

Main FX pairs range bound

Bond yields remained a key point of attention for market newsflow yesterday, in particular US Treasury yields. After a brief pause following Wednesday evening's Fed meeting, the sell off resumed. The ten year Treasury yield traded as high as 1.75% as investors contemplated the consequences of a strong economic rebound over the course of the year. Meanwhile, some of the main equity indices struggled, not helped by weakness in tech stocks. At the close on Wall Street, the S&P 500 was down 1.5% on the day.

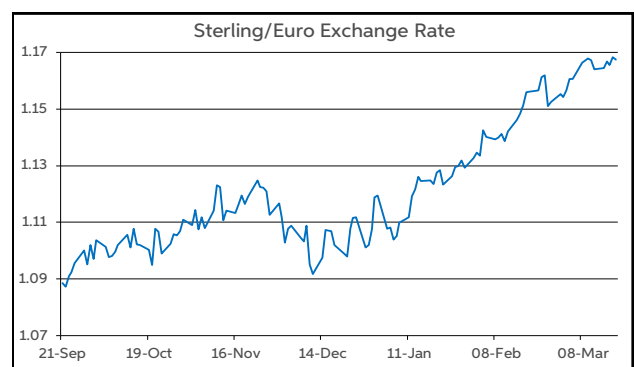
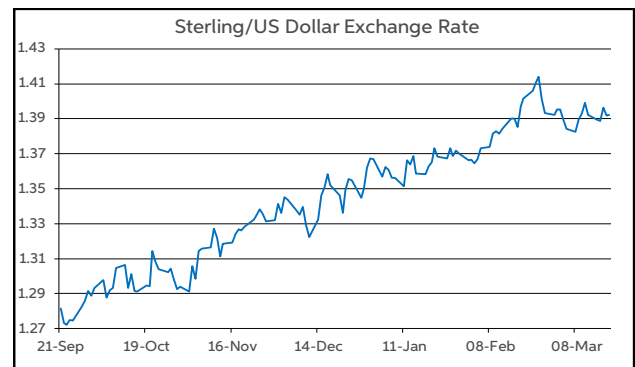
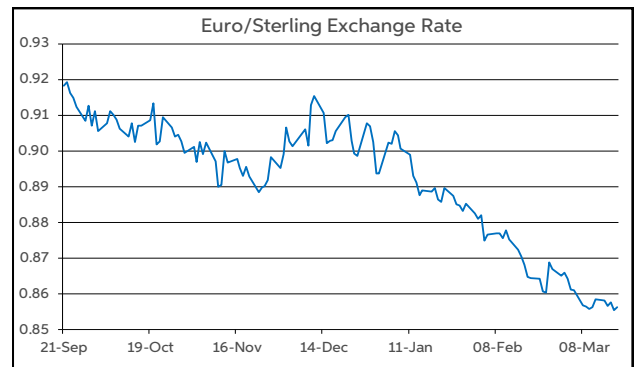
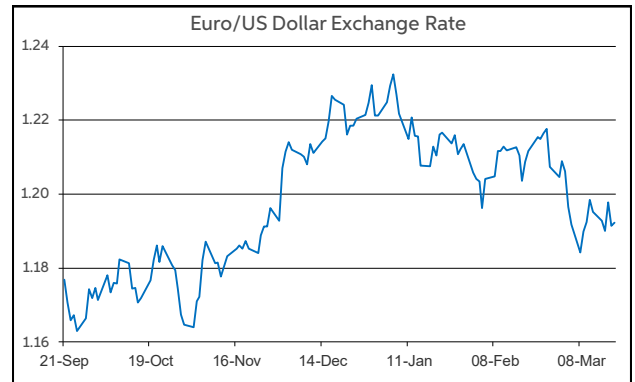
On the currency front, the action was confined to relatively tight ranges. However, the rising US Treasury yield environment did provide some support for the dollar. Data-wise, the macro calendar was quiet, with no top tier releases out to provide direction. The only data of any note, were from the US diary with the Philly Fed survey and weekly jobless figures not generating much interest.

Meanwhile, from a sterling viewpoint, the BoE policy meeting for March was a non-event. As expected, the central bank left policy unchanged. It also gave no indication of any near term policy changes being on the horizon.

So as trading gets underway this morning, the dollar is slightly firmer against the euro and sterling compared to yesterday's open. EUR/USD has edged back down in the lower half of \$1.19-1.20. Meanwhile, cable (GBP/USD) is below the midpoint of \$1.39-1.40. Elsewhere, EUR/GBP continues to change hands in a tight range near to 85.5p.

There is a quiet end to the week in terms of data releases. As a result, the FX action today main remain close to current levels.

John Fahey, Senior Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2020
EUR/USD	1.1923	-0.34	-2.37
EUR/GBP	0.8563	-0.08	-4.18
GBP/USD	1.3922	-0.25	1.82
GBP/EUR	1.1675	0.08	4.37
USD/JPY	108.8	-0.06	5.39
EUR/JPY	129.72	-0.40	2.82

* 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	0.11	0.19	0.18	0.28	0.94
EUR	0.00	-0.55	-0.54	-0.51	-0.48	-0.32
GBP	0.10	0.05	0.08	0.11	0.29	0.70

