

EUR/USD remains above \$1.11

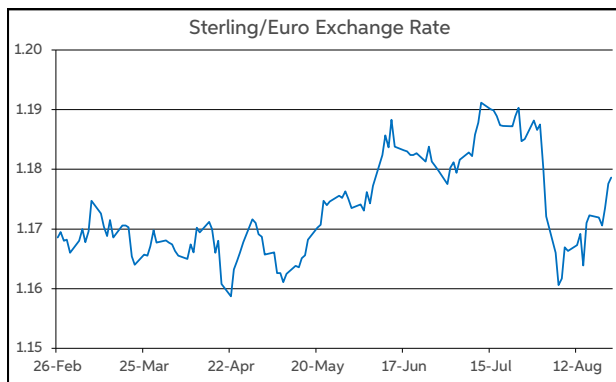
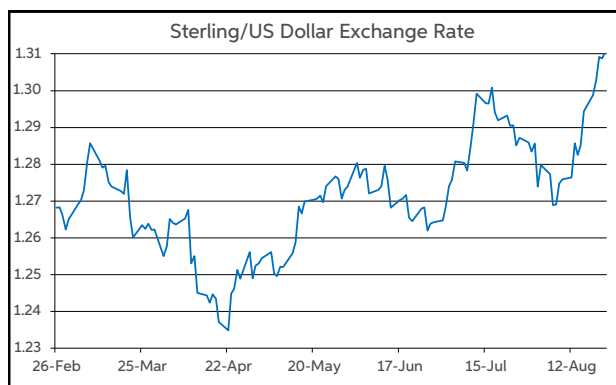
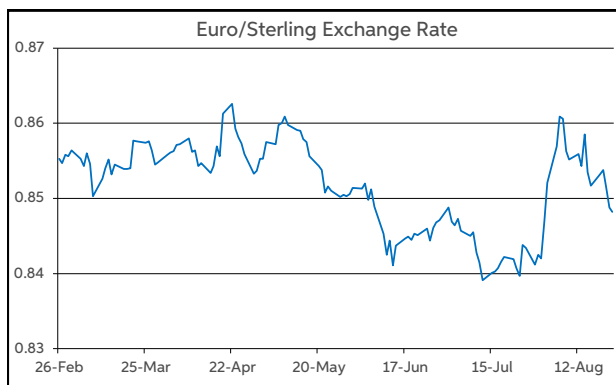
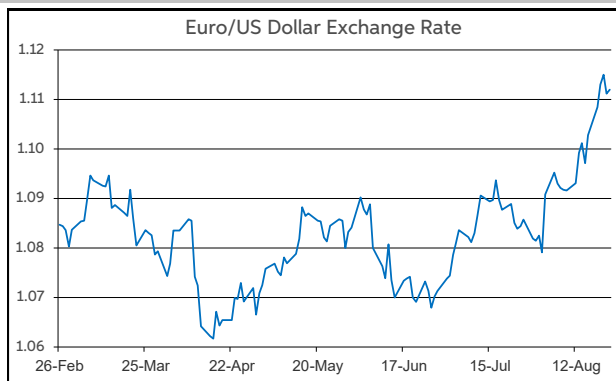
Yesterday saw the main macro data event of the week, with the release of the flash PMIs for August. There were mixed results across geographies and sectors. The Eurozone headline composite index surprised to the upside of expectations, rising to 51.2 (vs. f'cast for 50.1). With manufacturing remaining in contractionary territory, the improvement was driven by a strong performance from the services sector. The source of this was the French PMI, where service sector activity was boosted by the Olympics. In contrast, the survey data from Germany disappointed versus expectations and indicated declining private sector activity.

The UK PMI data came in ahead of forecasts with the composite printing at 53.4 (f'cast for 52.9). Overall, the details of the report were consistent with an acceleration in UK economic activity and an easing in price pressures. In the US, the composite PMI edged slightly lower to 54.1, which was better than anticipated (53.5). However, the manufacturing sector index fell to an 8-month low.

From a currency viewpoint, over the past 24 hours, sterling has been firmer, while the euro has been marginally softer. This is reflected in EUR/GBP trading back below the 85p mark, while GBP/USD registered another fresh year-to-date high at \$1.3129 and opens this morning at the \$1.31 level. Meanwhile, EUR/USD has edged back from its recent highs, but remains above \$1.11.

The focus today is on the Jackson Hole Economic Symposium. Fed Chair Powell's speech poses some event risk for the dollar. However, given the dovish Fed minutes on Wednesday, which suggest a rate cut is on the cards in September, there is a higher hurdle for his comments to be a major dial mover for the dollar. From a sterling perspective, BoE Gov. Bailey is also speaking.

