

Slightly softer dollar as market awaits US payrolls

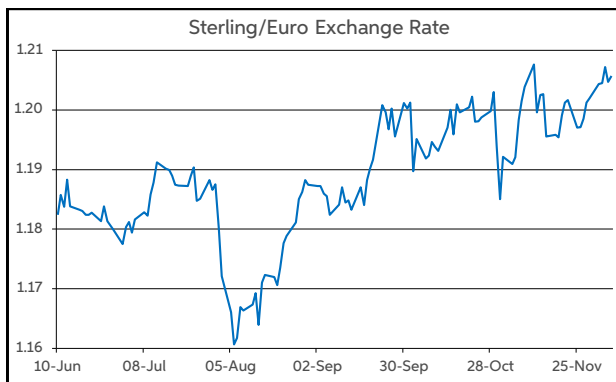
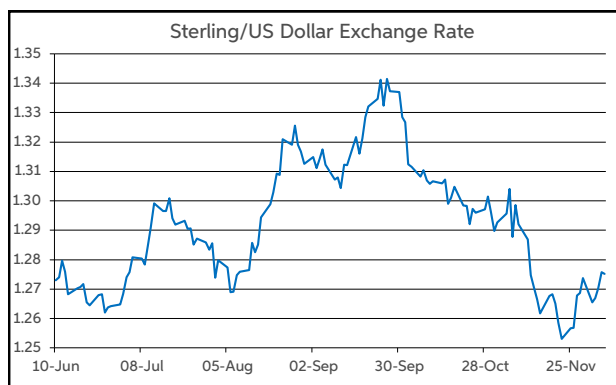
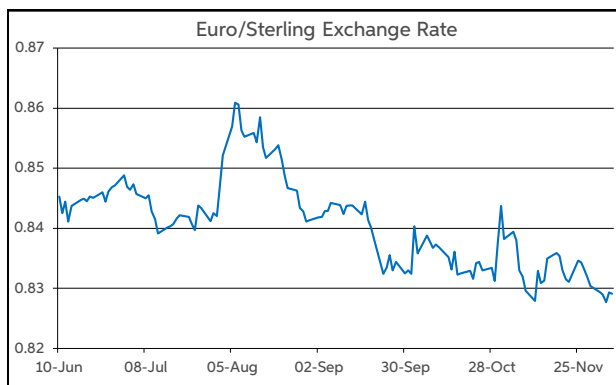
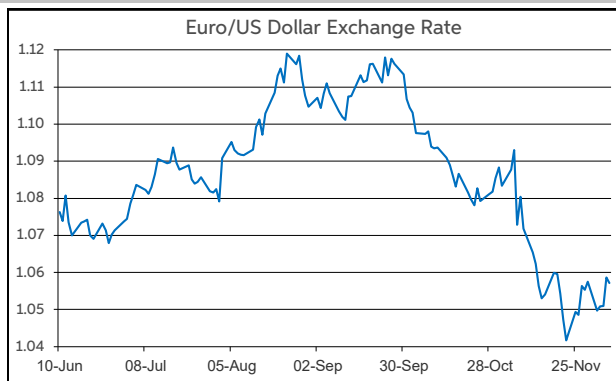
There was somewhat of a muted tone to the action across many of the main asset markets yesterday. One reason for this was the very quiet macro data calendar, with little in the way of top tier releases on either side of the Atlantic. It may also have been the case that investors were keeping their powder dry ahead of today's US payrolls report for November.

Investor sentiment was mixed. In Europe, the Euro Stoxx 50 gained 0.7%. Meanwhile, on Wall Street, the S&P 500 was 0.2% lower on the day. On bond markets, the 10-year German bund yield rose above the 2.10% mark. At the same time, the French 10-year yield was stable at around 2.90%, meaning the spread to German bund yields narrowed slightly to below 80bps. Meanwhile, Eurozone swap rates were 4-7bps higher along the curve.

From a currency viewpoint, the moves amongst the majors were generally limited yesterday. The euro was supported by the relative move higher in Eurozone swap rates. Meantime, the slightly softer dollar tone from Wednesday carried over into yesterday's trading. In level terms, EUR/USD opens this morning in the upper half of the \$1.05-1.06 band. The GBP/USD pair has traded up to the midpoint of \$1.27-1.28. Elsewhere, EUR/GBP has edged up nearer to, but remains below the 83p threshold.

Looking ahead to today, the aforementioned US payroll numbers for November are the key highlight. The consensus is for payrolls to increase by 200k after a very subdued 12k rise in October. The raft of US labour market data today (also includes unemployment rate, average earnings) provide some event risk for the dollar heading into the weekend.

