

Morning Comment

AIB Treasury Economic Research Unit



Friday 25 April 2025
07:54 am

A relatively quiet day on markets

Equity markets continued to move higher on both sides of the Atlantic yesterday, amid relatively calm trading conditions. The euro Stoxx 50 recorded a modest 0.3% gain, while the S&P 500 rose by 2%, supported by some strong corporate earnings reports.

Meanwhile on bond markets, yields moved lower across the board. US Treasury and German Bund yields declined by 3-8bps, led lower by the front-end of the curves. At the same time, UK Gilt yields fell by 4-8bps, with the larger move concentrated in longer dated bonds.

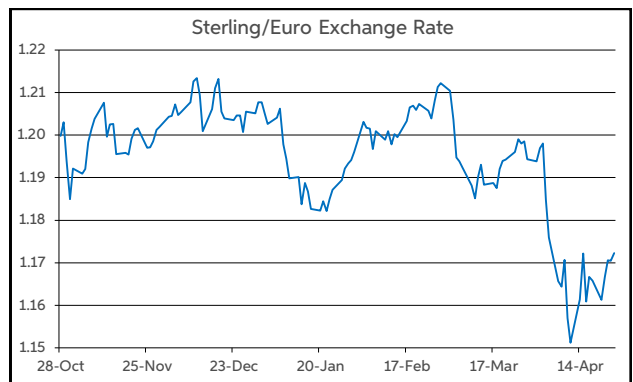
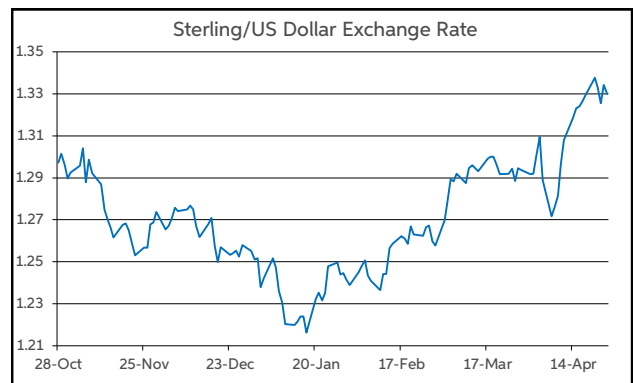
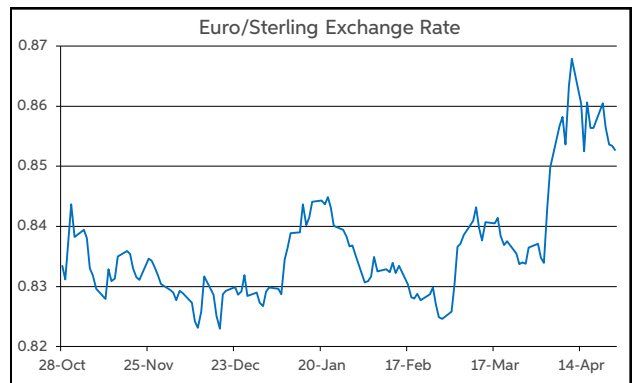
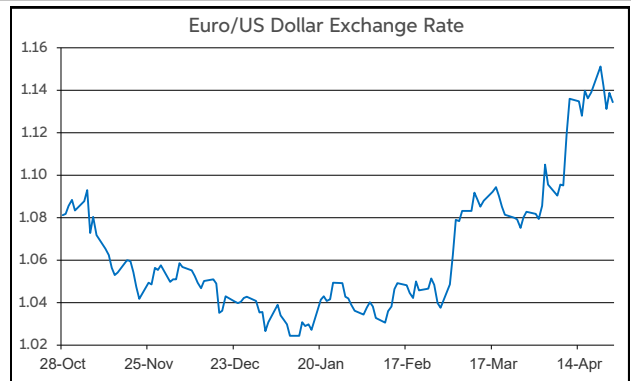
On the data front, a somewhat sparse macro calendar likely contributed to the quieter price action on markets. The main release of note, the German Ifo surprised to the upside of the consensus, rising to 86.9 in April, compared to expectations for a deterioration to 85.2. Meantime in the US, the latest initial weekly jobless claims figure printed at 222k, matching the consensus forecast.

Currency-wise, the dollar and the yen were under some downward pressure yesterday. However, the moves were modest overall, and there was no obvious catalyst for the declines. Furthermore, the dollar recouped most of its losses overnight.

In level terms, this sees EUR/USD open this morning near the midpoint of the \$1.13-1.14 range. GBP/USD is operating at the \$1.33 threshold. Elsewhere, EUR/GBP is changing hands in the lower half of the 85-86p corridor. USD/JPY is up at the halfway mark of the ¥143-144 trading band.

