

EUR/USD at \$1.09

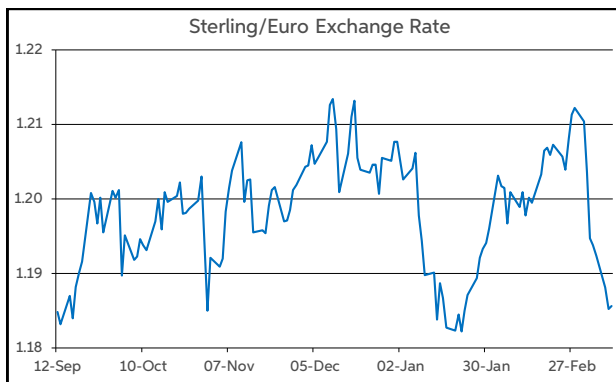
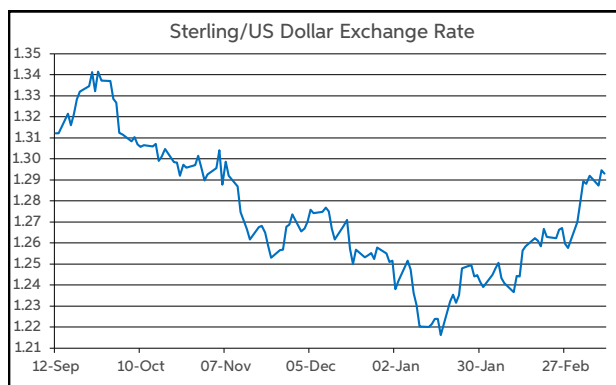
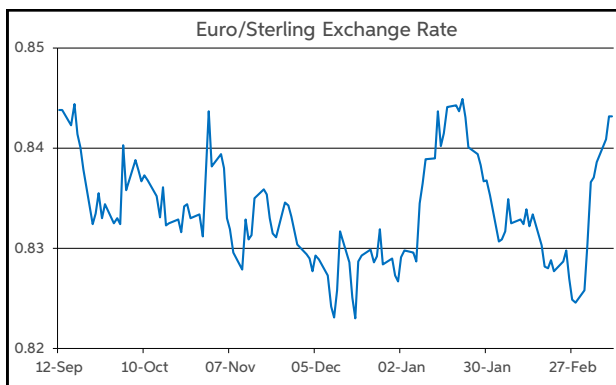
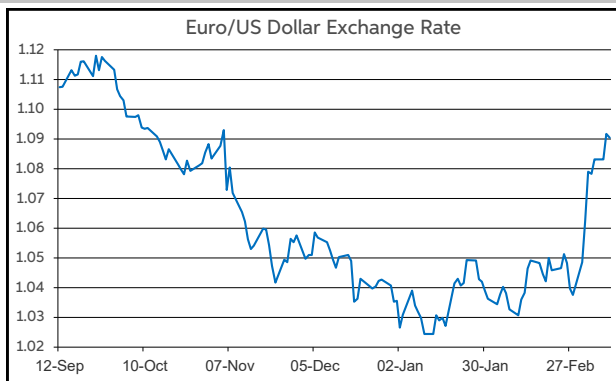
The risk averse mood continued to dominate markets yesterday. This was against the backdrop of on-going concerns for the economic outlook related to elevated trade tensions/tariffs. The 'risk off' mood was reflected in another challenging day for the main equity indices on both sides of the Atlantic. In Europe, the Euro Stoxx 50 fell by 1.4%. Meanwhile, at the closing bell on Wall Street last night, the S&P 500 was down by 0.8%. On bond markets, yields moved higher. The 10-year German bund rose by 5bps to 2.87%. Meantime, the 10-year US Treasury yield was up 8bps to 4.29%.

On the currency front, the dollar remained on the defensive on concerns over the potential for a downturn in the world's largest economy. At the same time, the euro maintained its upward momentum on the exchanges amid optimism that the recently announced historic German fiscal policy reforms can get the parliamentary approval they require.

