

Risk appetite firms

The improvement in investor sentiment gathered further momentum yesterday. It was helped by some positive corporate earnings newsflow in the US. The S&P 500 was up 1.7% on the day, its best performance since March. Meanwhile, the Euro Stoxx 50 gained 1.6%. On bond markets, benchmark sovereign yields moved lower across the board, declining by 3-6bps.

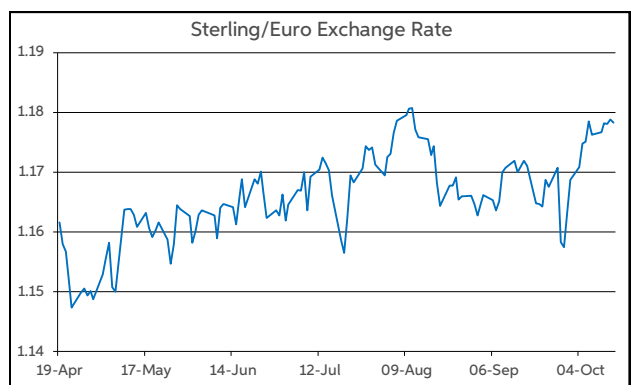
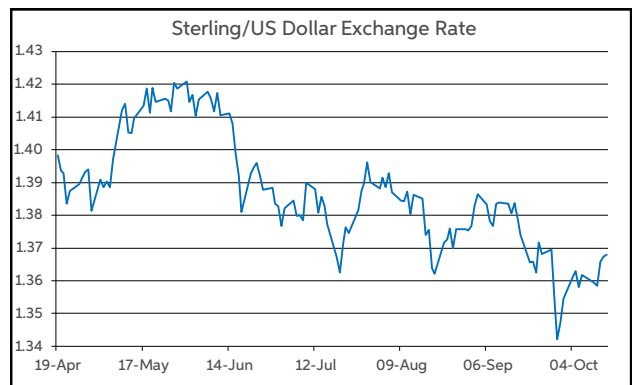
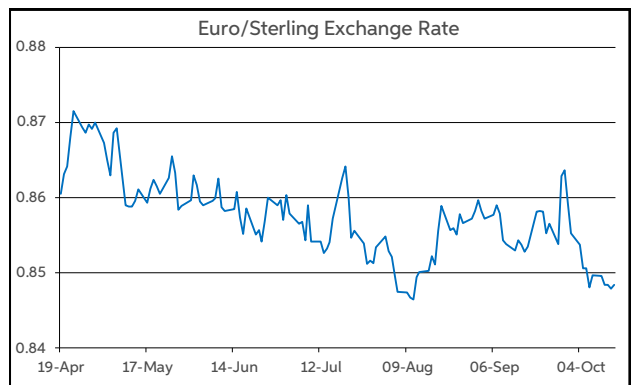
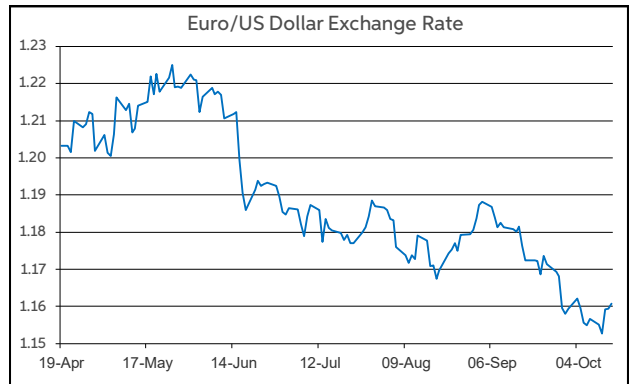
Currency-wise, the main FX pairs remained within fairly narrow ranges. A relatively sparse data schedule likely contributed to the lacklustre action on the exchanges. The only releases of note came from the US, where initial jobless claims fell to their lowest level since the pandemic began, while producer prices rose to 8.6% in September from 8.3% previously.

As trading gets underway this morning, the limited moves are reflected in the main pairs opening at very similar levels to 24 hours ago. EUR/USD starts today at the \$1.16 handle. Cable (GBP/USD) is changing hands in the top half of the \$1.36-1.37 range once again. Elsewhere, EUR/GBP continues to operate in a narrow band between 84.5-85p.

Ahead today, the only noteworthy releases on the data schedule, are again, from across the Atlantic. US retail sales are projected to fall for the third month in five, declining by 0.2% in September. However this is largely due to problems in the auto sector, as the ex-autos reading is forecast to rise by 0.5% in the month.

Elsewhere, the Michigan measure of consumer sentiment is expected to rise slightly in October, having plunged in August before registering only a meagre rebound in September. Barring any major surprises though, the data may not impact the dollar.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2020
EUR/USD	1.1606	0.14	-4.97
EUR/GBP	0.8482	0.01	-5.09
GBP/USD	1.3681	0.12	0.06
GBP/EUR	1.1786	-0.01	5.36
USD/JPY	114.01	0.41	10.43
EUR/JPY	132.33	0.56	4.89

* 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	0.12	0.20	0.52	1.15
EUR	0.00	-0.56	-0.55	-0.52	-0.40	-0.13
GBP	0.10	0.07	0.13	0.62	0.91	1.08

