

Looming tariff plans weighing on sentiment

The market action on the last trading day of March was emblematic of what had occurred over the month. Trading conditions were volatile and investors remained nervous as they pondered the risks to global trade and economic growth from the pending tariff plans from the Trump administration.

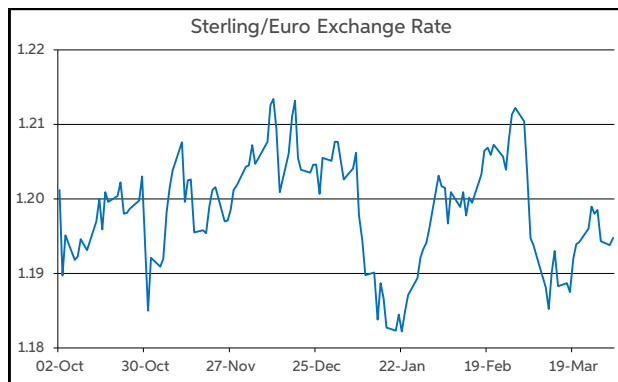
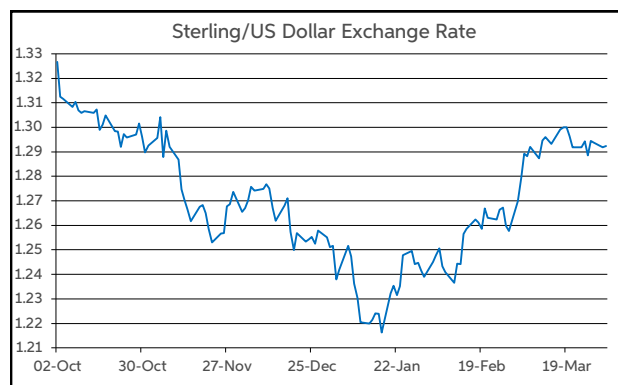
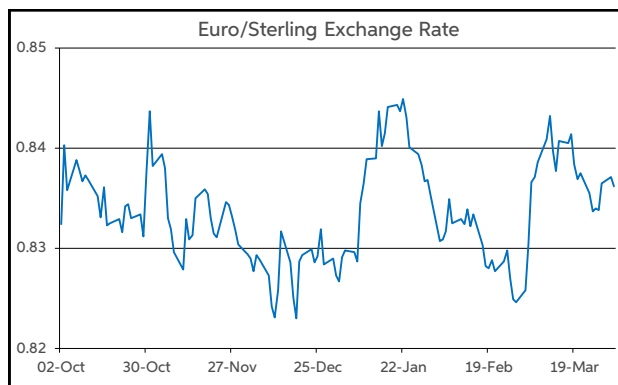
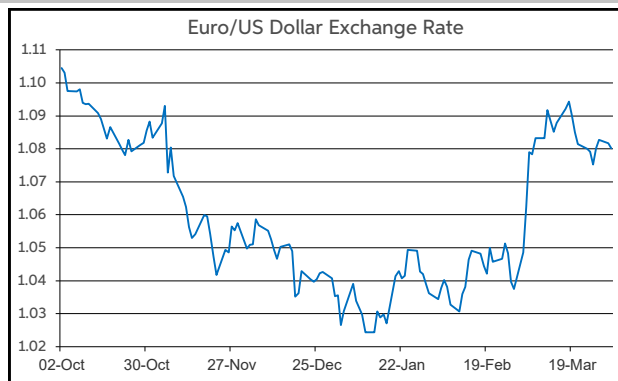
Against this backdrop, in Europe, the Euro Stoxx 50 equity index was down 1.6% on the day and posted a 3.9% loss on the month. Meanwhile, on Wall Street last night, the S&P 500 actually managed to post a gain on the day. However, the index still registered a 5.8% decline for March, illustrating the increased concerns for the US economy that emerged during the month.

Currency-wise, the majors were confined to narrow ranges yesterday. Overnight, this muted action has continued in the first session of April trading on Asia-Pacific markets. Of the modest moves to register over this period, the dollar is marginally firmer, but still some degree weaker than where it was at the start of March.

