

Euro firmer despite choppy trading conditions

Trading conditions remained volatile across financial markets yesterday, as the conflict in Ukraine continued to be the main driver of investor sentiment. The risk averse tone persisted throughout the European session, as participants digested the impact from stricter sanctions on Russia.

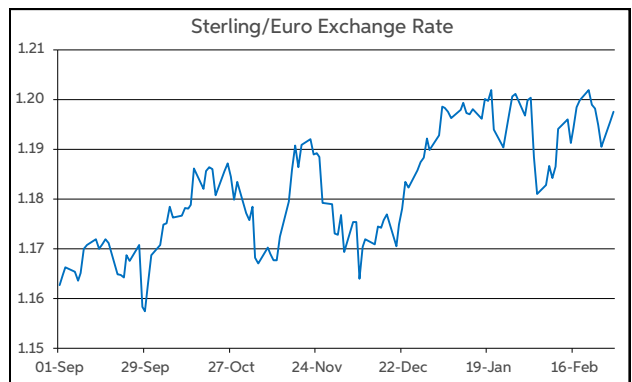
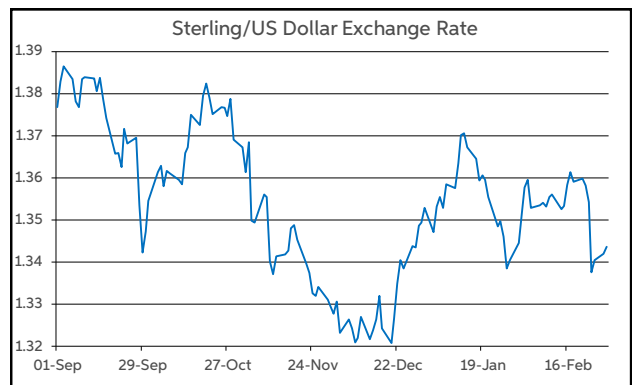
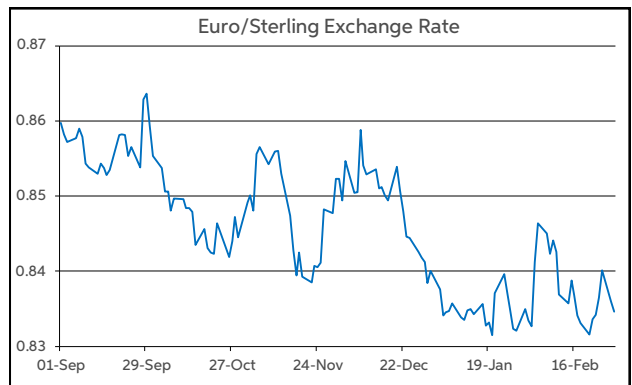
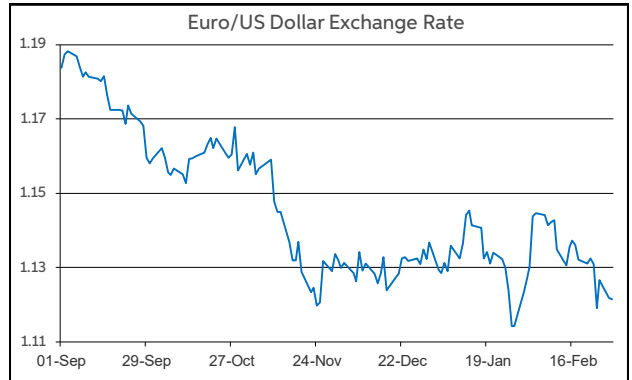
This was reflected in the main equity indices in the region moving lower. The Euro Stoxx 50 ended the day down 1.2%. However, as the day progressed, risk appetite firmed slightly, with the S&P 500 finishing near to flat at the close on Wall Street last night. Meanwhile, bond yields moved lower across the board. European and US benchmark yields fell by 3-16bps along the curve.

Currency-wise, having moved lower against the dollar last week, the euro regained some ground yesterday. The single currency gained circa 0.5% against the dollar, moving back into \$1.12 territory in the process. Overnight, sterling also made some gains versus the dollar.

In level terms, the firmer tone to the euro is evidenced by EUR/USD opening this morning in the bottom half of \$1.12-1.13. Meanwhile, EUR/GBP once again starts the day at the midpoint of 83-84p. GBP/USD is changing hands up above the \$1.34 handle.

Ahead today, the main release of note will be the flash reading of inflation in Germany. The consensus is for inflation to continue its upward trend, rising to 5.4% from 5.1% previously. In the US, the manufacturing ISM (February) is due. However, sentiment is likely to remain driven by developments in Ukraine, with the market remaining focused on the conflict.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2021
EUR/USD	1.1217	0.56	-1.33
EUR/GBP	0.8347	-0.01	-0.63
GBP/USD	1.3434	0.56	-0.70
GBP/EUR	1.1972	0.01	0.63
USD/JPY	115	-0.47	-0.07
EUR/JPY	129.03	0.10	-1.41

* 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	0.23	0.52	1.15	1.65	1.85
EUR	0.00	-0.54	-0.53	-0.37	0.05	0.52
GBP	0.50	0.56	0.85	1.58	1.83	1.81

