

## Risk averse mood dominates

Investor sentiment was back holding a risk averse stance yesterday after a brief improvement on Wednesday. This was against the backdrop of elevated global trade tensions and the risk of a further escalation in protectionist policies. Concerns over a partial US government shutdown were also unhelpful to risk appetite.

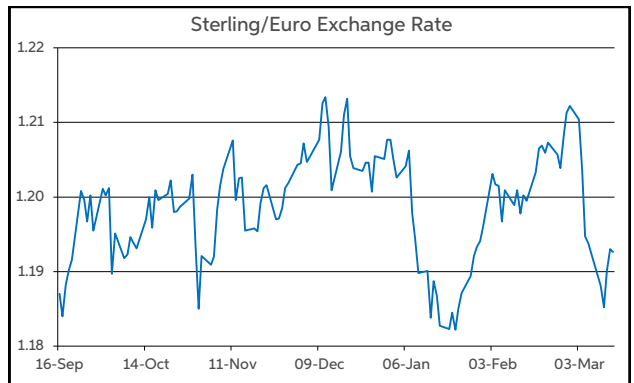
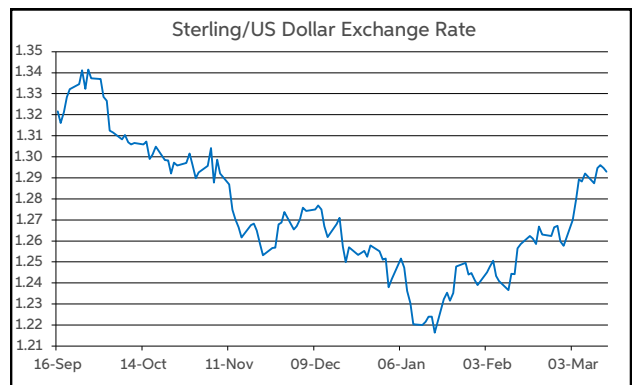
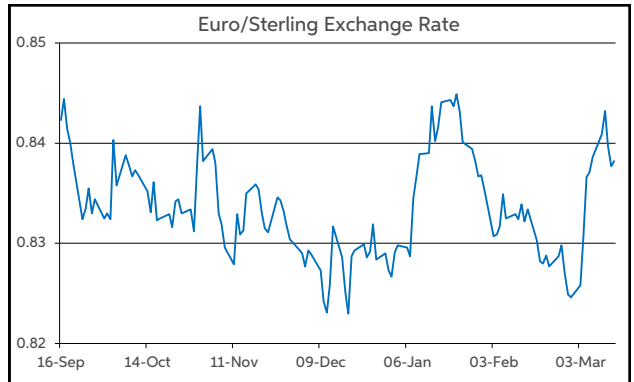
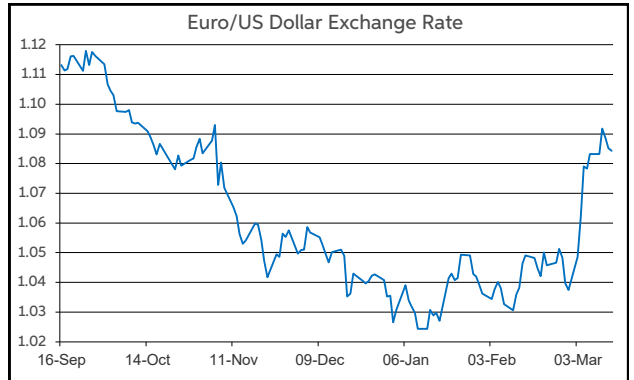
The 'risk-off' tone was evident in the performance of equity markets. In Europe, the Euro Stoxx 50 fell by 0.6%. At the closing bell on Wall Street last night, the S&P 500 was 1.4% lower on the day and in the process entered correction territory (i.e. falling more than 10% below its previous high from February).

The risk averse mood and resulting demand for safe havens was apparent on other assets markets. Bond yields were lower (i.e. prices higher). Meanwhile, on commodity markets, gold hit a new record high, just below \$3,000/oz.

On the currency front, the action amongst the majors was confined to fairly narrow ranges. The dollar managed to eke out some modest gains against the euro and sterling. In level terms, this is reflected in the EUR/USD pair opening this morning in the lower half of the \$1.08-1.09 band. GBP/USD has edged back below the midpoint of \$1.29-1.30. Elsewhere, EUR/GBP remains unable to make a sustained break above the 84p threshold.

Already this morning UK GDP for January has been published. It showed that the UK economy started the year on a weak footing, contracting by 0.1% m/m (vs. f'cast for +0.1%). The other main data highlight today is US consumer sentiment for March. Investors will also be keeping a close eye on tariff related newsflow heading into the weekend.

