

Positive signs from Eurozone and UK PMIs

Investor sentiment continued to improve yesterday. This was evident in gains on equity indices on both sides of the Atlantic. In Europe, the Euro Stoxx 50 rose by 1.4%. Meanwhile, at the close on Wall Street last night, the S&P 500 was 1.2% higher on the day.

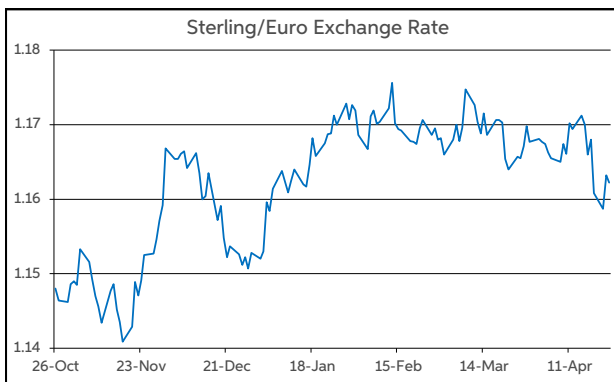
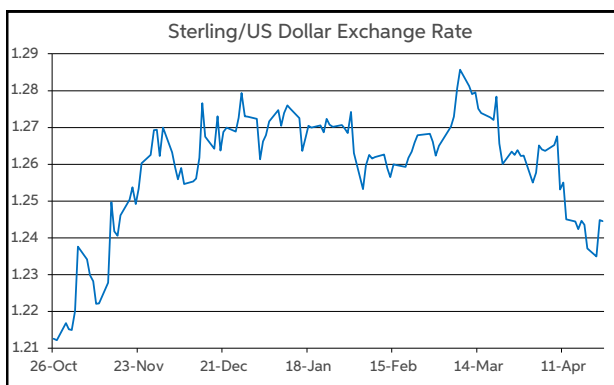
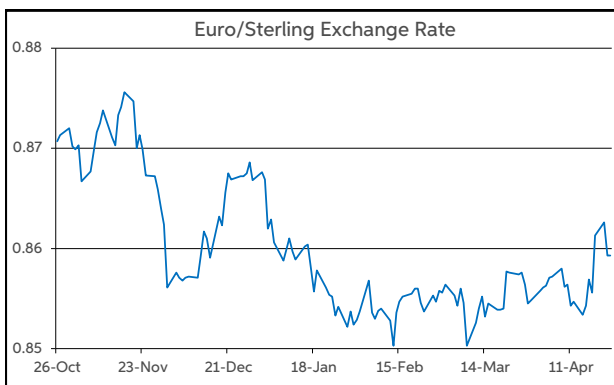
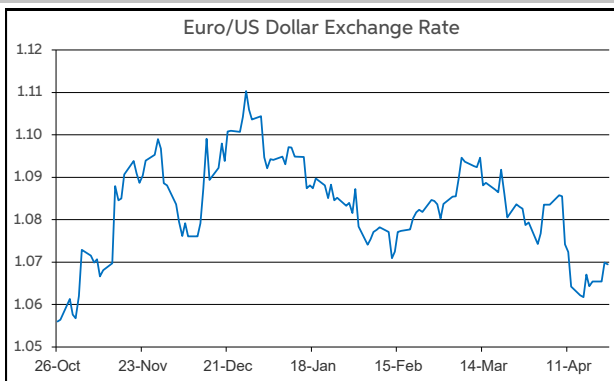
Data-wise, a batch of better than expected European flash April PMIs helped to underpin the upbeat mood to risk appetite in the early part of yesterday's trading. This included the Eurozone Composite PMI printing at 51.4 (vs. f'cast for 50.7) amid a strong performance from the services sector. Overall, the Eurozone, German and French surveys indicate a pick-up in private sector activity at the start of Q2.

There was also a notable upside surprise from the preliminary reading of the UK PMI survey for April. The composite index rose to a 25 month high supported by a strong performance from the services sector. In contrast, and unusually, the US macro calendar was a source of disappointment yesterday. Its PMI survey for April missed to the downside of expectations.

From a currency viewpoint, against this macro backdrop, both sterling and the euro managed to post gains versus the dollar. Sterling was also supported by some hawkish BoE comments. EUR/USD edged back up nearer to \$1.07, while GBP/USD regained the \$1.24 mark. Meantime, EUR/GBP was struggling to hold the 86p level amid the stronger tone to sterling.

Looking ahead to today, this morning's German Ifo for April will be closely watched to see if it provides a similar picture to yesterday's encouraging German PMI report. Meanwhile, the main US data highlight is the durables goods report for March.

