

Positive mood on markets to start the week

There was a positive tone to investor sentiment yesterday. Having declined by over 1% last week, and after initially trading lower on Monday, The Euro Stoxx 50 gained 0.5%. Meantime, the S&P 500 finished the day up by 1.4%. On bond markets, German Bund, US Treasury and UK Gilt yields edged down by 1-3bps along the curve.

Elsewhere, oil prices fell as Saudi Arabia cut prices by more than anticipated. The global oil benchmark, Brent crude came under downward pressure as a result, trading back at \$76 per barrel, down 3% on the day.

On the currency front the main FX pairs were confined to narrow ranges. Of the limited action to note, the dollar was on the back-foot, amid the improvement in risk appetite. Overall, the greenback shed circa 0.3% versus the euro, sterling and yen.

From a euro viewpoint, a slew of data released yesterday had little impact on the single currency. Eurozone retail sales contracted by 0.3% in November, in-line with the consensus. Meanwhile, a raft of sentiment indicators for December and January registered some improvement, albeit from weak levels. The data suggest that the Eurozone economy may have started to bottom out in the winter.

As trading gets underway this morning, EUR/USD opens in the top half of \$1.09-1.10. EUR/GBP is operating down at the 86p mark. Cable (GBP/USD) is at the midpoint of \$1.27-1.28.

Today, there is a relatively quiet macro calendar on both sides of the Atlantic. The Eurozone unemployment rate is the main release. The consensus is that it stayed at 6.5% in November.

Daniel Noonan, Economist, AIB

Today's Opening FX Rates

		% Change	
		Day *	End 2023
EUR/USD	1.0959	0.22	-0.70
EUR/GBP	0.8597	-0.12	-0.82
GBP/USD	1.2746	0.35	0.13
GBP/EUR	1.1629	0.12	0.83
USD/JPY	144.01	-0.24	2.09
EUR/JPY	157.84	-0.04	1.42

* v Previous Day's European Open

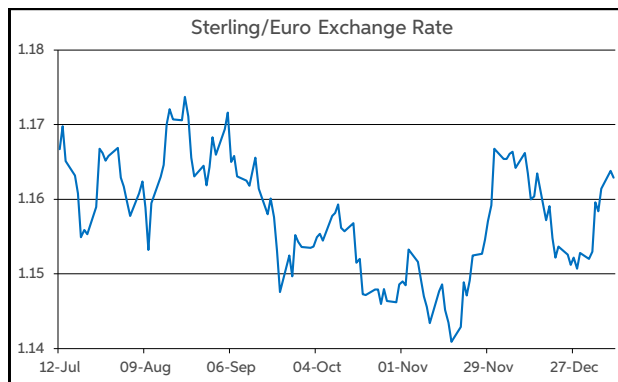
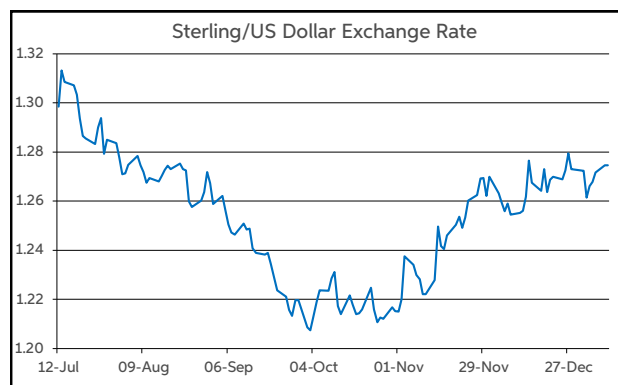
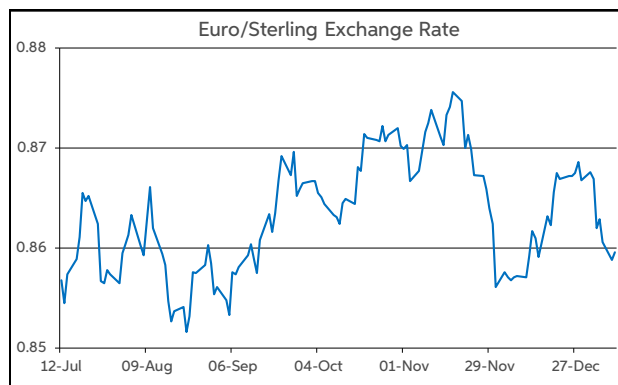
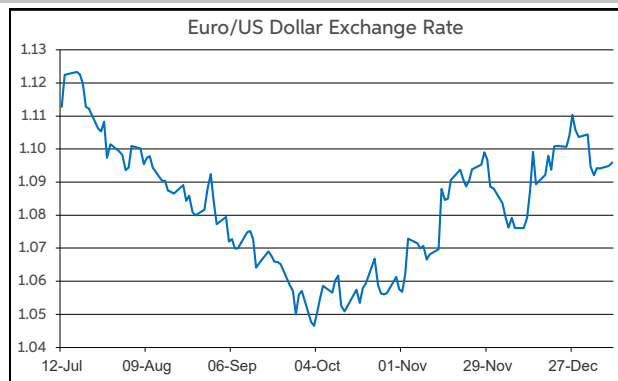
See Next Page for More Rates

