

Main FX pairs remain range bound

Risk appetite was holding a cautious tone for much of yesterday. Most of the main equity indices were in side-ways mode. Although, this followed all-time record closing highs for the likes of the S&P 500 index last week. There was some action on bond markets, with sovereign yields generally higher across the board.

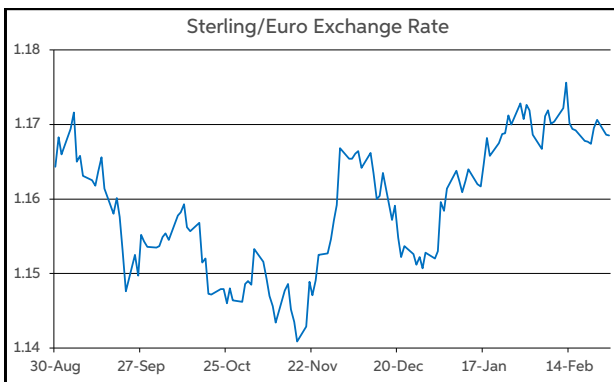
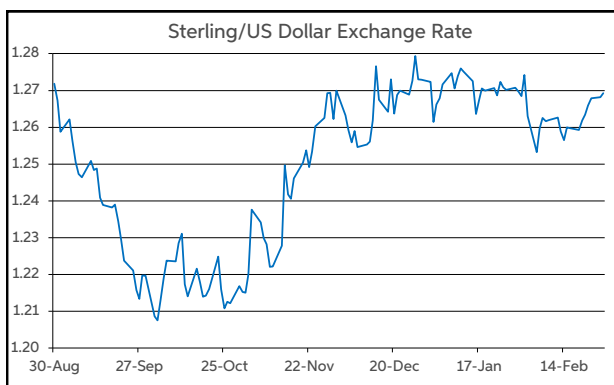
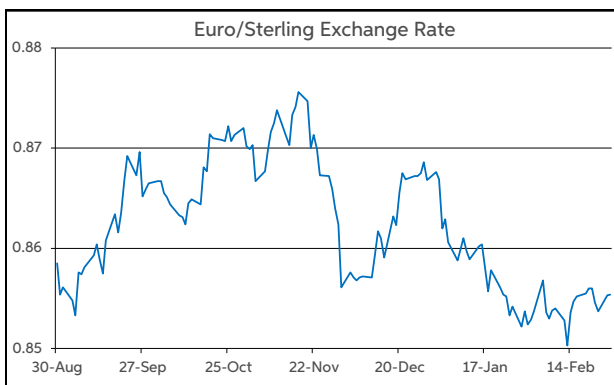
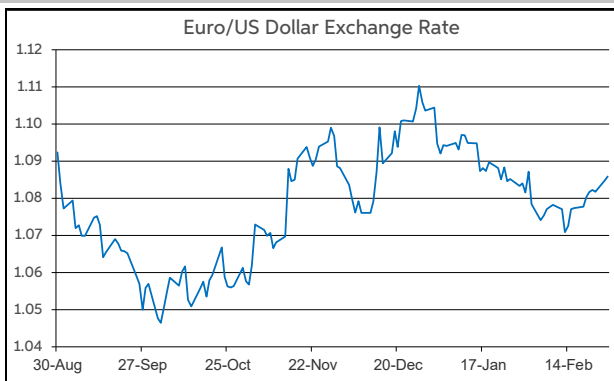
Data-wise, there was a dearth of top tier macro releases on either side of the Atlantic. One of the few data highlights was US new home sales for January. They missed to the downside of expectations, but not surprisingly generated little in the way of market reaction.

From a currency viewpoint, the main currency pairs continued to trade within very narrow ranges yesterday. This lacklustre action has continued in overnight trading. Of the limited moves to register, both the euro and sterling have managed to grind out some further modest gains versus the dollar.

This is reflected in EUR/USD starting this morning's European session above the midpoint of \$1.08-1.09. At the same time, cable (GBP/USD) has edged higher, up towards the \$1.27 threshold. Elsewhere, EUR/GBP continues to be defined by a very tight trading corridor. The pair has operated within a 85.3p-85.6 range since yesterday's open.

Looking ahead to today, there is a busier schedule of data releases. In the Eurozone, we get M3 money supply and lending data for January. Meanwhile, the US diary features durable goods orders for January and the February reading of the Conference Board measure of consumer confidence.

