

Mixed tone to investor sentiment

There was a mixed tone to investor sentiment yesterday, amid a relatively quiet day on financial markets. The Euro Stoxx 50 gained 0.3%. Meantime on Wall Street, the S&P 500 edged 0.2% lower. Elsewhere, oil prices rose by over 2%, with Brent crude moving above \$84 per barrel.

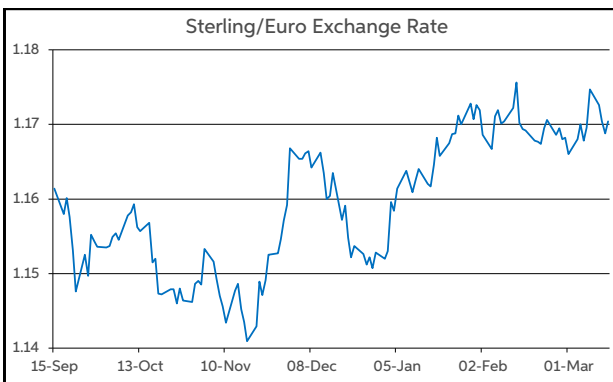
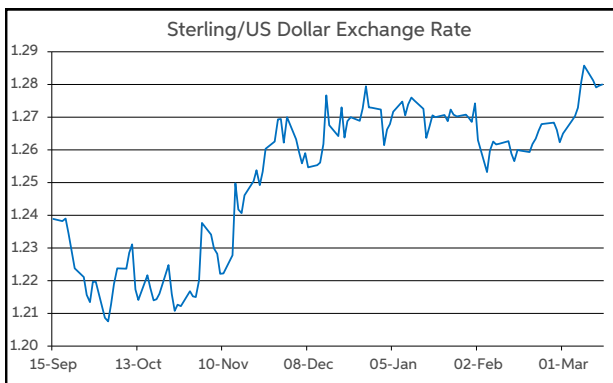
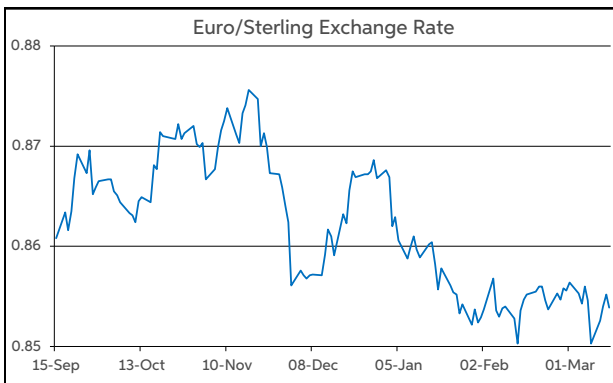
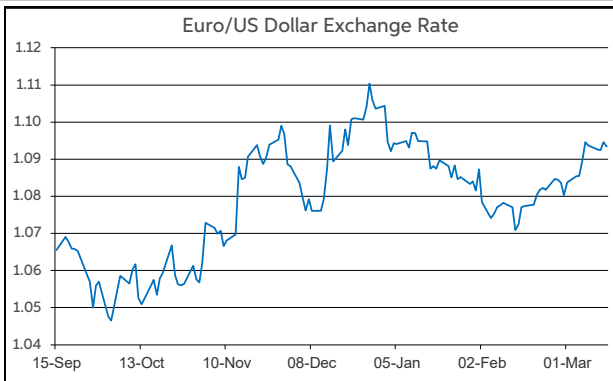
In terms of fixed income, yields drifted higher across the board. US Treasury, German Bund and UK Gilt yields rose by 3-8bps, respectively. However, there were no obvious catalysts for the move. Meanwhile, on the currency front, the main FX pairs were confined to narrow trading ranges.

Indeed, a sparse data schedule likely contributed to the muted price action across asset classes yesterday. The only release of note, Eurozone industrial production printed below the consensus. Output contracted by 3.2% in January (vs. -1.5% f'cast), albeit this was largely due to volatility in the Irish data. In any case, the release had no major impact the euro.

As trading gets underway this morning, EUR/USD opens in the lower half of the \$1.09-1.10 corridor. GBP/USD is operating in and around the \$1.28 threshold. Elsewhere, EUR/GBP continues to change hands in the 85-86p range.

Today, the European macro-calendar is sparse once again. Meantime in the US, retail sales, PPI inflation and the latest initial jobless claims figures are due. Retail sales are projected to rebound, having declined in January. Meanwhile, PPI inflation is forecast to rise to +1.1% y/y in February, from +0.9% y/y. Initial jobless claims are expected to be 218k, little changed from the prior week's 217k total. However, the dollar impact from the data may be limited.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2023
EUR/USD	1.0933	0.05	-0.93
EUR/GBP	0.8539	-0.02	-1.49
GBP/USD	1.2799	0.05	0.55
GBP/EUR	1.1705	0.02	1.51
USD/JPY	147.92	0.24	4.86
EUR/JPY	161.74	0.29	3.93

* 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	5.59	5.31	4.81	4.26
EUR	4.50	3.85	3.93	3.64	3.18	2.72
GBP	5.25	5.19	5.20	4.97	4.74	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

