

EUR/USD starts the week between \$1.13-1.14

Trading conditions were very volatile throughout last week, as investors continued to assess the impact of changing US trade policy. The uncertainty caused the US Treasury market to convulse, which then added to broader concerns on the outlook for investors. Overall, the US Treasury yield curve shifted markedly higher by 45-60bps, steepening in the process.

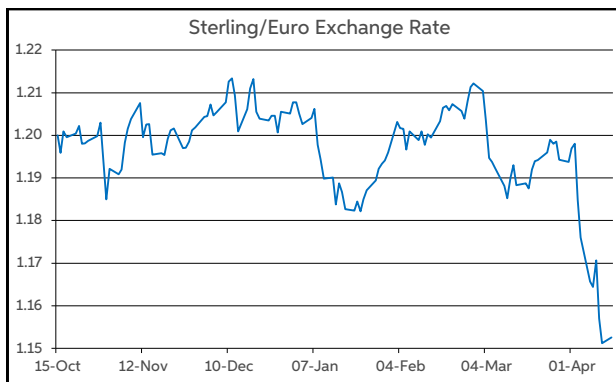
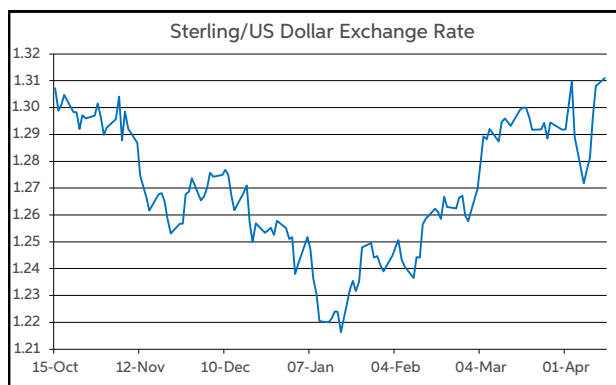
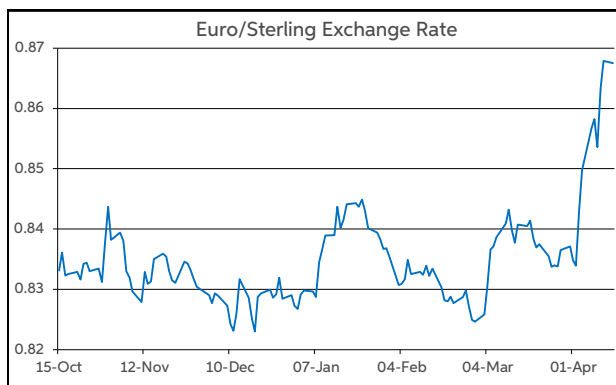
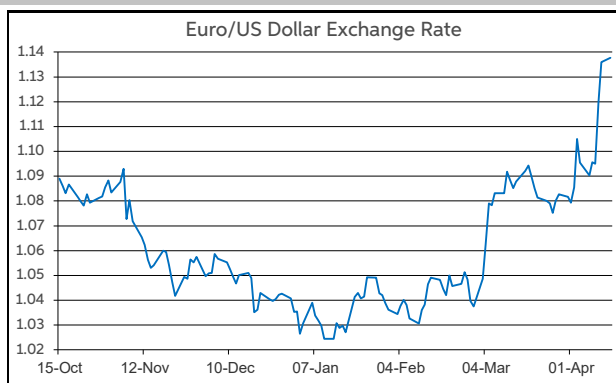
Meanwhile, US market rate expectations firmed somewhat last week, likely reflecting near-term expectations for higher inflation. The market is now pricing-in circa 80bps of policy easing this year, compared to up to 120bps previously. On equity markets, the Euro Stoxx 50 fell by circa 2%. In contrast, the S&P 500 moved 5.7% higher, having declined by over 9% the week prior.

On the currency front, the dollar remained under pressure last week. Meantime, the Swiss franc, euro and yen were in the ascendancy throughout. This is evidenced by the dollar index starting moving back below the 100 mark, and saw the euro record a new year-to-date high versus the dollar, at \$1.1473.

As trading gets underway this morning, EUR/USD opens in the top half of the \$1.13-1.14 range. Similarly, EUR/GBP is in the upper region of the 86-87p trading band. Elsewhere, GBP/USD is up above the \$1.31 threshold. USD/JPY is operating back below ¥143.

