

Positive mood on markets

There was a more positive tone to investor sentiment yesterday amid somewhat calmer conditions on financial markets. The Euro Stoxx 50 finished the day up 1.1%. Similarly, across the Atlantic, the S&P500 moved 1.1% higher also. On bond markets, benchmark sovereign yields continued to rise in the US, Eurozone and the UK. Oil prices inched slightly lower.

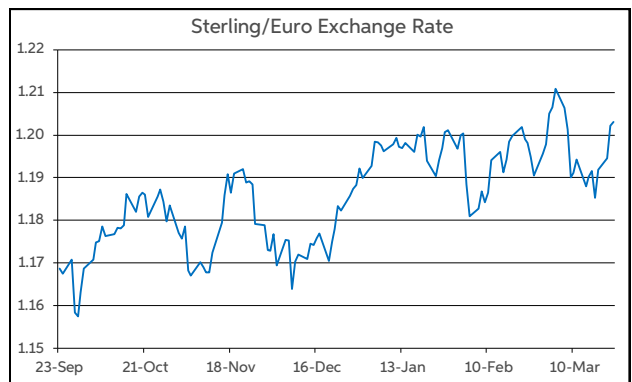
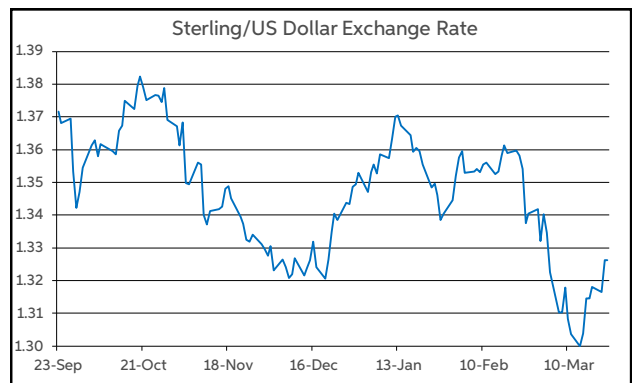
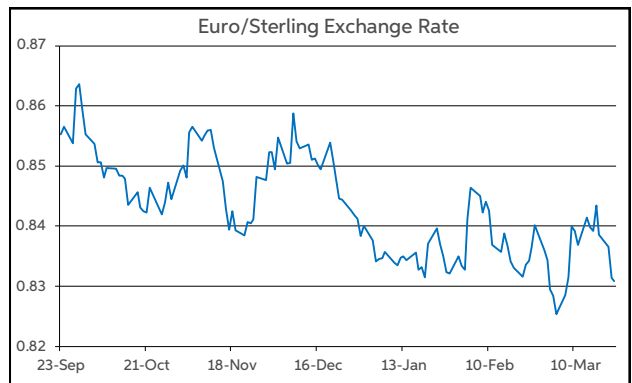
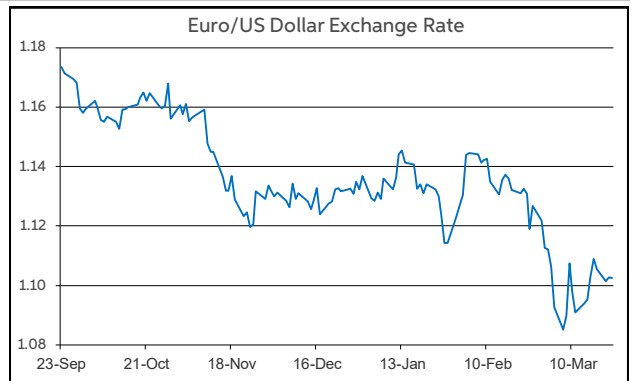
On the currency front, sterling was holding a firmer tone on the exchanges. Elsewhere, the dollar was under some modest downward pressure amid the firmer tone to risk appetite. Sterling gained around 1% against the dollar and circa 0.7% versus the euro. Meanwhile, the greenback lost 0.4% against the euro.

In level terms, the firmer tone to sterling is evidenced by EUR/GBP opening back at the 83p mark. Cable (GBP/USD) is changing hands above the midpoint of the \$1.32-1.33 range, having started yesterday near to \$1.31. Elsewhere, EUR/USD has regained the \$1.10 handle, and is operating in the lower half of \$1.10-1.11.

Already this morning, UK CPI inflation has printed above the consensus (5.9%), rising to 6.2% in February from 5.5%. The core-rate rose by more than expected also, to 5.2% (forecast for 5%). However, the data have not caused a reaction for sterling so far in early trading.

There is a relatively quiet data schedule for the remainder of the day. In the Eurozone, the EC flash consumer confidence reading for March is projected to decline to -12.9 from -8.8. A number of key central bankers including Fed Chair Powell and BoE Governor Bailey are out, which may impact markets. Meanwhile, sentiment will remain sensitive to Ukraine related newsflow.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2021
EUR/USD	1.1022	0.38	-3.04
EUR/GBP	0.8309	-0.66	-1.08
GBP/USD	1.3262	1.04	-1.97
GBP/EUR	1.2028	0.66	1.10
USD/JPY	121.07	0.64	5.21
EUR/JPY	133.45	1.01	1.97

* 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	0.375	0.44	0.96	1.83	2.42	2.48
EUR	0.00	-0.55	-0.49	-0.16	0.39	0.84
GBP	0.75	0.73	0.99	1.88	2.28	2.22

