

Busy US diary today

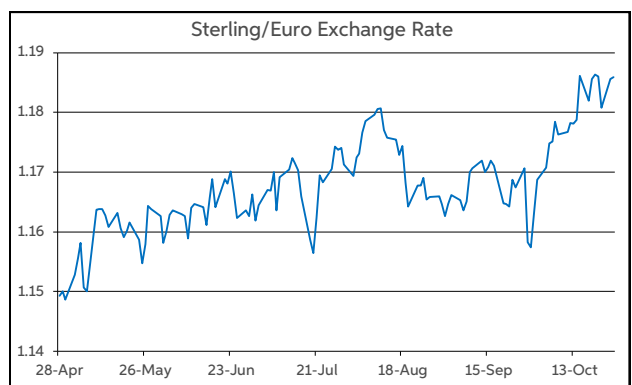
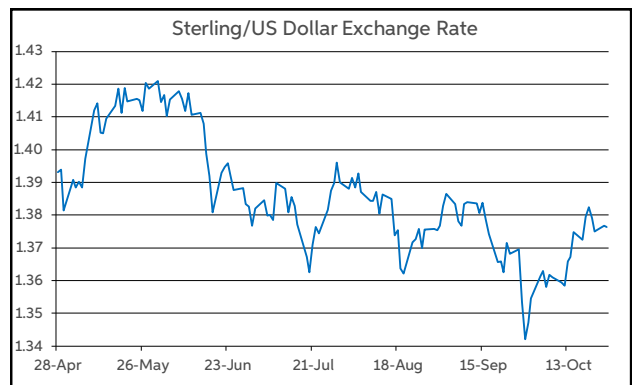
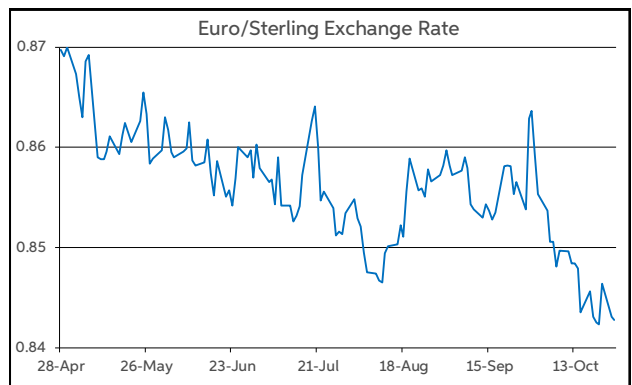
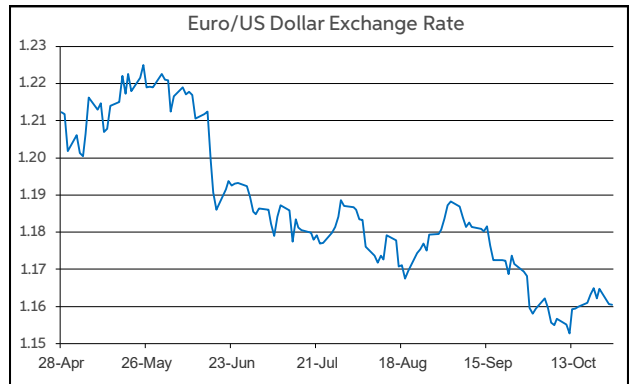
There was a generally quiet start to the trading week on financial markets yesterday. A quiet data calendar contributed to the muted backdrop. Indeed, the only release of any note on either side of the Atlantic was the German Ifo for October. Similar to last week's Composite PMI data, the headline index printed lower than the September reading. It came in at 97.7, slightly below expectations for 97.9.

From a currency perspective, the main pairs start this morning at levels broadly similar to yesterday's open. Of the limited action to register over the past 24 hours, the EUR/USD pair has moved back towards the \$1.16 mark. Meanwhile, EUR/GBP is within the lower half of the 84-85p corridor. Elsewhere, GBP/USD is changing hands in a relatively narrow range around the midpoint of the \$1.37-1.38 trading band.

Looking ahead to the remainder of the week, data-wise we get the first reading of Q3 GDP from the US and Eurozone. US core PCE, the Fed's preferred measure of inflation, for September is also due. On the monetary policy front, the next round of central bank meetings gets underway with the ECB Governing Council taking place this week (both the Fed and BoE are the following week). Although, the ECB meeting is expected to be largely uneventful from a markets perspective.

In terms of today, the macro calendar is mainly US-centric. One of the main highlights is the Conference Board measure of US consumer confidence for October. House prices (Aug) and new home sales (Sept) also feature on today's US diary. However, barring any major surprises, they are not expected to have much bearing on the dollar.

