

Firmer tone to the yen

There was a mixed mood on markets yesterday, amid a relatively quiet data schedule on both sides of the Atlantic. The Euro Stoxx 50 shed 0.8%, while the S&P 500 rose by 0.6% on the day. In terms of fixed income, benchmark sovereign yields were little changed across the board.

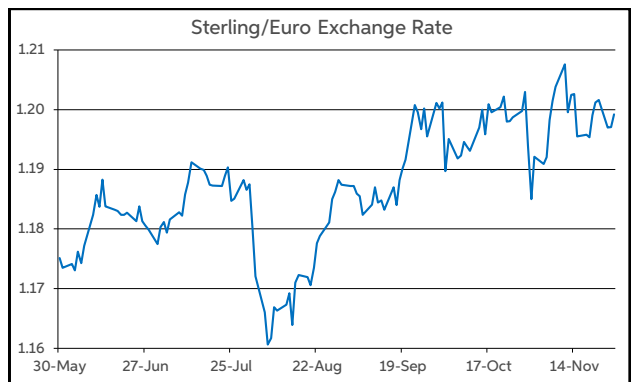
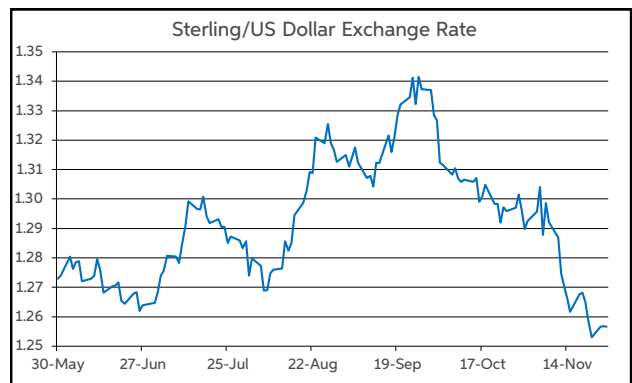
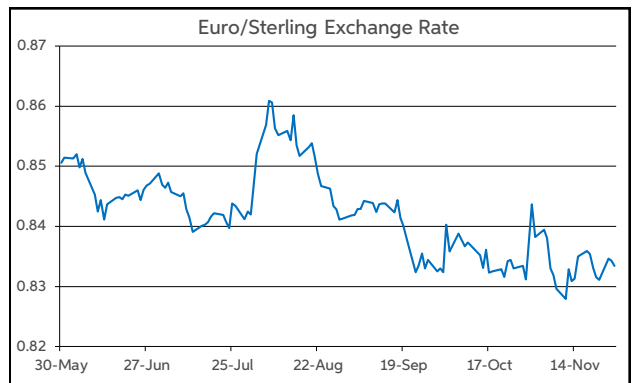
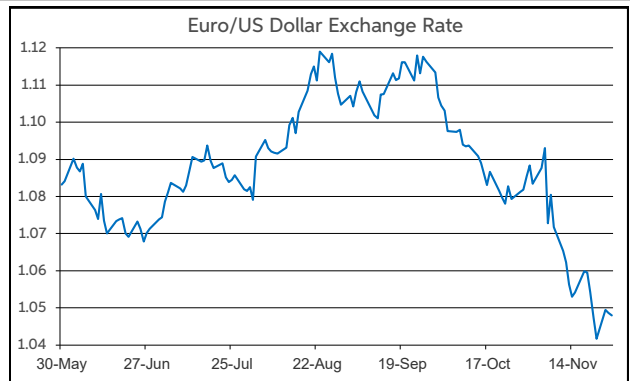
The only data release of any note yesterday was US consumer confidence for November. The index printed broadly in-line with expectations, rising to 111.7 (vs. 111.3 f'cast). On the monetary policy front, the minutes from the early November Fed FOMC meeting provided little new insight on the outlook. Overall, they suggest the Fed will continue to lower rates at a gradual pace.

Currency-wise, the main pairs remained range bound throughout the European session. Of the limited moves to register, there was a slightly firmer tone to sterling. Meanwhile, the yen was in the ascendancy overnight, as market expectations of a 25bps rate hike from the BoJ in December increased. The yen gained circa 1% versus the euro and the dollar.

In level terms, EUR/GBP opens this morning in the lower half of the 83-84p band. EUR/USD remains in the upper half of \$1.04-1.05. Elsewhere, GBP/USD is above the midpoint of \$1.25-1.26. The stronger yen is evidenced by USD/JPY operating down in the bottom half of ¥152-153.

Turning to the day ahead, the main highlight will be the October reading of US core-PCE inflation. The consensus is for a 0.3% rise in the month, lifting the annual rate to 2.8% from 2.7%. US personal income and consumption data for October are also due.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2023
EUR/USD	1.0479	0.05	-5.05
EUR/GBP	0.8334	-0.13	-3.85
GBP/USD	1.2568	0.18	-1.26
GBP/EUR	1.1992	0.13	4.01
USD/JPY	152.21	-0.98	7.90
EUR/JPY	159.52	-0.93	2.50

* 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	4.54	4.47	4.27	4.33	4.13
EUR	3.40	3.08	2.99	2.38	2.18	2.17
GBP	4.75	4.68	4.64	4.37	4.41	4.16

