

Dollar edges slightly lower

Investor sentiment staged a modest rebound yesterday. Equity markets moved higher on both sides of the Atlantic, with the Euro Stoxx 50 gaining 0.3%, while the S&P 500 rose by 0.2%. In terms of fixed income, German Bund yields declined by 1-6bps along the curve. The move coincided with a slight softening in Eurozone futures contracts, amid dovish remarks from a number of ECB officials. US Treasury yields fell by 2-4bps also.

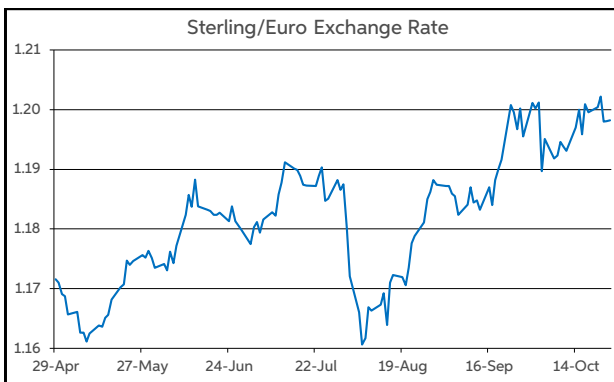
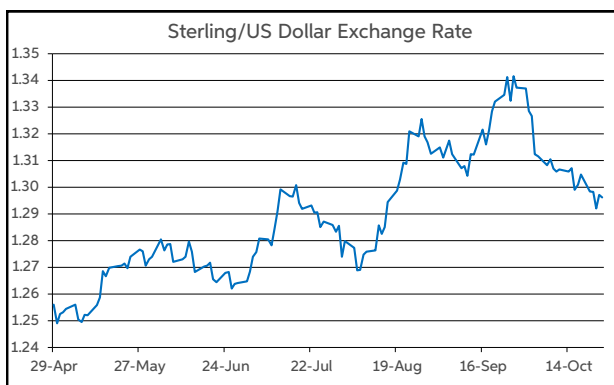
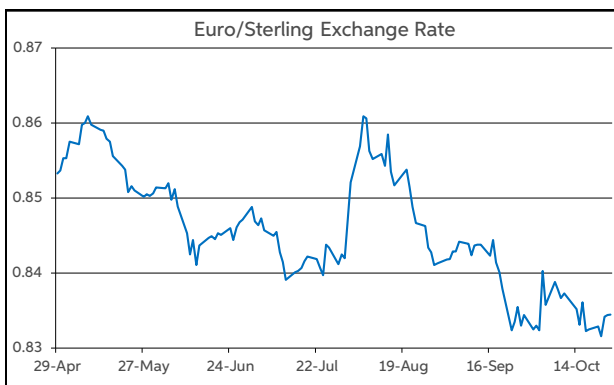
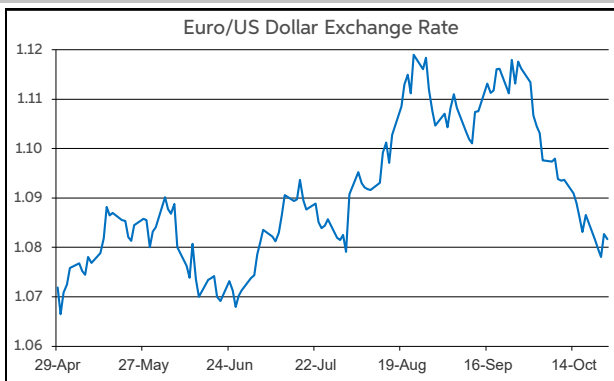
Data-wise, the Eurozone flash PMIs for October printed broadly in-line with expectations. The manufacturing sector remained deep in contraction territory, while the services stayed in expansion mode. In the UK, both sectors came in below the consensus, showing a slower pace of growth in the month. In contrast, the US PMIs were slightly better than anticipated, albeit the data suggest activity in the manufacturing sector declined once again.

On the currency front, the main pairs remained range bound. Against the backdrop of the improvement in risk appetite, the dollar was under some downward pressure. This saw the greenback decline by around 0.2% versus the euro, sterling and yen yesterday.

As trading gets underway this morning, the weaker dollar is reflected by EUR/USD opening up above \$1.08. GBP/USD is operating up in the top half of \$1.29-1.30 also. Meanwhile, USD/JPY is back below the ¥152 handle. EUR/GBP remains in the lower half of the 83-84p corridor.

