

## Very volatile trading conditions over the past 24 hours

Trading conditions have been extremely volatile over the past 24 hours. This reflected optimism regarding the potential that negotiations could lead to the removal of US tariffs amongst some market participants, and concerns by others, in relation to an escalation of the trade war between the US and China. Overnight the bears have won out, as US reciprocal tariffs were implemented, including a 104% rate on Chinese goods, in a further sign that the trade war between the two nations is intensifying.

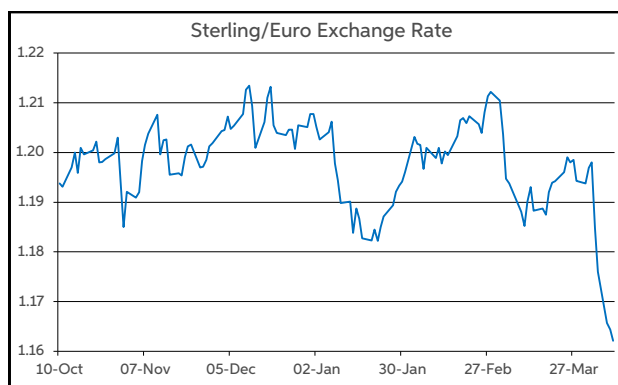
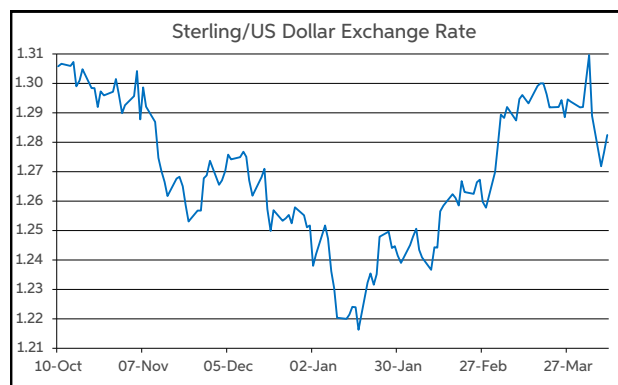
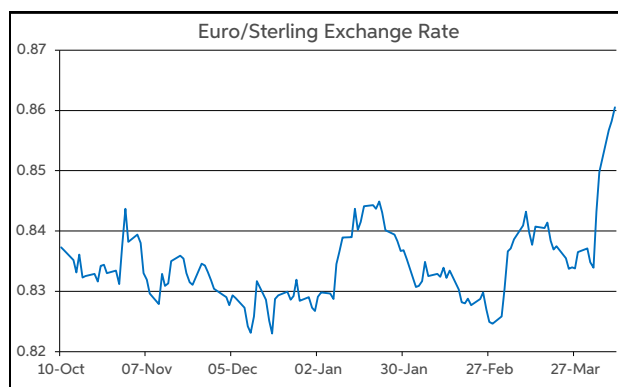
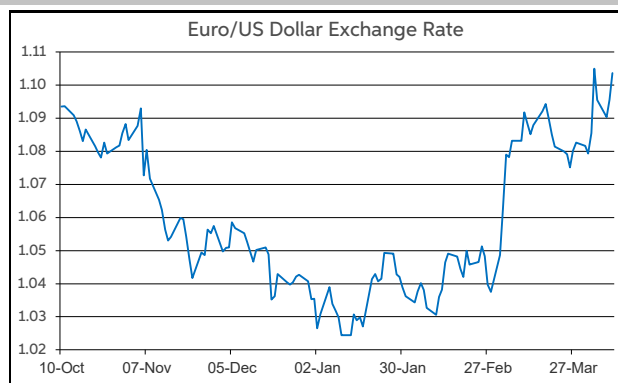
On equity markets, the Euro Stoxx 50 rebounded by 2.5% yesterday, having declined by a cumulative 12.2% in the three trading sessions prior. Meantime, the S&P 500 registered a 1.6% fall, as risk appetite soured after the European close. Earlier in the day, the index had been up by as much as 4%. Elsewhere, US Treasury yields rose sharply overnight, led by the long-end (up by 20-25bps) resulting in a marked steepening of the curve.

Currency-wise, the euro was on the defensive yesterday, while the dollar recouped some of its recent losses. This saw EUR/USD trade down to a low of \$1.0889. However, the dollar sold-off once again overnight. There has been a slightly firmer tone to the euro also. At the same time, the yen and Swiss franc remain bid.

In level terms, EUR/USD opens this morning north of the \$1.10 threshold. GBP/USD is changing hands in the lower half of the \$1.28-1.29 trading band. Meanwhile, EUR/GBP is up at the 86p mark. USD/JPY is down in the bottom half of the ¥145-146 range.

Today, the latest Fed meeting minutes will be released. Aside from that though, the data calendar is barren on both sides of the Atlantic, meaning tariff related news flow will remain to the fore.