Turning to the week ahead, the ECB monetary policy meeting will be the main scheduled release. The market is fully pricing-in another 25bps rate cut. On the data front, updates on the UK labour market and inflation are due. In the US, retail sales and industrial production (both for March) will feature. Tariff related news flow will also remain front and centre for markets.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2024
EUR/USD	1.1376	0.49	9.88
EUR/GBP	0.8676	-0.22	4.87
GBP/USD	1.311	0.70	4.79
GBP/EUR	1.1521	0.22	-4.64
USD/JPY	142.91	-0.01	-9.08
EUR/JPY	162.61	0.49	-0.09

* 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	4.32	4.27	3.91	3.98	4.01
EUR	2.65	2.30	2.28	2.10	2.05	2.32
GBP	4.50	4.41	4.27	3.97	4.10	4.14

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

Monday 14 April 2025
06:30 am



Euro

EUR/GBP	0.8675
EUR/USD	1.1375
EUR/JPY	162.59
EUR/SEK	11.0867
EUR/DKK	7.464
EUR/NOK	12.0697
EUR/CHF	0.9295
EUR/AUD	1.805
EUR/HKD	8.8251
EUR/CAD	1.5768

Sterling

GBP/EUR	1.1521
GBP/USD	1.311
GBP/CAD	1.8168
GBP/NZD	2.2359
GBP/JPY	187.36
GBP/SEK	12.7527
GBP/DKK	8.6037
GBP/NOK	13.9138
GBP/CHF	1.0705
GBP/AUD	2.0791

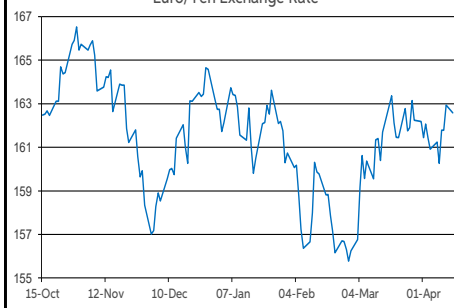
Dollar

USD/JPY	142.91
USD/CAD	1.3859
USD/CHF	0.817
USD/CNY	7.3075
USD/BRL	5.8658
USD/RUB	83.35
USD/INR	86.034
AUD/USD	0.6302
NZD/USD	0.5859

Dollar/Yen Exchange Rate

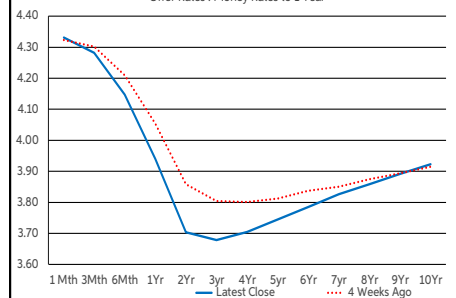


Euro/Yen Exchange Rate



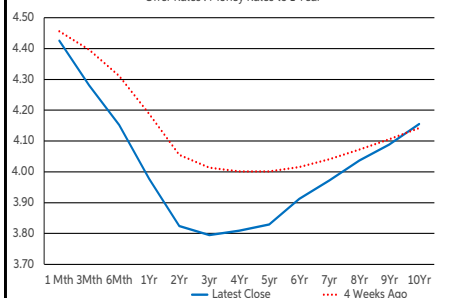
US Swap Curve

Offer Rates : Money Rates to 1 Year



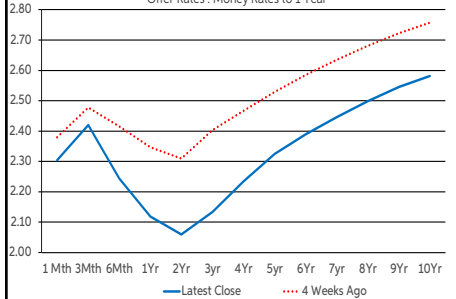
UK Swap Curve

Offer Rates : Money Rates to 1 Year

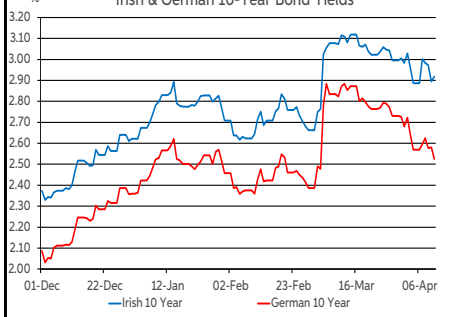


Eurozone Swap Curve

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	4.49	+10	+19	-8
Germany	2.53	-6	-35	+16
UK	4.75	+11	+8	+18
Ireland	2.95	+2	-21	+30
Belgium	3.18	-3	-24	+20
France	3.34	-1	-22	+15
Italy	3.81	-1	-14	+29
Spain	3.29	-2	-21	+23
Portugal	3.18	-2	-21	+33
Greece	3.52	+1	-23	+27
5 Year Swap %				
US	4.00	+9	-5	-29
Eurozone	2.32	+5	-19	+9
UK	4.09	+11	-15	-20
2 Year Swap %				
US	3.97	+10	-14	-37
Eurozone	2.05	+5	-25	-14
UK	4.06	+13	-21	-43
10 Year Government Bond Spreads to Benchmark bps				
Ireland	42	+7	+14	+14
Belgium	65	+3	+10	+3
France	82	+4	+12	-2
Italy	128	+5	+21	+12
Spain	77	+4	+14	+6
Portugal	65	+4	+14	+16
Greece	99	+6	+12	+11

Commodities

	Close	% Change		
		Day	4 Weeks	End 24
Brent Oil	64.76	+2.26	-8.25	-13.24
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	3236.2	+1.96	+8.44	+23.34

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