

Flash PMIs in focus today

It was a relatively quiet day on financial markets yesterday. A limited data scheduled likely contributed to the muted price action. In the absence of any new data for investors to digest, equity markets continued to drift higher. The Euro Stoxx 50 gained 0.2%, while the S&P 500 rose by 0.5%.

Of the limited releases to note, the flash reading of Eurozone consumer confidence improved slightly to 14.2 in January, matching the consensus. Elsewhere in the US, the latest weekly initial jobless claims figures came in at 223,000, broadly in-line with expectations. However, neither release influenced proceedings on markets.

Currency-wise, the main pairs were quite range bound once again throughout the European session. Of the muted moves to register, the dollar was under some downward pressure. Overnight, the dollar lost some more ground. At the same time, the yen strengthened following the BoJ's decision to hike official rates as expected, by 25bps to 0.50%.

The softer tone to the dollar sees EUR/USD open this morning near the midpoint of the \$1.04-1.05 range. Meantime, GBP/USD is changing hands in the top half of the \$1.23-1.24 corridor. EUR/GBP remains close to the halfway mark of the 84-85p trading band. Elsewhere, USD/JPY is in the lower region of ¥155-156.

Turning to the day ahead, the flash readings of the PMIs for January in the Eurozone, UK and US are due. Across the board, the forecast is for both sectors to be little changed in the month, with services continuing to outperform manufacturing.

Daniel Noonan, Economist, AIB

Today's Opening FX Rates

| | | % Change | |
|---------|--------|----------|----------|
| | | Day * | End 2024 |
| EUR/USD | 1.0456 | 0.49 | 0.99 |
| EUR/GBP | 0.8441 | -0.09 | 2.03 |
| GBP/USD | 1.2382 | 0.58 | -1.03 |
| GBP/EUR | 1.184 | 0.09 | -1.99 |
| USD/JPY | 155.39 | -0.83 | -1.14 |
| EUR/JPY | 162.51 | -0.33 | -0.15 |

* v Previous Day's European Open

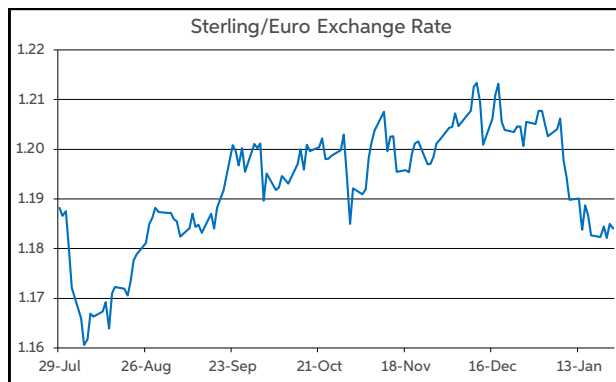
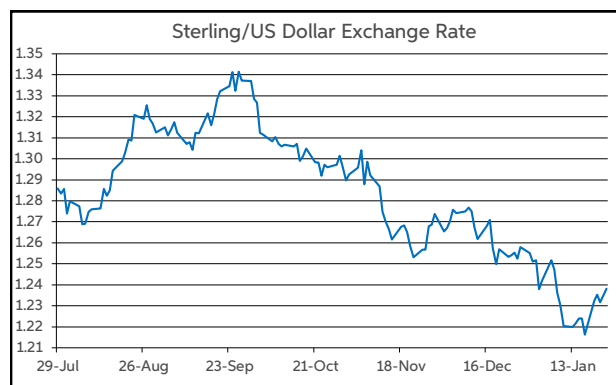
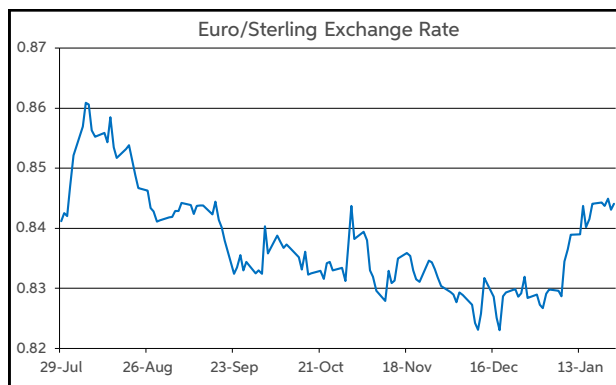
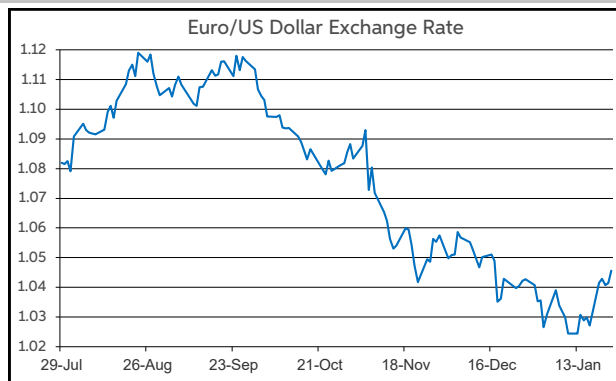
See Next Page for More Rates

