

Chair Powell's testimony in focus today

There was a positive tone to risk appetite at the start of the week on financial markets. Despite the announcement of US tariffs on imports of steel and aluminium, and the threat of "reciprocal tariffs" on all countries who place levies on US exports over the weekend, equity markets moved higher on both sides of the Atlantic. The Euro Stoxx 50 gained 0.6%, while on Wall Street, the S&P moved 0.7% higher.

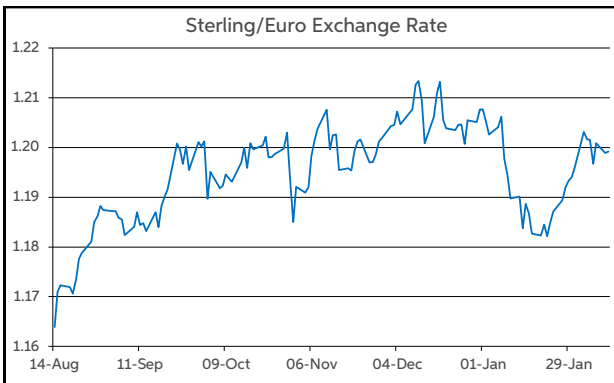
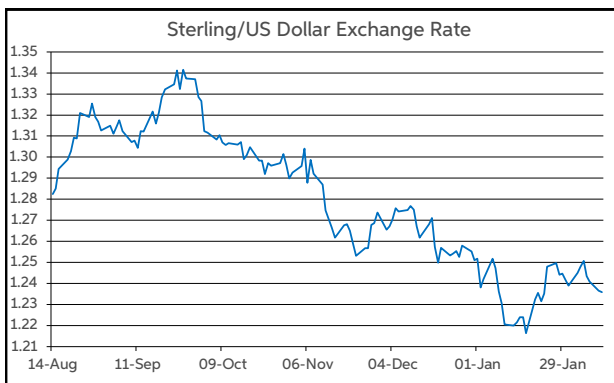
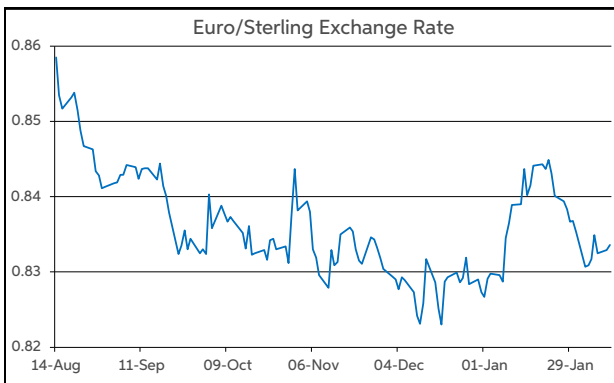
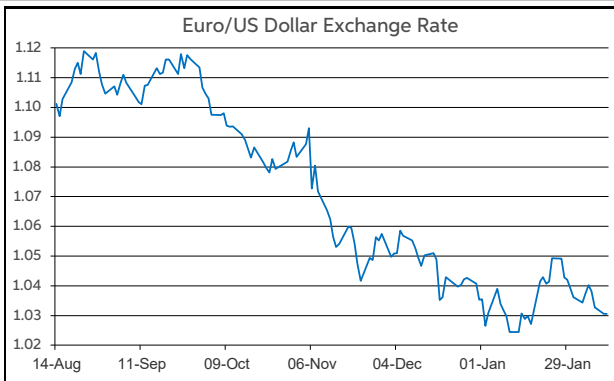
Currency-wise, the main pairs were tightly range bound throughout the European session. A sparse data schedule likely contributed to the lacklustre price action. The only release of note yesterday was the EU Sentix index for February. The survey ended a run of consecutive falls, improving to -12.7, its highest level since last July and well above expectations for a reading of -16.3. However, the release did not influence the euro.

Of the very limited moves to register on forex markets yesterday, sterling was under some downward pressure. However, there was no obvious catalyst for the decline. Meantime, in overnight action the dollar edged slightly higher across the board.

As trading gets underway this morning, EUR/USD opens back at the \$1.03 threshold. GBP/USD is operating down nearer to the midpoint of the \$1.23-1.24 corridor. Meanwhile, EUR/GBP is changing hands in the lower half of the 83-84p band.

Today, remarks from a number of central bank officials, including BoE Governor Bailey and fellow MPC member Mann, as well as the ECB's Schnabel will warrant attention. However, the main focus will be on comments from Fed Chair Powell, as he provides his semi-annual testimony to the US Senate Banking Committee.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2024
EUR/USD	1.0305	-0.11	-0.46
EUR/GBP	0.8336	0.23	0.76
GBP/USD	1.2357	-0.35	-1.23
GBP/EUR	1.199	-0.23	-0.76
USD/JPY	151.91	-0.03	-3.35
EUR/JPY	156.56	-0.13	-3.80

* 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	4.31	4.31	4.23	4.41	4.34
EUR	2.90	2.65	2.53	2.29	2.17	2.21
GBP	4.50	4.45	4.41	4.13	4.22	4.12

