

EUR/GBP registers a fresh YTD low

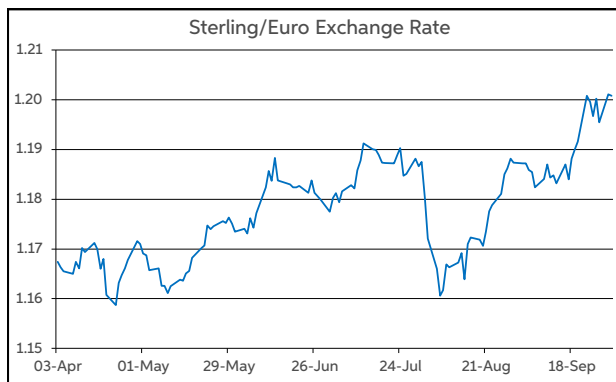
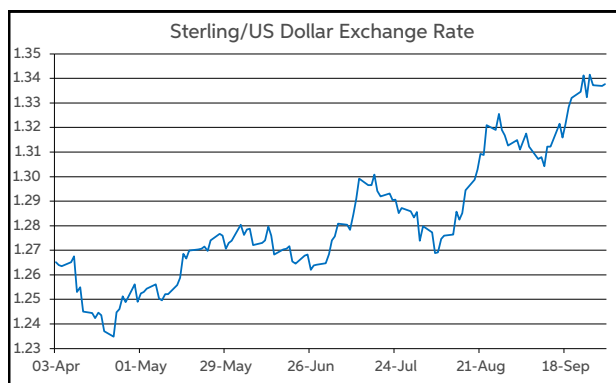
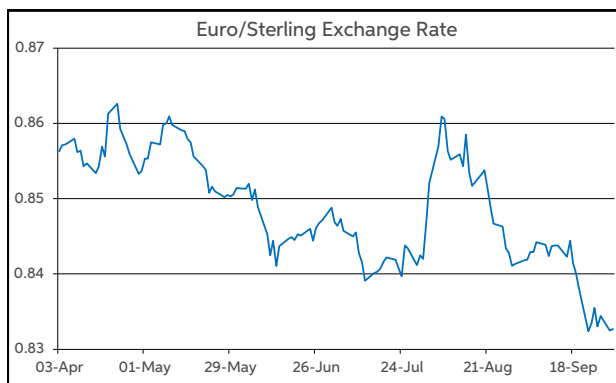
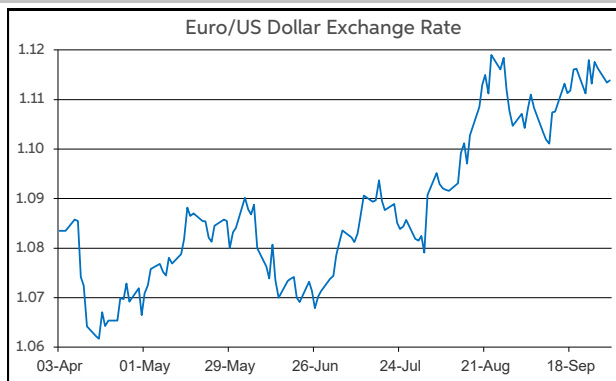
There was a mixed mood on markets yesterday, amid a relatively quiet data calendar. The Euro Stoxx 50 declined by 1.3%, while on Wall Street, the S&P 500 inched 0.4% higher. Meantime, oil prices fell, with Brent crude moving back below \$72 per barrel.

Data-wise, both German and Italian inflation moved lower in September, to 1.8% and 0.8%, respectively. The data follow similar prints below 2% for Spanish and French inflation last week. ECB President Lagarde noted yesterday that “the latest developments strengthen our (the ECB’s) confidence that inflation will return to target in a timely manner”. She also stated that the ECB will take account of the recent disinflation when it next meets later this month. Against this backdrop, Eurozone futures softened slightly. Elsewhere, Fed Chair Powell stated that the Fed was not in “a hurry to cut rates quickly”, indicating it may cut by 25bps in November. US futures firmed somewhat overnight following the remarks.

On the currency front, the euro was under some downward pressure yesterday. This saw EUR/GBP register a new YTD low of 83.13p. At the same time, the yen was on the defensive. As trading gets underway this morning, EUR/GBP remains firmly in the lower half of 83-84p. Meanwhile, EUR/USD is back below the midpoint of \$1.11-1.12. GBP/USD is operating in the top half of \$1.33-1.34. USD/JPY is up above ¥144.