Today, the main release of note will be the German Ifo survey for October. Meantime in the US, durable goods data for September are due. However, neither release is likely to impact FX markets.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2023
EUR/USD	1.0817	0.22	-1.98
EUR/GBP	0.8345	-0.01	-3.73
GBP/USD	1.2962	0.25	1.83
GBP/EUR	1.1982	0.01	3.87
USD/JPY	151.93	-0.18	7.71
EUR/JPY	164.35	0.04	5.60

* 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	4.70	4.59	4.14	4.14	3.97
EUR	3.40	3.11	3.09	2.54	2.29	2.27
GBP	5.00	4.81	4.70	4.25	4.23	4.07

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 25 October 2024
07:32 am



Euro

EUR/GBP	0.8345
EUR/USD	1.0817
EUR/JPY	164.35
EUR/SEK	11.442
EUR/DKK	7.4594
EUR/NOK	11.844
EUR/CHF	0.9365
EUR/AUD	1.6329
EUR/HKD	8.4062
EUR/CAD	1.4986

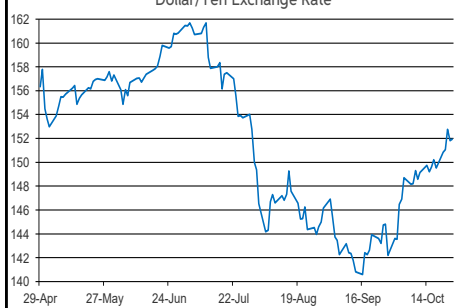
Sterling

GBP/EUR	1.1982
GBP/USD	1.2962
GBP/CAD	1.7957
GBP/NZD	2.162
GBP/JPY	196.93
GBP/SEK	13.7082
GBP/DKK	8.9388
GBP/NOK	14.1971
GBP/CHF	1.1221
GBP/AUD	1.9566

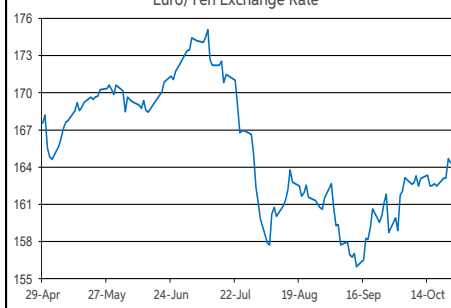
Dollar

USD/JPY	151.93
USD/CAD	1.3854
USD/CHF	0.8656
USD/CNY	7.1265
USD/BRL	5.6672
USD/RUB	96.9455
USD/INR	84.047
AUD/USD	0.6624
NZD/USD	0.5993

Dollar/Yen Exchange Rate

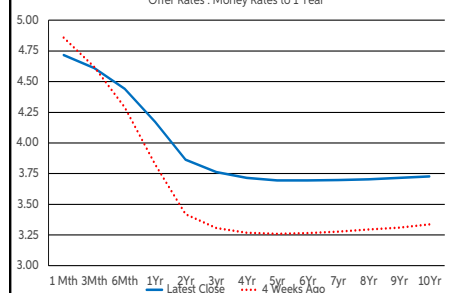


Euro/Yen Exchange Rate



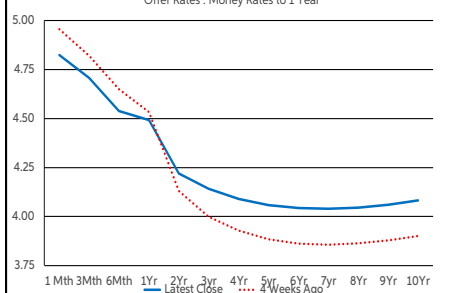
US Swap Curve

Offer Rates : Money Rates to 1 Year



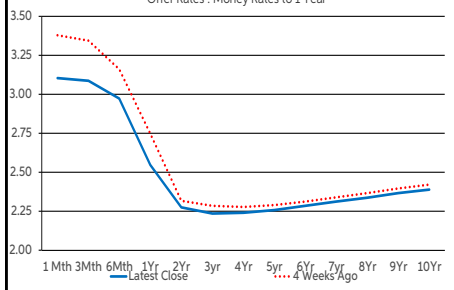
UK Swap Curve

Offer Rates : Money Rates to 1 Year

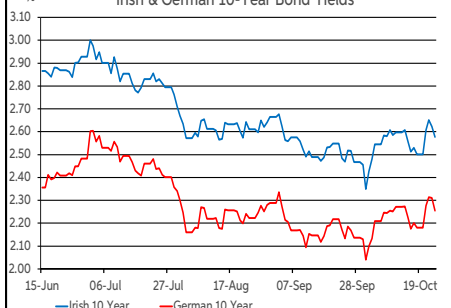


Eurozone Swap Curve

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	4.20	-4	+41	+34
Germany	2.26	-6	+9	+23
UK	4.24	+4	+23	+70
Ireland	2.61	-4	+6	+25
Belgium	2.84	-6	+2	+15
France	2.99	-5	+2	+43
Italy	3.47	-5	-1	-23
Spain	2.95	-6	-1	-4
Portugal	2.69	-6	-6	-10
Greece	3.14	-5	+4	+6
5 Year Swap %				
US	3.96	-3	+46	+17
Eurozone	2.26	-4	-2	-17
UK	4.06	+3	+18	+41
2 Year Swap %				
US	4.12	-1	+45	-21
Eurozone	2.28	-3	-4	-52
UK	4.22	+3	+9	-5
10 Year Government Bond Spreads to Benchmark bps				
Ireland	36	+2	-3	+2
Belgium	58	-0	-7	-8
France	73	+1	-7	+20
Italy	121	+0	-10	-46
Spain	69	-0	-10	-27
Portugal	43	-1	-14	-33
Greece	88	+0	-5	-17

Commodities

	% Change			
	Close	Day	4 Weeks	End 23
Brent Oil	74.38	-0.77	+3.88	-3.45
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	2735.7	+0.67	+2.45	+32.63

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