

## Limited action on markets

Unsurprisingly, given there was a market holiday in the US yesterday, the action on financial markets was somewhat subdued. On equity markets, the Euro Stoxx 50 rose by 0.4%. Meanwhile, in terms of fixed income, German Bund yields declined by 4-8bps. In contrast, UK Gilt yields rose by 3-8bps.

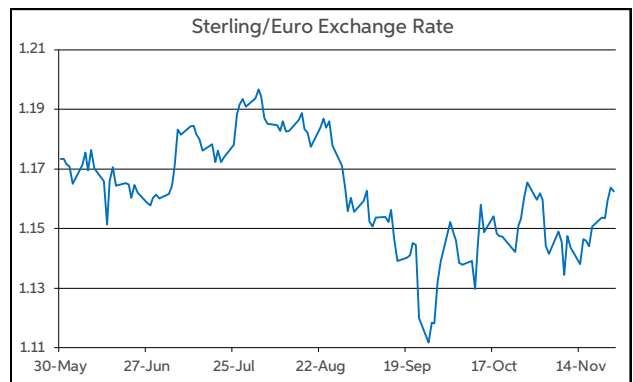
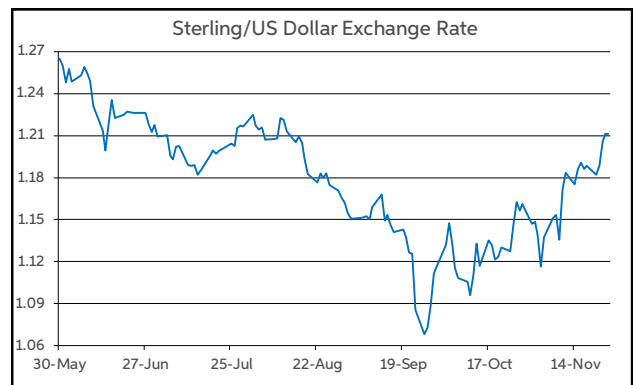
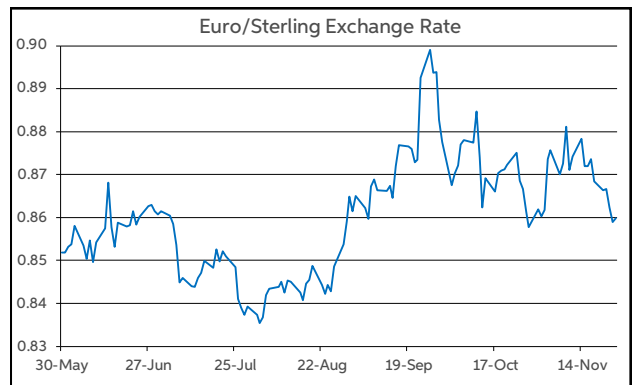
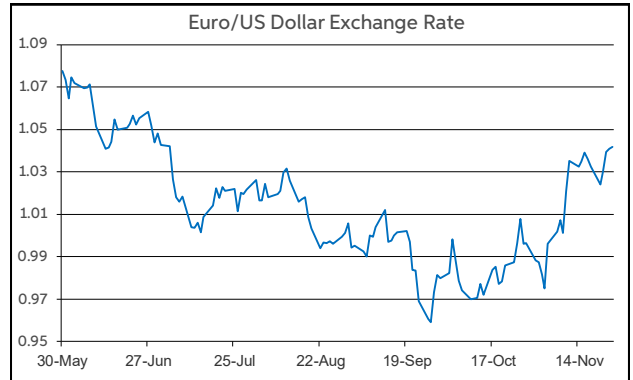
In terms of monetary policy, the latest ECB meeting minutes showed that some participants were in favour of a smaller 50bps rate hike in October, rather than the 75bps increase that was delivered. However, in a speech yesterday, influential ECB official Schnabel suggested that the ECB may not slowdown the pace of rate hikes in December. Market pricing is currently undecided between a 50 and 75bps rate hike next month.

The action on currency markets was also lacklustre yesterday. Of the limited moves to register, the euro was holding a slightly softer tone, following the somewhat dovish ECB minutes. Meantime, sterling continued to edge higher, supported by the modest increase in UK Gilt yields. As a result, EUR/GBP traded briefly below the 86p handle.

In overnight action, the pair has edged slightly higher, and opens this morning at the 86p mark. GBP/USD is changing hands up above the \$1.21 threshold. Elsewhere, EUR/USD is operating down at the \$1.04 mark.

Turning to the day ahead, there is a sparse data schedule once again on both sides of the Atlantic. This combined with a half day on markets in the US indicates that there may be a quiet end to the week. In the Eurozone, a speech from ECB Vice-President de Guindos may garner some attention.

**Daniel Noonan, Economist, AIB**



Today's Opening FX Rates			
		% Change	
		Day *	End 2021
EUR/USD	1.0418	-0.13	-8.36
EUR/GBP	0.8599	-0.31	2.37
GBP/USD	1.2114	0.17	-10.46
GBP/EUR	1.1626	0.31	-2.31
USD/JPY	138.57	-0.25	20.41
EUR/JPY	144.37	-0.40	10.32

\* 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	3.875	4.03	4.74	5.14	4.77	3.91
EUR	2.00	1.45	1.90	2.78	2.86	2.63
GBP	3.00	3.17	3.60	4.56	4.57	4.07

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

FX Spot	Karl Cooke Shane Gargan Ian Burke	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