In level terms, the combination of a softer dollar and firmer euro saw the EUR/USD pair trade above the \$1.09 threshold, for the first time since November, reaching a high of \$1.0947. Sterling also made gains versus the dollar, with GBP/USD moving up through the \$1.29 handle. Elsewhere, the euro continued to eke out some ground against sterling, with EUR/GBP edging higher within the lower half of 84-85p territory.

Looking ahead to today, investor sentiment will remain reactive to global trade tensions and geopolitical newsflow. The US Senate will also be in the spotlight on attempts to agree a funding bill to avoid a government shutdown this Friday. Data-wise, the main release of note will be US CPI inflation numbers for February.

John Fahey, Senior Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2024
EUR/USD	1.0904	0.61	5.32
EUR/GBP	0.8432	0.18	1.92
GBP/USD	1.293	0.43	3.35
GBP/EUR	1.1856	-0.18	-1.89
USD/JPY	148.06	0.57	-5.80
EUR/JPY	161.5	1.21	-0.77

* 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	4.31	4.29	3.96	4.04	4.00
EUR	2.65	2.47	2.55	2.33	2.33	2.55
GBP	4.50	4.45	4.38	4.14	4.25	4.22

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

Wednesday 12 March 2025
06:17 am



Euro

EUR/GBP	0.8432
EUR/USD	1.0904
EUR/JPY	161.5
EUR/SEK	10.928
EUR/DKK	7.4584
EUR/NOK	11.6123
EUR/CHF	0.9628
EUR/AUD	1.7333
EUR/HKD	8.4726
EUR/CAD	1.575

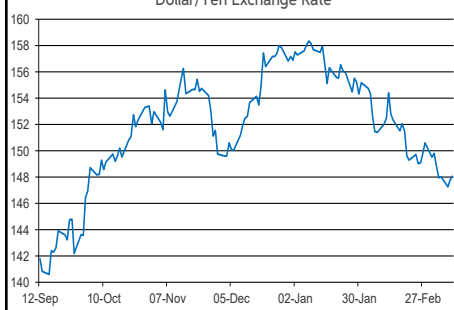
Sterling

GBP/EUR	1.1856
GBP/USD	1.293
GBP/CAD	1.8673
GBP/NZD	2.2652
GBP/JPY	191.44
GBP/SEK	12.9575
GBP/DKK	8.8407
GBP/NOK	13.7683
GBP/CHF	1.1415
GBP/AUD	2.055

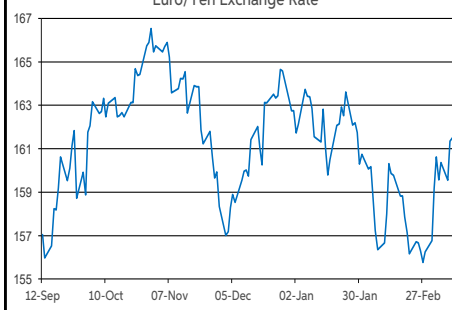
Dollar

USD/JPY	148.06
USD/CAD	1.4445
USD/CHF	0.8829
USD/CNY	7.2359
USD/BRL	5.8099
USD/RUB	85.85
USD/INR	87.232
AUD/USD	0.6288
NZD/USD	0.5705

