

EUR/USD in the top half of \$1.08-1.09

There was a risk-off mood on markets yesterday, as investors continued to grapple with concerns regarding the US economic outlook. Lingering uncertainty in relation to US trade policy, as retaliatory Chinese tariffs on select US imports took effect, weighed on sentiment also. Meantime, difficulties in getting agreement on reforms to Germany's fiscal rules also dampened the mood yesterday.

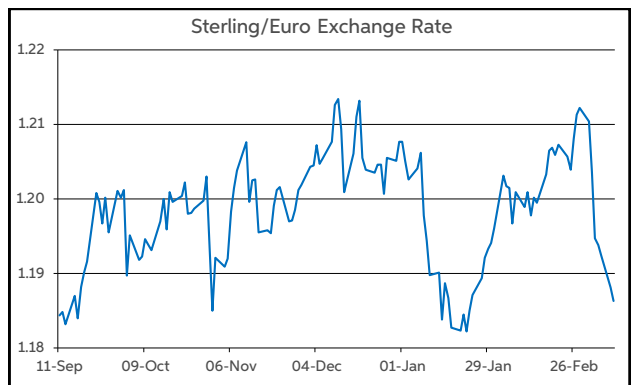
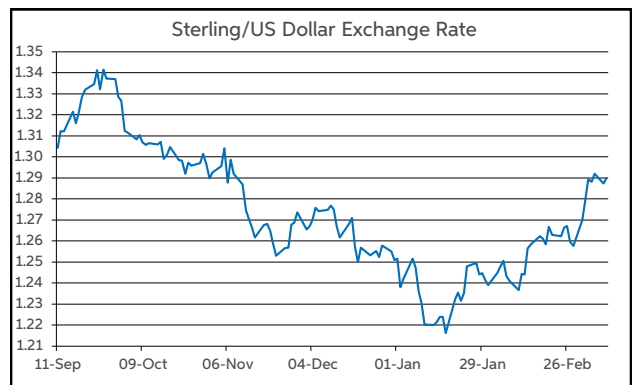
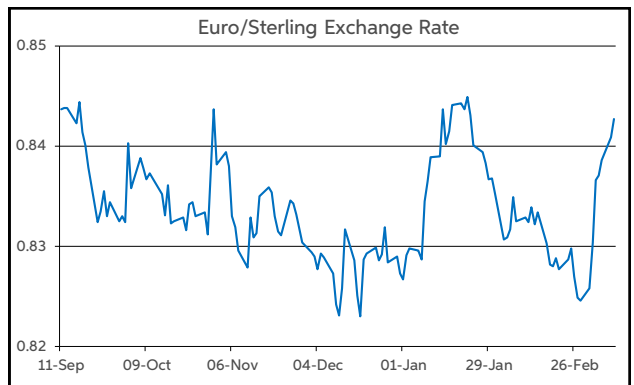
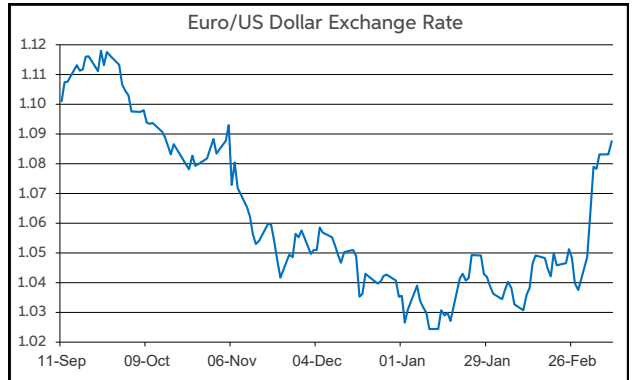
Against this backdrop, equity markets moved sharply lower on both sides of the Atlantic. The Euro Stoxx 50 shed 1.5% on the day. On Wall Street, the S&P 500 lost 2.7%. In terms of fixed income, US Treasury yields declined markedly along the curve, by 7-12bps. In contrast, German Bund and UK Gilt yields were little changed. Elsewhere, Brent crude oil moved back below \$70 per barrel.

Currency-wise, traditional safe havens such as the Japanese yen and the Swiss franc were in the ascendancy during the European session, amid the risk averse tone to sentiment. Meantime, the euro firmed somewhat in overnight trading, albeit there was no obvious catalyst for the move.

In level terms, EUR/USD is in the top half of the \$1.08-1.09 corridor. EUR/GBP is up above the 84p handle. Meanwhile, GBP/USD is operating at the \$1.29 mark. USD/JPY is changing hands down at the ¥147 threshold.

