

## Yen firmer, other majors range bound

The market action yesterday was characterised by fairly muted trading conditions across the main asset classes. Investor sentiment was holding somewhat of a mixed tone. In Europe, the Euro Stoxx 50 rose by 0.4% on the day. Meanwhile, at the closing bell on Wall Street last night, the S&P 500 posted a modest 0.2% fall. On bond markets, 10-year yields were 2-4bps lower.

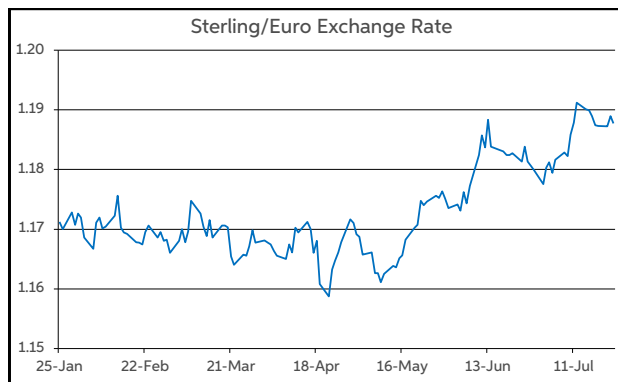
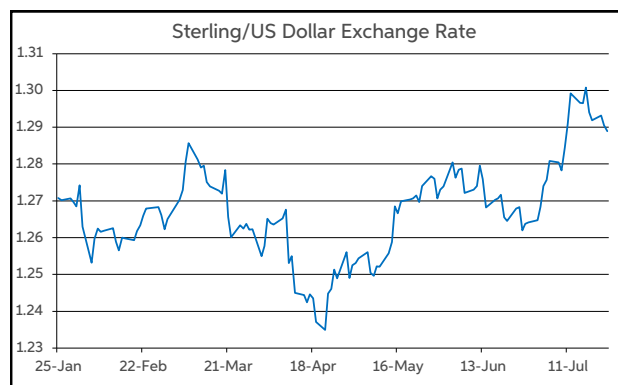
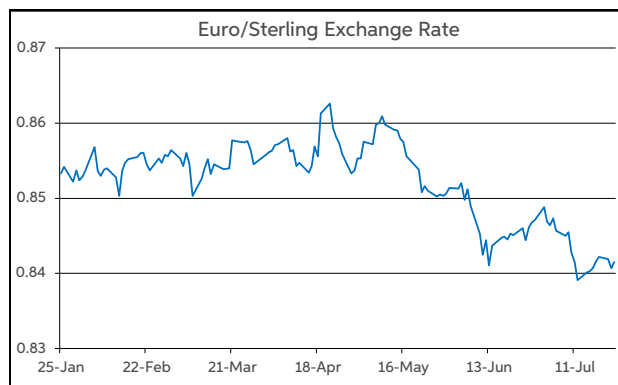
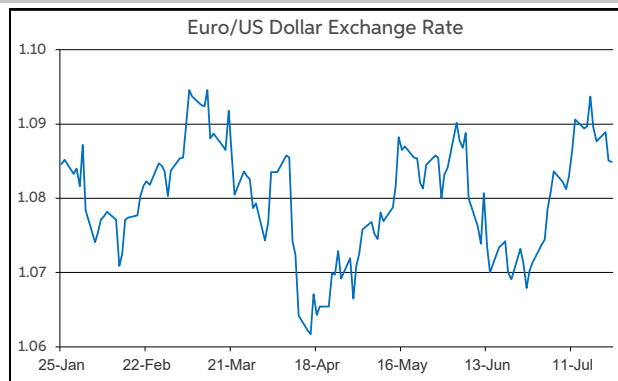
Data-wise, the main European release of note yesterday was the EC flash reading of Eurozone consumer confidence for July. The index printed slightly ahead of forecast and represented the sixth straight month of a firming in sentiment, against the backdrop of improving real incomes. The main US data highlight was existing home sales for June, which disappointed versus expectations.

Overall though, from a currency market viewpoint, the macro newsflow had no significant impact. Indeed, most of the majors were confined to narrow ranges yesterday and this has continued in overnight trading. One noticeable exception to this though has been the yen, which has strengthened in the lead up to next week's BoJ meeting amid growing expectations of some policy tightening. In level terms, USD/JPY is below ¥155.

Elsewhere on the currency front, the dollar is marginally firmer against the euro and sterling over the past 24 hours. EUR/USD opens this morning at the midpoint of the \$1.08-1.09, while GBP/USD is changing hands back below the \$1.29 threshold. Meantime, EUR/GBP continues to hover down near to 84p.

Looking ahead to today's macro diary, the focus will be on the flash PMI readings for July. We get the survey results from the US, Eurozone and UK.

