

US non-farm payrolls in focus

Investor sentiment soured overnight, amid rising tensions in the Middle East. The Euro Stoxx 50 finished flat for the day. However, by the closing bell on Wall Street, the S&P 500 had declined by 1.2%. At the same time, Brent crude oil rose above \$90 per barrel. In terms of fixed income, yields moved lower across the board. US Treasury, German Bund and UK Gilt yields fell by 1-6bps.

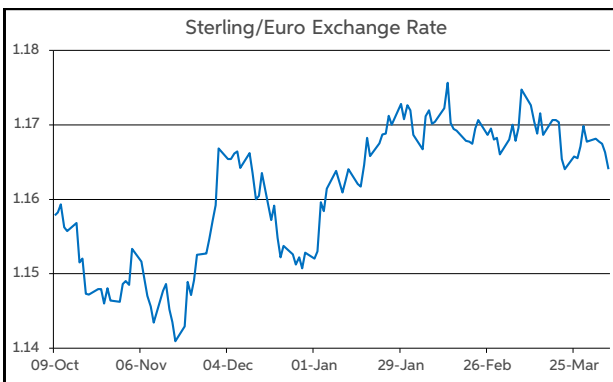
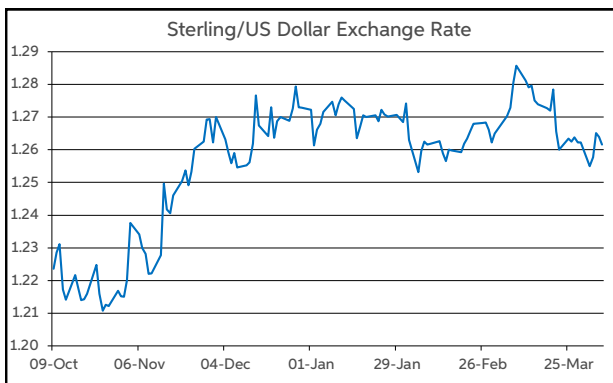
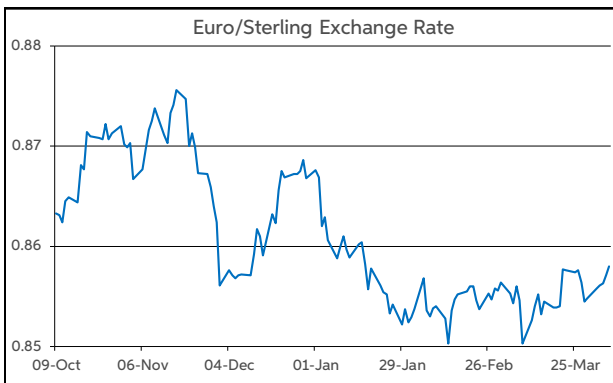
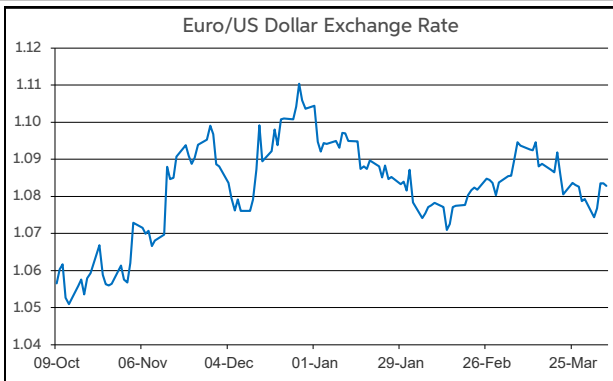
On the monetary policy front, the ECB monetary policy meeting account struck a balanced chord, albeit while providing little in the way of new information. The minutes noted that *"the case for considering rate cuts was strengthening"*, but referenced some concerns still about services inflation. However, it also noted that the ECB will have *"significantly more data and information by the June meeting"*, hinting that a first rate cut may be appropriate then.

Regardless, the minutes did not significantly impact on market rate expectations yesterday. Similarly, remarks from a number of Fed officials had no major effect on US futures contracts pricing. Against this backdrop, trading conditions on currency markets were range bound. Of the limited price action to register, the dollar remained under some modest downward pressure throughout the European session before gaining the upper hand overnight.

In level terms, EUR/USD opens this morning in the lower half of the \$1.08-1.09 range. GBP/USD is down near to the \$1.26 threshold. EUR/GBP remains in the 85-86p corridor.

