

## Tight ranges amongst the FX majors

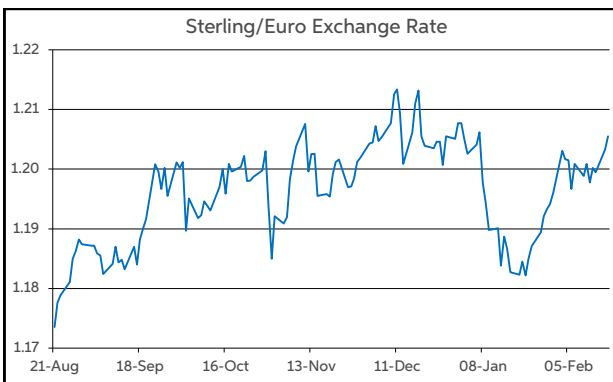
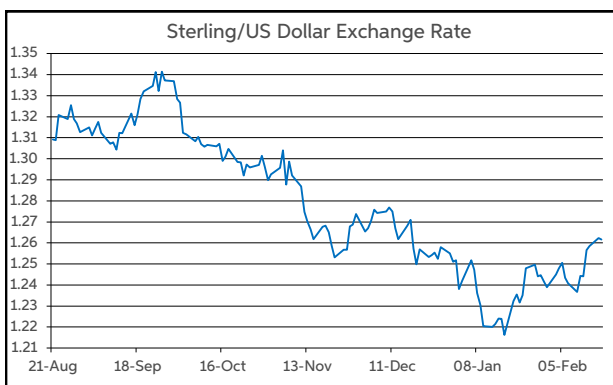
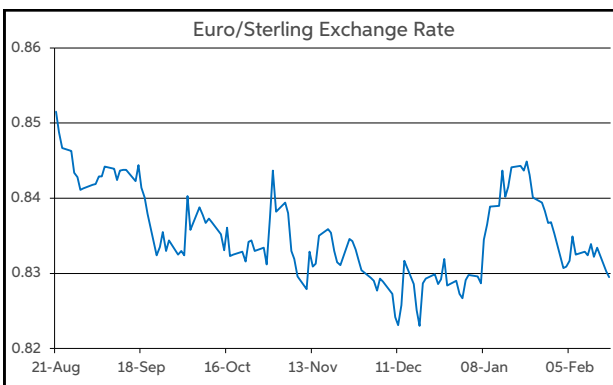
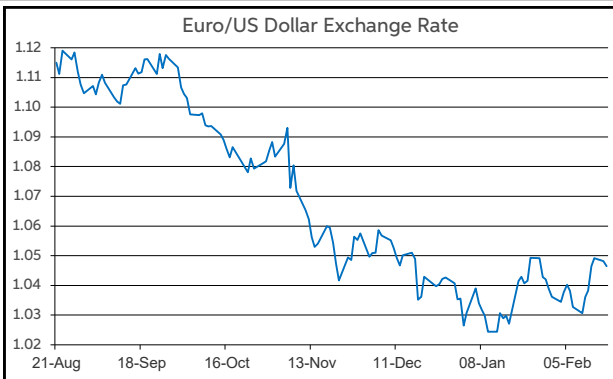
There was a generally quiet start to the week on financial markets yesterday. This was not overly surprising. US markets were closed for the President's Day holiday. Meanwhile, the macro diary on this side of the Atlantic was very sparse, with no releases of any note from either the Eurozone or UK schedules.

Against this backdrop, the positive tone to investor sentiment carried over into this week. The Euro Stoxx 50 gained 0.5% on the day. Meanwhile, on bond markets, European yields were generally 4-6bps higher over the course of the day. The German 10-year Bund yield rose by 6bps, to move up nearer to the 2.5% threshold.

Currency-wise, the majors were trading within tight ranges amid the quiet macro data/event setting. The EUR/USD pair operated in a narrow corridor just below the \$1.05 mark, which represents a notable improvement from where it commenced last week, down nearer to \$1.03. Likewise, EUR/GBP was confined to a very limited 83.0-83.4p range. The muted FX trading conditions persisted in the overnight Asia-Pacific session.

After yesterday's uneventful data schedule, there is a much busier agenda today. Indeed, already this morning, we have had a raft of UK labour market updates for Q4'24. This included the unemployment rate printing at 4.4%, slightly below expectations for 4.5%. Average earnings and employment data were also stronger than forecast. Sterling has traded higher in the initial aftermath of the UK macro news this morning, with EUR/GBP below the 83p level and GBP/USD above \$1.26. The remainder of today's macro calendar contains the German ZEW investor survey (Feb) as well as US homebuilder sentiment (Feb).

