

Flash PMI data due today

The action on financial markets remained muted yesterday. On equity markets, the Euro Stoxx 50 finished down 0.4%, while the S&P 500 gained 0.3%, notching a new all-time high in the process. Meanwhile, in terms of fixed income, benchmark sovereign bond yields edged higher. On the currency front, the main FX pairs remained confined to very narrow ranges throughout the day.

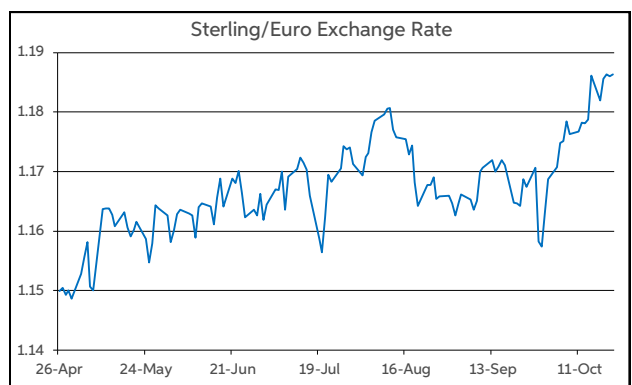
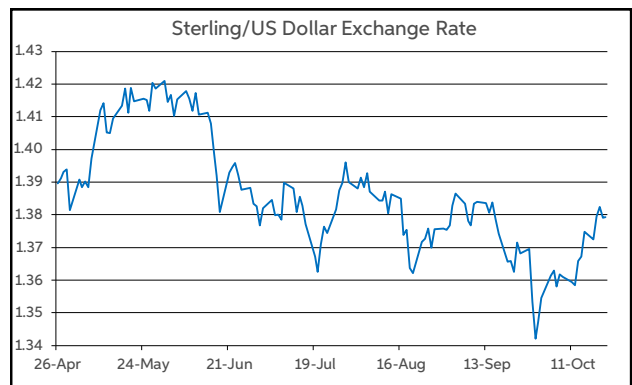
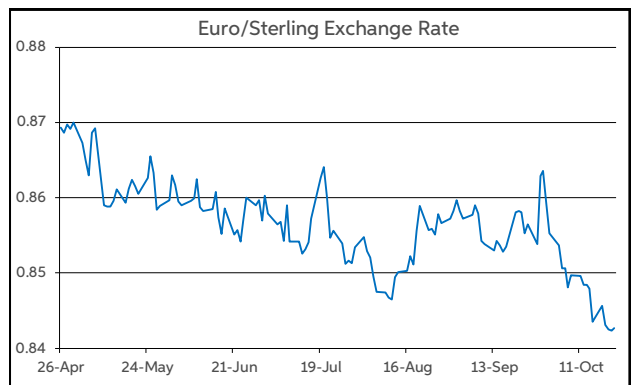
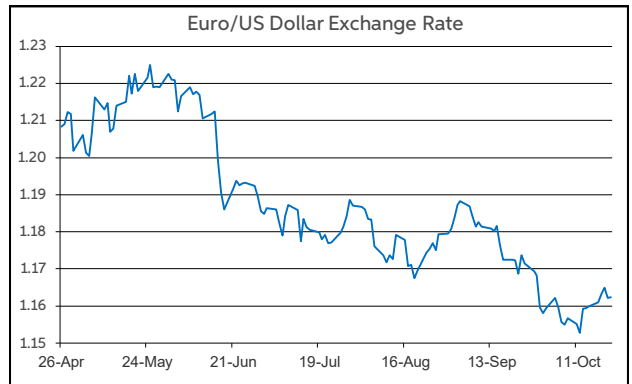
Data-wise, Eurozone consumer confidence declined in October, but not by as much as had been anticipated, printing at -4.8 (vs. -5.0 f'cast). Meantime, in the US, the Philly Fed Index fell to 23.8 (vs. 25.0 f'cast) in October from 30.7 previously. Elsewhere in the US, initial jobless claims edged lower to 290k from 293k, a new post pandemic low.

In level terms, the key currency pairs open this morning at very similar levels to 24 hours ago. This is reflected in EUR/USD starting in the bottom half of the \$1.16-1.17 trading band. EUR/GBP is operating in the lower half of the 84-85p corridor. Meantime, GBP/USD is changing hands just below the \$1.38 handle.

Already this morning, UK retail sales have printed well below the consensus. Sales fell by 0.2% (vs. +0.5% f'cast) in September having contracted by 0.6% in August. UK consumer sentiment fell by more than expected also, coming in at -17 (vs. -16 f'cast) in October. However, the data have not effected sterling so far in early trading.

Later today, the flash PMI data for October in the US, UK and Eurozone are due. All the PMIs are projected to remain above 50, although, some lower readings are pencilled in for the UK and Eurozone. The US composite measure is set to be unchanged.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2020
EUR/USD	1.1623	-0.23	-4.83
EUR/GBP	0.8427	-0.07	-5.71
GBP/USD	1.3793	-0.16	0.88
GBP/EUR	1.1864	0.07	6.05
USD/JPY	113.96	-0.10	10.38
EUR/JPY	132.48	-0.33	5.01

* 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	0.13	0.25	0.63	1.30
EUR	0.00	-0.56	-0.55	-0.48	-0.34	-0.02
GBP	0.10	0.13	0.21	0.81	1.13	1.27

