

## Uneventful start to a busy week

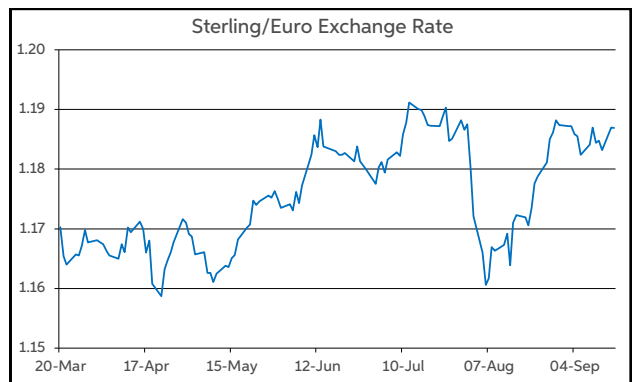
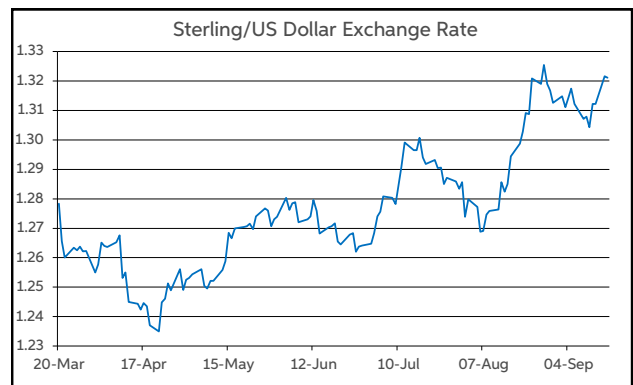
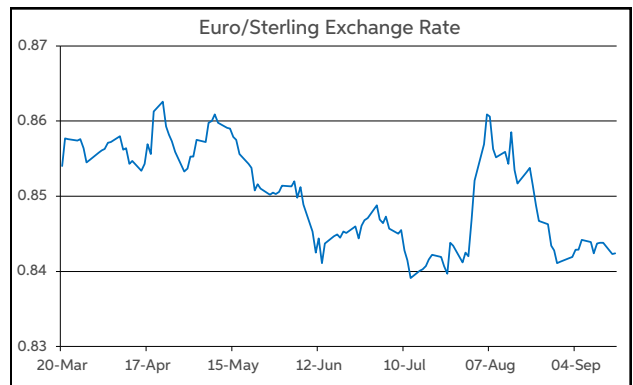
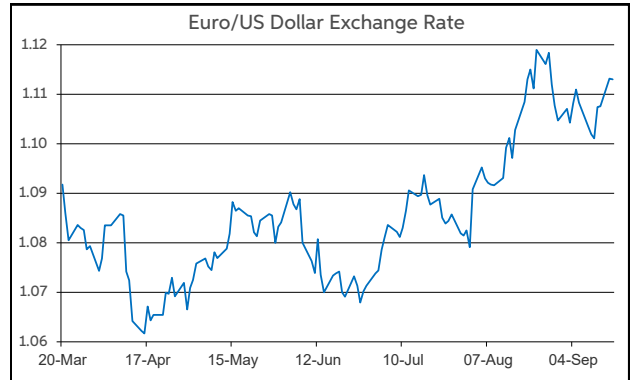
A packed week of central bank meetings got off to an uneventful start yesterday. This was not surprising given the lack on any top tier data on either side of the Atlantic. It was also likely a case of investors/market participants keeping their powder dry with the aforementioned raft of monetary policy decisions looming on the horizon.

This muted backdrop was evident in a generally cautious tone to investor sentiment. After registering strong gains of between 2-4% last week, the main equity indices, for the most part, traded sideways yesterday. At the closing bell on Wall Street last night, the S&P 500 was a modest 0.1% higher on the day. Meanwhile, on bond markets, the main benchmark sovereigns saw yields decline marginally, by between 1-3bps.

On the currency front, it was a similar picture of subdued trading amongst the majors. However, within this limited price action, the dollar retained the softer tone that re-emerged towards the end of last week on renewed speculation of a 50bps (rather than a 25bps) rate cut from the Fed this week. In level terms, the softer dollar was reflected in EUR/USD edging higher within the lower half of the \$1.11-1.12 band and GBP/USD trading above the \$1.32 threshold. Meanwhile, EUR/GBP continued to change hands within the bottom half of the 84-85p corridor.

Today's macro diary is US centric. It features retail sales and industrial production (both Aug) as well as homebuilder sentiment (Sept) for the world's largest economy. However, with tomorrow evening's Fed rate announcement very much front and centre of investor's minds, unless today's data surprises significantly versus expectations, market impact may be limited.

