

Narrow ranges on FX markets

In a similar pattern to the day before, there was cautious tone to investor sentiment yesterday. A sparse data calendar once again, likely contributed to the muted price action. Against this backdrop, investors continued to digest President Trumps efforts to remove Fed Governor Cook from her position. Ongoing political developments in France were also in focus, with the Government currently expected to lose the confidence vote called for the 8th of September.

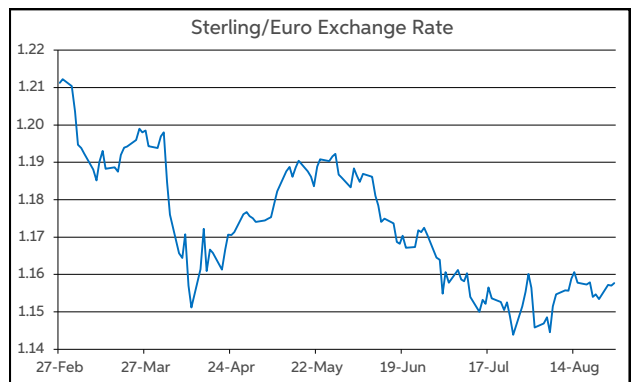
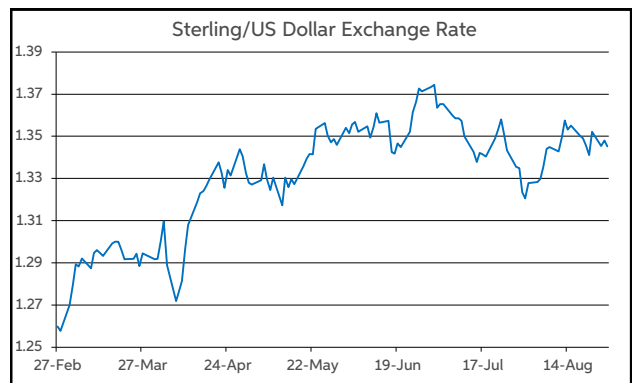
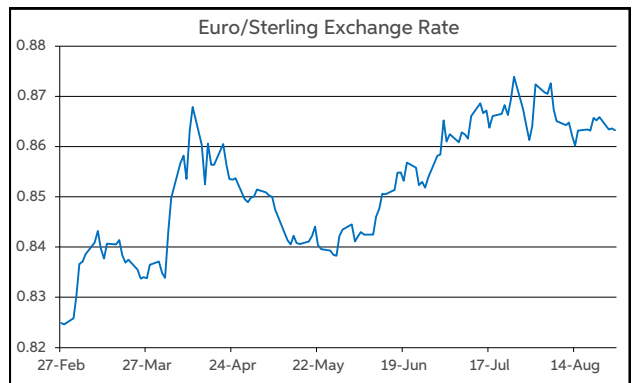
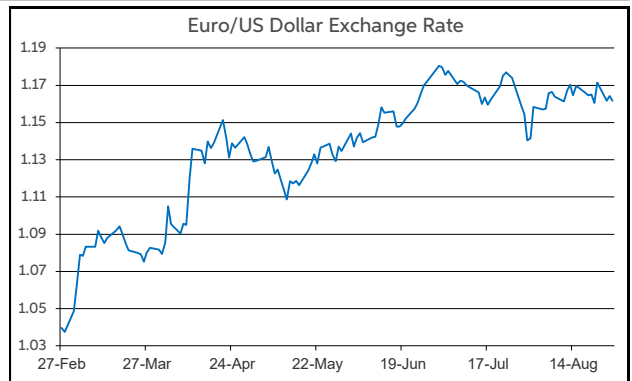
For a second consecutive day European equities underperformed, with the Euro Stoxx 50 falling by 1.1% yesterday. On Wall Street, the S&P 500 rallied late on to finish the day up 0.4%. In terms of fixed income, US Treasury yields initially moved slightly higher amid some concerns of encroachment on Fed independence from the White House. However, US bonds reversed course overnight, with yields declining by 2-4bps overall. German Bund yields also fell by 2-4bps, while French sovereign yields were little changed.

Currency-wise, the main FX pairs continued to operate in narrow ranges. Initially the dollar maintained some of its momentum from Monday. However, as the European session progressed the dollar ran out of steam. Elsewhere, the euro weakened marginally.

As trading gets underway this morning, EUR/USD opens in the lower half of \$1.16-1.17. GBP/USD remains at the midpoint of the \$1.34-1.35 corridor. Meanwhile, EUR/GBP is in the bottom end of the 86-87p trading band.

Already today, German consumer sentiment has printed below the consensus, falling to -23.6 (vs. -22.0 f'cast). The data has coincided with a slight weakening in the euro in early trading. The rest of today's data schedule is barren on both sides of the Atlantic, which suggests that markets may remain subdued once more.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2024
EUR/USD	1.1618	-0.09	12.22
EUR/GBP	0.8633	-0.10	4.35
GBP/USD	1.3452	-0.02	7.52
GBP/EUR	1.1578	0.10	-4.17
USD/JPY	147.75	-0.01	-6.00
EUR/JPY	171.66	-0.13	5.47

* 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	4.19	3.78	3.72	3.68
EUR	2.00	1.88	2.02	2.05	2.08	2.34
GBP	4.00	3.96	3.96	3.87	4.00	4.09

