

EUR/USD starts today above \$1.09

There was a somewhat positive tone to risk appetite at the start of the week on financial markets. The Euro Stoxx 50 gained 0.8% yesterday, while on Wall Street, the S&P 500 moved 0.6% higher. On bond markets, 10-year German Bund yields fell by 7bps, with UK Gilt yields declining by 3bps. US Treasury yields were flat on the day.

Data-wise, the main release of note - US retail sales - was mixed. The headline measure rebounded by a modest 0.2% in February (vs. 0.6% f'cast), having contracted by a revised 1.2% in January. However, the control group indicator rose by 1% in the month (vs. 0.3% f'cast). Elsewhere in the US, the NY Fed manufacturing index fell sharply to -20.0 in March (vs. -1.50 f'cast).

On the currency front, the dollar was under some downward pressure yesterday. The greenback inched 0.4% lower versus the euro and sterling. The fall coincided with the mixed retail sales report for February.

In level terms, the softer dollar sees EUR/USD open this morning up above the \$1.09 threshold. GBP/USD is operating up in the top half of the \$1.29-1.30 range. Elsewhere, EUR/GBP is changing hands just north of the 84p handle.

Turning to the day ahead, US industrial production figures for February are due. Aside from the data, the focus will be on the German Bundestag today, where the centrist parties are hoping to pass incoming Chancellor Merz's proposed fiscal package. Meanwhile, in terms of monetary policy, the BoJ is widely expected to leave rates on hold later tonight.

Daniel Noonan, Economist, AIB

Today's Opening FX Rates

| | | % Change | |
|---------|--------|----------|----------|
| | | Day * | End 2024 |
| EUR/USD | 1.0916 | 0.36 | 5.44 |
| EUR/GBP | 0.841 | 0.04 | 1.66 |
| GBP/USD | 1.2977 | 0.34 | 3.72 |
| GBP/EUR | 1.1886 | -0.04 | -1.63 |
| USD/JPY | 149.76 | 0.53 | -4.72 |
| EUR/JPY | 163.53 | 0.91 | 0.48 |

* v Previous Day's European Open

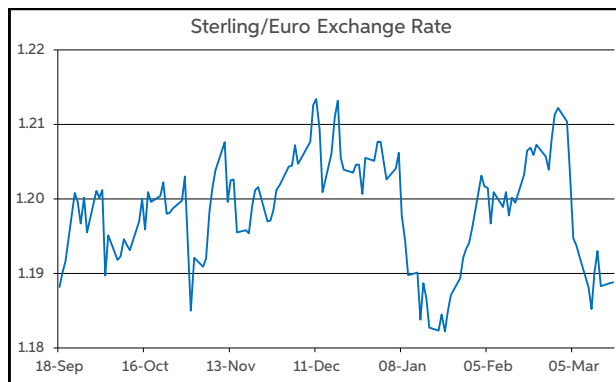
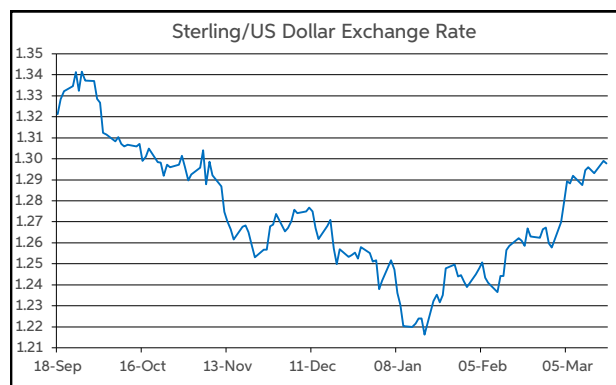
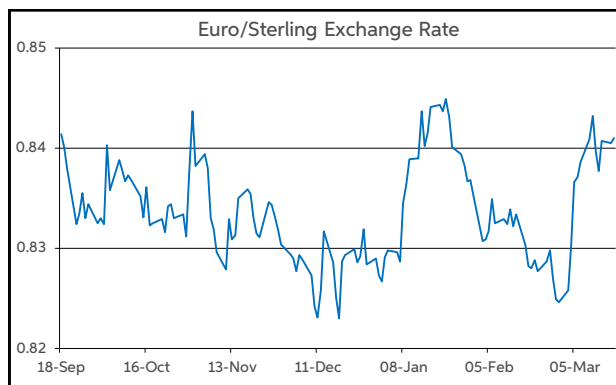
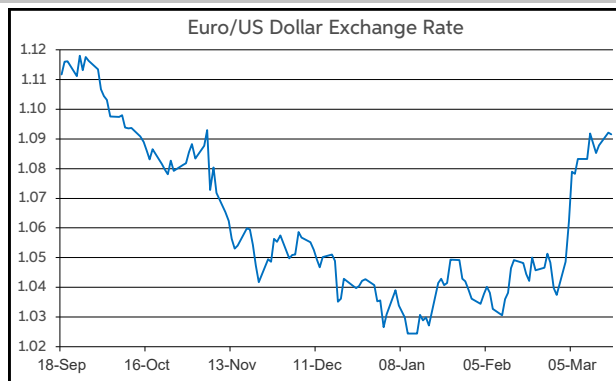
See Next Page for More Rates

