

Mixed mood on markets

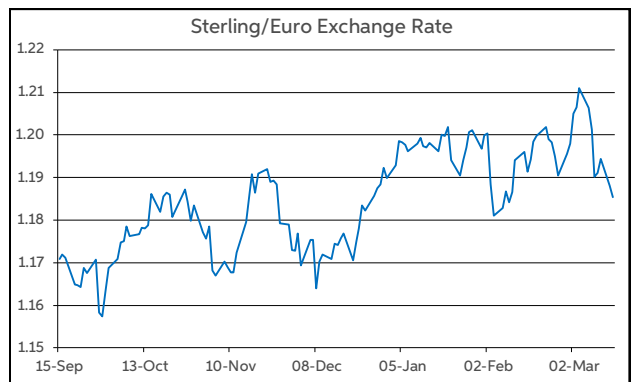
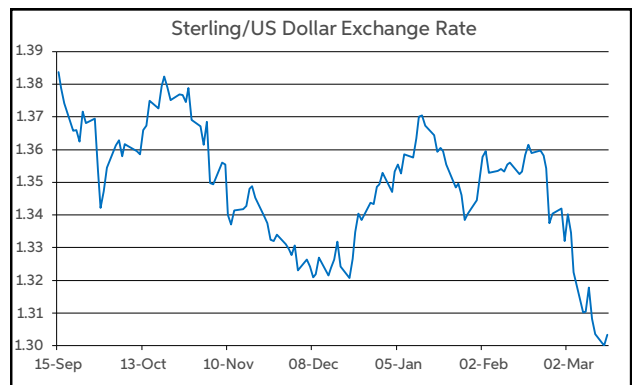
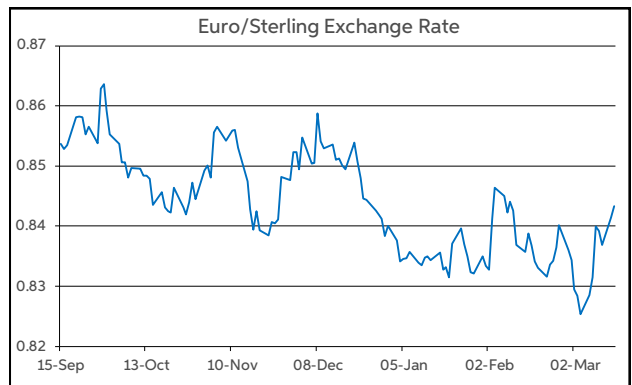
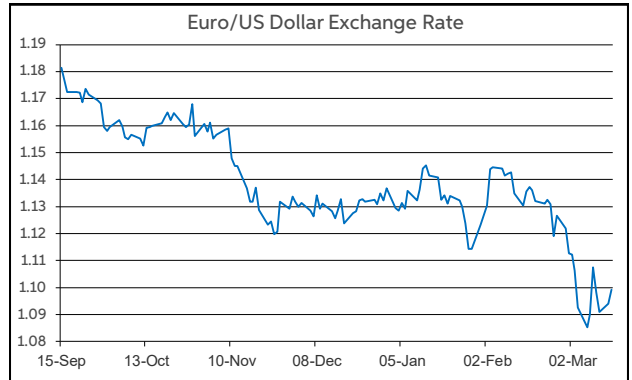
There was a mixed tone to investor sentiment to start the week on financial markets yesterday. The Euro Stoxx 50 finished up 1.5%. However, the mood had soured slightly by the close on Wall Street last night, with the S&P 500 down 0.7%. Meanwhile, oil prices continued to decline, falling back towards \$100bbl. The War in Ukraine remained in focus for markets, as negotiating teams from both sides continued talks. They have agreed to meet again today.

Elsewhere, growing concerns around inflation contributed to the sell-off on bond markets from last week, carrying over to Monday. The 10-year US Treasury yield rose by 14bps to 2.14%. In the Eurozone, 10-year German Bund yields jumped by 10bps to 0.37%. The ECB decision to accelerate QE tapering is placing some upward pressure on Euro-area sovereign bond yields.

Currency-wise, amid the improvement in risk appetite throughout the European session, traditional safe havens such as the dollar and the yen were under some slight downward pressure. At the same time the euro was holding a firmer tone. This is reflected by EUR/USD opening just shy of \$1.10. Elsewhere, EUR/GBP is operating above the 84p threshold, having started the week in 83p territory. Cable (GBP/USD) is changing hands below the midpoint of the \$1.30-1.31 range.

Already this morning, UK labour market data have been released. This included the unemployment rate beating expectations, edging lower to its pre-pandemic level of 3.9% in January. Later today, the German ZEW (March) and Eurozone industrial production (January) are the main highlights. However, sentiment is likely to remain sensitive to headlines regarding the War in Ukraine, and the ongoing negotiations between both sides.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2021
EUR/USD	1.0992	0.74	-3.31
EUR/GBP	0.8432	0.61	0.38
GBP/USD	1.3033	0.12	-3.67
GBP/EUR	1.1852	-0.60	-0.38
USD/JPY	118.05	0.23	2.58
EUR/JPY	129.78	0.96	-0.83

* 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	0.43	0.88	1.55	2.03	2.14
EUR	0.00	-0.55	-0.50	-0.20	0.31	0.74
GBP	0.50	0.75	1.02	1.89	2.24	2.13

