

Quiet start to a busy week

There was a quiet start, to what is a busy week, on financial markets yesterday. The macro calendar was sparse on both sides of the Atlantic. Indeed, the only release of any note was US homebuilder sentiment for September. Unlike most recent US data, it missed to the downside of expectations.

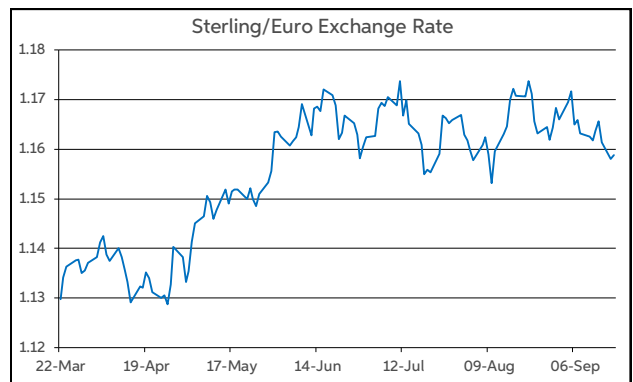
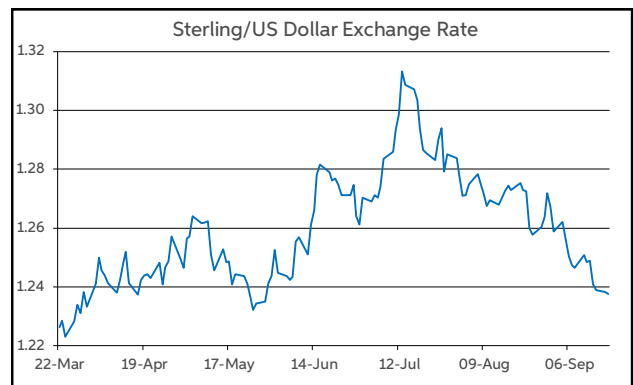
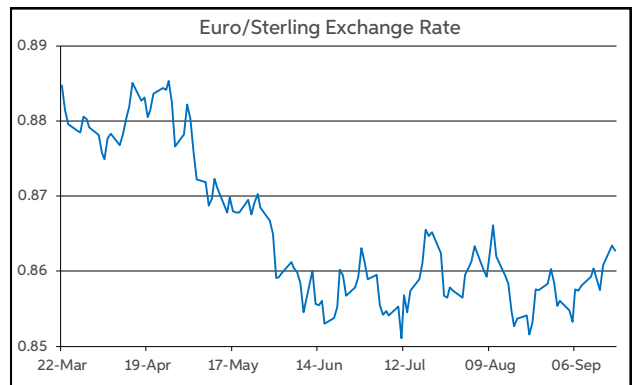
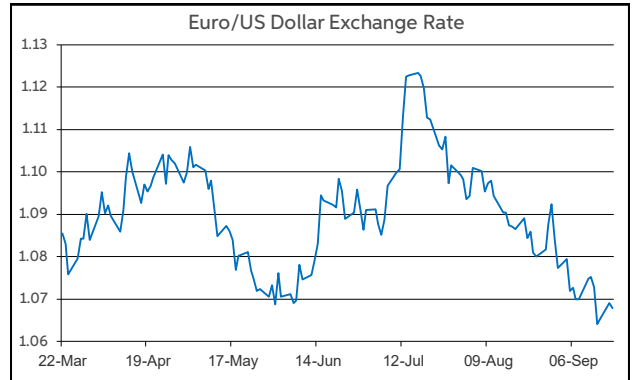
Investor sentiment was holding a cautious tone as market participants await the outcome of some key central bank meetings this week, including the Fed (Wednesday) and BoE (Thursday). In Europe, the Euro Stoxx 50 finished its session down 1.1%. Meanwhile, at the closing bell on Wall Street last night, the S&P 500 was flat for day.

In terms of bond markets, the 10-year US Treasury yield edged back to 4.3%. Most of the main European sovereign benchmark 10-year yields were 2-6bps higher over the course of the day. Meantime, oil prices continued their upward momentum, with Brent crude rising above \$94 per barrel.

Currency-wise, the majors were confined to narrow trading ranges yesterday. This muted action has continued in overnight trading. As a result, the main pairs open this morning broadly similar to where they started the week 24 hours earlier. EUR/USD continues to trade near to the midpoint of \$1.06-1.07. EUR/GBP remains close to the 86p mark. Elsewhere, GBP/USD is operating in a tight corridor just below \$1.24.

Looking ahead to today, the macro diary remains sparse. Therefore, the main FX pairs could continue to range trade as they adopt a holding pattern in light of the key monetary policy events looming on the horizon.

