

## FX majors remain range bound

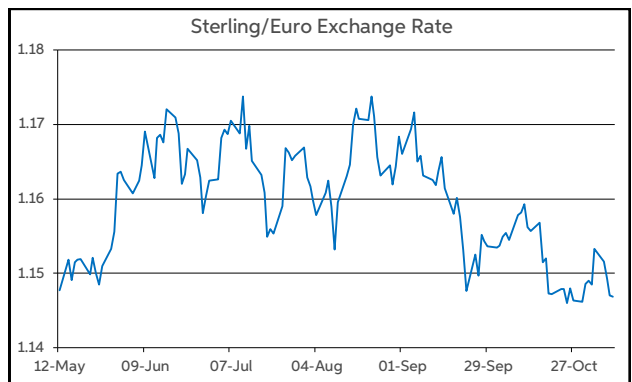
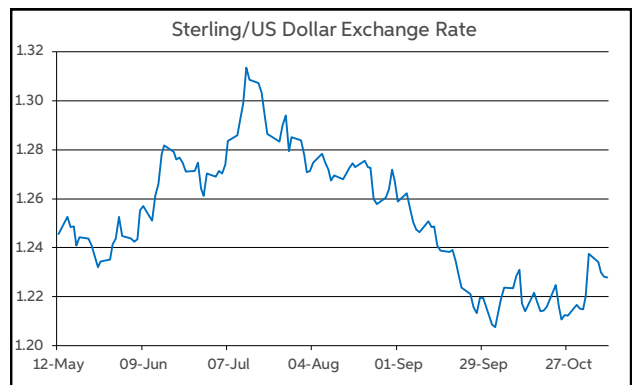
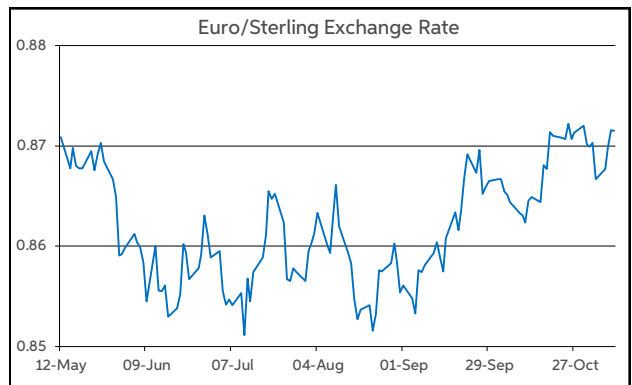
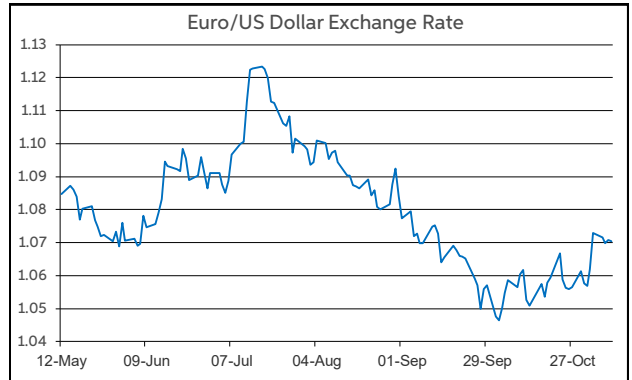
Investor sentiment had somewhat of a cautious tone yesterday. At the closing bell on Wall Street last night, the S&P 500 index was only slightly higher (+0.1%) on the day. This was against the backdrop of very little in the way of market moving news. Indeed, for the third day running this week, the macro data diary on both sides of the Atlantic was characterised by its sparseness. The only data release of any note was Eurozone retail sales for September. Sales fell by 0.3% in the month, which was slightly weaker than the -0.2% forecast. Not surprisingly, the lower tier category data had no market impact.

The action on bond markets yesterday saw yields continue to moved lower. The 10-year US Treasury yield finished below the 4.5% threshold, a fall of around 8bps from where it had started the day. Meanwhile, the German 10-year Bund yield moved down to nearer the 2.6% level. On commodity markets, oil prices remained on a downward trajectory, in part due to expectations of softer demand. Brent crude fell below \$80 per barrel.

Currency-wise, the majors remained confined to narrow ranges. In level terms, the euro has edged marginally higher versus the dollar and sterling over the past 24 hours. EUR/USD opens this morning just above the \$1.07 mark. Meantime, the EUR/GBP pair is trading over the 87p threshold. Elsewhere, GBP/USD continues to change hands within the \$1.22-1.23 trading band.

Today's global macro data agenda is once again thin. As a result, the main FX pairs could continue to trade in tight ranges near to their current levels over the course of the day. US weekly jobless figures are one of the few data highlights, while remarks from Fed Chair Powell may also garner some attention.

