

Yen firms overnight

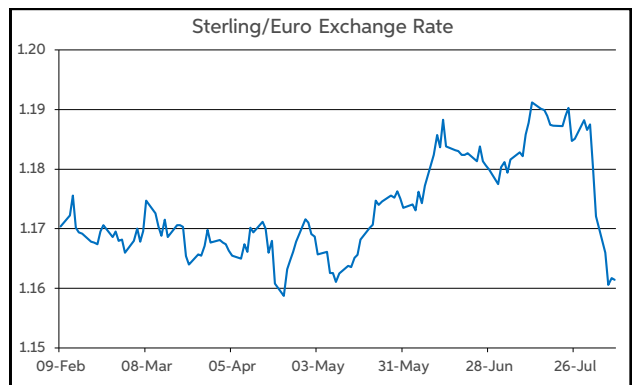
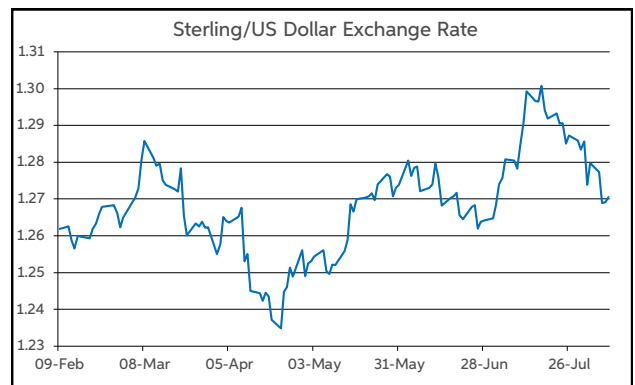
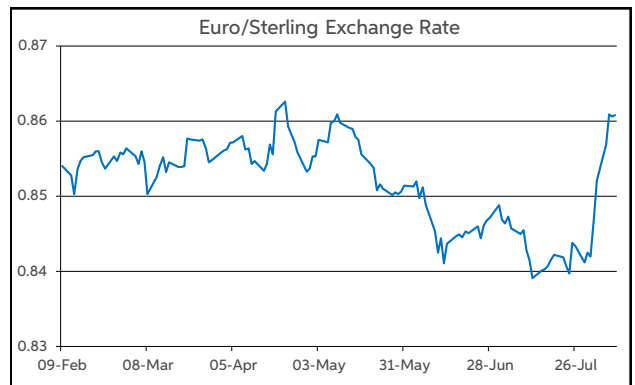
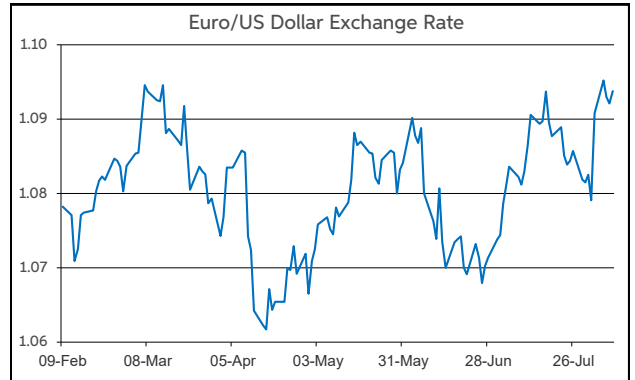
Trading conditions on financial markets continued to stabilise during the European session yesterday, amid a barren data schedule. On equity markets, the Euro Stoxx 50 rebounded by 2% on the day. However, risk appetite soured over the course of the US session, with the S&P 500 reversing early gains to register a 0.8% loss last night. Meantime, on bond markets, benchmark yields moved higher across the board. 10-year German Bund, US Treasury and UK Gilt yields moved 3-9bps higher.

On the currency front, the main FX pairs operated in very tight ranges throughout the European session. Of the very limited action to note over the period, the euro was holding a marginally firmer tone, while the yen was under some modest downward pressure. Overnight though, the yen recouped its losses and took the ascendancy on the exchanges, following the release of the BoJ meeting minutes from last week.

As trading gets underway this morning, EUR/USD remains in the lower half of the \$1.09-1.10 range. GBP/USD continues to change hands close to the \$1.27 threshold. Meanwhile, EUR/GBP is operating in and around the 86p handle. The firmer tone to the yen overnight is evidenced by USD/JPY trading back near ¥146.

Turning to the day ahead, the macro-calendar remains relatively quiet once again. The only release of note will be the latest weekly initial jobless claims figure. Last weeks print of +249k was the highest in almost a year, and contributed to a risk-off mood on markets. However, the consensus is for a slight improvement to +240k this week. As last week showed though, the data pose some event risk for markets.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2023
EUR/USD	1.0938	0.25	-0.89
EUR/GBP	0.8608	0.29	-0.69
GBP/USD	1.2702	-0.02	-0.21
GBP/EUR	1.1612	-0.29	0.70
USD/JPY	146.17	-1.00	3.62
EUR/JPY	159.91	-0.74	2.75

* 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	5.40	5.32	4.54	4.05	3.74
EUR	4.25	3.56	3.52	3.10	2.72	2.51
GBP	5.00	4.94	4.90	4.47	4.28	3.90

