

Risk averse mood dominates

Investor sentiment was back holding a risk averse stance yesterday after a brief improvement on Wednesday. This was against the backdrop of elevated global trade tensions and the risk of a further escalation in protectionist policies. Concerns over a partial US government shutdown were also unhelpful to risk appetite.

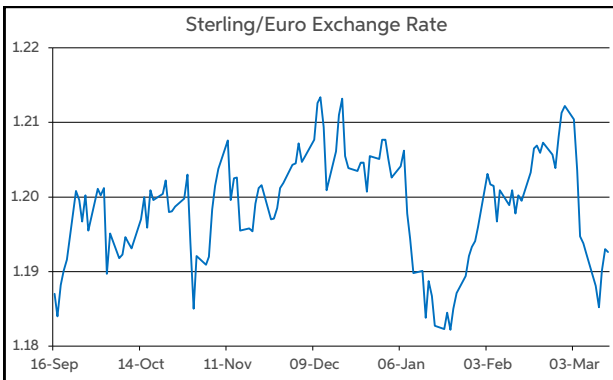
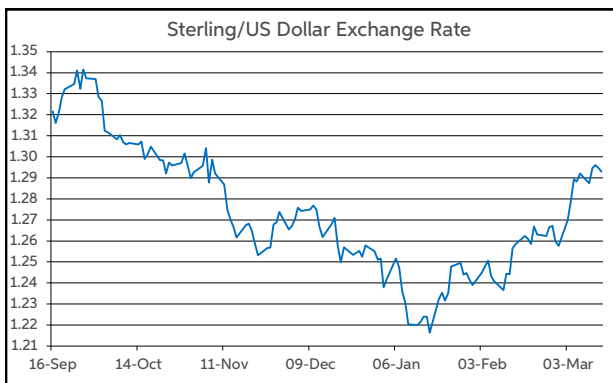
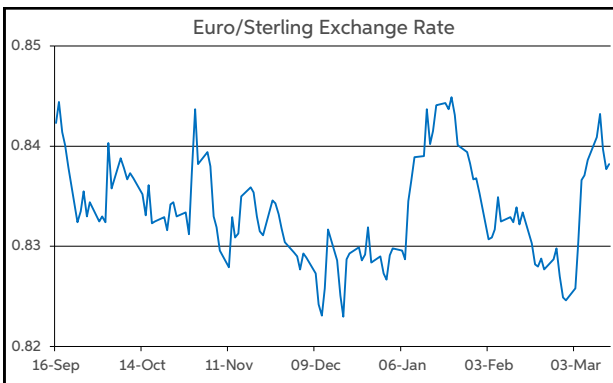
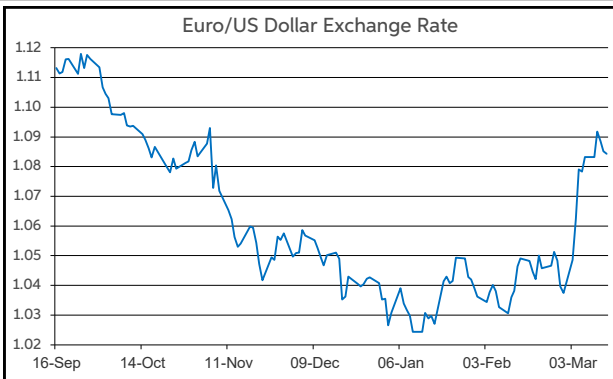
The 'risk-off' tone was evident in the performance of equity markets. In Europe, the Euro Stoxx 50 fell by 0.6%. At the closing bell on Wall Street last night, the S&P 500 was 1.4% lower on the day and in the process entered correction territory (i.e. falling more than 10% below its previous high from February).

The risk averse mood and resulting demand for safe havens was apparent on other assets markets. Bond yields were lower (i.e. prices higher). Meanwhile, on commodity markets, gold hit a new record high, just below \$3,000/oz.

On the currency front, the action amongst the majors was confined to fairly narrow ranges. The dollar managed to eke out some modest gains against the euro and sterling. In level terms, this is reflected in the EUR/USD pair opening this morning in the lower half of the \$1.08-1.09 band. GBP/USD has edged back below the midpoint of \$1.29-1.30. Elsewhere, EUR/GBP remains unable to make a sustained break above the 84p threshold.

Already this morning UK GDP for January has been published. It showed that the UK economy started the year on a weak footing, contracting by 0.1% m/m (vs. f'cast for +0.1%). The other main data highlight today is US consumer sentiment for March. Investors will also be keeping a close eye on tariff related newsflow heading into the weekend.