**John Fahey, Senior Economist, AIB**



Today's Opening FX Rates			
		% Change	
		Day *	End 2023
EUR/USD	1.113	0.30	0.85
EUR/GBP	0.8424	-0.14	-2.81
GBP/USD	1.3212	0.45	3.79
GBP/EUR	1.187	0.14	2.90
USD/JPY	140.53	0.23	-0.38
EUR/JPY	156.41	0.53	0.50

\* 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	5.13	5.12	4.11	3.65	3.41
EUR	3.65	3.41	3.47	2.85	2.44	2.28
GBP	5.00	4.89	4.78	4.16	3.97	3.66

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

Tuesday 17 September 2024  
07:27 am



## Euro

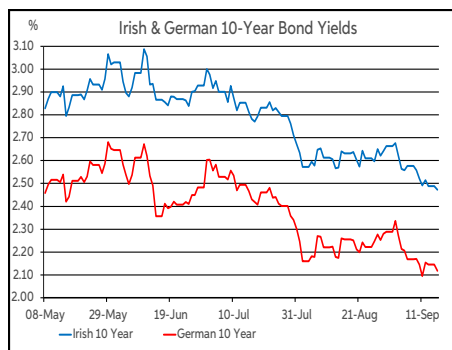
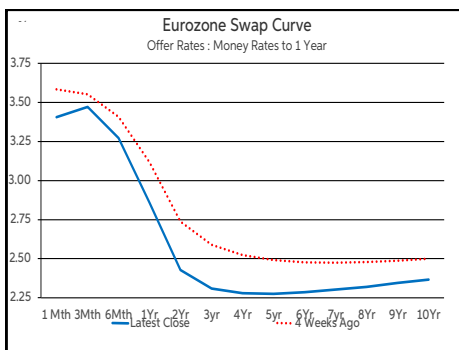
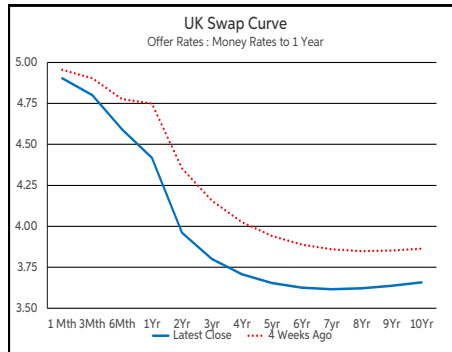
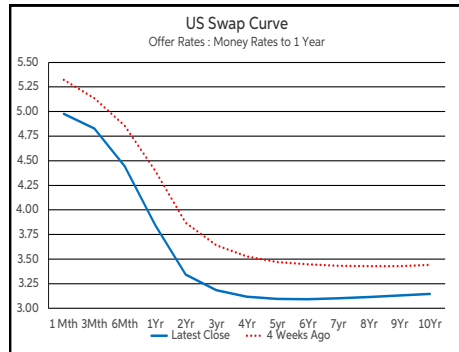
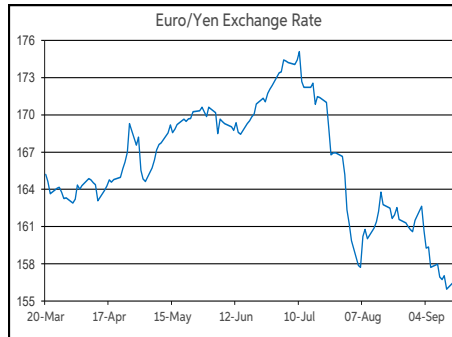
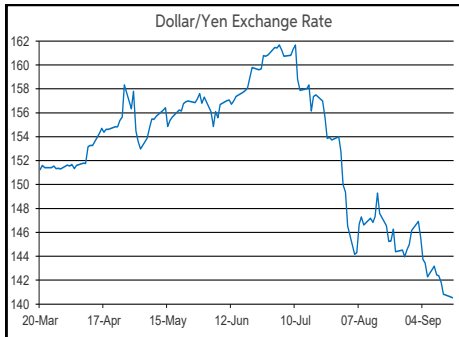
EUR/GBP	0.8424
EUR/USD	1.113
EUR/JPY	156.41
EUR/SEK	11.317
EUR/DKK	7.4622
EUR/NOK	11.7702
EUR/CHF	0.9393
EUR/AUD	1.6474
EUR/HKD	8.672
EUR/CAD	1.5121

## Sterling

GBP/EUR	1.187
GBP/USD	1.3212
GBP/CAD	1.7949
GBP/NZD	2.1334
GBP/JPY	185.67
GBP/SEK	13.4297
GBP/DKK	8.857
GBP/NOK	13.972
GBP/CHF	1.115
GBP/AUD	1.9554

## Dollar

USD/JPY	140.53
USD/CAD	1.3586
USD/CHF	0.8439
USD/CNY	7.093
USD/BRL	5.5038
USD/RUB	91.3
USD/INR	83.8225
AUD/USD	0.6754
NZD/USD	0.619



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 23
<b>10 Year Yield %</b>				
US	3.62	-3	-25	-24
Germany	2.12	-3	-13	+9
UK	3.76	-1	-17	+22
<b>5 Year Swap %</b>				
Ireland	2.51	-2	-16	+14
Belgium	2.71	-2	-13	+2
France	2.83	-1	-15	+27
Italy	3.48	-4	-15	-22
Spain	2.92	-3	-17	-7
Portugal	2.71	-3	-16	-8
Greece	3.13	-1	-20	+5
<b>2 Year Swap %</b>				
US	3.35	-3	-36	-44
Eurozone	2.28	-4	-21	-15
UK	3.65	-1	-28	+0
<b>10 Year Government Bond Spreads to Benchmark bps</b>				
Ireland	39	+1	-2	+5
Belgium	59	+0	+0	-7
France	71	+2	-1	+18
Italy	136	-1	-1	-31
Spain	80	+0	-3	-17
Portugal	59	+0	-3	-17
Greece	101	+2	-7	-4

Commodities				
	% Change			
	Close	Day	4 Weeks	End 23
Brent Oil	72.75	+1.59	-6.32	-5.57
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	2582.6	+0.24	+3.14	+25.21

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