

Dollar maintains its momentum

There was a cautious tone to investor sentiment yesterday. This was against the backdrop of a very quiet data calendar on both sides of the Atlantic. In Europe, the Euro Stoxx fell by 0.9%. Meanwhile, at the closing bell on Wall Street last night, the S&P 500 was 0.2% lower on the day.

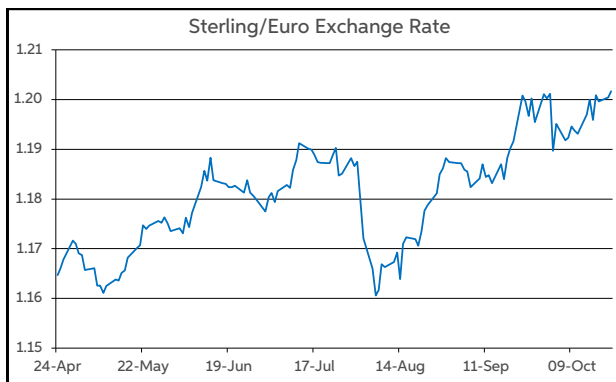
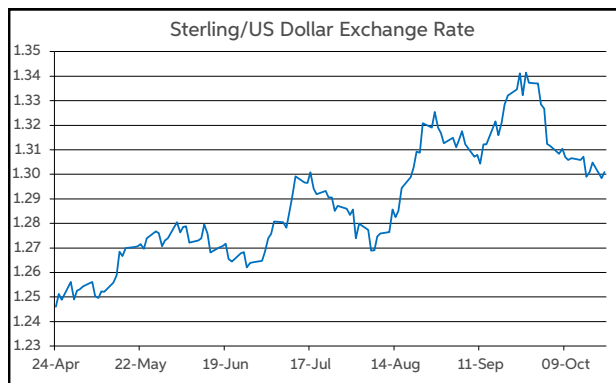
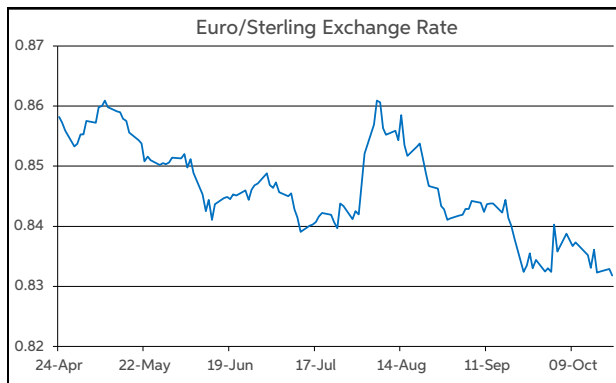
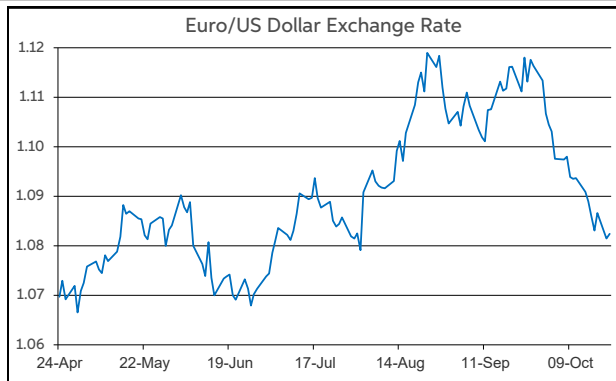
On bond markets, sovereign yields were higher across the board. In part, this was due to a busy day in terms of European supply. The main 10-year benchmark yields rose 8-12bps. The 10-year German bund yield moved above 2.20% to nearer 2.30%. The rise in yields was also evident on US bond markets. The 10-year Treasury yield traded up closer to 4.2%.

On the currency front, the majors were confined to relatively narrow ranges yesterday. Of the action to register, the dollar continued to hold the upper hand on the exchanges. This has continued in overnight trading on Asia-Pacific markets, with the yen coming under some downward pressure.

In level terms, the firmer dollar tone is reflected in EUR/USD opening this morning in the lower half of the \$1.08-1.09 band. Cable (GBP/USD) is changing hands down at the \$1.30 threshold. The USD/JPY pair is in the upper half of ¥150-151. Elsewhere, EUR/GBP remains below the midpoint of 83-84p.

Looking ahead to today, it is another quiet day in terms of data releases. However, there are a raft of central bank officials on the speaking circuit, including BoE Governor Bailey and ECB President Lagarde. Their remarks pose some potential event risk for the respective currencies.

