

Key FX pairs broadly unchanged

The action across financial markets remained relatively subdued yesterday. The Euro Stoxx regained 0.5% having lost close to 1% on Monday. Meanwhile, the S&P 500 finished flat for the day in the US. Elsewhere, on bond markets, the main benchmark sovereign yields were relatively unchanged.

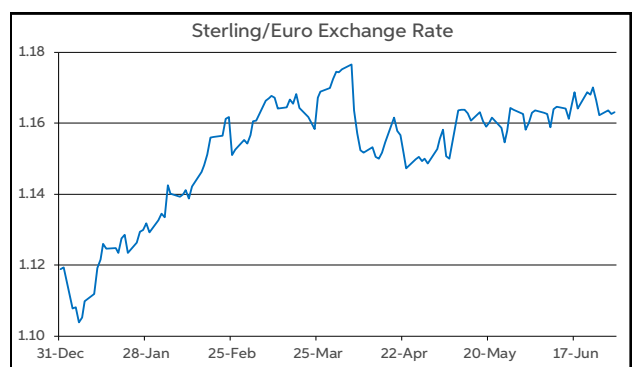
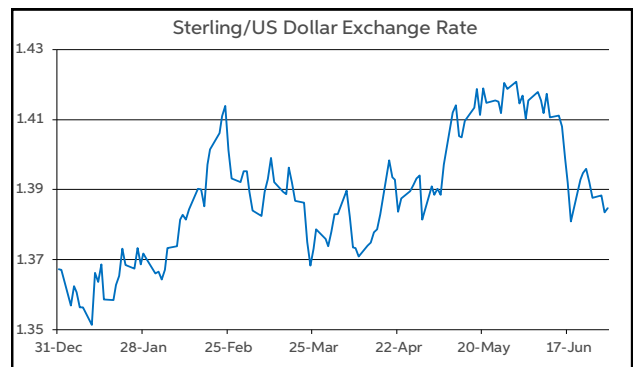
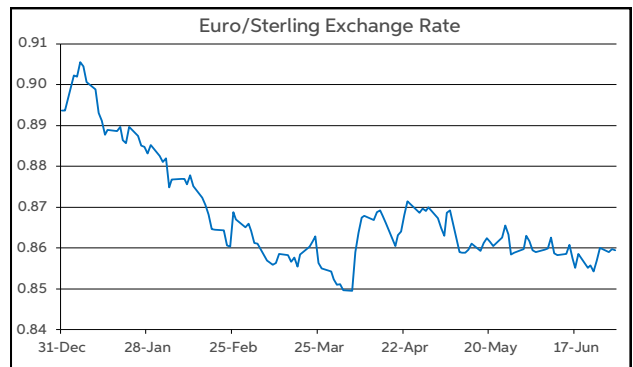
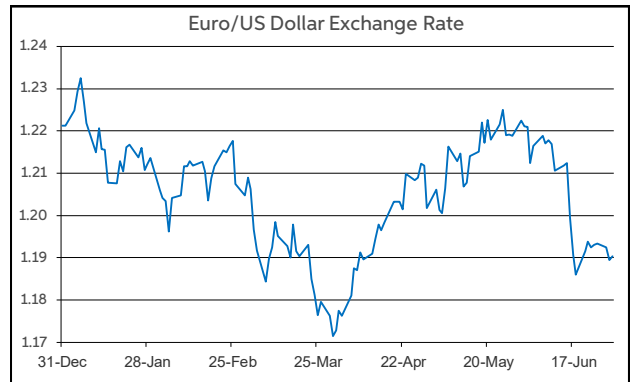
Currency-wise, the key pairs remained tightly range bound, though the dollar was holding a slightly firmer tone for much of yesterday. The slightly stronger dollar saw EUR/USD fall below the \$1.19 threshold, while GBP/USD moved towards \$1.38. However, the dollar could not hold onto all of its gains yesterday.

In terms of the data, the EC economic sentiment index came in ahead of expectations, rising to 117.9 in June (vs. 116.5 f'cast), its highest reading since May 2000. Meanwhile in the US, Consumer Confidence jumped to 127.3 from 117.2 in June, beating the consensus also.

In level terms, the main FX pairs open in very similar narrow ranges to 24 hours ago. This is evidenced in EUR/USD starting today at the \$1.19 threshold. EUR/GBP is changing hands just below 86p, and cable (GBP/USD) is operating at the midpoint of the \$1.38-1.39 band.

Turning to the day ahead, the data calendar highlight will be Eurozone flash inflation for June. The forecast is for the headline rate to edge lower to 1.9% from 2%, while the ex-food & energy reading is projected to remain at 0.9%, as underlying price pressures remain subdued. However, barring any surprises though, the data may not impact the euro.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2020
EUR/USD	1.1903	-0.04	-2.54
EUR/GBP	0.8595	0.06	-3.83
GBP/USD	1.3848	-0.12	1.28
GBP/EUR	1.1631	-0.06	3.98
USD/JPY	110.5	-0.07	7.03
EUR/JPY	131.52	-0.14	4.25

* 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	0.10	0.15	0.17	0.35	0.96
EUR	0.00	-0.56	-0.54	-0.50	-0.45	-0.23
GBP	0.10	0.06	0.08	0.16	0.38	0.71

