

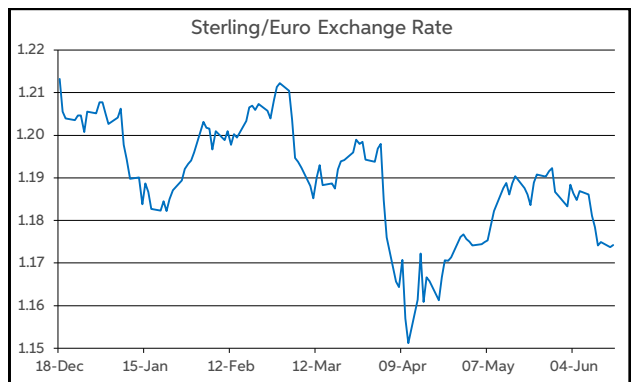
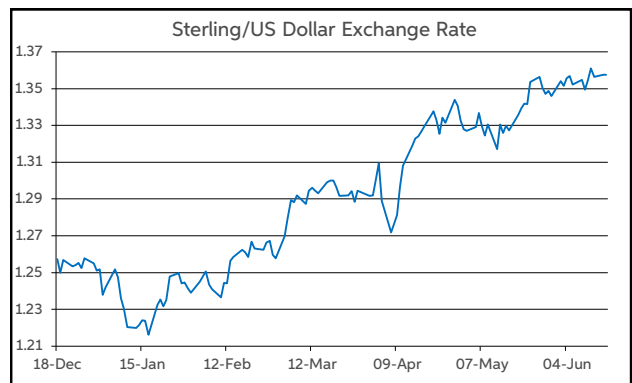
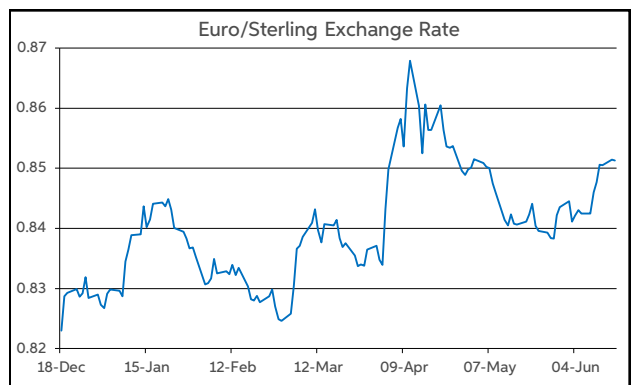
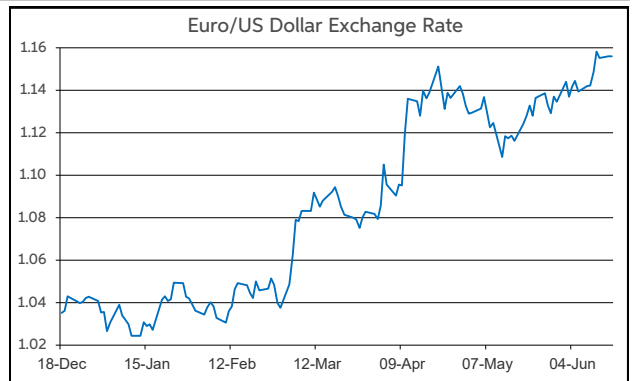
Some improvement in risk appetite

After the risk averse mood that closed out last week, on the back of the escalation of hostilities between Israel and Iran, there was some improvement in risk appetite to start this week. This was attributed to a view (despite hostilities remaining elevated) that the current tensions between Israel and Iran can be contained and not lead to a wider regional conflict, and was reflected in the performance of equity markets on both sides of the Atlantic yesterday. In Europe, the Euro Stoxx 50 rose by 0.9%. Meanwhile, at the closing bell on Wall Street last night, the S&P 500 was also 0.9% higher on the day. Oil prices continued to rise though, with Brent Crude up at \$74 p/b.

From a currency viewpoint, the majors were confined to narrow ranges yesterday. The dollar had recovered some modest ground towards the end of last week, benefitting from some safe haven demand related to the Israel/Iran tensions. However, the greenback started off this week on the back foot again. It edged lower as the aforementioned geopolitical sentiment turned less negative, thereby easing safe haven related demand for the currency. In level terms, EUR/USD tiptoed into the upper half of the \$1.15-1.16 range, while GBP/USD moved back up nearer to the \$1.36 mark. EUR/GBP traded in a very narrow 85-85.3p corridor. Elsewhere, the yen is marginally weaker over the past 24 hours, with the BoJ as expected keeping rates on hold overnight.

Looking ahead to today, developments in the Middle East will continue to warrant attention. Therefore, any news in this regard will remain a source of potential volatility and driver of sentiment for markets in general. Data-wise, we get the main US data releases of the week today. The retail sales figures for May will be assessed for any impact from the trade/tariff related uncertainty on the key consumer spending segment of the US economy. Meanwhile, industrial production data for May will provide some insight on how US manufacturing/industry is performing midway through Q2.

