

## GBP/USD back below \$1.24

Investor sentiment was holding a slightly positive tone yesterday, despite a modest firming in US rates and some mixed data releases. The Euro Stoxx 50 gained 0.6%. Meantime, the S&P 500 edged 0.2% higher. On bond markets, 10-year US Treasury and UK Gilt yields climbed circa 8bps higher. 10-year German Bund yields rose by 3bps. Elsewhere, Oil prices fell by over 1%.

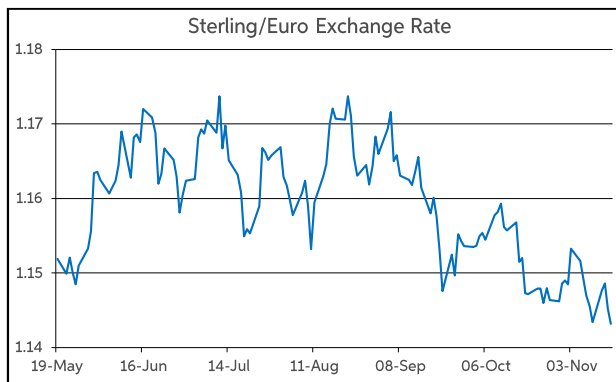
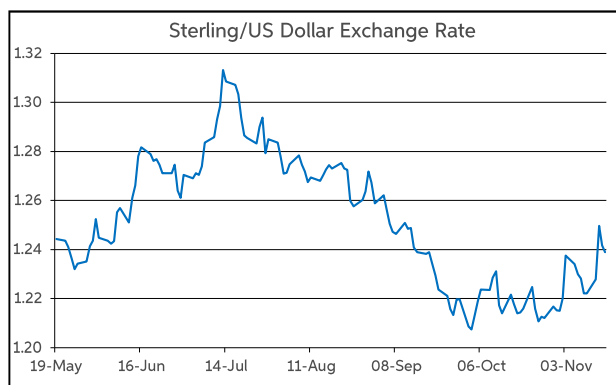
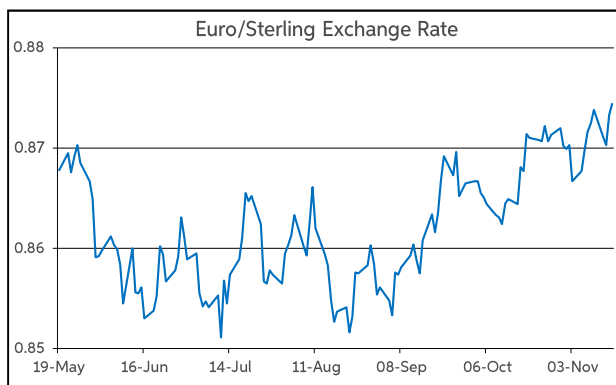
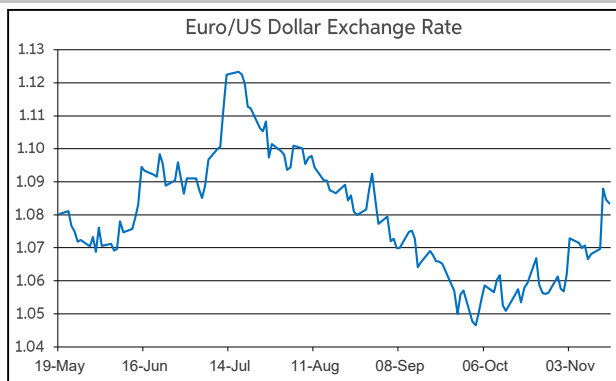
Data-wise, US retail sales fell by 0.1% in October (vs. -0.3% f'cast), while producer price inflation declined by more than anticipated, to 1.3% in October (vs. 1.9% f'cast). Overall, the data are consistent with a slowdown in growth and softening inflationary pressures. Despite this, US future contracts firmed yesterday. Markets are now pricing in circa 90bps of rate cuts next year, compared to 100bps in the aftermath of Tuesday's CPI data. In the Eurozone, industrial production contracted by 1.1% in September (vs. -1.0% f'cast).

On the currency front, sterling was on the back-foot yesterday, as UK CPI inflation eased to 4.6% in October (vs. 4.8% f'cast). Elsewhere, the dollar was in the ascendancy, amid the rise in US Treasury yields and the modest hardening of US rate expectations.

In level terms, the softer tone to sterling, and the firmer dollar is reflected in GBP/USD opening this morning back below the \$1.24 threshold. EUR/USD is operating down in the lower half of \$1.08-1.09. Meanwhile, EUR/GBP is near the midpoint of 87-88p.

Today, a busy US data calendar includes industrial production for October, and the latest weekly initial jobless claims figures. Homebuilder sentiment and the Philly Fed index for November are also due. Elsewhere, remarks from a number of central bank speakers, notably ECB President Lagarde will garner attention.