Today, the main release will be the US labour market report for March. The consensus is for a 200k increase in non-farm payrolls. Meantime, the unemployment rate is projected to stay at 3.9%, while average earnings are forecast to ease slightly to +4.1% y/y.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2023
EUR/USD	1.0829	-0.11	-1.88
EUR/GBP	0.858	0.13	-1.02
GBP/USD	1.2619	-0.26	-0.86
GBP/EUR	1.1649	-0.13	1.03
USD/JPY	151.25	-0.29	7.22
EUR/JPY	163.82	-0.40	5.26

* 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	5.38	5.44	5.56	5.29	4.85	4.36
EUR	4.50	3.85	3.86	3.60	3.15	2.71
GBP	5.25	5.18	5.14	4.84	4.63	4.10

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

FX Spot	Karl Cooke Shane Gargan	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

Friday 05 April 2024
07:16 am



Euro

EUR/GBP	0.858
EUR/USD	1.0829
EUR/JPY	163.83
EUR/SEK	11.5271
EUR/DKK	7.4582
EUR/NOK	11.6222
EUR/CHF	0.9767
EUR/AUD	1.6472
EUR/HKD	8.4784
EUR/CAD	1.4693

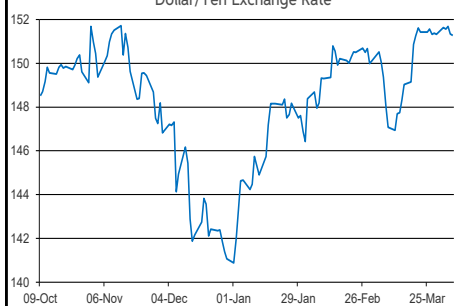
Sterling

GBP/EUR	1.1648
GBP/USD	1.2618
GBP/CAD	1.7118
GBP/NZD	2.0985
GBP/JPY	190.89
GBP/SEK	13.4306
GBP/DKK	8.6891
GBP/NOK	13.5477
GBP/CHF	1.1381
GBP/AUD	1.9192

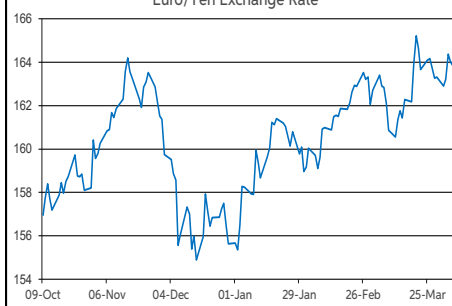
Dollar

USD/JPY	151.28
USD/CAD	1.3565
USD/CHF	0.9019
USD/CNY	7.233
USD/BRL	5.0585
USD/RUB	92.565
USD/INR	83.3737
AUD/USD	0.6574
NZD/USD	0.6012

Dollar/Yen Exchange Rate

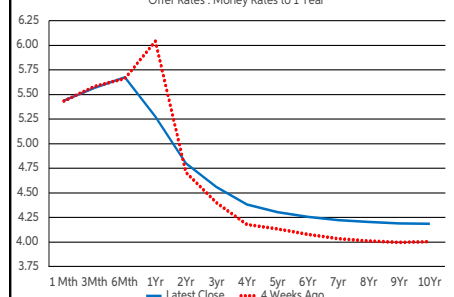


Euro/Yen Exchange Rate



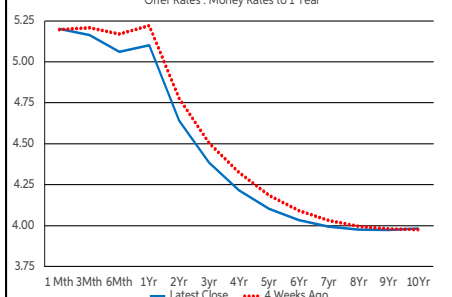
US Swap Curve

Offer Rates : Money Rates to 1 Year



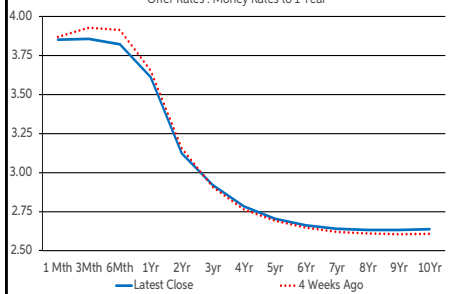
UK Swap Curve

Offer Rates : Money Rates to 1 Year



Eurozone Swap Curve

Offer Rates : Money Rates to 1 Year



Irish & German 10-Year Bond Yields



Debt Markets

		Change bps	
	Close	Day	4 Weeks
10 Year Yield %			
US	4.31	-4	+22
Germany	2.36	-4	+6
UK	4.02	-4	+3
Ireland	2.81	-3	+12
Belgium	2.93	-5	+10
France	2.87	-5	+12
Italy	3.72	-12	+10
Spain	3.19	-7	+8
Portugal	3.04	-6	+9
Greece	3.31	-11	+8
5 Year Swap %			
US	4.31	-4	+21
Eurozone	2.71	-2	+2
UK	4.10	-2	-8
2 Year Swap %			
US	4.80	-4	+13
Eurozone	3.12	-3	-2
UK	4.64	-1	-13
10 Year Government Bond Spreads to Benchmark bps			
Ireland	46	+1	+5
Belgium	57	-1	+4

Commodities

	% Change			
	Close	Day	4 Weeks	End 23
Brent Oil	90.65	+1.45	+9.27	+17.67
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	2289.4	-0.42	+6.03	+11.00

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