

## EUR/USD below \$1.17

There was a relatively quiet start to the week on financial markets yesterday. On equity markets, the Euro Stoxx 50 gained a modest 0.2%, while across the Atlantic, the S&P 500 shed 0.3%. The action on bond markets was also subdued. Of the limited moves to register, US Treasury yields and UK Gilt yields continued to edge higher, rising by 1-5bps.

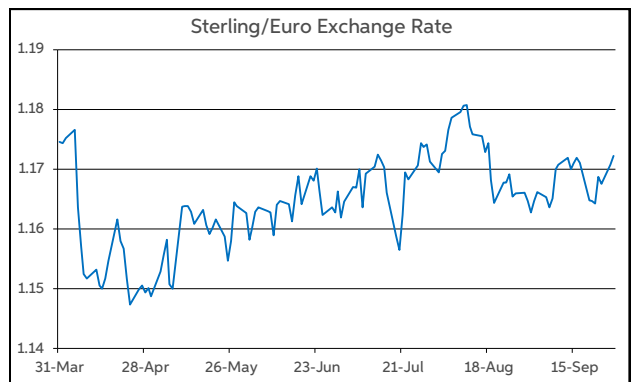
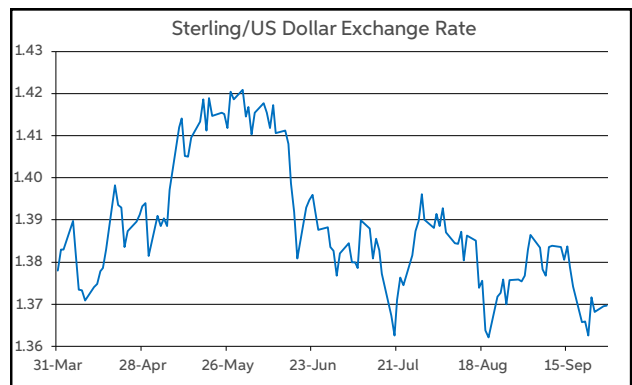
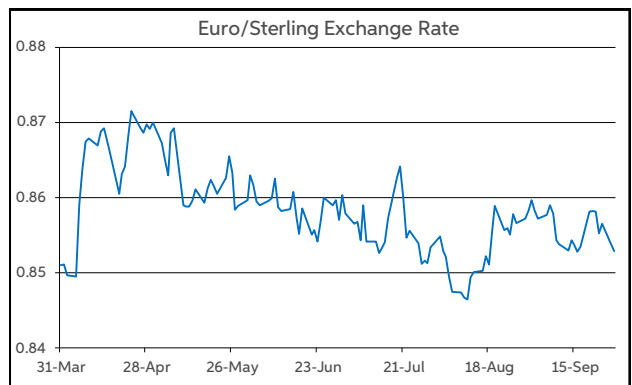
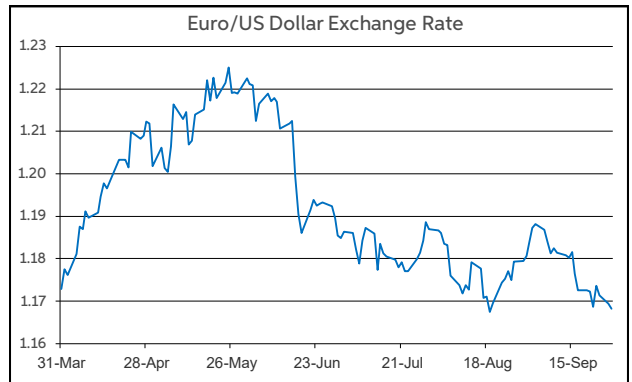
Currency-wise, the main pairs were confined to very narrow ranges. The euro recorded some small loses on the exchanges amid otherwise lacklustre price action, with the EUR/USD pair falling below the \$1.17 level. The pair have operated below this threshold for only a brief period so far this year.

A relatively sparse data schedule likely contributed to the muted action on forex markets yesterday. The only release of note, US durable goods orders for August beat the consensus, rising by 1.8% in the month (vs 0.7% f'cast). However, the ex-transport measure was weaker than expected, rising by 0.2% (vs 0.5% f'cast).

In level terms, EUR/USD opens this morning below the \$1.17 mark. Elsewhere, GBP/USD starts today at the \$1.37 handle. Meanwhile, EUR/GBP continues to change hands in the 85-86p corridor, and is operating below the midpoint of that range currently.

Already today, UK consumer sentiment (October) has printed at 0.3, much better than anticipated, and up from -1.2 in September. Meantime, the latest reading of consumer confidence in the US is projected to edge higher in September, having fallen sharply in August owing to concerns regarding the delta variant. However, barring any major surprises, the data are unlikely to impact on currency markets.