In level terms, the EUR/USD pair has been trading in and around the \$1.08 threshold over the past 24 hours. It starts this morning's European session just above this mark. Meanwhile, EUR/GBP continued to operate in a narrow corridor near to the midpoint of the 83-84p band. Elsewhere, GBP/USD opens this morning in the lower half of \$1.29-1.30.

Ahead today, the main data releases of note are the flash reading of Eurozone HICP inflation and the US manufacturing ISM (both March). Tomorrow's tariff announcements from the US though will loom large over the market discourse today.

John Fahey, Senior Economist, AIB



| Today's Opening FX Rates | | | |
|--------------------------|--------|----------|----------|
| | | % Change | |
| | | Day * | End 2024 |
| EUR/USD | 1.0815 | -0.17 | 4.46 |
| EUR/GBP | 0.8367 | 0.10 | 1.14 |
| GBP/USD | 1.2923 | -0.23 | 3.29 |
| GBP/EUR | 1.1948 | -0.10 | -1.12 |
| USD/JPY | 149.86 | 0.53 | -4.66 |
| EUR/JPY | 162.09 | 0.36 | -0.41 |

* 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 | 4.38 | 4.31 | 4.28 | 3.97 | 4.01 | 3.92 |
| EUR | 2.65 | 2.34 | 2.33 | 2.21 | 2.19 | 2.39 |
| GBP | 4.50 | 4.45 | 4.34 | 4.16 | 4.27 | 4.24 |

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 |
|---------|----------------------------|------------|------------|------------------|---------------------------|-----------------|-----------------------------------|

Opening Levels

Tuesday 01 April 2025
07:11 am



Euro

| | |
|---------|---------|
| EUR/GBP | 0.8367 |
| EUR/USD | 1.0815 |
| EUR/JPY | 162.09 |
| EUR/SEK | 10.8566 |
| EUR/DKK | 7.4609 |
| EUR/NOK | 11.369 |
| EUR/CHF | 0.955 |
| EUR/AUD | 1.7284 |
| EUR/HKD | 8.4161 |
| EUR/CAD | 1.5556 |

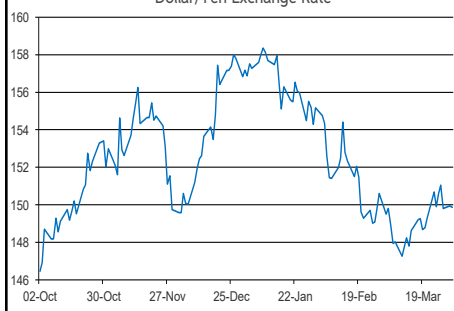
Sterling

| | |
|---------|---------|
| GBP/EUR | 1.1948 |
| GBP/USD | 1.2923 |
| GBP/CAD | 1.8585 |
| GBP/NZD | 2.2757 |
| GBP/JPY | 193.66 |
| GBP/SEK | 12.9725 |
| GBP/DKK | 8.9125 |
| GBP/NOK | 13.583 |
| GBP/CHF | 1.1411 |
| GBP/AUD | 2.0644 |

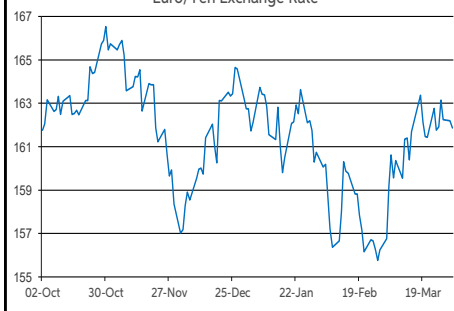
Dollar

| | |
|---------|--------|
| USD/JPY | 149.86 |
| USD/CAD | 1.4385 |
| USD/CHF | 0.883 |
| USD/CNY | 7.2674 |
| USD/BRL | 5.6999 |
| USD/RUB | 84.8 |
| USD/INR | 85.511 |
| AUD/USD | 0.6256 |
| NZD/USD | 0.5675 |