Friday 25 November 2022  
07:39 am



## Euro

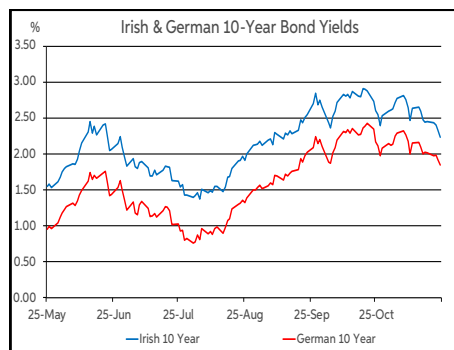
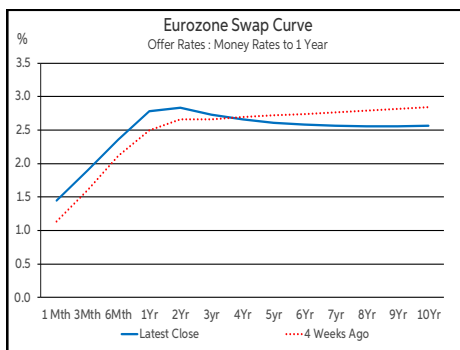
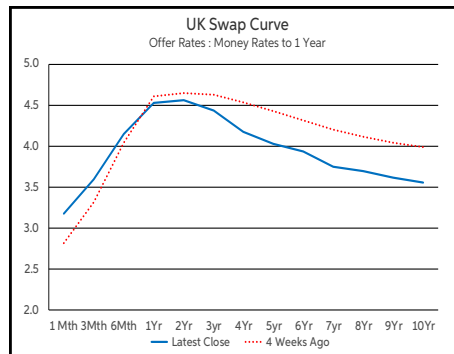
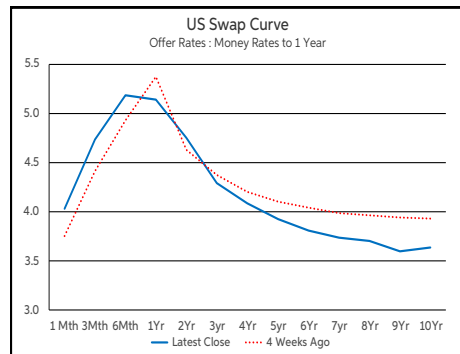
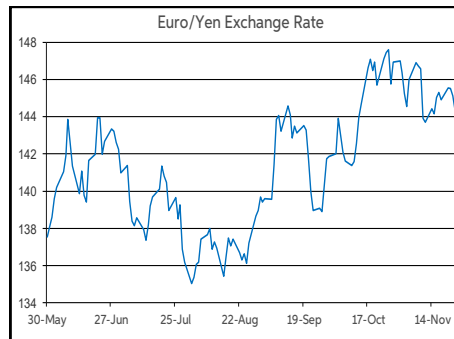
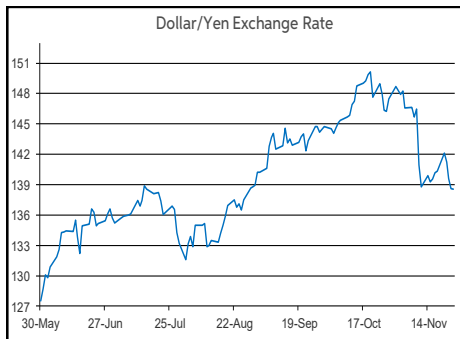
EUR/GBP	0.8599
EUR/USD	1.0418
EUR/JPY	144.37
EUR/SEK	10.8424
EUR/DKK	7.4365
EUR/NOK	10.3195
EUR/CHF	0.9843
EUR/AUD	1.5398
EUR/HKD	8.1354
EUR/CAD	1.3894

## Sterling

GBP/EUR	1.1626
GBP/USD	1.2114
GBP/CAD	1.6154
GBP/NZD	1.9358
GBP/JPY	167.86
GBP/SEK	12.6069
GBP/DKK	8.6454
GBP/NOK	12.0005
GBP/CHF	1.1444
GBP/AUD	1.7905

## Dollar

USD/JPY	138.57
USD/CAD	1.3334
USD/CHF	0.9446
USD/CNY	7.1535
USD/BRL	5.3208
USD/RUB	60.38
USD/INR	81.525
AUD/USD	0.6765
NZD/USD	0.6255



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 21
<b>10 Year Yield %</b>				
US	3.69	-7	-24	+218
Germany	1.85	-8	-13	+203
UK	3.04	+3	-37	+206
<b>Ireland</b>				
Ireland	2.27	-10	-16	+202
Belgium	2.36	-6	-17	+218
France	2.30	-9	-16	+210
Italy	3.68	-12	-32	+249
Spain	2.80	-9	-20	+221
Portugal	2.75	-9	-21	+226
Greece	4.08	-11	-45	+277
<b>5 Year Swap %</b>				
US	3.93	+0	-15	+259
Eurozone	2.61	-6	-10	+260
UK	4.03	-1	-39	+275
<b>2 Year Swap %</b>				
US	4.75	-2	+16	+381
Eurozone	2.83	-4	+18	+313
UK	4.56	+5	-8	+337
<b>10 Year Government Bond Spreads to Benchmark bps</b>				
Ireland	42	-2	-3	-1
Belgium	52	+1	-4	+16
France	45	-1	-3	+8
Italy	183	-5	-19	+46
Spain	96	-2	-7	+18
Portugal	90	-1	-8	+24
Greece	224	-3	-32	+74

Commodities				
	% Change			
	Close	Day	4 Weeks	End 21
Brent Oil	85.34	-0.08	-11.98	+9.72
West Texas Oil	77.93	-3.59	-12.50	+3.45
Gold \$	1755.0	+0.32	+5.53	-4.02

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