

US payrolls and Eurozone inflation in focus today

US equity indices continued to move higher yesterday, amid a relatively quiet day on markets. This was partly owing to a market holiday across most of mainland Europe. Overall, the S&P 500 gained 1.1%, supported by some strong Q1 earnings updates in the tech sector, and by reports that China is evaluating an offer from the US to hold trade talks.

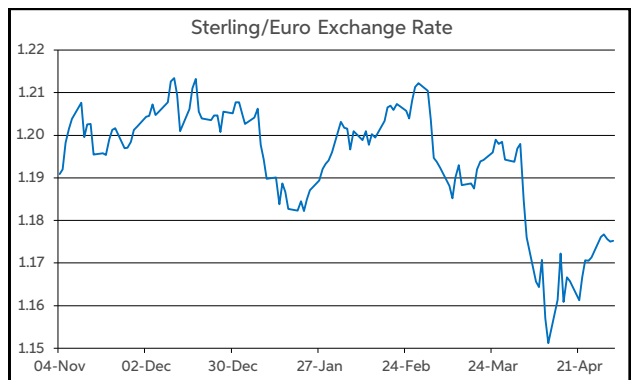
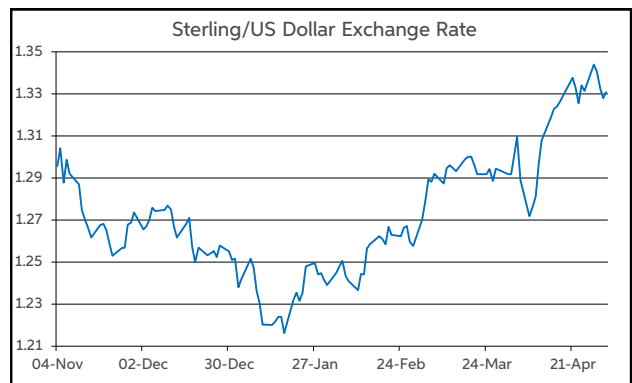
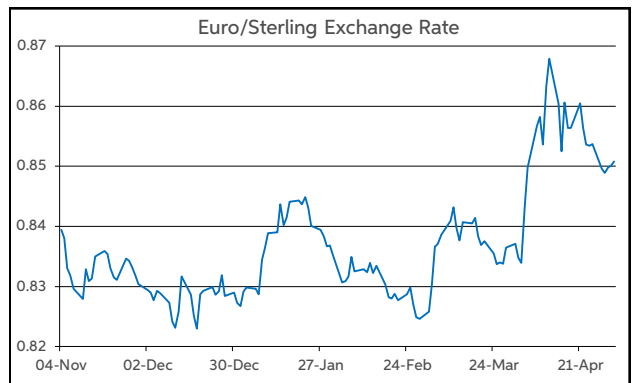
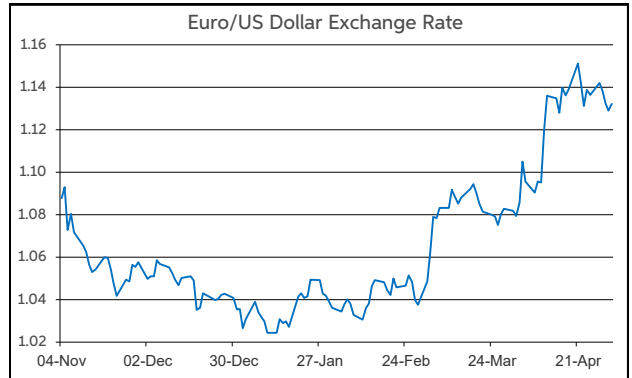
Data-wise, the main release of note was the US manufacturing ISM for April. The headline index printed above the consensus (48.0), but edged slightly lower to 48.7 in the month, consistent with a slightly faster pace of contraction. The underlying details of the survey also showed that employment and new orders remained weak in April. However, the data had no material impact on investor sentiment.

On the currency front, the dollar remained in the ascendancy yesterday. However, the greenback handed back most of its gains against the euro and sterling overnight. At the same time, the yen continued to come under some downward pressure, following the latest BoJ meeting outcome (a dovish hold). The yen has seen a further 1% fall across over the past 24 hours.