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

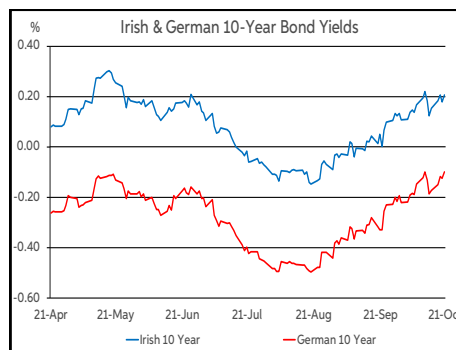
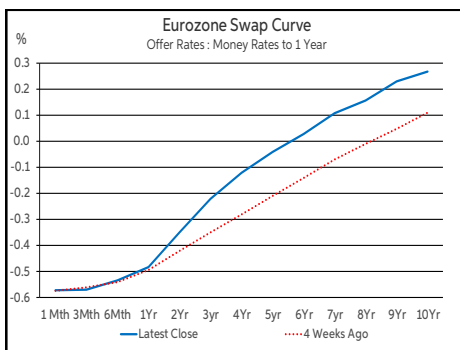
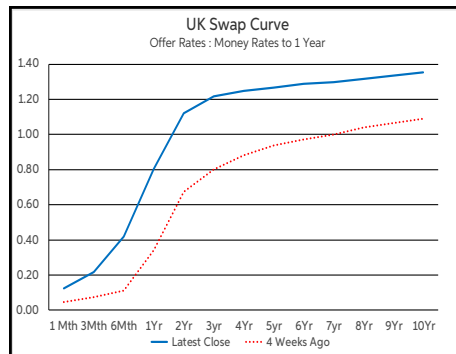
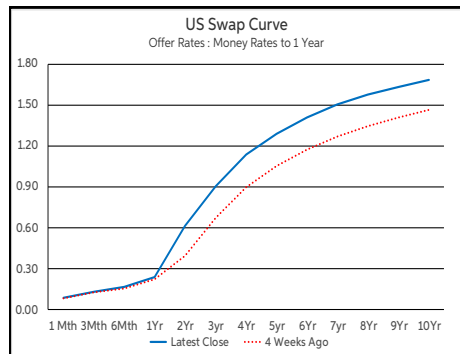
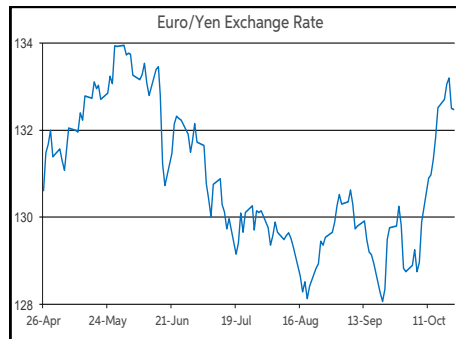
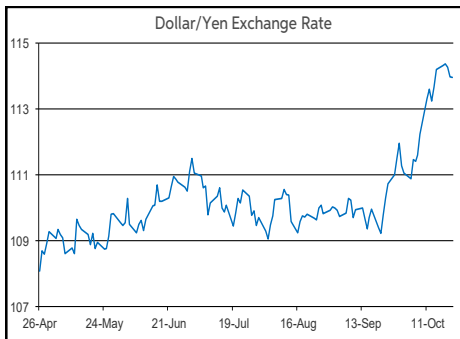
FX Spot	Karl Cooke Shane Gargan Enda Homan	FX Options	Mark Tuite	Reuters Phone	AIBG.I 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
		Equity Options	Gary Luff				

Opening Levels

Friday 22 October 2021
07:17 am



Euro		Sterling		Dollar	
EUR/GBP	0.8427	GBP/EUR	1.1864	USD/JPY	113.96
EUR/USD	1.1623	GBP/USD	1.3793	USD/CAD	1.2351
EUR/JPY	132.48	GBP/CAD	1.7037	USD/CHF	0.9179
EUR/SEK	10.0003	GBP/NZD	1.9239	USD/CNY	6.3969
EUR/DKK	7.4405	GBP/JPY	157.19	USD/BRL	5.6589
EUR/NOK	9.7268	GBP/SEK	11.866	USD/RUB	71.1052
EUR/CHF	1.0672	GBP/DKK	8.8274	USD/INR	74.8
EUR/AUD	1.5535	GBP/NOK	11.5365	AUD/USD	0.7479
EUR/HKD	9.0388	GBP/CHF	1.2664	NZD/USD	0.7167
EUR/CAD	1.4356	GBP/AUD	1.8434		



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 20
10 Year Yield %				
US	1.70	+4	+26	+78
Germany	-0.10	+3	+16	+48
UK	1.20	+5	+29	+101
5 Year Swap %				
US	1.29	+8	+27	+87
Eurozone	-0.04	+5	+18	+42
UK	1.27	+5	+33	+108
2 Year Swap %				
US	0.61	+9	+25	+42
Eurozone	-0.35	+2	+8	+18
UK	1.12	+2	+46	+109
10 Year Government Bond Spreads to Benchmark bps				
Ireland	37	+0	-1	+10
Belgium	30	-0	-1	+11
France	33	-0	+1	+10
Italy	105	+1	+8	-5
Spain	63	-1	-1	-0
Portugal	51	+0	-2	-12
Greece	111	-2	+10	-9

Commodities				
	% Change			
	Close	Day	4 Weeks	End 20
Brent Oil	84.61	-1.41	+9.53	+63.34
West Texas Oil	82.64	-2.09	+12.54	+70.92
Gold \$	1782.8	+0.05	+2.31	-6.00

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