

## Sterling registers modest gains

The risk averse tone that has dominated markets this year was once again in evidence yesterday. Some corporate earnings newsflow weighed on risk appetite. Data-wise, the macro diary was very quiet and not a source of direction for markets.

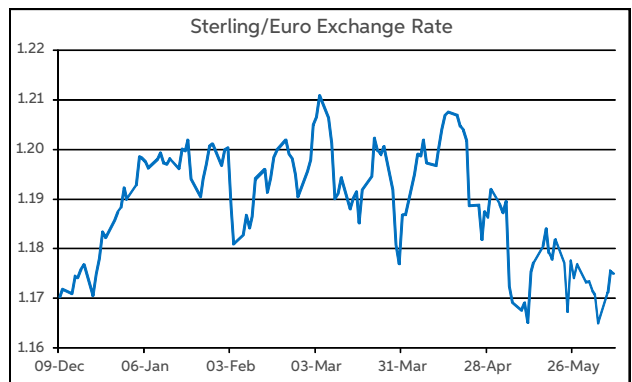
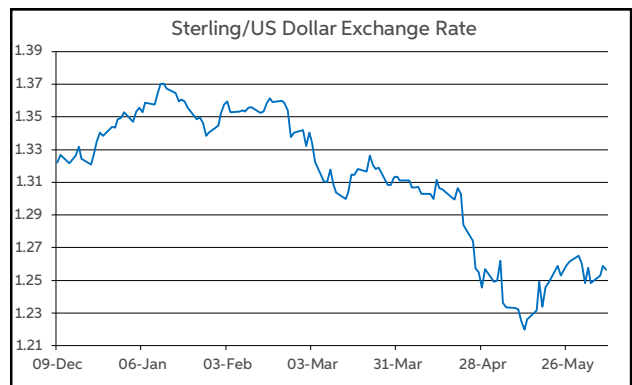
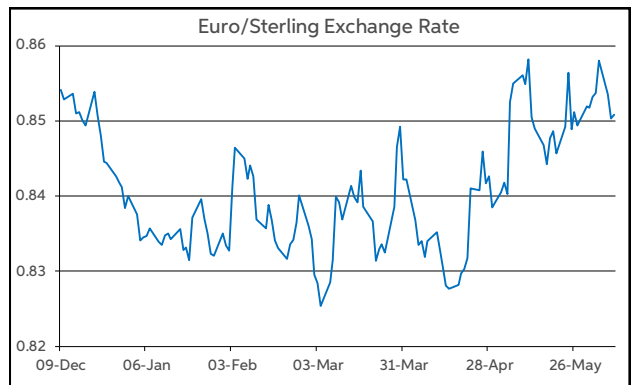
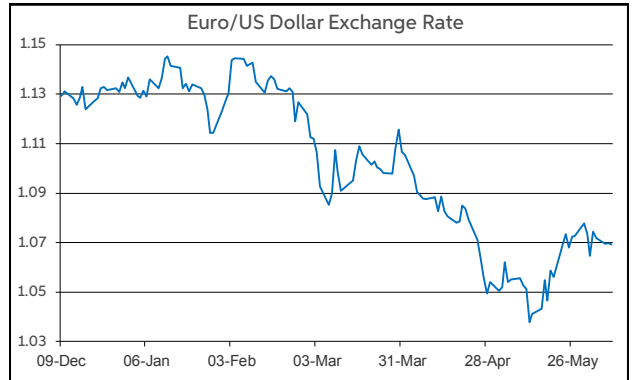
In Europe, the Euro Stoxx 50 fell by 0.8%. Meanwhile, on Wall Street, after being on the back foot for much of the day, a late rally from the S&P 500 index saw it finish 1% higher at the close last night. The action on bond markets was more muted compared to Monday. Yields were generally 4-6bps lower across the board, amid the 'risk-off' mood. The 10-year US Treasury Yield edged back below the 3% mark.

On the currency front, the moves were within relatively confined ranges for most of the majors. However, sterling did manage to generate some upward momentum as the market digested the implications of Tuesday night's narrower than expected victory for PM Johnson in the Conservative party no-confidence vote. Elsewhere, the yen continued to struggle against the backdrop of the BoJ remaining dovish compared to the hawkish tones and policies from the other main central banks.

In level terms, the firmer tone to sterling over the past 24 hours is reflected in EUR/GBP back down at the 85p threshold. At the same time, GBP/USD has regained ground above \$1.25. Meantime, EUR/USD continues to change hands in a tight range in and around \$1.07.

Ahead today, the macro calendar is once again sparse. Therefore, a wait-and-see approach could prevail on currency markets with tomorrow's ECB meeting looming on the horizon.