Thursday 14 March 2024
07:38 am



Euro

EUR/GBP	0.8539
EUR/USD	1.0933
EUR/JPY	161.74
EUR/SEK	11.2069
EUR/DKK	7.4569
EUR/NOK	11.465
EUR/CHF	0.9619
EUR/AUD	1.6525
EUR/HKD	8.5525
EUR/CAD	1.4736

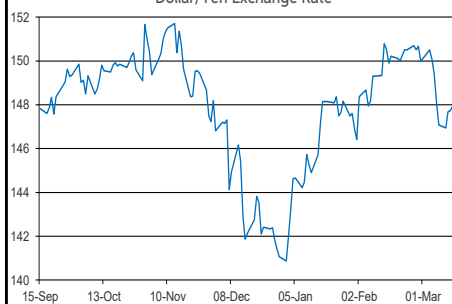
Sterling

GBP/EUR	1.1701
GBP/USD	1.2797
GBP/CAD	1.7251
GBP/NZD	2.0777
GBP/JPY	189.31
GBP/SEK	13.1166
GBP/DKK	8.7276
GBP/NOK	13.4207
GBP/CHF	1.126
GBP/AUD	1.9345

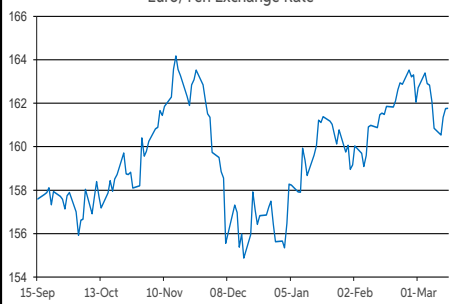
Dollar

USD/JPY	147.93
USD/CAD	1.3478
USD/CHF	0.8797
USD/CNY	7.1932
USD/BRL	4.971
USD/RUB	91.7475
USD/INR	82.85
AUD/USD	0.6615
NZD/USD	0.6158

Dollar/Yen Exchange Rate

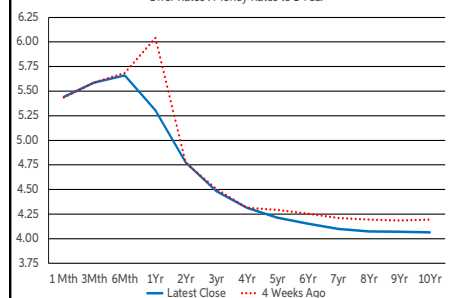


Euro/Yen Exchange Rate



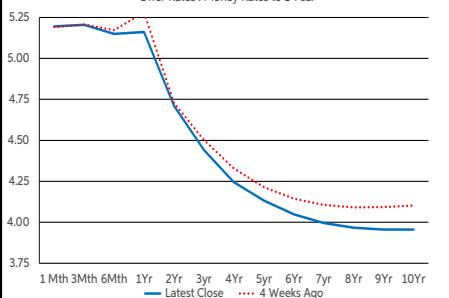
US Swap Curve

Offer Rates : Money Rates to 1 Year



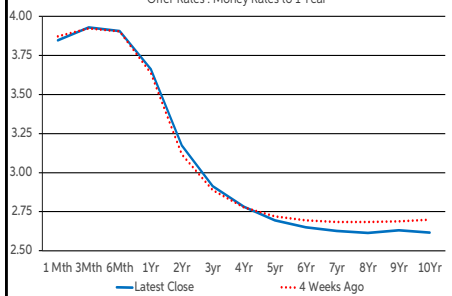
UK Swap Curve

Offer Rates : Money Rates to 1 Year

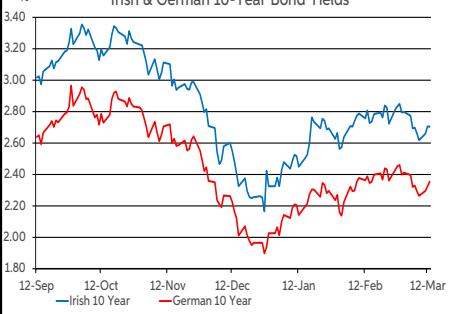


Eurozone Swap Curve

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	4.19	+4	-7	+32
Germany	2.36	+3	+1	+33
UK	4.02	+8	-2	+48
Ireland	2.75	+2	-2	+36
Belgium	2.89	+2	-4	+21
France	2.80	+2	-3	+24
Italy	3.59	-2	-27	-11
Spain	3.15	+2	-11	+16
Portugal	2.99	+2	-5	+21
Greece	3.19	-1	-22	+11
5 Year Swap %				
US	4.21	+4	-4	+42
Eurozone	2.70	+3	-1	+27
UK	4.13	+5	-8	+48
2 Year Swap %				
US	4.78	+5	+5	+44
Eurozone	3.18	+4	+7	+38
UK	4.71	+3	-1	+45
10 Year Government Bond Spreads to Benchmark bps				
Ireland	39	-1	-3	+4
Belgium	54	-1	-4	-12
France	44	-1	-4	-9
Italy	124	-4	-27	-43
Spain	80	-1	-12	-16
Portugal	64	-0	-5	-12
Greece	83	-4	-23	-21

Commodities

	% Change			
	Close	Day	4 Weeks	End 23
Brent Oil	84.03	+2.58	+2.98	+9.07
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	2174.4	+0.76	+9.14	+5.42

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