

Sterling continues to move slightly higher

There was a cautious tone to investor sentiment yesterday on both sides of the Atlantic. Against this backdrop, the Euro Stoxx 50 gained 1.2%, while on Wall Street, the S&P 500 edged 0.2% lower. On bond markets, benchmark 10-year yields were little changed. US Treasury and UK Gilt yields inched 2-4bps lower, with German Bund yields rising by 2bps.

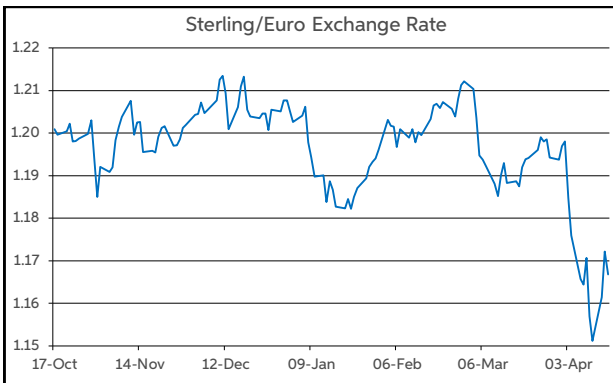
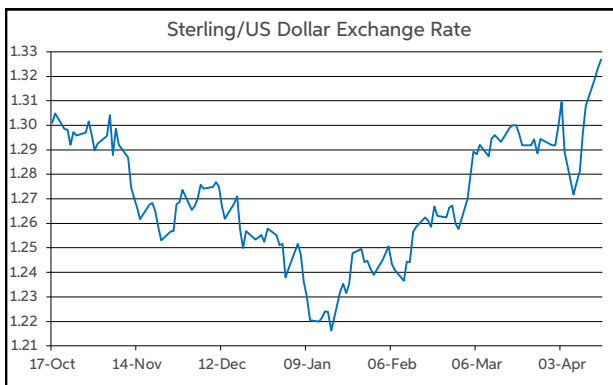
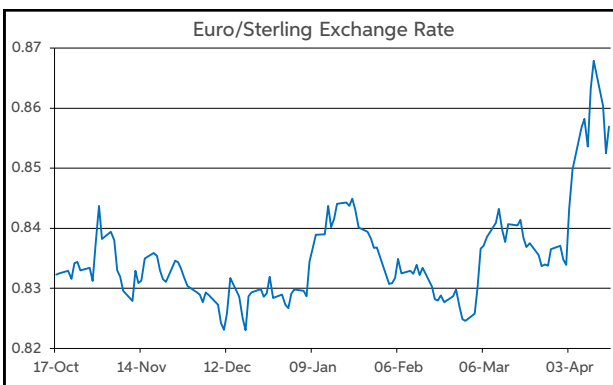
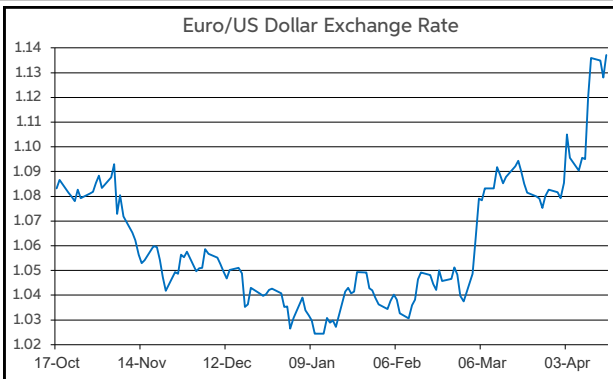
On the data front, the ECB Bank Lending Survey indicated that credit growth remained muted in the Eurozone. Elsewhere, the German ZEW economic sentiment indicator plunged to -14.0 in April from 51.6 in March, amid US trade policy uncertainty. The April reading was the lowest since July 2023, and well below the consensus of 9.5.