Opening Interest Rates

| | Base Rate | Money Market | | Swap Rates | | |
|-----|-----------|--------------|-------|------------|------|------|
| | | 1-Mth | 3-Mth | 1-Yr | 2-Yr | 5-Yr |
| USD | 4.38 | 4.31 | 4.30 | 4.07 | 4.17 | 4.10 |
| EUR | 2.65 | 2.38 | 2.48 | 2.34 | 2.32 | 2.51 |
| GBP | 4.50 | 4.44 | 4.37 | 4.17 | 4.28 | 4.23 |

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
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Opening Levels

Tuesday 18 March 2025
06:52 am



Euro

| | |
|---------|---------|
| EUR/GBP | 0.841 |
| EUR/USD | 1.0916 |
| EUR/JPY | 163.53 |
| EUR/SEK | 11.0275 |
| EUR/DKK | 7.4603 |
| EUR/NOK | 11.5141 |
| EUR/CHF | 0.9619 |
| EUR/AUD | 1.7117 |
| EUR/HKD | 8.4814 |
| EUR/CAD | 1.5603 |

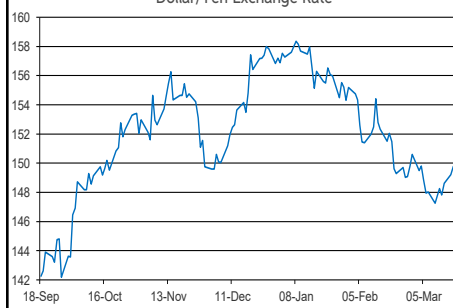
Sterling

| | |
|---------|---------|
| GBP/EUR | 1.1886 |
| GBP/USD | 1.2977 |
| GBP/CAD | 1.8546 |
| GBP/NZD | 2.2289 |
| GBP/JPY | 194.34 |
| GBP/SEK | 13.1108 |
| GBP/DKK | 8.8694 |
| GBP/NOK | 13.688 |
| GBP/CHF | 1.1433 |
| GBP/AUD | 2.0348 |

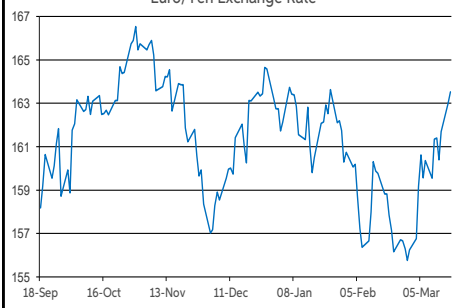
Dollar

| | |
|---------|---------|
| USD/JPY | 149.76 |
| USD/CAD | 1.4293 |
| USD/CHF | 0.8811 |
| USD/CNY | 7.2318 |
| USD/BRL | 5.6848 |
| USD/RUB | 82.1 |
| USD/INR | 86.6625 |
| AUD/USD | 0.6375 |
| NZD/USD | 0.582 |

