

## Quiet day on markets

There was a rather subdued start to the week on markets yesterday. A market holiday in the UK, as well as a sparse data schedule likely contributed to the lacklustre price action. Investors may also have kept their powder dry ahead of a number of key central bank meetings in many advanced economies later this week, including the US Federal Reserve (Wed), and the Bank of England (Thu).

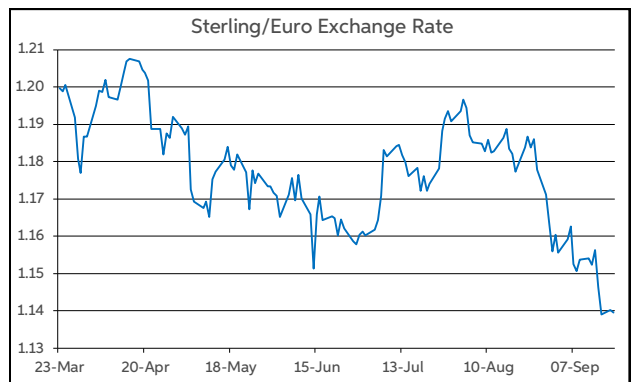
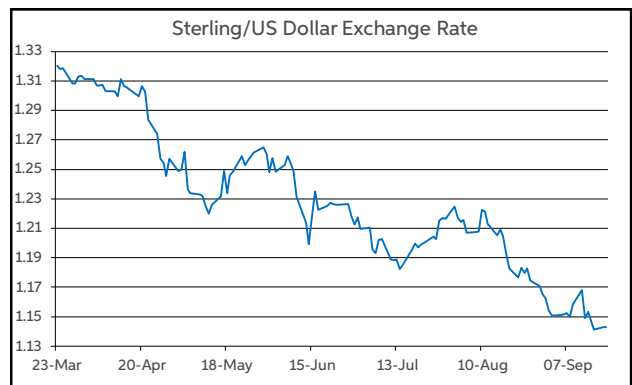
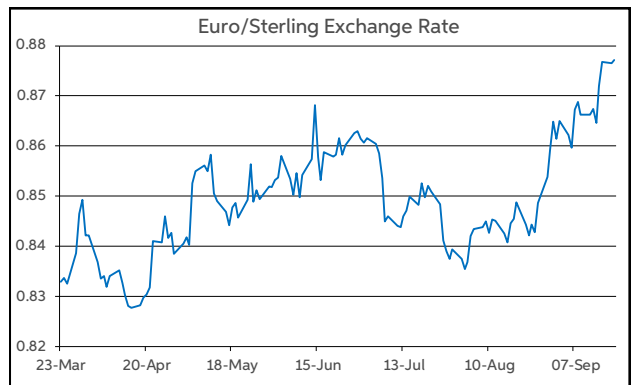
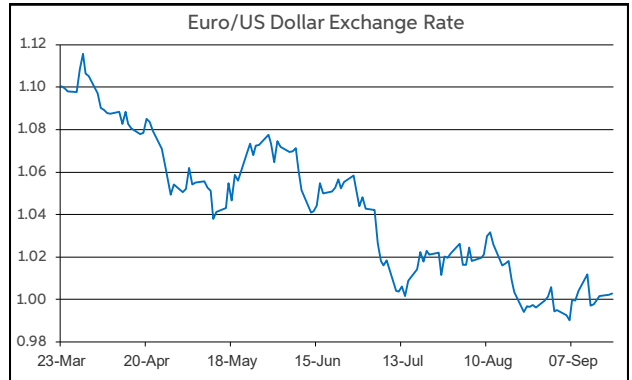
On equity markets, the Euro Stoxx 50 finished flat for the day. On Wall Street, the S&P 500 rose by 0.7%. Meanwhile on bond markets, benchmark sovereign yields climbed by 3-10bps in the US and the Eurozone. Policy sensitive 2-year yields continued to lead the way higher, reflecting the recent hardening of market rate expectations.

Currency-wise, the main pairs have been tightly range bound over the past 24 hours. Of the limited moves to register, the euro has managed to eke out some slight gains following some hawkish comments from ECB Vice-President de Guindos. Most notably, the single currency has made some inroads versus the dollar. Sterling has also recouped some of its recent losses versus the greenback.

As trading gets underway this morning, EUR/USD opens just above parity. Meanwhile, EUR/GBP is operating up in the top half of the 87-88p trading range. Cable (GBP/USD) is changing hands in the lower half of \$1.14-1.15.

Turning to the day ahead, there is a quiet look to the data schedule once again. However, prepared remarks from ECB President Lagarde will be under the microscope.

**Daniel Noonan, Economist, AIB**



Today's Opening FX Rates			
		% Change	
		Day *	End 2021
EUR/USD	1.0028	0.36	-11.79
EUR/GBP	0.8769	0.08	4.39
GBP/USD	1.1433	0.29	-15.49
GBP/EUR	1.1397	-0.08	-4.21
USD/JPY	143.34	0.08	24.56
EUR/JPY	143.76	0.45	9.85

\* 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	2.375	3.01	3.57	4.42	4.33	3.76
EUR	0.50	0.68	1.06	2.37	2.64	2.57
GBP	1.75	2.24	2.76	4.11	4.36	3.91

