

FX majors within tight ranges

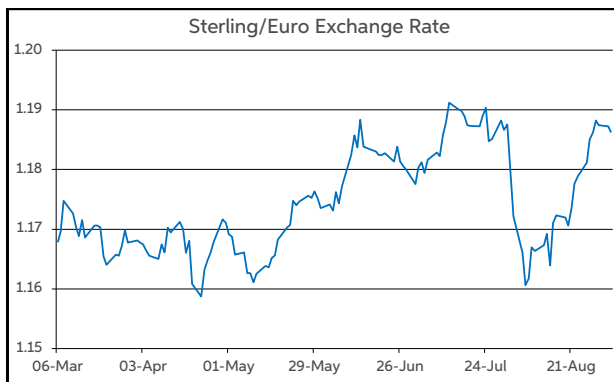
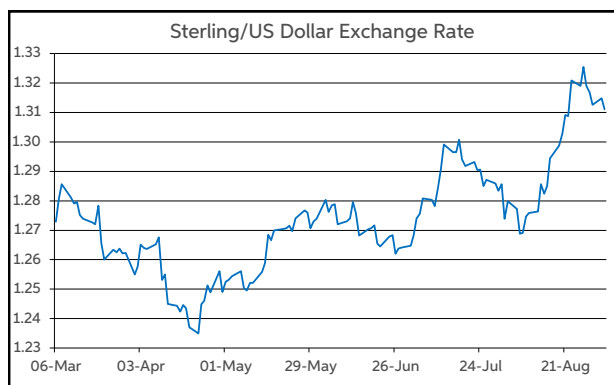
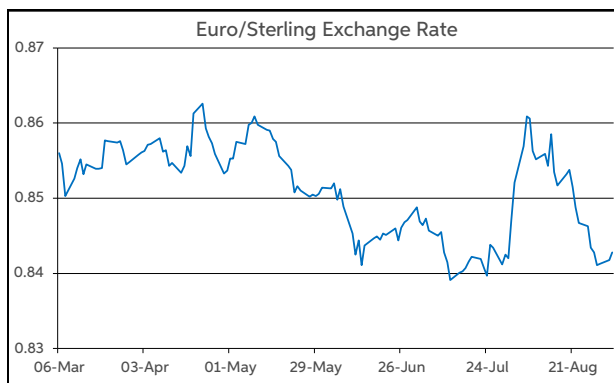
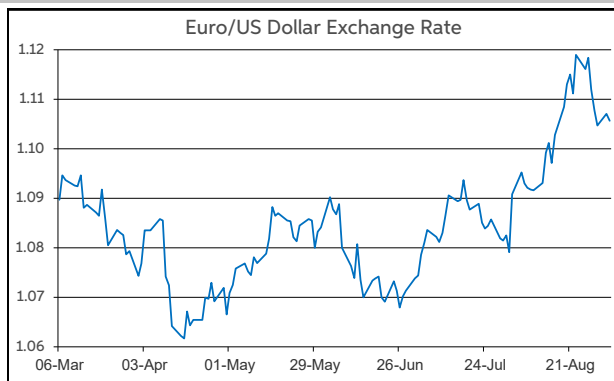
There was a generally uneventful start to the week on financial markets yesterday. One reason for this was due to it being a market holiday in the US (Labor Day). Meanwhile, the European diary of macro releases was uninspiring, with no top tier data to influence proceedings. The quiet trading was reflected in fairly limited price action across most asset markets. The main European equity indices registered minimal movement on the day. The Euro Stoxx 50 posted a modest 0.3% gain.

Meanwhile, on bond markets, the benchmark Eurozone sovereigns saw their yields move within a 1-5bps corridor, amid a slight firming in Eurozone market rate expectations. The 10-year German bund was 5bps higher, rising above the 2.3% mark. On commodity markets, oil prices continued to move lower, with Brent crude falling below \$78 per barrel.

Currency-wise, the majors were confined to very narrow ranges yesterday. This has continued in overnight trading on Asia Pacific markets. As a result, the main FX pairs open this morning at levels similar to 24 hours earlier. EUR/USD continues to operate in a tight range in and around the midpoint of \$1.10-1.11. EUR/GBP remains pinned down near to the 84p threshold. Meantime, GBP/USD is changing hands in the lower half of the \$1.31-1.32 band.

Looking ahead to today, US markets re-open after their long weekend. However, the macro agenda continues to have a sparse appearance, with a quiet data schedule on both sides of the Atlantic. The main release of note comes from the US calendar, with the manufacturing ISM survey for August due. Given this backdrop, the main FX pairs could remain range bound.

