

EUR/USD back near \$1.13

There was a cautious tone to investor sentiment yesterday, amid some mixed data releases, and as the US House passed a tax and spending bill that would increase the US deficit by up to \$4 trillion over the next decade. Against this backdrop, the Euro Stoxx 50 fell by 0.4%, while the S&P 500 finished flat for the day.

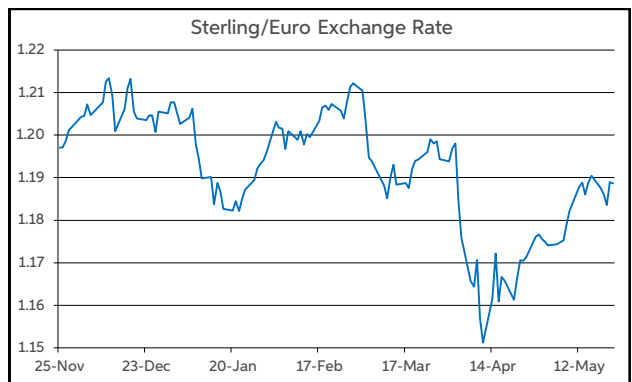
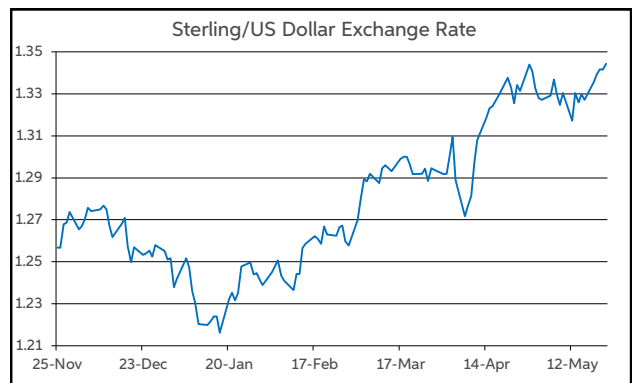
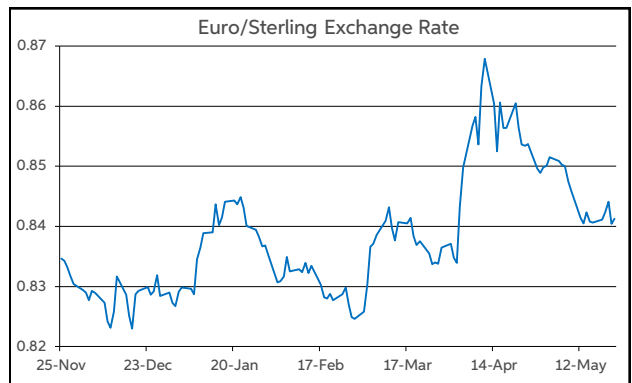
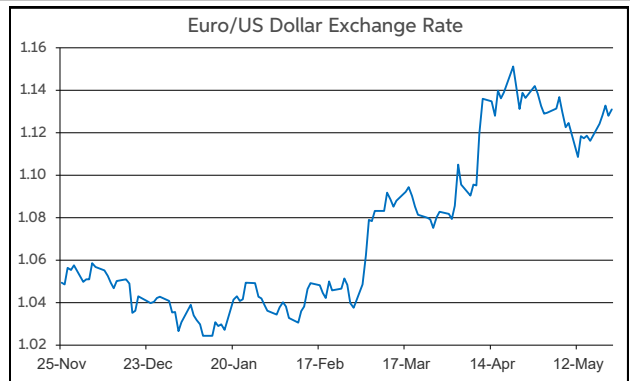
Data-wise, the flash PMIs for May in the main advanced economies were the highlight. In the UK, the services PMI rose to 50.2, while the manufacturing reading declined to 45.1. Meantime, the US surveys came in ahead of expectations and in expansion mode. In contrast, both sectors were in contraction territory in the Eurozone, with the services PMI printing well below the consensus, at 48.9 (vs. 50.3 fcast). However, the German Ifo, a key survey for the Eurozone's largest national economy, improved slightly in May.

On the currency front, the euro was under some downward pressure yesterday, owing to the weak out-turns in the PMIs. At the same time, a dovish tone to the ECB meeting minutes from the April gathering also provided an unhelpful backdrop for the euro. However, the single currency recouped most of its losses overnight.

In level terms, EUR/USD opens this morning back near the \$1.13 threshold, having traded to a low of \$1.126 yesterday. EUR/GBP is operating down closer to the 84p mark also. Elsewhere, GBP/USD remains in the \$1.34-1.35 corridor.

Already today, UK consumer confidence and retail sales have come in ahead of the consensus. Confidence improved to -20 in May (vs. -22 fcast). Meantime, retail sales rose sharply by 1.2% in April (vs. +0.2% fcast). Elsewhere, German GDP for Q1 has been revised higher, to +0.4% q/q from +0.2% previously. The data have not impacted FX markets so far in early trading though. The remainder of today's macro calendar is relatively sparse.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2024
EUR/USD	1.1311	-0.19	9.25
EUR/GBP	0.8411	-0.31	1.67
GBP/USD	1.3442	0.11	7.44
GBP/EUR	1.1883	0.31	-1.64
USD/JPY	143.56	0.19	-8.67
EUR/JPY	162.39	-0.01	-0.22

* 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	4.32	4.07	4.05	4.00
EUR	2.40	2.05	2.05	2.01	1.99	2.25
GBP	4.25	4.21	4.19	3.98	4.08	4.15

