

Overnight gains for the Yen

Investor sentiment remained in a cautious mood yesterday. Data-wise, the macro diary was lacking in top tier releases. The main highlight was US job openings data for July which provided further signs of a softening in the labour market. At the close on Wall Street last night, the S&P 500 was 0.2% lower on the day.

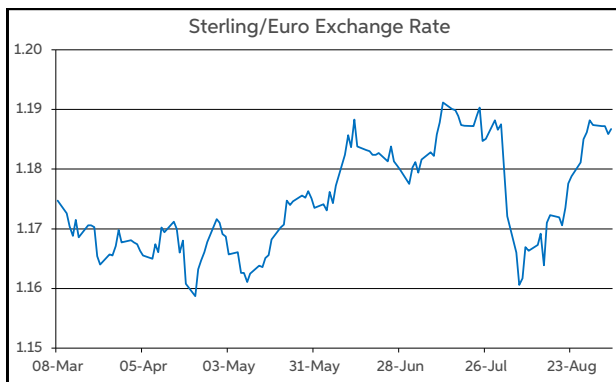
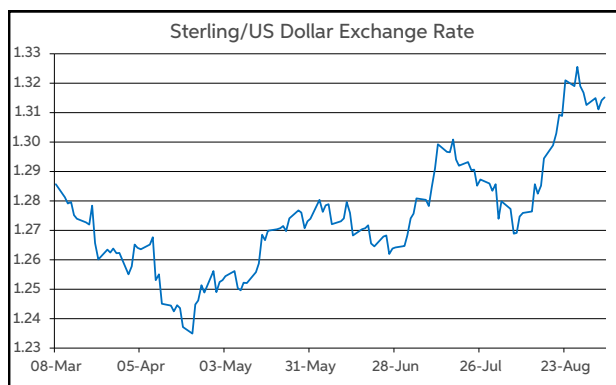
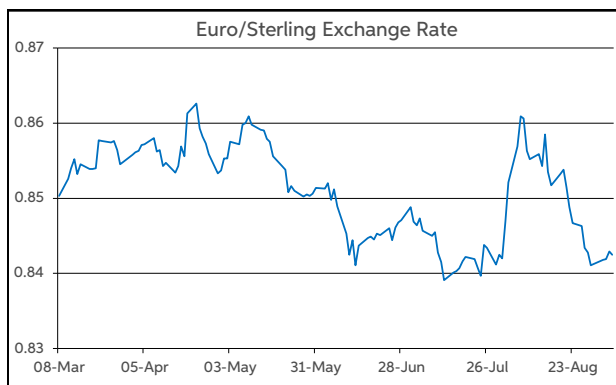
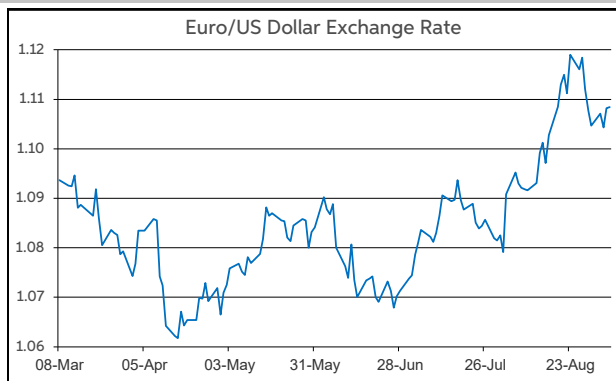
Given the continuation of the cautious tone to risk appetite, bonds remained in favour, evident in yields moving lower. The 10-year German Bund yield traded under the 2.25% mark. Meanwhile, amid more signs of a softening in the US labour market, the 10-year US Treasury yield moved below the 3.8% threshold.

On the currency front, most of main pairs have been, once again, confined to relatively narrow ranges over the past 24 hours. One exception to this has been a notable strengthening in the Japanese yen in overnight trading. This coincided with stronger than expected wage data and hawkish BoJ comments. USD/JPY opens this morning down near to ¥143.

Elsewhere, against the backdrop of lower US yields, the dollar is marginally softer versus the euro and sterling. EUR/USD has edged higher within the upper half of \$1.10-1.11. GBP/USD is changing hands at the midpoint of \$1.31-1.32. Meanwhile, EUR/GBP remains pinned down in the lower end of its 84-85p range.

Looking ahead to today, the macro schedule remains fairly sparse. The main highlight is the US non-manufacturing ISM for August. However, with tomorrow's much anticipated US August payrolls data due, market participants may adopt a wait-and-see mode today. As a result, most of the FX majors may trade within narrow ranges in the lead up tomorrow's US jobs data.