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

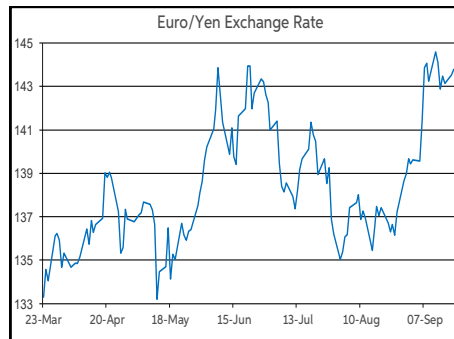
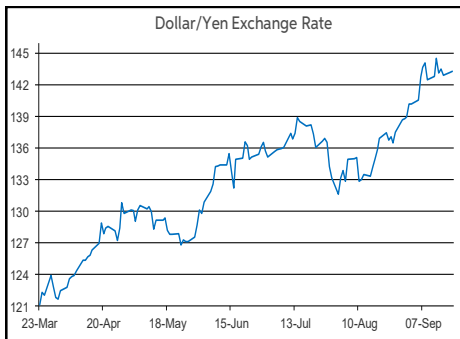
FX Spot	Karl Cooke Shane Gargan Ian Burke	FX Options	Mark Tuite	Reuters Phone	AIBG.I 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
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# Opening Levels

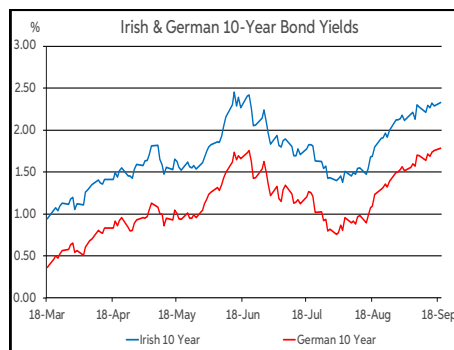
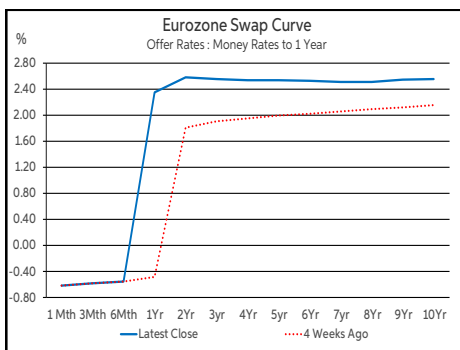
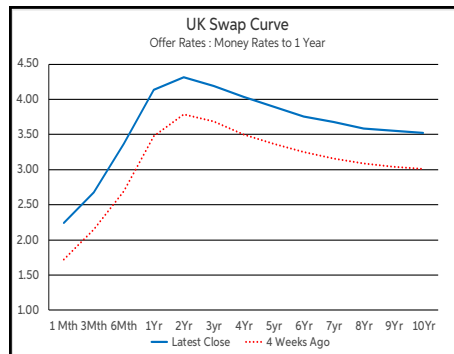
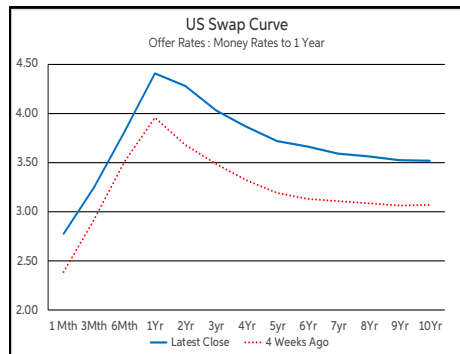
Tuesday 20 September 2022  
07:25 am



Euro		Sterling		Dollar	
EUR/GBP	0.8769	GBP/EUR	1.1399	USD/JPY	143.33
EUR/USD	1.0029	GBP/USD	1.1433	USD/CAD	1.3253
EUR/JPY	143.76	GBP/CAD	1.5155	USD/CHF	0.9644
EUR/SEK	10.8168	GBP/NZD	1.9266	USD/CNY	7.012
EUR/DKK	7.4366	GBP/JPY	163.87	USD/BRL	5.1723
EUR/NOK	10.2539	GBP/SEK	12.3282	USD/RUB	60.18
EUR/CHF	0.9673	GBP/DKK	8.4765	USD/INR	79.678
EUR/AUD	1.4935	GBP/NOK	11.6891	AUD/USD	0.6714
EUR/HKD	7.8721	GBP/CHF	1.1028	NZD/USD	0.5933
EUR/CAD	1.3292	GBP/AUD	1.7026		



Debt Markets				
	Close	Day	4 Weeks	End 21
<b>10 Year Yield %</b>				
US	3.49	+4	+47	+198
Germany	1.79	+3	+49	+197
UK	3.13	-3	+62	+216
<b>5 Year Swap %</b>				
US	3.72	+3	+56	+238
Eurozone	2.54	+7	+55	+252
UK	3.90	-3	+54	+263
<b>2 Year Swap %</b>				
US	4.28	+6	+64	+333
Eurozone	2.59	+9	+78	+289
UK	4.32	-0	+53	+312
<b>10 Year Government Bond Spreads to Benchmark bps</b>				
Ireland	58	+2	-5	+15
Belgium	59	+2	-3	+24
France	56	+2	-4	+19
Italy	227	+1	-6	+91
Spain	116	+1	-4	+39
Portugal	106	-1	-2	+39
Greece	267	+15	+19	+118



Commodities				
	Close	Day	4 Weeks	End 21
Brent Oil	92	+0.71	-4.64	+18.28
West Texas Oil	86.15	+0.68	-7.78	+14.36
Gold \$	1675.8	+0.05	-3.45	-8.35

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