

Most FX majors remain confined

In terms of market action, there was a fairly muted start to the trading week yesterday. One reason for this was the sparse macro agenda on both sides of the Atlantic. At the same time, investors were digesting weekend developments in the Middle East in relation to Syria and policy announcements from China.

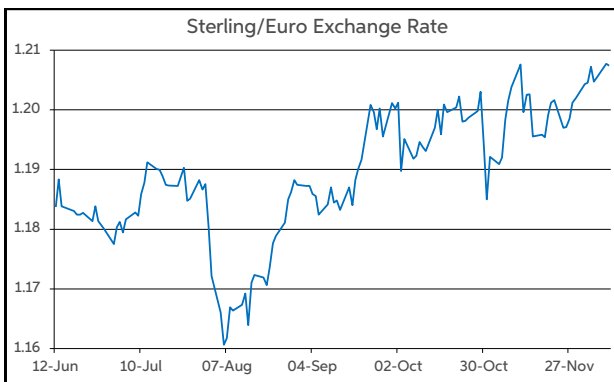
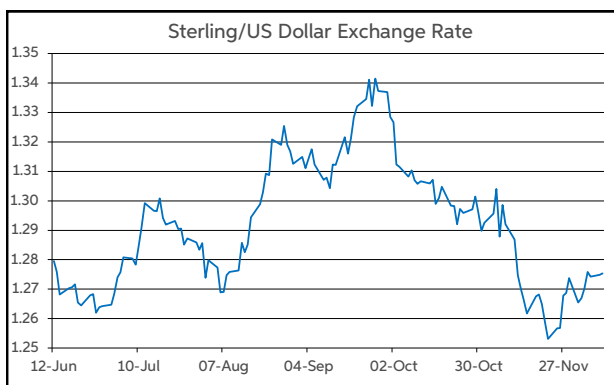
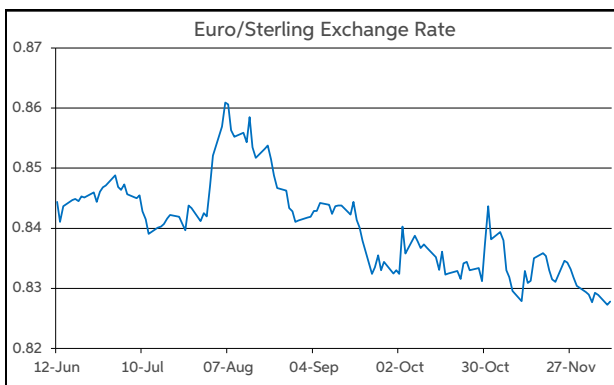
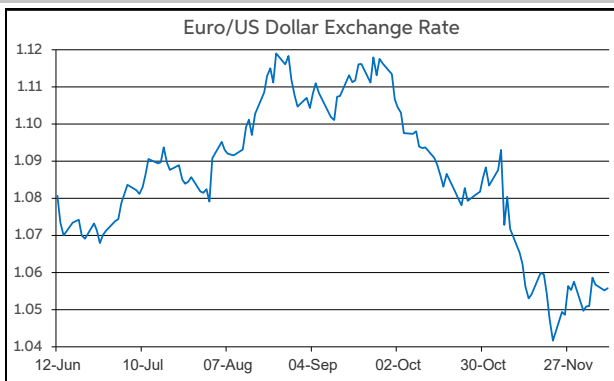
From an investor sentiment perspective, there was a cautious tone to risk appetite. In Europe, the Euro Stoxx posted a modest 0.2% gain. Meanwhile, at the close on Wall Street last night, the S&P 500 was 0.6% lower on the day. The action on bond markets was largely uneventful. Most of the main 10-year sovereign benchmark yields registered very little movement amid the quiet macro calendar. There was some upward moves in US yields. The 10-year Treasury yield moved up to the 4.20% mark.

On the currency front, the euro, dollar and sterling related pairs were confined to narrow ranges. This has continued in overnight trading on Asia-Pacific markets. Of the action to register amongst these pairs over the past 24 hours, the dollar is slightly softer.

This is reflected in EUR/USD opening this morning in the upper half of \$1.05-1.06 and GBP/USD trading in and around the midpoint of \$1.27-1.28. Meantime, EUR/GBP remains in a tight corridor just below 83p. Elsewhere, the yen is holding a holding a weaker tone in the lead up to next week's BoJ meeting. USD/JPY has regained the ¥151 level, while EUR/JPY is near to ¥160.

Looking ahead to today, the Eurozone, US and UK macro diaries remain quiet. As a result, their respective currencies may be lacking in direction and therefore continue to range trade.

