

## EUR/GBP at a fresh YTD low of 83.2p

Equity markets continued to move higher on either side of the Atlantic yesterday. Both the Euro Stoxx 50 and the S&P 500 gained 0.3%, respectively. Meantime, on bond markets, German Bund yields fell by 3-9bps, amid a softening in market rate expectations. In contrast, US Treasury and UK Gilt yields rose by 1-5bps.

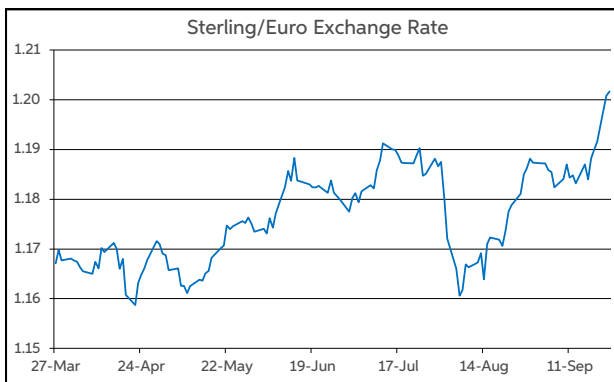
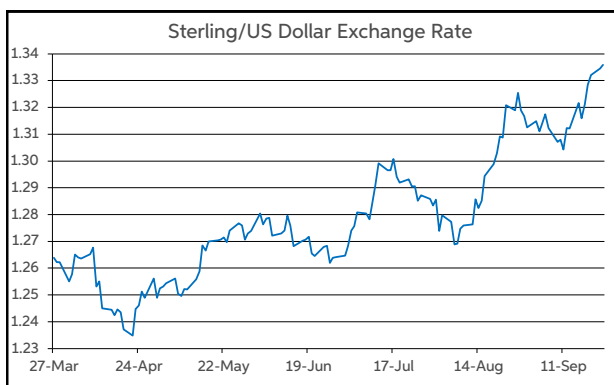
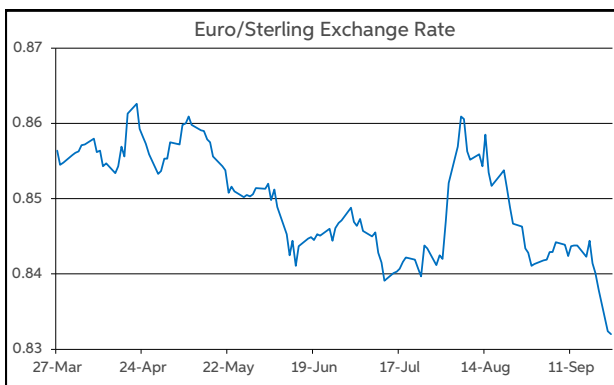
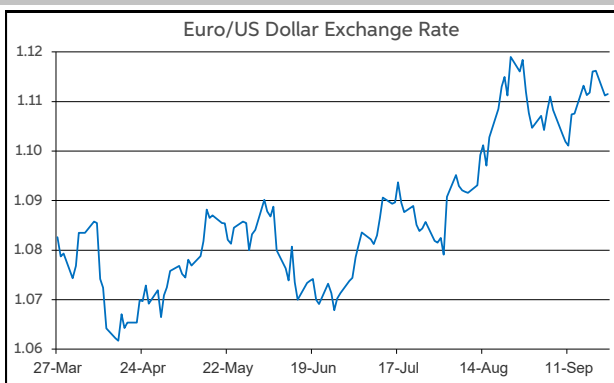
The softening in Eurozone futures contracts by circa 10bps coincided with the release of weaker than expected flash PMI data for September. Both the manufacturing and services PMIs fell and printed well below the consensus. Like-wise, the two UK sectors came in below expectations in September, albeit they remained in expansion mode. Meanwhile, in the US, the divergence between the services and manufacturing sectors increased, with the former improving to 55.4 and the latter deteriorating to 47.0.

Currency-wise, the euro was under some downward pressure early on, in the aftermath of the weak PMI data. This saw EUR/USD register a low of \$1.108. Elsewhere, sterling was holding a firmer tone throughout the day.

The firmer tone to sterling is reflected in EUR/GBP opening this morning at a fresh year-to-date low of 83.2p. At the same time, it also sees GBP/USD start today at a new year-to-date high of \$1.3359. Meanwhile, EUR/USD is operating in the bottom half of the \$1.11-1.12 range.

Turning to the day ahead, the main release of note will be the German Ifo for September. The index is forecast to deteriorate marginally from an already low level. In the US, the Conference Board measure of consumer confidence is projected to improve slightly. However, the data are unlikely to impact on markets.