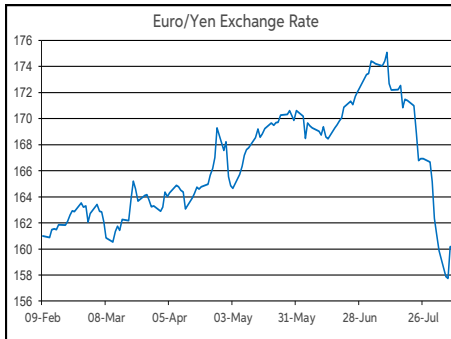
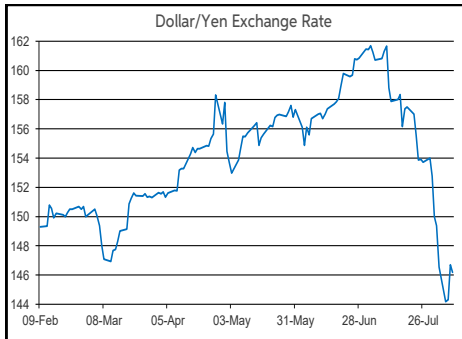
All rates quoted are indicative market rates

See Next Page For More Rates & Charts

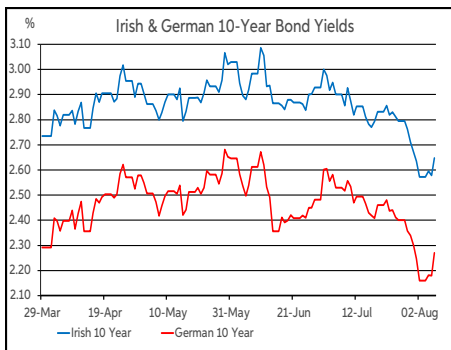
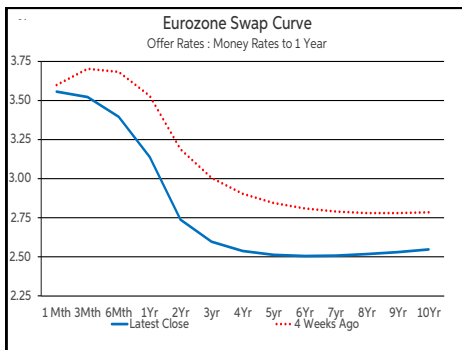
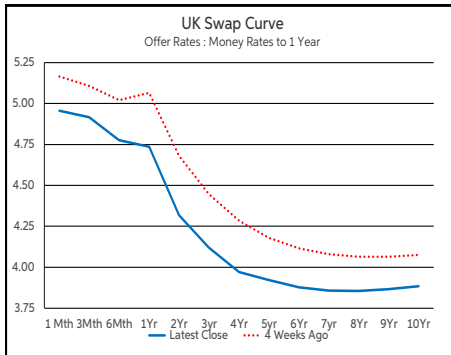
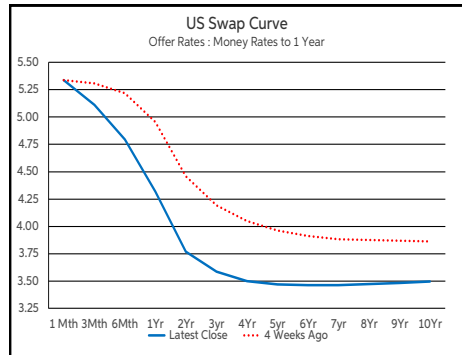
FX Spot	Karl Cooke Shane Gargan	FX Options	Mark Tuite	Reuters Phone	AIBG.I 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
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Euro		Sterling		Dollar	
EUR/GBP	0.8609	GBP/EUR	1.1613	USD/JPY	146.17
EUR/USD	1.0939	GBP/USD	1.2705	USD/CAD	1.3732
EUR/JPY	159.91	GBP/CAD	1.7445	USD/CHF	0.8595
EUR/SEK	11.4063	GBP/NZD	2.1169	USD/CNY	7.159
EUR/DKK	7.4623	GBP/JPY	185.71	USD/BRL	5.6369
EUR/NOK	11.786	GBP/SEK	13.2467	USD/RUB	85.85
EUR/CHF	0.9405	GBP/DKK	8.6666	USD/INR	83.955
EUR/AUD	1.6679	GBP/NOK	13.685	AUD/USD	0.6555
EUR/HKD	8.5188	GBP/CHF	1.092	NZD/USD	0.5999
EUR/CAD	1.502	GBP/AUD	1.9376		



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 23
10 Year Yield %				
US	3.97	+8	-31	+11
Germany	2.27	+9	-26	+24
UK	3.95	+3	-18	+41
5 Year Swap %				
Ireland	2.69	+7	-22	+32
Belgium	2.88	+6	-22	+19
France	3.01	+6	-17	+46
Italy	3.71	+5	-16	+1
Spain	3.13	+6	-17	+14
Portugal	2.92	+7	-20	+14
Greece	3.39	+8	-16	+32
2 Year Swap %				
US	4.02	-3	-69	-31
Eurozone	2.74	+2	-44	-6
UK	4.32	-0	-36	+5
10 Year Government Bond Spreads to Benchmark bps				
Ireland	42	-2	+4	+8
Belgium	61	-3	+4	-5
France	74	-3	+9	+21
Italy	144	-4	+11	-23
Spain	86	-3	+9	-10
Portugal	65	-2	+6	-11
Greece	112	-1	+11	+7



Commodities				
	Close	% Change		
		Day	4 Weeks	End 23
Brent Oil	78.33	+2.42	-7.93	+1.67
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	2381.5	-0.33	+0.44	+15.46

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