**John Fahey, Senior Economist, AIB**



Today's Opening FX Rates			
		% Change	
		Day *	End 2024
EUR/USD	1.0843	-0.39	4.73
EUR/GBP	0.8384	-0.18	1.34
GBP/USD	1.2932	-0.19	3.37
GBP/EUR	1.1925	0.18	-1.32
USD/JPY	148.62	0.62	-5.45
EUR/JPY	161.22	0.27	-0.94

\* 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	4.29	4.01	4.09	4.05
EUR	2.65	2.39	2.53	2.29	2.30	2.51
GBP	4.50	4.44	4.38	4.17	4.28	4.25

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

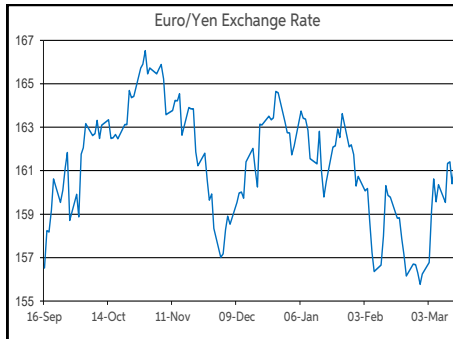
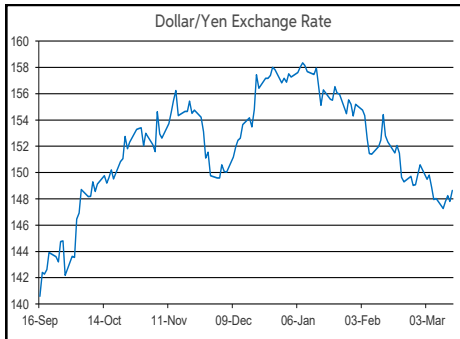
FX Spot	Karl Cooke Shane Gargan	FX Options	Mark Tuite	Reuters Phone	AIBG.I 00353-1-7724018	Morning Comment	John Fahey john.j.fahey@aib.ie
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# Opening Levels

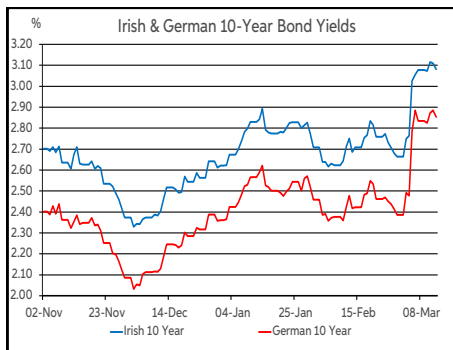
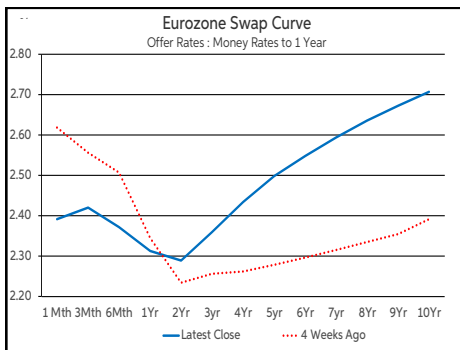
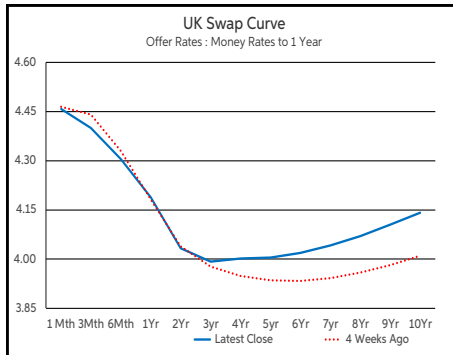
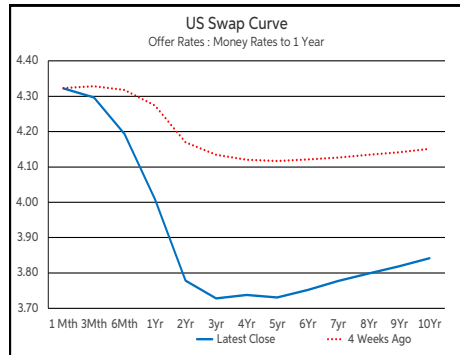
Friday 14 March 2025  
07:14 am



Euro		Sterling		Dollar	
EUR/GBP	0.8384	GBP/EUR	1.1925	USD/JPY	148.62
EUR/USD	1.0843	GBP/USD	1.2932	USD/CAD	1.4419
EUR/JPY	161.22	GBP/CAD	1.8645	USD/CHF	0.884
EUR/SEK	11.0718	GBP/NZD	2.2616	USD/CNY	7.2333
EUR/DKK	7.4601	GBP/JPY	192.2	USD/BRL	5.7991
EUR/NOK	11.5868	GBP/SEK	13.2028	USD/RUB	86.15
EUR/CHF	0.9586	GBP/DKK	8.8944	USD/INR	86.894
EUR/AUD	1.7212	GBP/NOK	13.8209	AUD/USD	0.6298
EUR/HKD	8.4274	GBP/CHF	1.1434	NZD/USD	0.5714
EUR/CAD	1.5638	GBP/AUD	2.0526		



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 24
<b>10 Year Yield %</b>				
US	4.28	-4	-25	-30
Germany	2.85	-3	+43	+49
UK	4.69	-4	+20	+11
<b>5 Year Swap %</b>				
US	4.00	-3	-38	-30
Eurozone	2.49	-2	+23	+26
UK	4.24	-4	+6	-4
<b>2 Year Swap %</b>				
US	4.05	-2	-36	-28
Eurozone	2.28	-3	+5	+9
UK	4.27	-3	+0	-21
<b>10 Year Government Bond Spreads to Benchmark bps</b>				
Ireland	27	+2	-1	-1
Belgium	55	+2	-1	-7
France	70	+3	+1	-13
Italy	108	+3	+0	-7
Spain	64	+3	-2	-6
Portugal	52	+2	-0	+3
Greece	89	+5	+2	+0



Commodities				
	Close	% Change		
		Day	4 Weeks	End 24
Brent Oil	69.88	-1.51	-6.85	-6.38
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	2987.8	+1.90	+2.00	+13.87

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