

## EUR/USD up above \$1.11

Risk appetite firmed markedly yesterday, as positive newsflow regarding the potential for de-escalation emerged from talks between Russia and Ukraine. The Euro Stoxx 50 climbed by 3%, moving for the first time, above its level before the invasion began. The S&P 500 gained 1.2% also. Brent crude oil fell back to \$110 per barrel. Meanwhile, on bond markets, 10-year German Bunds finished the day 6bps higher. US Treasury yields declined by 4-7bps along the curve.

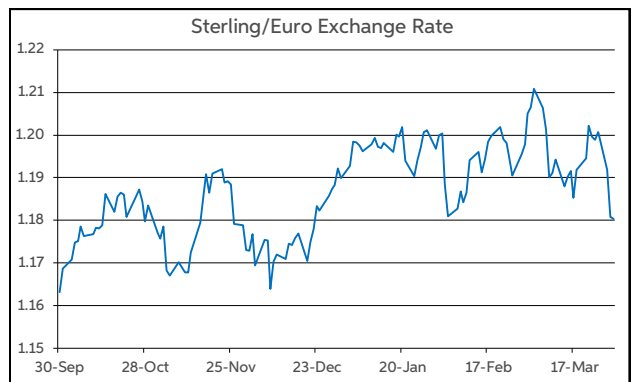
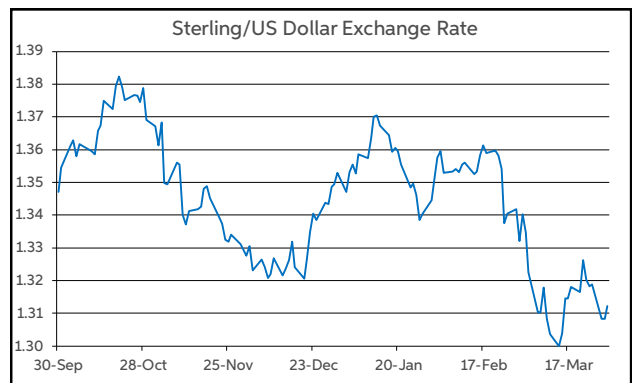
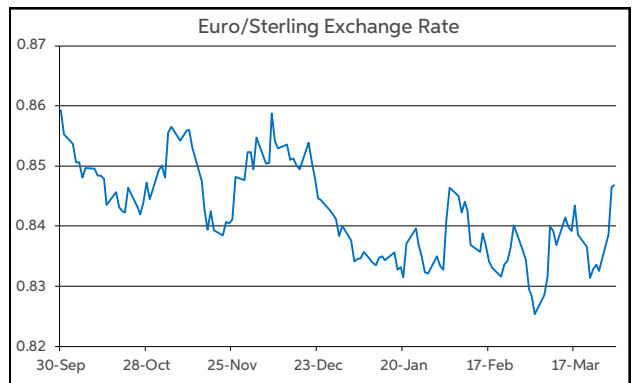
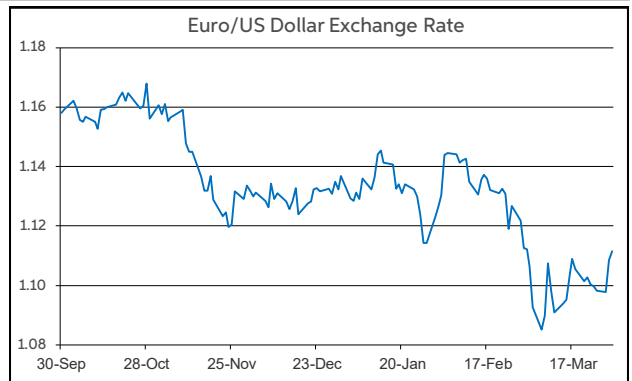
Currency-wise, the euro was holding a firmer tone. This was against the backdrop of the positive soundings emerging from negotiations between Ukraine and Russia. The currency gained around 1% versus the dollar and against sterling.

In level terms, the firmer tone to the euro sees EUR/USD start today above the \$1.11 threshold for the first time since the 2nd of March. Elsewhere, EUR/GBP is operating up above the midpoint of 84-85p. Cable (GBP/USD) is changing hands in the lower half of the \$1.31-1.32 range.

Turning to the day ahead, the main release of note will be the EC sentiment indices for March. Both the services and industrial sector readings are forecast to edge lower. Meanwhile, German HICP inflation is expected to rise to 8.1% in March from 7.6%. Elsewhere prepared remarks from ECB President Lagarde may gather close attention also.

However, sentiment is likely to remain sensitive to developments regarding Ukraine, particularly the on-going negotiations between both sides in Turkey.

**Daniel Noonan, Economist, AIB**



Today's Opening FX Rates			
		% Change	
		Day *	End 2021
EUR/USD	1.1113	1.18	-2.24
EUR/GBP	0.8468	0.94	0.81
GBP/USD	1.3123	0.26	-3.00
GBP/EUR	1.1804	-0.93	-0.80
USD/JPY	121.75	-1.30	5.80
EUR/JPY	135.34	-0.12	3.42

\* 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	0.45	1.00	1.93	2.55	2.54
EUR	0.00	-0.54	-0.48	-0.08	0.59	1.06
GBP	0.75	0.73	1.05	1.86	2.24	2.16