Turning to the day ahead, the main releases of note will be NFIB small business optimism (Feb) and JOLTS job openings (Jan) in the US. Elsewhere, remarks from a number of ECB officials, including President Lagarde, will also garner some attention.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2024
EUR/USD	1.0876	0.38	5.05
EUR/GBP	0.8427	0.45	1.86
GBP/USD	1.2903	-0.05	3.13
GBP/EUR	1.1862	-0.45	-1.83
USD/JPY	147.01	-0.33	-6.47
EUR/JPY	159.89	0.03	-1.76

* 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	4.28	3.93	3.99	3.94
EUR	2.65	2.46	2.53	2.31	2.32	2.51
GBP	4.50	4.44	4.38	4.16	4.25	4.21

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
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Opening Levels

Tuesday 11 March 2025
07:38 am



Euro

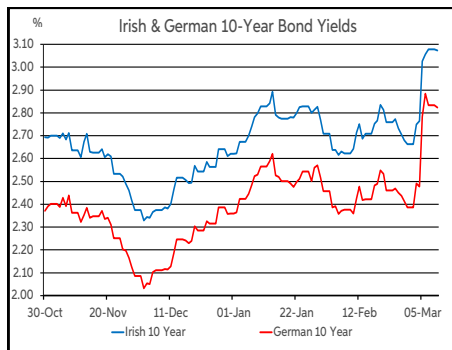
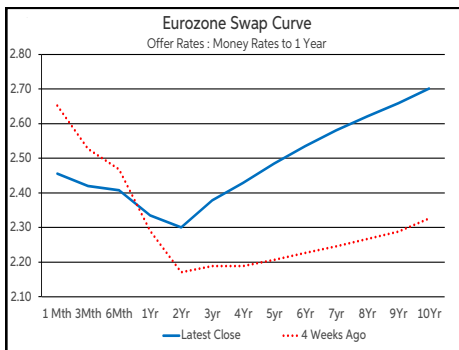
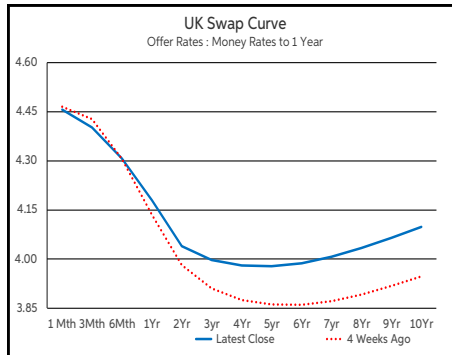
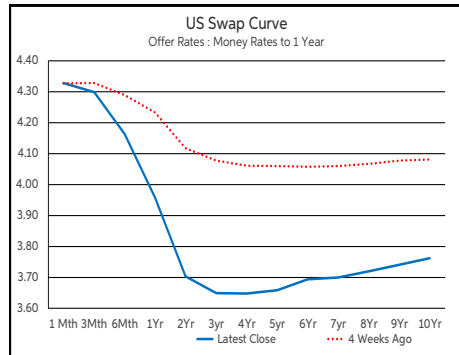
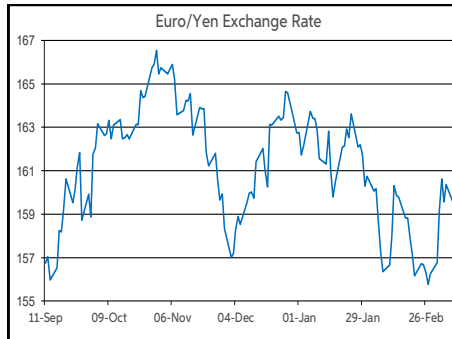
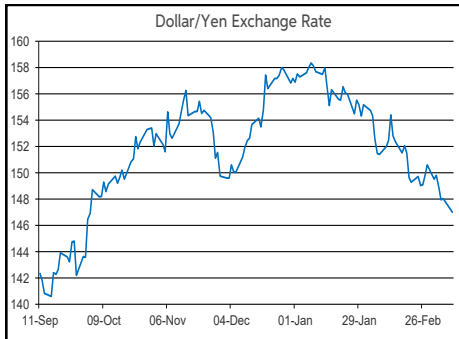
EUR/GBP	0.8427
EUR/USD	1.0876
EUR/JPY	159.89
EUR/SEK	10.9434
EUR/DKK	7.4582
EUR/NOK	11.6664
EUR/CHF	0.9564
EUR/AUD	1.7314
EUR/HKD	8.4498
EUR/CAD	1.5696

Sterling

GBP/EUR	1.1862
GBP/USD	1.2903
GBP/CAD	1.8618
GBP/NZD	2.265
GBP/JPY	189.67
GBP/SEK	12.9813
GBP/DKK	8.8453
GBP/NOK	13.8293
GBP/CHF	1.1343
GBP/AUD	2.0537

Dollar

USD/JPY	147.01
USD/CAD	1.4432
USD/CHF	0.8793
USD/CNY	7.2387
USD/BRL	5.855
USD/RUB	86.9
USD/INR	87.305
AUD/USD	0.6279
NZD/USD	0.5694



Debt Markets				
	Close	Day	Change bps	
			4 Weeks	End 24
10 Year Yield %				
US	4.21	-11	-28	-36
Germany	2.83	-1	+46	+46
UK	4.65	+0	+19	+7
5 Year Swap %				
US	3.91	-13	-39	-38
Eurozone	2.48	-8	+28	+24
UK	4.22	-1	+10	-7
2 Year Swap %				
US	3.96	-11	-40	-37
Eurozone	2.29	-6	+13	+10
UK	4.26	-2	+5	-22
10 Year Government Bond Spreads to Benchmark bps				
Ireland	27	+0	-3	-1
Belgium	56	+0	-2	-6
France	72	+0	-1	-11
Italy	109	+2	-0	-7
Spain	66	-0	-1	-4
Portugal	54	+0	+1	+5
Greece	85	+1	-5	-4

Commodities				
	Close	Day	% Change	
			4 Weeks	End 24
Brent Oil	69.28	-1.53	-8.69	-7.18
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	2889.4	-0.73	-0.62	+10.12

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