John Fahey, Senior Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2023
EUR/USD	1.0572	0.44	-4.20
EUR/GBP	0.8291	0.17	-4.35
GBP/USD	1.2752	0.31	0.18
GBP/EUR	1.2058	-0.17	4.55
USD/JPY	150.13	0.13	6.43
EUR/JPY	158.73	0.58	1.99

* 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	4.48	4.42	4.19	4.27	4.05
EUR	3.40	3.03	2.88	2.34	2.14	2.08
GBP	4.75	4.68	4.63	4.35	4.36	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 06 December 2024
07:26 am



Euro

EUR/GBP	0.8291
EUR/USD	1.0572
EUR/JPY	158.73
EUR/SEK	11.4911
EUR/DKK	7.4575
EUR/NOK	11.6943
EUR/CHF	0.9299
EUR/AUD	1.6449
EUR/HKD	8.2253
EUR/CAD	1.4841

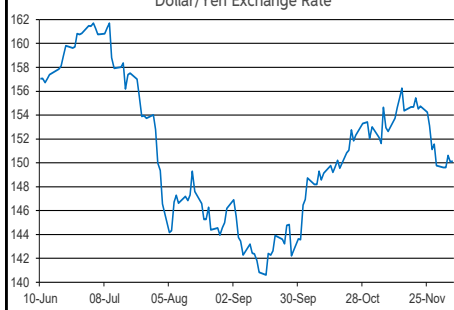
Sterling

GBP/EUR	1.2058
GBP/USD	1.2752
GBP/CAD	1.7894
GBP/NZD	2.1754
GBP/JPY	191.45
GBP/SEK	13.8377
GBP/DKK	8.9914
GBP/NOK	14.096
GBP/CHF	1.121
GBP/AUD	1.9832

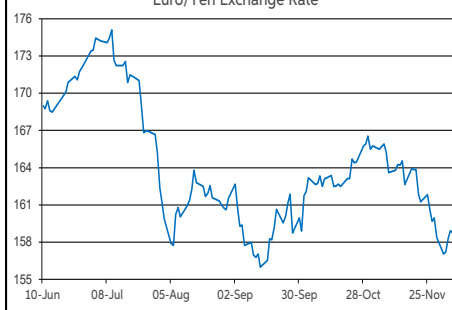
Dollar

USD/JPY	150.13
USD/CAD	1.4036
USD/CHF	0.8795
USD/CNY	7.2588
USD/BRL	6.0113
USD/RUB	99.9
USD/INR	84.66
AUD/USD	0.6425
NZD/USD	0.5856

Dollar/Yen Exchange Rate

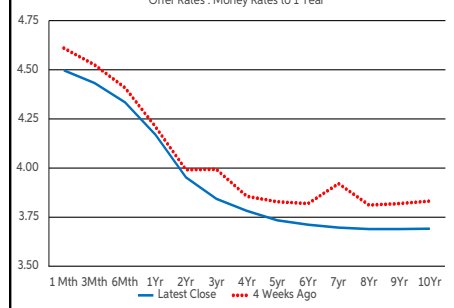


Euro/Yen Exchange Rate



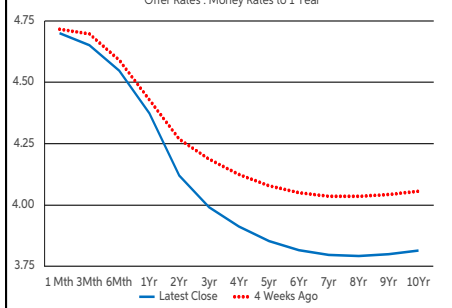
US Swap Curve

Offer Rates : Money Rates to 1 Year



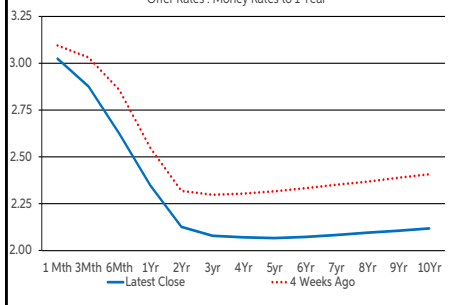
UK Swap Curve

Offer Rates : Money Rates to 1 Year

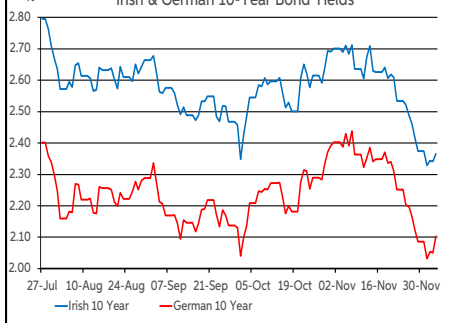


Eurozone Swap Curve

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	4.18	+0	-16	+32
Germany	2.11	+5	-34	+8
UK	4.28	+3	-22	+75
Ireland	2.41	+3	-35	+4
Belgium	2.66	+1	-38	-3
France	2.89	-0	-31	+34
Italy	3.20	-1	-53	-50
Spain	2.76	+1	-42	-23
Portugal	2.51	+0	-43	-27
Greece	2.92	-2	-43	-16
5 Year Swap %				
US	4.00	-0	-9	+21
Eurozone	2.07	+5	-24	-36
UK	4.09	+2	-18	+44
2 Year Swap %				
US	4.21	+1	-4	-12
Eurozone	2.13	+5	-18	-67
UK	4.36	+2	-11	+9
10 Year Government Bond Spreads to Benchmark bps				
Ireland	30	-2	-2	-3
Belgium	55	-4	-5	-11
France	79	-5	+2	+26
Italy	110	-6	-20	-57
Spain	66	-4	-8	-30
Portugal	41	-5	-9	-35
Greece	81	-7	-10	-24

Commodities

	% Change			
	Close	Day	4 Weeks	End 23
Brent Oil	72.09	-0.30	-4.68	-6.43
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	2632.1	-0.67	-2.77	+27.61

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