John Fahey, Senior Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2023
EUR/USD	1.112	-0.21	0.76
EUR/GBP	0.8482	-0.41	-2.15
GBP/USD	1.3105	0.18	2.95
GBP/EUR	1.1783	0.41	2.19
USD/JPY	145.79	0.45	3.35
EUR/JPY	162.12	0.25	4.17

* 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	5.39	5.33	4.56	4.06	3.70
EUR	4.25	3.60	3.54	3.08	2.71	2.47
GBP	5.00	4.94	4.88	4.50	4.36	3.98

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 23 August 2024
07:21 am



Euro

EUR/GBP	0.8482
EUR/USD	1.112
EUR/JPY	162.12
EUR/SEK	11.3851
EUR/DKK	7.4613
EUR/NOK	11.7707
EUR/CHF	0.9477
EUR/AUD	1.6551
EUR/HKD	8.6722
EUR/CAD	1.5118

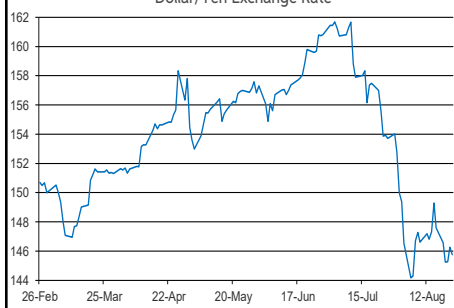
Sterling

GBP/EUR	1.1783
GBP/USD	1.3105
GBP/CAD	1.782
GBP/NZD	2.1306
GBP/JPY	191.06
GBP/SEK	13.4144
GBP/DKK	8.792
GBP/NOK	13.8697
GBP/CHF	1.1169
GBP/AUD	1.9509

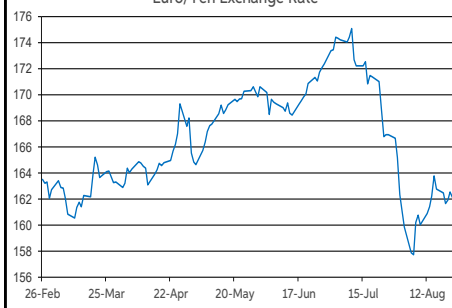
Dollar

USD/JPY	145.79
USD/CAD	1.3595
USD/CHF	0.852
USD/CNY	7.1391
USD/BRL	5.5925
USD/RUB	91.55
USD/INR	83.8625
AUD/USD	0.6718
NZD/USD	0.6151

Dollar/Yen Exchange Rate

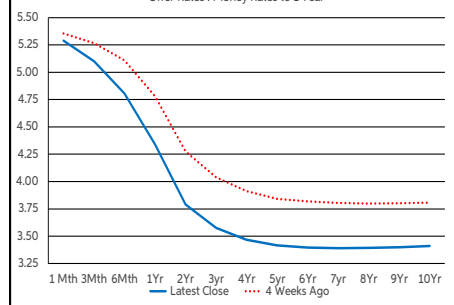


Euro/Yen Exchange Rate



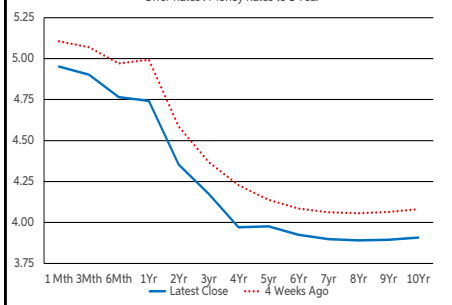
US Swap Curve

Offer Rates : Money Rates to 1 Year



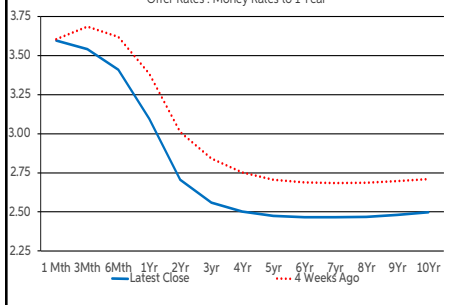
UK Swap Curve

Offer Rates : Money Rates to 1 Year

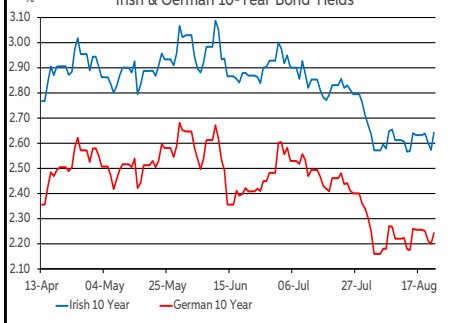


Eurozone Swap Curve

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	3.86	+9	-39	+0
Germany	2.25	+4	-17	+22
UK	3.96	+7	-17	+42
Ireland	2.65	+5	-18	+29
Belgium	2.83	+4	-16	+14
France	2.95	+4	-17	+39
Italy	3.62	+5	-16	-8
Spain	3.05	+4	-19	+6
Portugal	2.84	+4	-21	+5
Greece	3.28	-0	-21	+21
5 Year Swap %				
US	3.67	+5	-41	-12
Eurozone	2.48	+7	-22	+5
UK	3.98	+7	-16	+32
2 Year Swap %				
US	4.03	+5	-48	-30
Eurozone	2.71	+6	-30	-9
UK	4.35	+5	-23	+9
10 Year Government Bond Spreads to Benchmark bps				
Ireland	41	+1	-1	+7
Belgium	58	-1	+1	-8
France	71	-0	+0	+18
Italy	137	+1	+1	-30
Spain	81	-0	-2	-16
Portugal	60	-0	-5	-16
Greece	104	-4	-4	-1

Commodities

	Close	% Change		
		Day	4 Weeks	End 23
Brent Oil	77.22	+1.54	-6.25	+0.23
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	2483.3	-1.14	+5.02	+20.40

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