

US core-PCE inflation due today

It was a relatively quiet day on financial markets yesterday. A lack of any top tier data releases likely contributed to the muted price action. On equity markets, the Euro Stoxx 50 gained 0.4%, having underperformed the previous day. Meanwhile on Wall Street, the S&P 500 rose by just 0.1%. In terms of fixed income, German Bund and US Treasury yields drifted 2-5bps higher. However, UK Gilt yields fell by 2-3bps along the curve.

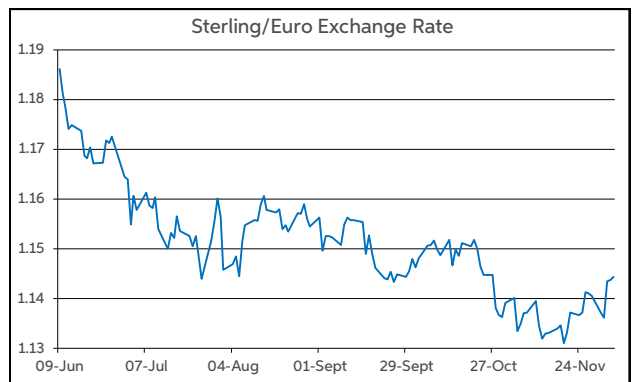
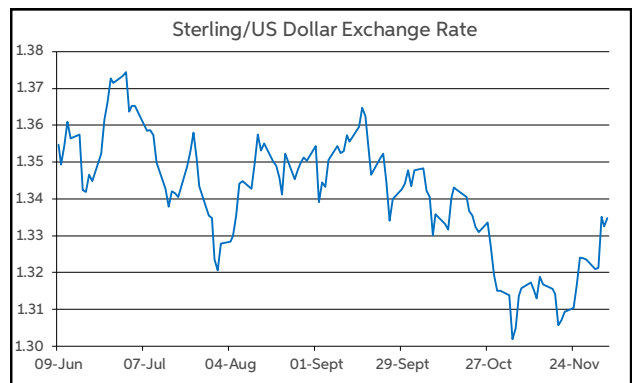
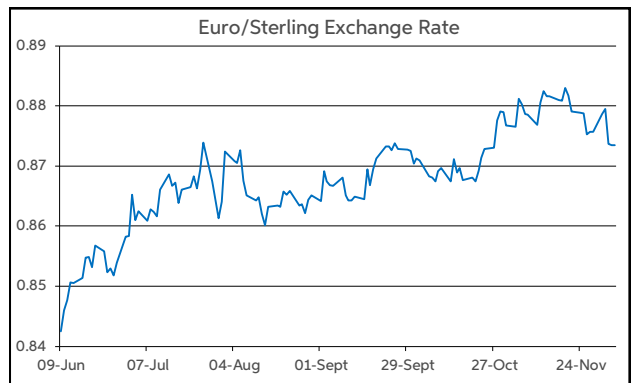
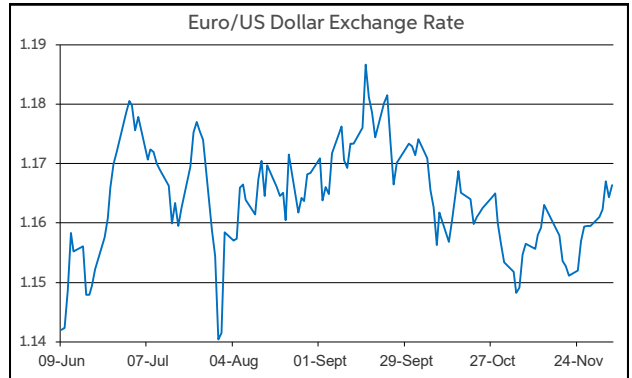
Of the limited releases to note, a number of updates on the US labour market were in focus. Most notably, the latest weekly initial jobless claims figure dropped to 191k (vs. 220k f'cast), albeit the data appear to have been impacted by Thanksgiving. In contrast, a number of private sector metrics suggest labour market conditions have deteriorated. Data from Revelio lab indicate that the US shed 9k jobs in October. Meantime, Challenger data show over 70k people were laid-off in November, the highest number of job cuts in the month since 2008, aside from 2022.

Currency-wise, the main FX pairs operated in very tight ranges. The dollar was under some modest downward pressure following the release of the aforementioned US labour market data. Elsewhere, sterling continued to hold a slightly firmer tone. However, the moves largely reversed course overnight.

In level terms, EUR/USD opens this morning just above the midpoint of \$1.16-1.17. EUR/GBP remains in the lower half of the 87-88p range. GBP/USD is at the halfway mark of the \$1.33-1.34 corridor. USD/JPY is changing hands back below the ¥155 handle.