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

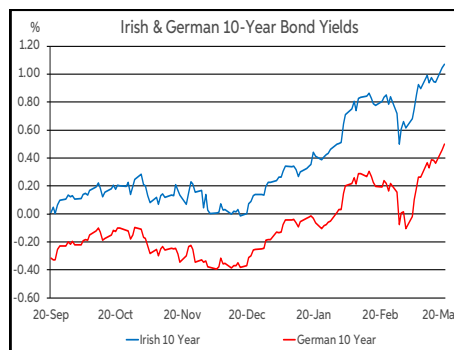
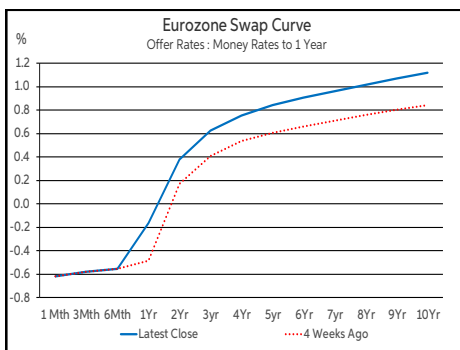
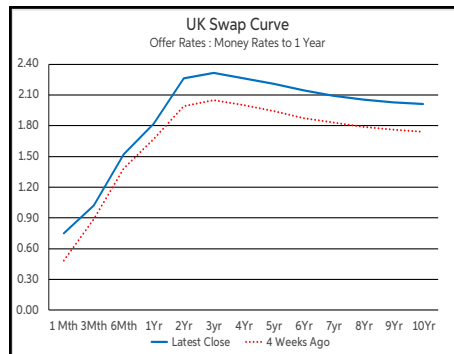
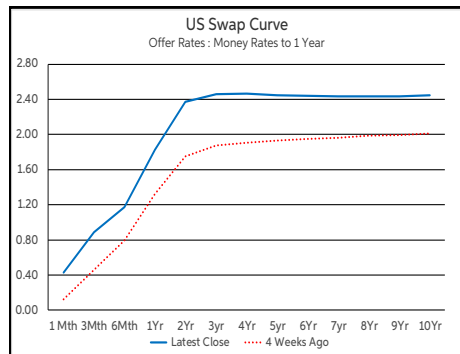
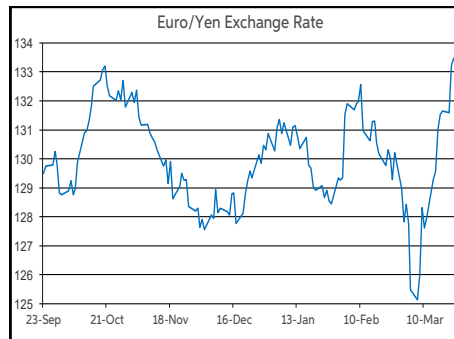
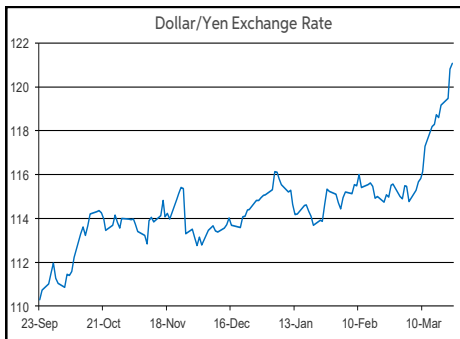
FX Spot	Karl Cooke Shane Gargan Enda Homan	FX Options	Mark Tuite	Reuters Phone	AIBG.I 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
		Equity Options	Gary Luff				

Opening Levels

Wednesday 23 March 2022
07:41 am



Euro		Sterling		Dollar	
EUR/GBP	0.8309	GBP/EUR	1.2028	USD/JPY	121.07
EUR/USD	1.1022	GBP/USD	1.3262	USD/CAD	1.2578
EUR/JPY	133.45	GBP/CAD	1.6681	USD/CHF	0.9339
EUR/SEK	10.413	GBP/NZD	1.9085	USD/CNY	6.3736
EUR/DKK	7.4394	GBP/JPY	160.56	USD/BRL	4.9103
EUR/NOK	9.656	GBP/SEK	12.5266	USD/RUB	104.122
EUR/CHF	1.0297	GBP/DKK	8.9494	USD/INR	76.25
EUR/AUD	1.4783	GBP/NOK	11.6148	AUD/USD	0.7455
EUR/HKD	8.6276	GBP/CHF	1.2389	NZD/USD	0.6947
EUR/CAD	1.3863	GBP/AUD	1.7787		



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 21
10 Year Yield %				
US	2.38	+8	+44	+87
Germany	0.51	+5	+26	+68
UK	1.71	+7	+24	+74
Ireland				
Ireland	1.08	-0	+23	+83
Belgium	0.99	+3	+23	+81
France	0.96	+4	+22	+77
Italy	2.03	+3	+9	+84
Spain	1.43	+2	+14	+83
Portugal	1.31	+4	+15	+82
Greece	2.75	+6	+13	+144
5 Year Swap %				
US	2.45	+7	+55	+111
Eurozone	0.84	+5	+24	+83
UK	2.21	+9	+28	+93
2 Year Swap %				
US	2.37	+5	+66	+143
Eurozone	0.38	+6	+22	+68
UK	2.27	+7	+28	+107
10 Year Government Bond Spreads to Benchmark bps				
Ireland	58	-5	-4	+15
Belgium	48	-1	-3	+12
France	46	-0	-4	+8
Italy	152	-1	-17	+16
Spain	92	-3	-12	+15
Portugal	80	-1	-11	+14
Greece	224	+1	-13	+75

Commodities				
	% Change			
	Close	Day	4 Weeks	End 21
Brent Oil	115.48	-0.12	+19.25	+48.47
West Texas Oil	111.03	-0.99	+20.54	+47.39
Gold \$	1921.4	-0.75	+1.23	+5.09

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