

EUR/USD pinned down near to \$1.07

Risk appetite remained under pressure yesterday. This was reflected in the performance of the main equity indices. In Europe, the Euro Stoxx 50 fell by 0.4%. At the closing bell on Wall Street last night, the S&P 500 was 0.3% lower on the day. Meanwhile, oil prices eased slightly back from their recent highs.

On bond markets, yields moved lower amid the subdued backdrop to investor sentiment. The 10-year Treasury yield edged back to 4.25%, while the 10-year UK Gilt yield moved below the 4.5% mark.

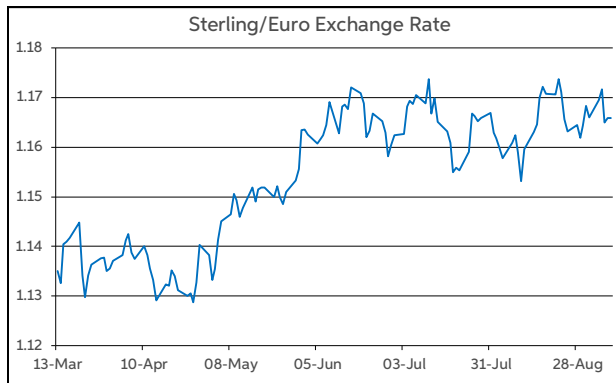
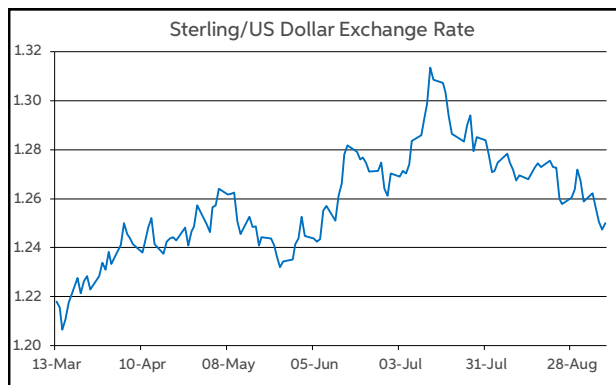
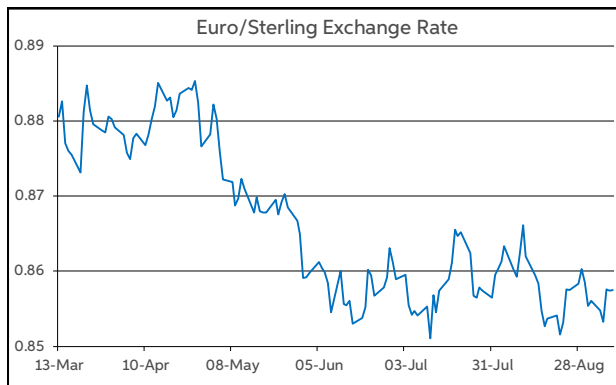
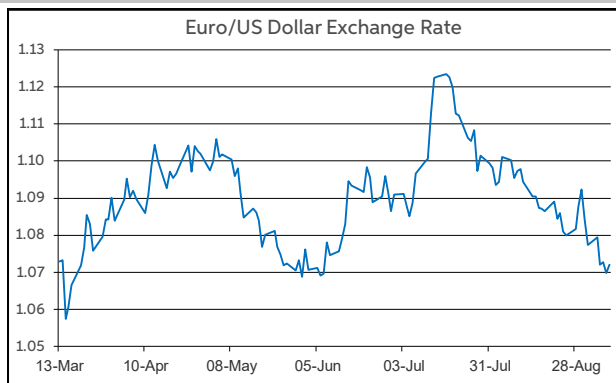
Currency-wise, the dollar continued to hold the upper hand on the exchanges. Similar to the previous day, the greenback was supported by the cautious mood on markets as well as another better than expected US macro release.

This time it was the weekly jobless claims report that printed ahead of consensus forecasts, with initial claims rising by 216k (vs. f'cast for 234k). Meanwhile, a downward revision to Eurozone Q2 GDP, from +0.3% q/q to +0.1%, was at the margin, unhelpful to the euro.

In level terms, EUR/USD opens this morning just above the \$1.07 threshold, having traded to a low of \$1.0687 yesterday. The firmer dollar tone is also evident in GBP/USD operating down at \$1.25 at the start of today's European trading session. Elsewhere, EUR/GBP is changing hands in a very narrow range just below the 86p handle.

Looking ahead to today, the macro data agenda is very quiet. Indeed, there are no releases of note due on either side of the Atlantic. As a result, the main FX pairs may be confined to relatively tight trading bands heading into the weekend.

