

Eurozone flash HICP inflation in focus

It was a relatively quiet day on financial markets yesterday. A market holiday in the US for Thanksgiving and a muted data schedule elsewhere contributed to the lacklustre price action.

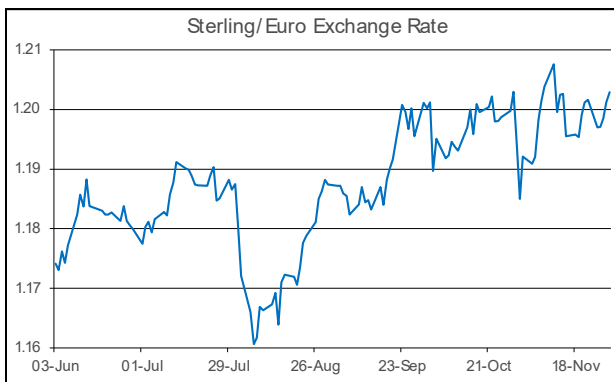
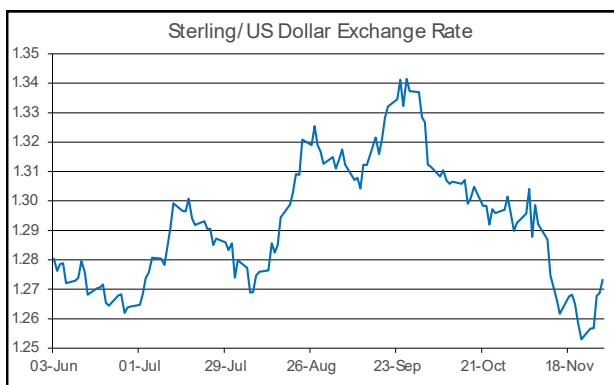
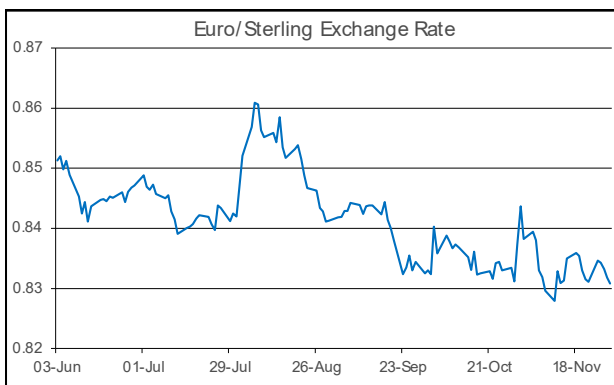
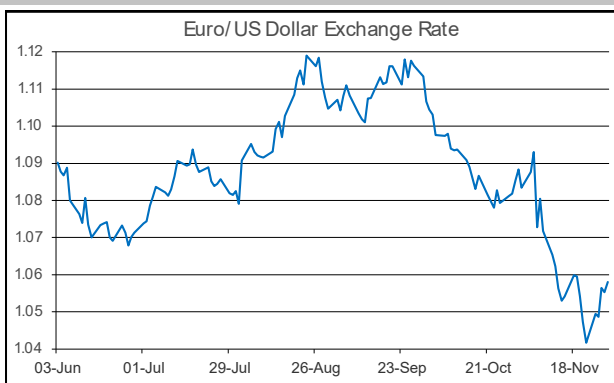
Of the limited data release to note, the Eurozone economic sentiment indicators printed broadly in-line with expectations. Services sector sentiment deteriorated in November, while there was a modest improvement in the industrial sector. Meantime, flash German HICP inflation printed below the consensus in November, rising to 2.4% (vs. 2.6% f'cast) from 2.0%.

Amid the weaker than forecast rise in German inflation, Eurozone yields declined across the board. Reports of compromise in the on-going French Budget negotiations also coincided with the fall in yields. Overall, 10-year German Bund yields moved 4bps lower, while French OAT yields declined by 9bps. Meanwhile, the Euro Stoxx 50 recouped some of its recent losses, rising by 0.5%

Currency-wise, the main FX pairs operated in very narrow ranges throughout the European session. Of the meagre moves to record, sterling was holding a slightly firmer tone. Overnight, sterling has maintained some upward momentum, while the dollar has been on the defensive. In level terms, this sees EUR/GBP open this morning back near 83p. GBP/USD is changing hands north of \$1.27. EUR/USD is up in the top half of \$1.05-1.06. Meantime, USD/JPY is back below the ¥150 mark.

Today, the main data highlight will be the flash reading of Eurozone HICP inflation for November. Both the headline and core rates are forecast to rise to 2.3% and 2.8%, respectively.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2023
EUR/ USD	1.058	0.29	-4.13
EUR/ GBP	0.8308	-0.26	-4.15
GBP/ USD	1.2733	0.54	0.03
GBP/ EUR	1.2033	0.26	4.33
USD/ JPY	149.76	-1.17	6.17
EUR/ JPY	158.49	-0.87	1.84

* 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	4.53	4.46	4.23	4.30	4.08
EUR	3.40	2.98	2.91	2.36	2.17	2.11
GBP	4.75	4.69	4.66	4.38	4.38	4.12