**John Fahey, Senior Economist, AIB**



Today's Opening FX Rates			
		% Change	
		Day *	End 2022
EUR/USD	1.0704	0.19	0.02
EUR/GBP	0.8717	0.15	-1.44
GBP/USD	1.2282	0.06	1.53
GBP/EUR	1.147	-0.15	1.46
USD/JPY	150.88	0.16	15.08
EUR/JPY	161.53	0.35	15.13

\* 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	5.44	5.63	5.55	5.05	4.53
EUR	4.50	3.85	3.97	3.98	3.54	3.13
GBP	5.25	5.18	5.23	5.20	5.03	4.52

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

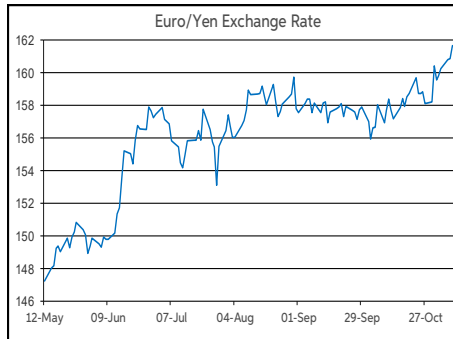
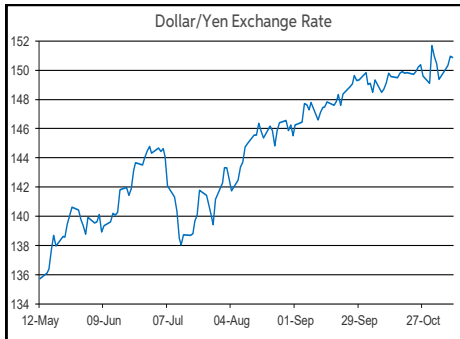
FX Spot	Karl Cooke Shane Gargan	FX Options	Mark Tuite	Reuters Phone	AIBG.I 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
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# Opening Levels

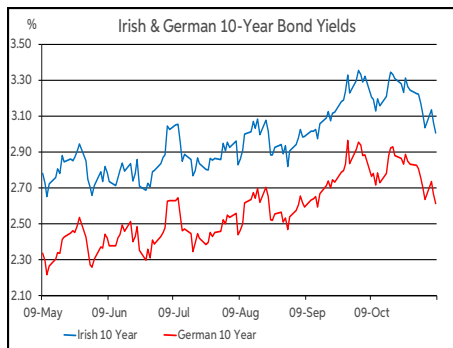
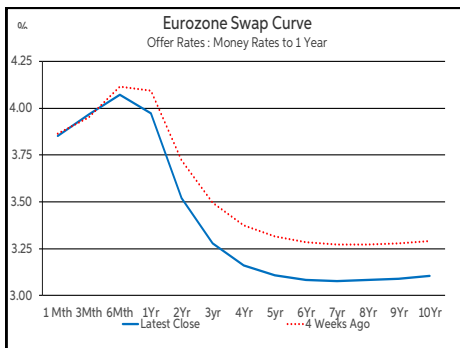
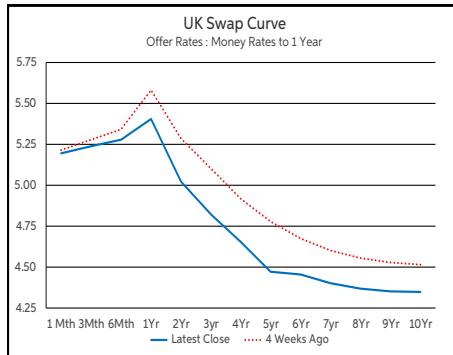
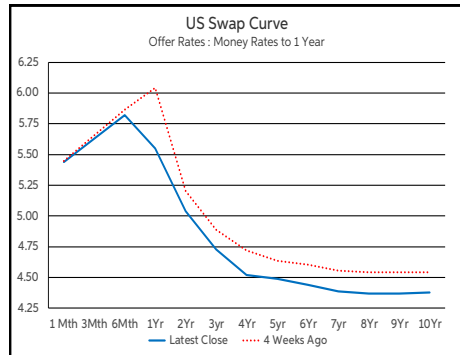
Thursday 09 November 2023  
07:28 am



Euro		Sterling		Dollar	
EUR/GBP	0.8717	GBP/EUR	1.147	USD/JPY	150.88
EUR/USD	1.0704	GBP/USD	1.2282	USD/CAD	1.3787
EUR/JPY	161.53	GBP/CAD	1.6931	USD/CHF	0.8997
EUR/SEK	11.6614	GBP/NZD	2.0698	USD/CNY	7.2863
EUR/DKK	7.4571	GBP/JPY	185.31	USD/BRL	4.9103
EUR/NOK	11.9586	GBP/SEK	13.3774	USD/RUB	92.11
EUR/CHF	0.9634	GBP/DKK	8.5535	USD/INR	83.266
EUR/AUD	1.6677	GBP/NOK	13.7188		
EUR/HKD	8.3602	GBP/CHF	1.1051	AUD/USD	0.6419
EUR/CAD	1.476	GBP/AUD	1.9131	NZD/USD	0.5932



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 22
<b>10 Year Yield %</b>				
US	4.49	-8	-7	+61
Germany	2.61	-5	-10	+5
UK	4.25	-3	-9	+58
<b>5 Year Swap %</b>				
US	4.49	-3	-11	+49
Eurozone	3.11	-1	-20	-12
UK	4.47	+0	-30	+17
<b>2 Year Swap %</b>				
US	5.04	+1	-12	+36
Eurozone	3.52	+1	-19	+13
UK	5.02	+2	-26	+34
<b>10 Year Government Bond Spreads to Benchmark bps</b>				
Ireland	44	+0	-0	-15
Belgium	64	+0	-2	-0
France	59	+0	+3	+4
Italy	186	+4	-8	-28
Spain	105	-1	-5	-5
Portugal	74	+0	+4	-29
Greece	129	-3	-23	-74



Commodities				
	% Change			
	Close	Day	4 Weeks	End 22
Brent Oil	79.54	-2.54	-7.32	-7.41
West Texas Oil	75.85	-2.71	-9.38	-5.38
Gold \$	1949.8	-0.95	+4.07	+6.87

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