

EUR/USD below \$1.09

There was a relatively quiet start to the week on financial markets yesterday. This was partly due to a sparse data schedule on both sides of the Atlantic and a partial market holiday in then US.

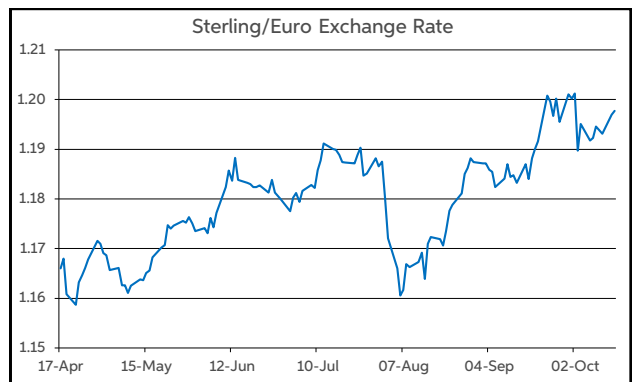
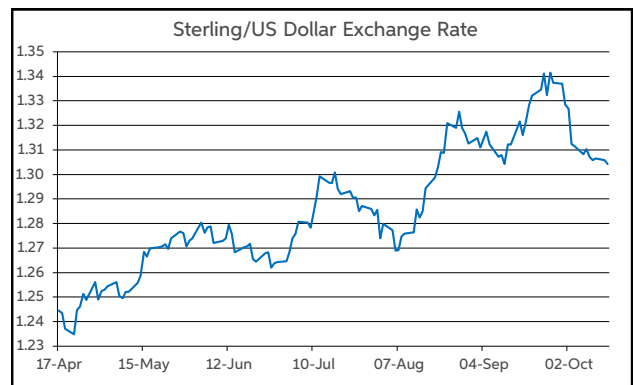
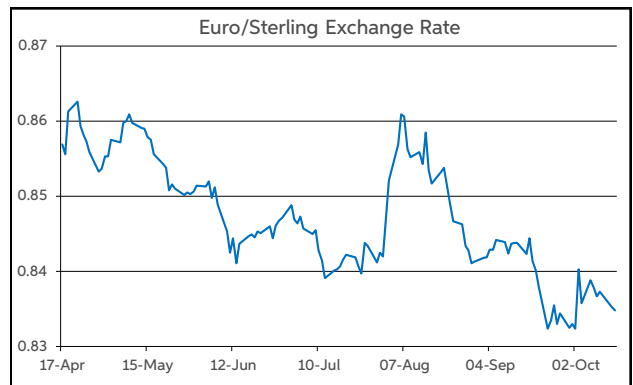
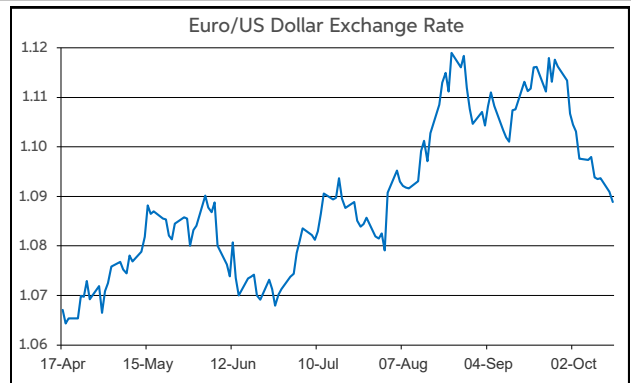
Equity markets maintained their upward momentum from the end of last week. The positive mood on stock markets was largely driven by a rise in tech stocks, ahead of a busy week of earnings reports. The Euro Stoxx 50 gained 0.7%. Meantime, on Wall Street, the S&P climbed by 0.8% higher. Elsewhere, oil prices moved sharply lower, with Brent crude falling by around 5%, to back below \$75 per barrel.

Meanwhile, currency markets remained range bound. Of the limited moves to note, the euro was holding a slightly softer tone throughout the European session. At the same time, the dollar was in the ascendancy overnight, amid hawkish remarks from Fed Governor Waller.

As trading gets underway this morning, the firmer dollar tone is evidenced by EUR/USD opening below the \$1.09 handle. GBP/USD is in the bottom half of the \$1.30-1.31 range. EUR/GBP is operating at the halfway mark of the 83-84p band.

Already today, UK labour market data for August have been released. The unemployment rate printed below the consensus, falling to 4% from 4.1% (and vs. 4.1% f'cast). Meanwhile, average earnings growth slowed slightly to +3.8% y/y from a revised +4.1% y/y (and vs. +3.7% f'cast). However, the data have not impacted sterling in early trading. Later today, Eurozone industrial production (Aug) and the German ZEW sentiment indicator (Oct) are due. In the US, the NY Fed/Empire State Index will feature.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2023
EUR/USD	1.0889	-0.31	-1.33
EUR/GBP	0.8348	-0.18	-3.69
GBP/USD	1.3043	-0.12	2.47
GBP/EUR	1.1977	0.18	3.83
USD/JPY	149.53	0.16	6.00
EUR/JPY	162.83	-0.15	4.63

* 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	4.88	4.78	4.64	4.12	4.06	3.87
EUR	3.65	3.25	3.18	2.74	2.45	2.38
GBP	5.00	4.89	4.75	4.33	4.29	4.10