John Fahey, Senior Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2023
EUR/USD	1.0558	0.22	-4.33
EUR/GBP	0.8278	-0.04	-4.50
GBP/USD	1.2754	0.29	0.20
GBP/EUR	1.2079	0.04	4.71
USD/JPY	151.27	0.87	7.24
EUR/JPY	159.72	1.08	2.63

* 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	4.45	4.39	4.12	4.21	4.02
EUR	3.40	3.01	2.87	2.31	2.11	2.05
GBP	4.75	4.68	4.62	4.33	4.33	4.06

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

Tuesday 10 December 2024
07:26 am



Euro

EUR/GBP	0.8278
EUR/USD	1.0558
EUR/JPY	159.72
EUR/SEK	11.536
EUR/DKK	7.4567
EUR/NOK	11.7408
EUR/CHF	0.9268
EUR/AUD	1.6494
EUR/HKD	8.2097
EUR/CAD	1.4959

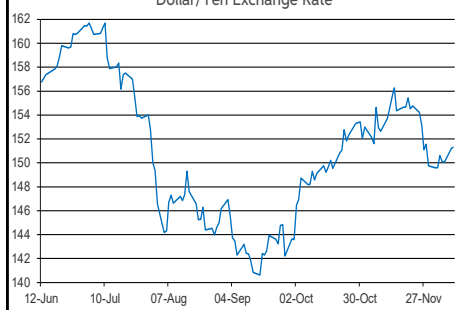
Sterling

GBP/EUR	1.2079
GBP/USD	1.2754
GBP/CAD	1.8068
GBP/NZD	2.186
GBP/JPY	192.93
GBP/SEK	13.933
GBP/DKK	9.0044
GBP/NOK	14.1671
GBP/CHF	1.1189
GBP/AUD	1.9921

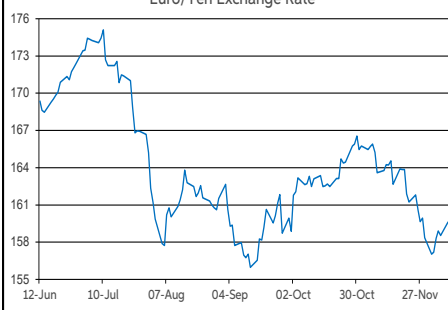
Dollar

USD/JPY	151.27
USD/CAD	1.4169
USD/CHF	0.8775
USD/CNY	7.2437
USD/BRL	6.0789
USD/RUB	101
USD/INR	84.857
AUD/USD	0.6399
NZD/USD	0.5832

Dollar/Yen Exchange Rate

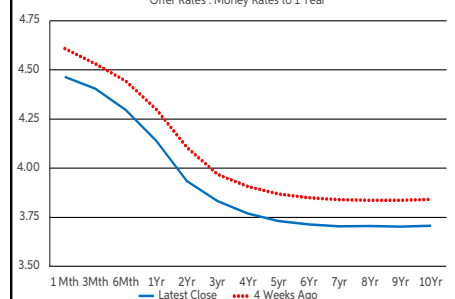


Euro/Yen Exchange Rate



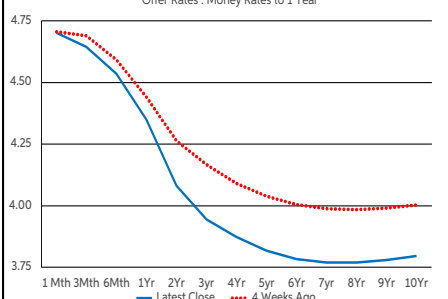
US Swap Curve

Offer Rates : Money Rates to 1 Year



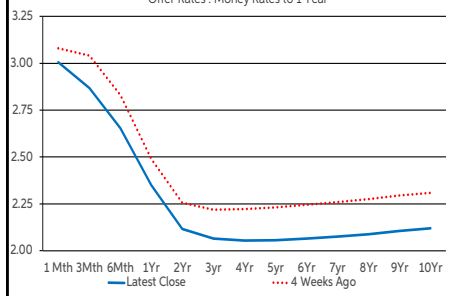
UK Swap Curve

Offer Rates : Money Rates to 1 Year

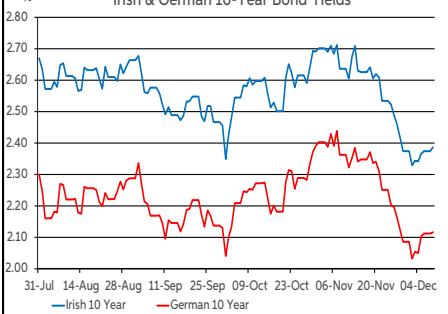


Eurozone Swap Curve

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	4.20	+5	-11	+34
Germany	2.12	+1	-21	+9
UK	4.27	-0	-15	+73
Ireland	2.42	+2	-21	+5
Belgium	2.65	-1	-27	-4
France	2.87	-0	-20	+32
Italy	3.20	+0	-40	-50
Spain	2.76	+0	-30	-23
Portugal	2.51	-1	-32	-27
Greece	2.91	+1	-31	-17
5 Year Swap %				
US	3.99	+4	-14	+20
Eurozone	2.06	+0	-17	-37
UK	4.06	-3	-21	+41
2 Year Swap %				
US	4.19	+3	-12	-15
Eurozone	2.12	-0	-13	-68
UK	4.32	-3	-16	+6
10 Year Government Bond Spreads to Benchmark bps				
Ireland	30	+1	-1	-4
Belgium	53	-2	-7	-13
France	75	-1	+0	+22
Italy	108	-1	-19	-60
Spain	64	-1	-9	-32
Portugal	39	-2	-11	-36
Greece	79	+0	-11	-26

Commodities

	% Change			
	Close	Day	4 Weeks	End 23
Brent Oil	72.14	+1.43	+0.43	-6.36
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	2658.8	+0.98	+1.47	+28.90

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