

## Euro marginally softer

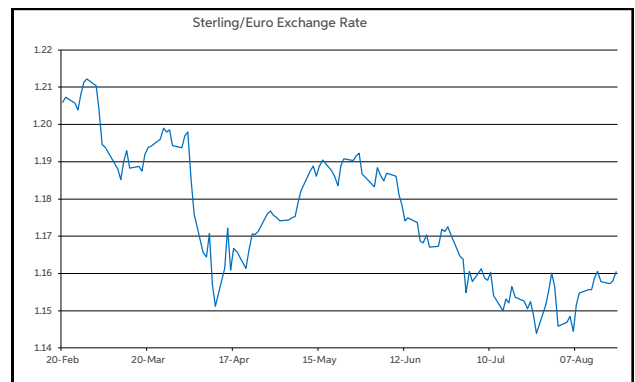
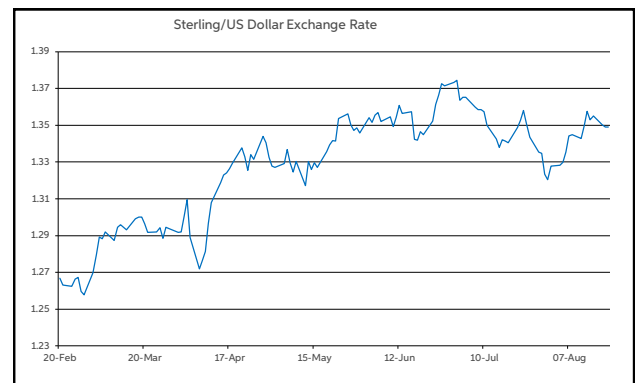
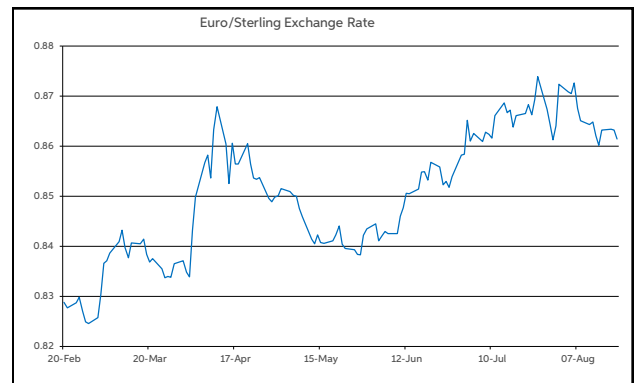
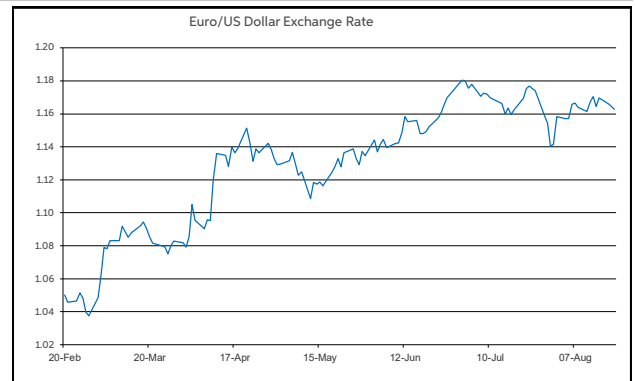
It was another quiet day in terms of macro newsflow yesterday. The Eurozone and UK data diaries offered no releases of any note. In the US, the main data highlight was housing starts for July. The headline number provided an upside surprise relative to expectations. However, given the lower tier nature of the data, it was not surprising that it did not generate any market reaction. From an investor sentiment perspective, there was a mixed tone to proceedings. The Euro Stoxx 50 finished 0.9% higher on the day. The mood on Wall Street was more cautious. At the closing bell last night, the S&P 500 was down 0.6%.

On the currency front, as expected, the main pairs were confined to narrow ranges yesterday amid the dearth of market moving data releases. This muted action has generally persisted in overnight trading on Asia-Pacific markets.

As a result, most of the majors start this morning's European session showing only minimal changes over the past 24 hours. In level terms, the euro is marginally softer compared to yesterday's open. EUR/USD has edged down below the midpoint of \$1.16-1.17, while EUR/GBP is operating nearer to the 86p threshold. Meantime, GBP/USD is just below the \$1.35 handle. Elsewhere, the yen has made some gains on the exchanges.

Today's macro diary is more eventful. Indeed, already this morning we have had the 7am release of UK CPI inflation data for July. Headline and core inflation printed slightly higher than forecast. Both registered a reading of 3.8% (versus forecasts for 3.7%). This evening (after European close) we get the Fed meeting minutes for July. However, these minutes are somewhat 'dated' at this stage given the weak payroll data that were published since the meeting. Instead, the market's focus from a US monetary policy viewpoint will be on Fed Chair Powell's Jackson Hole speech on Friday.

