

## EUR/USD back below \$0.99

Risk appetite remained subdued on markets yesterday. The Euro Stoxx 50 rose by 0.3%, while the S&P finished down 0.4%. On bond markets, longer dated UK Gilts and US Treasuries jumped by 16-20bps. Their German counterparts rose by a more modest 4bps. Meanwhile, the German 2-year yield edged slightly lower on some less hawkish comments from a number of ECB officials.

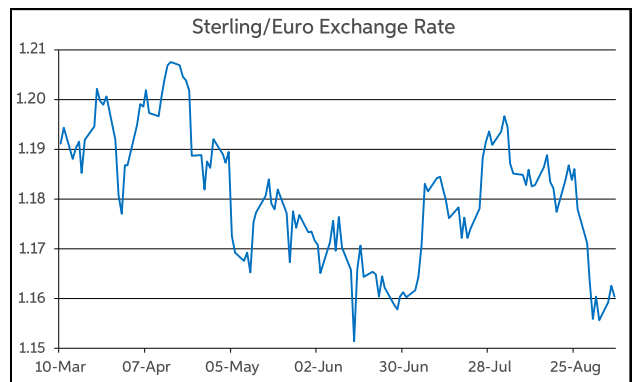
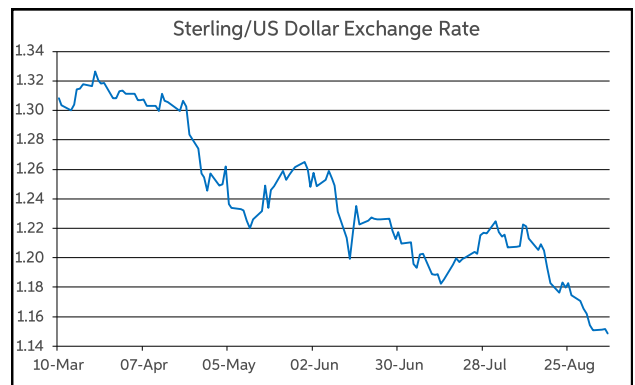
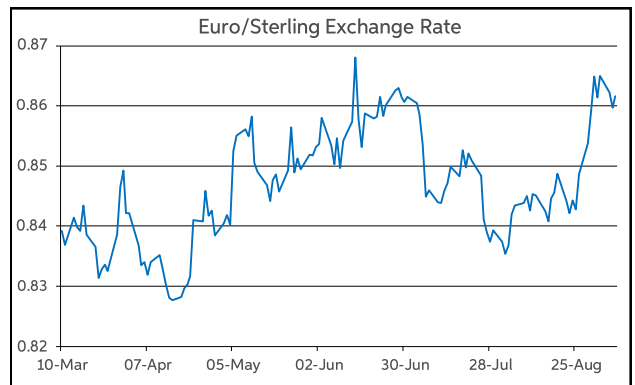
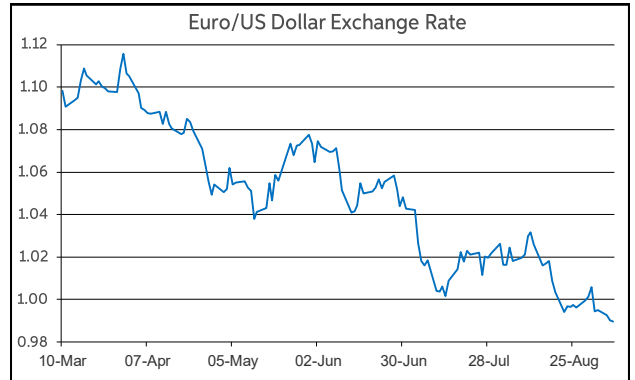
Currency-wise, the dollar returned to the ascendancy as concerns regarding Europe's gas supplies remained to the fore. The greenback gained 0.5-0.7% against the euro and the pound yesterday. Sterling had briefly rallied early on, following reports that new PM Truss was preparing a package to cap energy bills for households and businesses through the winter. GBP/USD briefly regained the \$1.16 handle, but the move was short-lived.

From a euro viewpoint, comments from members of the ECB's Governing Council were unhelpful for the single currency. Over the past 48 hours a number of officials have cautioned against tightening policy too quickly, and noted that the ECB may have to pause rate hikes if the economy were to enter a protracted recession. However, current pricing suggests the market still believes a 75bps rate hike is most likely from the ECB on Thursday.

The firmer dollar and softer euro is evidenced by EUR/USD opening back just below the \$0.99 mark. EUR/GBP is just above the 86p threshold. GBP/USD is operating under the \$1.14 handle. USD/JPY is changing hands up near the ¥144 level.

Today, a number of Fed speakers will garner attention, as will BoE Governor Bailey's testimony to the Treasury Select Committee. Data-wise, the final reading of Eurozone Q2 GDP is due.