**Daniel Noonan, Economist, AIB**



Today's Opening FX Rates			
		% Change	
		Day *	End 2022
EUR/USD	1.0835	-0.33	1.24
EUR/GBP	0.8744	0.45	-1.13
GBP/USD	1.2388	-0.81	2.41
GBP/EUR	1.1431	-0.45	1.14
USD/JPY	151.38	0.48	15.46
EUR/JPY	164.05	0.15	16.93

\* 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	5.65	5.49	5.01	4.50
EUR	4.50	3.82	4.00	3.97	3.52	3.10
GBP	5.25	5.18	5.21	5.14	4.98	4.51

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

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# Opening Levels

Thursday 16 November 2023  
07:15 am



## Euro

EUR/GBP	0.8744
EUR/USD	1.0835
EUR/JPY	164.05
EUR/SEK	11.452
EUR/DKK	7.4587
EUR/NOK	11.753
EUR/CHF	0.9626
EUR/AUD	1.6727
EUR/HKD	8.4593
EUR/CAD	1.4845

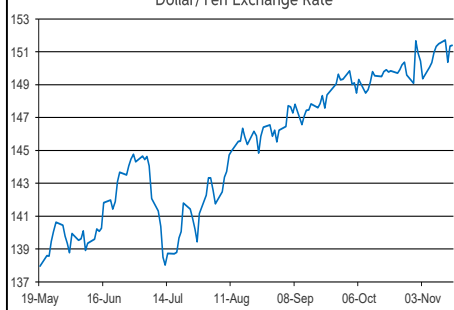
## Sterling

GBP/EUR	1.1431
GBP/USD	1.2388
GBP/CAD	1.6969
GBP/NZD	2.07
GBP/JPY	187.53
GBP/SEK	13.0873
GBP/DKK	8.5254
GBP/NOK	13.429
GBP/CHF	1.1003
GBP/AUD	1.9126

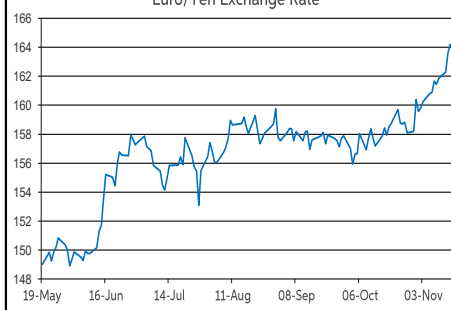
## Dollar

USD/JPY	151.38
USD/CAD	1.3698
USD/CHF	0.8881
USD/CNY	7.2563
USD/BRL	4.862
USD/RUB	89.2525
USD/INR	83.225
AUD/USD	0.6475
NZD/USD	0.5982

Dollar/Yen Exchange Rate

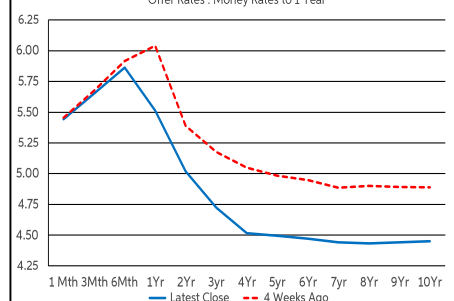


Euro/Yen Exchange Rate



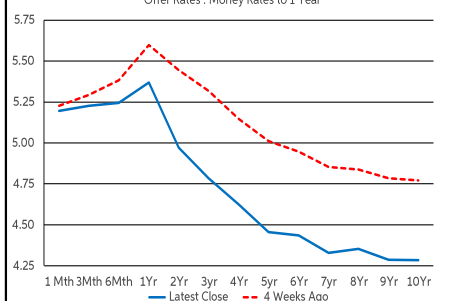
US Swap Curve

Offer Rates : Money Rates to 1 Year



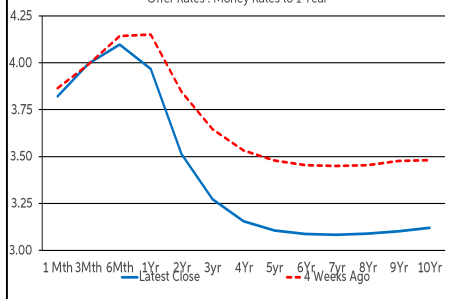
UK Swap Curve

Offer Rates : Money Rates to 1 Year

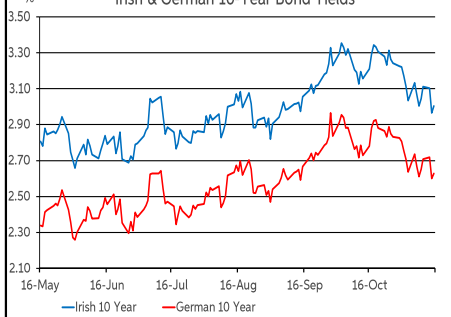


Eurozone Swap Curve

Offer Rates : Money Rates to 1 Year



Irish & German 10-Year Bond Yields



## Debt Markets

	Close	Day	4 Weeks	End 22
<b>10 Year Yield %</b>				
US	4.54	+8	-37	+66
Germany	2.63	+3	-29	+7
UK	4.23	+8	-43	+56
Ireland	3.03	+4	-35	-12
Belgium	3.25	+6	-35	+5
France	3.21	+6	-34	+10
Italy	4.45	+4	-53	-25
Spain	3.67	+4	-38	+1
Portugal	3.32	+2	-34	-28
Greece	3.88	-3	-51	-71
<b>5 Year Swap %</b>				
US	4.50	+8	-45	+50
Eurozone	3.11	+3	-36	-12
UK	4.46	+0	-51	+15
<b>2 Year Swap %</b>				
US	5.02	+10	-33	+34
Eurozone	3.51	+2	-32	+13
UK	4.97	+2	-47	+29
<b>10 Year Government Bond Spreads to Benchmark bps</b>				
Ireland	40	+1	-6	-19
Belgium	62	+3	-6	-2
France	58	+3	-5	+3
Italy	182	+1	-24	-32
Spain	104	+1	-9	-5
Portugal	69	-1	-4	-35
Greece	125	-6	-22	-78

## Commodities

	Close	Day	4 Weeks	End 22
<b>% Change</b>				
Brent Oil	81.18	-1.56	-11.28	-5.51
West Texas Oil	77.15	-2.22	-12.68	-3.75
Gold \$	1959.1	-0.18	+0.59	+7.38

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