

EUR/USD below \$1.05

Trading conditions were somewhat choppy yesterday, amid on-going geopolitical tensions, a busy Q3 earnings slate and remarks from a number of central bank officials. Overall, the Euro Stoxx 50 registered a 0.6% gain, while the S&P 500 rose by 0.5%. Meantime on bond markets, German Bund and UK Gilt yields fell by 2-5bps. In contrast US Treasury yields edged 2-4bps higher.

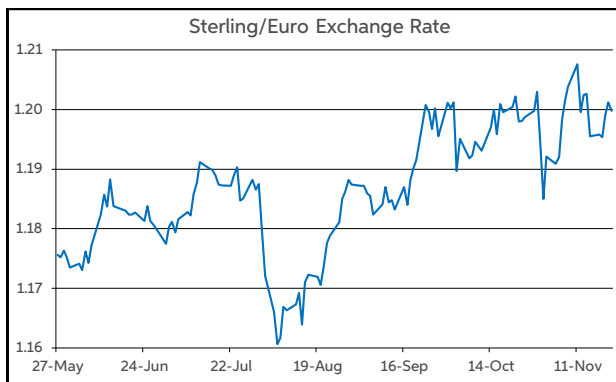
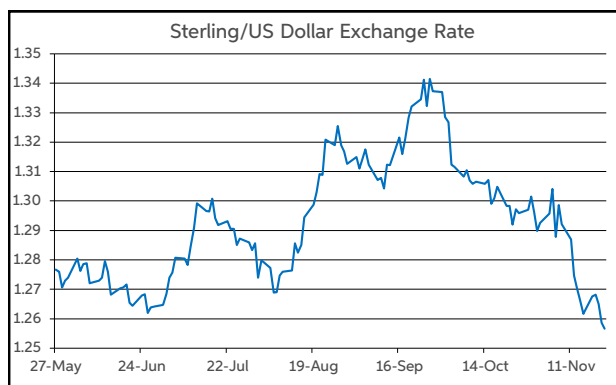
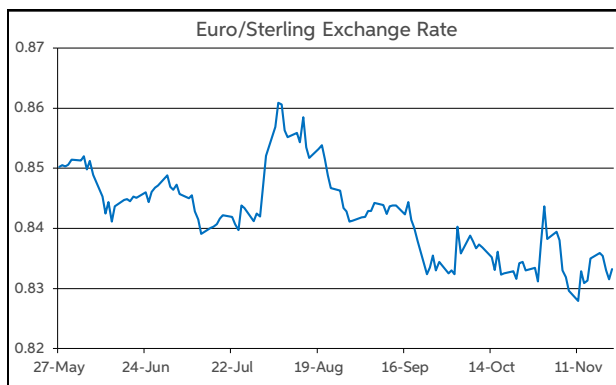
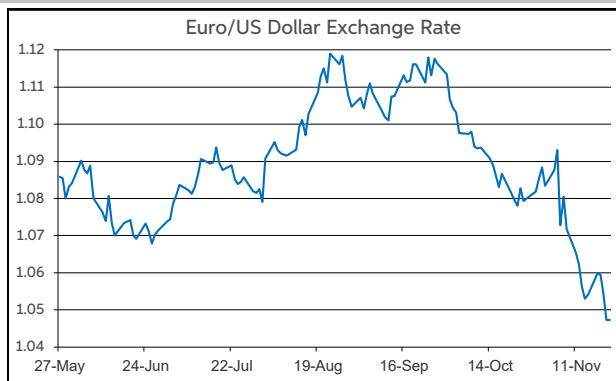
Data-wise, US weekly initial jobless claims fell to a six month low of 213K (vs. 220k f'cast). Elsewhere, Eurozone consumer confidence deteriorated slightly to -13.7 in November (vs. -12.4 f'cast). Meanwhile, on the monetary policy front, remarks from Fed officials Collins, Bowman and Williams suggested rates should be lowered gradually and cautiously in the US. In contrast, a plethora of ECB officials struck a more dovish tone yesterday.

Amid the remarks from central bank officials yesterday, US futures contracts firmed slightly, while Eurozone futures were marginally softer. Against this backdrop the dollar was in the ascendancy on currency markets. This was reflected by EUR/USD recording a new year-to-date low of \$1.0462.

The greenback has maintained most of its gains overnight, which sees EUR/USD open this morning in the top half of \$1.04-1.05. GBP/USD is operating back in the \$1.25-1.26 range. Elsewhere, EUR/GBP is below the midpoint of 83-84p.

Already today, UK retail sales have printed below the consensus, contracting by 0.7% in October (vs. -0.3% f'cast). However, the data have not impacted sterling so far in early trading. Later today, the focus will be on the flash PMIs in the Eurozone, UK and UK for November. The releases pose some event risk on currency markets.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2023
EUR/USD	1.0473	-0.69	-5.10
EUR/GBP	0.8332	-0.04	-3.88
GBP/USD	1.2567	-0.64	-1.27
GBP/EUR	1.1997	0.04	4.03
USD/JPY	154.73	-0.28	9.69
EUR/JPY	162.08	-0.96	4.14

* 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	4.57	4.51	4.29	4.41	4.23
EUR	3.40	3.05	3.00	2.43	2.26	2.26
GBP	4.75	4.69	4.66	4.42	4.45	4.24

