

US CPI inflation in focus today

The calm mood on financial markets persisted throughout yesterday. Little new information regarding the ongoing US-China trade talks and a limited macro data calendar likely contributed to the subdued tone to investor sentiment. Against this backdrop, the Euro Stoxx 50 edged 0.1% lower, while the S&P 500 rallied late on in the US session, to register a 0.5% gain.

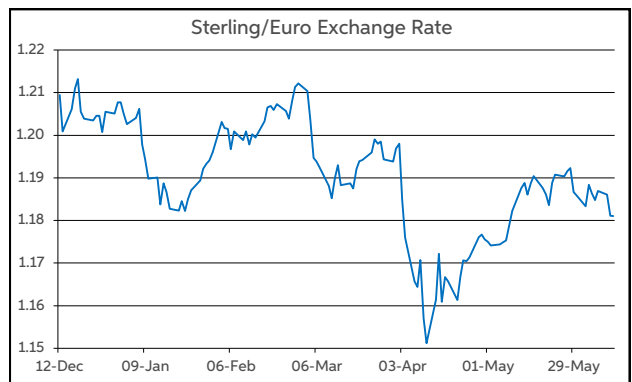
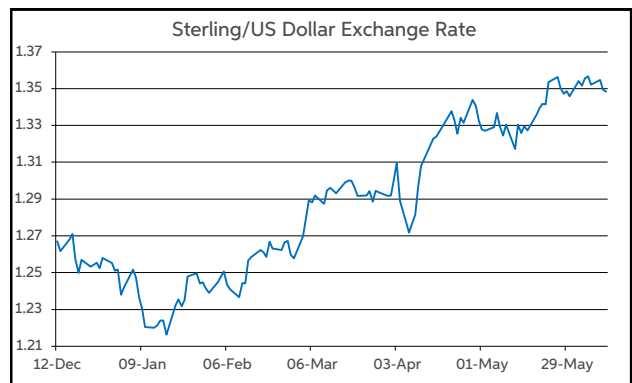
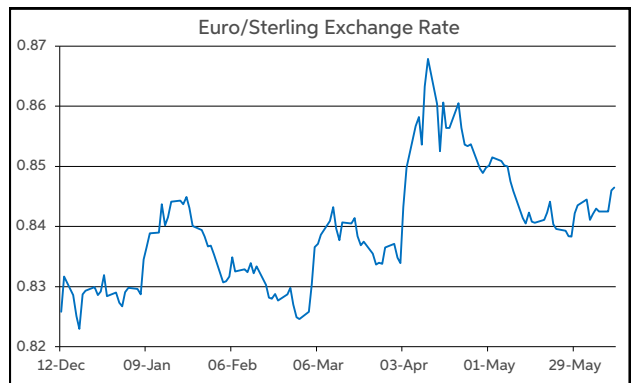
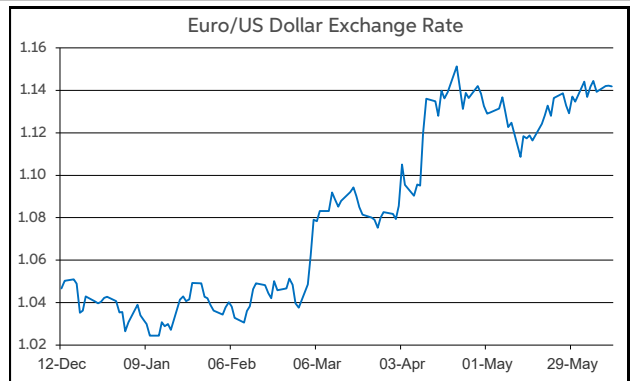
On bond markets, UK Gilt yields fell by 8-10bps. The move coincided with a batch of soft UK labour market data released yesterday morning. Elsewhere, German Bund yields fell by 1-5bps along the curve, albeit there was no obvious catalyst for the move. In contrast, US Treasury yields were broadly flat yesterday.

Currency-wise, sterling was under some downward pressure. Having declined markedly following the early morning release of the soft labour market data, the pound was unable to recoup its losses. Overall, the UK unit moved circa 0.4-0.6% lower yesterday. Meanwhile, the other majors have operated in narrow ranges over the past 24 hours.

As trading gets underway this morning, the weaker tone to sterling is evidenced by EUR/GBP opening above the midpoint of the 84-85p corridor. GBP/USD is changing hands down below the \$1.35 handle. Elsewhere, EUR/USD remains in the lower half of the \$1.14-1.15 band. Meantime, USD/JPY is at the ¥145 mark.