**Daniel Noonan, Economist, AIB**



Today's Opening FX Rates			
		% Change	
		Day *	End 2024
EUR/USD	1.1036	0.56	6.60
EUR/GBP	0.8601	0.23	3.96
GBP/USD	1.2824	0.31	2.50
GBP/EUR	1.1618	-0.23	-3.81
USD/JPY	145.28	-1.68	-7.57
EUR/JPY	160.36	-1.12	-1.47

\* 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	4.30	4.17	3.67	3.71	3.79
EUR	2.65	2.35	2.36	2.03	1.96	2.26
GBP	4.50	4.42	4.24	3.93	4.01	4.06

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

Wednesday 09 April 2025  
06:31 am



## Euro

EUR/GBP	0.8601
EUR/USD	1.1036
EUR/JPY	160.36
EUR/SEK	11.0028
EUR/DKK	7.4662
EUR/NOK	12.0236
EUR/CHF	0.9296
EUR/AUD	1.8535
EUR/HKD	8.562
EUR/CAD	1.5718

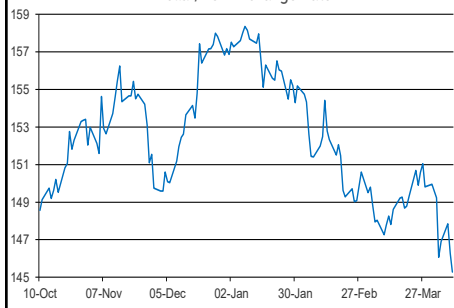
## Sterling

GBP/EUR	1.1618
GBP/USD	1.2824
GBP/CAD	1.8265
GBP/NZD	2.3194
GBP/JPY	186.31
GBP/SEK	12.7872
GBP/DKK	8.6771
GBP/NOK	13.9486
GBP/CHF	1.08
GBP/AUD	2.1531

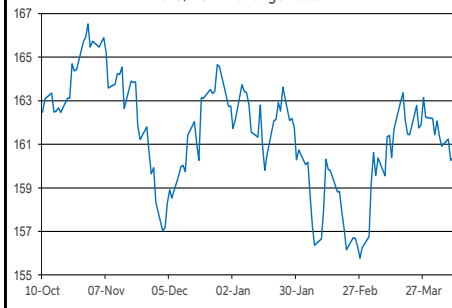
## Dollar

USD/JPY	145.28
USD/CAD	1.4243
USD/CHF	0.8422
USD/CNY	7.3498
USD/BRL	6.0148
USD/RUB	86.3
USD/INR	86.56
AUD/USD	0.5952
NZD/USD	0.5524

Dollar/Yen Exchange Rate

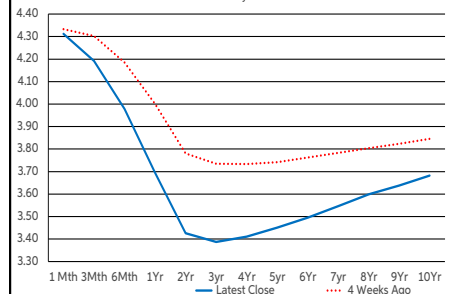


Euro/Yen Exchange Rate



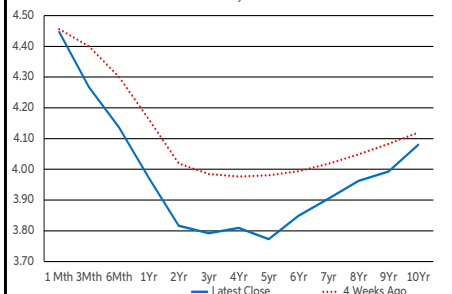
US Swap Curve

Offer Rates : Money Rates to 1 Year



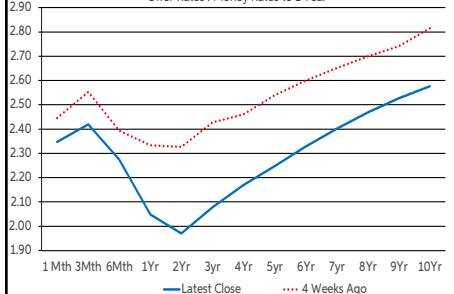
UK Swap Curve

Offer Rates : Money Rates to 1 Year

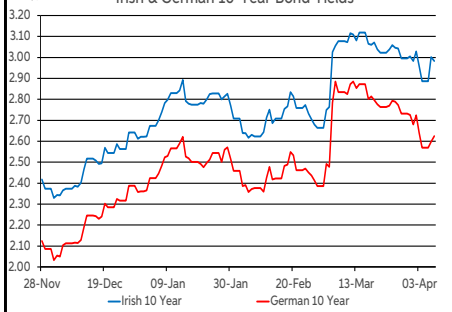


Eurozone Swap Curve

Offer Rates : Money Rates to 1 Year



Irish & German 10-Year Bond Yields



## Debt Markets

	Close	Change bps		
		Day	4 Weeks	End 24
10 Year Yield %				
US	4.26	+10	-3	-32
Germany	2.63	+3	-25	+26
UK	4.61	-2	-7	+3
5 Year Swap %				
US	3.72	-1	-27	-57
Eurozone	2.24	-6	-29	+1
UK	4.05	-4	-16	-23
2 Year Swap %				
US	3.69	-7	-33	-64
Eurozone	1.96	-6	-36	-23
UK	4.01	-7	-23	-48
10 Year Government Bond Spreads to Benchmark bps				
Ireland	40	+6	+12	+12
Belgium	61	-1	+4	-1
France	77	-4	+5	-6
Italy	123	-4	+14	+8
Spain	72	-2	+7	+2
Portugal	62	-3	+8	+13
Greece	94	+2	+10	+6

## Commodities

	Close	% Change		
		Day	4 Weeks	End 24
Brent Oil	62.82	-2.16	-9.69	-15.84
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	2983.8	+0.04	+2.32	+13.72

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