

## Cautious tone persists

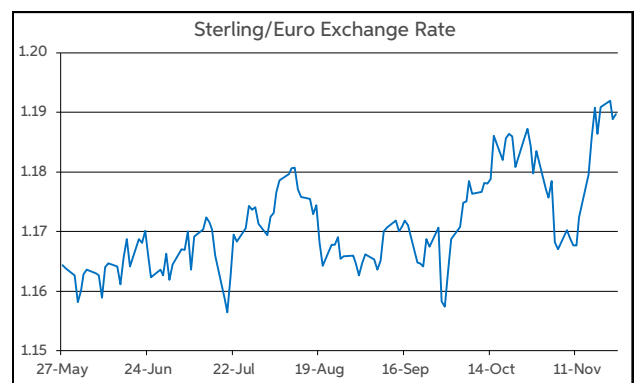
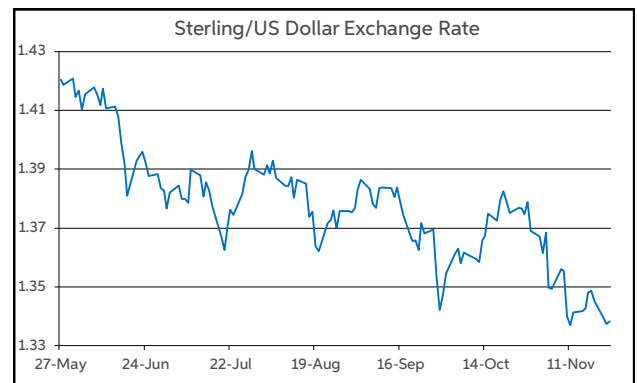
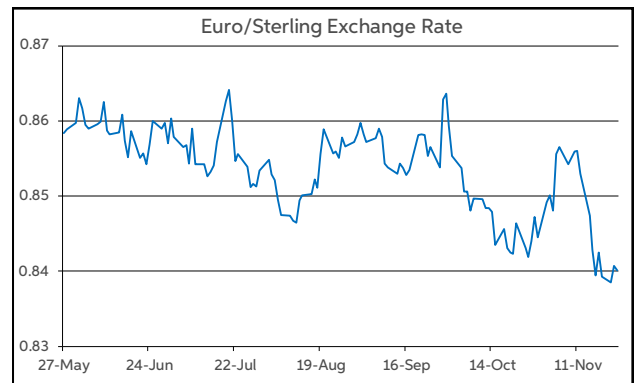
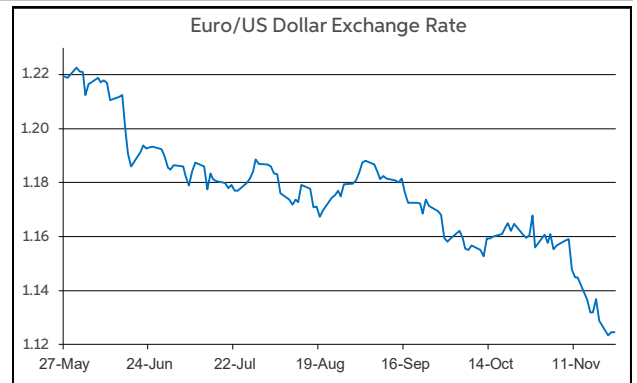
Investor sentiment continued to hold a cautious tone yesterday. This was against the backdrop of ongoing concerns over high inflation and the potential risks to the macro outlook caused by rising Covid-19 numbers. The downbeat mood was reflected in the performance of equity markets. In Europe, the Euro Stoxx 50 finished the day 1.3% lower. On Wall Street, the S&P 500 managed to regain some ground into the close and finish at +0.2%.

Data-wise, the flash Composite PMI readings from the Eurozone and UK surprised to the upside of expectations. The US headline composite printed modestly below forecasts. Meanwhile, the underlying details from the surveys showed that supply constraints remained a factor, while upward price pressures continued to be in evidence. From a currency viewpoint, there was no noticeable impact from the survey data on the respective currencies.

The main pairs start this morning showing very little change compared to yesterday's open. Indeed, the majors have been confined to tight ranges over the past 24 hours. This means that the euro continues to trade near its recent lows. In level terms, the EUR/USD pair remains pinned down below the \$1.13 threshold, near to the midpoint of \$1.12-1.13. Meanwhile, EUR/GBP is changing hands at the 84p mark. Elsewhere, GBP/USD is operating in the upper half of \$1.33-1.34.

Today's macro diary contains some important releases. In the Eurozone we get the closely watched German Ifo survey (Nov). A packed pre-Thanksgiving US schedule features Core PCE inflation, personal income/spending, durable goods, new home sales (all Oct), jobless claims (Nov) as well as the second reading of Q3 GDP. Last but not least, the Fed releases its November meeting minutes.

**John Fahey, Senior Economist, AIB**



Today's Opening FX Rates			
		% Change	
		Day *	End 2020
EUR/USD	1.1246	0.12	-7.92
EUR/GBP	0.8403	0.17	-5.98
GBP/USD	1.3383	-0.03	-2.12
GBP/EUR	1.1899	-0.17	6.35
USD/JPY	114.88	-0.19	11.27
EUR/JPY	129.2	-0.08	2.41

\* 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	0.09	0.18	0.37	0.83	1.41
EUR	0.00	-0.56	-0.56	-0.51	-0.35	-0.09
GBP	0.10	0.07	0.12	0.75	1.13	1.30