Already this morning, UK retail sales data for March have been released. Sales rose by 0.4% in the month, well above expectations for a 0.4% contraction. Sterling has been a touch firmer in early trading following the release. The remainder of today's data calendar is light of any market moving releases.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2024
EUR/USD	1.1346	0.07	9.59
EUR/GBP	0.8529	-0.16	3.09
GBP/USD	1.33	0.24	6.31
GBP/EUR	1.172	0.16	-3.00
USD/JPY	143.55	0.57	-8.67
EUR/JPY	162.89	0.63	0.09
* 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	4.31	4.28	3.89	3.87	3.87
EUR	2.40	2.13	2.16	1.96	1.92	2.15
GBP	4.50	4.29	4.18	3.85	3.94	3.95

All rates quoted are indicative market rates

See Next Page For More Rates &

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Opening Levels

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Euro

EUR/GBP	0.8529
EUR/USD	1.1346
EUR/JPY	162.89
EUR/SEK	10.9123
EUR/DKK	7.4642
EUR/NOK	11.8187
EUR/CHF	0.9438
EUR/AUD	1.7715
EUR/HKD	8.8027
EUR/CAD	1.5737

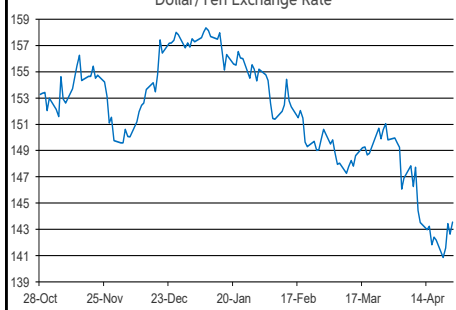
Sterling

GBP/EUR	1.172
GBP/USD	1.33
GBP/CAD	1.8447
GBP/NZD	2.2264
GBP/JPY	190.92
GBP/SEK	12.7935
GBP/DKK	8.7514
GBP/NOK	13.856
GBP/CHF	1.1063
GBP/AUD	2.0762

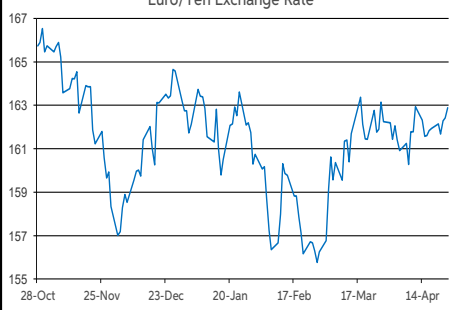
Dollar

USD/JPY	143.55
USD/CAD	1.3871
USD/CHF	0.8318
USD/CNY	7.2873
USD/BRL	5.6805
USD/RUB	82.8
USD/INR	85.535
AUD/USD	0.6402
NZD/USD	0.5969

Dollar/Yen Exchange Rate

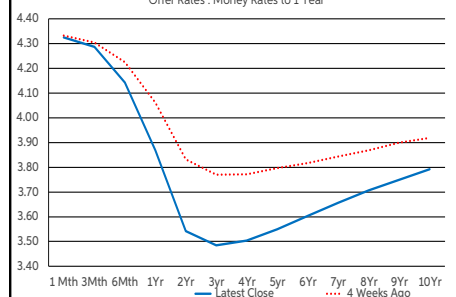


Euro/Yen Exchange Rate



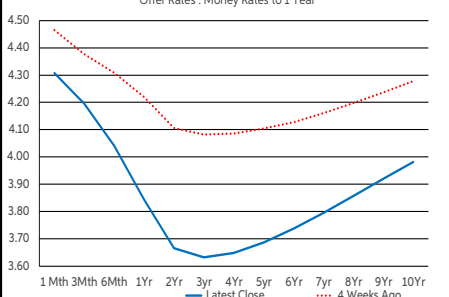
US Swap Curve

Offer Rates : Money Rates to 1 Year



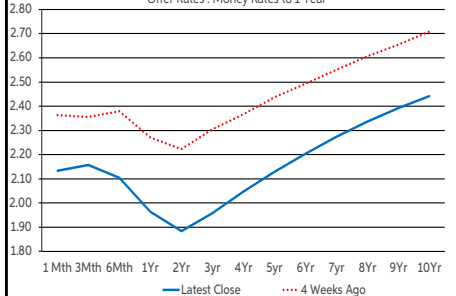
UK Swap Curve

Offer Rates : Money Rates to 1 Year

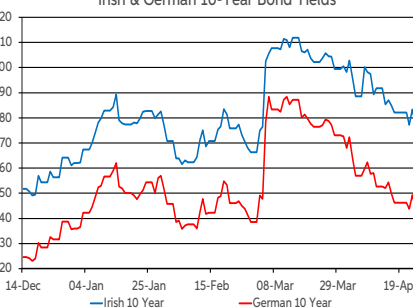


Eurozone Swap Curve

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	4.31	-8	-6	-27
Germany	2.44	-5	-33	+8
UK	4.50	-7	-28	-7
Ireland	2.80	-5	-26	+15
Belgium	3.02	-7	-30	+4
France	3.16	-7	-30	-3
Italy	3.54	-9	-34	+2
Spain	3.09	-8	-30	+2
Portugal	2.97	-8	-32	+12
Greece	3.33	-6	-31	+8
5 Year Swap %				
US	3.82	-11	-21	-47
Eurozone	2.13	-5	-30	-11
UK	3.93	-6	-40	-35
2 Year Swap %				
US	3.81	-7	-27	-52
Eurozone	1.88	-4	-33	-31
UK	3.90	-4	-42	-58
10 Year Government Bond Spreads to Benchmark bps				
Ireland	36	+0	+7	+7
Belgium	58	-2	+4	-4
France	72	-2	+3	-11
Italy	110	-3	-0	-6
Spain	65	-2	+3	-5
Portugal	53	-3	+2	+4
Greece	89	-0	+2	+0

Commodities

	Close	Day	4 Weeks	End 24
Brent Oil	66.55	+0.65	-10.10	-10.84
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	3348.2	+1.85	+9.56	+27.61

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