Today, the main release will be the flash reading of the Eurozone wide measure of HICP inflation. In line with the national releases, the bloc-wide headline rate for September is projected to fall to 1.8%. However, core-HICP is expected to remain elevated, edging back to 2.7% from 2.8%. In the US, the manufacturing ISM for September and the JOLTS job openings data for August are due.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2023
EUR/USD	1.1139	-0.21	0.93
EUR/GBP	0.8327	-0.11	-3.93
GBP/USD	1.3377	-0.08	5.09
GBP/EUR	1.2008	0.11	4.10
USD/JPY	144.28	1.52	2.28
EUR/JPY	160.73	1.32	3.28

* 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	4.88	4.96	4.85	4.11	3.74	3.53
EUR	3.65	3.37	3.33	2.68	2.31	2.23
GBP	5.00	4.94	4.80	4.28	4.14	3.87

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

Tuesday 01 October 2024
06:53 am



Euro

EUR/GBP	0.8327
EUR/USD	1.1139
EUR/JPY	160.73
EUR/SEK	11.3153
EUR/DKK	7.455
EUR/NOK	11.7466
EUR/CHF	0.9416
EUR/AUD	1.6068
EUR/HKD	8.659
EUR/CAD	1.5066

Sterling

GBP/EUR	1.2008
GBP/USD	1.3377
GBP/CAD	1.8093
GBP/NZD	2.1109
GBP/JPY	193
GBP/SEK	13.5776
GBP/DKK	8.9523
GBP/NOK	14.1014
GBP/CHF	1.1309
GBP/AUD	1.9296

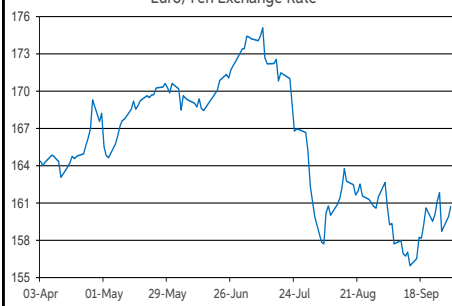
Dollar

USD/JPY	144.28
USD/CAD	1.3525
USD/CHF	0.8454
USD/CNY	7.0176
USD/BRL	5.4497
USD/RUB	92.9
USD/INR	83.796
AUD/USD	0.6932
NZD/USD	0.6336

Dollar/Yen Exchange Rate

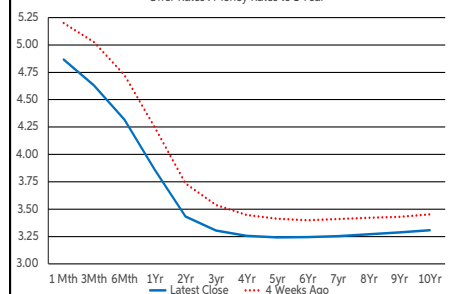


Euro/Yen Exchange Rate



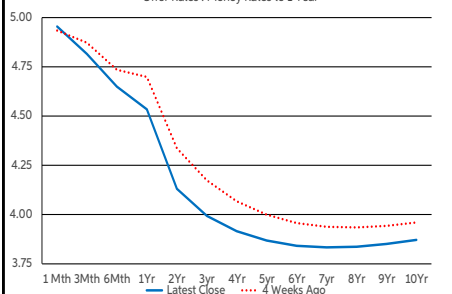
US Swap Curve

Offer Rates : Money Rates to 1 Year



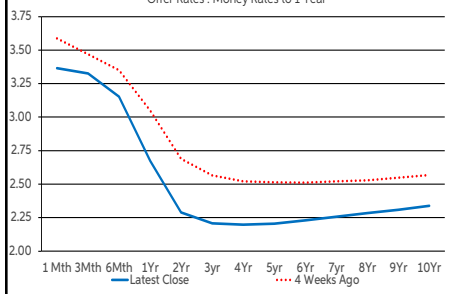
UK Swap Curve

Offer Rates : Money Rates to 1 Year

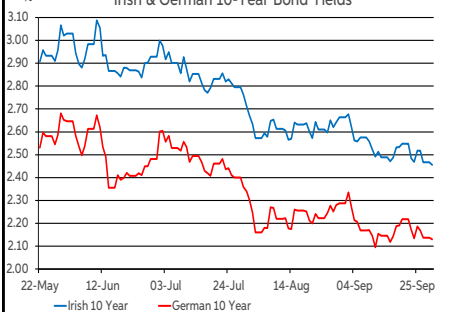


Eurozone Swap Curve

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	3.80	+5	-11	-6
Germany	2.13	-1	-21	+10
UK	4.01	+3	-5	+47
Ireland	2.48	-2	-23	+12
Belgium	2.76	-1	-15	+7
France	2.93	-0	-11	+37
Italy	3.47	+1	-24	-23
Spain	2.94	+0	-21	-6
Portugal	2.71	-0	-22	-8
Greece	3.12	+2	-26	+5

5 Year Swap %				
US	3.50	+5	-15	-30
Eurozone	2.21	-2	-30	-22
UK	3.87	+3	-13	+22

2 Year Swap %				
US	3.68	+9	-30	-65
Eurozone	2.29	-2	-40	-51
UK	4.13	+5	-20	-13

10 Year Government Bond Spreads to Benchmark bps				
Ireland	35	-1	-2	+1
Belgium	63	-0	+6	-3
France	79	+1	+9	+26
Italy	133	+2	-3	-34
Spain	80	+1	-1	-16
Portugal	58	+0	-2	-18
Greece	99	+2	-5	-6

Commodities

	% Change			
	Close	Day	4 Weeks	End 23
Brent Oil	71.77	-0.29	-7.42	-6.84
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	2634.5	-0.88	+5.41	+27.73

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