**Daniel Noonan, Economist, AIB**



Today's Opening FX Rates			
		% Change	
		Day *	End 2023
EUR/USD	1.1115	-0.43	0.72
EUR/GBP	0.832	-0.75	-4.01
GBP/USD	1.3359	0.32	4.95
GBP/EUR	1.2018	0.76	4.18
USD/JPY	144.11	-0.10	2.16
EUR/JPY	160.19	-0.53	2.93

\* 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	4.88	4.97	4.95	4.06	3.65	3.50
EUR	3.65	3.37	3.44	2.78	2.40	2.28
GBP	5.00	4.94	4.81	4.25	4.09	3.81

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 24 September 2024  
06:50 am



## Euro

EUR/GBP	0.832
EUR/USD	1.1115
EUR/JPY	160.19
EUR/SEK	11.3209
EUR/DKK	7.4573
EUR/NOK	11.6268
EUR/CHF	0.9421
EUR/AUD	1.6223
EUR/HKD	8.6508
EUR/CAD	1.5021

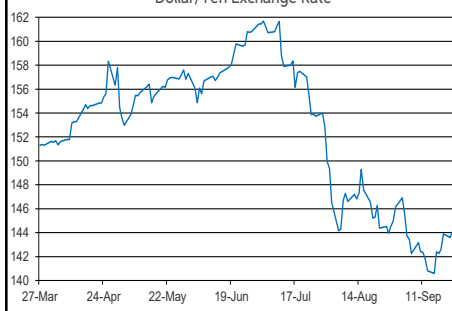
## Sterling

GBP/EUR	1.2018
GBP/USD	1.3359
GBP/CAD	1.8051
GBP/NZD	2.1282
GBP/JPY	192.52
GBP/SEK	13.5992
GBP/DKK	8.9623
GBP/NOK	13.9706
GBP/CHF	1.1322
GBP/AUD	1.9496

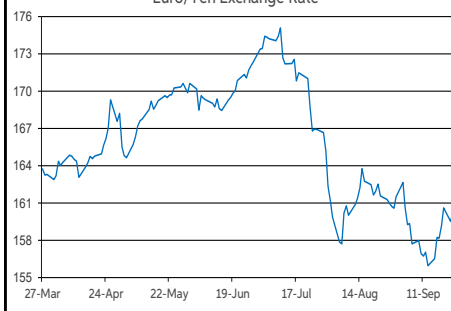
## Dollar

USD/JPY	144.11
USD/CAD	1.3513
USD/CHF	0.8476
USD/CNY	7.0361
USD/BRL	5.537
USD/RUB	92.8
USD/INR	83.606
AUD/USD	0.6851
NZD/USD	0.6276

Dollar/Yen Exchange Rate

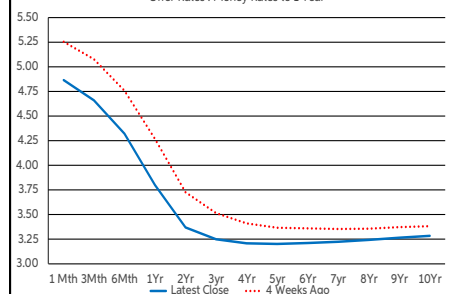


Euro/Yen Exchange Rate



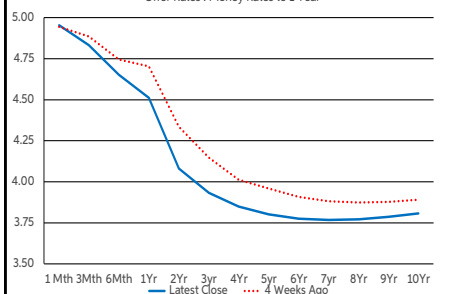
US Swap Curve

Offer Rates : Money Rates to 1 Year



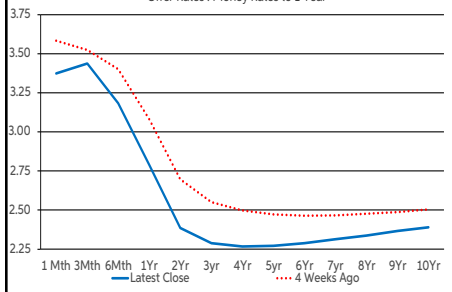
UK Swap Curve

Offer Rates : Money Rates to 1 Year

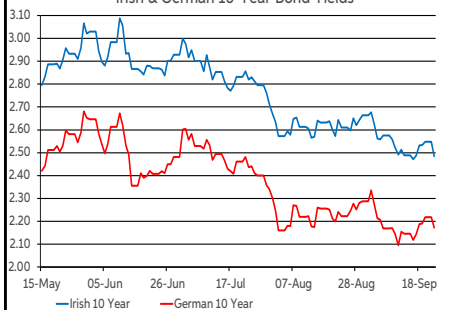


Eurozone Swap Curve

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	3.74	+1	-8	-12
Germany	2.18	-5	-7	+15
UK	3.93	+2	+1	+39
Ireland	2.53	-6	-13	+16
Belgium	2.80	-3	-3	+11
France	2.95	-2	-1	+39
Italy	3.52	-4	-8	-18
Spain	2.96	-4	-8	-3
Portugal	2.73	-6	-11	-6
Greece	3.18	-4	-11	+10
5 Year Swap %				
US	3.47	+1	-15	-32
Eurozone	2.27	-6	-19	-16
UK	3.80	+1	-11	+15
2 Year Swap %				
US	3.62	-0	-34	-71
Eurozone	2.39	-5	-30	-41
UK	4.08	+0	-21	-18
10 Year Government Bond Spreads to Benchmark bps				
Ireland	35	-1	-6	+1
Belgium	62	+2	+4	-4
France	77	+3	+6	+24
Italy	134	+0	-0	-33
Spain	79	+1	-1	-17
Portugal	55	-2	-4	-21
Greece	100	+1	-3	-5

## Commodities

	% Change			
	Close	Day	4 Weeks	End 23
Brent Oil	73.9	-0.79	-9.25	-4.08
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	2628.4	+0.25	+4.43	+27.43

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