

US economy remains resilient

There was a positive tone to investor sentiment yesterday amid some reassuring macro news. This followed the previous day's more volatile mood on the back of uncertainty over Fed Chair Powell's position. At the closing bell on Wall Street last night, the S&P 500 was up by 0.5% for the day.

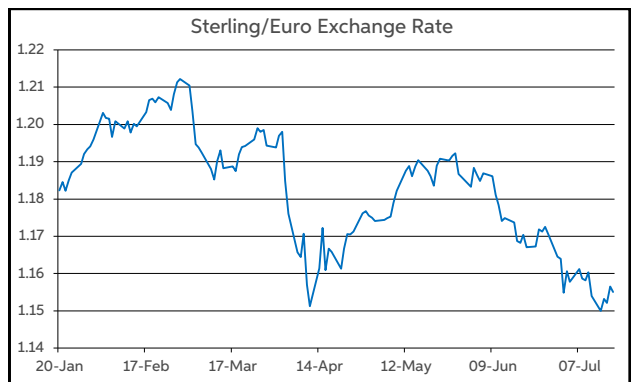
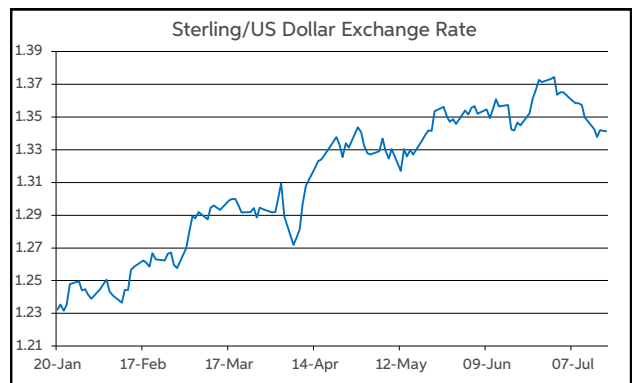
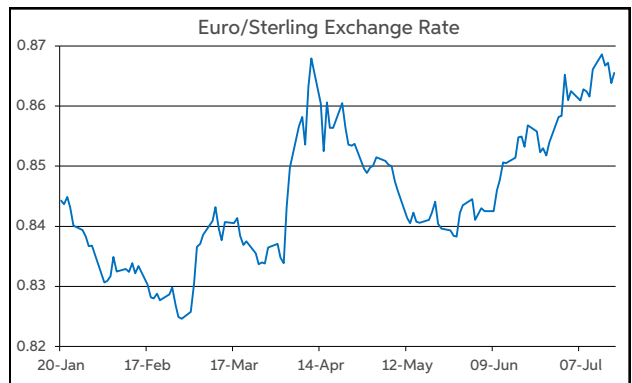
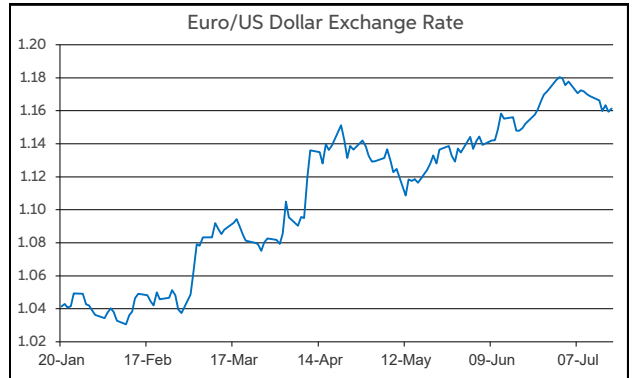
In terms of the macro news, after yesterday's 7am release of UK labour market metrics, the focus shifted to the US diary which contained a raft of indicators. In keeping with the recent trend, the data continued to point to resilience on the part of the US economy.

The headline retail sales figure for June, printed ahead of expectations, registering a 0.6% m/m gain (vs. f'cast for 0.1%). The underlying details were also encouraging, with the 'control group' also surpassing expectations (actual +0.5% vs. f'cast for +0.3%). There was positive news on the jobs front as well, with weekly claims coming in lower than anticipated. Meanwhile, homebuilder sentiment for July improved marginally, in line with the consensus.

Currency-wise, the moves amongst the majors were within narrow ranges. The dollar action was much less eventful compared to Wednesday's sharp swings prompted by the aforementioned 'Fed Chair' speculation. Better than expected US and UK macro newsflow did provide some support to their respective currencies. However, as trading gets underway this morning, the majors are showing minimal changes over the past 24 hours. This includes EUR/USD operating just above \$1.16 and EUR/GBP at the midpoint of 86-87p.

Looking ahead to today, both the Eurozone and UK macro calendars are sparse heading into the weekend. Once again, the main highlights will be US centric. The preliminary measure of US consumer sentiment (July) and housing starts (June) are the main releases of note from the US schedule.