John Fahey, Senior Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2024
EUR/USD	1.1561	0.23	11.67
EUR/GBP	0.8513	0.00	2.90
GBP/USD	1.3575	0.24	8.50
GBP/EUR	1.174	0.00	-2.82
USD/JPY	144.55	0.17	-8.04
EUR/JPY	167.15	0.41	2.70

* 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	4.04	4.03	3.95
EUR	2.00	1.92	2.00	2.01	2.02	2.27
GBP	4.25	4.19	4.14	3.89	3.97	4.02

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

Tuesday 17 June 2025
06:28 am



Euro

EUR/GBP	0.8513
EUR/USD	1.1561
EUR/JPY	167.15
EUR/SEK	10.9654
EUR/DKK	7.4584
EUR/NOK	11.44
EUR/CHF	0.9404
EUR/AUD	1.7684
EUR/HKD	9.0731
EUR/CAD	1.5691

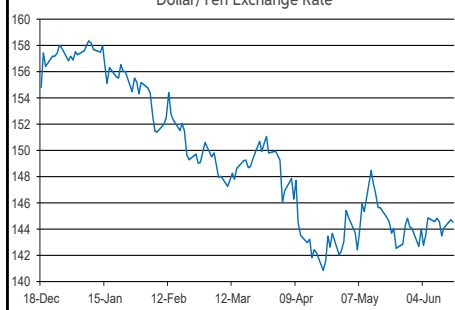
Sterling

GBP/EUR	1.174
GBP/USD	1.3575
GBP/CAD	1.8422
GBP/NZD	2.2362
GBP/JPY	196.23
GBP/SEK	12.8733
GBP/DKK	8.7582
GBP/NOK	13.4361
GBP/CHF	1.1038
GBP/AUD	2.0763

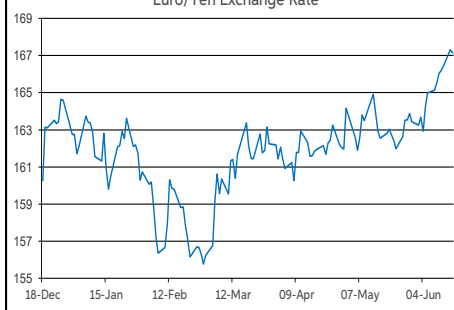
Dollar

USD/JPY	144.55
USD/CAD	1.3572
USD/CHF	0.8132
USD/CNY	7.1806
USD/BRL	5.5437
USD/RUB	78.6
USD/INR	86.071
AUD/USD	0.6535
NZD/USD	0.6066

Dollar/Yen Exchange Rate

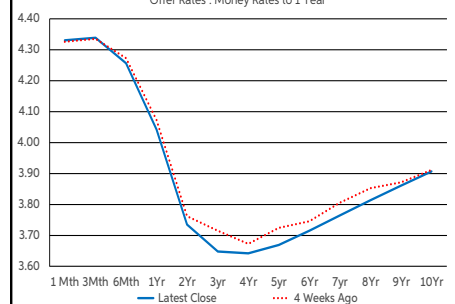


Euro/Yen Exchange Rate



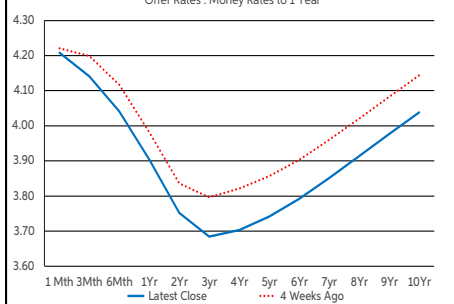
US Swap Curve

Offer Rates : Money Rates to 1 Year



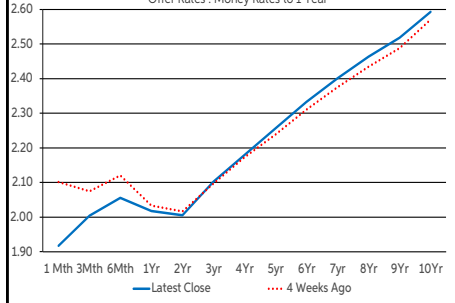
UK Swap Curve

Offer Rates : Money Rates to 1 Year

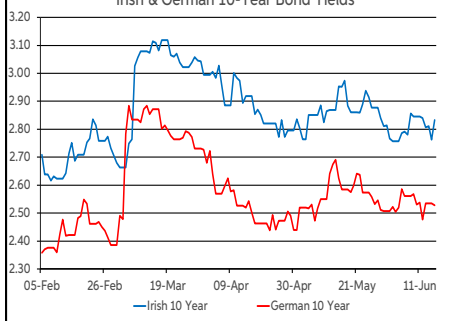


Eurozone Swap Curve

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	4.42	+7	-1	-15
Germany	2.54	+6	-5	+17
UK	4.55	+7	-9	-2
Ireland	2.87	+7	-0	+22
Belgium	3.11	+8	-2	+13
France	3.26	+7	-1	+6
Italy	3.49	+7	-12	-3
Spain	3.16	+8	-5	+10
Portugal	3.05	+7	-5	+20
Greece	3.28	+3	-8	+3
5 Year Swap %				
US	3.93	+6	-7	-36
Eurozone	2.25	+4	+1	+2
UK	3.99	+5	-11	-30
2 Year Swap %				
US	3.99	+5	-5	-34
Eurozone	2.00	+3	-1	-19
UK	3.95	-3	-11	-54
10 Year Government Bond Spreads to Benchmark bps				
Ireland	34	+1	+5	+5
Belgium	57	+2	+3	-4
France	72	+1	+4	-11
Italy	95	+1	-7	-20
Spain	63	+2	-0	-8
Portugal	51	+2	+0	+3
Greece	75	-3	-3	-14

Commodities

	Close	Day	4 Weeks	End 24
Brent Oil	74.23	+7.02	+13.48	-0.55
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	3432.2	+1.42	+7.18	+30.81

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