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

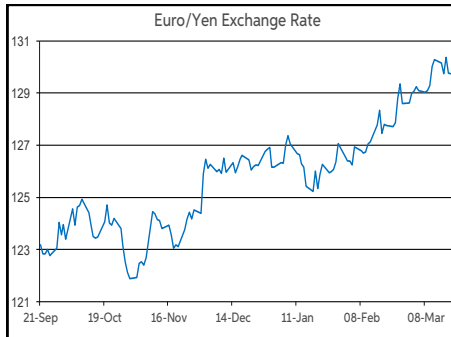
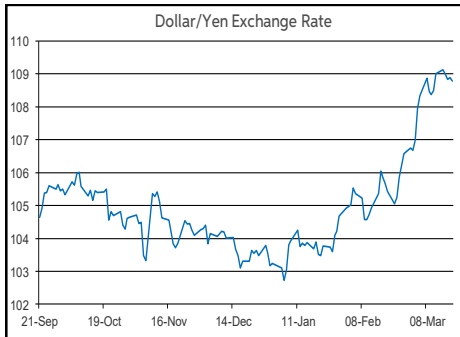
FX Spot	Karl Cooke Shane Gargan Enda Homan	FX Options	Mark Tuite	Reuters Phone	AIBG.I 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
		Equity Options	Gary Luff				

Opening Levels

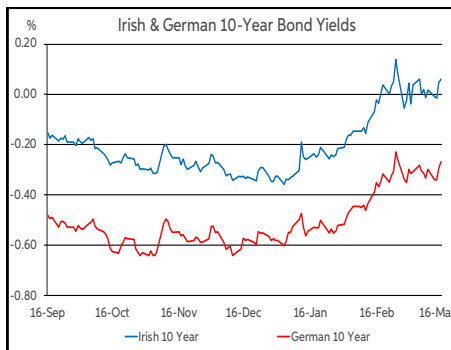
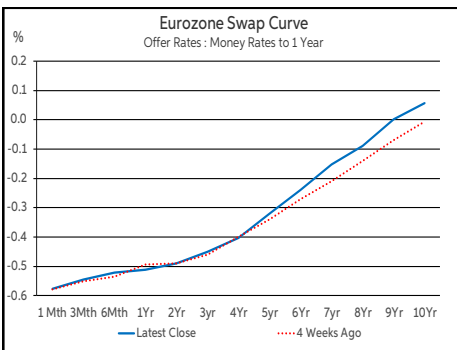
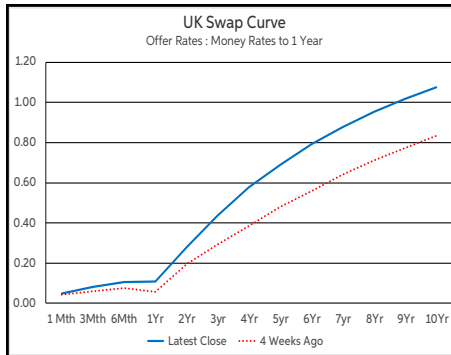
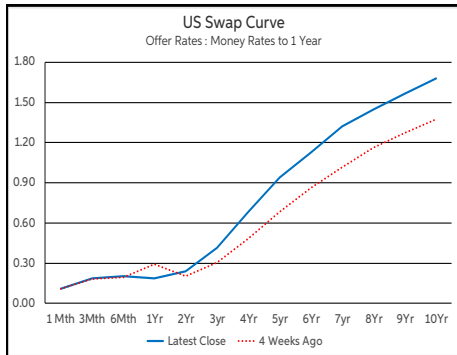
Friday 19 March 2021
07:11 am



Euro		Sterling		Dollar	
EUR/GBP	0.8563	GBP/EUR	1.1675	USD/JPY	108.8
EUR/USD	1.1923	GBP/USD	1.3922	USD/CAD	1.249
EUR/JPY	129.72	GBP/CAD	1.739	USD/CHF	0.9264
EUR/SEK	10.1453	GBP/NZD	1.9398	USD/CNY	6.5067
EUR/DKK	7.4358	GBP/JPY	151.47	USD/BRL	5.5602
EUR/NOK	10.1389	GBP/SEK	11.844	USD/RUB	74.2065
EUR/CHF	1.1049	GBP/DKK	8.6821	USD/INR	72.51
EUR/AUD	1.5369	GBP/NOK	11.8361	AUD/USD	0.7755
EUR/HKD	9.2594	GBP/CHF	1.2901	NZD/USD	0.7174
EUR/CAD	1.4893	GBP/AUD	1.795		



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 20
10 Year Yield %				
US	1.71	+6	+41	+79
Germany	-0.27	+3	+8	+31
UK	0.88	+4	+25	+68
Ireland	0.09	+2	+6	+39
Belgium	0.05	+2	+6	+43
France	-0.02	+2	+6	+32
Italy	0.69	-1	+4	+17
Spain	0.38	+0	+3	+33
Portugal	0.27	+1	+2	+20
Greece	0.96	+0	+8	+33
5 Year Swap %				
US	0.94	+6	+30	+52
Eurozone	-0.32	+1	+3	+14
UK	0.69	+3	+21	+50
2 Year Swap %				
US	0.24	+1	+6	+5
Eurozone	-0.49	+1	+1	+4
UK	0.28	+1	+9	+25
10 Year Government Bond Spreads to Benchmark bps				
Ireland	35	-1	-2	+8
Belgium	31	-1	-1	+12
France	25	-1	-1	+1
Italy	96	-4	-4	-14
Spain	65	-3	-4	+2
Portugal	53	-2	-6	-11
Greece	123	-2	+1	+2



Commodities				
	% Change			
	Close	Day	4 Weeks	End 20
Brent Oil	63.28	-6.94	-1.02	+22.16
West Texas Oil	59.95	-7.13	-0.75	+23.99
Gold \$	1736.4	-0.46	-2.20	-8.44

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