

## EUR/USD above \$1.10

Benchmark stock indices moved higher on both sides of the Atlantic yesterday. The Euro Stoxx 50 rose by 0.7%, while on Wall Street, the S&P 500 edged 0.4% higher. In terms of fixed income, UK Gilt and US Treasury yields declined by 3-6bps. In contrast, German Bund yields were little changed.

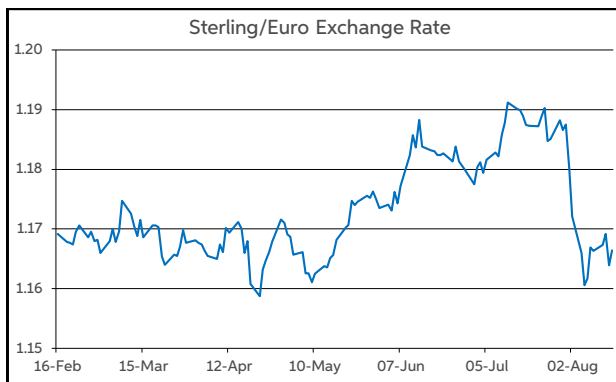
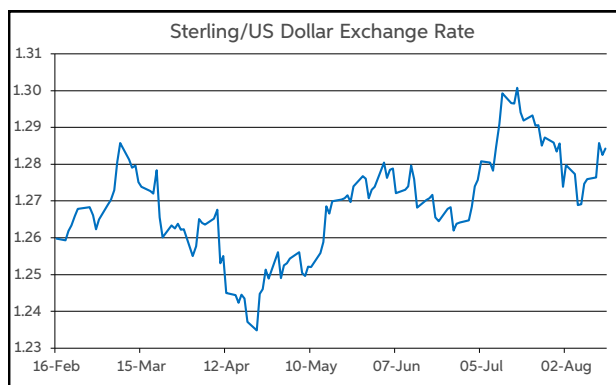
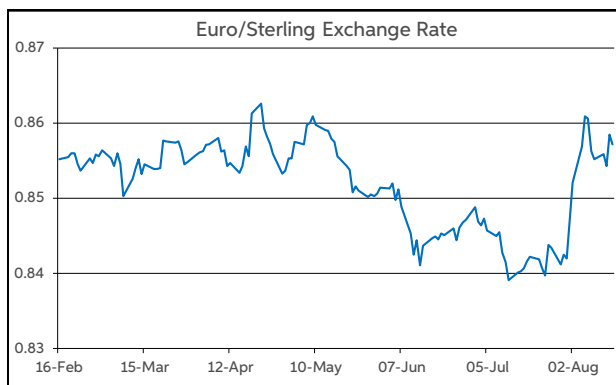
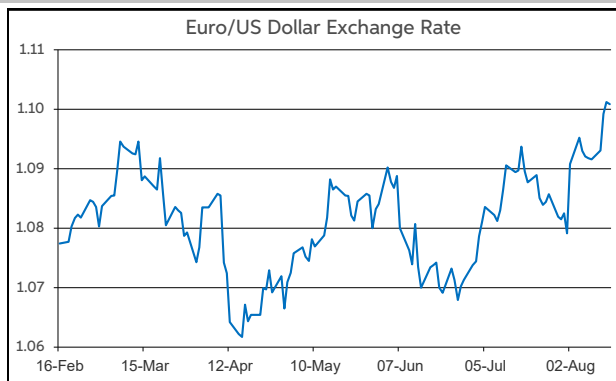
Data-wise, the main release of note yesterday was US CPI inflation for July. The headline rate fell to 2.9% (vs. 3% f'cast), printing below 3% for the first time since March 2021. Meantime, the core rate was in line with expectations, edging down to 3.2% from 3.3%. Elsewhere on the data front, the second reading of Eurozone GDP confirmed that output rose by 0.3% in Q2. Eurozone employment increased by 0.2% in the quarter, matching the consensus.

Amid the softening in US inflation, the dollar was under some downward pressure throughout the European session. At the same time, the euro was holding a slightly firmer tone. This saw EUR/USD trade to a high of \$1.1047 yesterday. However, in overnight trading the greenback recouped some of its losses.

In level terms, EUR/USD opens just above the \$1.10 threshold. GBP/USD is operating near the midpoint of the \$1.28-1.29 range. Meanwhile, EUR/GBP is changing hands in the top half of the 85-86p corridor. USD/JPY remains in the lower half of ¥147-148.

Already this morning, UK GDP data for Q2 have been released. GDP expanded by 0.6% in the quarter, in-line with the forecast. Sterling has not been impacted by the release in early trading. Later today, the focus will be back on the US, with updates on retail sales and industrial production for July due. The latest US weekly initial jobless claims will also garner some attention.