**Daniel Noonan, Economist, AIB**



Today's Opening FX Rates			
		% Change	
		Day *	End 2020
EUR/USD	1.1681	-0.35	-4.36
EUR/GBP	0.8527	-0.51	-4.59
GBP/USD	1.3698	0.16	0.18
GBP/EUR	1.1723	0.52	4.81
USD/JPY	111.29	0.68	7.80
EUR/JPY	130.02	0.33	3.06

\* 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	0.125	0.09	0.13	0.16	0.42	1.12
EUR	0.00	-0.55	-0.54	-0.52	-0.42	-0.17
GBP	0.10	0.05	0.09	0.42	0.69	0.95

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

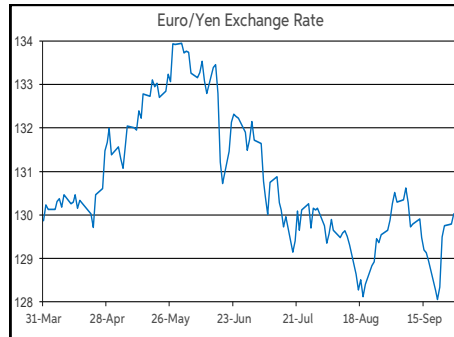
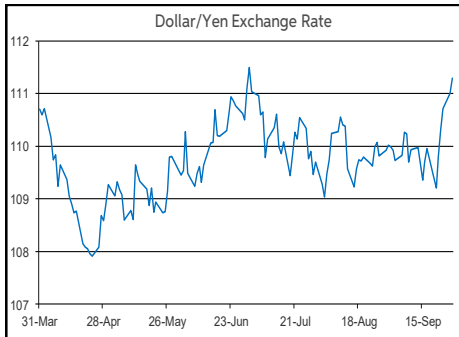
FX Spot	Karl Cooke Shane Gargan Enda Homan	FX Options	Mark Tuite	Reuters Phone	AIBG.I 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
		Equity Options	Gary Luff				

# Opening Levels

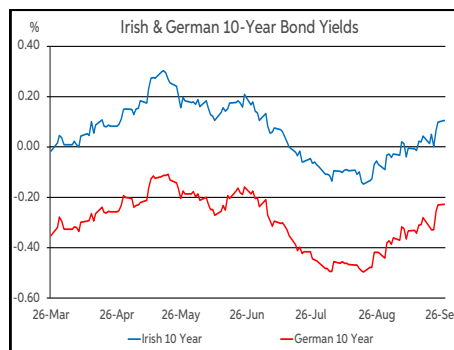
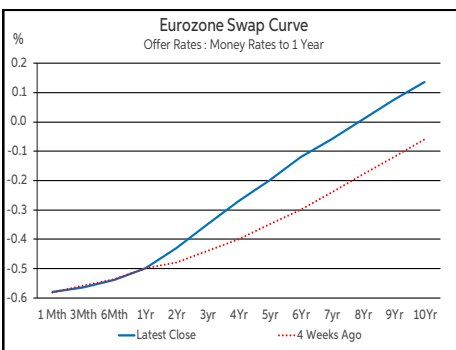
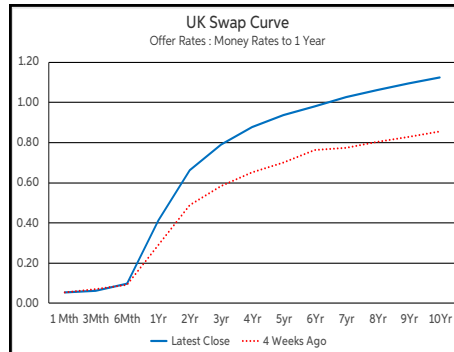
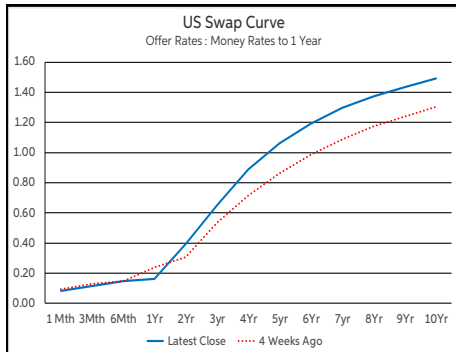
Tuesday 28 September 2021  
07:49 am



Euro		Sterling		Dollar	
EUR/GBP	0.8526	GBP/EUR	1.1722	USD/JPY	111.29
EUR/USD	1.1681	GBP/USD	1.3697	USD/CAD	1.2621
EUR/JPY	130	GBP/CAD	1.729	USD/CHF	0.9278
EUR/SEK	10.1893	GBP/NZD	1.9565	USD/CNY	6.4554
EUR/DKK	7.4356	GBP/JPY	152.43	USD/BRL	5.3915
EUR/NOK	10.0695	GBP/SEK	11.9469	USD/RUB	72.45
EUR/CHF	1.084	GBP/DKK	8.7176	USD/INR	73.98
EUR/AUD	1.6037	GBP/NOK	11.808	AUD/USD	0.7284
EUR/HKD	9.0909	GBP/CHF	1.2711	NZD/USD	0.6999
EUR/CAD	1.4745	GBP/AUD	1.8804		



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 20
<b>10 Year Yield %</b>				
US	1.49	+4	+21	+57
Germany	-0.23	+0	+21	+35
UK	0.96	+4	+38	+76
<b>5 Year Swap %</b>				
US	1.06	+5	+23	+64
Eurozone	-0.20	+0	+16	+26
UK	0.94	+2	+24	+75
<b>2 Year Swap %</b>				
US	0.39	+3	+12	+20
Eurozone	-0.43	+1	+6	+10
UK	0.66	+1	+18	+64
<b>10 Year Government Bond Spreads to Benchmark bps</b>				
Ireland	40	+1	-1	+13
Belgium	32	+1	-1	+13
France	35	+0	-1	+11
Italy	102	+1	-3	-7
Spain	64	-0	-8	+1
Portugal	54	-1	-7	-9
Greece	105	+0	-10	-16



Commodities				
	% Change			
	Close	Day	4 Weeks	End 20
Brent Oil	79.53	+1.84	+8.34	+53.53
West Texas Oil	75.54	+1.83	+9.04	+56.24
Gold \$	1749.9	-0.00	-3.33	-7.73

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