

Morning Comment

AIB Treasury Economic Research Unit



Wednesday 09 July 2025
06:49 am

EUR/USD just above \$1.17

The mixed tone to sentiment persisted yesterday, as investors continued to digest letters issued to a number of countries outlining higher trade tariffs on exports to the US, if trade deals cannot be agreed by 1st August. Amid reports that the EU will not receive a letter setting out higher tariffs, the Euro Stoxx 50 gained 0.6%. Meantime, speaking after the European close, President Trump threatened to levy higher tariffs on copper and pharmaceuticals. Against this backdrop, the S&P 500 was 0.1% lower at the close on Wall Street, having traded sideways for most of yesterday.

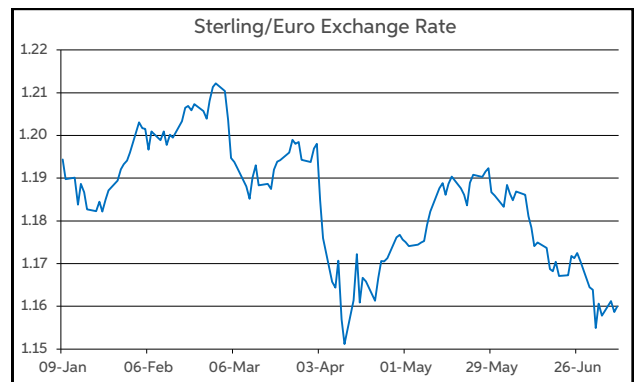
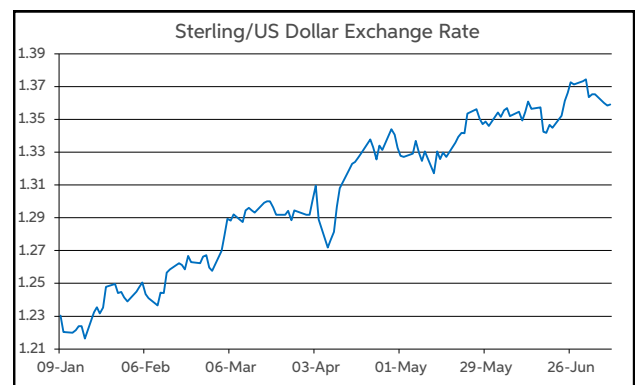
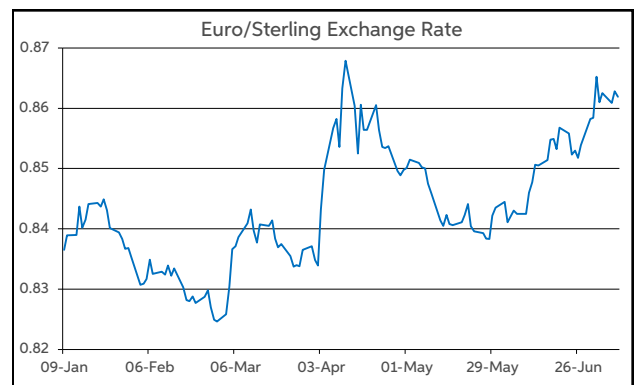
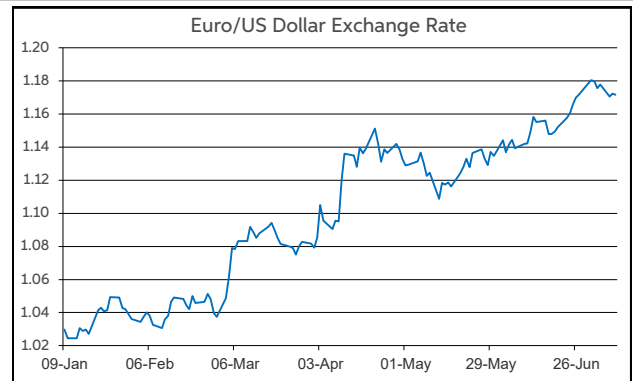
On bond markets, benchmark sovereign yields continued to rise across the board, led higher by the longer-end of the curves. Overall, 30-year US Treasury, German Bund and UK Gilt yields moved 2-6bps higher yesterday. A chunky slate of new issuance and ongoing concerns regarding the fiscal outlook in many advanced economies likely contributed to the rise. Meantime, oil prices continued to increase, with Brent crude up by circa 1% to around \$70 per barrel.

On the currency front, the yen remained on the defensive yesterday. At the same time, the dollar was holding a slightly firmer tone. This saw the greenback gain between 0.2-0.6% versus the euro, sterling and yen.

In level terms, EUR/USD opens today in the lower half of \$1.17-1.18, having traded to a low of \$1.1683 yesterday. GBP/USD is operating just below the \$1.36 mark. Elsewhere, USD/JPY is up near the ¥147 threshold. EUR/GBP remains in the bottom half of 86-87p.

Turning to the day ahead, the macro calendar is sparse once again. Indeed, the only release of any note will be the latest Fed FOMC meeting minutes from the end of June. However, the minutes are likely to be stale, given the recent remarks from Fed Chair Powell and other Fed officials, meaning the market impact is likely to be limited.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2024
EUR/USD	1.1717	-0.20	13.17
EUR/GBP	0.8619	0.09	4.18
GBP/USD	1.3592	-0.27	8.64
GBP/EUR	1.1599	-0.09	-4.01
USD/JPY	146.93	0.64	-6.52
EUR/JPY	172.17	0.44	5.79
* 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	4.33	4.32	3.99	3.94	3.89
EUR	2.00	1.89	1.94	1.98	2.01	2.31
GBP	4.25	4.20	4.06	3.79	3.89	3.97

All rates quoted are indicative market rates

See Next Page For More Rates &

CONTACTS

AIB Customer Treasury Services
business.treasury@aib.ie
aib.corporate@treasury@aib.ie
aib.ie/fxcentre