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

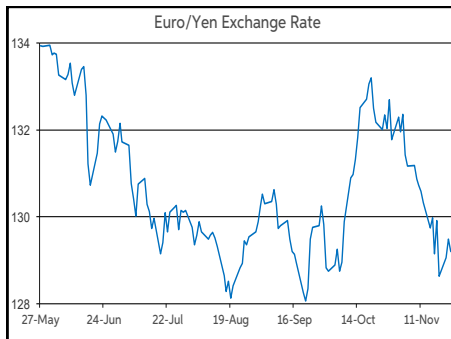
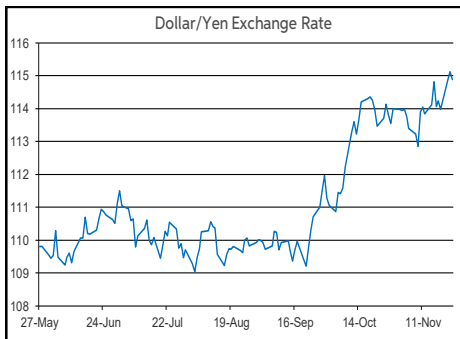
FX Spot	Karl Cooke Shane Gargan Enda Homan	FX Options	Mark Tuite	Reuters Phone	AIBG.I 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
		Equity Options	Gary Luff				

# Opening Levels

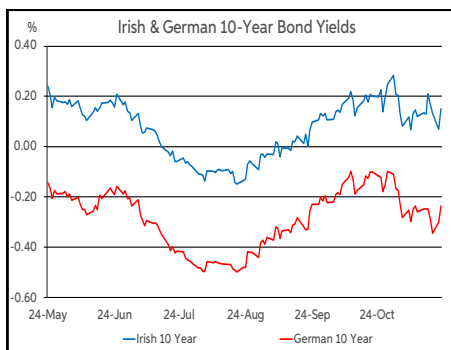
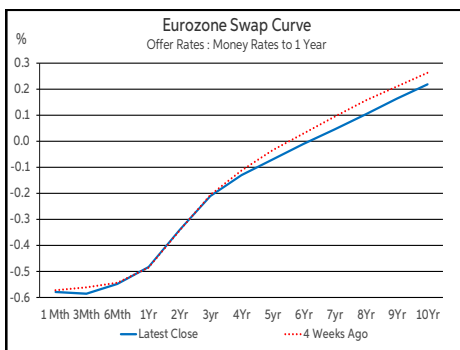
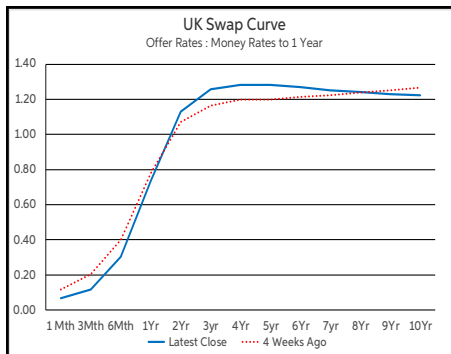
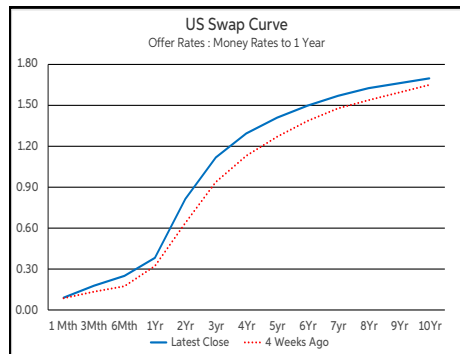
Wednesday 24 November 2021  
07:15 am



Euro		Sterling		Dollar	
EUR/GBP	0.8403	GBP/EUR	1.1899	USD/JPY	114.88
EUR/USD	1.1246	GBP/USD	1.3383	USD/CAD	1.2681
EUR/JPY	129.2	GBP/CAD	1.6969	USD/CHF	0.9329
EUR/SEK	10.1692	GBP/NZD	1.9346	USD/CNY	6.3873
EUR/DKK	7.4367	GBP/JPY	153.74	USD/BRL	5.5712
EUR/NOK	10.0129	GBP/SEK	12.099	USD/RUB	74.6681
EUR/CHF	1.0493	GBP/DKK	8.8474	USD/INR	74.383
EUR/AUD	1.5578	GBP/NOK	11.9139		
EUR/HKD	8.7626	GBP/CHF	1.2487	AUD/USD	0.7218
EUR/CAD	1.4262	GBP/AUD	1.8536	NZD/USD	0.6916



Debt Markets				
	Close	Day	4 Weeks	End 20
<b>10 Year Yield %</b>				
US	1.68	+4	+7	+76
Germany	-0.23	+7	-11	+35
UK	1.00	+6	-11	+80
Ireland	0.22	+8	-5	+52
Belgium	0.13	+9	-6	+52
France	0.14	+9	-8	+48
Italy	1.07	+12	+12	+54
Spain	0.52	+9	-1	+46
Portugal	0.44	+8	+2	+37
Greece	1.30	+11	+27	+67
<b>5 Year Swap %</b>				
US	1.41	+1	+18	+99
Eurozone	-0.07	+5	-3	+39
UK	1.28	+4	+9	+109
<b>2 Year Swap %</b>				
US	0.81	-1	+22	+62
Eurozone	-0.34	+2	+1	+19
UK	1.13	+1	+7	+110
<b>10 Year Government Bond Spreads to Benchmark bps</b>				
Ireland	45	+1	+6	+18
Belgium	36	+2	+5	+17
France	37	+2	+3	+13
Italy	129	+5	+23	+20
Spain	75	+2	+10	+12
Portugal	66	+1	+13	+3
Greece	152	+4	+37	+32



Commodities				
	Close	Day	4 Weeks	End 20
Brent Oil	82.31	+3.27	-4.73	+58.90
West Texas Oil	78.32	+2.06	-8.55	+61.99
Gold \$	1789.7	-0.85	-0.16	-5.63

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