Dollar/Yen Exchange Rate

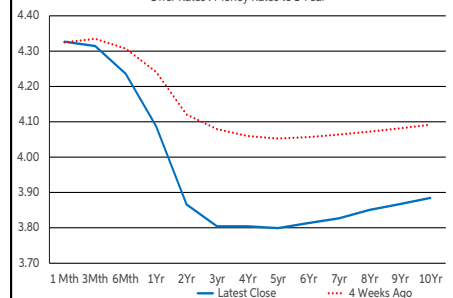


Euro/Yen Exchange Rate



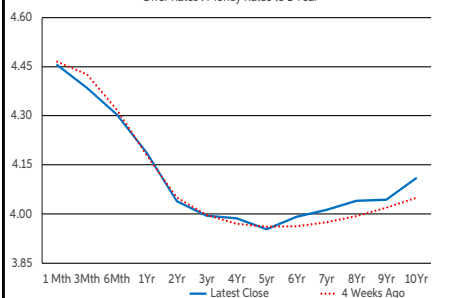
US Swap Curve

Offer Rates : Money Rates to 1 Year



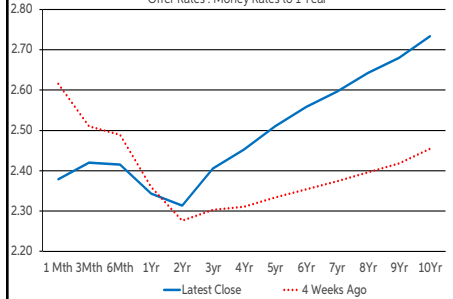
UK Swap Curve

Offer Rates : Money Rates to 1 Year

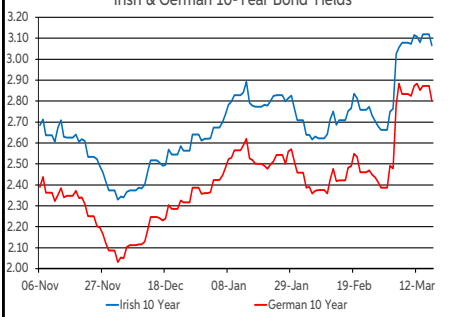


Eurozone Swap Curve

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 | 4.31 | -0 | -17 | -27 |
| Germany | 2.80 | -7 | +32 | +44 |
| UK | 4.64 | -3 | +11 | +7 |
| Ireland | 3.10 | -6 | +32 | +45 |
| Belgium | 3.34 | -8 | +30 | +36 |
| France | 3.49 | -8 | +32 | +29 |
| Italy | 3.86 | -9 | +31 | +34 |
| Spain | 3.43 | -7 | +29 | +37 |
| Portugal | 3.30 | -8 | +32 | +45 |
| Greece | 3.64 | -10 | +28 | +40 |
| 5 Year Swap % | | | | |
| US | 4.06 | +1 | -24 | -23 |
| Eurozone | 2.50 | -1 | +18 | +26 |
| UK | 4.23 | -0 | +3 | -5 |
| 2 Year Swap % | | | | |
| US | 4.14 | +4 | -21 | -19 |
| Eurozone | 2.30 | -0 | +4 | +11 |
| UK | 4.28 | +1 | +0 | -21 |
| 10 Year Government Bond Spreads to Benchmark bps | | | | |
| Ireland | 29 | +1 | +0 | +1 |
| Belgium | 54 | -1 | -2 | -8 |
| France | 68 | -1 | +0 | -15 |
| Italy | 106 | -1 | -1 | -10 |
| Spain | 63 | +0 | -3 | -7 |
| Portugal | 50 | -1 | -0 | +1 |
| Greece | 84 | -3 | -4 | -4 |

Commodities

| | % Change | | | |
|----------------|----------|-------|---------|--------|
| | Close | Day | 4 Weeks | End 24 |
| Brent Oil | 71.07 | +0.69 | -5.52 | -4.78 |
| West Texas Oil | 71.65 | -0.17 | -1.90 | -1.27 |
| Gold \$ | 3001.5 | +0.57 | +3.58 | +14.39 |

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