

Currency markets range bound

Despite choppy trading conditions yesterday, equity markets maintained their recent momentum on both sides of the Atlantic. The Euro Stoxx 50 rose for a fifth consecutive day, finishing up by 0.8%. Meantime, the S&P 500 moved higher for the 11th time in the past 12 sessions, gaining 0.6%.

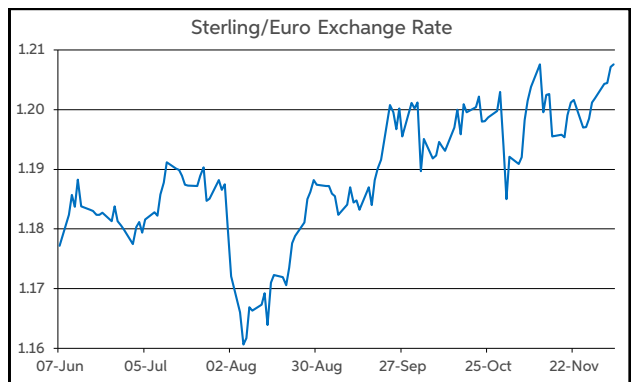
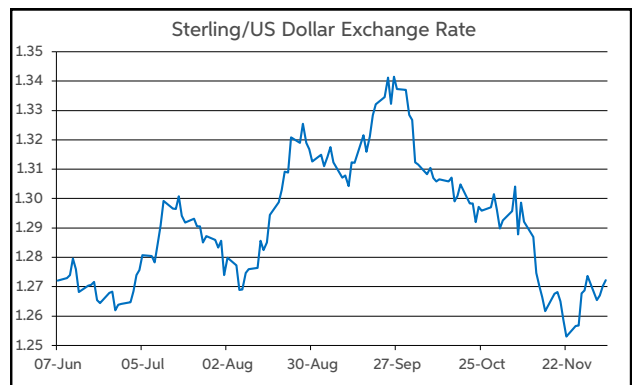
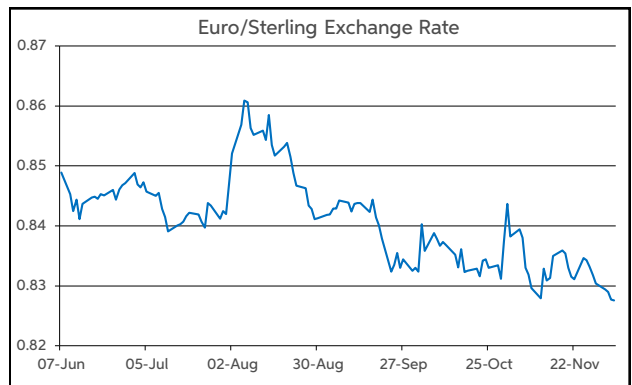
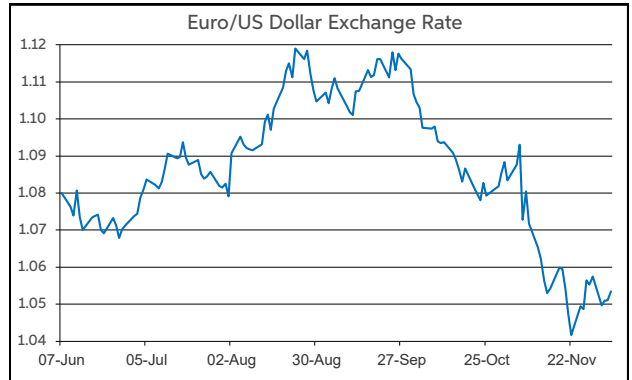
On bond markets, US Treasury yields declined by circa 4bps. Meantime, UK Gilt and German Bund yields were little changed. The spread between German and French 10-year yields remained at circa 84bps also, despite a no confidence vote in the French Government passing yesterday.

Currency-wise, the main pairs were largely range bound. Remarks from Fed Chair Powell, ECB President Lagarde and BoE Governor Bailey had a negligible impact on proceedings. Initially, the dollar was holding a firmer tone in the European session. However, the greenback handed back its gains amid some disappointing US data. The US non-manufacturing ISM fell to 52.1 in November (vs. 55.5 f'cast), while the underlying survey details indicated the pace of jobs growth and new orders slowed in the month.

As trading gets underway this morning, EUR/USD opens in the bottom half of the \$1.05-1.06 range once again. Meanwhile, GBP/USD is changing hands above the \$1.27 threshold. EUR/GBP remains below the 83p mark.

Today's data calendar is sparse. Eurozone retail sales data are forecast to fall by 0.3% in October. However, barring any major surprises, the release is unlikely to impact the euro. In the US, the latest weekly initial jobless claims figures will garner some interest.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2023
EUR/USD	1.0534	0.19	-4.55
EUR/GBP	0.8276	-0.08	-4.52
GBP/USD	1.2722	0.27	-0.05
GBP/EUR	1.2076	0.08	4.74
USD/JPY	149.85	-0.15	6.23
EUR/JPY	157.86	0.02	1.43

* 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	4.48	4.42	4.17	4.25	4.05
EUR	3.40	3.00	2.88	2.29	2.08	2.03
GBP	4.75	4.68	4.63	4.34	4.34	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
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Euro