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

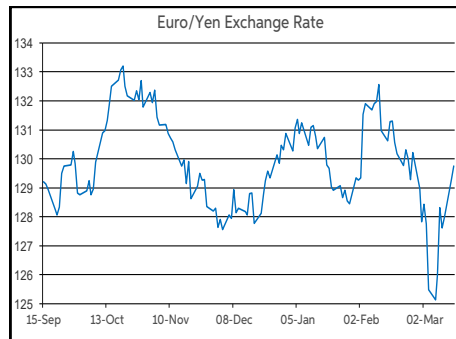
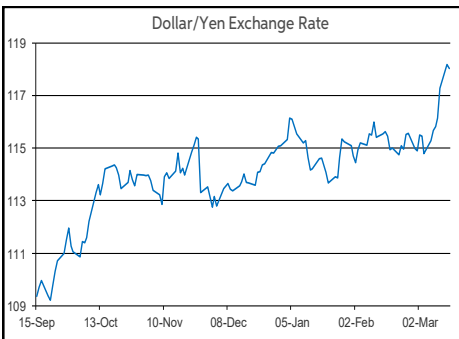
FX Spot	Karl Cooke Shane Gargan Enda Homan	FX Options	Mark Tuite	Reuters Phone	AIBG.I 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
		Equity Options	Gary Luff				

Opening Levels

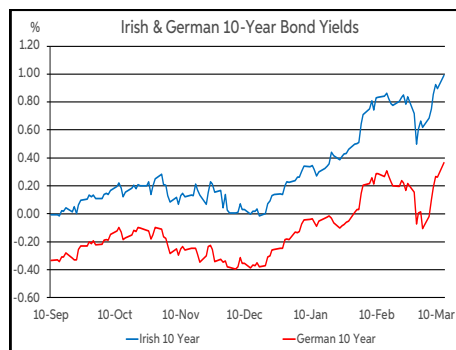
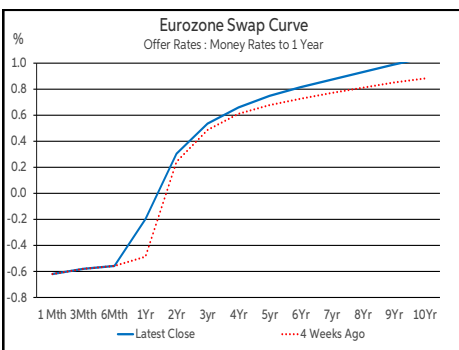
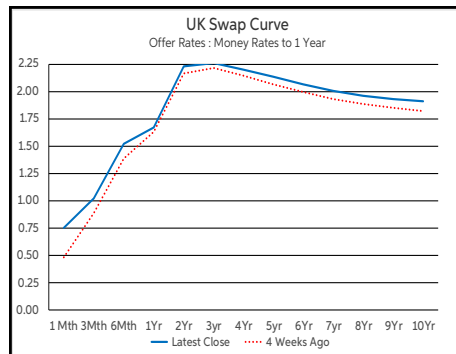
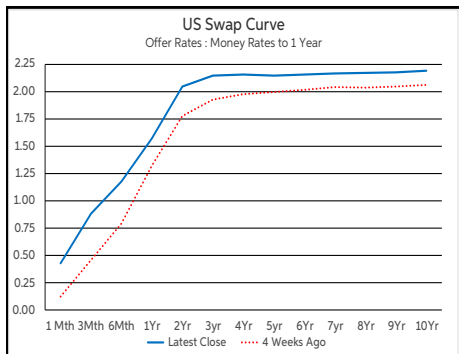
Tuesday 15 March 2022
07:31 am



Euro		Sterling		Dollar	
EUR/GBP	0.8432	GBP/EUR	1.1852	USD/JPY	118.05
EUR/USD	1.0992	GBP/USD	1.3033	USD/CAD	1.2848
EUR/JPY	129.78	GBP/CAD	1.6748	USD/CHF	0.9391
EUR/SEK	10.5234	GBP/NZD	1.9328	USD/CNY	6.3805
EUR/DKK	7.4409	GBP/JPY	153.85	USD/BRL	5.1224
EUR/NOK	9.9397	GBP/SEK	12.4769	USD/RUB	110.947
EUR/CHF	1.0323	GBP/DKK	8.8196	USD/INR	76.52
EUR/AUD	1.5307	GBP/NOK	11.7843	AUD/USD	0.7182
EUR/HKD	8.6037	GBP/CHF	1.224	NZD/USD	0.6741
EUR/CAD	1.4125	GBP/AUD	1.8146		



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 21
10 Year Yield %				
US	2.14	+14	+16	+63
Germany	0.37	+10	+10	+55
UK	1.60	+10	+1	+63
5 Year Swap %				
US	2.14	+14	+17	+81
Eurozone	0.75	+8	+8	+74
UK	2.14	+8	+9	+86
2 Year Swap %				
US	2.04	+12	+31	+110
Eurozone	0.31	+5	+7	+61
UK	2.23	+7	+7	+104
10 Year Government Bond Spreads to Benchmark bps				
Ireland	63	-1	+4	+20
Belgium	54	+1	+4	+18
France	47	+1	-2	+9
Italy	160	-0	-11	+23
Spain	99	+1	-5	+21
Portugal	85	-1	-5	+19
Greece	233	+0	-3	+83



Commodities				
	% Change			
	Close	Day	4 Weeks	End 21
Brent Oil	106.9	-5.12	+10.80	+37.44
West Texas Oil	103.22	-5.57	+8.06	+37.02
Gold \$	1951.1	-1.72	+4.32	+6.71

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