John Fahey, Senior Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2023
EUR/USD	1.0858	0.34	-1.61
EUR/GBP	0.8554	0.14	-1.32
GBP/USD	1.2692	0.21	-0.29
GBP/EUR	1.1685	-0.14	1.33
USD/JPY	150.42	0.00	6.64
EUR/JPY	163.35	0.34	4.96

* 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	5.44	5.60	5.36	4.90	4.34
EUR	4.50	3.85	3.93	3.74	3.28	2.86
GBP	5.25	5.18	5.20	5.01	4.82	4.33

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 27 February 2024
07:25 am



Euro

EUR/GBP	0.8554
EUR/USD	1.0858
EUR/JPY	163.35
EUR/SEK	11.152
EUR/DKK	7.454
EUR/NOK	11.3942
EUR/CHF	0.9547
EUR/AUD	1.6573
EUR/HKD	8.4961
EUR/CAD	1.4656

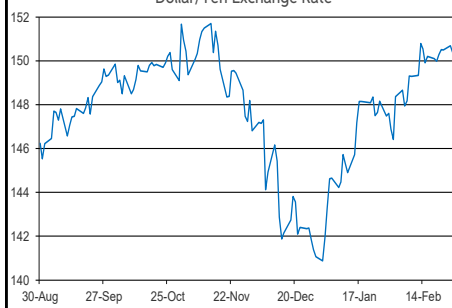
Sterling

GBP/EUR	1.1685
GBP/USD	1.2692
GBP/CAD	1.7127
GBP/NZD	2.0568
GBP/JPY	190.91
GBP/SEK	13.0297
GBP/DKK	8.7097
GBP/NOK	13.319
GBP/CHF	1.1156
GBP/AUD	1.9368

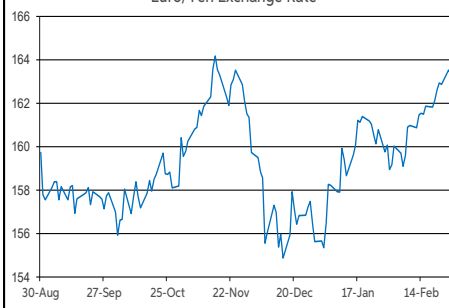
Dollar

USD/JPY	150.42
USD/CAD	1.3494
USD/CHF	0.879
USD/CNY	7.1971
USD/BRL	4.9799
USD/RUB	92.05
USD/INR	82.875
AUD/USD	0.655
NZD/USD	0.6168

Dollar/Yen Exchange Rate

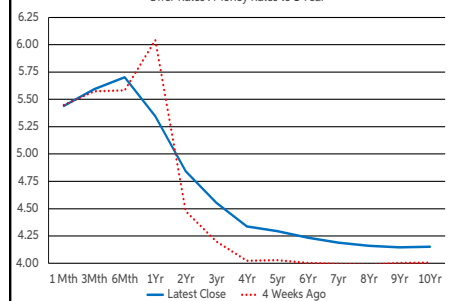


Euro/Yen Exchange Rate



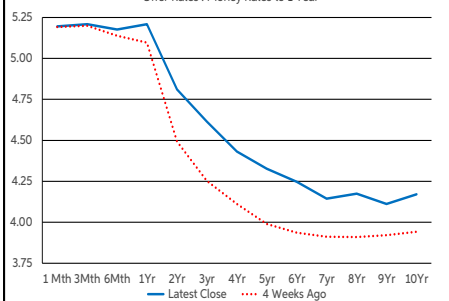
US Swap Curve

Offer Rates : Money Rates to 1 Year



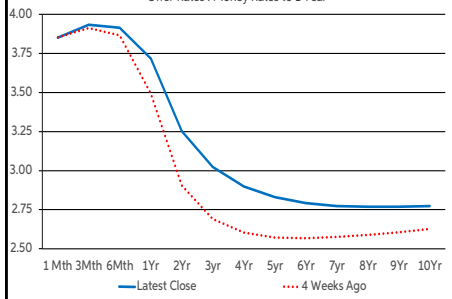
UK Swap Curve

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	4.28	+3	+21	+42
Germany	2.43	+7	+19	+40
UK	4.16	+13	+29	+62
Ireland	2.86	+8	+19	+47
Belgium	3.01	+9	+18	+33
France	2.91	+8	+19	+35
Italy	3.90	+9	+16	+20
Spain	3.33	+8	+20	+34
Portugal	3.08	+7	+14	+29
Greece	3.37	+3	+13	+30
5 Year Swap %				
US	4.29	+3	+31	+50
Eurozone	2.83	+7	+27	+40
UK	4.33	+6	+34	+68
2 Year Swap %				
US	4.84	+4	+41	+51
Eurozone	3.25	+7	+36	+46
UK	4.81	+5	+32	+55
10 Year Government Bond Spreads to Benchmark bps				
Ireland	43	+1	+0	+7
Belgium	57	+2	-1	-8
France	48	+1	-1	-5
Italy	146	+2	-4	-21
Spain	90	+1	+0	-7
Portugal	65	-0	-5	-11
Greece	94	-4	-6	-11

Commodities

	Close	% Change		
		Day	4 Weeks	End 23
Brent Oil	82.53	+1.11	+0.16	+7.13
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	2030.7	-0.25	-0.05	-1.55

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