**John Fahey, Senior Economist, AIB**



Today's Opening FX Rates			
		% Change	
		Day *	End 2024
EUR/USD	1.0464	-0.24	1.07
EUR/GBP	0.8295	-0.43	0.27
GBP/USD	1.2612	0.21	0.81
GBP/EUR	1.2052	0.43	-0.27
USD/JPY	151.8	0.19	-3.42
EUR/JPY	158.87	-0.04	-2.38

\* 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	4.32	4.23	4.41	4.36
EUR	2.90	2.60	2.52	2.36	2.29	2.36
GBP	4.50	4.45	4.41	4.16	4.28	4.20

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 18 February 2025  
07:18 am



## Euro

EUR/GBP	0.8295
EUR/USD	1.0464
EUR/JPY	158.87
EUR/SEK	11.2131
EUR/DKK	7.4589
EUR/NOK	11.6384
EUR/CHF	0.9434
EUR/AUD	1.6448
EUR/HKD	8.1395
EUR/CAD	1.4837

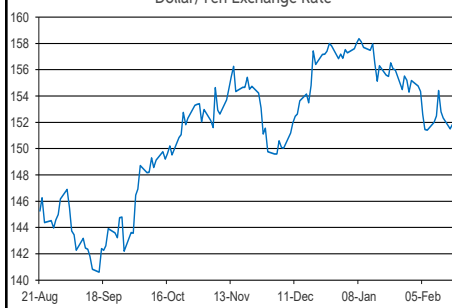
## Sterling

GBP/EUR	1.2052
GBP/USD	1.2612
GBP/CAD	1.7886
GBP/NZD	2.2055
GBP/JPY	191.45
GBP/SEK	13.5167
GBP/DKK	8.9919
GBP/NOK	14.03
GBP/CHF	1.1371
GBP/AUD	1.9821

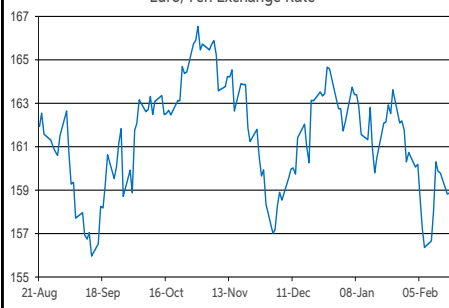
## Dollar

USD/JPY	151.8
USD/CAD	1.4181
USD/CHF	0.9015
USD/CNY	7.2791
USD/BRL	5.713
USD/RUB	91.3
USD/INR	86.945
AUD/USD	0.6359
NZD/USD	0.5716

Dollar/Yen Exchange Rate

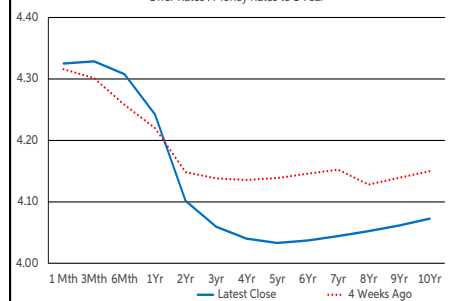


Euro/Yen Exchange Rate



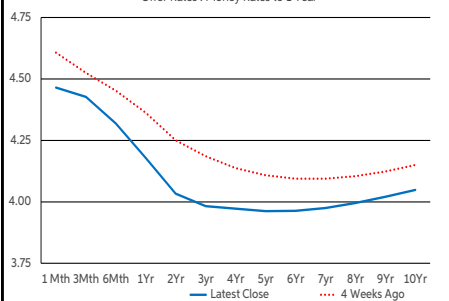
US Swap Curve

Offer Rates : Money Rates to 1 Year



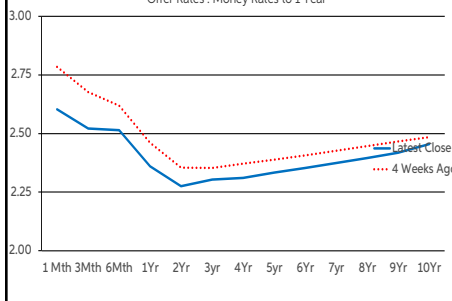
UK Swap Curve

Offer Rates : Money Rates to 1 Year

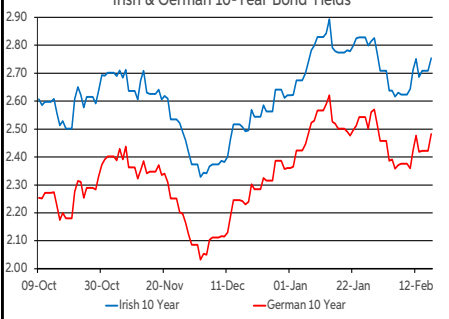


Eurozone Swap Curve

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	4.48	+0	-14	-10
Germany	2.48	+6	-1	+12
UK	4.53	+3	-13	-4
Ireland	2.78	+5	-3	+13
Belgium	3.04	+5	-4	+6
France	3.17	+4	-13	-3
Italy	3.55	+3	-6	+3
Spain	3.15	+4	-1	+8
Portugal	2.99	+3	+4	+14
Greece	3.36	+5	+6	+11
5 Year Swap %				
US	4.29	-0	-10	+0
Eurozone	2.32	+2	-6	+9
UK	4.20	-0	-14	-8
2 Year Swap %				
US	4.36	-0	-4	+3
Eurozone	2.27	+1	-8	+8
UK	4.28	-1	-18	-21
10 Year Government Bond Spreads to Benchmark bps				
Ireland	29	-1	-2	+0
Belgium	56	-1	-3	-6
France	68	-2	-12	-15
Italy	107	-3	-6	-9
Spain	66	-2	-0	-4
Portugal	50	-3	+5	+2
Greece	88	-1	+7	-1

## Commodities

	% Change			
	Close	Day	4 Weeks	End 24
Brent Oil	75.22	+0.64	-6.15	+0.78
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	2897.7	+0.50	+7.00	+10.44

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