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

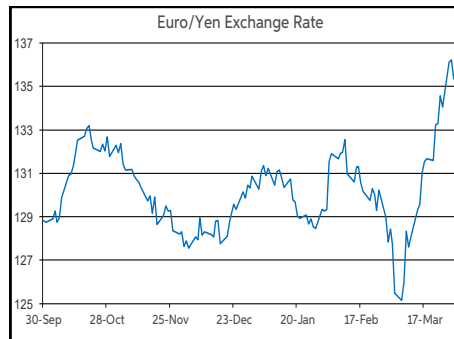
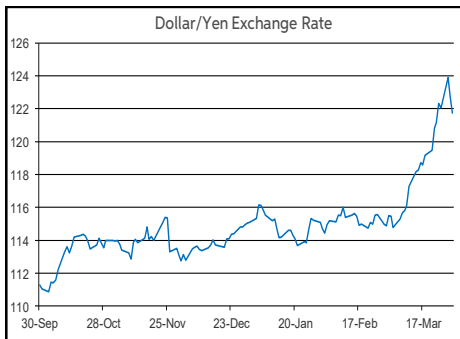
FX Spot	Karl Cooke Shane Gargan Enda Homan	FX Options	Mark Tuite	Reuters Phone	AIBG.I 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
		Equity Options	Gary Luff				

# Opening Levels

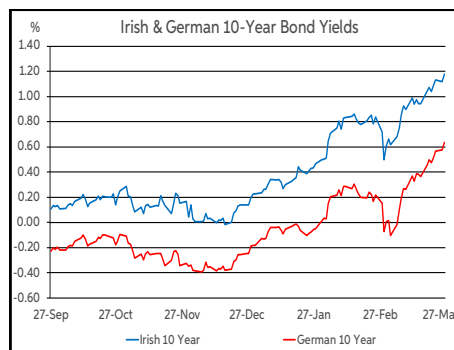
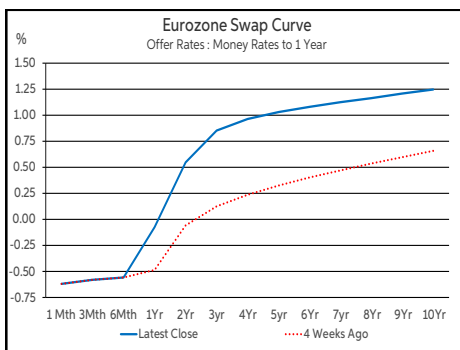
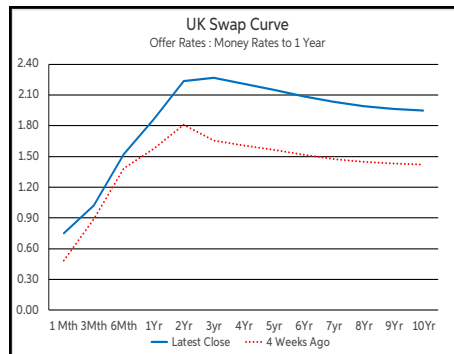
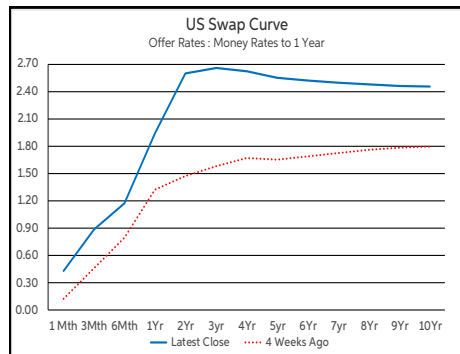
Wednesday 30 March 2022  
07:30 am



Euro		Sterling		Dollar	
EUR/GBP	0.8468	GBP/EUR	1.1804	USD/JPY	121.73
EUR/USD	1.1115	GBP/USD	1.3123	USD/CAD	1.2484
EUR/JPY	135.35	GBP/CAD	1.6383	USD/CHF	0.928
EUR/SEK	10.343	GBP/NZD	1.8831	USD/CNY	6.3546
EUR/DKK	7.4382	GBP/JPY	159.75	USD/BRL	4.7561
EUR/NOK	9.6132	GBP/SEK	12.2102	USD/RUB	80.75
EUR/CHF	1.0316	GBP/DKK	8.7805	USD/INR	75.77
EUR/AUD	1.4756	GBP/NOK	11.3435	AUD/USD	0.753
EUR/HKD	8.6978	GBP/CHF	1.218	NZD/USD	0.6966
EUR/CAD	1.3875	GBP/AUD	1.7422		



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 21
<b>10 Year Yield %</b>				
US	2.40	-7	+68	+89
Germany	0.64	+6	+71	+82
UK	1.65	+3	+54	+68
<b>5 Year Swap %</b>				
US	2.55	-4	+94	+122
Eurozone	1.03	+7	+72	+102
UK	2.15	+1	+59	+87
<b>2 Year Swap %</b>				
US	2.60	+4	+117	+166
Eurozone	0.55	+6	+62	+85
UK	2.23	+1	+43	+104
<b>10 Year Government Bond Spreads to Benchmark bps</b>				
Ireland	56	+1	-1	+13
Belgium	46	+2	-1	+10
France	42	+1	+0	+5
Italy	149	-3	+3	+13
Spain	87	+0	-5	+10
Portugal	77	+0	-3	+11
Greece	222	-3	-20	+73



Commodities				
	% Change			
	Close	Day	4 Weeks	End 21
Brent Oil	110.23	-2.00	+5.01	+41.72
West Texas Oil	104.25	-3.07	+0.57	+38.39
Gold \$	1919.2	-0.21	-1.24	+4.97

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