**John Fahey, Senior Economist, AIB**



Today's Opening FX Rates			
		% Change	
		Day *	End 2021
EUR/USD	1.0692	0.10	-5.95
EUR/GBP	0.8507	-0.50	1.27
GBP/USD	1.2565	0.58	-7.13
GBP/EUR	1.1747	0.51	-1.26
USD/JPY	133.15	0.17	15.70
EUR/JPY	142.38	0.26	8.79

\* 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	0.875	1.19	1.69	2.74	3.11	3.06
EUR	0.00	-0.53	-0.31	0.63	1.30	1.72
GBP	1.00	1.18	1.45	2.42	2.77	2.72

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

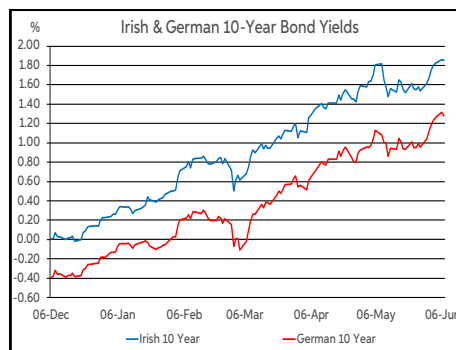
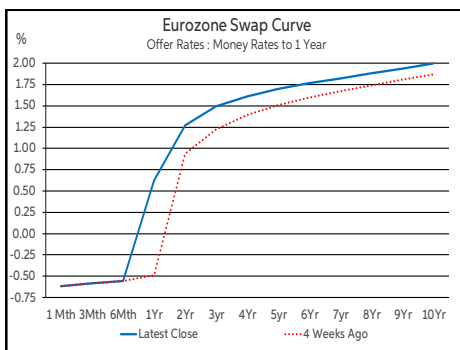
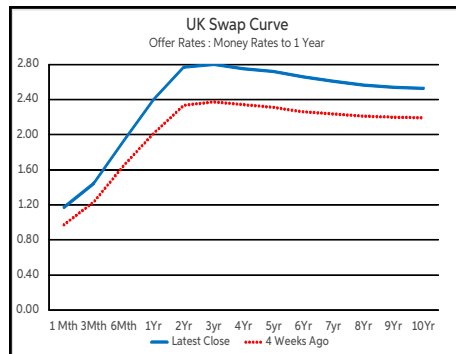
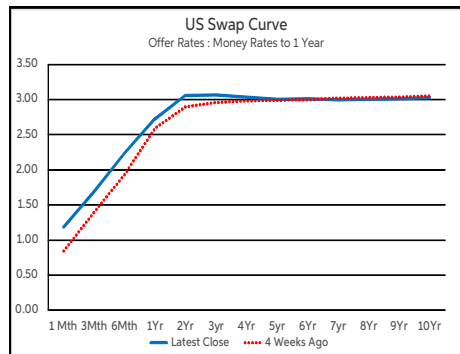
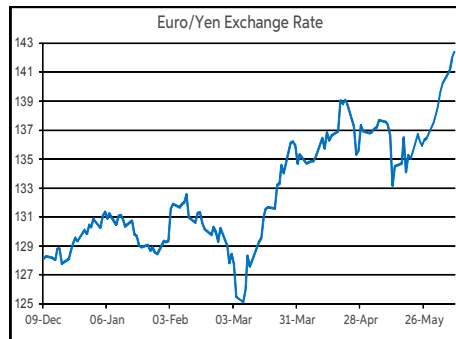
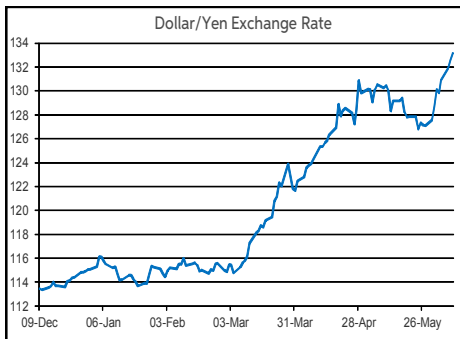
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# Opening Levels

Wednesday 08 June 2022  
07:23 am



Euro		Sterling		Dollar	
EUR/GBP	0.8507	GBP/EUR	1.1747	USD/JPY	133.15
EUR/USD	1.0692	GBP/USD	1.2565	USD/CAD	1.2538
EUR/JPY	142.38	GBP/CAD	1.5758	USD/CHF	0.9737
EUR/SEK	10.4893	GBP/NZD	1.9457	USD/CNY	6.6689
EUR/DKK	7.439	GBP/JPY	167.3	USD/BRL	4.8707
EUR/NOK	10.1462	GBP/SEK	12.324	USD/RUB	60.7
EUR/CHF	1.0412	GBP/DKK	8.741	USD/INR	77.7225
EUR/AUD	1.4842	GBP/NOK	11.9204	AUD/USD	0.7202
EUR/HKD	8.389	GBP/CHF	1.224	NZD/USD	0.6456
EUR/CAD	1.341	GBP/AUD	1.7445		



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 21
<b>10 Year Yield %</b>				
US	2.98	-6	-1	+147
Germany	1.29	-4	+28	+147
UK	2.21	-3	+37	+124
<b>5 Year Swap %</b>				
US	3.01	-4	+6	+167
Eurozone	1.70	-3	+20	+169
UK	2.72	-2	+41	+144
<b>2 Year Swap %</b>				
US	3.06	+1	+21	+212
Eurozone	1.27	-1	+35	+157
UK	2.77	+0	+44	+158
<b>10 Year Government Bond Spreads to Benchmark bps</b>				
Ireland	58	+3	-13	+15
Belgium	61	+1	+2	+25
France	52	+1	-2	+15
Italy	212	+3	+11	+75
Spain	113	-2	+2	+35
Portugal	117	-3	+1	+51
Greece	254	-2	+3	+104

Commodities				
	% Change			
	Close	Day	4 Weeks	End 21
Brent Oil	120.57	+0.89	+17.68	+55.01
West Texas Oil	119.55	+0.96	+19.86	+58.70
Gold \$	1852.0	+0.60	+0.75	+1.29

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