

Quiet day on markets

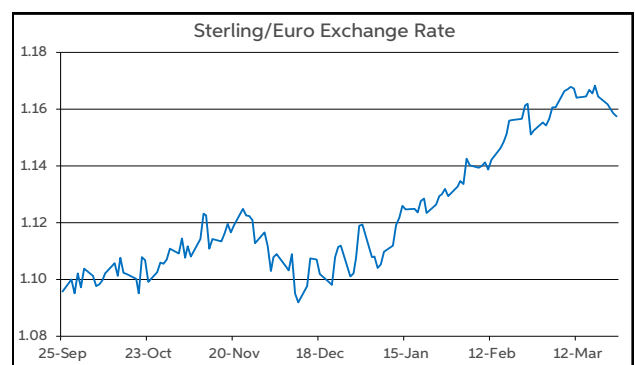
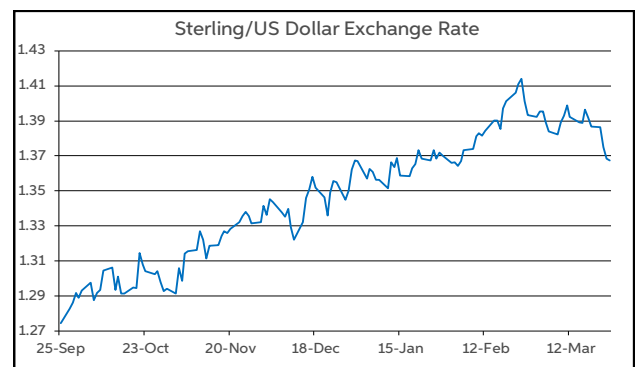
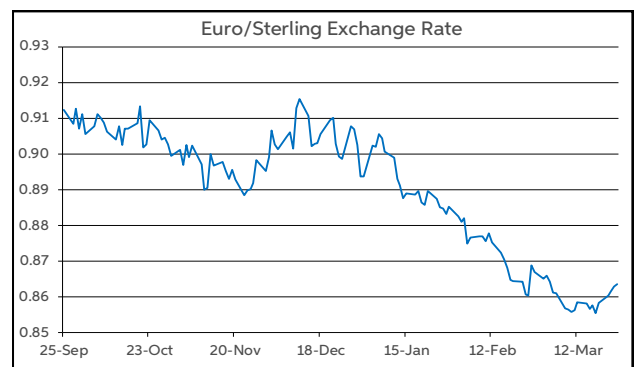
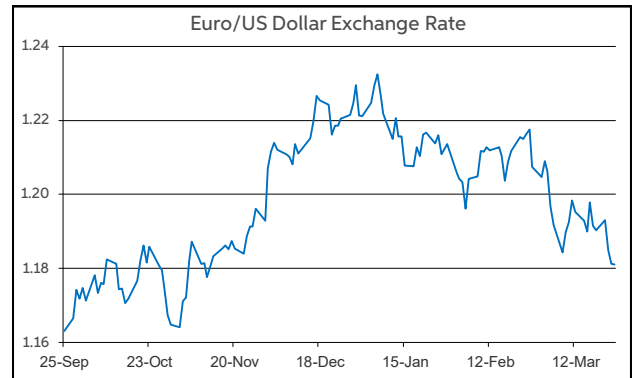
There was a quiet day on markets yesterday as investors weighed concerns regarding rising Coronavirus cases globally against the prospects of a strong economic recovery later in the year. On equity markets, the Eurostoxx 50 finished flat for the day, while in the US the S&P 500 lost 0.5%. Meanwhile, on the currency front the price action was subdued. Data-wise, a busy schedule highlighted the divergences between the Eurozone, US and UK economies.

Flash PMI data for all three regions were released yesterday. In the Eurozone, a dual-speed economy remains with the manufacturing sector printing well into expansion territory, yet the services sector remains in contraction mode, although, the index did improve in March. Meanwhile, in the UK, the services PMI surged to 56.8 from 49.5 driven by an increase in new orders, as businesses prepare for the economy to re-open. In the US, both indices were well above the key 50 threshold, as the vaccine roll-out and fiscal stimulus measures boosted business confidence.

In level terms, the limited moves on currency markets yesterday is reflected by EUR/USD opening this morning in the bottom half of \$1.18-1.19. Meanwhile, EUR/GBP is operating below the midpoint of the 86-87p range. Cable (GBP/USD) is changing hands below the \$1.37 mark.

Turning to the day ahead, there is a quiet look to the data schedule. Initial jobless claims are forecast to fall to 730k from 770k, although this would still be an elevated level. The final reading of US GDP for Q4 2020 is also due. However, the lagged nature of the release means it is unlikely to impact on currency markets.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2020
EUR/USD	1.1814	-0.21	-3.27
EUR/GBP	0.8638	0.01	-3.35
GBP/USD	1.3677	-0.23	0.03
GBP/EUR	1.1574	-0.01	3.46
USD/JPY	108.98	0.41	5.56
EUR/JPY	128.78	0.22	2.08

* 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	0.20	0.20	0.28	0.94
EUR	0.00	-0.55	-0.54	-0.52	-0.50	-0.35
GBP	0.10	0.05	0.09	0.12	0.28	0.64

