

## Firmer tone to risk appetite, softer tone to dollar

Once again, a very sparse data calendar meant there were no major releases to provide direction to markets yesterday. The only release of note on either side of the Atlantic was the flash November reading of the European Commission measure of Eurozone consumer confidence. The headline number, which printed ahead of expectations, suggested a modest improvement in sentiment, albeit it still remains at levels consistent with falling household spending.

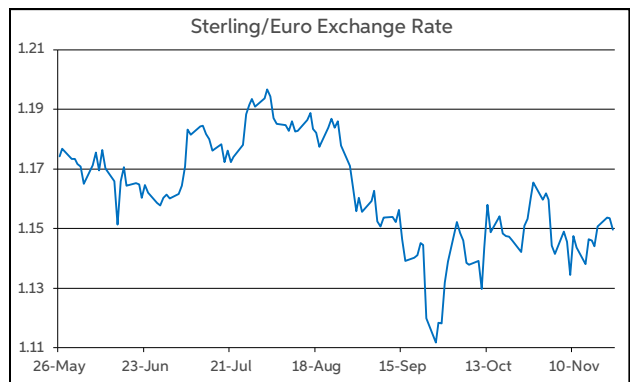
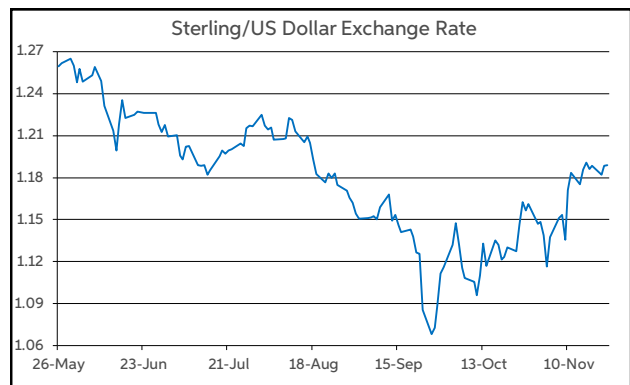
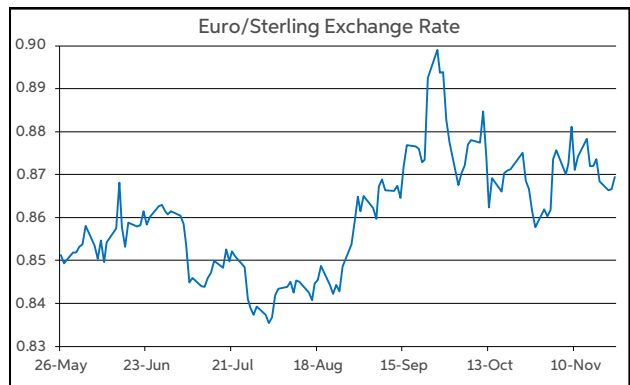
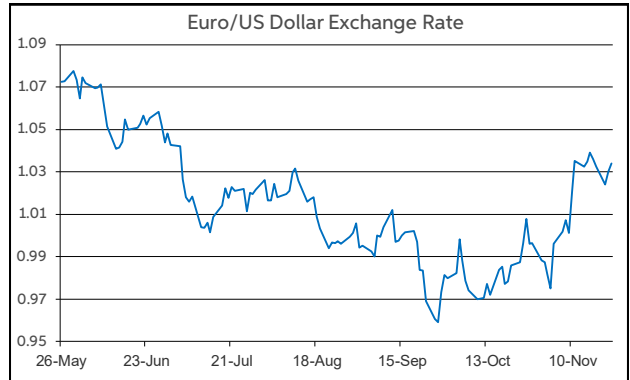
Overall though, investor sentiment was holding a more positive tone. The main equity indices posted gains which followed falls on Monday. The Euro Stoxx rose by 0.5%. Meantime, at the close on Wall Street last night, the S&P 500 was up by 1.4% on the day.

On the currency front, of the action to register, the dollar was holding a slightly softer tone amid the 'risk-on' backdrop. At the same time, the euro managed to generally move higher against the other majors.