John Fahey, Senior Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2022
EUR/USD	1.072	0.02	0.17
EUR/GBP	0.8573	-0.02	-3.06
GBP/USD	1.2501	0.02	3.34
GBP/EUR	1.1657	0.02	3.16
USD/JPY	147.11	-0.30	12.20
EUR/JPY	157.72	-0.28	12.42
* 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	5.44	5.67	5.63	5.12	4.41
EUR	4.25	3.65	3.80	3.97	3.66	3.22
GBP	5.25	5.29	5.43	5.67	5.63	5.08

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 08 September 2023
07:24 am



Euro

EUR/GBP	0.8573
EUR/USD	1.072
EUR/JPY	157.72
EUR/SEK	11.8917
EUR/DKK	7.4587
EUR/NOK	11.446
EUR/CHF	0.9538
EUR/AUD	1.6735
EUR/HKD	8.402
EUR/CAD	1.4641

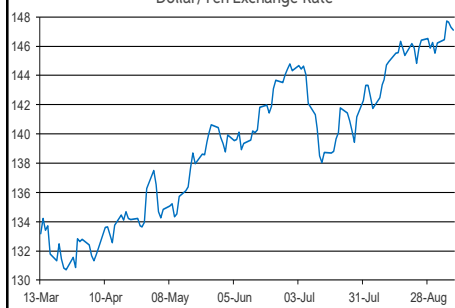
Sterling

GBP/EUR	1.1657
GBP/USD	1.2501
GBP/CAD	1.7073
GBP/NZD	2.1147
GBP/JPY	183.9
GBP/SEK	13.8661
GBP/DKK	8.6958
GBP/NOK	13.346
GBP/CHF	1.1123
GBP/AUD	1.9513

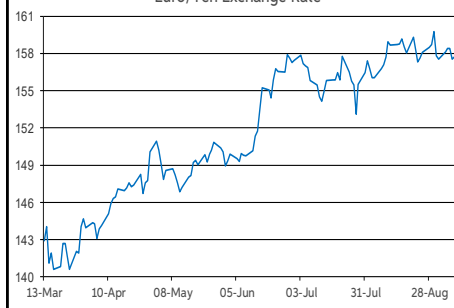
Dollar

USD/JPY	147.11
USD/CAD	1.3656
USD/CHF	0.8896
USD/CNY	7.3438
USD/BRL	4.9767
USD/RUB	98.42
USD/INR	83.1525
AUD/USD	0.6406
NZD/USD	0.5911

Dollar/Yen Exchange Rate

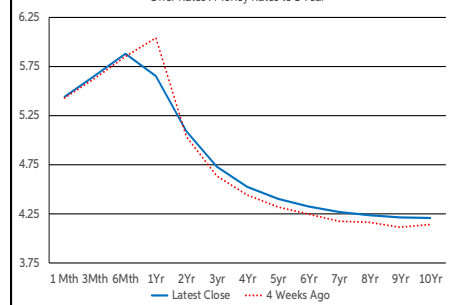


Euro/Yen Exchange Rate



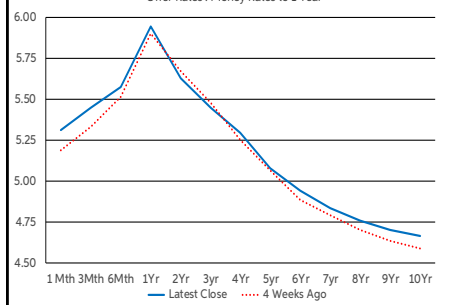
US Swap Curve

Offer Rates : Money Rates to 1 Year



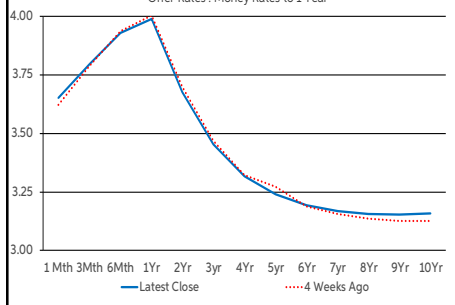
UK Swap Curve

Offer Rates : Money Rates to 1 Year

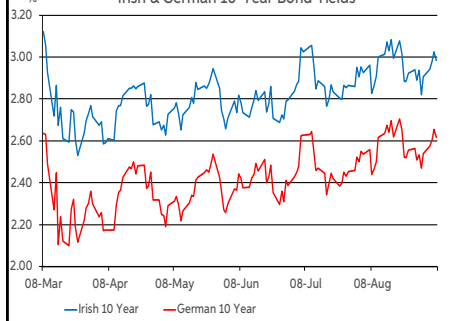


Eurozone Swap Curve

Offer Rates : Money Rates to 1 Year



Irish & German 10-Year Bond Yields



Debt Markets

	Close	Change bps		
		Day	4 Weeks	End 22
10 Year Yield %				
US	4.25	-5	+14	+37
Germany	2.62	-4	+12	+6
UK	4.45	-8	+9	+78
Ireland	3.00	-5	+6	-14
Belgium	3.25	-4	+7	+5
France	3.15	-4	+9	+4
Italy	4.36	-5	+20	-35
Spain	3.66	-5	+11	-0
Portugal	3.36	-6	+9	-24
Greece	3.99	-1	+17	-61

5 Year Swap %				
US	4.40	-6	+12	+41
Eurozone	3.24	-3	-3	+1
UK	5.08	-2	+2	+78

2 Year Swap %				
US	5.09	-9	+9	+42
Eurozone	3.68	-2	-1	+29
UK	5.63	-11	-4	+95

10 Year Government Bond Spreads to Benchmark bps				
Ireland	38	-2	-6	-20
Belgium	63	+0	-5	-1
France	53	-0	-3	-2
Italy	173	-2	+9	-41
Spain	103	-1	-1	-6
Portugal	74	-3	-3	-30
Greece	136	+2	+5	-67

Commodities

	% Change			
	Close	Day	4 Weeks	End 22
Brent Oil	89.92	-0.75	+4.07	+4.67
West Texas Oil	86.87	-0.78	+4.90	+8.37
Gold \$	1919.2	+0.15	+0.37	+5.20

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