Today, the main focus will be on US core-PCE inflation for September, which is forecast to stay at 2.9%. Elsewhere in the US, the Michigan measure of consumer sentiment for December is due. In the Eurozone, the final reading of Q3 GDP will be released.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2024
EUR/USD	1.1664	0.06	12.66
EUR/GBP	0.8736	0.00	5.60
GBP/USD	1.3347	0.08	6.68
GBP/EUR	1.1442	0.00	-5.30
USD/JPY	154.55	-0.43	-1.67
EUR/JPY	180.28	-0.39	10.77

* 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	3.88	3.80	3.74	3.49	3.58	3.66
EUR	2.00	1.89	2.03	2.14	2.21	2.47
GBP	4.00	3.83	3.75	3.56	3.73	3.86

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

Friday 05 December 2025
07:53 am



Euro

EUR/GBP	0.8736
EUR/USD	1.1664
EUR/JPY	180.28
EUR/SEK	10.9776
EUR/DKK	7.4686
EUR/NOK	11.7739
EUR/CHF	0.9361
EUR/AUD	1.7606
EUR/HKD	9.0796
EUR/CAD	1.6267

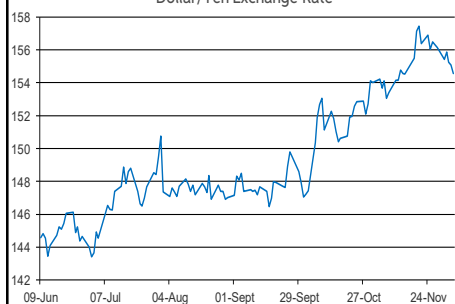
Sterling

GBP/EUR	1.1442
GBP/USD	1.3347
GBP/CAD	1.8612
GBP/NZD	2.3101
GBP/JPY	206.28
GBP/SEK	12.5627
GBP/DKK	8.5475
GBP/NOK	13.475
GBP/CHF	1.0711
GBP/AUD	2.0143

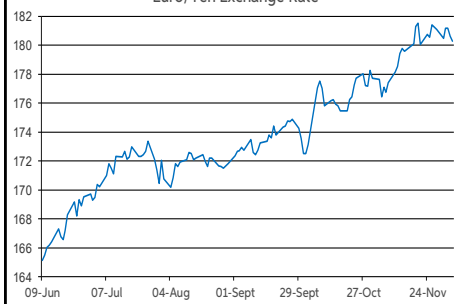
Dollar

USD/JPY	154.55
USD/CAD	1.3946
USD/CHF	0.8025
USD/CNY	7.0686
USD/BRL	5.3104
USD/RUB	75.9
USD/INR	90.022
AUD/USD	0.6623
NZD/USD	0.5775

Dollar/Yen Exchange Rate

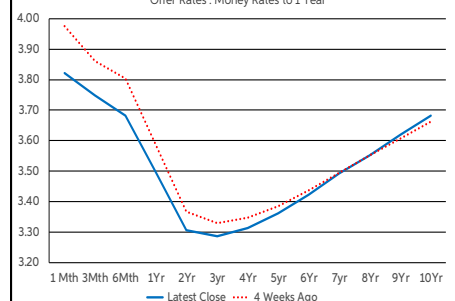


Euro/Yen Exchange Rate



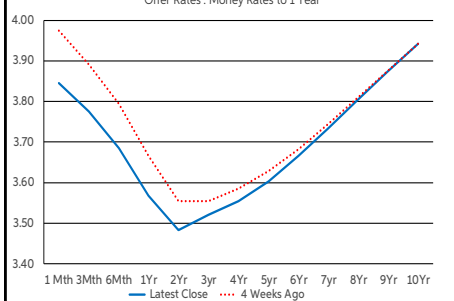
US Swap Curve

Offer Rates: Money Rates to 1 Year



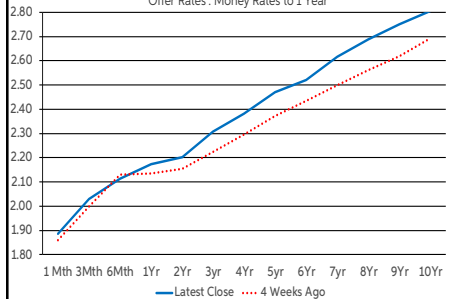
UK Swap Curve

Offer Rates: Money Rates to 1 Year

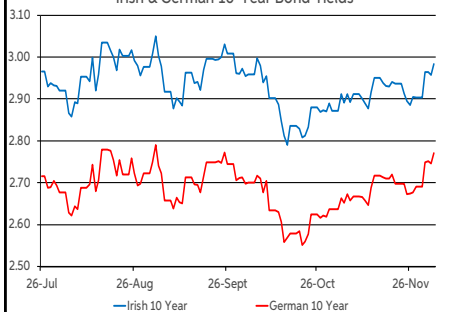


Eurozone Swap Curve

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	4.11	+5	+1	-47
Germany	2.77	+2	+11	+41
UK	4.44	-1	+0	-14
Ireland	2.98	+3	+9	+33
Belgium	3.30	+4	+10	+32
France	3.52	+3	+8	+33
Italy	3.47	+3	+6	-5
Spain	3.25	+3	+8	+18
Portugal	3.11	+3	+9	+26
Greece	3.39	+3	+9	+14
5 Year Swap %				
US	3.60	+4	-2	-69
Eurozone	2.46	+3	+9	+23
UK	3.86	-0	-1	-42
2 Year Swap %				
US	3.56	+2	-5	-77
Eurozone	2.20	+3	+5	+0
UK	3.74	-1	-6	-75
10 Year Government Bond Spreads to Benchmark bps				
Ireland	21	+0	-2	-7
Belgium	53	+1	-1	-9
France	75	+1	-3	-8
Italy	70	+0	-5	-45
Spain	48	+0	-3	-22
Portugal	34	+0	-3	-15
Greece	62	+0	-3	-27

Commodities

	Close	Day	4 Weeks	End 24
% Change				
Brent Oil	63.26	+0.94	-0.19	-15.25
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	4207.7	+0.04	+5.78	+60.37

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