As trading gets underway this morning, EUR/USD has regained the \$1.03 threshold, moving up nearer to the midpoint of \$1.03-1.04, while GBP/USD is changing hands up close to the \$1.19 handle. Meanwhile, EUR/GBP has traded higher within the 86-87p band.

After a quiet few days, today's macro diary is more interesting. It includes the flash PMIs for November from the Eurozone, US and UK. We also get US new home sales and durable goods (both October). Aside from the data, the release of the latest Fed meeting minutes will be scrutinised for insight on the Fed's current thinking on the future path of rate hikes.

**John Fahey, Senior Economist, AIB**



Today's Opening FX Rates			
		% Change	
		Day *	End 2021
EUR/USD	1.034	0.87	-9.04
EUR/GBP	0.8694	0.45	3.50
GBP/USD	1.1891	0.41	-12.11
GBP/EUR	1.1496	-0.45	-3.38
USD/JPY	141.28	-0.38	22.77
EUR/JPY	146.09	0.46	11.63

\* 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	4.02	4.70	5.20	4.85	4.03
EUR	2.00	1.40	1.82	2.78	2.89	2.75
GBP	3.00	3.10	3.59	4.50	4.51	4.10

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

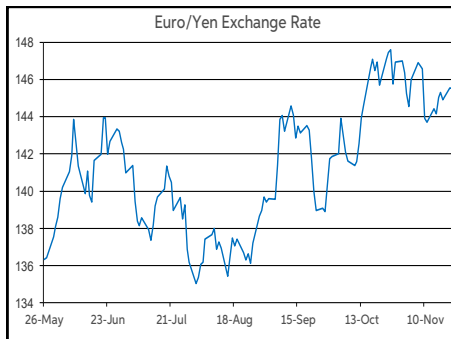
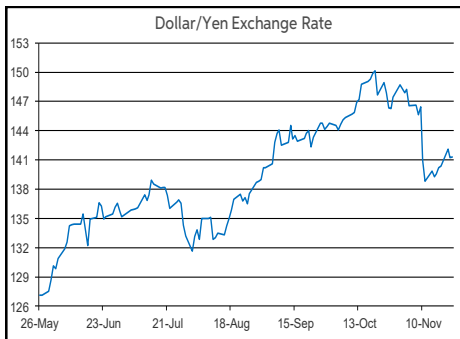
FX Spot	Karl Cooke Shane Gargan Ian Burke	FX Options	Mark Tuite	Reuters Phone	AIBG.I 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
---------	-----------------------------------------	------------	------------	------------------	---------------------------	-----------------	-----------------------------------

# Opening Levels

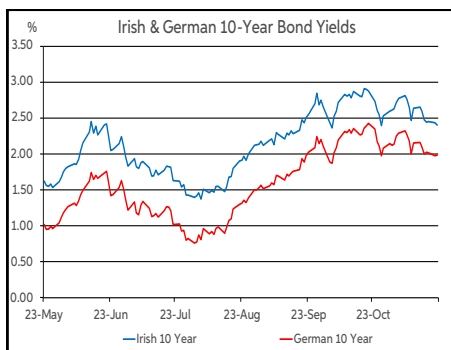
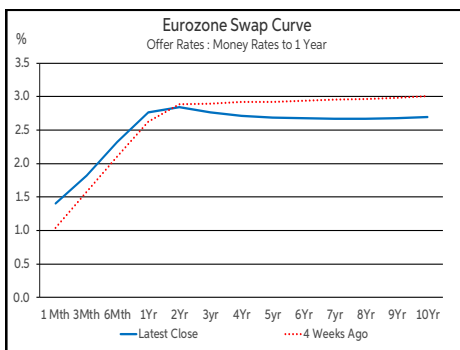
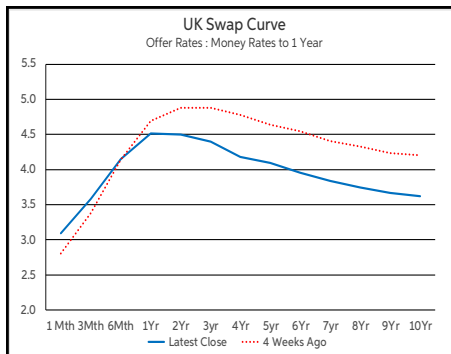
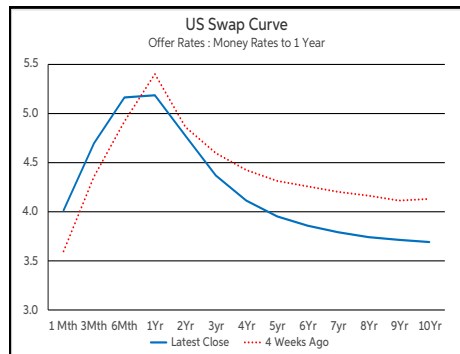
Wednesday 23 November 2022  
07:17 am



