

## EUR/USD down near \$1.10

Risk appetite remained nervous yesterday as the Russian invasion of Ukraine continued to weigh on sentiment. Trading conditions remained volatile on financial markets also. The Euro Stoxx 50 fell by circa 2.1%, reversing all of its gains from the day before. At the close on Wall Street, the S&P 500 finished down 0.5%. Meanwhile, oil prices whipsawed, eventually ending the day back near \$111/bbl.

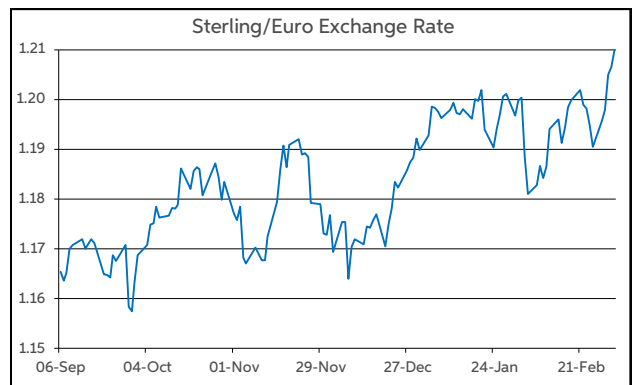
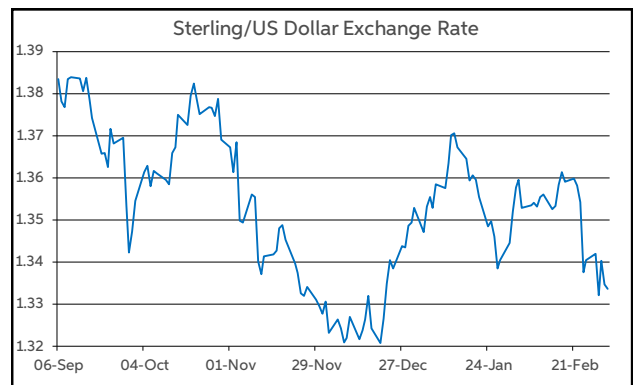
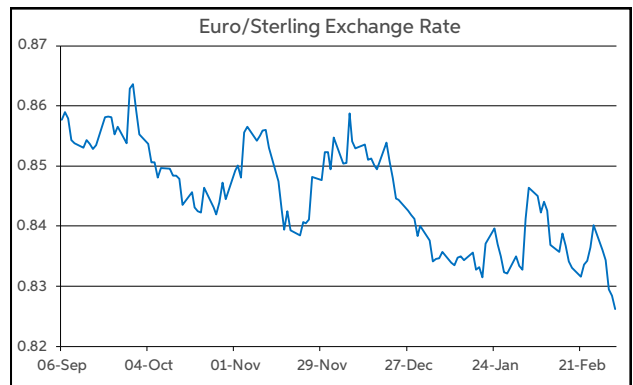
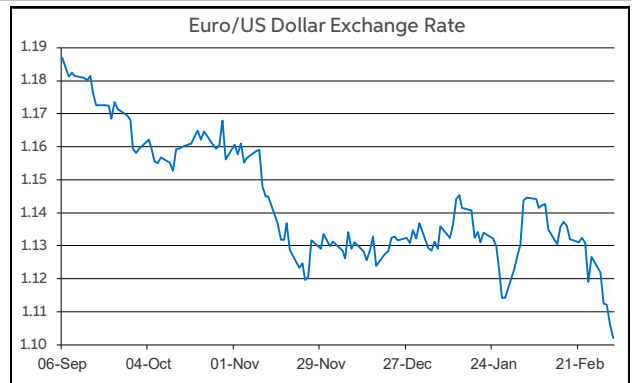
Amid the risk averse backdrop, safe haven currencies, such as the dollar were once again in demand on the exchanges. Indeed, the euro lost further ground against the dollar and the yen. Meanwhile, sterling handed back some of its recent gains versus the greenback.

In level terms, the firmer tone to the dollar sees EUR/USD open this morning down near the \$1.10 threshold. GBP/USD is operating back in the lower half of \$1.33-1.34. Meanwhile, EUR/GBP is changing hands close to the midpoint of the 82-83p corridor.

Turning to the day ahead, the main release of the week, the latest US labour market report is due. The consensus is for another strong rise in payrolls by 400k in February. The unemployment rate is forecast to edge lower to 3.9% also. However, given that the Fed has already teed-up a rate hike this month, barring any major surprises the data may not impact the dollar.

Elsewhere, Eurozone retail sales are projected to rise by 1.3% in January, indicating that economic activity rebounded as Omicron receded. However, as has been the case all week, trading conditions are likely to remain choppy against the backdrop of the conflict in Ukraine.

**Daniel Noonan, Economist, AIB**



Today's Opening FX Rates			
		% Change	
		Day *	End 2021
EUR/USD	1.1017	-0.75	-3.09
EUR/GBP	0.8261	-0.21	-1.65
GBP/USD	1.3336	-0.52	-1.43
GBP/EUR	1.21	0.21	1.68
USD/JPY	115.46	-0.16	0.33
EUR/JPY	127.23	-0.90	-2.78

\* 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	0.24	0.52	1.25	1.69	1.77
EUR	0.00	-0.56	-0.53	-0.35	0.03	0.41
GBP	0.50	0.61	0.87	1.65	1.92	1.81