John Fahey, Senior Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2024
EUR/USD	1.0843	-0.39	4.73
EUR/GBP	0.8384	-0.18	1.34
GBP/USD	1.2932	-0.19	3.37
GBP/EUR	1.1925	0.18	-1.32
USD/JPY	148.62	0.62	-5.45
EUR/JPY	161.22	0.27	-0.94

* 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	4.01	4.09	4.05
EUR	2.65	2.39	2.53	2.29	2.30	2.51
GBP	4.50	4.44	4.38	4.17	4.28	4.25

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

Friday 14 March 2025
07:14 am



Euro

EUR/GBP	0.8384
EUR/USD	1.0843
EUR/JPY	161.22
EUR/SEK	11.0718
EUR/DKK	7.4601
EUR/NOK	11.5868
EUR/CHF	0.9586
EUR/AUD	1.7212
EUR/HKD	8.4274
EUR/CAD	1.5638

Sterling

GBP/EUR	1.1925
GBP/USD	1.2932
GBP/CAD	1.8645
GBP/NZD	2.2616
GBP/JPY	192.2
GBP/SEK	13.2028
GBP/DKK	8.8944
GBP/NOK	13.8209
GBP/CHF	1.1434
GBP/AUD	2.0526

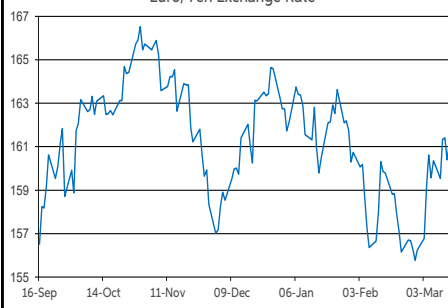
Dollar

USD/JPY	148.62
USD/CAD	1.4419
USD/CHF	0.884
USD/CNY	7.2333
USD/BRL	5.7991
USD/RUB	86.15
USD/INR	86.894
AUD/USD	0.6298
NZD/USD	0.5714

Dollar/Yen Exchange Rate

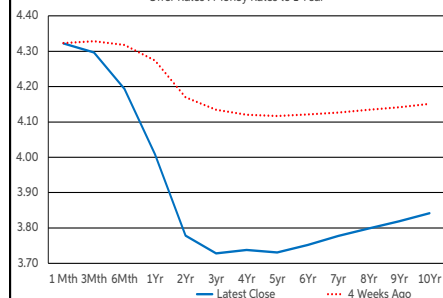


Euro/Yen Exchange Rate



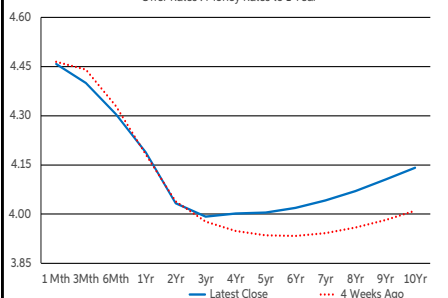
US Swap Curve

Offer Rates : Money Rates to 1 Year



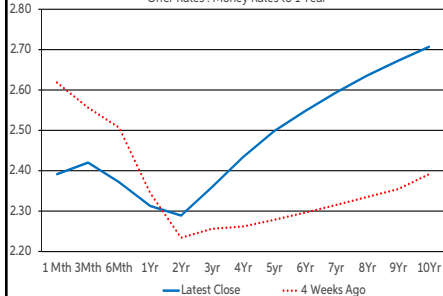
UK Swap Curve

Offer Rates : Money Rates to 1 Year

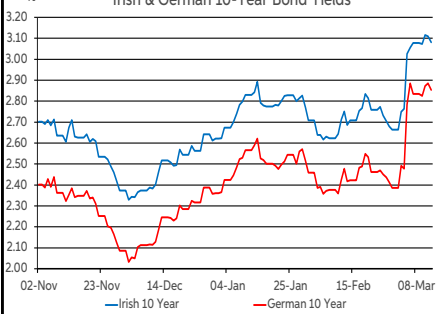


Eurozone Swap Curve

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	4.28	-4	-25	-30
Germany	2.85	-3	+43	+49
UK	4.69	-4	+20	+11
5 Year Swap %				
US	4.00	-3	-38	-30
Eurozone	2.49	-2	+23	+26
UK	4.24	-4	+6	-4
2 Year Swap %				
US	4.05	-2	-36	-28
Eurozone	2.28	-3	+5	+9
UK	4.27	-3	+0	-21
10 Year Government Bond Spreads to Benchmark bps				
Ireland	27	+2	-1	-1
Belgium	55	+2	-1	-7
France	70	+3	+1	-13
Italy	108	+3	+0	-7
Spain	64	+3	-2	-6
Portugal	52	+2	-0	+3
Greece	89	+5	+2	+0

Commodities

	Close	% Change		
		Day	4 Weeks	End 24
Brent Oil	69.88	-1.51	-6.85	-6.38
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	2987.8	+1.90	+2.00	+13.87

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.