

Improved tone to markets

There was a more positive mood to investor sentiment yesterday following Friday's Covid related risk averse action. The improvement in risk appetite was illustrated by all the main equity indices managing to register gains after suffering some heavy losses at the end of last week. In Europe, the Euro Stoxx 50 rose by 0.5%. Meanwhile, at the closing bell on Wall Street last night, the S&P 500 was up by 1.3% on the day.

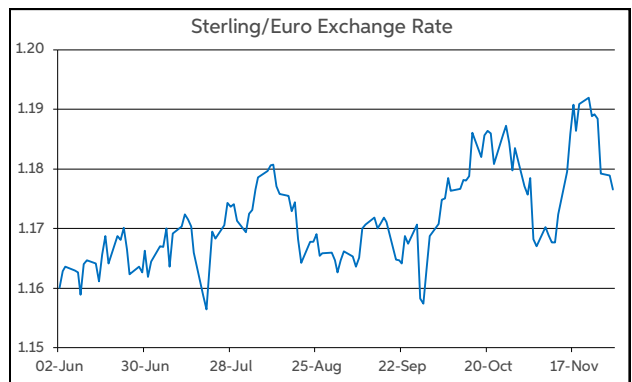
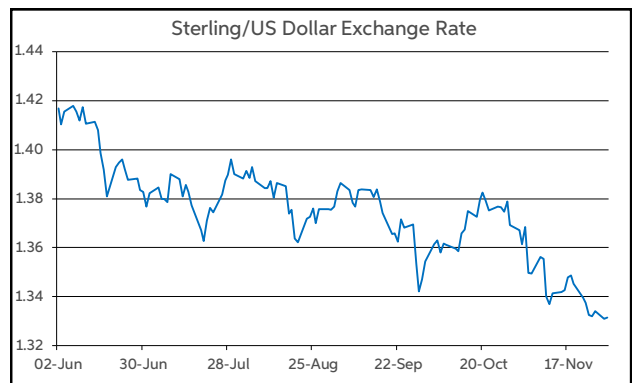
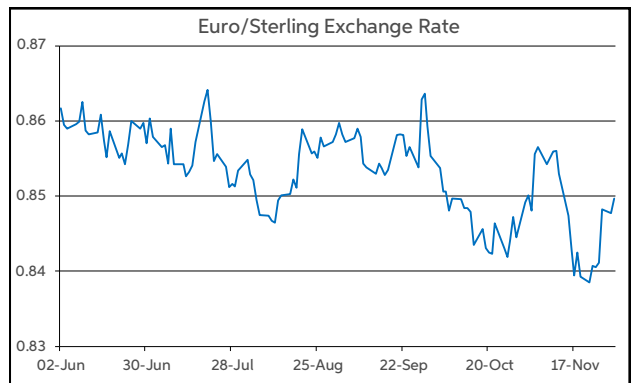
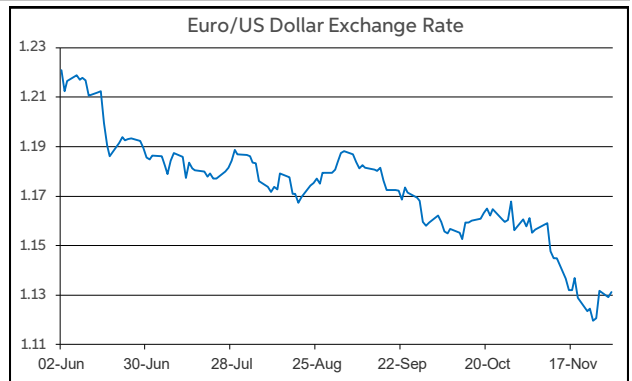
The moves on bond markets were fairly muted. Most of the main 10-year sovereign yields showed relatively limited changes, after falling towards the end of last week on safe haven demand. The 10-Year US Treasury yield remained near to the 1.5% threshold.

Currency-wise, the action has been confined to generally tight ranges over the past 24 hours. However, the euro has maintained some of its upward momentum that took hold towards the end of last week. This occurred amid a reassessment by the market of the timing/extent of rate hikes from the Fed and BoE. Fed Chair Powell noted yesterday, that the recent rise in US Covid cases and the omicron variant "poses downside risks" to the US economy.

In level terms, the EUR/GBP pair opens this morning up near to the 85p mark. At the same time, EUR/USD is trading above the \$1.13 handle. Elsewhere, cable (GBP/USD) is changing hands down near to \$1.33.

Ahead today, the key data highlights are the flash reading of Eurozone inflation and US consumer confidence (both November). However, unless the data surprise significantly versus expectations, markets may pay more attention and be more reactive to Covid-19 related newsflow given recent developments.

