

## Dollar softens ahead of Thanksgiving

A busy US data schedule and month-end flows impacted financial markets throughout yesterday. Equity markets moved slightly lower on both sides of the Atlantic, with the Euro Stoxx 50 declining by 0.6%, while the S&P 500 fell by 0.4%.

Data-wise, the main release of note was US core-PCE inflation for October. As expected, it rose to 2.8% from 2.7%. Elsewhere, personal income printed above the consensus, rising by 0.6% m/m in October (vs. +0.4% f'cast). Personal consumption also rose by more than anticipated, increasing by 0.4% m/m (vs. +0.3% f'cast).

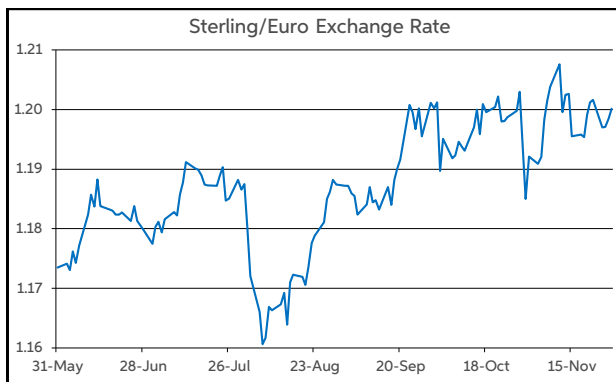
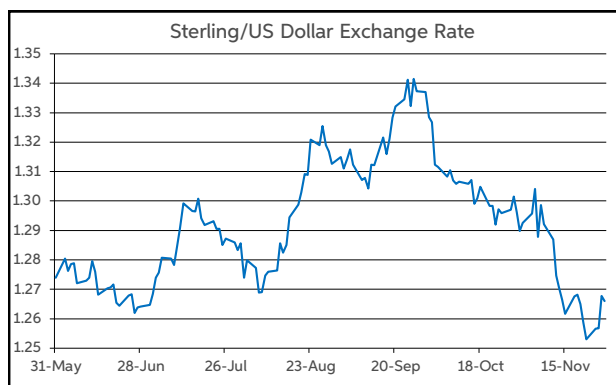
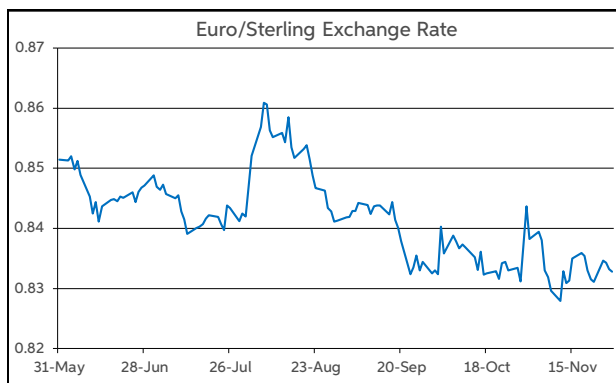
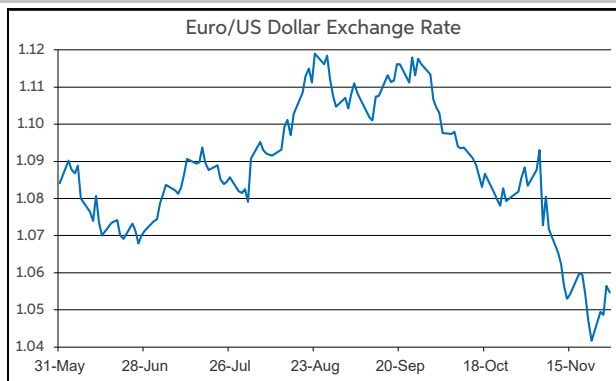
The data sparked some volatility for the dollar. Overall, the greenback was on the defensive. However, there was no obvious catalyst for the move, which suggests month-end flows ahead of the Thanksgiving holiday may have impacted the dollar. The US currency shed circa 0.5-0.7% against the euro, sterling and yen.

From a euro perspective, the single currency was boosted by some hawkish remarks from ECB official Schnabel. However, the single currency handed back its gains amid concerns over ongoing Budget negotiations in France and disappointing German consumer confidence data for November.

As trading gets underway this morning, the weaker dollar tone is evidenced by EUR/USD opening up at the midpoint of \$1.05-1.06. GBP/USD is changing hands in the top half of \$1.26-1.27. Meantime, EUR/GBP remains in the bottom half of 83-84p.

Today, a busy data calendar in the Eurozone includes the EC sentiment indices and German flash HICP inflation (both Nov).

