

## US labour market report due this week

A holiday shortened week in the US and a relatively sparse data schedule on both sides of the Atlantic contributed to muted price action throughout large periods of last week. Against this backdrop, the Euro Stoxx 50 gained 0.3% on the week, while the S&P 500 rose by 1.1%.

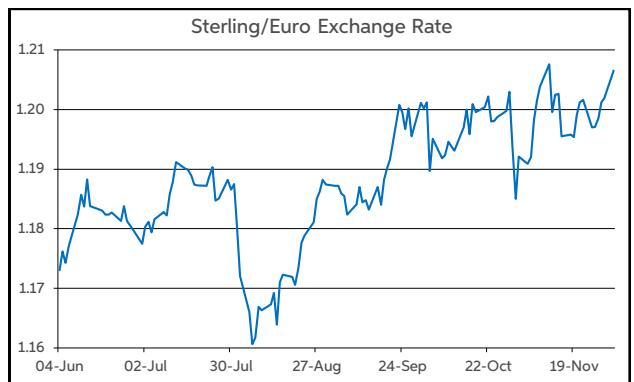
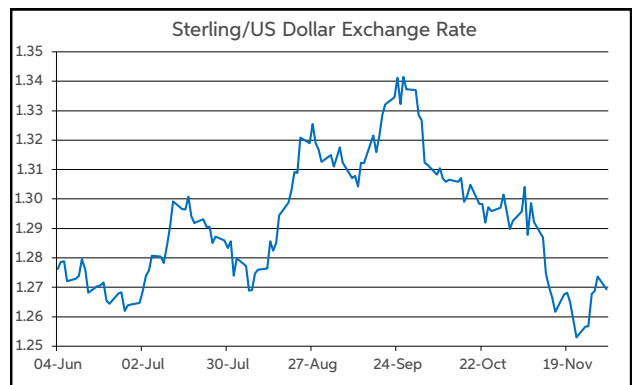
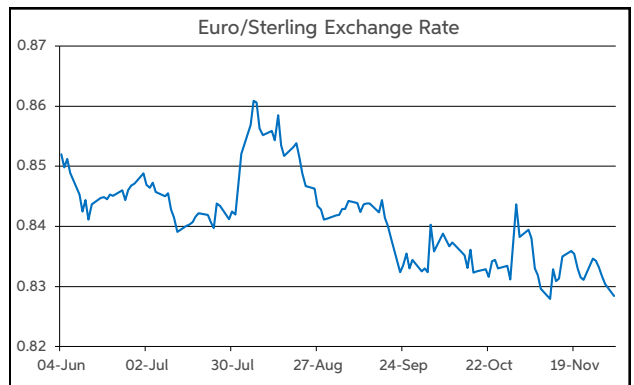
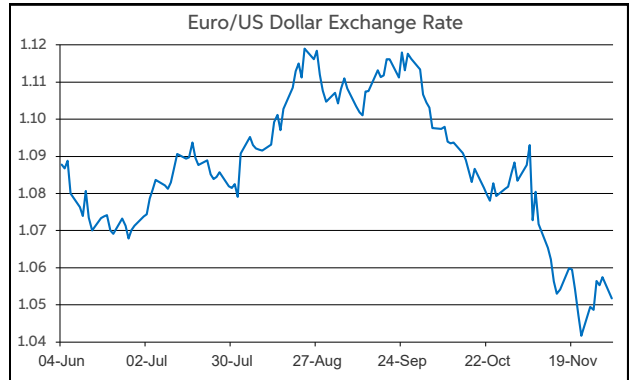
Of the limited data release to note, both US core-PCE and Eurozone flash HICP inflation printed broadly in-line with the consensus. Core-PCE rose to 2.8% in October. Meantime, headline HICP inflation rose to 2.3%, while the core rate accelerated to 2.8% in November. However, neither release had a major impact on financial markets last week.

