

Dollar remains under pressure

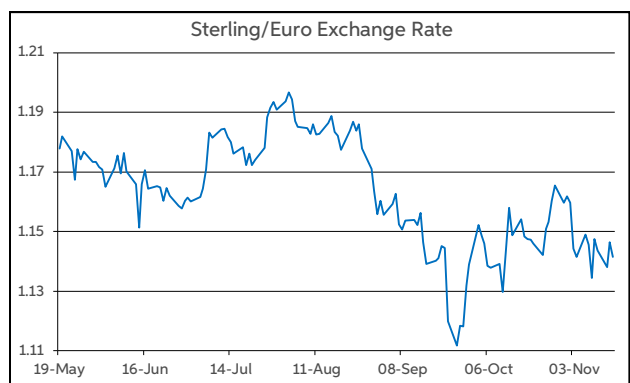
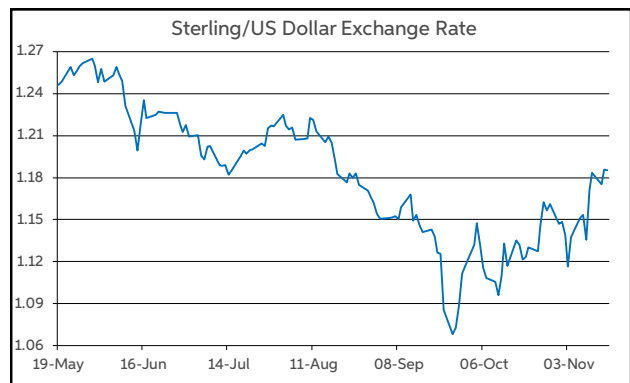
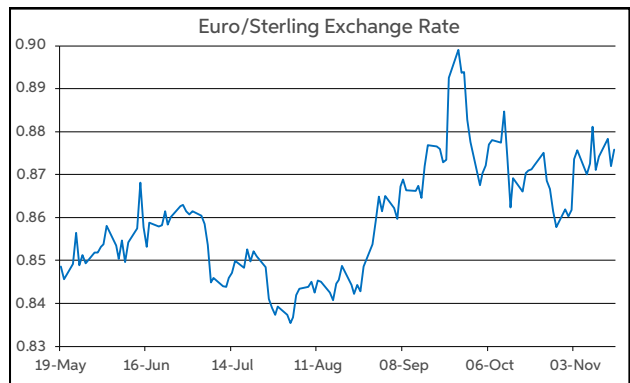
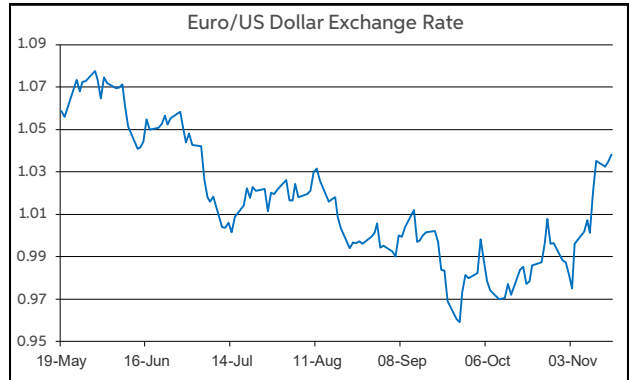
Investor sentiment was holding a positive tone yesterday. This was reflected in gains on equity markets on both sides of the Atlantic. In Europe, the Euro Stoxx 50 was 0.7% higher. Meanwhile, at the closing bell on Wall Street last night, the S&P 500 was up by 0.9% on the day.

In terms of yesterday's data releases, the second reading of Eurozone Q3 confirmed, as expected, a 0.2% quarterly growth rate. Meantime, the German ZEW survey of investor expectations for November printed ahead of forecasts. Elsewhere, in the US, producer price inflation numbers for October indicated a better than anticipated easing in 'factory gate' inflation. Overall then, yesterday's macro newsflow was generally supportive of risk appetite.

From a currency viewpoint, the dollar remained on the back foot for much of yesterday. EUR/USD traded to a high of \$1.048, while GBP/USD briefly reached \$1.20. The dollar managed to stabilise and recover some ground later in the day. EUR/USD opens this morning just below \$1.04, while GBP/USD is changing hands at midpoint of \$1.18-1.19. Meanwhile, the EUR/GBP rate continues to trade within the 87-88p band.

A busy data calendar today has already kicked off this morning with the release of UK CPI inflation numbers for October. Headline inflation came in at 11.1%, which was well ahead of the consensus forecast for 10.7%. Later today, there is some event risk for sterling as BoE Governor Bailey appears before the Treasury Select Committee. In the US, the diary features retail sales, industrial production (both Oct) as well as homebuilder sentiment (Nov). From a euro viewpoint, ECB President Lagarde is speaking today.

