

## Firmer tone to the yen

Investor sentiment took a more positive tone over the course of yesterday. The Euro Stoxx 50 traded sideways for the most part, and finished flat for the day. However, by the close on Wall Street last night, the S&P 500 was 0.7% on the day.

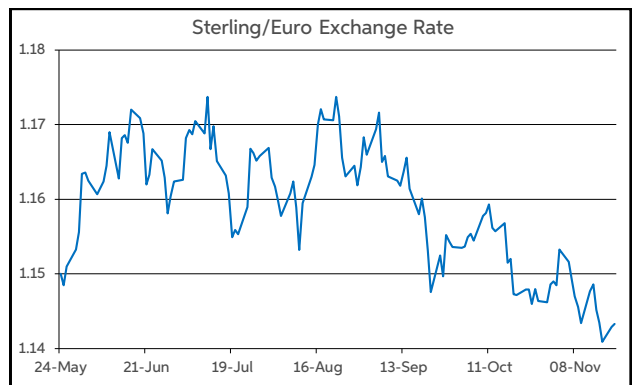
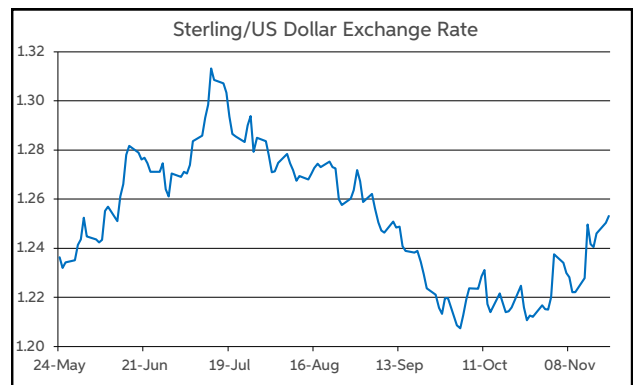
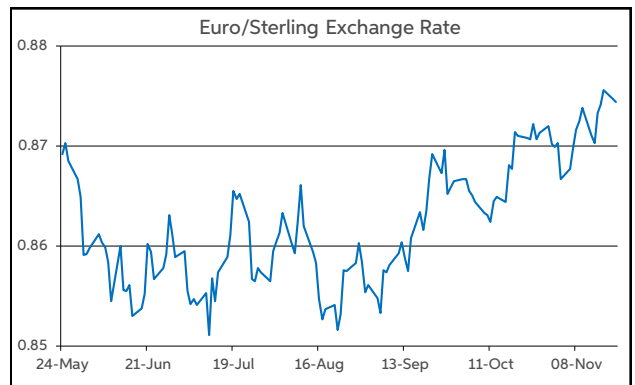
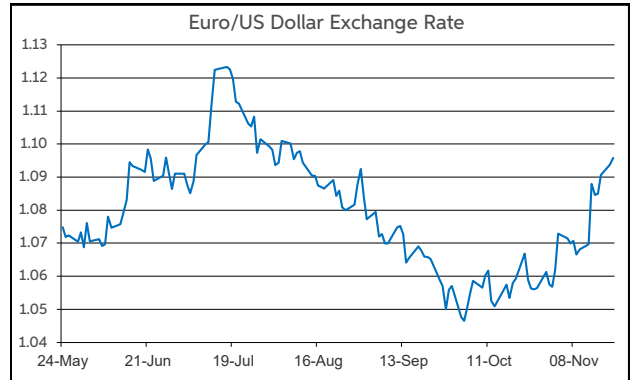
Elsewhere, Oil prices continued to move upwards, having reached their lowest level since July last week, and amid reports of an extension to OPEC+ production cuts. Brent crude prices are currently around \$82 per barrel. On bond markets, the price action was listless throughout the European session. However, overnight benchmark sovereign yields declined. Overall, US Treasury, and German Bund yields drifted 3-9bps lower.

In a similar pattern on currency markets, the main FX pairs were also confined to narrow trading bands yesterday. Overnight though, the yen was holding a firmer tone. At the same time, the dollar was under some downward pressure.

As trading gets underway this morning, the firmer tone to the yen sees USD/JPY open back in the lower half of ¥147-148, having started the week above the ¥149 threshold. EUR/USD is just above the halfway mark of \$1.09-1.10. GBP/USD is changing hands above the \$1.25 handle. EUR/GBP continues to operate in and around the midpoint of 87-88p.

Turning to the day ahead, there is a relatively sparse data schedule. The latest Fed meeting minutes are due a day earlier than usual, after the close in Europe. Elsewhere on the monetary policy front, remarks from BoE Governor Bailey at the Treasury Select Committee will garner attention. Meantime, comments from ECB President Lagarde will also be of interest.

**Daniel Noonan, Economist, AIB**



Today's Opening FX Rates			
		% Change	
		Day *	End 2022
EUR/USD	1.096	0.39	2.41
EUR/GBP	0.8742	-0.08	-1.15
GBP/USD	1.2535	0.45	3.62
GBP/EUR	1.1433	0.08	1.17
USD/JPY	147.38	-1.14	12.41
EUR/JPY	161.57	-0.74	15.16

\* 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	5.45	5.63	5.50	4.98	4.42
EUR	4.50	3.82	3.98	3.96	3.50	3.07
GBP	5.25	5.18	5.21	5.11	4.93	4.40

