

Dollar strengthens further overnight

Investor sentiment continued to hold a cautious tone throughout yesterday, amid a slew of mixed economic data releases. On equity markets, the Euro Stoxx 50 finished flat for the day. Meantime on Wall Street, the S&P 500 recovered late on to inch 0.1% higher. In terms of fixed income, yields moved 2-5bps lower across the board, partly owing to a marginal softening in futures contracts.

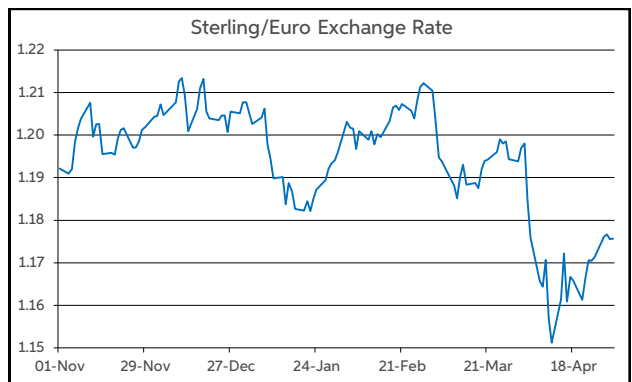
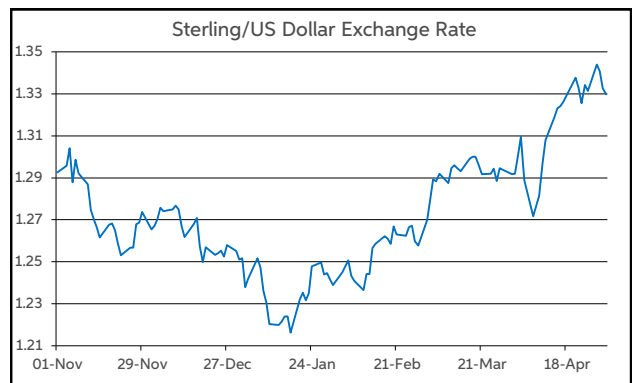
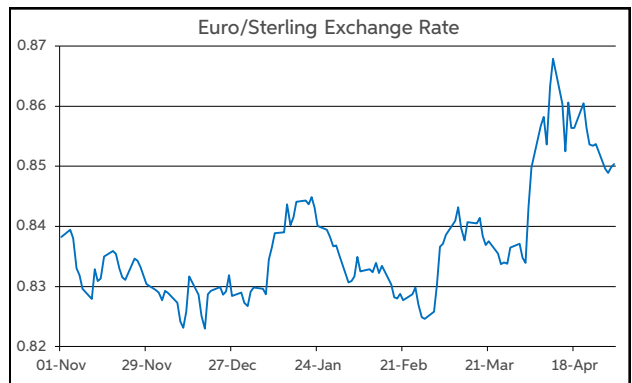
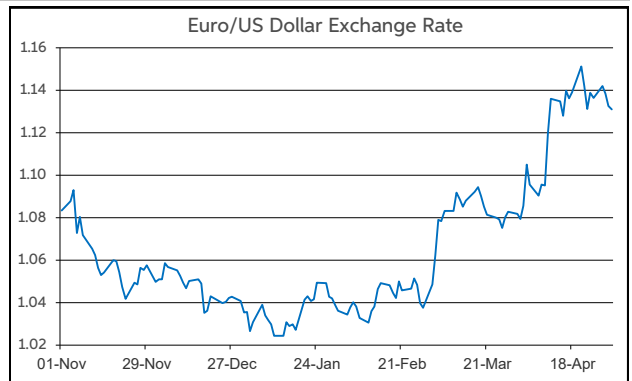
US GDP contracted by 0.3% annualised in Q1 (vs. +0.3% f'cast). However, this was largely due to a very sharp rise in imports during the quarter, with underlying core demand remaining solid. Meanwhile, core-PCE inflation fell to 2.6% in March, in line with the consensus. In contrast, Eurozone GDP expanded by 0.4% in Q1 (vs. +0.2% f'cast), while measures of German and French flash HICP inflation for April, both printed a touch above expectations.

Against that backdrop, currency markets were confined to relatively narrow range throughout the European session. The dollar was holding a slightly firmer tone, while the euro and sterling were under some downward pressure. Overnight, the dollar has moved further into the ascendancy. Elsewhere, the yen has been on the back-foot, following the BoJ's decision to leave policy on hold as expected, last night. The central bank also revised lower its growth forecasts and provided little in the way of guidance on any future rate hikes.

As trading gets underway this morning, EUR/USD is operating back near the \$1.13 mark. GBP/USD is changing hands down just below the \$1.33 threshold. Meantime, USD/JPY is up above ¥144. EUR/GBP remains in and around the 85p handle.