All rates quoted are indicative market rates

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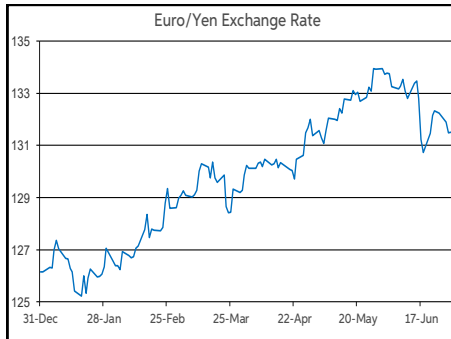
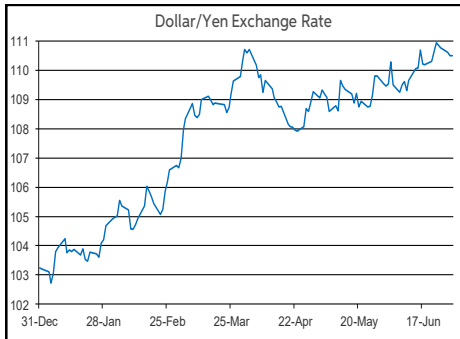
FX Spot	Karl Cooke Shane Gargan Enda Homan	FX Options	Mark Tuite	Reuters Phone	AIBG.I 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
		Equity Options	Gary Luff				

Opening Levels

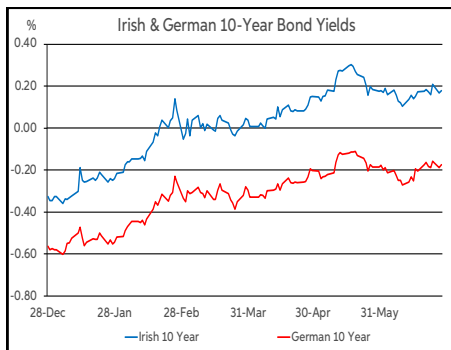
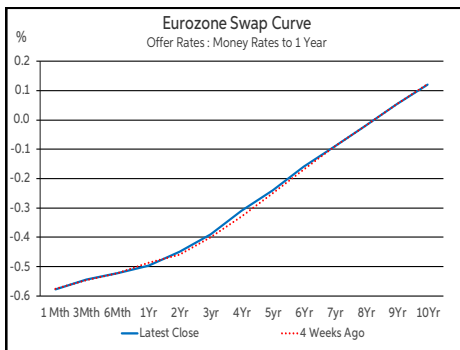
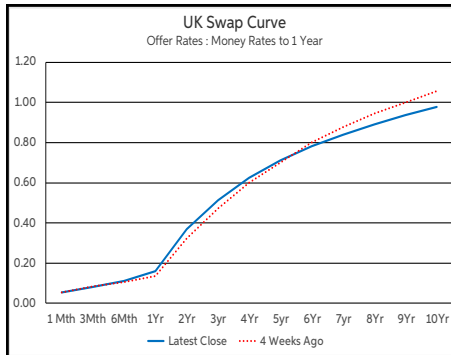
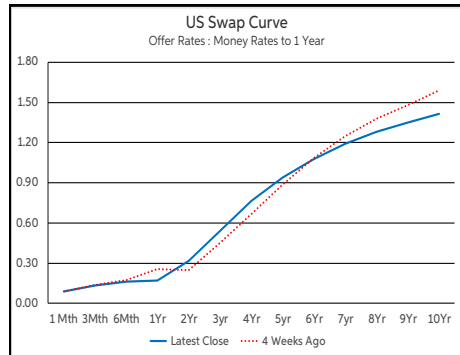
Wednesday 30 June 2021
07:51 am



Euro		Sterling		Dollar	
EUR/GBP	0.8595	GBP/EUR	1.1631	USD/JPY	110.5
EUR/USD	1.1902	GBP/USD	1.3848	USD/CAD	1.2382
EUR/JPY	131.54	GBP/CAD	1.7141	USD/CHF	0.921
EUR/SEK	10.141	GBP/NZD	1.9765	USD/CNY	6.4545
EUR/DKK	7.4357	GBP/JPY	153.02	USD/BRL	4.9559
EUR/NOK	10.1863	GBP/SEK	11.7951	USD/RUB	72.66
EUR/CHF	1.0965	GBP/DKK	8.6502	USD/INR	74.36
EUR/AUD	1.5817	GBP/NOK	11.8447	AUD/USD	0.7523
EUR/HKD	9.2447	GBP/CHF	1.2755	NZD/USD	0.7003
EUR/CAD	1.4741	GBP/AUD	1.84		



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 20
10 Year Yield %				
US	1.47	-1	-13	+56
Germany	-0.17	+1	+0	+40
UK	0.74	+2	-9	+54
Ireland				
Ireland	0.22	+1	+0	+52
Belgium	0.15	+1	-0	+53
France	0.17	+1	-2	+51
Italy	0.88	+0	-2	+36
Spain	0.46	+1	-2	+41
Portugal	0.45	+1	-2	+38
Greece	0.84	-0	+1	+21
5 Year Swap %				
US	0.94	+0	+6	+52
Eurozone	-0.24	-0	+2	+22
UK	0.71	-0	+1	+52
2 Year Swap %				
US	0.32	-0	+10	+12
Eurozone	-0.45	+0	+2	+8
UK	0.37	-0	+5	+34
10 Year Government Bond Spreads to Benchmark bps				
Ireland	39	+0	-0	+12
Belgium	32	-0	-1	+13
France	34	-0	-2	+11
Italy	105	-1	-3	-4
Spain	64	-0	-2	+1
Portugal	62	+0	-3	-2
Greece	101	-2	+0	-19



Commodities				
	% Change			
	Close	Day	4 Weeks	End 20
Brent Oil	74.76	+0.11	+6.42	+44.32
West Texas Oil	73.14	+0.22	+7.88	+51.27
Gold \$	1761.1	-0.96	-7.32	-7.14

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