**Daniel Noonan, Economist, AIB**



Today's Opening FX Rates			
		% Change	
		Day *	End 2023
EUR/USD	1.101	0.16	-0.24
EUR/GBP	0.8572	0.29	-1.11
GBP/USD	1.2842	-0.13	0.89
GBP/EUR	1.1663	-0.29	1.12
USD/JPY	147.25	0.27	4.39
EUR/JPY	162.13	0.42	4.18
* v Previous Day's European Open			
See Next Page for More Rates			

Opening Interest Rates						
	Money Market			Swap Rates		
	Base Rate	1-Mth	3-Mth	1-Yr	2-Yr	5-Yr
USD	5.38	5.45	5.38	4.55	4.05	3.68
EUR	4.25	3.64	3.54	3.06	2.69	2.44
GBP	5.00	4.94	4.90	4.45	4.25	3.84

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

Thursday 15 August 2024  
07:46 am



## Euro

EUR/GBP	0.8572
EUR/USD	1.101
EUR/JPY	162.13
EUR/SEK	11.5147
EUR/DKK	7.4612
EUR/NOK	11.7905
EUR/CHF	0.9531
EUR/AUD	1.6625
EUR/HKD	8.5781
EUR/CAD	1.509

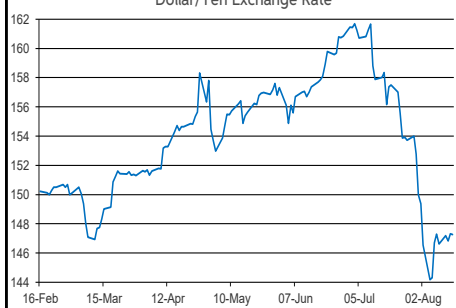
## Sterling

GBP/EUR	1.1663
GBP/USD	1.2842
GBP/CAD	1.7601
GBP/NZD	2.1373
GBP/JPY	189.11
GBP/SEK	13.435
GBP/DKK	8.7032
GBP/NOK	13.7525
GBP/CHF	1.1117
GBP/AUD	1.9398

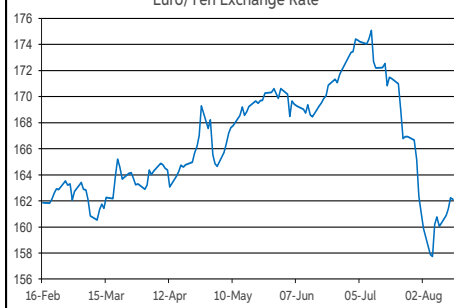
## Dollar

USD/JPY	147.25
USD/CAD	1.3706
USD/CHF	0.8654
USD/CNY	7.1572
USD/BRL	5.47
USD/RUB	89.7
USD/INR	83.94
AUD/USD	0.6618
NZD/USD	0.6008

Dollar/Yen Exchange Rate

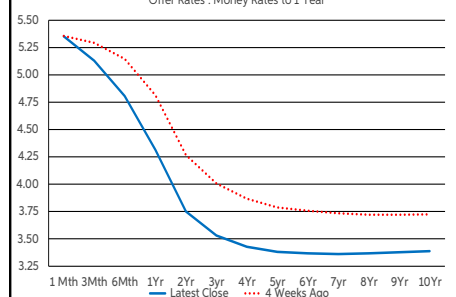


Euro/Yen Exchange Rate



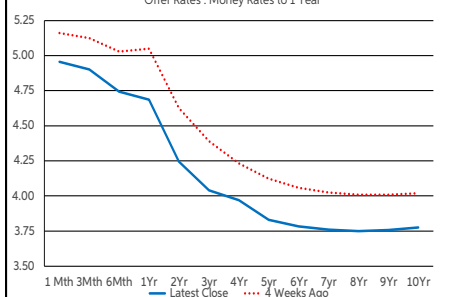
US Swap Curve

Offer Rates : Money Rates to 1 Year



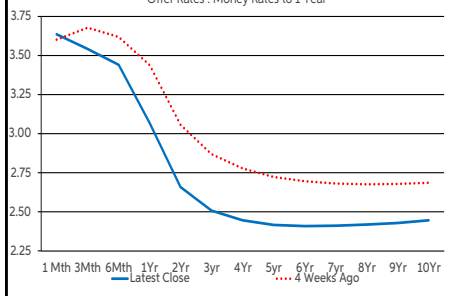
UK Swap Curve

Offer Rates : Money Rates to 1 Year

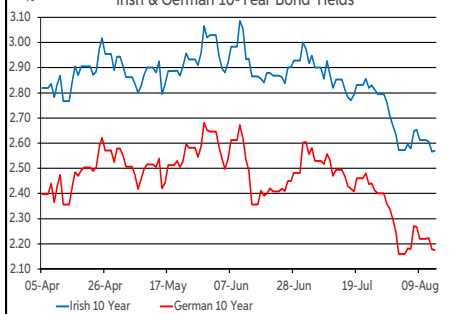


Eurozone Swap Curve

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	3.82	-3	-32	-4
Germany	2.18	-0	-24	+15
UK	3.83	-6	-25	+29
Ireland				
Ireland	2.60	-0	-21	+24
Belgium	2.78	+0	-21	+9
France	2.92	-1	-16	+36
Italy	3.57	-1	-15	-13
Spain	3.02	-1	-18	+3
Portugal	2.81	-1	-22	+2
Greece	3.28	-0	-13	+20
5 Year Swap %				
US	3.64	+1	-41	-15
Eurozone	2.42	-1	-30	-1
UK	3.83	-4	-29	+18
2 Year Swap %				
US	4.01	+4	-51	-32
Eurozone	2.66	-1	-39	-14
UK	4.25	-3	-38	-2
10 Year Government Bond Spreads to Benchmark bps				
Ireland	43	+0	+4	+9
Belgium	61	+0	+4	-6
France	74	-0	+8	+21
Italy	139	-0	+10	-28
Spain	84	-0	+7	-12
Portugal	63	-0	+3	-13
Greece	110	+0	+11	+5

## Commodities

	% Change			
	Close	Day	4 Weeks	End 23
Brent Oil	79.76	-1.15	-6.25	+3.53
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	2447.6	-0.71	-0.44	+18.67

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