John Fahey, Senior Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2022
EUR/USD	1.0678	0.10	-0.22
EUR/GBP	0.8625	0.23	-2.48
GBP/USD	1.2379	-0.14	2.33
GBP/EUR	1.1589	-0.23	2.54
USD/JPY	147.83	0.12	12.75
EUR/JPY	157.89	0.22	12.54

* 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	5.66	5.60	5.26	4.53
EUR	4.50	3.76	3.88	4.14	3.83	3.34
GBP	5.25	5.36	5.46	5.63	5.53	4.92

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

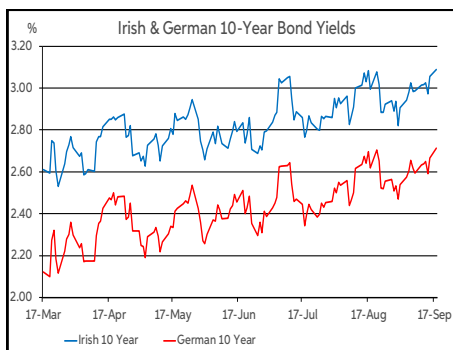
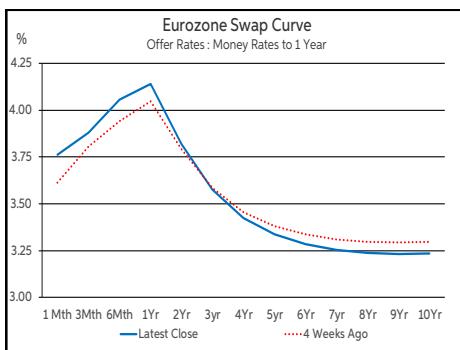
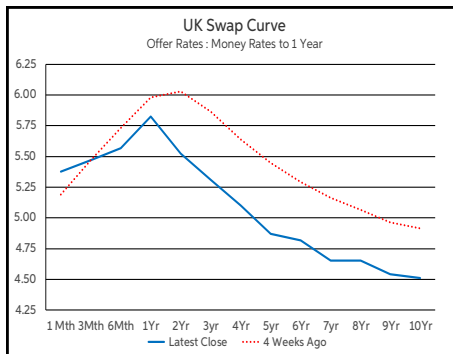
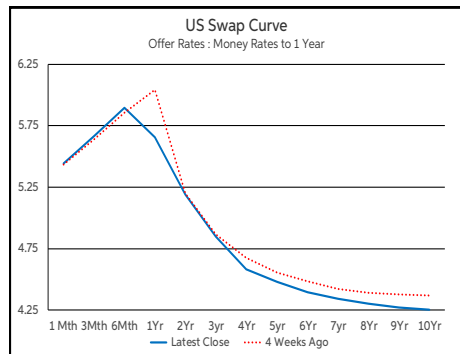
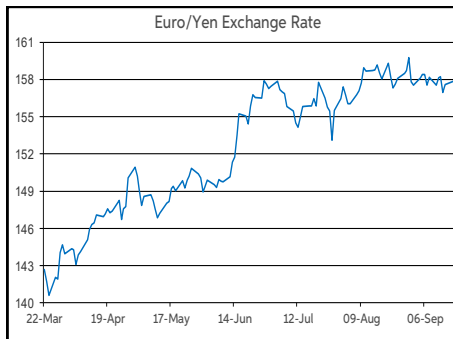
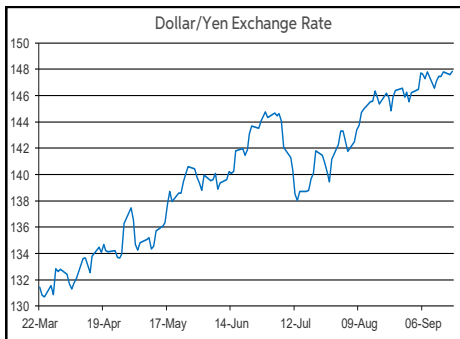
FX Spot	Karl Cooke Shane Gargan	FX Options	Mark Tuite	Reuters Phone	AIBG.I 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
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Opening Levels

Tuesday 19 September 2023
07:08 am



Euro		Sterling		Dollar	
EUR/GBP	0.8625	GBP/EUR	1.1589	USD/JPY	147.83
EUR/USD	1.0678	GBP/USD	1.2379	USD/CAD	1.3474
EUR/JPY	157.89	GBP/CAD	1.668	USD/CHF	0.8981
EUR/SEK	11.9184	GBP/NZD	2.0921	USD/CNY	7.297
EUR/DKK	7.4528	GBP/JPY	183	USD/BRL	4.8544
EUR/NOK	11.5617	GBP/SEK	13.8147	USD/RUB	96.395
EUR/CHF	0.9593	GBP/DKK	8.6381	USD/INR	83.32
EUR/AUD	1.6601	GBP/NOK	13.401	AUD/USD	0.6432
EUR/HKD	8.3462	GBP/CHF	1.1118	NZD/USD	0.5915
EUR/CAD	1.4391	GBP/AUD	1.9242		



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 22
10 Year Yield %				
US	4.30	-3	-4	+42
Germany	2.72	+5	+1	+15
UK	4.39	+3	-34	+72
5 Year Swap %				
US	4.48	-2	-4	+49
Eurozone	3.34	+4	-4	+11
UK	4.87	+4	-57	+57
2 Year Swap %				
US	5.19	+1	+3	+52
Eurozone	3.82	+5	+4	+43
UK	5.52	+3	-50	+84
10 Year Government Bond Spreads to Benchmark bps				
Ireland	40	-2	-0	-18
Belgium	63	-1	-3	-1
France	54	-1	+0	-1
Italy	181	+1	+10	-34
Spain	107	-0	+2	-2
Portugal	74	-2	-1	-30
Greece	147	+2	+16	-56

Commodities				
	% Change			
	Close	Day	4 Weeks	End 22
Brent Oil	94.43	+0.53	+11.80	+9.92
West Texas Oil	91.47	+0.70	+13.33	+14.11
Gold \$	1933.1	+0.50	+2.07	+5.96

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