**John Fahey, Senior Economist, AIB**



Today's Opening FX Rates			
		% Change	
		Day *	End 2024
EUR/USD	1.1626	-0.29	12.30
EUR/GBP	0.8614	-0.21	4.12
GBP/USD	1.3491	-0.09	7.83
GBP/EUR	1.1601	0.21	-3.96
USD/JPY	147.31	-0.30	-6.28
EUR/JPY	171.28	-0.59	5.24

\* 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	4.19	3.82	3.80	3.76
EUR	2.00	1.92	2.03	2.08	2.10	2.36
GBP	4.00	3.96	3.96	3.84	3.99	4.08

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

Wednesday 20 August 2025  
07:11 am



## Euro

EUR/GBP	0.8614
EUR/USD	1.1626
EUR/JPY	171.28
EUR/SEK	11.1775
EUR/DKK	7.4645
EUR/NOK	11.9632
EUR/CHF	0.9403
EUR/AUD	1.8049
EUR/HKD	9.0756
EUR/CAD	1.6128

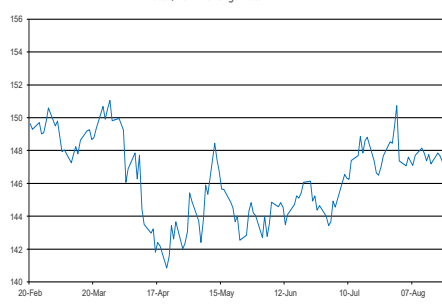
## Sterling

GBP/EUR	1.1601
GBP/USD	1.3491
GBP/CAD	1.8711
GBP/NZD	2.3139
GBP/JPY	198.72
GBP/SEK	12.9699
GBP/DKK	8.6628
GBP/NOK	13.8819
GBP/CHF	1.0914
GBP/AUD	2.0936

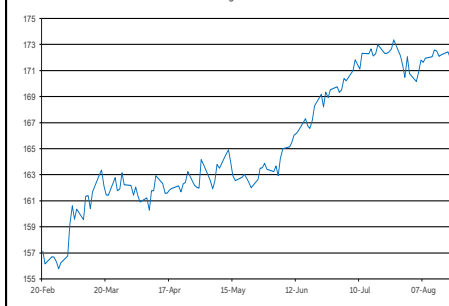
## Dollar

USD/JPY	147.31
USD/CAD	1.3871
USD/CHF	0.8087
USD/CNY	7.1836
USD/BRL	5.499
USD/RUB	80.35
USD/INR	87.083
AUD/USD	0.6441
NZD/USD	0.5826

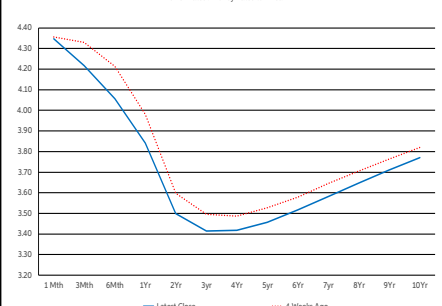
Dollar/Yen Exchange Rate



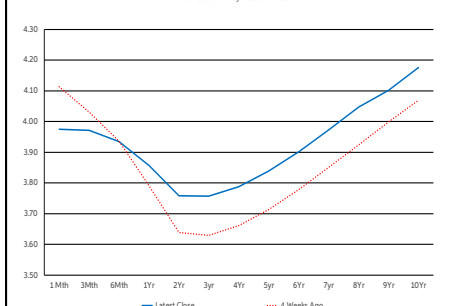
Euro/Yen Exchange Rate



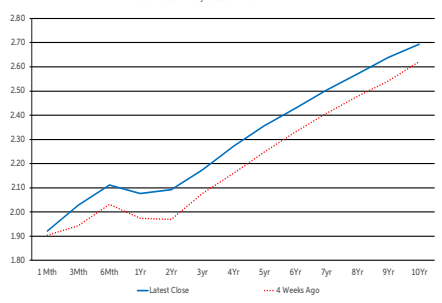
US Swap Curve  
Offer Rates - Money Rates to 1 Year



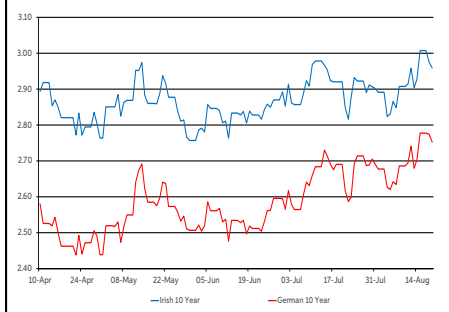
UK Swap Curve  
Offer Rates - Money Rates to 1 Year



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	4.30	-4	-3	-28
Germany	2.75	-2	+17	+39
UK	4.75	+0	+17	+17
Ireland	3.00	-2	+14	+35
Belgium	3.28	-1	+15	+30
France	3.44	-1	+18	+25
Italy	3.58	-1	+12	+6
Spain	3.33	-0	+12	+26
Portugal	3.16	-1	+12	+31
Greece	3.44	-1	+13	+19
5 Year Swap %				
US	3.71	-2	-6	-58
Eurozone	2.35	-0	+11	+12
UK	4.08	+2	+13	-20
2 Year Swap %				
US	3.76	-2	-8	-58
Eurozone	2.09	-1	+12	-10
UK	3.99	+3	+12	-50
10 Year Government Bond Spreads to Benchmark bps				
Ireland	25	+1	-2	-4
Belgium	53	+1	-2	-9
France	69	+1	+1	-14
Italy	83	+2	-4	-33
Spain	57	+2	-4	-13
Portugal	40	+1	-5	-8
Greece	68	+1	-4	-20

## Commodities

	% Change			
	Close	Day	4 Weeks	End 24
Brent Oil	65.79	-1.22	-4.08	-11.86
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	3315.2	-0.45	-3.38	+26.35

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