Opening Interest Rates

| | Base Rate | Money Market | | Swap Rates | | |
|-----|-----------|--------------|-------|------------|------|------|
| | | 1-Mth | 3-Mth | 1-Yr | 2-Yr | 5-Yr |
| USD | 4.38 | 4.31 | 4.29 | 4.18 | 4.40 | 4.40 |
| EUR | 3.15 | 2.78 | 2.67 | 2.44 | 2.37 | 2.40 |
| GBP | 4.75 | 4.56 | 4.50 | 4.30 | 4.40 | 4.29 |

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

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Opening Levels

Friday 24 January 2025
07:46 am



Euro

| | |
|---------|---------|
| EUR/GBP | 0.8441 |
| EUR/USD | 1.0456 |
| EUR/JPY | 162.51 |
| EUR/SEK | 11.4613 |
| EUR/DKK | 7.4599 |
| EUR/NOK | 11.7371 |
| EUR/CHF | 0.9464 |
| EUR/AUD | 1.6552 |
| EUR/HKD | 8.1425 |
| EUR/CAD | 1.4996 |

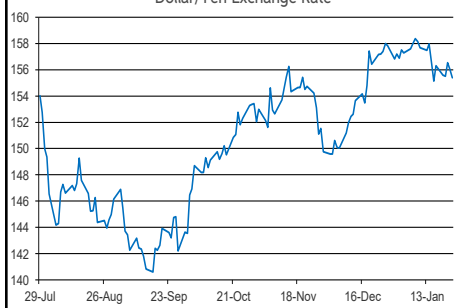
Sterling

| | |
|---------|---------|
| GBP/EUR | 1.184 |
| GBP/USD | 1.2382 |
| GBP/CAD | 1.7758 |
| GBP/NZD | 2.1681 |
| GBP/JPY | 192.4 |
| GBP/SEK | 13.5658 |
| GBP/DKK | 8.8327 |
| GBP/NOK | 13.903 |
| GBP/CHF | 1.1205 |
| GBP/AUD | 1.9599 |

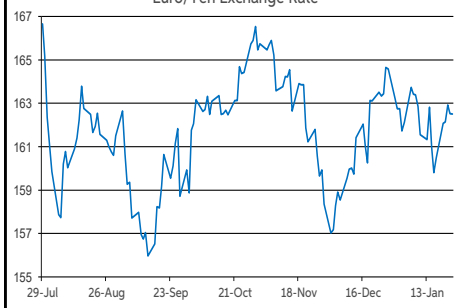
Dollar

| | |
|---------|---------|
| USD/JPY | 155.39 |
| USD/CAD | 1.4342 |
| USD/CHF | 0.9049 |
| USD/CNY | 7.2519 |
| USD/BRL | 5.9243 |
| USD/RUB | 98.9 |
| USD/INR | 86.2675 |
| AUD/USD | 0.6314 |
| NZD/USD | 0.5709 |

