

## US inflation data in focus today

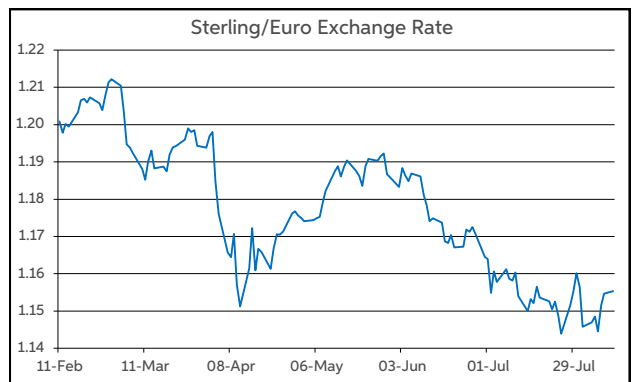
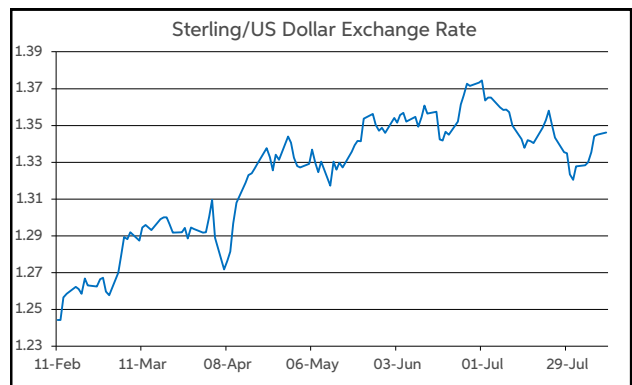
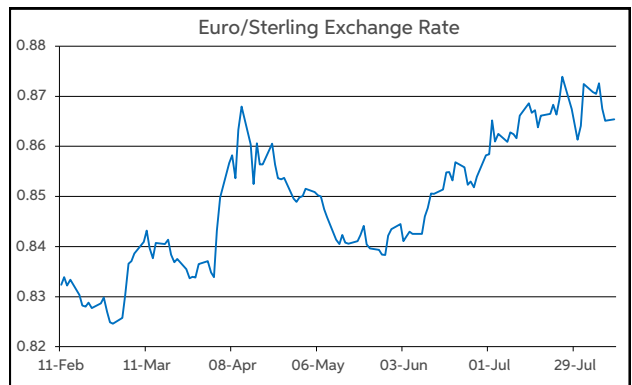
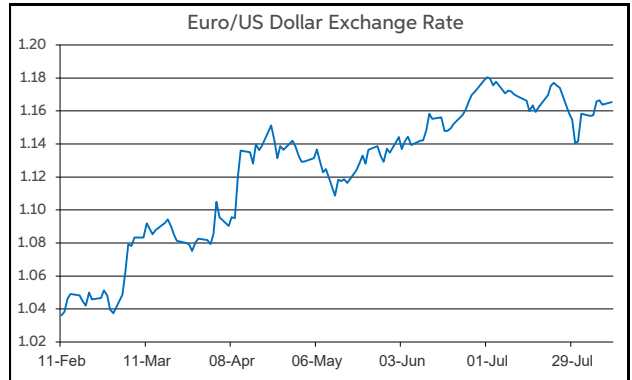
The start of the week on financial markets was muted yesterday. This was not overly surprising given the quiet macro diary. As a result, investor sentiment was holding a generally cautious tone, lacking in direction amid the dearth of macro newsflow. This was reflected in the lacklustre performance of the main equity indices. In Europe, the Euro Stoxx 50 was 0.3% lower. Meantime, at the closing bell on Wall Street last night, the S&P 500 was also down 0.3% on the day.

On the currency front, the majors were confined to relatively narrow ranges. Of the action to register, the dollar regained some ground. At the same time, the euro had a modestly softer tone against some of the other majors. In level terms, EUR/USD opens this morning down near the \$1.16 threshold. EUR/GBP has edged back below the midpoint of 86-87p. Elsewhere, GBP/USD is operating in the lower half of \$1.34-1.35.

After yesterday's sparse data schedule, today's macro agenda is much busier. Already this morning we have had a raft of labour market updates from the UK. The unemployment rate, as expected remained at 4.7% in the three months to June. Underlying wage growth also printed in line with forecasts, rising by 5.0% y/y. The data has had no noticeable impact on sterling.

Later today, attention will turn to the US calendar with the lunchtime release (13:30) of CPI inflation numbers of July. Investors and the Fed will be assessing the data to see if there are further signs of tariff related upward pressure on prices. This data will form an important input into the Fed's decision on whether to keep rates on hold or cut in September. As a result, the release could be a source of volatility for the dollar today. Both the headline and core rates are expected to edge slightly higher, to 2.8% (from 2.7%) and 3.0% (from 2.9%), respectively.