**Daniel Noonan Economist, AIB**



Today's Opening FX Rates			
		% Change	
		Day *	End 2021
EUR/USD	0.9895	-0.51	-12.96
EUR/GBP	0.8614	0.16	2.55
GBP/USD	1.1484	-0.67	-15.12
GBP/EUR	1.1605	-0.16	-2.48
USD/JPY	143.96	2.16	25.10
EUR/JPY	142.46	1.65	8.86

\* 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	2.375	2.64	3.14	3.93	3.87	3.51
EUR	0.50	0.30	0.78	1.86	2.18	2.32
GBP	1.75	2.18	2.67	3.99	4.24	3.87

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

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# Opening Levels

Wednesday 07 September 2022  
07:25 am



## Euro

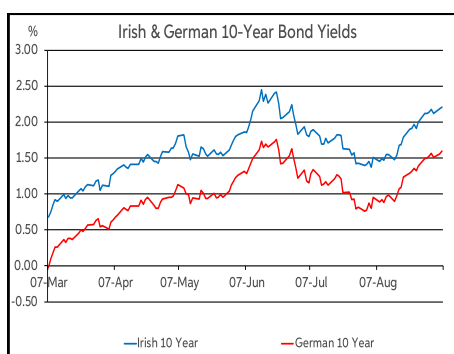
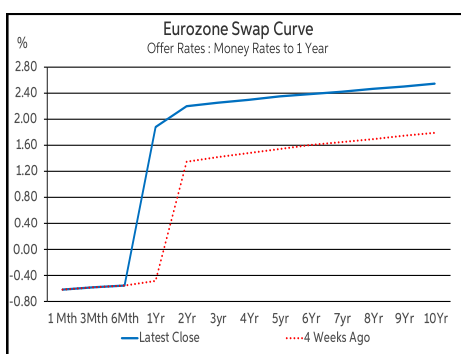
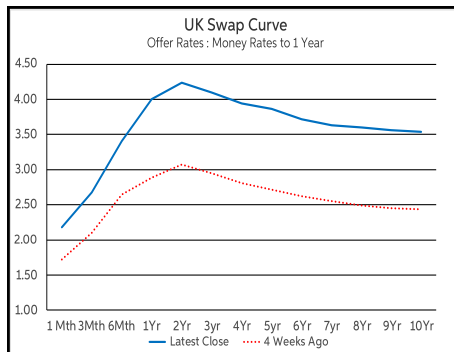
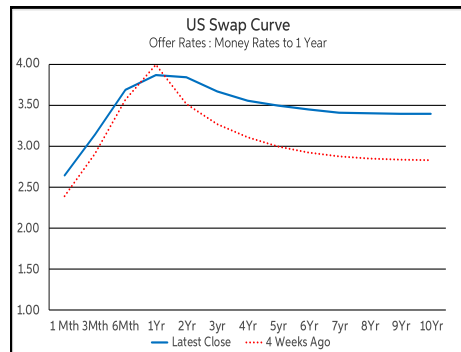
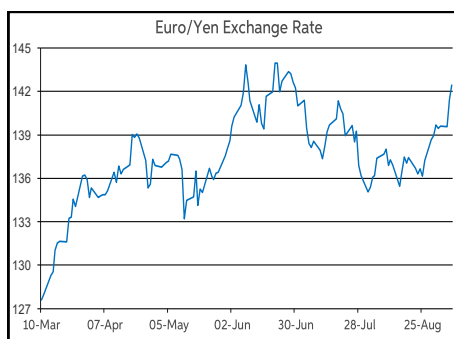
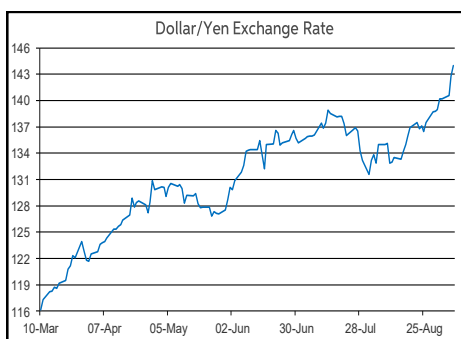
EUR/GBP	0.8614
EUR/USD	0.9895
EUR/JPY	142.46
EUR/SEK	10.6924
EUR/DKK	7.4364
EUR/NOK	9.9369
EUR/CHF	0.9742
EUR/AUD	1.473
EUR/HKD	7.7673
EUR/CAD	1.304

## Sterling

GBP/EUR	1.1605
GBP/USD	1.1484
GBP/CAD	1.5134
GBP/NZD	1.9088
GBP/JPY	165.32
GBP/SEK	12.4094
GBP/DKK	8.6288
GBP/NOK	11.5332
GBP/CHF	1.1307
GBP/AUD	1.7095

## Dollar

USD/JPY	143.96
USD/CAD	1.3177
USD/CHF	0.9846
USD/CNY	6.9674
USD/BRL	5.248
USD/RUB	61.15
USD/INR	79.915
AUD/USD	0.6717
NZD/USD	0.6014



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 21
<b>10 Year Yield %</b>				
US	3.35	+16	+57	+184
Germany	1.61	+4	+68	+178
UK	3.10	+16	+112	+213
<b>Ireland</b>				
Ireland	2.27	+4	+74	+202
Belgium	2.26	+2	+75	+208
France	2.21	+2	+73	+201
Italy	3.97	+3	+91	+278
Spain	2.80	+3	+77	+221
Portugal	2.70	+2	+75	+221
Greece	4.17	-11	+95	+286
<b>5 Year Swap %</b>				
US	3.49	+6	+53	+216
Eurozone	2.35	+6	+82	+234
UK	3.87	+14	+116	+259
<b>2 Year Swap %</b>				
US	3.84	+6	+36	+290
Eurozone	2.20	+3	+86	+250
UK	4.24	-1	+117	+304
<b>10 Year Government Bond Spreads to Benchmark bps</b>				
Ireland	66	-0	+5	+23
Belgium	66	-2	+7	+30
France	60	-2	+5	+23
Italy	236	-1	+23	+100
Spain	120	-1	+9	+42
Portugal	109	-2	+6	+43
Greece	257	-15	+27	+108

Commodities				
	% Change			
	Close	Day	4 Weeks	End 21
Brent Oil	92.83	-3.04	-3.61	+19.35
West Texas Oil	87.35	+0.07	-6.26	+15.96
Gold \$	1701.2	-0.53	-5.18	-6.96

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