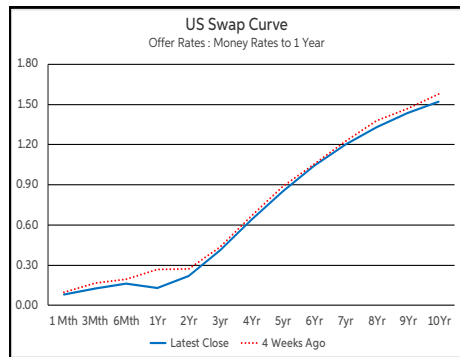
Tuesday 08 June 2021  
07:22 am



Euro		Sterling		Dollar	
EUR/GBP	0.8604	GBP/EUR	1.1621	USD/JPY	109.45
EUR/USD	1.2179	GBP/USD	1.4154	USD/CAD	1.2083
EUR/JPY	133.31	GBP/CAD	1.7102	USD/CHF	0.8979
EUR/SEK	10.0583	GBP/NZD	1.9611	USD/CNY	6.3896
EUR/DKK	7.4365	GBP/JPY	154.92	USD/BRL	5.0465
EUR/NOK	10.0715	GBP/SEK	11.6858	USD/RUB	72.8808
EUR/CHF	1.0936	GBP/DKK	8.6417	USD/INR	72.813
EUR/AUD	1.5721	GBP/NOK	11.6999	AUD/USD	0.7746
EUR/HKD	9.4489	GBP/CHF	1.2709	NZD/USD	0.7216
EUR/CAD	1.4714	GBP/AUD	1.827		



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 20
<b>10 Year Yield %</b>				
US	1.57	+1	-4	+65
Germany	-0.20	+1	+1	+38
UK	0.81	+2	+2	+61
<b>5 Year Swap %</b>				
US	0.85	+1	-0	+43
Eurozone	-0.27	+1	+0	+19
UK	0.70	+0	+3	+51
<b>2 Year Swap %</b>				
US	0.22	+0	-3	+3
Eurozone	-0.47	-0	+1	+6
UK	0.32	+1	+3	+30
<b>10 Year Government Bond Spreads to Benchmark bps</b>				
Ireland	42	+1	-1	+14
Belgium	34	+0	-2	+15
France	37	+1	-1	+14
Italy	112	+3	+2	+2
Spain	68	+1	-1	+5
Portugal	67	+1	-3	+4
Greece	103	-0	-18	-18



Commodities				
	% Change			
	Close	Day	4 Weeks	End 20
Brent Oil	71.49	-0.56	+4.64	+38.01
West Texas Oil	69.21	-0.52	+6.61	+43.14
Gold \$	1899.0	+0.48	+3.46	+0.13

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