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

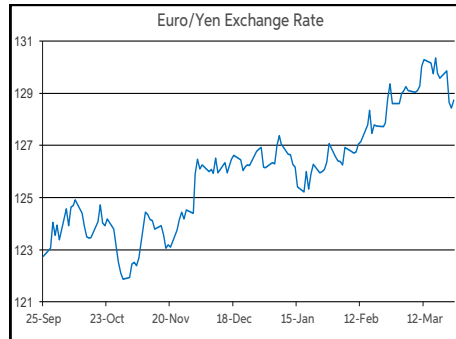
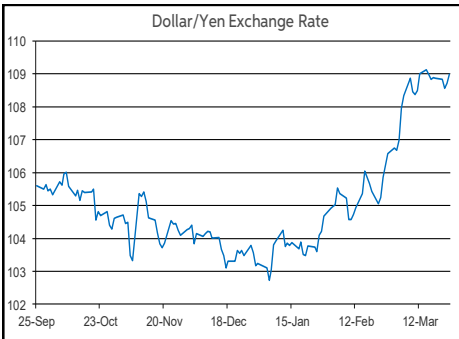
FX Spot	Karl Cooke Shane Gargan Enda Homan	FX Options	Mark Tuite	Reuters Phone	AIBG.I 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
		Equity Options	Gary Luff				

Opening Levels

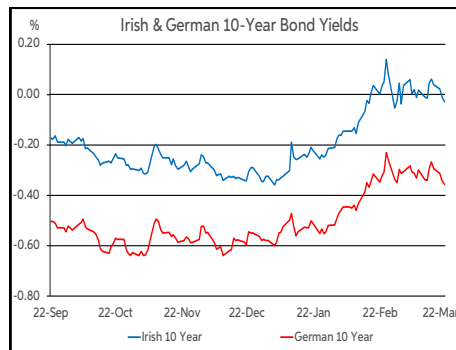
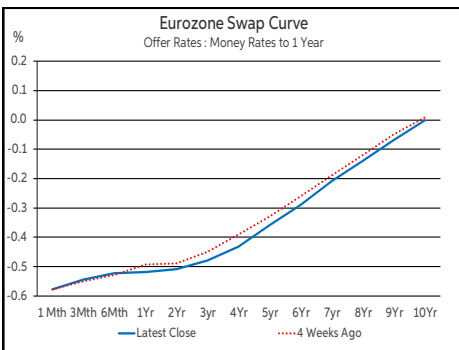
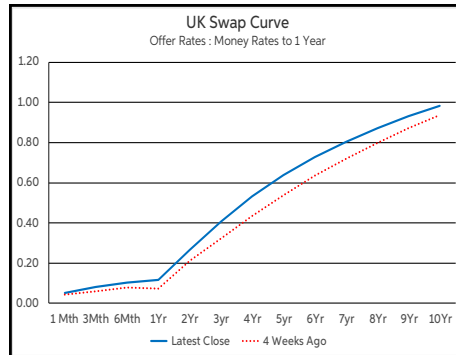
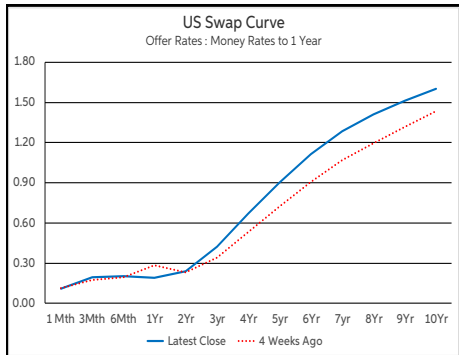
Thursday 25 March 2021
07:39 am



Euro		Sterling		Dollar	
EUR/GBP	0.8638	GBP/EUR	1.1574	USD/JPY	108.98
EUR/USD	1.1814	GBP/USD	1.3677	USD/CAD	1.256
EUR/JPY	128.78	GBP/CAD	1.7186	USD/CHF	0.9362
EUR/SEK	10.1683	GBP/NZD	1.9615	USD/CNY	6.5328
EUR/DKK	7.4357	GBP/JPY	149.05	USD/BRL	5.6211
EUR/NOK	10.1387	GBP/SEK	11.7671	USD/RUB	76.154
EUR/CHF	1.1062	GBP/DKK	8.6069	USD/INR	72.681
EUR/AUD	1.5558	GBP/NOK	11.7315	AUD/USD	0.7593
EUR/HKD	9.1779	GBP/CHF	1.2805	NZD/USD	0.697
EUR/CAD	1.4846	GBP/AUD	1.8005		



Debt Markets				
	Close	Day	4 Weeks	End 20
10 Year Yield %				
US	1.61	-1	+24	+70
Germany	-0.36	-1	-5	+22
UK	0.76	-1	+2	+56
Ireland	0.00	-2	-8	+30
Belgium	-0.04	-2	-7	+35
France	-0.11	-2	-7	+23
Italy	0.59	-1	-10	+7
Spain	0.28	-2	-12	+23
Portugal	0.16	-1	-12	+10
Greece	0.86	-1	-15	+23
5 Year Swap %				
US	0.90	+0	+20	+48
Eurozone	-0.36	-1	-2	+10
UK	0.64	-1	+11	+45
2 Year Swap %				
US	0.24	-1	+4	+5
Eurozone	-0.51	+0	-1	+2
UK	0.27	-0	+7	+24
10 Year Government Bond Spreads to Benchmark bps				
Ireland	35	-1	-2	+8
Belgium	32	-1	-2	+13
France	25	-0	-2	+1
Italy	95	+0	-5	-15
Spain	64	-1	-7	+1
Portugal	52	+0	-7	-12
Greece	122	+0	-10	+1



Commodities				
	Close	Day	4 Weeks	End 20
Brent Oil	64.41	+5.95	-3.92	+24.34
West Texas Oil	61.12	+5.84	-3.31	+26.41
Gold \$	1734.2	+0.41	-3.89	-8.56

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