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 27 August 2025
07:12 am



Euro

EUR/GBP	0.8633
EUR/USD	1.1618
EUR/JPY	171.66
EUR/SEK	11.1276
EUR/DKK	7.4643
EUR/NOK	11.7811
EUR/CHF	0.9352
EUR/AUD	1.7901
EUR/HKD	9.0343
EUR/CAD	1.6077

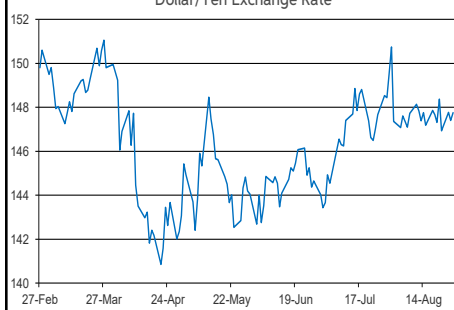
Sterling

GBP/EUR	1.1578
GBP/USD	1.3452
GBP/CAD	1.8614
GBP/NZD	2.3005
GBP/JPY	198.75
GBP/SEK	12.8838
GBP/DKK	8.6408
GBP/NOK	13.6429
GBP/CHF	1.0828
GBP/AUD	2.0727

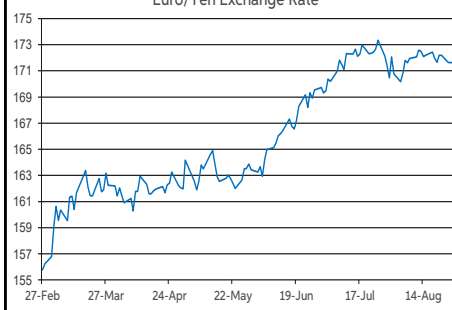
Dollar

USD/JPY	147.75
USD/CAD	1.3839
USD/CHF	0.8049
USD/CNY	7.1593
USD/BRL	5.4312
USD/RUB	80.5
USD/INR	87.701
AUD/USD	0.6487
NZD/USD	0.5844

Dollar/Yen Exchange Rate

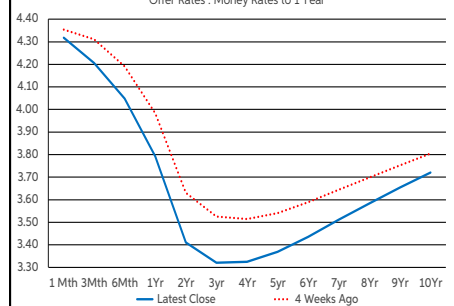


Euro/Yen Exchange Rate



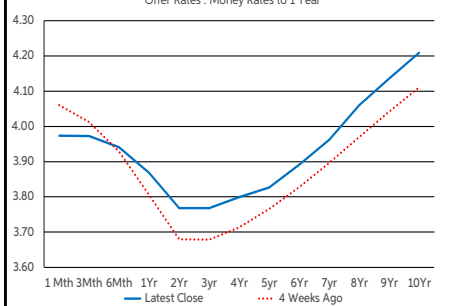
US Swap Curve

Offer Rates : Money Rates to 1 Year



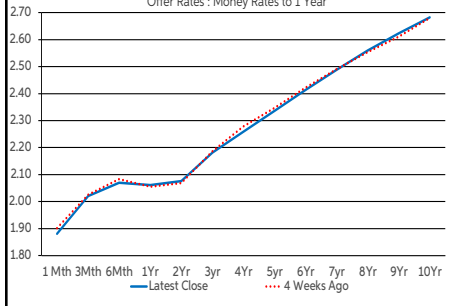
UK Swap Curve

Offer Rates : Money Rates to 1 Year

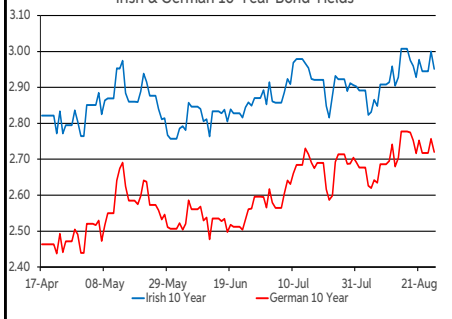


Eurozone Swap Curve

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	4.26	-2	-7	-32
Germany	2.72	-4	+3	+36
UK	4.74	+5	+10	+17
Ireland	2.99	-2	+5	+34
Belgium	3.29	-3	+8	+31
France	3.50	-0	+15	+30
Italy	3.59	-3	+5	+6
Spain	3.32	-5	+4	+25
Portugal	3.16	-3	+4	+31
Greece	3.44	-2	+5	+19
5 Year Swap %				
US	3.62	-5	-16	-67
Eurozone	2.32	-4	-2	+9
UK	4.09	+5	+8	-20
2 Year Swap %				
US	3.67	-6	-21	-67
Eurozone	2.07	-3	+1	-12
UK	3.99	+2	+8	-50
10 Year Government Bond Spreads to Benchmark bps				
Ireland	27	+1	+2	-2
Belgium	57	+1	+5	-5
France	78	+3	+12	-5
Italy	86	+0	+2	-29
Spain	60	-1	+1	-10
Portugal	44	+1	+1	-5
Greece	72	+2	+1	-17

Commodities

	Close	% Change		
		Day	4 Weeks	End 24
Brent Oil	67.22	-2.30	-7.30	-9.94
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	3392.3	+0.77	+1.98	+29.29

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