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

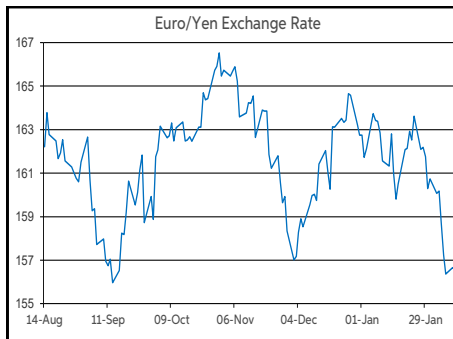
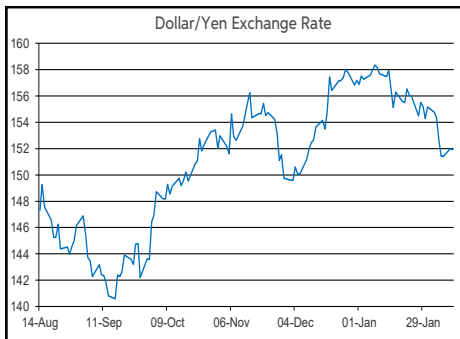
FX Spot	Karl Cooke Shane Gargan	FX Options	Mark Tuite	Reuters Phone	AIBG.I 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
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Opening Levels

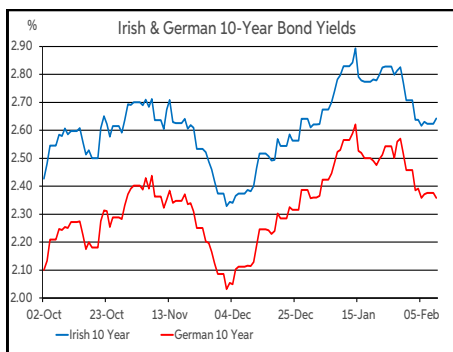
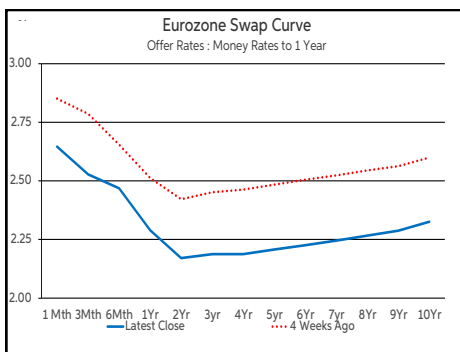
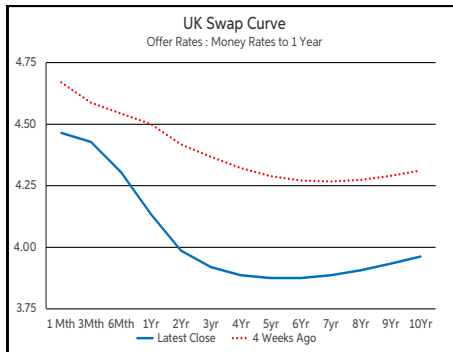
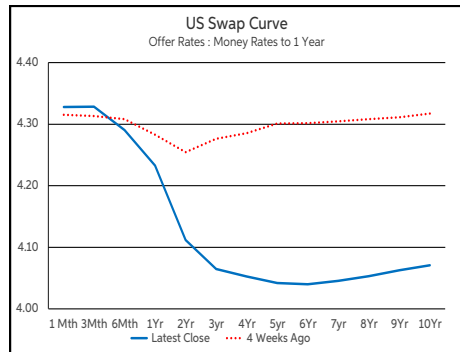
Tuesday 11 February 2025
06:58 am



Euro		Sterling		Dollar	
EUR/GBP	0.8336	GBP/EUR	1.199	USD/JPY	151.91
EUR/USD	1.0305	GBP/USD	1.2357	USD/CAD	1.4328
EUR/JPY	156.56	GBP/CAD	1.7705	USD/CHF	0.9115
EUR/SEK	11.2586	GBP/NZD	2.1879	USD/CNY	7.3063
EUR/DKK	7.4594	GBP/JPY	187.75	USD/BRL	5.7874
EUR/NOK	11.5546	GBP/SEK	13.503	USD/RUB	96.2
EUR/CHF	0.9393	GBP/DKK	8.9425	USD/INR	86.89
EUR/AUD	1.641	GBP/NOK	13.8564	AUD/USD	0.6279
EUR/HKD	8.0286	GBP/CHF	1.1265	NZD/USD	0.5646
EUR/CAD	1.4766	GBP/AUD	1.9672		



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 24
10 Year Yield %				
US	4.50	+1	-31	-8
Germany	2.36	-2	-23	-0
UK	4.46	-2	-43	-12
5 Year Swap %				
US	4.31	-0	-24	+2
Eurozone	2.20	-0	-28	-4
UK	4.12	-3	-40	-17
2 Year Swap %				
US	4.37	-1	-13	+3
Eurozone	2.16	-2	-26	-3
UK	4.22	-4	-42	-27
10 Year Government Bond Spreads to Benchmark bps				
Ireland	30	+2	+1	+2
Belgium	59	+0	-3	-3
France	72	+1	-14	-11
Italy	109	+0	-14	-7
Spain	67	+1	-4	-3
Portugal	53	-0	+4	+4
Greece	90	+1	+1	+1



Commodities				
	Close	% Change		
		Day	4 Weeks	End 24
Brent Oil	75.87	+1.62	-6.34	+1.65
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	2907.3	+1.64	+9.21	+10.81

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