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

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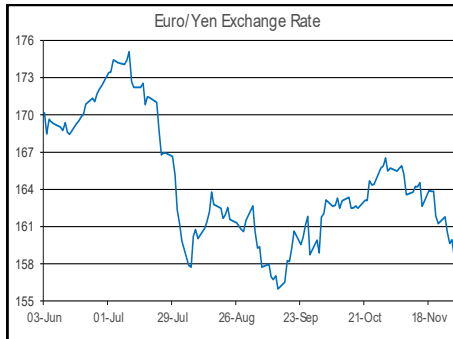
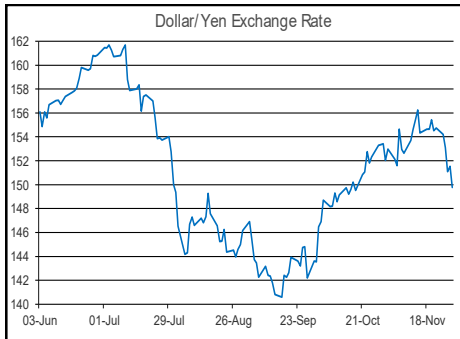
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Opening Levels

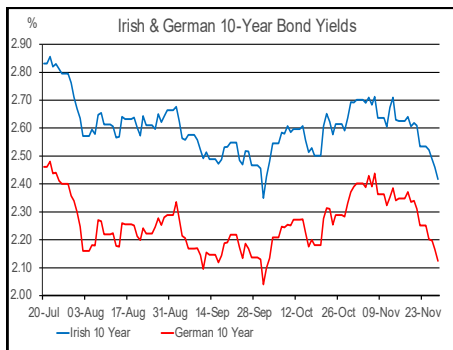
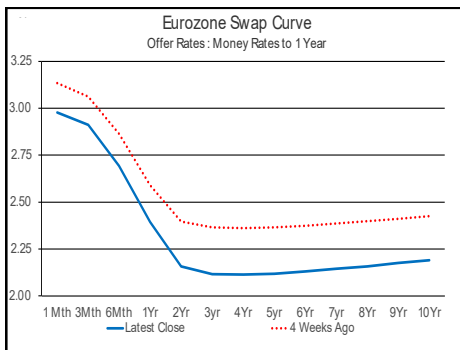
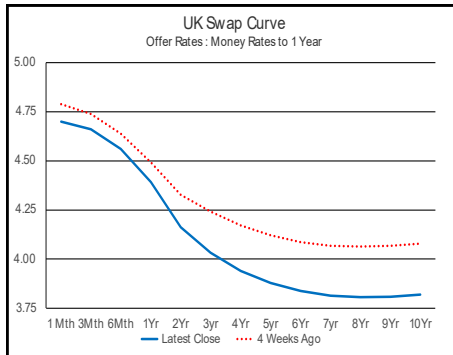
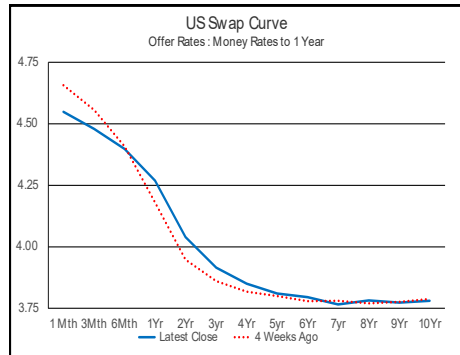
Friday 29 November 2024
07:36 am



Euro		Sterling		Dollar	
EUR/GBP	0.8308	GBP/EUR	1.2033	USD/JPY	149.76
EUR/USD	1.058	GBP/USD	1.2733	USD/CAD	1.3994
EUR/JPY	158.49	GBP/CAD	1.7814	USD/CHF	0.8801
EUR/SEK	11.5135	GBP/NZD	2.1485	USD/CNY	7.2282
EUR/DKK	7.4578	GBP/JPY	190.7	USD/BRL	6.0142
EUR/NOK	11.6505	GBP/SEK	13.845	USD/RUB	108
EUR/CHF	0.9315	GBP/DKK	8.9713	USD/INR	84.495
EUR/AUD	1.6225	GBP/NOK	14.013	AUD/USD	0.6519
EUR/HKD	8.2357	GBP/CHF	1.1204	NZD/USD	0.5922
EUR/CAD	1.4809	GBP/AUD	1.9516		



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 23
10 Year Yield %				
US	4.24	-6	-4	+38
Germany	2.13	-4	-27	+10
UK	4.28	-2	-17	+74
5 Year Swap %				
US	4.08	+2	+3	+29
Eurozone	2.12	-3	-24	-31
UK	4.12	-2	-16	+47
2 Year Swap %				
US	4.29	+0	+9	-4
Eurozone	2.16	-3	-23	-64
UK	4.39	-1	-9	+12
10 Year Government Bond Spreads to Benchmark bps				
Ireland	32	-0	-1	-2
Belgium	61	-2	+2	-5
France	82	-3	+8	+29
Italy	122	-2	-6	-45
Spain	72	-1	+0	-25
Portugal	48	-1	+6	-28
Greece	86	-3	-10	-19



Commodities				
	% Change			
	Close	Day	4 Weeks	End 23
Brent Oil	73.28	+0.62	+0.16	-4.88
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	2641.0	+0.21	-3.75	+28.04

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