John Fahey, Senior Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2023
EUR/USD	1.1084	0.27	0.43
EUR/GBP	0.8425	-0.04	-2.80
GBP/USD	1.3152	0.27	3.32
GBP/EUR	1.1865	0.04	2.88
USD/JPY	143.11	-1.47	1.45
EUR/JPY	158.64	-1.21	1.93

* 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	5.28	5.26	4.32	3.84	3.54
EUR	4.25	3.56	3.46	2.95	2.59	2.39
GBP	5.00	4.92	4.85	4.40	4.25	3.90

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 05 September 2024
07:23 am



Euro

EUR/GBP	0.8425
EUR/USD	1.1084
EUR/JPY	158.64
EUR/SEK	11.389
EUR/DKK	7.4599
EUR/NOK	11.783
EUR/CHF	0.9371
EUR/AUD	1.6481
EUR/HKD	8.6393
EUR/CAD	1.4968

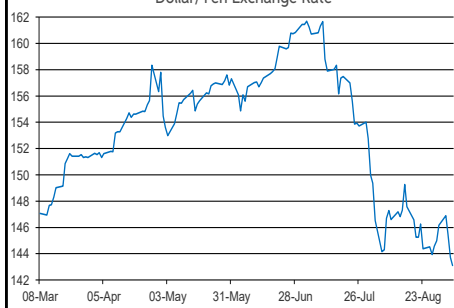
Sterling

GBP/EUR	1.1865
GBP/USD	1.3152
GBP/CAD	1.7764
GBP/NZD	2.119
GBP/JPY	188.22
GBP/SEK	13.5145
GBP/DKK	8.8511
GBP/NOK	13.9871
GBP/CHF	1.1122
GBP/AUD	1.956

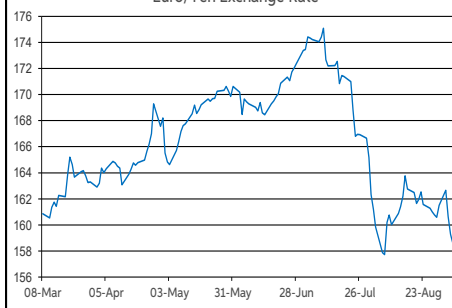
Dollar

USD/JPY	143.11
USD/CAD	1.3502
USD/CHF	0.8456
USD/CNY	7.0982
USD/BRL	5.6429
USD/RUB	89.4
USD/INR	83.967
AUD/USD	0.6725
NZD/USD	0.6208

Dollar/Yen Exchange Rate

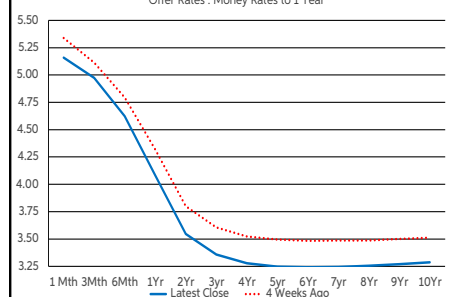


Euro/Yen Exchange Rate



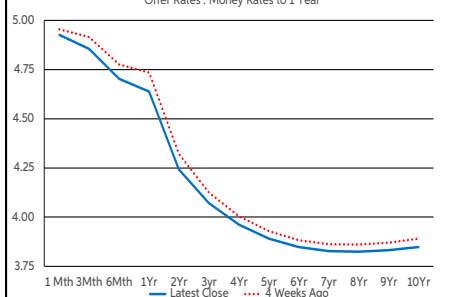
US Swap Curve

Offer Rates : Money Rates to 1 Year



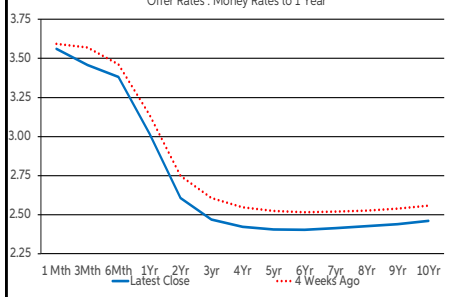
UK Swap Curve

Offer Rates : Money Rates to 1 Year

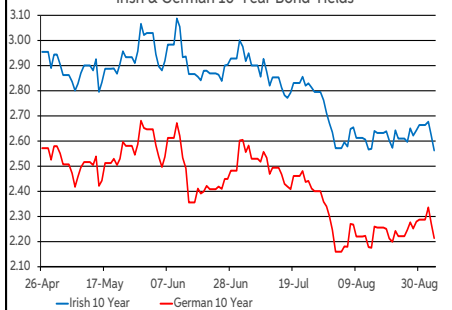


Eurozone Swap Curve

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	3.77	-8	-20	-9
Germany	2.22	-6	-5	+19
UK	3.94	-6	-2	+40
Ireland	2.60	-5	-9	+24
Belgium	2.80	-6	-8	+11
France	2.93	-7	-8	+37
Italy	3.59	-9	-12	-11
Spain	3.03	-7	-10	+4
Portugal	2.82	-8	-10	+3
Greece	3.28	-7	-11	+21
5 Year Swap %				
US	3.50	-9	-22	-29
Eurozone	2.41	-5	-11	-2
UK	3.89	-5	-3	+24
2 Year Swap %				
US	3.79	-11	-24	-54
Eurozone	2.61	-4	-13	-19
UK	4.24	-5	-7	-2
10 Year Government Bond Spreads to Benchmark bps				
Ireland	38	+0	-3	+5
Belgium	58	-1	-2	-8
France	72	-1	-3	+19
Italy	137	-3	-7	-30
Spain	82	-2	-4	-15
Portugal	60	-2	-5	-16
Greece	107	-1	-6	+2

Commodities

	Close	% Change		
		Day	4 Weeks	End 23
Brent Oil	72.7	-1.42	-7.19	-5.63
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	2494.2	+0.06	+4.73	+20.93

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