Customer Treasury Services GB
treasury.gb@aib.ie
aibgb.co.uk/fxcentre

Customer Treasury Services NI
TreasuryNI@aib.ie
aibni.co.uk/fxcentre

Opening Levels

Wednesday 09 July 2025
06:49 am



Euro

EUR/GBP	0.8619
EUR/USD	1.1717
EUR/JPY	172.17
EUR/SEK	11.1618
EUR/DKK	7.4612
EUR/NOK	11.8217
EUR/CHF	0.9337
EUR/AUD	1.792
EUR/HKD	9.1981
EUR/CAD	1.602

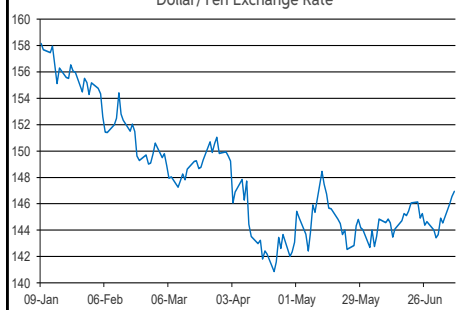
Sterling

GBP/EUR	1.1599
GBP/USD	1.3592
GBP/CAD	1.8581
GBP/NZD	2.2629
GBP/JPY	199.71
GBP/SEK	12.9461
GBP/DKK	8.6518
GBP/NOK	13.7061
GBP/CHF	1.0827
GBP/AUD	2.0784

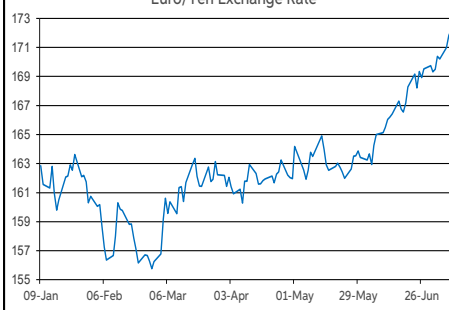
Dollar

USD/JPY	146.93
USD/CAD	1.3673
USD/CHF	0.7967
USD/CNY	7.1796
USD/BRL	5.4476
USD/RUB	78.2
USD/INR	85.86
AUD/USD	0.6536
NZD/USD	0.6001

Dollar/Yen Exchange Rate

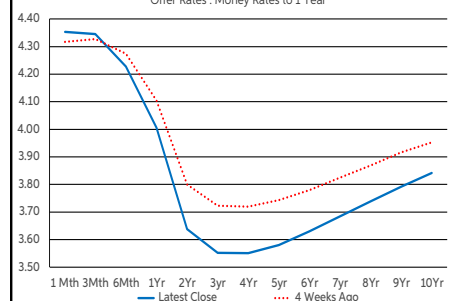


Euro/Yen Exchange Rate



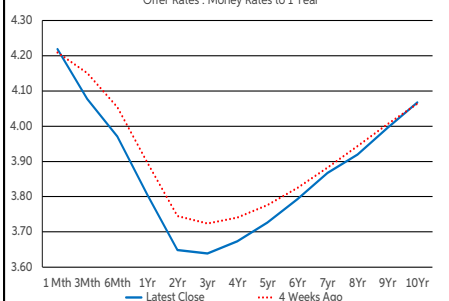
US Swap Curve

Offer Rates : Money Rates to 1 Year



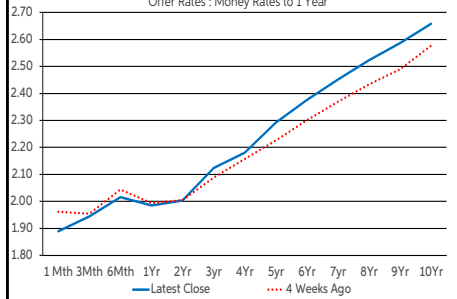
UK Swap Curve

Offer Rates : Money Rates to 1 Year

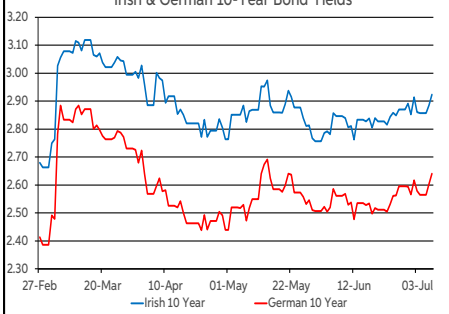


Eurozone Swap Curve

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	4.42	+2	-6	-16
Germany	2.64	+4	+11	+28
UK	4.64	+4	+9	+6
Ireland	2.96	+6	+12	+31
Belgium	3.23	+4	+17	+25
France	3.36	+4	+16	+17
Italy	3.56	+4	+11	+4
Spain	3.30	+4	+20	+24
Portugal	3.13	+4	+13	+28
Greece	3.39	+3	+14	+14
5 Year Swap %				
US	3.84	+2	-15	-45
Eurozone	2.29	+3	+7	+5
UK	3.97	+3	-4	-32
2 Year Swap %				
US	3.90	+1	-16	-44
Eurozone	2.00	+2	+1	-19
UK	3.88	+2	-8	-61
10 Year Government Bond Spreads to Benchmark bps				
Ireland	32	+3	+1	+4
Belgium	59	+0	+6	-3
France	72	+1	+4	-11
Italy	92	+1	+0	-24
Spain	66	+1	+9	-4
Portugal	49	+0	+2	+0
Greece	74	-1	+3	-14

Commodities

	% Change			
	Close	Day	4 Weeks	End 24
Brent Oil	70.15	+0.82	+4.91	-6.02
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	3300.4	-1.04	-0.65	+25.79

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.