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

Friday 22 November 2024
07:23 am



Euro

EUR/GBP	0.8332
EUR/USD	1.0473
EUR/JPY	162.08
EUR/SEK	11.5872
EUR/DKK	7.4582
EUR/NOK	11.5912
EUR/CHF	0.9281
EUR/AUD	1.611
EUR/HKD	8.1511
EUR/CAD	1.4636

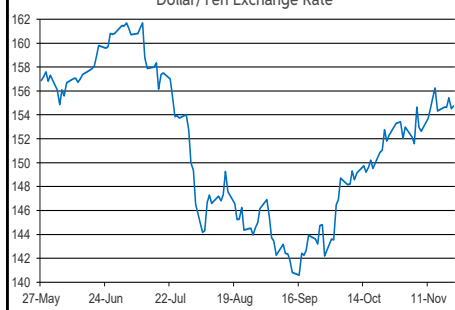
Sterling

GBP/EUR	1.1997
GBP/USD	1.2567
GBP/CAD	1.756
GBP/NZD	2.1523
GBP/JPY	194.44
GBP/SEK	13.8828
GBP/DKK	8.9508
GBP/NOK	13.905
GBP/CHF	1.1135
GBP/AUD	1.9333

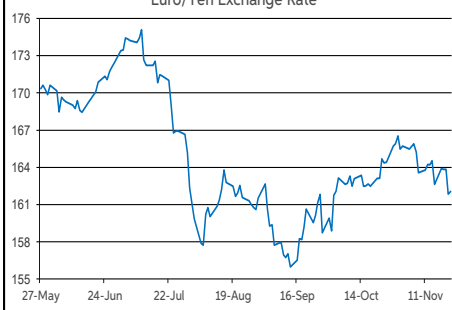
Dollar

USD/JPY	154.73
USD/CAD	1.3974
USD/CHF	0.8861
USD/CNY	7.2475
USD/BRL	5.8137
USD/RUB	102
USD/INR	84.492
AUD/USD	0.6498
NZD/USD	0.5837

Dollar/Yen Exchange Rate

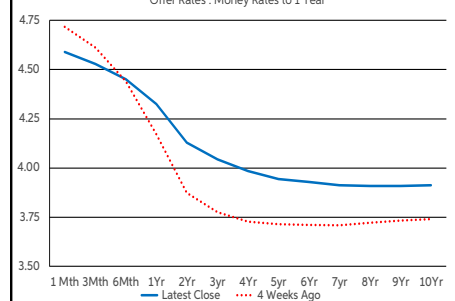


Euro/Yen Exchange Rate



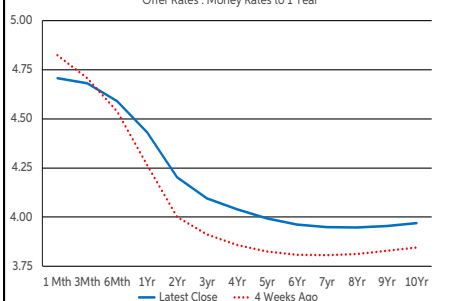
US Swap Curve

Offer Rates : Money Rates to 1 Year



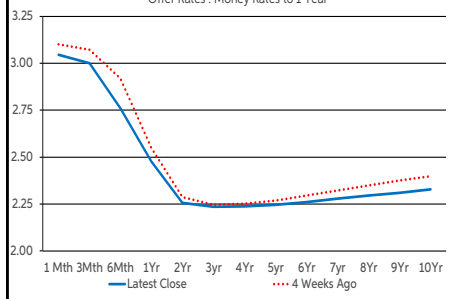
UK Swap Curve

Offer Rates : Money Rates to 1 Year

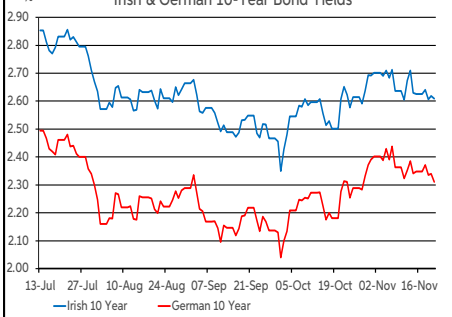


Eurozone Swap Curve

Offer Rates : Money Rates to 1 Year



Irish & German 10-Year Bond Yields



Debt Markets

	Close	Day	4 Weeks	End 23
10 Year Yield %				
US	4.43	+3	+23	+57
Germany	2.31	-3	+6	+29
UK	4.44	-3	+20	+90
Ireland	2.63	-3	+2	+27
Belgium	2.92	-1	+8	+23
France	3.10	+0	+11	+54
Italy	3.58	+0	+11	-12
Spain	3.04	-2	+9	+5
Portugal	2.79	-2	+11	+1
Greece	3.19	-4	+5	+12
5 Year Swap %				
US	4.21	+3	+25	+42
Eurozone	2.25	-2	-1	-18
UK	4.23	-3	+17	+58
2 Year Swap %				
US	4.39	+3	+27	+6
Eurozone	2.26	-1	-2	-54
UK	4.44	-3	+23	+18
10 Year Government Bond Spreads to Benchmark bps				
Ireland	32	+0	-4	-2
Belgium	60	+2	+2	-6
France	79	+3	+6	+26
Italy	126	+3	+5	-41
Spain	73	+1	+3	-24
Portugal	48	+1	+5	-28
Greece	88	-1	-0	-17

Commodities

	Close	Day	4 Weeks	End 23
% Change				
Brent Oil	74.23	+1.95	-0.20	-3.65
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	2669.7	+0.74	-2.41	+29.43

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