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

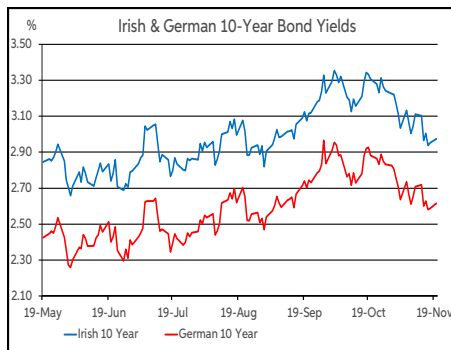
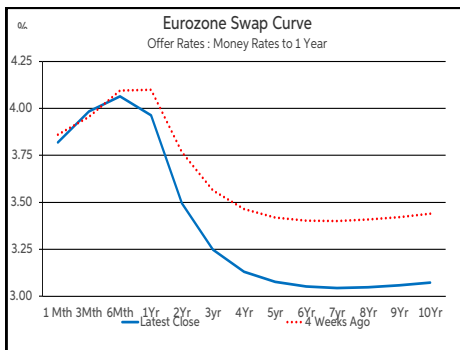
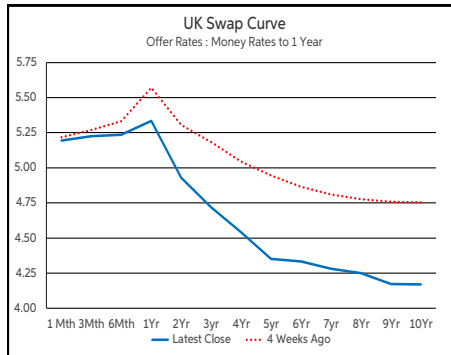
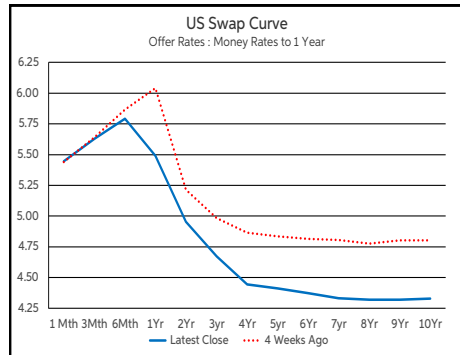
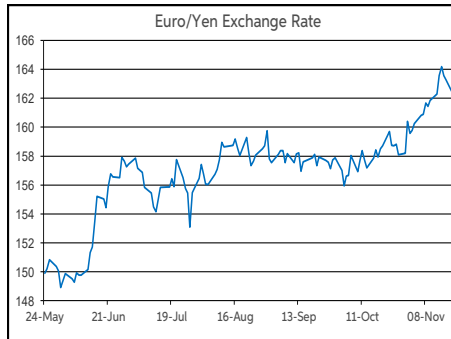
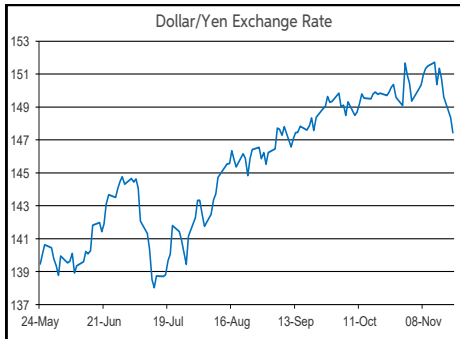
FX Spot	Karl Cooke Shane Gargan	FX Options	Mark Tuite	Reuters Phone	AIBG.I 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
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# Opening Levels

Tuesday 21 November 2023  
07:28 am



Euro		Sterling		Dollar	
EUR/GBP	0.8742	GBP/EUR	1.1433	USD/JPY	147.38
EUR/USD	1.096	GBP/USD	1.2535	USD/CAD	1.3717
EUR/JPY	161.57	GBP/CAD	1.7194	USD/CHF	0.8828
EUR/SEK	11.4113	GBP/NZD	2.0651	USD/CNY	7.1367
EUR/DKK	7.455	GBP/JPY	184.74	USD/BRL	4.8543
EUR/NOK	11.6912	GBP/SEK	13.0469	USD/RUB	87.705
EUR/CHF	0.9677	GBP/DKK	8.524	USD/INR	83.3275
EUR/AUD	1.6661	GBP/NOK	13.362	AUD/USD	0.6578
EUR/HKD	8.5418	GBP/CHF	1.1068	NZD/USD	0.6069
EUR/CAD	1.5035	GBP/AUD	1.9052		



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 22
<b>10 Year Yield %</b>				
US	4.43	-1	-42	+55
Germany	2.62	+3	-25	+5
UK	4.13	+3	-47	+46
<b>5 Year Swap %</b>				
Ireland	3.00	+1	-31	-15
Belgium	3.22	+2	-31	+2
France	3.18	+2	-30	+6
Italy	4.36	-1	-48	-35
Spain	3.61	+1	-36	-5
Portugal	3.25	+0	-31	-35
Greece	3.86	+2	-48	-74
<b>2 Year Swap %</b>				
US	4.41	-0	-38	+42
Eurozone	3.08	+1	-33	-15
UK	4.35	+1	-59	+5
<b>10 Year Government Bond Spreads to Benchmark bps</b>				
Ireland	39	-1	-6	-20
Belgium	60	-1	-6	-3
France	56	-1	-6	+1
Italy	174	-3	-23	-40
Spain	99	-2	-11	-10
Portugal	63	-2	-6	-40
Greece	124	-1	-24	-79

Commodities				
	% Change			
	Close	Day	4 Weeks	End 22
Brent Oil	82.32	+2.12	-8.36	-4.18
West Texas Oil	78.1	+2.13	-8.64	-2.57
Gold \$	1977.2	-0.14	+0.23	+8.38

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