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

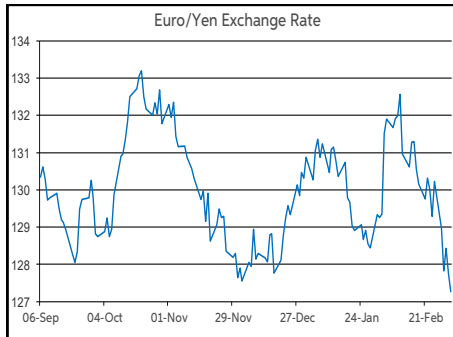
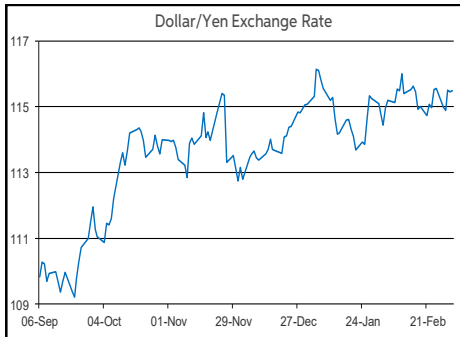
FX Spot	Karl Cooke Shane Gargan Enda Homan	FX Options	Mark Tuite	Reuters Phone	AIBG.I 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
		Equity Options	Gary Luff				

# Opening Levels

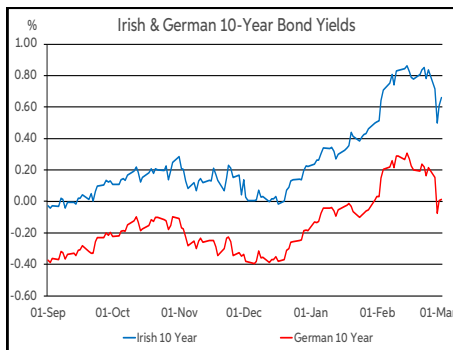
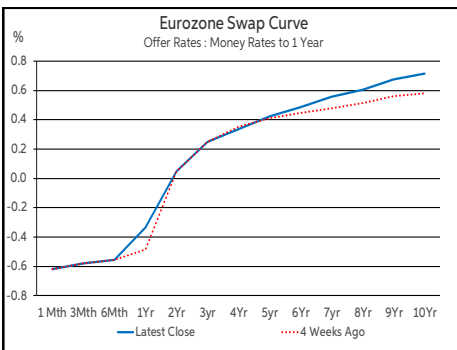
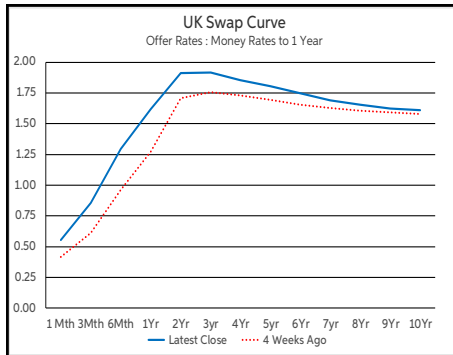
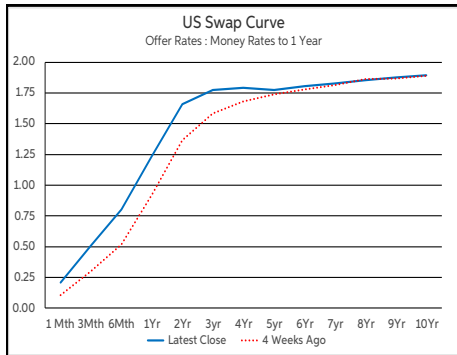
Friday 04 March 2022  
07:05 am



Euro		Sterling		Dollar	
EUR/GBP	0.8261	GBP/EUR	1.21	USD/JPY	115.46
EUR/USD	1.1017	GBP/USD	1.3336	USD/CAD	1.2696
EUR/JPY	127.23	GBP/CAD	1.693	USD/CHF	0.9188
EUR/SEK	10.7717	GBP/NZD	1.9556	USD/CNY	6.3182
EUR/DKK	7.4385	GBP/JPY	153.97	USD/BRL	5.032
EUR/NOK	9.8404	GBP/SEK	13.034	USD/RUB	114.499
EUR/CHF	1.0125	GBP/DKK	9.0017	USD/INR	76.1125
EUR/AUD	1.4992	GBP/NOK	11.9041	AUD/USD	0.7349
EUR/HKD	8.6124	GBP/CHF	1.2256	NZD/USD	0.6817
EUR/CAD	1.3989	GBP/AUD	1.8144		



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 21
<b>10 Year Yield %</b>				
US	1.84	-4	+0	+33
Germany	0.02	+1	-13	+20
UK	1.30	+3	-8	+33
Ireland	0.69	+6	+3	+44
Belgium	0.56	+2	+5	+38
France	0.50	+2	-9	+30
Italy	1.59	+3	-9	+40
Spain	1.01	+0	+6	+42
Portugal	0.87	+2	-2	+38
Greece	2.38	+2	+52	+107
<b>5 Year Swap %</b>				
US	1.77	-4	+7	+44
Eurozone	0.42	+0	+2	+41
UK	1.81	+6	+13	+53
<b>2 Year Swap %</b>				
US	1.66	+3	+33	+72
Eurozone	0.05	+4	+1	+35
UK	1.91	+4	+21	+72
<b>10 Year Government Bond Spreads to Benchmark bps</b>				
Ireland	67	+5	+16	+24
Belgium	54	+0	+19	+18
France	47	+0	+4	+10
Italy	157	+2	+5	+20
Spain	99	-1	+19	+22
Portugal	85	+1	+12	+18
Greece	236	+1	+65	+87



Commodities				
	% Change			
	Close	Day	4 Weeks	End 21
Brent Oil	110.46	-2.19	+21.24	+42.02
West Texas Oil	107.69	-2.75	+19.43	+42.96
Gold \$	1935.2	+0.47	+7.25	+5.84

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