John Fahey, Senior Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2021
EUR/USD	1.0383	0.51	-8.66
EUR/GBP	0.8756	-0.17	4.24
GBP/USD	1.1857	0.70	-12.36
GBP/EUR	1.1414	0.17	-4.07
USD/JPY	139.8	-0.41	21.48
EUR/JPY	145.17	0.10	10.93

* 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	3.875	3.90	4.65	5.08	4.73	4.00
EUR	2.00	1.41	1.79	2.75	2.90	2.79
GBP	3.00	2.96	3.53	4.44	4.48	4.13

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

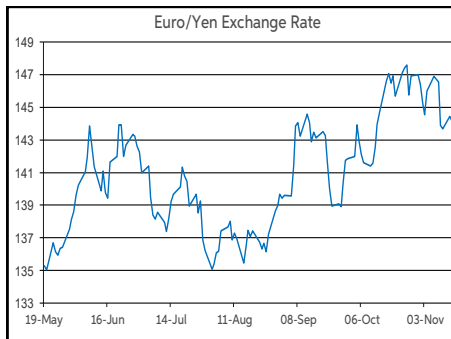
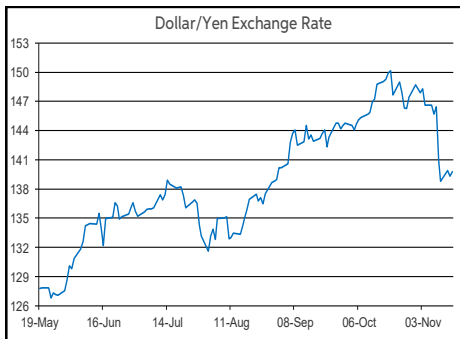
FX Spot	Karl Cooke Shane Gargan Ian Burke	FX Options	Mark Tuite	Reuters Phone	AIBG.I 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
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Opening Levels

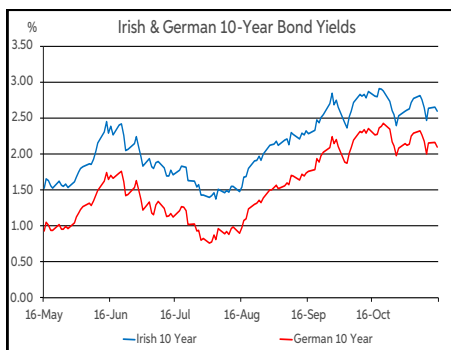
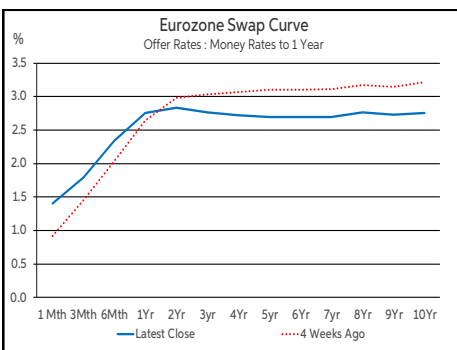
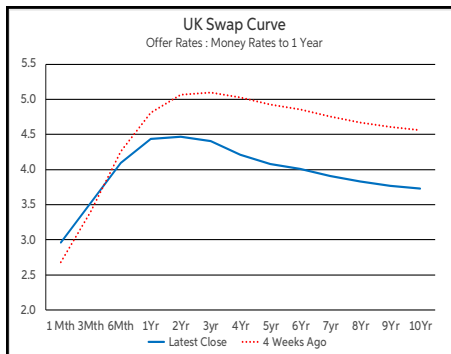
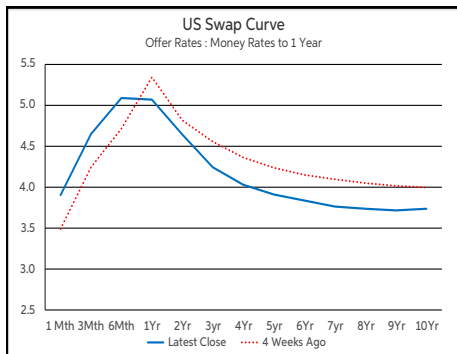
Wednesday 16 November 2022
07:23 am



Euro		Sterling		Dollar	
EUR/GBP	0.8756	GBP/EUR	1.1414	USD/JPY	139.8
EUR/USD	1.0383	GBP/USD	1.1857	USD/CAD	1.3271
EUR/JPY	145.17	GBP/CAD	1.5735	USD/CHF	0.9437
EUR/SEK	10.8484	GBP/NZD	1.925	USD/CNY	7.0831
EUR/DKK	7.4382	GBP/JPY	165.74	USD/BRL	5.3325
EUR/NOK	10.3621	GBP/SEK	12.3868	USD/RUB	60.42
EUR/CHF	0.98	GBP/DKK	8.4907	USD/INR	81.348
EUR/AUD	1.5355	GBP/NOK	11.8293	AUD/USD	0.6762
EUR/HKD	8.1226	GBP/CHF	1.1191	NZD/USD	0.6158
EUR/CAD	1.378	GBP/AUD	1.7532		



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 21
10 Year Yield %				
US	3.78	-9	-23	+227
Germany	2.10	-6	-18	+228
UK	3.30	-5	-65	+233
Ireland	2.63	-6	-19	+238
Belgium	2.68	-5	-25	+250
France	2.61	-5	-25	+241
Italy	4.06	-11	-62	+288
Spain	3.14	-6	-28	+255
Portugal	3.07	-9	-29	+259
Greece	4.27	-6	-71	+296
5 Year Swap %				
US	3.91	-10	-30	+258
Eurozone	2.70	-11	-40	+269
UK	4.08	-11	-79	+281
2 Year Swap %				
US	4.64	-8	-15	+370
Eurozone	2.84	-9	-14	+314
UK	4.47	-2	-59	+328
10 Year Government Bond Spreads to Benchmark bps				
Ireland	53	+0	-1	+10
Belgium	58	+1	-7	+22
France	51	+2	-7	+14
Italy	196	-5	-44	+60
Spain	105	+0	-10	+27
Portugal	97	-3	-11	+31
Greece	217	+0	-53	+68



Commodities				
	% Change			
	Close	Day	4 Weeks	End 21
Brent Oil	93.86	+0.77	+4.25	+20.67
West Texas Oil	86.87	+1.19	+4.30	+15.32
Gold \$	1778.3	+0.36	+7.65	-2.74

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