**Daniel Noonan, Economist, AIB**



Today's Opening FX Rates			
		% Change	
		Day *	End 2023
EUR/USD	1.0547	0.68	-4.43
EUR/GBP	0.8328	-0.10	-3.92
GBP/USD	1.266	0.75	-0.54
GBP/EUR	1.2001	0.10	4.08
USD/JPY	151.57	-0.56	7.45
EUR/JPY	159.88	0.11	2.73

\* 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	4.54	4.47	4.25	4.33	4.12
EUR	3.40	3.00	2.90	2.40	2.20	2.17
GBP	4.75	4.68	4.64	4.37	4.40	4.14

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 28 November 2024  
07:27 am



## Euro

EUR/GBP	0.8328
EUR/USD	1.0547
EUR/JPY	159.88
EUR/SEK	11.5373
EUR/DKK	7.4587
EUR/NOK	11.6976
EUR/CHF	0.9314
EUR/AUD	1.6247
EUR/HKD	8.2074
EUR/CAD	1.4786

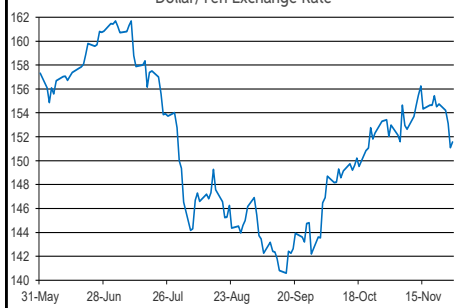
## Sterling

GBP/EUR	1.2001
GBP/USD	1.266
GBP/CAD	1.7746
GBP/NZD	2.1488
GBP/JPY	191.89
GBP/SEK	13.847
GBP/DKK	8.9496
GBP/NOK	14.035
GBP/CHF	1.1181
GBP/AUD	1.9503

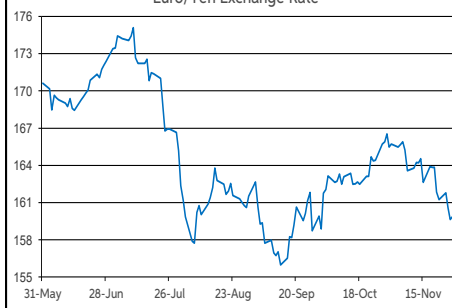
## Dollar

USD/JPY	151.57
USD/CAD	1.4019
USD/CHF	0.8831
USD/CNY	7.2493
USD/BRL	5.9377
USD/RUB	110
USD/INR	84.4825
AUD/USD	0.6488
NZD/USD	0.5888

Dollar/Yen Exchange Rate

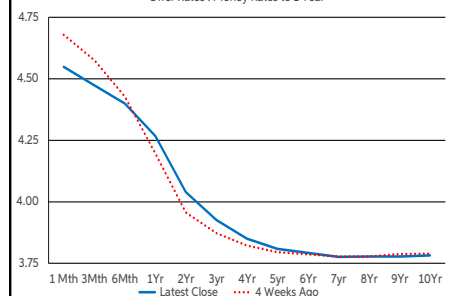


Euro/Yen Exchange Rate



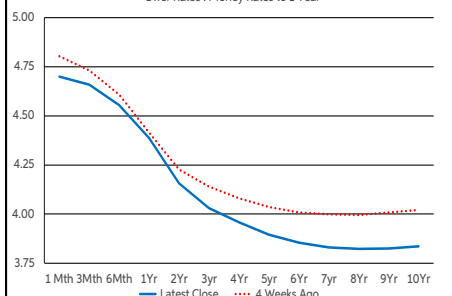
US Swap Curve

Offer Rates : Money Rates to 1 Year



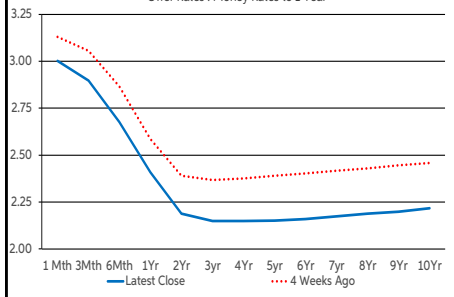
UK Swap Curve

Offer Rates : Money Rates to 1 Year

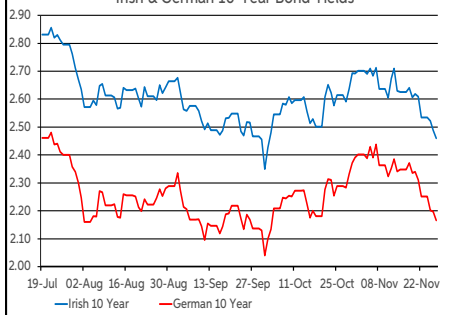


Eurozone Swap Curve

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	-6	-2	+38
Germany	2.17	-3	-21	+14
UK	4.30	-6	-6	+76
Ireland	2.49	-4	-22	+13
Belgium	2.80	-4	-16	+11
France	3.02	-2	-10	+46
Italy	3.40	-6	-22	-30
Spain	2.89	-5	-19	-10
Portugal	2.66	-4	-12	-13
Greece	3.05	-3	-24	-3
5 Year Swap %				
US	4.07	-5	+2	+28
Eurozone	2.15	-1	-23	-28
UK	4.14	-2	-9	+48
2 Year Swap %				
US	4.30	-4	+8	-4
Eurozone	2.19	+2	-19	-61
UK	4.40	-0	-2	+14
10 Year Government Bond Spreads to Benchmark bps				
Ireland	33	-1	-2	-1
Belgium	63	-1	+5	-3
France	85	+2	+11	+32
Italy	124	-2	-2	-43
Spain	73	-1	+2	-24
Portugal	49	-1	+8	-27
Greece	88	+0	-3	-17

## Commodities

	% Change			
	Close	Day	4 Weeks	End 23
Brent Oil	72.83	+0.03	+0.39	-5.46
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	2635.5	+0.14	-5.41	+27.78

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