All rates quoted are indicative market rates

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Opening Levels

Friday 23 May 2025
07:40 am



Euro

EUR/GBP	0.8411
EUR/USD	1.1311
EUR/JPY	162.39
EUR/SEK	10.871
EUR/DKK	7.459
EUR/NOK	11.5026
EUR/CHF	0.9353
EUR/AUD	1.7592
EUR/HKD	8.8582
EUR/CAD	1.5643

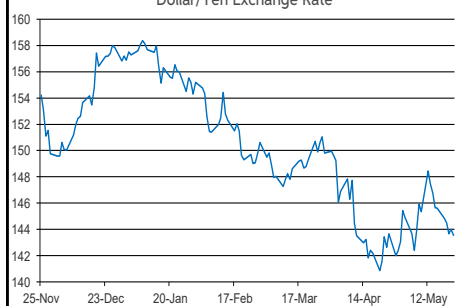
Sterling

GBP/EUR	1.1883
GBP/USD	1.3442
GBP/CAD	1.8593
GBP/NZD	2.2728
GBP/JPY	192.95
GBP/SEK	12.919
GBP/DKK	8.8636
GBP/NOK	13.6709
GBP/CHF	1.1116
GBP/AUD	2.0909

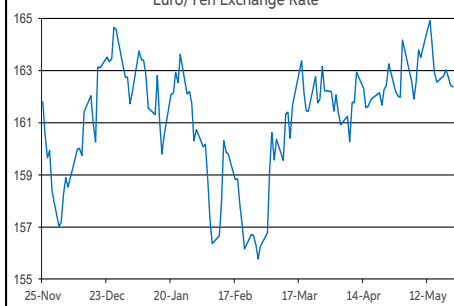
Dollar

USD/JPY	143.56
USD/CAD	1.383
USD/CHF	0.827
USD/CNY	7.2022
USD/BRL	5.7172
USD/RUB	79.7
USD/INR	85.6425
AUD/USD	0.6427
NZD/USD	0.5913

Dollar/Yen Exchange Rate

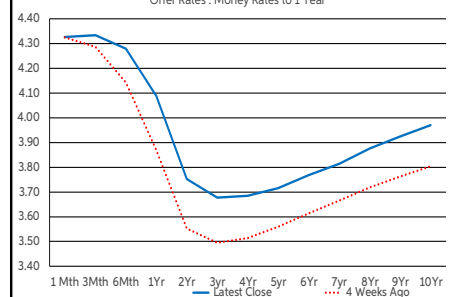


Euro/Yen Exchange Rate



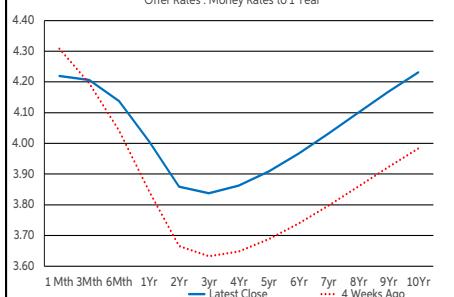
US Swap Curve

Offer Rates : Money Rates to 1 Year



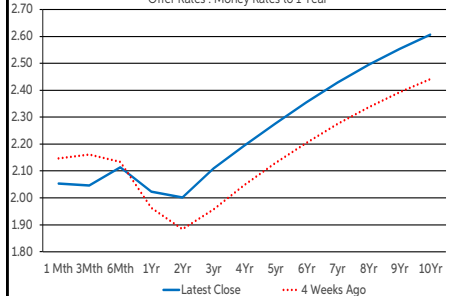
UK Swap Curve

Offer Rates : Money Rates to 1 Year

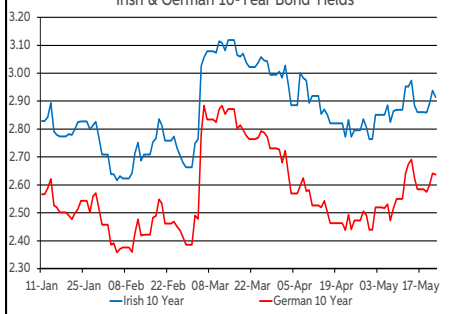


Eurozone Swap Curve

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	4.55	-4	+25	-2
Germany	2.64	-0	+20	+28
UK	4.76	-0	+25	+18
Ireland	2.96	-1	+15	+31
Belgium	3.17	+0	+15	+19
France	3.31	+1	+15	+12
Italy	3.66	+1	+12	+14
Spain	3.25	-1	+16	+19
Portugal	3.14	+0	+17	+29
Greece	3.42	+1	+9	+17
5 Year Swap %				
US	3.98	-5	+16	-31
Eurozone	2.27	-2	+15	+4
UK	4.15	-3	+22	-14
2 Year Swap %				
US	4.03	+0	+22	-31
Eurozone	2.00	-3	+12	-19
UK	4.09	-3	+18	-40
10 Year Government Bond Spreads to Benchmark bps				
Ireland	32	-0	-4	+3
Belgium	53	+1	-5	-9
France	68	+1	-4	-16
Italy	102	+1	-8	-14
Spain	61	-0	-4	-9
Portugal	50	+0	-3	+2
Greece	78	+1	-10	-10

Commodities

	% Change			
	Close	Day	4 Weeks	End 24
Brent Oil	64.44	-0.72	-3.17	-13.67
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	3294.1	-0.60	-1.62	+25.55

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