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

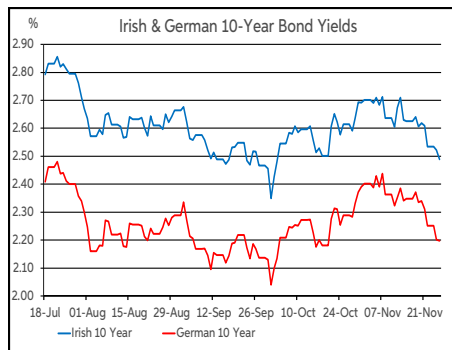
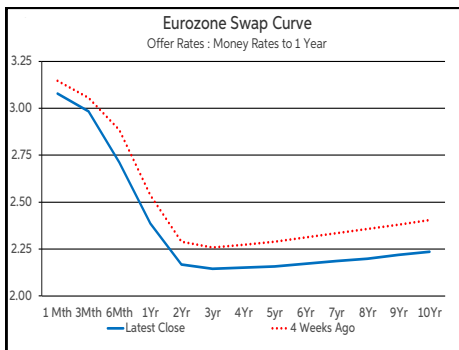
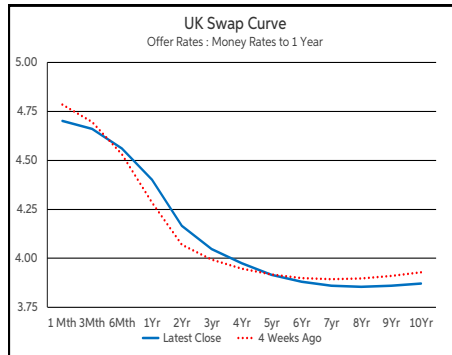
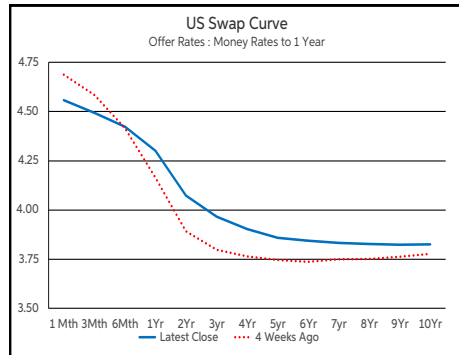
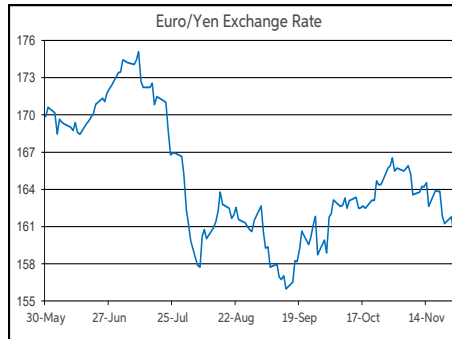
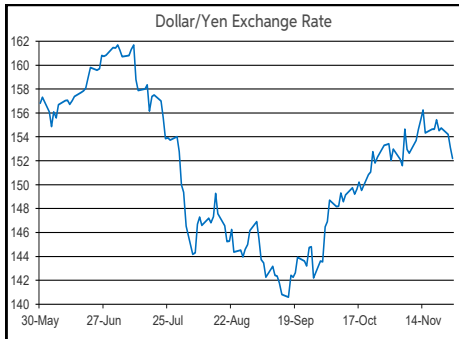
EUR/GBP	0.8334
EUR/USD	1.0479
EUR/JPY	159.52
EUR/SEK	11.5199
EUR/DKK	7.4588
EUR/NOK	11.6945
EUR/CHF	0.9278
EUR/AUD	1.618
EUR/HKD	8.1551
EUR/CAD	1.4747

Sterling

GBP/EUR	1.1992
GBP/USD	1.2568
GBP/CAD	1.7685
GBP/NZD	2.1412
GBP/JPY	191.3
GBP/SEK	13.8135
GBP/DKK	8.9446
GBP/NOK	14.0279
GBP/CHF	1.1129
GBP/AUD	1.9406

Dollar

USD/JPY	152.21
USD/CAD	1.4072
USD/CHF	0.8854
USD/CNY	7.2576
USD/BRL	5.8117
USD/RUB	106.4
USD/INR	84.46
AUD/USD	0.6473
NZD/USD	0.5866



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 23
10 Year Yield %				
US	4.30	+4	+3	+44
Germany	2.20	-1	-14	+17
UK	4.35	+1	+4	+82
5 Year Swap %				
Ireland	2.54	-1	-14	+17
Belgium	2.84	+1	-9	+15
France	3.03	+1	-5	+47
Italy	3.46	-2	-10	-24
Spain	2.94	-0	-9	-5
Portugal	2.70	+1	-5	-9
Greece	3.08	-1	-14	+1
2 Year Swap %				
US	4.12	+4	+15	+33
Eurozone	2.16	-1	-12	-27
UK	4.16	-1	+1	+50
10 Year Government Bond Spreads to Benchmark bps				
Ireland	34	-0	-1	+0
Belgium	64	+1	+4	-2
France	83	+1	+9	+30
Italy	126	-1	+3	-41
Spain	74	+1	+4	-22
Portugal	50	+2	+9	-26
Greece	88	-1	-0	-17

Commodities				
	% Change			
	Close	Day	4 Weeks	End 23
Brent Oil	72.81	-0.27	+2.38	-5.49
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	2631.9	+0.25	-5.16	+27.60

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