

US labour market report due this week

A holiday shortened week in the US and a relatively sparse data schedule on both sides of the Atlantic contributed to muted price action throughout large periods of last week. Against this backdrop, the Euro Stoxx 50 gained 0.3% on the week, while the S&P 500 rose by 1.1%.

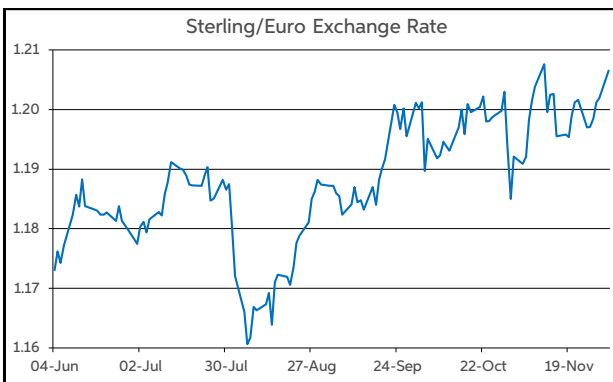
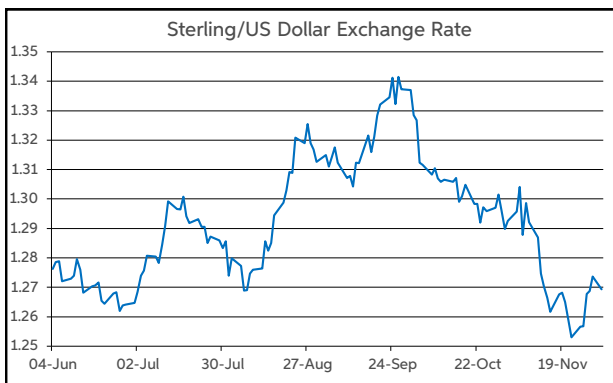
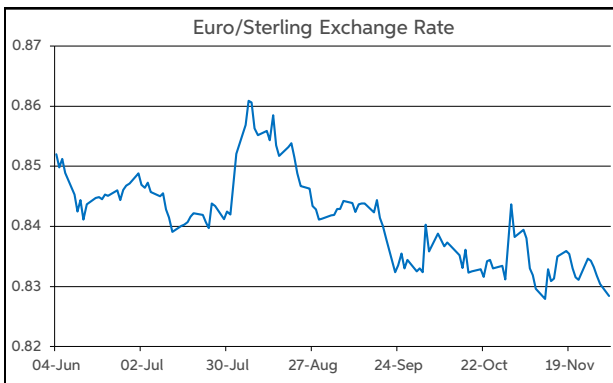
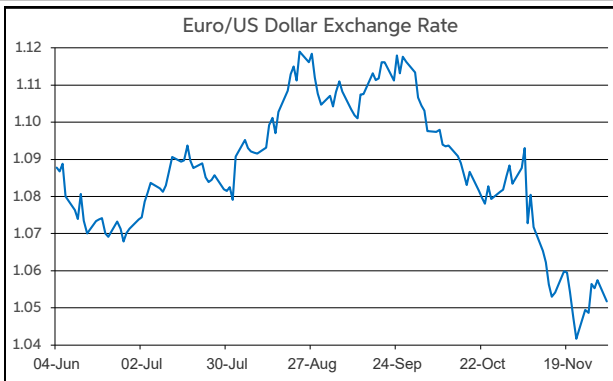
Of the limited data release to note, both US core-PCE and Eurozone flash HICP inflation printed broadly in-line with the consensus. Core-PCE rose to 2.8% in October. Meantime, headline HICP inflation rose to 2.3%, while the core rate accelerated to 2.8% in November. However, neither release had a major impact on financial markets last week.

On the currency front, month-end flows appear to have been the main driver of the moves last week. At the same time, the yen was supported by some hawkish BoJ remarks and an increase jump in the Tokyo measure of inflation. Overall, the dollar was under some downward pressure, falling by circa 1% against the euro and sterling. Meanwhile, the yen gained around 3% versus the dollar.

However, as trading gets underway this morning, the euro has started this week on the back-foot, while the dollar has recouped some of its losses. This is reflected by EUR/USD operating down near \$1.05. EUR/GBP is below 83p. Elsewhere, GBP/USD is changing hands between \$1.26-1.27. USD/JPY is at the ¥150 mark.

Turning to the week ahead, the main release of note will be the US labour market report for November. The latest US manufacturing and non-manufacturing ISMs are also due. Remarks from a number of Fed officials will also warrant close attention.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2023
EUR/USD	1.0517	-0.47	-4.70
EUR/GBP	0.8284	-0.36	-4.43
GBP/USD	1.2693	-0.09	-0.28
GBP/EUR	1.2068	0.36	4.64
USD/JPY	150.13	0.03	6.43
EUR/JPY	157.91	-0.45	1.47

* 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	4.63	4.52	4.46	4.23	4.31	4.07
EUR	3.40	3.00	2.93	2.29	2.11	2.06
GBP	4.75	4.69	4.65	4.36	4.35	4.08