John Fahey, Senior Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2020
EUR/USD	1.1312	0.32	-7.38
EUR/GBP	0.8494	0.47	-4.96
GBP/USD	1.3316	-0.16	-2.61
GBP/EUR	1.1767	-0.47	5.22
USD/JPY	113.23	-0.04	9.68
EUR/JPY	128.11	0.28	1.55

* 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	0.10	0.17	0.31	0.74	1.26
EUR	0.00	-0.57	-0.57	-0.50	-0.38	-0.13
GBP	0.10	0.06	0.10	0.74	1.06	1.20

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

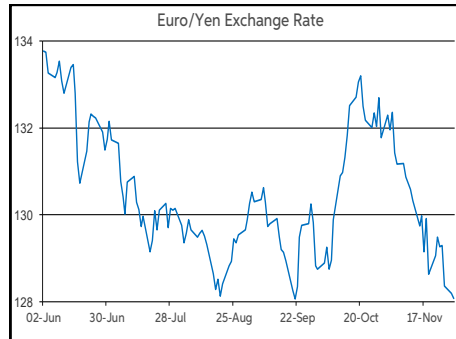
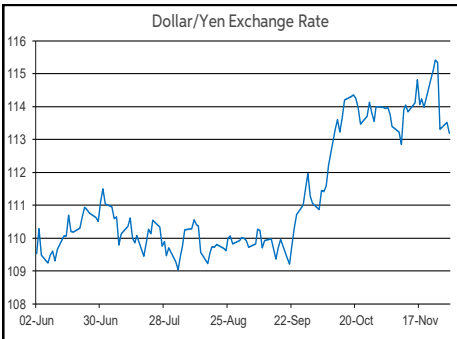
FX Spot	Karl Cooke Shane Gargan Enda Homan	FX Options	Mark Tuite	Reuters Phone	AIBG.I 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
		Equity Options	Gary Luff				

Opening Levels

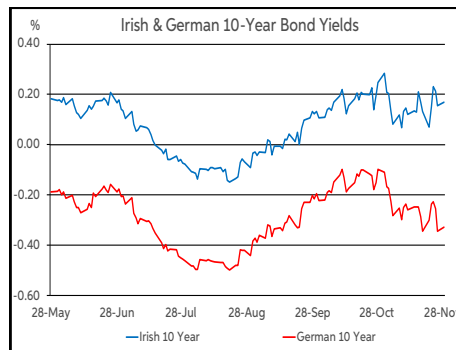
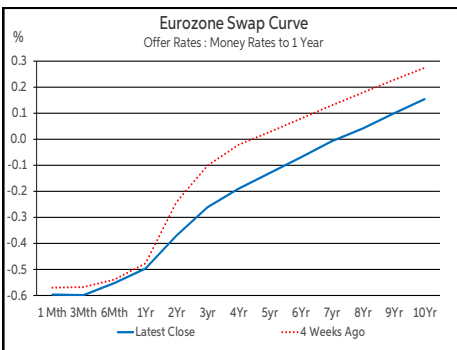
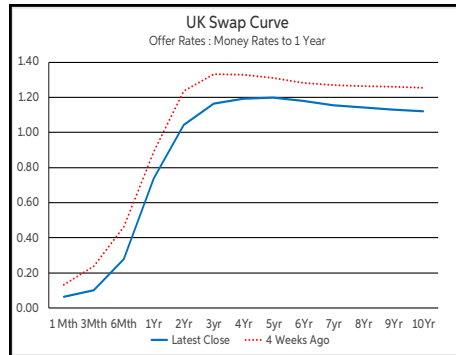
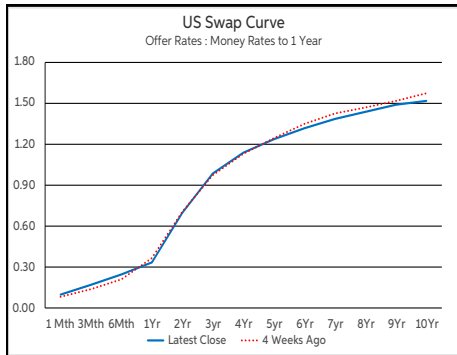
Tuesday 30 November 2021
07:25 am



Euro		Sterling		Dollar	
EUR/GBP	0.8494	GBP/EUR	1.1767	USD/JPY	113.23
EUR/USD	1.1312	GBP/USD	1.3316	USD/CAD	1.2784
EUR/JPY	128.11	GBP/CAD	1.7028	USD/CHF	0.9218
EUR/SEK	10.2581	GBP/NZD	1.957	USD/CNY	6.3725
EUR/DKK	7.4367	GBP/JPY	150.78	USD/BRL	5.6017
EUR/NOK	10.2465	GBP/SEK	12.0721	USD/RUB	74.8091
EUR/CHF	1.043	GBP/DKK	8.7516	USD/INR	75.11
EUR/AUD	1.5893	GBP/NOK	12.0624		
EUR/HKD	8.8265	GBP/CHF	1.2276	AUD/USD	0.7118
EUR/CAD	1.4467	GBP/AUD	1.8704	NZD/USD	0.6801



Debt Markets				
	Close	Day	4 Weeks	End 20
10 Year Yield %				
US	1.50	+2	-6	+59
Germany	-0.32	+2	-22	+25
UK	0.88	+5	-19	+68
5 Year Swap %				
US	1.24	-1	+2	+82
Eurozone	-0.13	+2	-15	+33
UK	1.20	+3	-10	+101
2 Year Swap %				
US	0.70	-1	+2	+51
Eurozone	-0.37	+2	-12	+16
UK	1.04	+2	-18	+102
10 Year Government Bond Spreads to Benchmark bps				
Ireland	50	+0	+5	+23
Belgium	36	-1	+2	+17
France	37	-1	-1	+13
Italy	130	-1	-2	+21
Spain	75	-2	+1	+12
Portugal	68	-1	+1	+4
Greece	163	-2	+18	+42



Commodities				
	Close	Day	4 Weeks	End 20
Brent Oil	73.44	+0.99	-13.30	+41.78
West Texas Oil	69.88	-10.78	-16.89	+44.53
Gold \$	1785.0	-0.38	-0.45	-5.88

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.