John Fahey, Senior Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2024
EUR/USD	1.1615	-0.08	12.19
EUR/GBP	0.8655	-0.24	4.62
GBP/USD	1.3414	0.16	7.22
GBP/EUR	1.1547	0.24	-4.41
USD/JPY	148.72	0.20	-5.38
EUR/JPY	172.8	0.16	6.18

* 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	4.34	4.32	3.99	3.94	3.89
EUR	2.00	1.88	2.02	2.01	2.02	2.32
GBP	4.25	4.13	4.04	3.81	3.94	4.03

All rates quoted are indicative market rates

See Next Page For More Rates &

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 18 July 2025
07:17 am



Euro

EUR/GBP	0.8655
EUR/USD	1.1615
EUR/JPY	172.8
EUR/SEK	11.2963
EUR/DKK	7.4629
EUR/NOK	11.9393
EUR/CHF	0.9334
EUR/AUD	1.7871
EUR/HKD	9.1177
EUR/CAD	1.5959

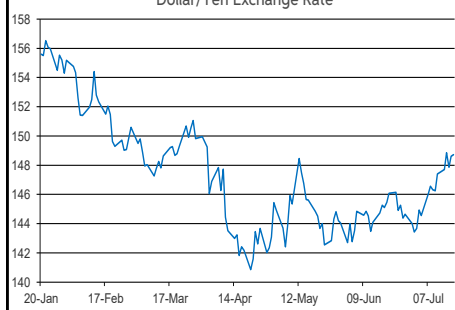
Sterling

GBP/EUR	1.1547
GBP/USD	1.3414
GBP/CAD	1.8431
GBP/NZD	2.2537
GBP/JPY	199.51
GBP/SEK	13.0447
GBP/DKK	8.6175
GBP/NOK	13.7894
GBP/CHF	1.0778
GBP/AUD	2.0636

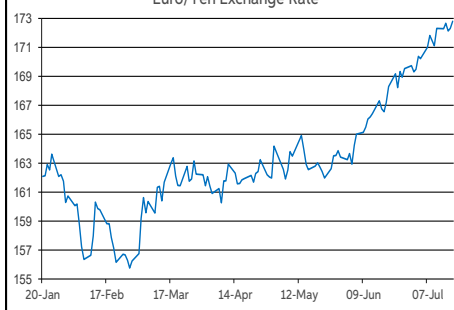
Dollar

USD/JPY	148.72
USD/CAD	1.374
USD/CHF	0.8033
USD/CNY	7.1802
USD/BRL	5.5485
USD/RUB	78.4
USD/INR	86.197
AUD/USD	0.6499
NZD/USD	0.5949

Dollar/Yen Exchange Rate

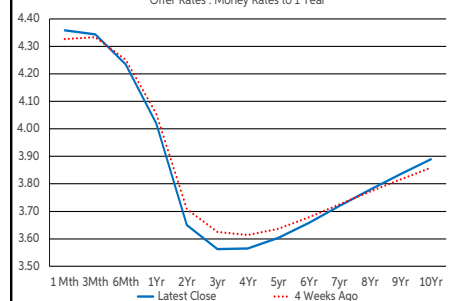


Euro/Yen Exchange Rate



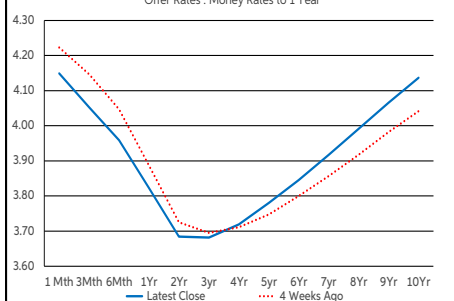
US Swap Curve

Offer Rates : Money Rates to 1 Year



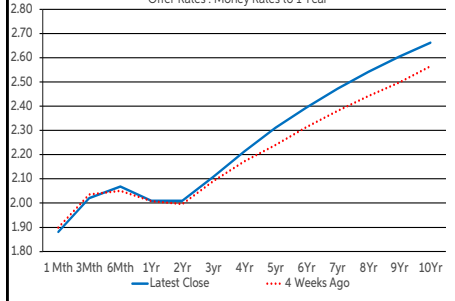
UK Swap Curve

Offer Rates : Money Rates to 1 Year

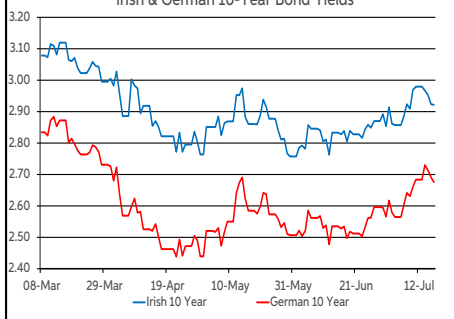


Eurozone Swap Curve

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	4.46	+1	+7	-11
Germany	2.68	-2	+16	+31
UK	4.66	+1	+12	+8
Ireland	2.95	-2	+7	+30
Belgium	3.23	-1	+11	+25
France	3.38	-0	+11	+19
Italy	3.56	-2	+1	+4
Spain	3.29	-1	+5	+23
Portugal	3.13	-2	+8	+28
Greece	3.39	-0	+8	+14
5 Year Swap %				
US	3.86	+0	-2	-43
Eurozone	2.31	+2	+7	+7
UK	4.02	+4	+4	-26
2 Year Swap %				
US	3.91	+1	-6	-42
Eurozone	2.01	+2	+2	-19
UK	3.93	+5	-2	-56
10 Year Government Bond Spreads to Benchmark bps				
Ireland	27	-0	-9	-1
Belgium	56	+1	-5	-6
France	71	+2	-5	-12
Italy	89	+0	-14	-27
Spain	62	+1	-10	-8
Portugal	45	+0	-8	-4
Greece	72	+1	-8	-17

Commodities

	Close	% Change		
		Day	4 Weeks	End 24
Brent Oil	69.52	+1.46	-11.83	-6.86
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	3338.6	-0.23	-0.94	+27.24

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