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

Monday 02 December 2024
07:32 am



Euro

EUR/GBP	0.8284
EUR/USD	1.0517
EUR/JPY	157.91
EUR/SEK	11.5185
EUR/DKK	7.4585
EUR/NOK	11.6575
EUR/CHF	0.9298
EUR/AUD	1.6173
EUR/HKD	8.184
EUR/CAD	1.4748

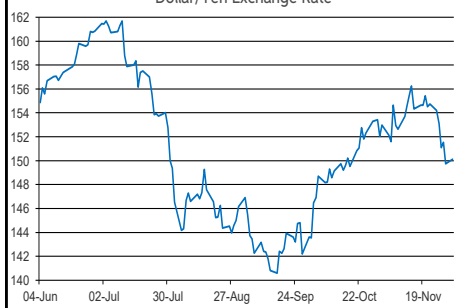
Sterling

GBP/EUR	1.2068
GBP/USD	1.2693
GBP/CAD	1.7797
GBP/NZD	2.1483
GBP/JPY	190.56
GBP/SEK	13.8925
GBP/DKK	8.9992
GBP/NOK	14.061
GBP/CHF	1.1224
GBP/AUD	1.9512

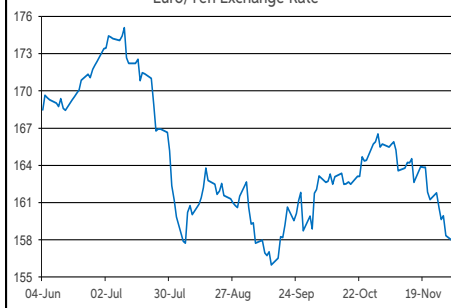
Dollar

USD/JPY	150.13
USD/CAD	1.4023
USD/CHF	0.8841
USD/CNY	7.268
USD/BRL	5.973
USD/RUB	106
USD/INR	84.673
AUD/USD	0.6501
NZD/USD	0.5904

Dollar/Yen Exchange Rate

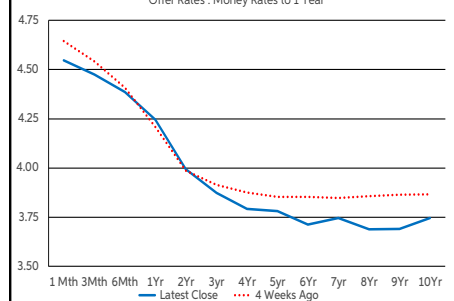


Euro/Yen Exchange Rate



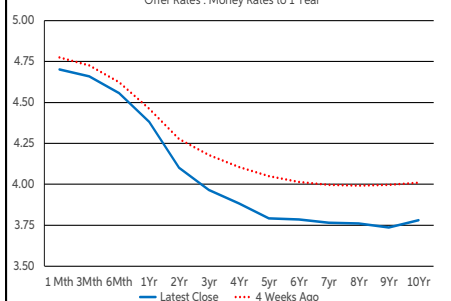
US Swap Curve

Offer Rates : Money Rates to 1 Year



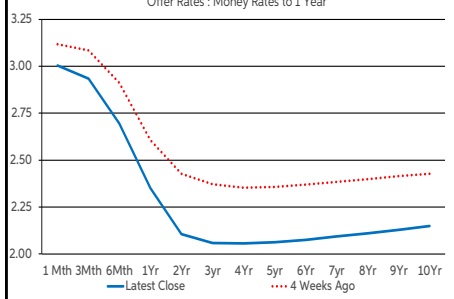
UK Swap Curve

Offer Rates : Money Rates to 1 Year

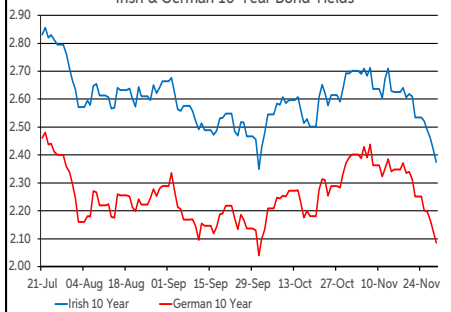


Eurozone Swap Curve

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	4.19	-5	-17	+33
Germany	2.09	-4	-32	+6
UK	4.25	-3	-20	+71
Ireland	2.41	-4	-34	+4
Belgium	2.68	-5	-32	-1
France	2.89	-5	-27	+34
Italy	3.28	-7	-41	-42
Spain	2.79	-5	-33	-20
Portugal	2.55	-6	-31	-24
Greece	2.95	-3	-34	-12
5 Year Swap %				
US	4.00	-8	-10	+21
Eurozone	2.06	-6	-29	-37
UK	4.06	-6	-21	+41
2 Year Swap %				
US	4.26	-4	+2	-8
Eurozone	2.11	-5	-32	-69
UK	4.35	-4	-11	+8
10 Year Government Bond Spreads to Benchmark bps				
Ireland	32	-0	-2	-2
Belgium	60	-2	-1	-7
France	81	-2	+5	+28
Italy	119	-3	-9	-48
Spain	70	-2	-1	-26
Portugal	46	-2	+0	-30
Greece	87	+1	-2	-18

Commodities

	% Change			
	Close	Day	4 Weeks	End 23
Brent Oil	72.94	-0.46	-0.22	-5.32
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	2653.5	+0.48	-2.98	+28.65

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