John Fahey, Senior Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2020
EUR/USD	1.1605	-0.47	-4.98
EUR/GBP	0.843	-0.33	-5.67
GBP/USD	1.3765	-0.12	0.67
GBP/EUR	1.186	0.33	6.01
USD/JPY	113.88	0.20	10.31
EUR/JPY	132.16	-0.26	4.76

* 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	0.25	0.63	1.26
EUR	0.00	-0.56	-0.55	-0.50	-0.33	-0.03
GBP	0.10	0.12	0.20	0.78	1.09	1.22

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

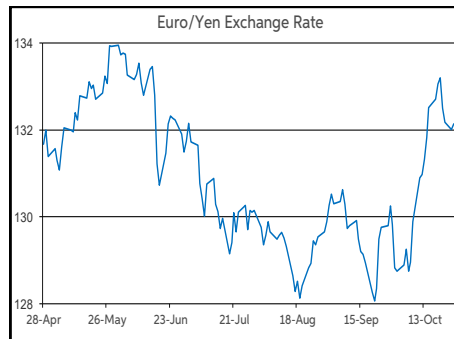
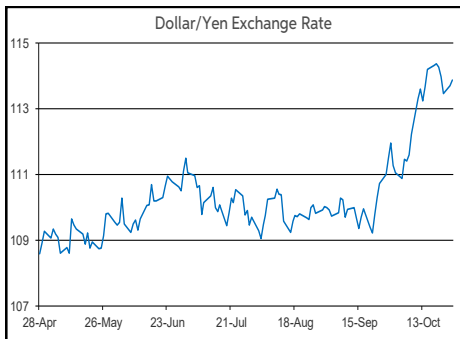
FX Spot	Karl Cooke Shane Gargan Enda Homan	FX Options	Mark Tuite	Reuters Phone	AIBG.I 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
		Equity Options	Gary Luff				

Opening Levels

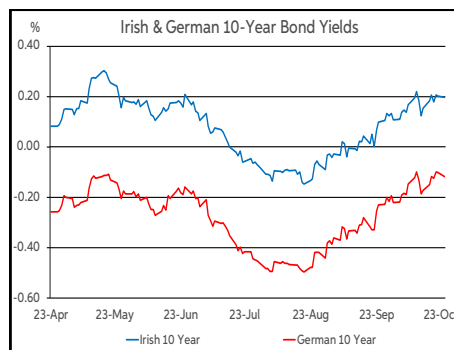
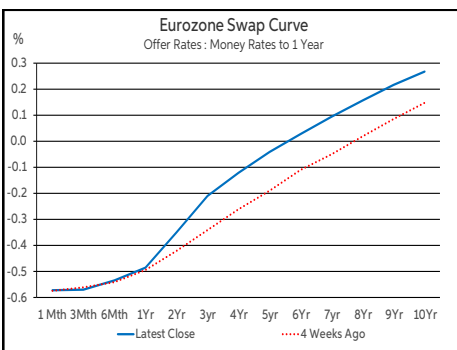
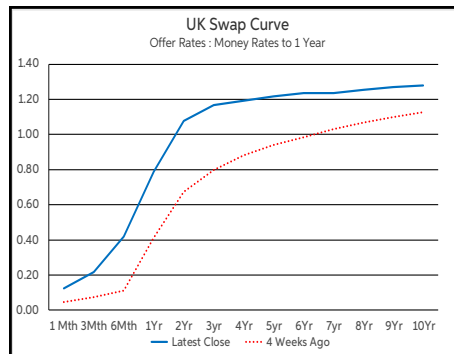
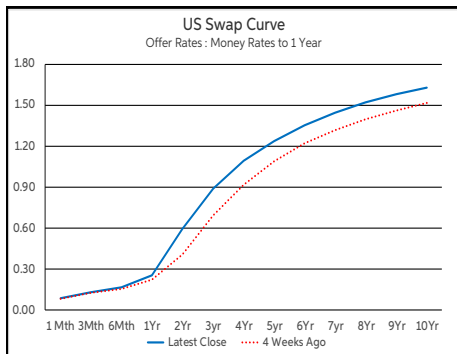
Tuesday 26 October 2021
07:18 am



Euro		Sterling		Dollar	
EUR/GBP	0.843	GBP/EUR	1.186	USD/JPY	113.88
EUR/USD	1.1605	GBP/USD	1.3765	USD/CAD	1.2383
EUR/JPY	132.16	GBP/CAD	1.7044	USD/CHF	0.9201
EUR/SEK	9.9852	GBP/NZD	1.9187	USD/CNY	6.3818
EUR/DKK	7.4388	GBP/JPY	156.76	USD/BRL	5.5554
EUR/NOK	9.6932	GBP/SEK	11.843	USD/RUB	69.7275
EUR/CHF	1.0679	GBP/DKK	8.8218	USD/INR	75.1325
EUR/AUD	1.5452	GBP/NOK	11.496		
EUR/HKD	9.022	GBP/CHF	1.2667	AUD/USD	0.7508
EUR/CAD	1.437	GBP/AUD	1.8328	NZD/USD	0.7173



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 20
10 Year Yield %				
US	1.63	-1	+14	+72
Germany	-0.11	-2	+11	+46
UK	1.14	-1	+18	+95
5 Year Swap %				
US	1.24	-0	+18	+82
Eurozone	-0.04	-2	+16	+42
UK	1.22	-2	+28	+103
2 Year Swap %				
US	0.59	+1	+22	+40
Eurozone	-0.35	-1	+8	+18
UK	1.08	-2	+41	+105
10 Year Government Bond Spreads to Benchmark bps				
Ireland	38	+1	-2	+11
Belgium	30	-0	-2	+11
France	33	-0	-1	+10
Italy	103	-3	+1	-7
Spain	63	-0	-1	-0
Portugal	51	-1	-3	-13
Greece	114	+1	+10	-6



Commodities				
	% Change			
	Close	Day	4 Weeks	End 20
Brent Oil	85.99	+0.54	+8.12	+66.00
West Texas Oil	84.64	+0.13	+12.05	+75.06
Gold \$	1807.5	+0.84	+3.29	-4.69

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