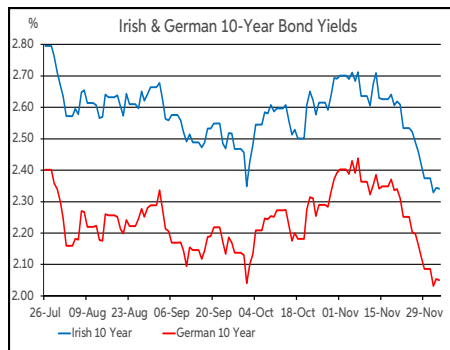
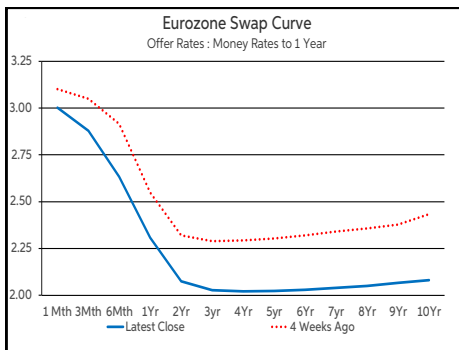
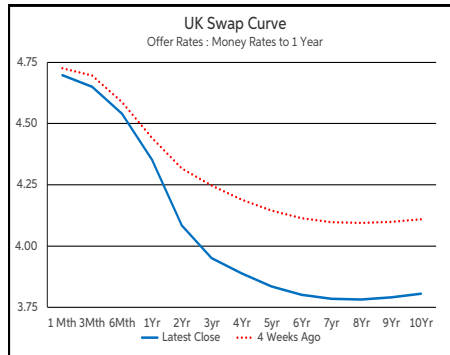
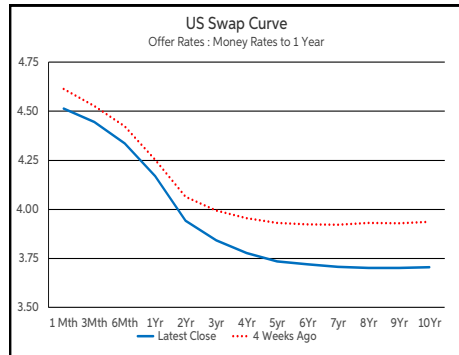
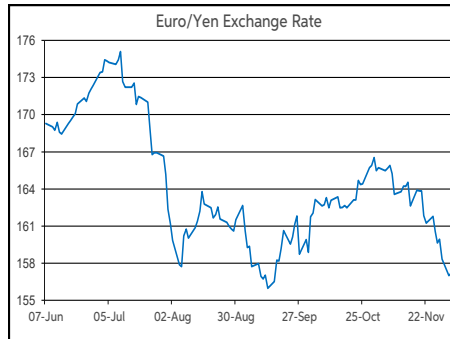
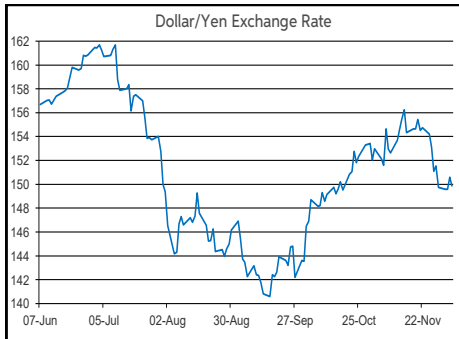
EUR/GBP	0.8276
EUR/USD	1.0534
EUR/JPY	157.86
EUR/SEK	11.495
EUR/DKK	7.4576
EUR/NOK	11.6271
EUR/CHF	0.9304
EUR/AUD	1.6347
EUR/HKD	8.1967
EUR/CAD	1.4816

Sterling

GBP/EUR	1.2076
GBP/USD	1.2722
GBP/CAD	1.7895
GBP/NZD	2.1652
GBP/JPY	190.64
GBP/SEK	13.8823
GBP/DKK	9.005
GBP/NOK	14.026
GBP/CHF	1.1237
GBP/AUD	1.9744

Dollar

USD/JPY	149.85
USD/CAD	1.4068
USD/CHF	0.8833
USD/CNY	7.2668
USD/BRL	6.0409
USD/RUB	105
USD/INR	84.724
AUD/USD	0.6441
NZD/USD	0.5873



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 23
10 Year Yield %				
US	4.18	-4	-24	+32
Germany	2.05	-0	-34	+2
UK	4.25	+0	-31	+71
5 Year Swap %				
Ireland	2.38	+0	-37	+1
Belgium	2.65	-2	-34	-4
France	2.90	+0	-28	+34
Italy	3.22	-3	-52	-48
Spain	2.76	+0	-39	-24
Portugal	2.51	-0	-38	-28
Greece	2.94	+0	-40	-14
2 Year Swap %				
US	4.00	-4	-18	+21
Eurozone	2.02	+1	-27	-41
UK	4.08	+0	-28	+43
10 Year Government Bond Spreads to Benchmark bps				
Ireland	32	+1	-3	-1
Belgium	60	-1	-0	-7
France	84	+0	+6	+31
Italy	116	-2	-18	-51
Spain	70	+0	-5	-26
Portugal	46	+0	-4	-30
Greece	88	+1	-6	-16

Commodities				
	% Change			
	Close	Day	4 Weeks	End 23
Brent Oil	72.31	-1.78	-3.48	-6.14
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	2649.8	+0.24	-0.36	+28.47

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