On the currency front, month-end flows appear to have been the main driver of the moves last week. At the same time, the yen was supported by some hawkish BoJ remarks and an increase jump in the Tokyo measure of inflation. Overall, the dollar was under some downward pressure, falling by circa 1% against the euro and sterling. Meanwhile, the yen gained around 3% versus the dollar.

However, as trading gets underway this morning, the euro has started this week on the back-foot, while the dollar has recouped some of its losses. This is reflected by EUR/USD operating down near \$1.05. EUR/GBP is below 83p. Elsewhere, GBP/USD is changing hands between \$1.26-1.27. USD/JPY is at the ¥150 mark.

Turning to the week ahead, the main release of note will be the US labour market report for November. The latest US manufacturing and non-manufacturing ISMs are also due. Remarks from a number of Fed officials will also warrant close attention.

**Daniel Noonan, Economist, AIB**



Today's Opening FX Rates			
		% Change	
		Day *	End 2023
EUR/USD	1.0517	-0.47	-4.70
EUR/GBP	0.8284	-0.36	-4.43
GBP/USD	1.2693	-0.09	-0.28
GBP/EUR	1.2068	0.36	4.64
USD/JPY	150.13	0.03	6.43
EUR/JPY	157.91	-0.45	1.47

\* 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	4.63	4.52	4.46	4.23	4.31	4.07
EUR	3.40	3.00	2.93	2.29	2.11	2.06
GBP	4.75	4.69	4.65	4.36	4.35	4.08

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
---------	----------------------------	------------	------------	------------------	---------------------------	-----------------	-----------------------------------

# Opening Levels

Monday 02 December 2024  
07:32 am



## Euro

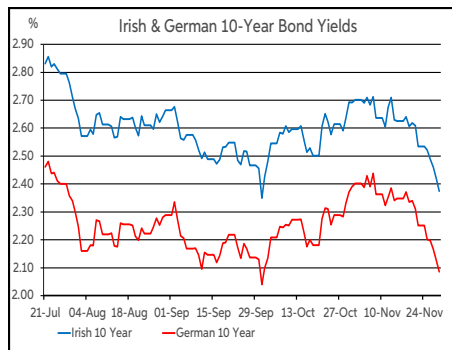
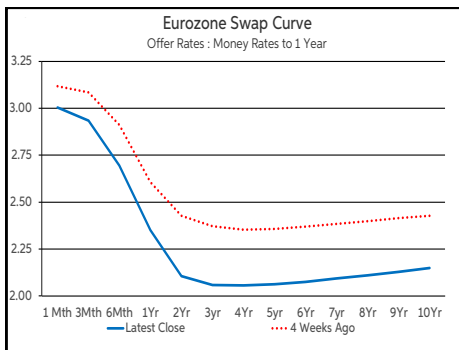
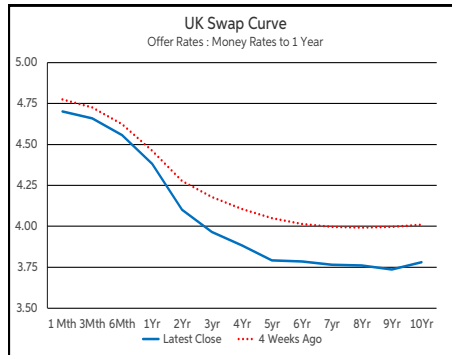
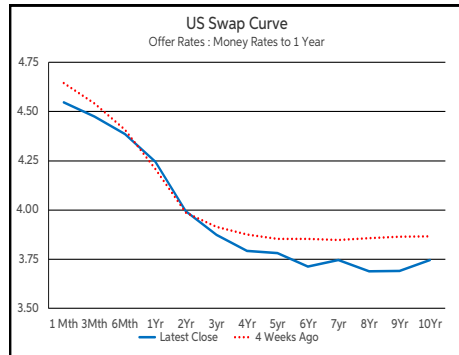
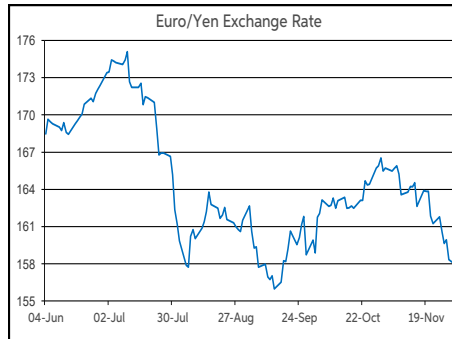
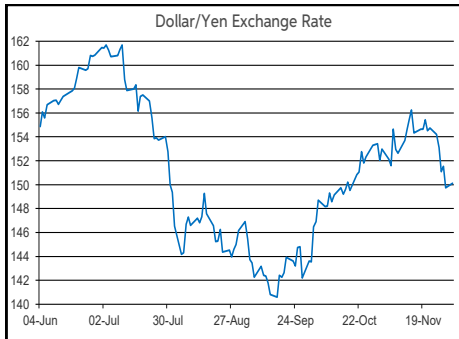
EUR/GBP	0.8284
EUR/USD	1.0517
EUR/JPY	157.91
EUR/SEK	11.5185
EUR/DKK	7.4585
EUR/NOK	11.6575
EUR/CHF	0.9298
EUR/AUD	1.6173
EUR/HKD	8.184
EUR/CAD	1.4748

