

Jam-packed week ahead

Some disappointing US data, a slew of corporate earnings reports and tariff related newsflow impacted proceedings on financial markets throughout last week. Against this backdrop, there was a cautious tone to investor sentiment. This is reflected by the Euro Stoxx 50 falling by 0.2%, while the S&P 500 declined by a 1.0%.

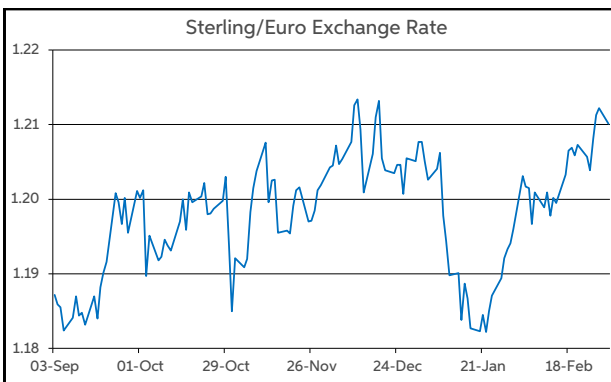
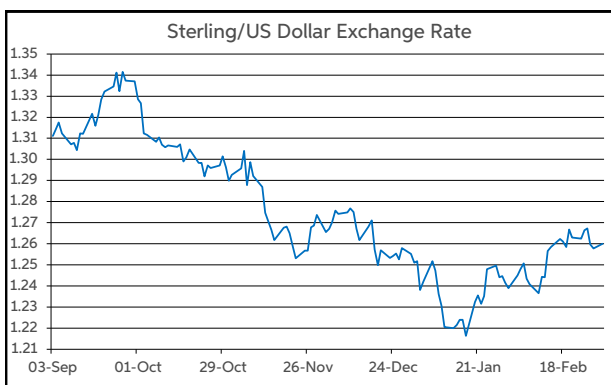
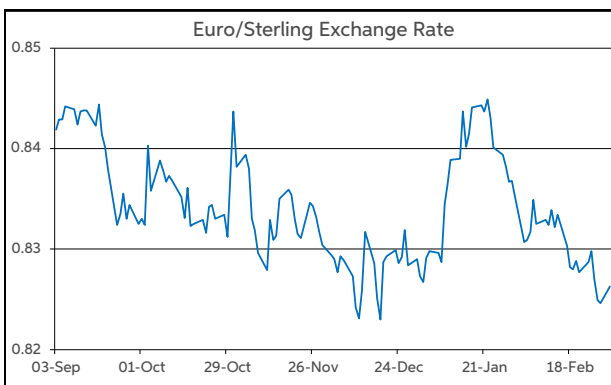
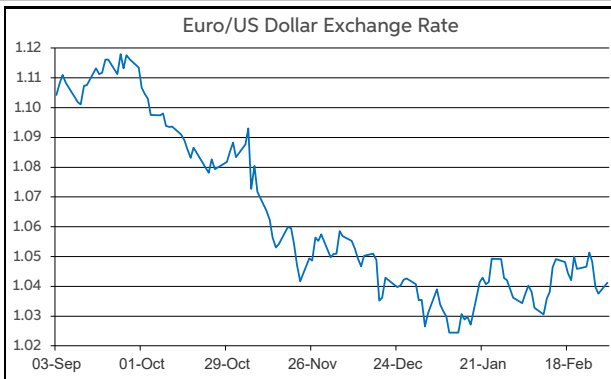
Data-wise, US consumer confidence deteriorated in February (98.3 vs. 102.5 f'cast). Similarly, US personal consumption fell by 0.2% in January (vs. +0.1% f'cast). Both indicators follow a number of other below consensus US data points recently, which have contributed to the Citibank surprise index turning negative and to the Atlanta Fed nowcast model now indicating that GDP contracted in Q1.

Amid the recent downturn in US data, market participants are now pricing in a faster pace of policy easing from the Fed this year. A rate cut is priced-in for June, with a total of 65bps worth of easing now expected by year end. As US rate expectations softened last week, Treasury yields fell by circa 20-25bps.

Despite the softening in US rates and the growing concern around the economic outlook, the dollar was underpinned by President Trump's rhetoric regarding tariffs. Overall, the greenback gained 0.5% versus the yen and sterling, and 1% against the euro last week. This sees EUR/USD open today back near the \$1.04 mark. EUR/GBP is in the top half of the 82-83p corridor.

This week, the main focus will be on the ECB policy meeting and the US labour market report (Feb). Eurozone flash HICP inflation will also garner close attention, as will the US labour market report (Feb). Meantime, tariff related headlines and a speech by President Trump will likely influence markets at the start of the week.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates

		% Change	
		Day *	End 2024
EUR/USD	1.0412	0.23	0.57
EUR/GBP	0.8263	0.13	-0.12
GBP/USD	1.2599	0.13	0.70
GBP/EUR	1.2099	-0.13	0.12
USD/JPY	150.4	0.39	-4.31
EUR/JPY	156.62	0.62	-3.77

* 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	4.30	4.06	4.15	4.06
EUR	2.90	2.46	2.46	2.22	2.15	2.21
GBP	4.50	4.44	4.40	4.16	4.28	4.18