Currency-wise, the euro was under some downward pressure following the data releases. This saw EUR/USD slip below the \$1.13 handle during the European session yesterday. However, the euro recouped most of its losses overnight. At the same time, sterling has remained in the ascendancy over the past 24 hours.

As trading gets underway this morning, EUR/GBP is in the top half of 85-86p. EUR/USD remains in the upper region of \$1.13-1.14. Meanwhile, GBP/USD is above the midpoint of \$1.32-1.33.

Already this morning, UK inflation data have printed broadly in-line with expectations. The headline CPI rate fell to 2.6% in March (vs. 2.7% f'cast), while the core rate printed at 3.4%, matching the consensus. The data have not impacted sterling so far in early trading. Later today, US retail sales and industrial production (both March) are due. Elsewhere remarks from Fed Chair Powell will garner attention.

Daniel Noonan, Economist, AIB



| Today's Opening FX Rates | | | |
|--------------------------|--------|----------|----------|
| | | % Change | |
| | | Day * | End 2024 |
| EUR/USD | 1.137 | 0.11 | 9.82 |
| EUR/GBP | 0.8569 | -0.28 | 3.58 |
| GBP/USD | 1.3265 | 0.42 | 6.03 |
| GBP/EUR | 1.1666 | 0.28 | -3.45 |
| USD/JPY | 142.39 | -0.45 | -9.41 |
| EUR/JPY | 161.85 | -0.37 | -0.55 |

* 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 | 4.26 | 3.85 | 3.85 | 3.86 |
| EUR | 2.65 | 2.25 | 2.25 | 2.02 | 1.95 | 2.20 |
| GBP | 4.50 | 4.38 | 4.25 | 3.87 | 3.96 | 4.01 |

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 |
|---------|----------------------------|------------|------------|------------------|---------------------------|-----------------|-----------------------------------|

Opening Levels

Wednesday 16 April 2025
07:41 am



Euro

| | |
|---------|---------|
| EUR/GBP | 0.8568 |
| EUR/USD | 1.1371 |
| EUR/JPY | 161.85 |
| EUR/SEK | 11.1731 |
| EUR/DKK | 7.4666 |
| EUR/NOK | 12.1047 |
| EUR/CHF | 0.926 |
| EUR/AUD | 1.7901 |
| EUR/HKD | 8.8209 |
| EUR/CAD | 1.5834 |

Sterling

| | |
|---------|---------|
| GBP/EUR | 1.1668 |
| GBP/USD | 1.3269 |
| GBP/CAD | 1.8474 |
| GBP/NZD | 2.2417 |
| GBP/JPY | 188.94 |
| GBP/SEK | 13.0382 |
| GBP/DKK | 8.7098 |
| GBP/NOK | 14.1242 |
| GBP/CHF | 1.0804 |
| GBP/AUD | 2.0886 |

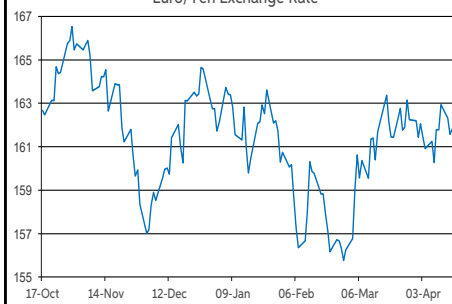
Dollar

| | |
|---------|--------|
| USD/JPY | 142.39 |
| USD/CAD | 1.3929 |
| USD/CHF | 0.8145 |
| USD/CNY | 7.3255 |
| USD/BRL | 5.8864 |
| USD/RUB | 82.35 |
| USD/INR | 85.665 |
| AUD/USD | 0.6349 |
| NZD/USD | 0.5914 |