Euro		Sterling		Dollar	
EUR/GBP	0.8694	GBP/EUR	1.1496	USD/JPY	141.28
EUR/USD	1.034	GBP/USD	1.1891	USD/CAD	1.3379
EUR/JPY	146.09	GBP/CAD	1.5911	USD/CHF	0.9503
EUR/SEK	10.9657	GBP/NZD	1.9243	USD/CNY	7.15
EUR/DKK	7.4372	GBP/JPY	167.98	USD/BRL	5.3586
EUR/NOK	10.4363	GBP/SEK	12.6069	USD/RUB	60.5
EUR/CHF	0.9828	GBP/DKK	8.5502	USD/INR	81.7725
EUR/AUD	1.5537	GBP/NOK	11.9967		
EUR/HKD	8.0837	GBP/CHF	1.13	AUD/USD	0.6655
EUR/CAD	1.3836	GBP/AUD	1.7866	NZD/USD	0.6177



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 21
<b>10 Year Yield %</b>				
US	3.76	-8	-34	+225
Germany	1.98	+0	-19	+216
UK	3.13	-6	-51	+216
Ireland	2.43	-3	-22	+219
Belgium	2.49	-1	-27	+232
France	2.45	-1	-24	+226
Italy	3.91	-2	-46	+272
Spain	2.99	+0	-28	+239
Portugal	2.92	-0	-26	+244
Greece	4.24	+0	-45	+293
<b>5 Year Swap %</b>				
US	3.96	-9	-32	+262
Eurozone	2.69	-5	-22	+268
UK	4.10	-6	-50	+282
<b>2 Year Swap %</b>				
US	4.77	-6	-5	+383
Eurozone	2.84	-3	-4	+314
UK	4.50	-4	-38	+331
<b>10 Year Government Bond Spreads to Benchmark bps</b>				
Ireland	45	-4	-3	+2
Belgium	51	-2	-8	+15
France	47	-2	-6	+9
Italy	193	-2	-28	+56
Spain	101	-0	-10	+23
Portugal	94	-1	-7	+28
Greece	226	-0	-26	+77



Commodities				
	% Change			
	Close	Day	4 Weeks	End 21
Brent Oil	88.36	+1.04	-5.52	+13.60
West Texas Oil	80.83	+1.37	-7.02	+7.30
Gold \$	1740.2	+0.14	+5.31	-4.82

This publication is for information purposes and is not an invitation to deal. The information is believed to be reliable but is not guaranteed. Any expressions of opinions are subject to change without notice. This publication is not to be reproduced in whole or in part without prior permission. In the Republic of Ireland it is distributed by Allied Irish Banks, p.l.c. In the UK it is distributed by Allied Irish Banks, p.l.c. and Allied Irish Bank (GB). In Northern Ireland it is distributed by Allied Irish Bank (NI). In the United States of America it is distributed by Allied Irish Banks, p.l.c. Allied Irish Banks, p.l.c. is regulated by the Central Bank of Ireland. Allied Irish Bank (GB) and AIB (NI) are trade marks used under licence by AIB Group (UK) p.l.c. (a wholly owned subsidiary of Allied Irish Banks, p.l.c.), incorporated in Northern Ireland. Registered Office 92 Ann Street, Belfast BT1 3HH. Registered Number NI018800. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. In the United States of America, Allied Irish Banks, p.l.c., New York Branch, is a branch licensed by the New York State Department of Financial Services. Deposits and other investment products are not FDIC insured, they are not guaranteed by any bank and they may lose value. Please note that telephone calls may be recorded in line with market practice.