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

Monday 03 March 2025
06:33 am



Euro

EUR/GBP	0.8263
EUR/USD	1.0412
EUR/JPY	156.62
EUR/SEK	11.1704
EUR/DKK	7.4578
EUR/NOK	11.7105
EUR/CHF	0.9393
EUR/AUD	1.676
EUR/HKD	8.0976
EUR/CAD	1.504

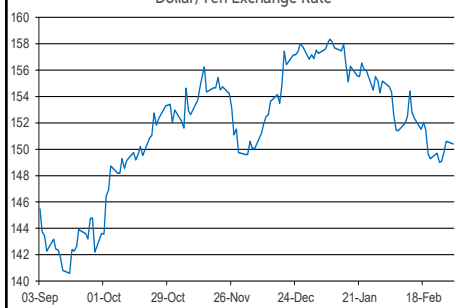
Sterling

GBP/EUR	1.2099
GBP/USD	1.2599
GBP/CAD	1.8199
GBP/NZD	2.2499
GBP/JPY	189.49
GBP/SEK	13.5163
GBP/DKK	9.022
GBP/NOK	14.1723
GBP/CHF	1.1365
GBP/AUD	2.0281

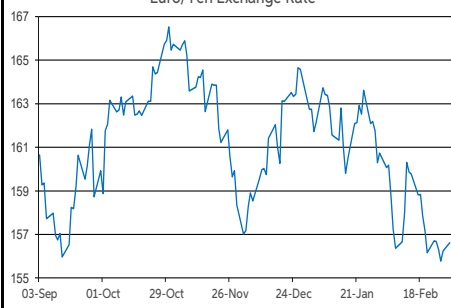
Dollar

USD/JPY	150.4
USD/CAD	1.4447
USD/CHF	0.9021
USD/CNY	7.2916
USD/BRL	5.8852
USD/RUB	89.2
USD/INR	87.3275
AUD/USD	0.621
NZD/USD	0.5595

Dollar/Yen Exchange Rate

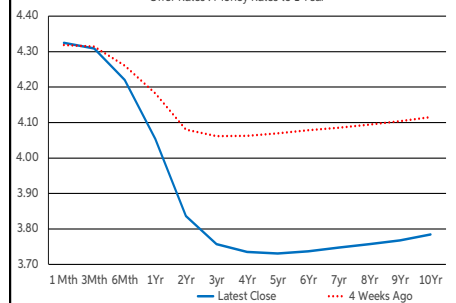


Euro/Yen Exchange Rate



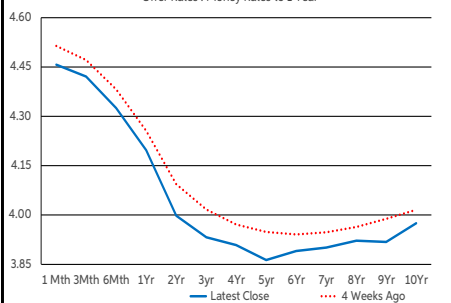
US Swap Curve

Offer Rates : Money Rates to 1 Year



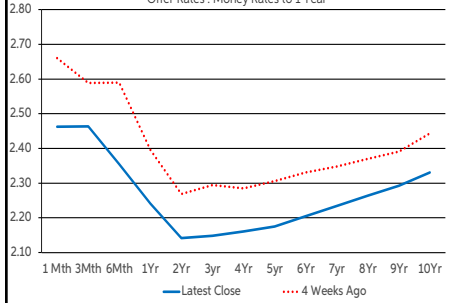
UK Swap Curve

Offer Rates : Money Rates to 1 Year

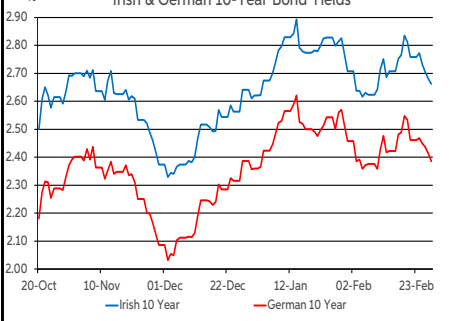


Eurozone Swap Curve

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	4.23	-6	-34	-35
Germany	2.39	-3	-7	+2
UK	4.48	-3	-6	-9
Ireland	2.69	-1	-4	+4
Belgium	2.98	-1	-10	-1
France	3.14	+0	-6	-5
Italy	3.48	-1	-8	-4
Spain	3.09	-0	-3	+2
Portugal	2.93	-1	-4	+8
Greece	3.28	-2	-8	+3
5 Year Swap %				
US	4.00	-5	-29	-29
Eurozone	2.17	-7	-13	-7
UK	4.15	-3	-3	-14
2 Year Swap %				
US	4.09	-6	-21	-24
Eurozone	2.13	-4	-13	-6
UK	4.24	-2	-7	-24
10 Year Government Bond Spreads to Benchmark bps				
Ireland	30	+2	+3	+1
Belgium	59	+1	-3	-3
France	75	+3	+1	-8
Italy	109	+2	-1	-7
Spain	70	+2	+4	-0
Portugal	54	+1	+4	+6
Greece	89	+0	-1	+1

Commodities

	% Change			
	Close	Day	4 Weeks	End 24
Brent Oil	73.18	-1.16	-4.66	-1.96
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	2858.6	-0.61	+2.06	+8.95

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