Dollar/Yen Exchange Rate

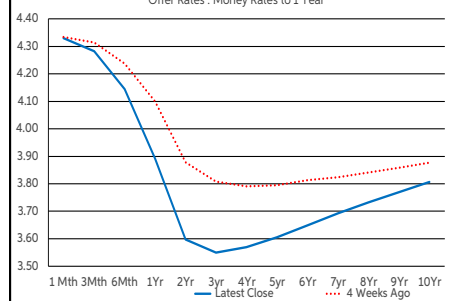


Euro/Yen Exchange Rate



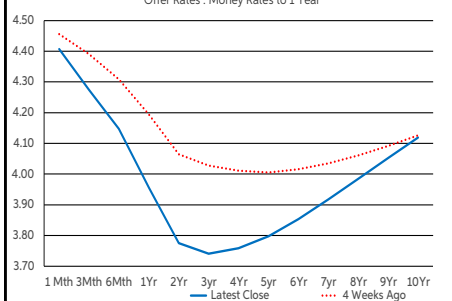
US Swap Curve

Offer Rates : Money Rates to 1 Year



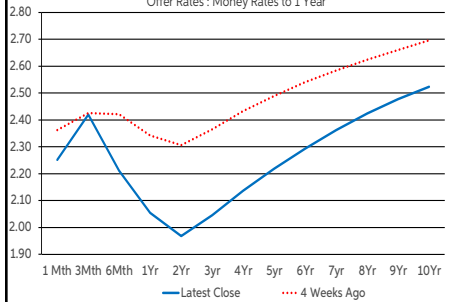
UK Swap Curve

Offer Rates : Money Rates to 1 Year

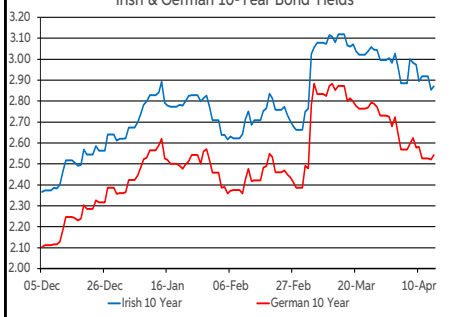


Eurozone Swap Curve

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 | 4.32 | -4 | +4 | -25 |
| Germany | 2.55 | +2 | -27 | +18 |
| UK | 4.65 | -2 | +0 | +8 |
| Ireland | 2.90 | +2 | -19 | +25 |
| Belgium | 3.16 | +2 | -21 | +18 |
| France | 3.30 | +2 | -20 | +10 |
| Italy | 3.72 | +4 | -15 | +20 |
| Spain | 3.24 | +3 | -19 | +18 |
| Portugal | 3.14 | +4 | -19 | +29 |
| Greece | 3.46 | +2 | -22 | +21 |
| 5 Year Swap % | | | | |
| US | 3.85 | -5 | -19 | -44 |
| Eurozone | 2.22 | +2 | -26 | -2 |
| UK | 4.04 | -4 | -19 | -25 |
| 2 Year Swap % | | | | |
| US | 3.86 | -0 | -27 | -47 |
| Eurozone | 1.96 | -0 | -34 | -23 |
| UK | 4.01 | -5 | -27 | -48 |
| 10 Year Government Bond Spreads to Benchmark bps | | | | |
| Ireland | 36 | -0 | +8 | +7 |
| Belgium | 61 | +0 | +6 | -1 |
| France | 75 | -1 | +8 | -8 |
| Italy | 118 | +2 | +12 | +2 |
| Spain | 70 | +0 | +8 | -0 |
| Portugal | 60 | +1 | +8 | +11 |
| Greece | 91 | -1 | +5 | +3 |

Commodities

| | Close | Day | 4 Weeks | End 24 |
|----------------|--------|-------|---------|--------|
| Brent Oil | 64.67 | -0.32 | -8.35 | -13.36 |
| West Texas Oil | 71.65 | -0.17 | -1.90 | -1.27 |
| Gold \$ | 3227.6 | +0.57 | +6.38 | +23.01 |

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