John Fahey, Senior Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2023
EUR/USD	1.0824	-0.32	-1.92
EUR/GBP	0.8318	-0.08	-4.04
GBP/USD	1.3009	-0.21	2.20
GBP/EUR	1.2018	0.08	4.21
USD/JPY	150.75	0.96	6.87
EUR/JPY	163.18	0.64	4.85

* 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	4.74	4.63	4.17	4.14	3.98
EUR	3.40	3.15	3.20	2.63	2.35	2.33
GBP	5.00	4.83	4.69	4.21	4.15	3.96

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 22 October 2024
07:25 am



Euro

EUR/GBP	0.8318
EUR/USD	1.0824
EUR/JPY	163.18
EUR/SEK	11.4114
EUR/DKK	7.4569
EUR/NOK	11.8319
EUR/CHF	0.9361
EUR/AUD	1.6174
EUR/HKD	8.4155
EUR/CAD	1.4961

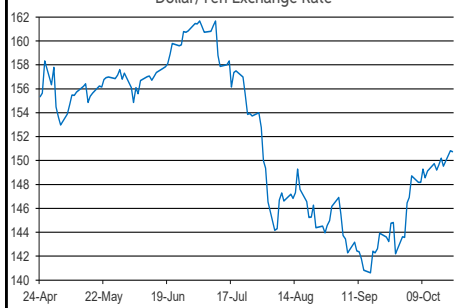
Sterling

GBP/EUR	1.2018
GBP/USD	1.3009
GBP/CAD	1.798
GBP/NZD	2.1467
GBP/JPY	196.11
GBP/SEK	13.7102
GBP/DKK	8.9602
GBP/NOK	14.2187
GBP/CHF	1.1248
GBP/AUD	1.9437

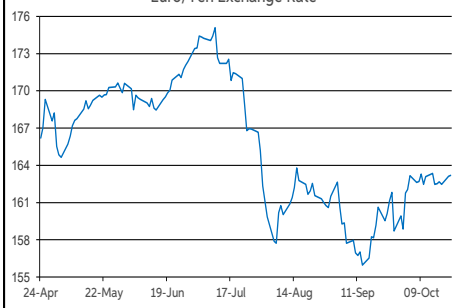
Dollar

USD/JPY	150.75
USD/CAD	1.3821
USD/CHF	0.8648
USD/CNY	7.1222
USD/BRL	5.6889
USD/RUB	96.35
USD/INR	84.072
AUD/USD	0.6692
NZD/USD	0.6059

Dollar/Yen Exchange Rate

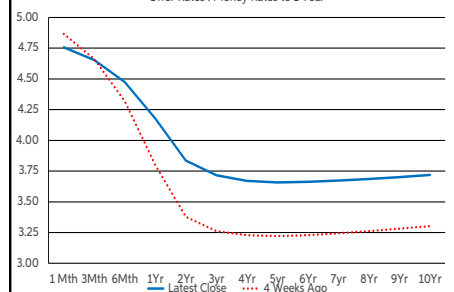


Euro/Yen Exchange Rate



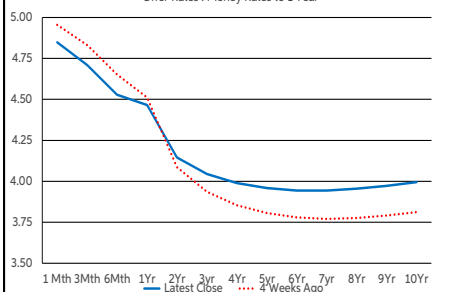
US Swap Curve

Offer Rates : Money Rates to 1 Year



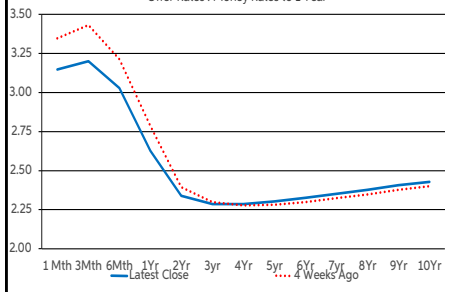
UK Swap Curve

Offer Rates : Money Rates to 1 Year

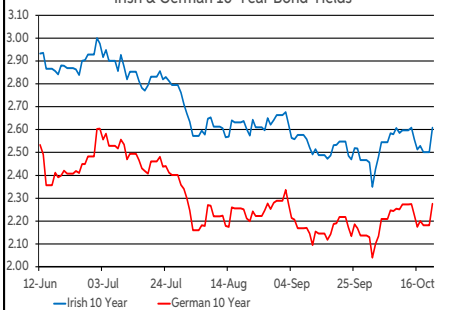


Eurozone Swap Curve

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	4.18	+11	+44	+32
Germany	2.28	+10	+10	+25
UK	4.14	+8	+21	+60
Ireland	2.64	+11	+11	+27
Belgium	2.87	+10	+7	+18
France	3.01	+11	+7	+46
Italy	3.51	+15	-1	-19
Spain	3.00	+13	+4	+1
Portugal	2.74	+12	+1	-5
Greece	3.14	+10	-4	+7
5 Year Swap %				
US	3.93	+11	+46	+14
Eurozone	2.30	+8	+3	-13
UK	3.96	+6	+16	+31
2 Year Swap %				
US	4.10	+9	+49	-24
Eurozone	2.34	+5	-5	-46
UK	4.14	+3	+6	-12
10 Year Government Bond Spreads to Benchmark bps				
Ireland	36	+1	+1	+2
Belgium	59	+1	-3	-7
France	74	+2	-4	+21
Italy	123	+6	-11	-44
Spain	72	+3	-7	-24
Portugal	46	+2	-9	-30
Greece	87	+0	-14	-18

Commodities

	% Change			
	Close	Day	4 Weeks	End 23
Brent Oil	74.29	+1.68	+0.53	-3.57
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	2719.6	-0.02	+3.47	+31.86

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