Turning to the day ahead, the macro calendar is somewhat quieter on both sides of the Atlantic. The main release of note will be the US manufacturing ISM for April. A slight deterioration is expected in the month. The latest US weekly initial jobless claims data are also due.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2024
EUR/USD	1.1309	-0.56	9.23
EUR/GBP	0.8502	0.12	2.77
GBP/USD	1.3298	-0.68	6.29
GBP/EUR	1.1757	-0.12	-2.69
USD/JPY	144.23	1.21	-8.24
EUR/JPY	163.15	0.70	0.25

* 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	4.25	3.74	3.67	3.66
EUR	2.40	2.16	2.18	1.96	1.89	2.12
GBP	4.50	4.25	4.16	3.79	3.83	3.86

All rates quoted are indicative market rates

See Next Page For More Rates &

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
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Opening Levels

Thursday 01 May 2025
07:42 am



Euro

EUR/GBP	0.8503
EUR/USD	1.131
EUR/JPY	163.14
EUR/SEK	10.954
EUR/DKK	7.4631
EUR/NOK	11.7942
EUR/CHF	0.9351
EUR/AUD	1.7665
EUR/HKD	8.7735
EUR/CAD	1.5598

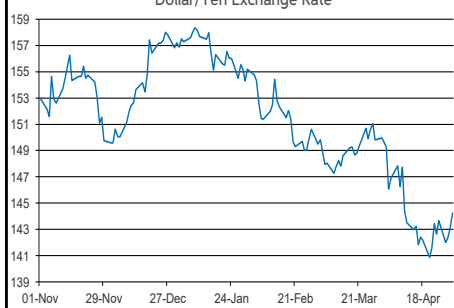
Sterling

GBP/EUR	1.1753
GBP/USD	1.3296
GBP/CAD	1.8335
GBP/NZD	2.2388
GBP/JPY	191.74
GBP/SEK	12.8788
GBP/DKK	8.7671
GBP/NOK	13.855
GBP/CHF	1.099
GBP/AUD	2.0764

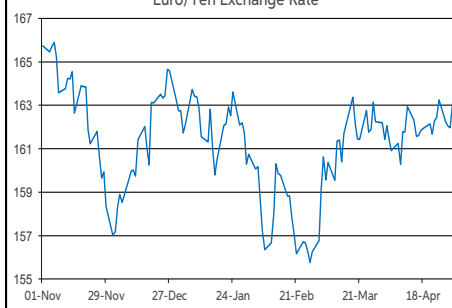
Dollar

USD/JPY	144.22
USD/CAD	1.3793
USD/CHF	0.8267
USD/CNY	7.2706
USD/BRL	5.674
USD/RUB	81.9955
USD/INR	84.586
AUD/USD	0.64
NZD/USD	0.5934

Dollar/Yen Exchange Rate

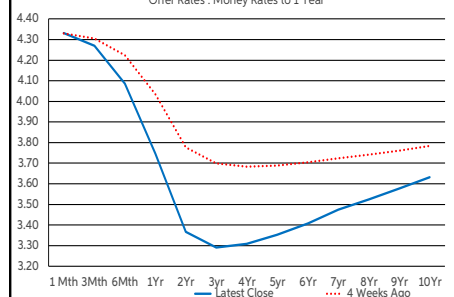


Euro/Yen Exchange Rate



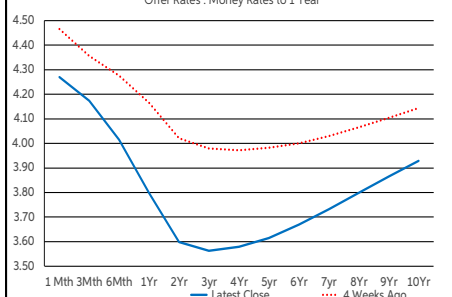
US Swap Curve

Offer Rates : Money Rates to 1 Year



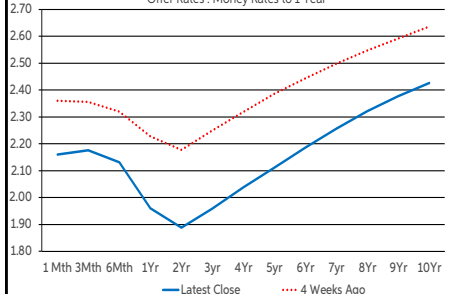
UK Swap Curve

Offer Rates : Money Rates to 1 Year

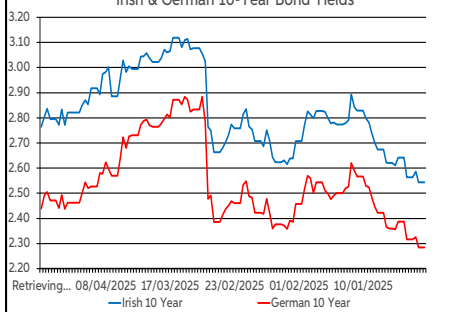


Eurozone Swap Curve

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	4.18	+0	-2	-40
Germany	2.44	-5	-29	+8
UK	4.44	-4	-20	-13
Ireland	2.80	-5	-25	+15
Belgium	3.03	-5	-25	+5
France	3.17	-5	-26	-3
Italy	3.58	-4	-24	+6
Spain	3.11	-5	-23	+5
Portugal	3.01	-5	-24	+16
Greece	3.34	-3	-19	+9
5 Year Swap %				
US	3.60	-4	-24	-69
Eurozone	2.11	-6	-28	-13
UK	3.86	-3	-36	-42
2 Year Swap %				
US	3.62	-3	-31	-71
Eurozone	1.88	-4	-29	-31
UK	3.83	-3	-42	-66
10 Year Government Bond Spreads to Benchmark bps				
Ireland	36	+0	+3	+7
Belgium	59	+0	+3	-3
France	73	+0	+3	-11
Italy	114	+1	+5	-2
Spain	67	-0	+6	-3
Portugal	57	+1	+4	+8
Greece	90	+2	+10	+1

Commodities

	Close	Day	4 Weeks	End 24
% Change				
Brent Oil	63.12	-1.76	-15.78	-15.43
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	3287.7	-0.86	+4.92	+25.30

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