John Fahey, Senior Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2023
EUR/USD	1.1057	0.08	0.19
EUR/GBP	0.8429	0.17	-2.76
GBP/USD	1.3111	-0.11	3.00
GBP/EUR	1.1857	-0.17	2.84
USD/JPY	146.21	0.19	3.65
EUR/JPY	161.66	0.27	3.87

* 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	5.38	5.31	5.28	4.50	4.02	3.70
EUR	4.25	3.59	3.49	3.05	2.69	2.52
GBP	5.00	4.92	4.86	4.45	4.34	4.00

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 03 September 2024
07:26 am



Euro

EUR/GBP	0.8429
EUR/USD	1.1057
EUR/JPY	161.66
EUR/SEK	11.3674
EUR/DKK	7.4591
EUR/NOK	11.7334
EUR/CHF	0.941
EUR/AUD	1.6422
EUR/HKD	8.6205
EUR/CAD	1.4955

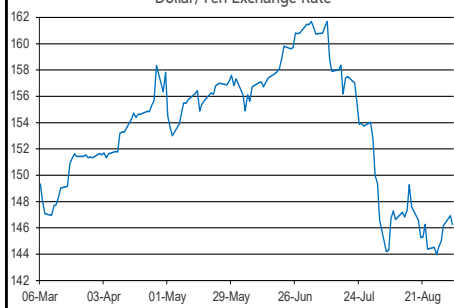
Sterling

GBP/EUR	1.1857
GBP/USD	1.3111
GBP/CAD	1.7739
GBP/NZD	2.1196
GBP/JPY	191.74
GBP/SEK	13.4783
GBP/DKK	8.8453
GBP/NOK	13.9138
GBP/CHF	1.1161
GBP/AUD	1.9478

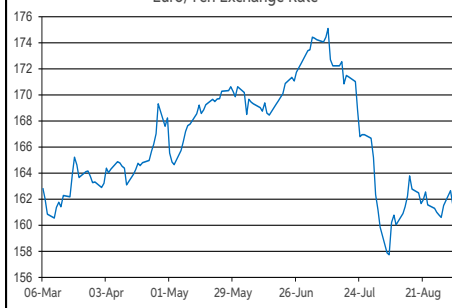
Dollar

USD/JPY	146.21
USD/CAD	1.3524
USD/CHF	0.8509
USD/CNY	7.1206
USD/BRL	5.6162
USD/RUB	89.6
USD/INR	83.936
AUD/USD	0.673
NZD/USD	0.6186

Dollar/Yen Exchange Rate

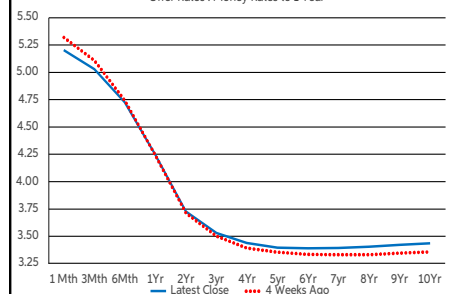


Euro/Yen Exchange Rate



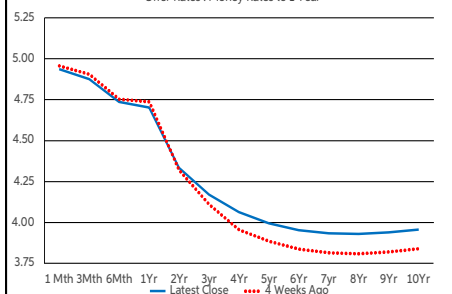
US Swap Curve

Offer Rates : Money Rates to 1 Year



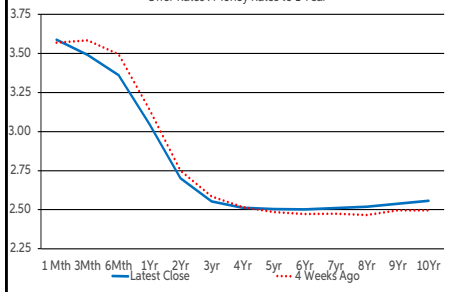
UK Swap Curve

Offer Rates : Money Rates to 1 Year

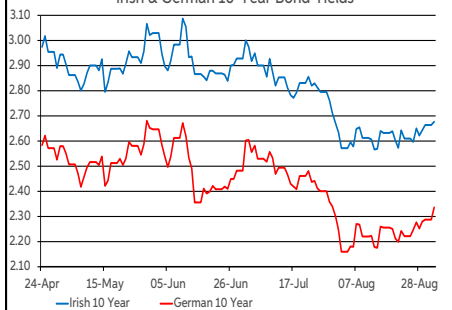


Eurozone Swap Curve

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	3.91	+4	+13	+5
Germany	2.34	+5	+16	+31
UK	4.06	+4	+18	+52
Ireland	2.71	+4	+9	+35
Belgium	2.91	+2	+6	+22
France	3.04	+3	+6	+48
Italy	3.71	+1	+2	+1
Spain	3.15	+3	+6	+16
Portugal	2.93	+4	+5	+15
Greece	3.39	+5	+6	+31
5 Year Swap %				
US	3.65	-1	+3	-14
Eurozone	2.50	+1	+3	+8
UK	3.99	+1	+11	+34
2 Year Swap %				
US	3.98	-0	-1	-36
Eurozone	2.70	+3	-4	-9
UK	4.33	-0	+2	+7
10 Year Government Bond Spreads to Benchmark bps				
Ireland	37	-1	-7	+3
Belgium	57	-2	-9	-9
France	70	-2	-10	+17
Italy	137	-3	-14	-30
Spain	81	-2	-10	-15
Portugal	59	-1	-11	-16
Greece	105	+0	-10	-0

Commodities

	% Change			
	Close	Day	4 Weeks	End 23
Brent Oil	77.52	-1.62	+1.60	+0.62
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	2499.3	-0.15	+3.81	+21.17

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