Dollar/Yen Exchange Rate

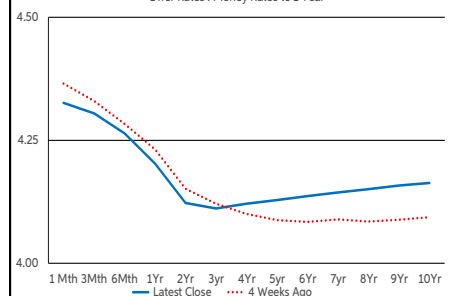


Euro/Yen Exchange Rate



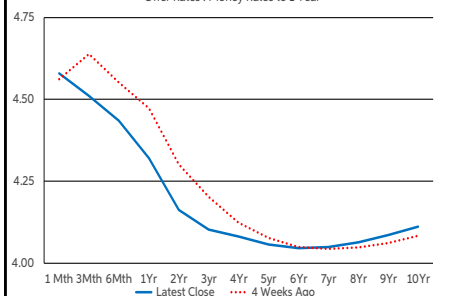
US Swap Curve

Offer Rates : Money Rates to 1 Year



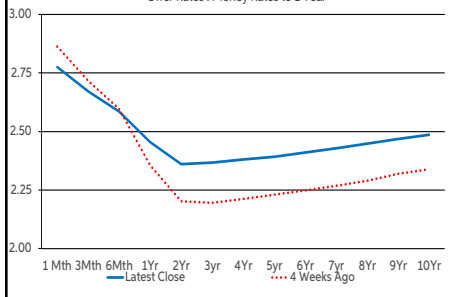
UK Swap Curve

Offer Rates : Money Rates to 1 Year

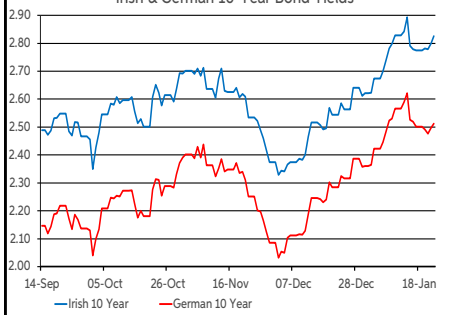


Eurozone Swap Curve

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 | 4.64 | +4 | +6 | +6 |
| Germany | 2.51 | +1 | +19 | +15 |
| UK | 4.64 | +0 | +4 | +6 |
| Ireland | 2.84 | +2 | +19 | +19 |
| Belgium | 3.15 | +3 | +23 | +17 |
| France | 3.29 | +3 | +16 | +10 |
| Italy | 3.64 | +4 | +14 | +12 |
| Spain | 3.17 | +2 | +15 | +11 |
| Portugal | 2.96 | +2 | +15 | +11 |
| Greece | 3.44 | +17 | +20 | +19 |
| 5 Year Swap % | | | | |
| US | 4.39 | +1 | +5 | +10 |
| Eurozone | 2.39 | +1 | +17 | +16 |
| UK | 4.29 | -1 | -2 | +1 |
| 2 Year Swap % | | | | |
| US | 4.38 | -1 | -2 | +4 |
| Eurozone | 2.36 | +1 | +17 | +17 |
| UK | 4.41 | -3 | -12 | -8 |
| 10 Year Government Bond Spreads to Benchmark bps | | | | |
| Ireland | 32 | +0 | +0 | +4 |
| Belgium | 64 | +1 | +4 | +2 |
| France | 78 | +2 | -3 | -5 |
| Italy | 113 | +3 | -4 | -3 |
| Spain | 66 | +1 | -4 | -4 |
| Portugal | 45 | +1 | -4 | -4 |
| Greece | 93 | +16 | +2 | +4 |

Commodities

| | % Change | | | |
|----------------|----------|-------|---------|--------|
| | Close | Day | 4 Weeks | End 24 |
| Brent Oil | 78.29 | -0.90 | +6.87 | +4.89 |
| West Texas Oil | 71.65 | -0.17 | -1.90 | -1.27 |
| Gold \$ | 2753.7 | -0.05 | +4.53 | +4.95 |

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