**John Fahey, Senior Economist, AIB**



Today's Opening FX Rates			
		% Change	
		Day *	End 2023
EUR/USD	1.0849	-0.37	-1.69
EUR/GBP	0.8415	-0.08	-2.92
GBP/USD	1.2889	-0.30	1.26
GBP/EUR	1.1876	0.08	3.01
USD/JPY	154.52	-1.13	9.54
EUR/JPY	167.65	-1.52	7.72

\* 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	5.46	5.55	5.07	4.61	4.15
EUR	4.25	3.63	3.71	3.42	3.05	2.74
GBP	5.25	5.12	5.08	4.80	4.64	4.16

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

Wednesday 24 July 2024  
07:19 am



## Euro

EUR/GBP	0.8415
EUR/USD	1.0849
EUR/JPY	167.65
EUR/SEK	11.695
EUR/DKK	7.4608
EUR/NOK	11.9574
EUR/CHF	0.9667
EUR/AUD	1.6459
EUR/HKD	8.4718
EUR/CAD	1.4962

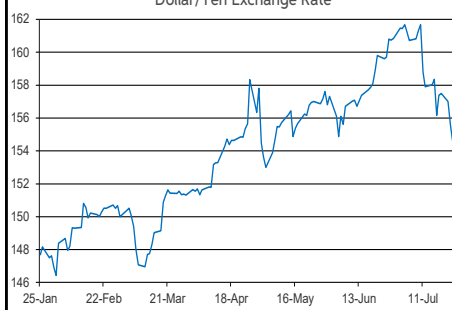
## Sterling

GBP/EUR	1.1876
GBP/USD	1.2889
GBP/CAD	1.7775
GBP/NZD	2.1744
GBP/JPY	199.16
GBP/SEK	13.8938
GBP/DKK	8.8628
GBP/NOK	14.205
GBP/CHF	1.1485
GBP/AUD	1.9554

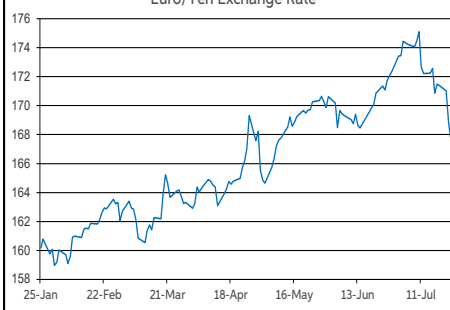
## Dollar

USD/JPY	154.52
USD/CAD	1.3791
USD/CHF	0.8909
USD/CNY	7.2735
USD/BRL	5.5851
USD/RUB	87.2
USD/INR	83.695
AUD/USD	0.6591
NZD/USD	0.5926

Dollar/Yen Exchange Rate

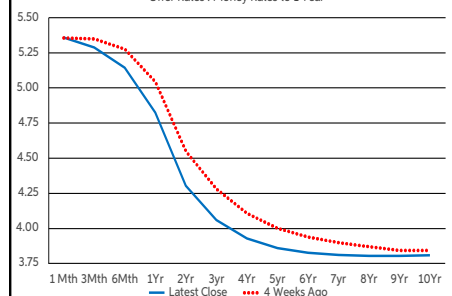


Euro/Yen Exchange Rate



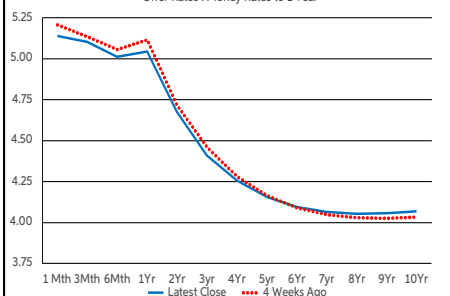
US Swap Curve

Offer Rates : Money Rates to 1 Year



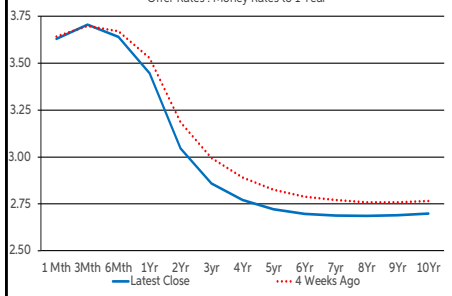
UK Swap Curve

Offer Rates : Money Rates to 1 Year

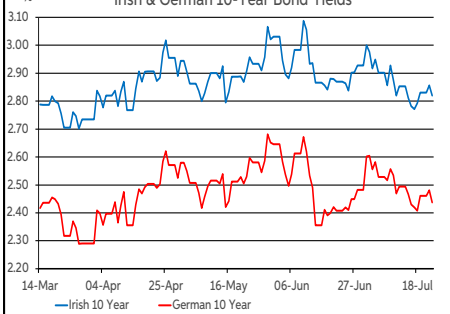


Eurozone Swap Curve

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	4.24	-2	+0	+38
Germany	2.44	-4	+3	+41
UK	4.13	-4	+5	+59
Ireland	2.85	-3	-2	+48
Belgium	3.00	-3	-5	+31
France	3.13	-2	+0	+57
Italy	3.75	-3	-18	+5
Spain	3.23	-2	-9	+24
Portugal	3.07	-1	-7	+28
Greece	3.45	+1	-20	+38
5 Year Swap %				
US	4.12	-1	-13	+33
Eurozone	2.72	-6	-9	+29
UK	4.15	-4	-0	+50
2 Year Swap %				
US	4.54	-4	-28	+21
Eurozone	3.05	-5	-13	+25
UK	4.63	-4	-8	+37
10 Year Government Bond Spreads to Benchmark bps				
Ireland	41	+1	-4	+7
Belgium	56	+1	-7	-10
France	69	+2	-2	+16
Italy	131	+2	-21	-36
Spain	80	+2	-11	-17
Portugal	63	+4	-10	-13
Greece	101	+6	-22	-4

## Commodities

	% Change			
	Close	Day	4 Weeks	End 23
Brent Oil	81.01	-1.69	-4.71	+5.15
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	2409.2	+0.48	+3.89	+16.80

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