Dollar/Yen Exchange Rate

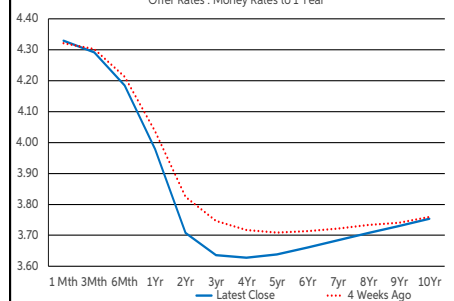


Euro/Yen Exchange Rate



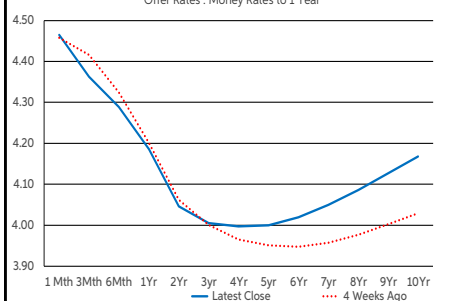
US Swap Curve

Offer Rates : Money Rates to 1 Year



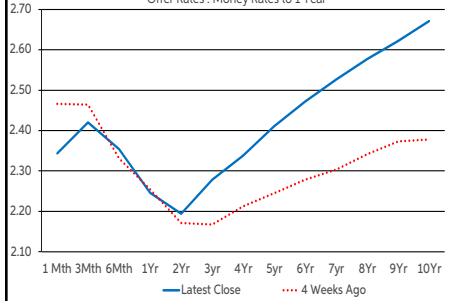
UK Swap Curve

Offer Rates : Money Rates to 1 Year

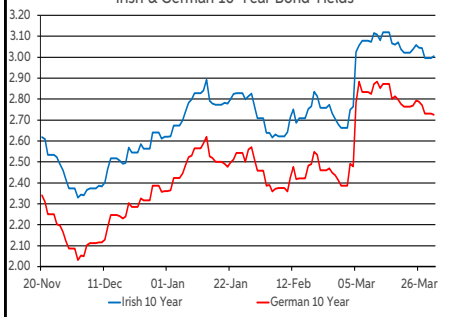


Eurozone Swap Curve

Offer Rates : Money Rates to 1 Year



Irish & German 10-Year Bond Yields



Debt Markets

| | Close | Day | 4 Weeks | End 24 |
|---|-------|-----|---------|--------|
| 10 Year Yield % | | | | |
| US | 4.25 | -1 | +7 | -33 |
| Germany | 2.73 | -0 | +24 | +37 |
| UK | 4.67 | -3 | +11 | +10 |
| Ireland | 3.03 | +1 | +26 | +38 |
| Belgium | 3.29 | +1 | +22 | +31 |
| France | 3.45 | +1 | +23 | +25 |
| Italy | 3.86 | +1 | +32 | +34 |
| Spain | 3.37 | +0 | +21 | +30 |
| Portugal | 3.26 | +1 | +26 | +41 |
| Greece | 3.57 | -3 | +21 | +32 |
| 5 Year Swap % | | | | |
| US | 3.89 | -3 | -5 | -40 |
| Eurozone | 2.41 | +3 | +17 | +17 |
| UK | 4.24 | -1 | +5 | -5 |
| 2 Year Swap % | | | | |
| US | 3.97 | -1 | -8 | -36 |
| Eurozone | 2.19 | +2 | +2 | -0 |
| UK | 4.26 | -0 | -2 | -22 |
| 10 Year Government Bond Spreads to Benchmark bps | | | | |
| Ireland | 30 | +1 | +2 | +1 |
| Belgium | 56 | +1 | -2 | -6 |
| France | 72 | +1 | -1 | -11 |
| Italy | 113 | +1 | +8 | -3 |
| Spain | 64 | +1 | -3 | -7 |
| Portugal | 53 | +2 | +2 | +5 |
| Greece | 84 | -2 | -3 | -4 |

Commodities

| | Close | Day | 4 Weeks | End 24 |
|----------------|--------|-------|---------|--------|
| Brent Oil | 74.74 | +1.51 | +4.36 | +0.13 |
| West Texas Oil | 71.65 | -0.17 | -1.90 | -1.27 |
| Gold \$ | 3123.1 | +1.27 | +7.93 | +19.03 |

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