Turning to the day ahead, the main highlight will be US CPI inflation for May. Despite trending slightly lower so far this year, the consensus is for both the headline and the core rate to rise, to 2.5% and 2.9%, respectively in May. Investors will be paying particular attention to the release for any indications that US tariffs are being passed on to consumers. From a sterling perspective, the UK Spending Review will be of interest.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2024
EUR/USD	1.1419	0.18	10.30
EUR/GBP	0.8465	0.56	2.32
GBP/USD	1.3485	-0.38	7.79
GBP/EUR	1.1805	-0.56	-2.27
USD/JPY	145	0.05	-7.75
EUR/JPY	165.6	0.24	1.75

* 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	4.30	4.32	4.08	4.09	4.03
EUR	2.00	1.96	1.96	1.99	1.99	2.24
GBP	4.25	4.20	4.14	3.88	3.97	4.01

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

Wednesday 11 June 2025
06:56 am



Euro

EUR/GBP	0.8465
EUR/USD	1.1419
EUR/JPY	165.6
EUR/SEK	10.9639
EUR/DKK	7.4588
EUR/NOK	11.545
EUR/CHF	0.9395
EUR/AUD	1.7521
EUR/HKD	8.9641
EUR/CAD	1.562

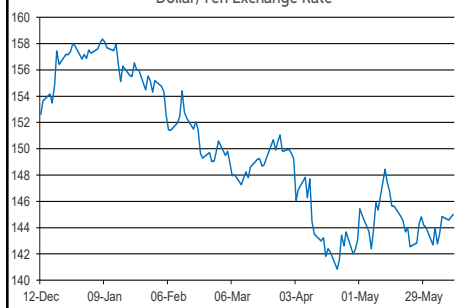
Sterling

GBP/EUR	1.1805
GBP/USD	1.3485
GBP/CAD	1.8443
GBP/NZD	2.2337
GBP/JPY	195.51
GBP/SEK	12.9473
GBP/DKK	8.8064
GBP/NOK	13.6321
GBP/CHF	1.1091
GBP/AUD	2.0691

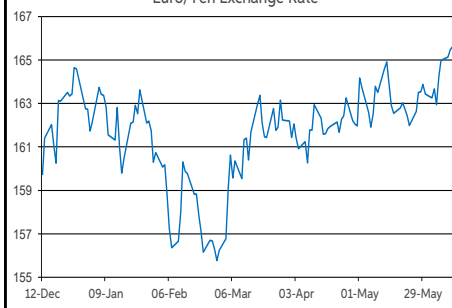
Dollar

USD/JPY	145
USD/CAD	1.3676
USD/CHF	0.8226
USD/CNY	7.185
USD/BRL	5.5739
USD/RUB	78.25
USD/INR	85.441
AUD/USD	0.6515
NZD/USD	0.6034

Dollar/Yen Exchange Rate

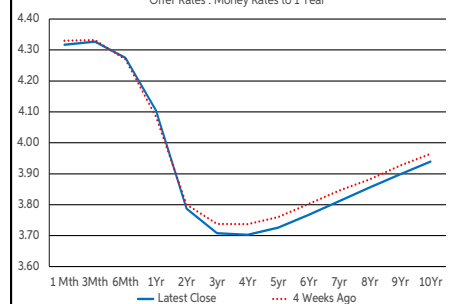


Euro/Yen Exchange Rate



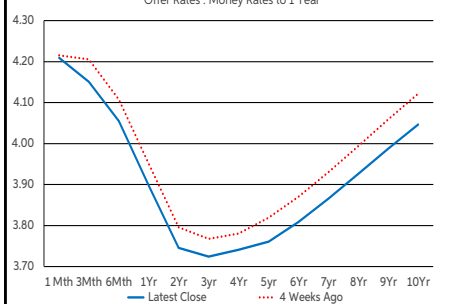
US Swap Curve

Offer Rates : Money Rates to 1 Year



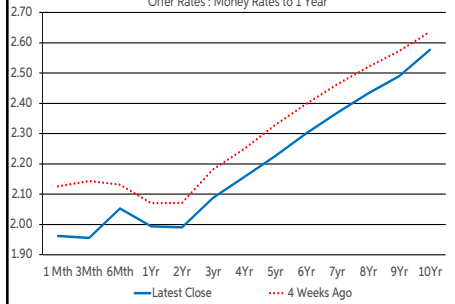
UK Swap Curve

Offer Rates : Money Rates to 1 Year

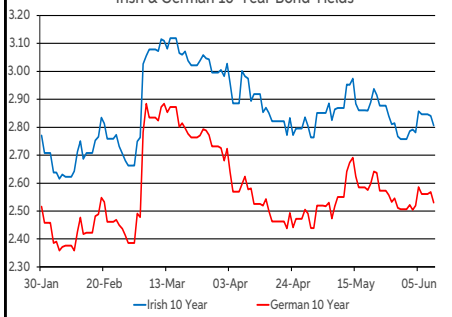


Eurozone Swap Curve

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	4.47	-1	-2	-10
Germany	2.53	-4	-14	+17
UK	4.54	-9	-14	-3
5 Year Swap %				
US	3.98	+1	-1	-31
Eurozone	2.22	-3	-10	-1
UK	4.01	-8	-6	-28
2 Year Swap %				
US	4.04	+1	+0	-29
Eurozone	1.99	-1	-8	-21
UK	3.96	-8	-7	-52
10 Year Government Bond Spreads to Benchmark bps				
Ireland	32	+0	-0	+3
Belgium	53	+0	-2	-9
France	68	+1	-0	-16
Italy	92	+0	-11	-24
Spain	57	+0	-5	-13
Portugal	47	-1	-4	-2
Greece	72	-2	-7	-17

Commodities

	Close	% Change		
		Day	4 Weeks	End 24
Brent Oil	66.87	-0.25	+0.36	-10.41
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	3322.2	-0.16	+2.30	+26.62

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