Opening Interest Rates

	Base Rate	Money Market		Swap Rates		
		1-Mth	3-Mth	1-Yr	2-Yr	5-Yr
USD	5.38	5.45	5.59	5.10	4.53	4.00
EUR	4.50	3.88	3.94	3.57	2.97	2.59
GBP	5.25	5.19	5.20	4.83	4.46	3.91

All rates quoted are indicative market rates

See Next Page For More Rates & Charts



FX Spot

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FX Options

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Morning Comment

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Opening Levels

Tuesday 09 January 2024
07:43 am



Euro

EUR/GBP	0.8597
EUR/USD	1.0959
EUR/JPY	157.84
EUR/SEK	11.2077
EUR/DKK	7.4579
EUR/NOK	11.3579
EUR/CHF	0.9288
EUR/AUD	1.6337
EUR/HKD	8.5642
EUR/CAD	1.4637

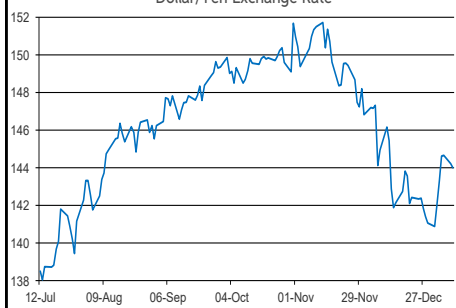
Sterling

GBP/EUR	1.1629
GBP/USD	1.2746
GBP/CAD	1.7027
GBP/NZD	2.041
GBP/JPY	183.57
GBP/SEK	13.0372
GBP/DKK	8.6732
GBP/NOK	13.205
GBP/CHF	1.0801
GBP/AUD	1.9008

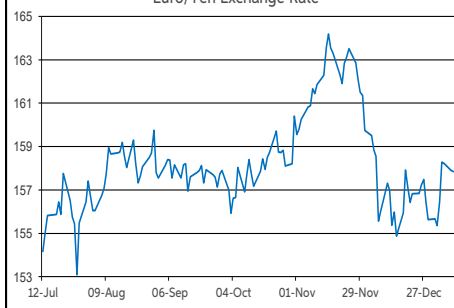
Dollar

USD/JPY	144.01
USD/CAD	1.3355
USD/CHF	0.8472
USD/CNY	7.159
USD/BRL	4.87
USD/RUB	90.6875
USD/INR	83.066
AUD/USD	0.6706
NZD/USD	0.6244

Dollar/Yen Exchange Rate

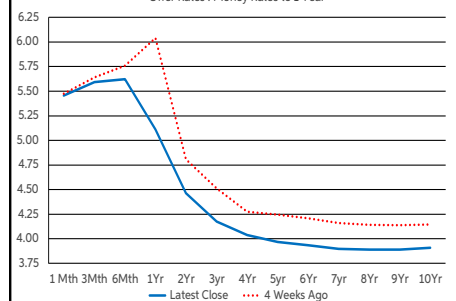


Euro/Yen Exchange Rate



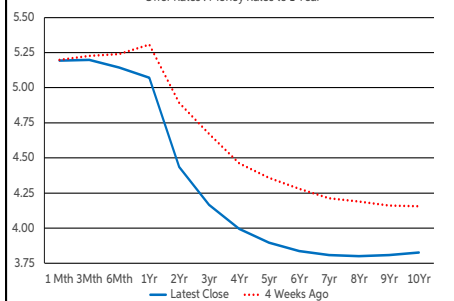
US Swap Curve

Offer Rates : Money Rates to 1 Year



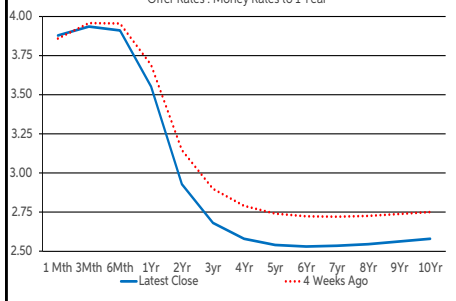
UK Swap Curve

Offer Rates : Money Rates to 1 Year

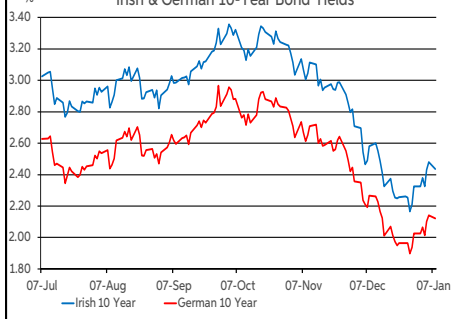


Eurozone Swap Curve

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	4.03	-2	-21	+16
Germany	2.12	-2	-14	+10
UK	3.77	-1	-31	+23
5 Year Swap %				
US	3.97	-0	-24	+18
Eurozone	2.54	-3	-19	+11
UK	3.90	-3	-41	+24
2 Year Swap %				
US	4.46	-3	-30	+13
Eurozone	2.93	-1	-21	+13
UK	4.43	-3	-45	+17
10 Year Government Bond Spreads to Benchmark bps				
Ireland	33	-3	-3	-2
Belgium	65	+0	+5	+0
France	54	+0	-2	+1
Italy	169	+0	-12	+2
Spain	99	+0	-5	+3
Portugal	77	-1	-3	+1
Greece	120	-1	+1	+15

Commodities

	% Change			
	Close	Day	4 Weeks	End 23
Brent Oil	76.12	-3.35	+0.12	-1.19
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	2027.8	-0.86	+2.35	-1.68

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