

## Yen firms overnight

There was a quiet start to the week on markets yesterday, amid a sparse data schedule, and as investors continued to digest President Biden's decision to drop out of the US Presidential election race. Against this backdrop, equity markets on both sides of the Atlantic recouped some of their losses from last week. The Euro Stoxx 50 gained 1.5% on the day. Meantime on Wall Street, the S&P 500 rose by 1.1%.

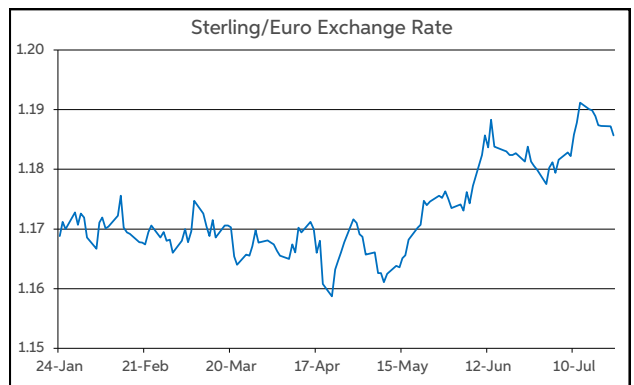
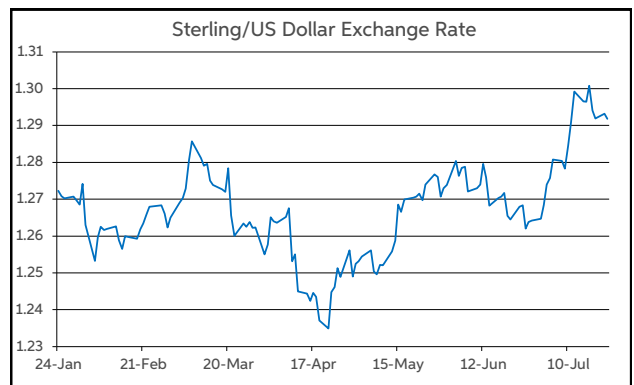
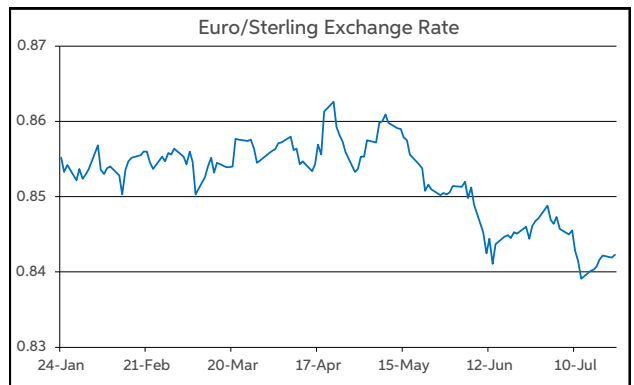
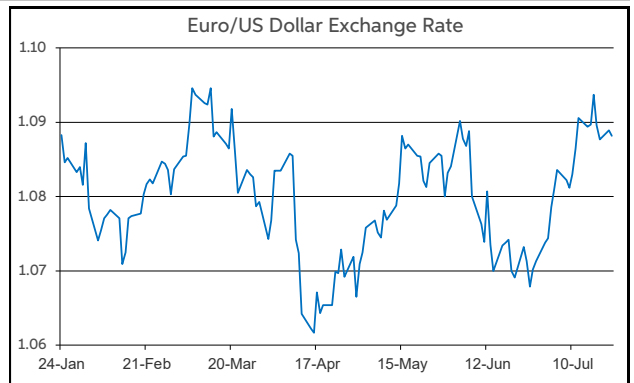
In terms of fixed income, European yields rose by 2-5bps along the curve, led higher by the front-end. The move coincided with a marginal firming in UK and Eurozone rate expectations. Meantime, US Treasury yields moved 2-3bps higher yesterday.

On the currency front, the main FX pairs have operated in very narrow ranges over the past 24 hours. The dollar inched slightly lower throughout the European session. However, the greenback regained some ground before the close. Overnight, the yen has been on the front-foot.

As trading gets underway this morning, EUR/USD is operating in the top half of the \$1.08-1.09 range. GBP/USD is changing hands in the lower half of the \$1.29-1.30 corridor. Meantime, EUR/GBP continues to trade in the 84-85p band. USD/JPY is at the midpoint of the ¥156-157 range.

Turning to the day ahead, the data calendar is once again limited. The main release of note will be Eurozone consumer confidence for July. Having trended higher throughout Q2, a further modest improvement is expected this month. Elsewhere, in the US existing home sales for June are due. On the monetary policy front, remarks from ECB Chief Economist Lane will garner some attention.