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

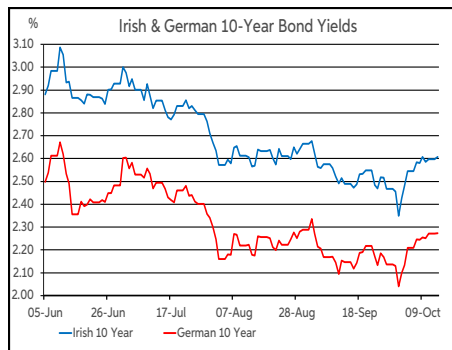
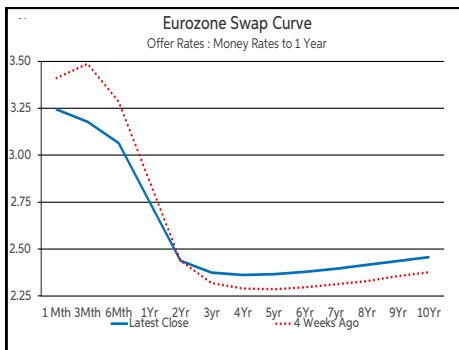
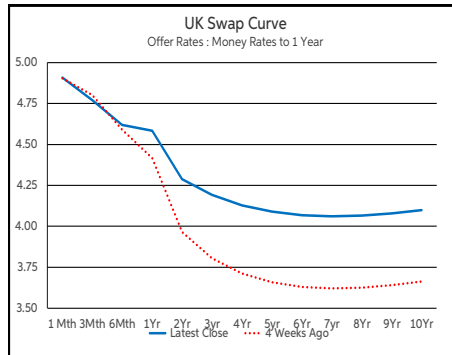
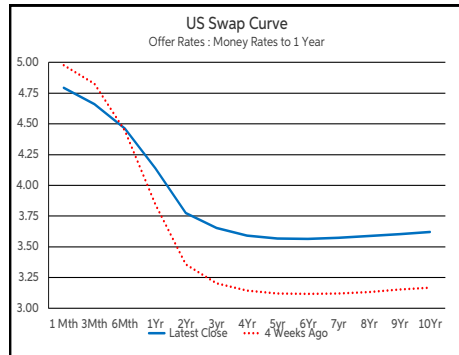
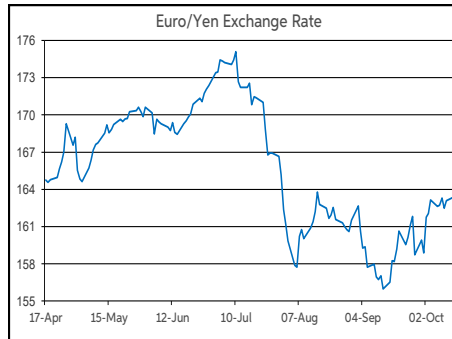
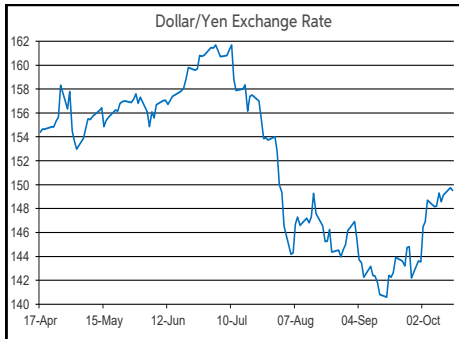
EUR/GBP	0.8348
EUR/USD	1.0889
EUR/JPY	162.83
EUR/SEK	11.3703
EUR/DKK	7.4607
EUR/NOK	11.7847
EUR/CHF	0.9398
EUR/AUD	1.6231
EUR/HKD	8.4575
EUR/CAD	1.5038

Sterling

GBP/EUR	1.1977
GBP/USD	1.3043
GBP/CAD	1.8012
GBP/NZD	2.1454
GBP/JPY	195.03
GBP/SEK	13.6178
GBP/DKK	8.9363
GBP/NOK	14.114
GBP/CHF	1.1257
GBP/AUD	1.9441

Dollar

USD/JPY	149.53
USD/CAD	1.381
USD/CHF	0.8631
USD/CNY	7.1196
USD/BRL	5.5957
USD/RUB	95.85
USD/INR	84.06
AUD/USD	0.6708
NZD/USD	0.6079



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 23
10 Year Yield %				
US	4.07	-2	+45	+21
Germany	2.28	+0	+16	+25
UK	4.24	+3	+48	+70
5 Year Swap %				
Ireland	2.65	+1	+14	+28
Belgium	2.88	-0	+17	+19
France	3.04	-1	+21	+48
Italy	3.55	-1	+7	-15
Spain	3.01	-1	+9	+2
Portugal	2.77	-2	+6	-2
Greece	3.22	-3	+9	+14
2 Year Swap %				
US	3.84	+0	+47	+4
Eurozone	2.37	+0	+9	-6
UK	4.09	+3	+44	+44
10 Year Government Bond Spreads to Benchmark bps				
Ireland	37	+1	-1	+4
Belgium	61	-0	+1	-6
France	76	-1	+5	+23
Italy	127	-1	-9	-40
Spain	74	-1	-6	-23
Portugal	49	-2	-10	-27
Greece	94	-3	-6	-11

Commodities				
	% Change			
	Close	Day	4 Weeks	End 23
Brent Oil	74.5	-5.74	+2.41	-3.30
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	2651.1	-0.19	+2.65	+28.53

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