John Fahey, Senior Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2023
EUR/USD	1.0695	0.39	-3.09
EUR/GBP	0.8593	-0.36	-0.87
GBP/USD	1.2444	0.76	-2.24
GBP/EUR	1.1631	0.36	0.87
USD/JPY	154.9	0.11	9.81
EUR/JPY	165.69	0.50	6.46

* 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	5.43	5.59	5.45	5.15	4.69
EUR	4.50	3.82	3.89	3.66	3.31	2.90
GBP	5.25	5.18	5.16	4.93	4.84	4.35

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

Wednesday 24 April 2024
07:17 am



Euro

EUR/GBP	0.8592
EUR/USD	1.0695
EUR/JPY	165.7
EUR/SEK	11.5784
EUR/DKK	7.4594
EUR/NOK	11.657
EUR/CHF	0.9759
EUR/AUD	1.6422
EUR/HKD	8.3773
EUR/CAD	1.4621

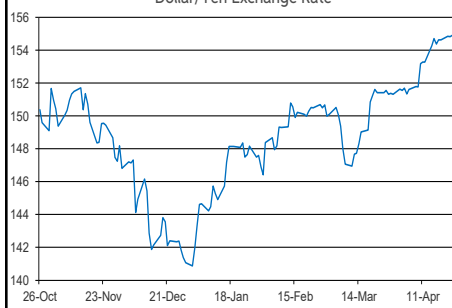
Sterling

GBP/EUR	1.1631
GBP/USD	1.2444
GBP/CAD	1.7012
GBP/NZD	2.0942
GBP/JPY	192.76
GBP/SEK	13.4687
GBP/DKK	8.6771
GBP/NOK	13.56
GBP/CHF	1.1355
GBP/AUD	1.9104

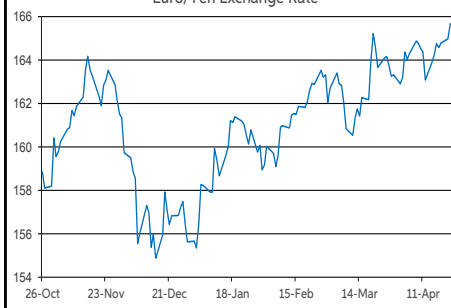
Dollar

USD/JPY	154.9
USD/CAD	1.3669
USD/CHF	0.9124
USD/CNY	7.2456
USD/BRL	5.1318
USD/RUB	92.83
USD/INR	83.3025
AUD/USD	0.6512
NZD/USD	0.594

Dollar/Yen Exchange Rate

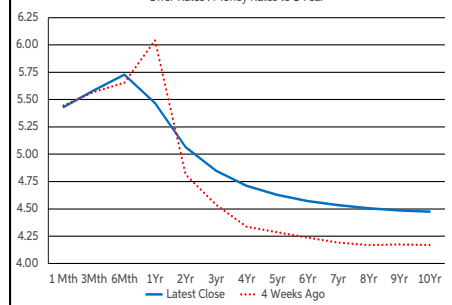


Euro/Yen Exchange Rate



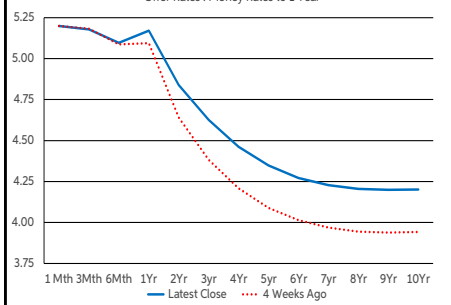
US Swap Curve

Offer Rates : Money Rates to 1 Year



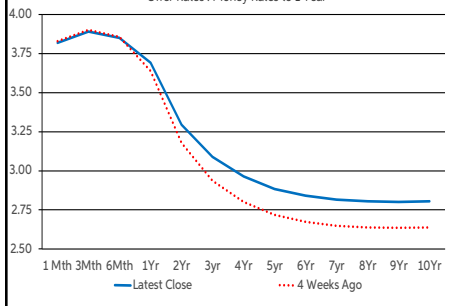
UK Swap Curve

Offer Rates : Money Rates to 1 Year

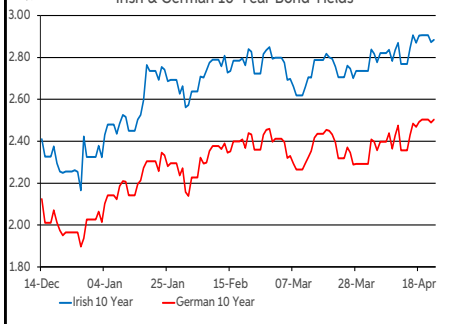


Eurozone Swap Curve

Offer Rates : Money Rates to 1 Year



Irish & German 10-Year Bond Yields



Debt Markets

	Close	Change bps		
		Day	4 Weeks	End 23
10 Year Yield %				
US	4.60	-3	+36	+74
Germany	2.51	+1	+13	+48
UK	4.25	+4	+27	+71
Ireland	2.91	+3	+14	+55
Belgium	3.06	+1	+14	+37
France	3.00	+1	+16	+44
Italy	3.81	-0	+16	+12
Spain	3.28	+1	+9	+28
Portugal	3.14	+0	+12	+35
Greece	3.45	-3	+14	+38
5 Year Swap %				
US	4.63	-2	+38	+84
Eurozone	2.88	+1	+18	+46
UK	4.35	+4	+26	+70
2 Year Swap %				
US	5.07	-6	+29	+73
Eurozone	3.30	+1	+13	+50
UK	4.84	+4	+20	+57
10 Year Government Bond Spreads to Benchmark bps				
Ireland	41	+2	+1	+7
Belgium	55	-0	+1	-11
France	49	-0	+3	-4
Italy	131	-2	+3	-36
Spain	77	-0	-4	-19
Portugal	63	-1	-1	-13
Greece	95	-4	+1	-10

Commodities

	% Change			
	Close	Day	4 Weeks	End 23
Brent Oil	88.42	+1.63	+2.52	+14.77
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	2321.8	-0.19	+6.57	+12.57

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