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

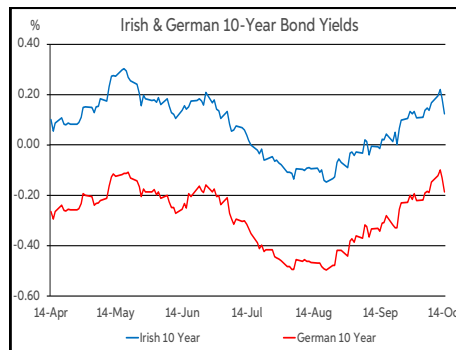
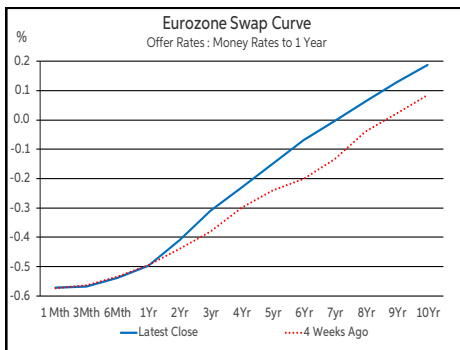
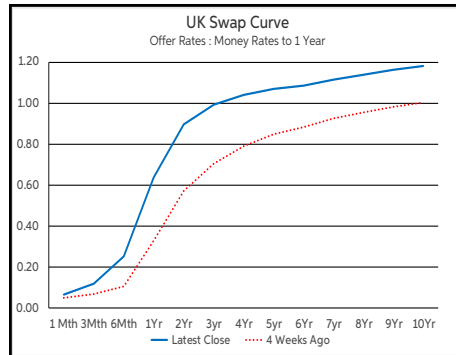
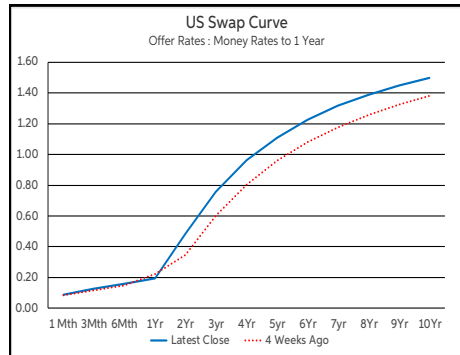
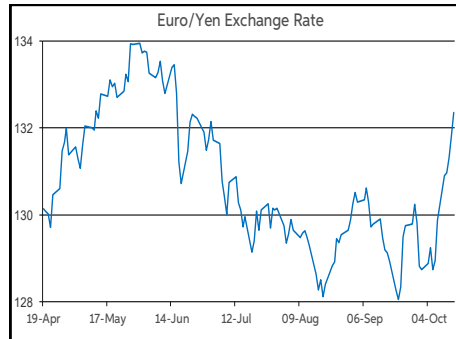
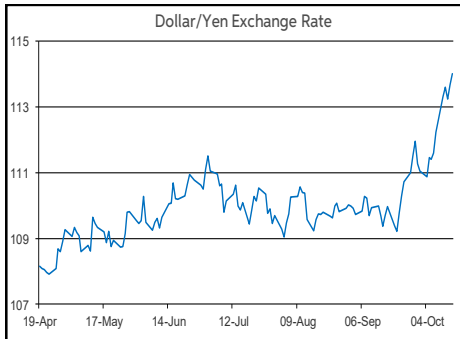
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Opening Levels

Friday 15 October 2021
07:37 am



Euro		Sterling		Dollar	
EUR/GBP	0.8482	GBP/EUR	1.1786	USD/JPY	114.01
EUR/USD	1.1606	GBP/USD	1.3681	USD/CAD	1.2355
EUR/JPY	132.33	GBP/CAD	1.6902	USD/CHF	0.9232
EUR/SEK	10.0164	GBP/NZD	1.9392	USD/CNY	6.4339
EUR/DKK	7.4405	GBP/JPY	155.98	USD/BRL	5.5134
EUR/NOK	9.7948	GBP/SEK	11.8052	USD/RUB	71.42
EUR/CHF	1.0716	GBP/DKK	8.7692	USD/INR	75.007
EUR/AUD	1.5636	GBP/NOK	11.5419	AUD/USD	0.7422
EUR/HKD	9.0296	GBP/CHF	1.263	NZD/USD	0.7054
EUR/CAD	1.434	GBP/AUD	1.8431		



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 20
10 Year Yield %				
US	1.52	-3	+18	+60
Germany	-0.18	-6	+12	+39
UK	1.04	-5	+22	+85
5 Year Swap %				
US	1.11	-1	+19	+69
Eurozone	-0.15	-6	+10	+31
UK	1.07	-4	+22	+88
2 Year Swap %				
US	0.48	+2	+17	+29
Eurozone	-0.41	-3	+4	+12
UK	0.90	-3	+34	+87
10 Year Government Bond Spreads to Benchmark bps				
Ireland	37	-1	-2	+10
Belgium	30	-1	-2	+10
France	33	-1	-0	+9
Italy	102	-1	+2	-8
Spain	62	-1	-3	-1
Portugal	51	+0	-4	-12
Greece	110	+4	-0	-11

Commodities				
	% Change			
	Close	Day	4 Weeks	End 20
Brent Oil	84	+0.99	+11.01	+62.16
West Texas Oil	81.43	+0.94	+12.02	+68.42
Gold \$	1795.6	+0.16	+2.40	-5.32

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