Dollar/Yen Exchange Rate

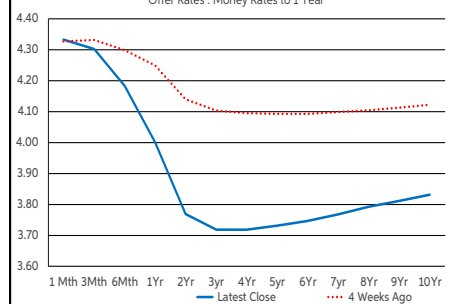


Euro/Yen Exchange Rate



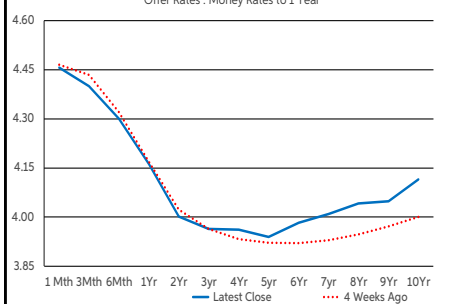
US Swap Curve

Offer Rates : Money Rates to 1 Year



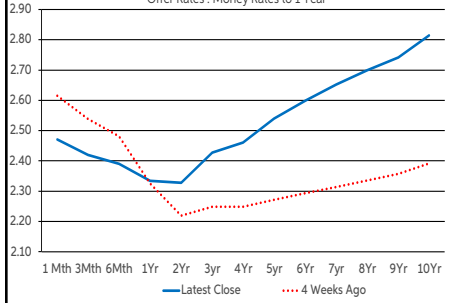
UK Swap Curve

Offer Rates : Money Rates to 1 Year

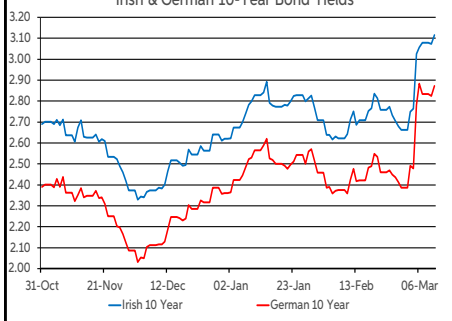


Eurozone Swap Curve

Offer Rates : Money Rates to 1 Year



Irish & German 10-Year Bond Yields



Debt Markets

	Close	Day	4 Weeks	End 24
10 Year Yield %				
US	4.29	+8	-25	-29
Germany	2.87	+5	+44	+51
UK	4.68	+3	+17	+11
Ireland	3.15	+5	+42	+50
Belgium	3.45	+6	+43	+46
France	3.59	+5	+43	+40
Italy	3.96	+5	+43	+44
Spain	3.53	+4	+42	+46
Portugal	3.41	+4	+44	+56
Greece	3.72	+4	+39	+47
5 Year Swap %				
US	3.99	+8	-34	-30
Eurozone	2.54	+6	+27	+30
UK	4.21	-0	+6	-7
2 Year Swap %				
US	4.03	+7	-36	-30
Eurozone	2.32	+3	+11	+13
UK	4.24	-2	-1	-25
10 Year Government Bond Spreads to Benchmark bps				
Ireland	28	+1	-2	-1
Belgium	57	+1	-1	-5
France	72	+0	-1	-11
Italy	109	+0	-1	-7
Spain	65	-1	-2	-5
Portugal	53	-1	-0	+5
Greece	85	-0	-5	-4

Commodities

	Close	Day	4 Weeks	End 24
% Change				
Brent Oil	69.56	+0.40	-9.66	-6.81
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	2916.0	+0.92	+0.61	+11.14

This publication is for information purposes and is not an invitation to deal. The information is believed to be reliable but is not guaranteed. Any expressions of opinions are subject to change without notice. This publication is not to be reproduced in whole or in part without prior permission. In the Republic of Ireland it is distributed by Allied Irish Banks, p.l.c. In the UK it is distributed by Allied Irish Banks, p.l.c. and Allied Irish Bank (GB). In Northern Ireland it is distributed by Allied Irish Bank (NI). In the United States of America it is distributed by Allied Irish Banks, p.l.c. Allied Irish Banks, p.l.c. is regulated by the Central Bank of Ireland. Allied Irish Bank (GB) and AIB (NI) are trade marks used under licence by AIB Group (UK) p.l.c. (a wholly owned subsidiary of Allied Irish Banks, p.l.c.), incorporated in Northern Ireland. Registered Office 92 Ann Street, Belfast BT1 3HH. Registered Number NI018800. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. In the United States of America, Allied Irish Banks, p.l.c., New York Branch, is a branch licensed by the New York State Department of Financial Services. Deposits and other investment products are not FDIC insured, they are not guaranteed by any bank and they may lose value. Please note that telephone calls may be recorded in line with market practice.