## Sterling

GBP/EUR	1.2068
GBP/USD	1.2693
GBP/CAD	1.7797
GBP/NZD	2.1483
GBP/JPY	190.56
GBP/SEK	13.8925
GBP/DKK	8.9992
GBP/NOK	14.061
GBP/CHF	1.1224
GBP/AUD	1.9512

## Dollar

USD/JPY	150.13
USD/CAD	1.4023
USD/CHF	0.8841
USD/CNY	7.268
USD/BRL	5.973
USD/RUB	106
USD/INR	84.673
AUD/USD	0.6501
NZD/USD	0.5904



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 23
<b>10 Year Yield %</b>				
US	4.19	-5	-17	+33
Germany	2.09	-4	-32	+6
UK	4.25	-3	-20	+71
<b>5 Year Swap %</b>				
US	4.00	-8	-10	+21
Eurozone	2.06	-6	-29	-37
UK	4.06	-6	-21	+41
<b>2 Year Swap %</b>				
US	4.26	-4	+2	-8
Eurozone	2.11	-5	-32	-69
UK	4.35	-4	-11	+8
<b>10 Year Government Bond Spreads to Benchmark bps</b>				
Ireland	32	-0	-2	-2
Belgium	60	-2	-1	-7
France	81	-2	+5	+28
Italy	119	-3	-9	-48
Spain	70	-2	-1	-26
Portugal	46	-2	+0	-30
Greece	87	+1	-2	-18

Commodities				
	% Change			
	Close	Day	4 Weeks	End 23
Brent Oil	72.94	-0.46	-0.22	-5.32
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	2653.5	+0.48	-2.98	+28.65

This publication is for information purposes and is not an invitation to deal. The information is believed to be reliable but is not guaranteed. Any expressions of opinions are subject to change without notice. This publication is not to be reproduced in whole or in part without prior permission. In the Republic of Ireland it is distributed by Allied Irish Banks, p.l.c. In the UK it is distributed by Allied Irish Banks, p.l.c. and Allied Irish Bank (GB). In Northern Ireland it is distributed by Allied Irish Bank (NI). In the United States of America it is distributed by Allied Irish Banks, p.l.c. Allied Irish Banks, p.l.c. is regulated by the Central Bank of Ireland. Allied Irish Bank (GB) and AIB (NI) are trade marks used under licence by AIB Group (UK) p.l.c. (a wholly owned subsidiary of Allied Irish Banks, p.l.c.), incorporated in Northern Ireland. Registered Office 92 Ann Street, Belfast BT1 3HH. Registered Number NI018800. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. In the United States of America, Allied Irish Banks, p.l.c., New York Branch, is a branch licensed by the New York State Department of Financial Services. Deposits and other investment products are not FDIC insured, they are not guaranteed by any bank and they may lose value. Please note that telephone calls may be recorded in line with market practice.