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

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Opening Levels

Tuesday 01 March 2022
07:20 am



Euro

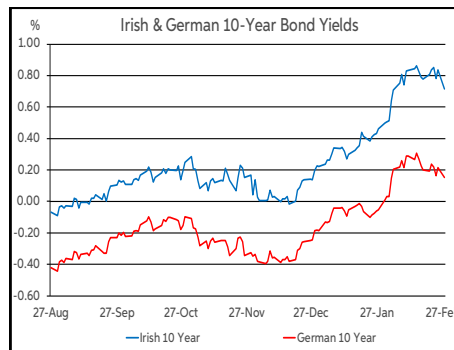
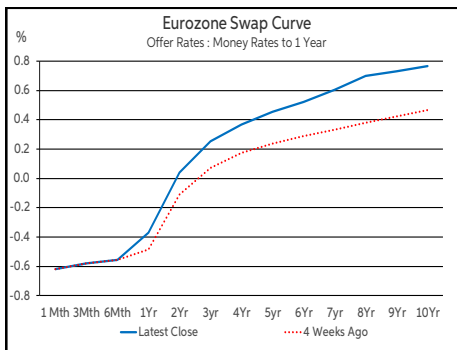
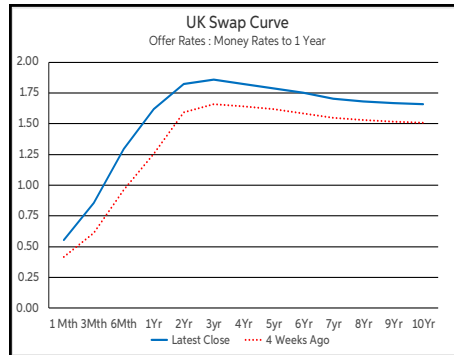
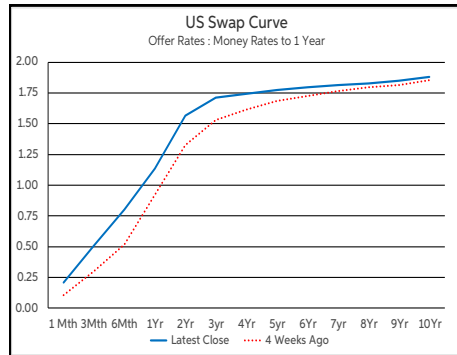
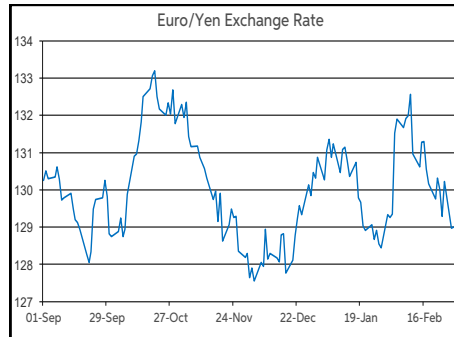
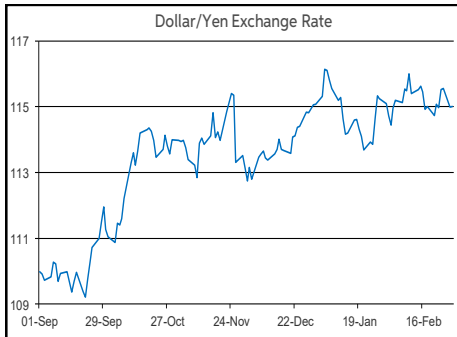
EUR/GBP	0.8347
EUR/USD	1.1217
EUR/JPY	129.03
EUR/SEK	10.6041
EUR/DKK	7.4383
EUR/NOK	9.8337
EUR/CHF	1.0292
EUR/AUD	1.5385
EUR/HKD	8.7644
EUR/CAD	1.4195

Sterling

GBP/EUR	1.1972
GBP/USD	1.3434
GBP/CAD	1.7001
GBP/NZD	1.9793
GBP/JPY	154.49
GBP/SEK	12.6974
GBP/DKK	8.9055
GBP/NOK	11.7785
GBP/CHF	1.2326
GBP/AUD	1.8432

Dollar

USD/JPY	115
USD/CAD	1.2654
USD/CHF	0.9174
USD/CNY	6.3119
USD/BRL	5.1599
USD/RUB	90.6
USD/INR	75.301
AUD/USD	0.7288
NZD/USD	0.6785



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 21
10 Year Yield %				
US	1.82	-15	+4	+31
Germany	0.16	-7	+15	+34
UK	1.42	-4	+11	+44
5 Year Swap %				
US	1.77	-15	+13	+44
Eurozone	0.46	-14	+23	+44
UK	1.79	-10	+17	+51
2 Year Swap %				
US	1.56	-17	+28	+62
Eurozone	0.04	-11	+16	+34
UK	1.82	-11	+24	+63
10 Year Government Bond Spreads to Benchmark bps				
Ireland	59	-6	+8	+16
Belgium	48	-2	+15	+13
France	46	-3	+4	+8
Italy	158	-4	+23	+22
Spain	97	-2	+23	+20
Portugal	87	-1	+22	+21
Greece	238	+4	+62	+89

Commodities				
	% Change			
	Close	Day	4 Weeks	End 21
Brent Oil	100.99	+3.12	+10.72	+29.84
West Texas Oil	96.13	+4.85	+7.82	+27.61
Gold \$	1907.9	+1.08	+6.20	+4.35

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