**Daniel Noonan, Economist, AIB**



Today's Opening FX Rates			
		% Change	
		Day *	End 2023
EUR/USD	1.0882	-0.05	-1.40
EUR/GBP	0.8423	-0.04	-2.83
GBP/USD	1.2918	0.02	1.48
GBP/EUR	1.1867	0.04	2.91
USD/JPY	156.48	-0.61	10.93
EUR/JPY	170.34	-0.62	9.45

\* 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	5.46	5.54	5.10	4.61	4.17
EUR	4.25	3.63	3.70	3.46	3.09	2.77
GBP	5.25	5.12	5.09	4.82	4.68	4.20

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 23 July 2024  
07:23 am



## Euro

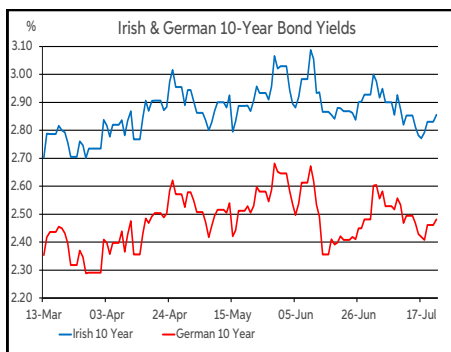
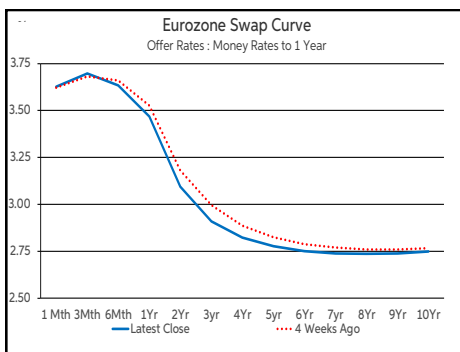
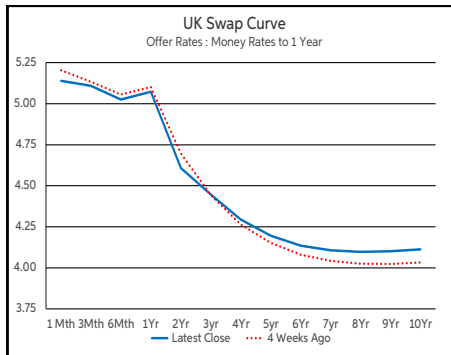
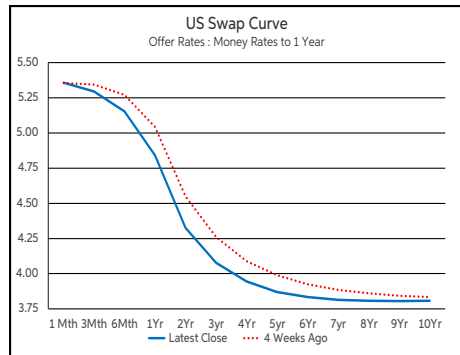
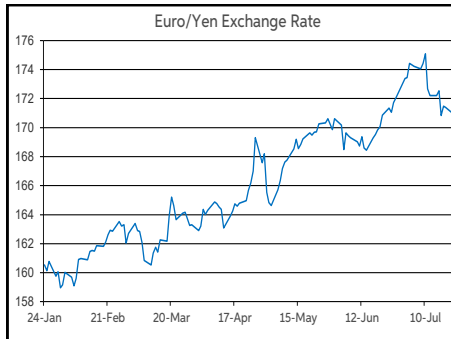
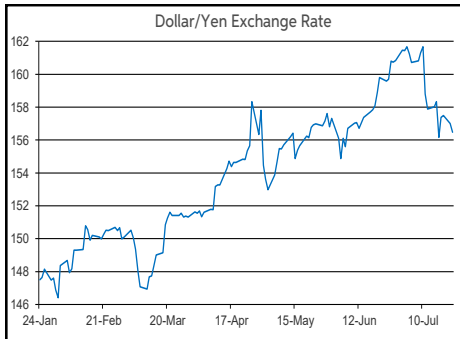
EUR/GBP	0.8423
EUR/USD	1.0882
EUR/JPY	170.34
EUR/SEK	11.6831
EUR/DKK	7.4612
EUR/NOK	11.9363
EUR/CHF	0.9682
EUR/AUD	1.6411
EUR/HKD	8.4964
EUR/CAD	1.4984

## Sterling

GBP/EUR	1.1867
GBP/USD	1.2918
GBP/CAD	1.7787
GBP/NZD	2.1652
GBP/JPY	202.17
GBP/SEK	13.8684
GBP/DKK	8.8553
GBP/NOK	14.1737
GBP/CHF	1.1491
GBP/AUD	1.9485

## Dollar

USD/JPY	156.48
USD/CAD	1.3767
USD/CHF	0.8896
USD/CNY	7.2744
USD/BRL	5.5705
USD/RUB	87.35
USD/INR	83.627
AUD/USD	0.6629
NZD/USD	0.5965



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 23
<b>10 Year Yield %</b>				
US	4.26	+2	+1	+40
Germany	2.48	+2	+6	+46
UK	4.16	+4	+8	+63
<b>5 Year Swap %</b>				
US	4.13	+1	-10	+34
Eurozone	2.78	+4	-4	+35
UK	4.20	+6	+5	+54
<b>2 Year Swap %</b>				
US	4.57	-2	-23	+23
Eurozone	3.10	+3	-7	+30
UK	4.67	+6	-2	+41
<b>10 Year Government Bond Spreads to Benchmark bps</b>				
Ireland	40	-0	-7	+6
Belgium	55	-1	-10	-11
France	67	-0	-6	+14
Italy	129	-2	-22	-38
Spain	78	-1	-13	-19
Portugal	59	-1	-13	-17
Greece	96	-4	-25	-9

Commodities				
	Close	% Change		
		Day	4 Weeks	End 23
Brent Oil	82.4	-0.28	-4.20	+6.96
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	2397.6	-0.13	+2.77	+16.24

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