**John Fahey, Senior Economist, AIB**



Today's Opening FX Rates			
		% Change	
		Day *	End 2024
EUR/USD	1.1611	-0.39	12.15
EUR/GBP	0.864	-0.39	4.44
GBP/USD	1.3431	-0.01	7.35
GBP/EUR	1.1566	0.39	-4.25
USD/JPY	148.27	0.76	-5.67
EUR/JPY	172.19	0.36	5.80

\* 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	4.35	4.23	3.84	3.82	3.76
EUR	2.00	1.90	2.02	2.06	2.10	2.35
GBP	4.00	3.96	3.95	3.78	3.89	3.95

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 12 August 2025  
07:22 am



## Euro

EUR/GBP	0.864
EUR/USD	1.1611
EUR/JPY	172.19
EUR/SEK	11.1917
EUR/DKK	7.4627
EUR/NOK	11.8743
EUR/CHF	0.9415
EUR/AUD	1.7864
EUR/HKD	9.1149
EUR/CAD	1.5995

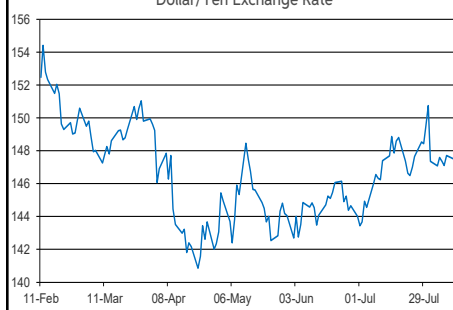
## Sterling

GBP/EUR	1.1566
GBP/USD	1.3431
GBP/CAD	1.8505
GBP/NZD	2.2649
GBP/JPY	199.17
GBP/SEK	12.948
GBP/DKK	8.6323
GBP/NOK	13.749
GBP/CHF	1.0896
GBP/AUD	2.0665

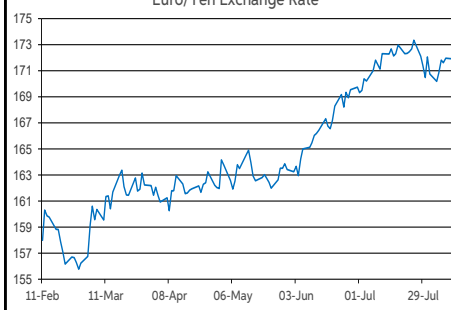
## Dollar

USD/JPY	148.27
USD/CAD	1.3776
USD/CHF	0.8109
USD/CNY	7.1898
USD/BRL	5.442
USD/RUB	79.55
USD/INR	87.66
AUD/USD	0.6496
NZD/USD	0.5927

Dollar/Yen Exchange Rate

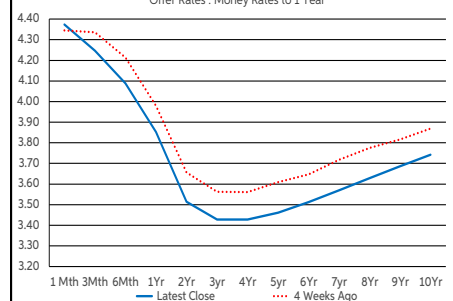


Euro/Yen Exchange Rate



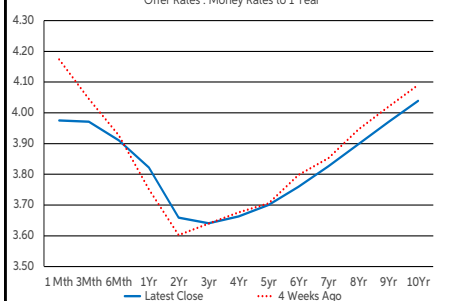
US Swap Curve

Offer Rates : Money Rates to 1 Year



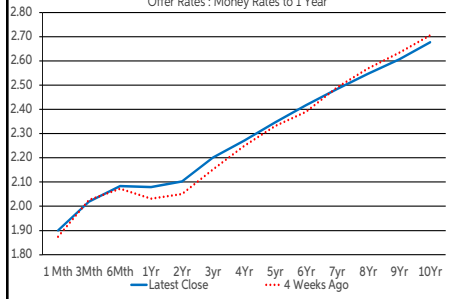
UK Swap Curve

Offer Rates : Money Rates to 1 Year

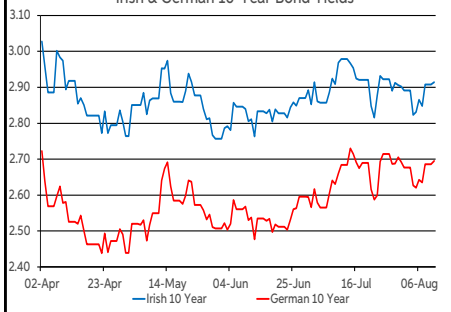


Eurozone Swap Curve

Offer Rates : Money Rates to 1 Year



Irish & German 10-Year Bond Yields



## Debt Markets

	Close	Change bps		
		Day	4 Weeks	End 24
<b>10 Year Yield %</b>				
US	4.27	-1	-15	-30
Germany	2.70	+1	-4	+33
UK	4.57	-4	-3	-0
Ireland	2.94	-1	-7	+29
Belgium	3.21	+1	-8	+23
France	3.36	+1	-8	+16
Italy	3.51	+1	-11	-1
Spain	3.26	+0	-8	+20
Portugal	3.10	+1	-8	+25
Greece	3.38	+1	-6	+13
<b>5 Year Swap %</b>				
US	3.72	-0	-13	-57
Eurozone	2.34	-0	+1	+10
UK	3.94	-4	-0	-34
<b>2 Year Swap %</b>				
US	3.78	+0	-13	-56
Eurozone	2.08	-0	+5	-11
UK	3.89	-3	+5	-60
<b>10 Year Government Bond Spreads to Benchmark bps</b>				
Ireland	25	-2	-3	-4
Belgium	51	-0	-4	-11
France	66	-0	-4	-17
Italy	82	-0	-7	-34
Spain	56	-1	-5	-14
Portugal	40	-0	-4	-9
Greece	68	-0	-3	-21

## Commodities

	Close	% Change		
		Day	4 Weeks	End 24
Brent Oil	66.63	+0.06	-3.73	-10.73
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	3344.1	-1.60	+0.02	+27.45

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