As trading gets underway this morning, EUR/USD is operating in the lower half of the \$1.13-1.14 range. GBP/USD is changing hands down just above the \$1.33 threshold. Meantime, USD/JPY is north of ¥145. EUR/GBP remains in and around the 85p handle.

Today, a busy data schedule will feature the latest US labour market report and the flash estimate of Eurozone inflation for April. US payrolls are forecast to rise more slowly, by 130k in April, while the consensus is for the unemployment rate to be unchanged at 4.2%. In the Eurozone, headline inflation is expected to edge back to 2.1% and the core rate is projected to remain at 2.5%. The data pose some event risk for markets.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2024
EUR/USD	1.1323	0.19	9.37
EUR/GBP	0.8508	0.07	2.84
GBP/USD	1.3308	0.12	6.37
GBP/EUR	1.1752	-0.07	-2.76
USD/JPY	145.25	0.96	-7.59
EUR/JPY	164.49	1.14	1.07

* 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	4.32	4.26	3.81	3.77	3.74
EUR	2.40	2.17	2.16	1.98	1.93	2.17
GBP	4.50	4.24	4.16	3.79	3.85	3.89

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 02 May 2025
07:38 am



Euro

EUR/GBP	0.8508
EUR/USD	1.1323
EUR/JPY	164.49
EUR/SEK	10.99
EUR/DKK	7.4624
EUR/NOK	11.7725
EUR/CHF	0.9372
EUR/AUD	1.7652
EUR/HKD	8.7822
EUR/CAD	1.5633

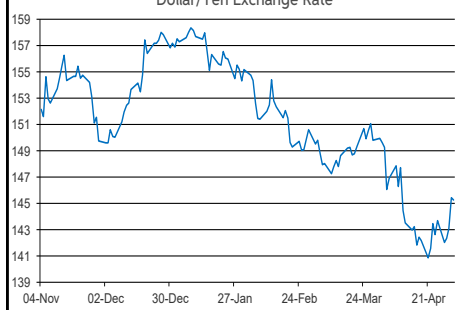
Sterling

GBP/EUR	1.1752
GBP/USD	1.3308
GBP/CAD	1.837
GBP/NZD	2.2429
GBP/JPY	193.3
GBP/SEK	12.9144
GBP/DKK	8.7661
GBP/NOK	13.829
GBP/CHF	1.1017
GBP/AUD	2.0744

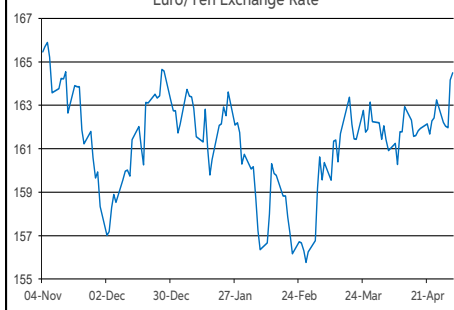
Dollar

USD/JPY	145.25
USD/CAD	1.3807
USD/CHF	0.8276
USD/CNY	7.2706
USD/BRL	5.6729
USD/RUB	82
USD/INR	83.842
AUD/USD	0.6412
NZD/USD	0.593

Dollar/Yen Exchange Rate

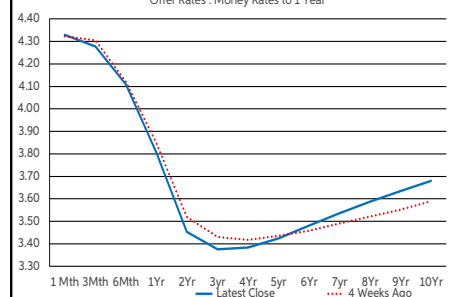


Euro/Yen Exchange Rate



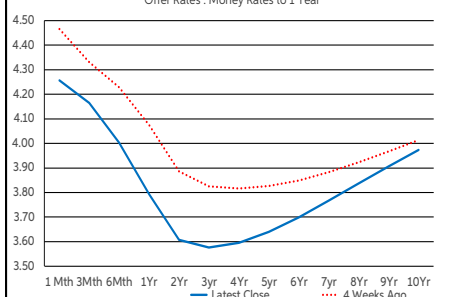
US Swap Curve

Offer Rates : Money Rates to 1 Year



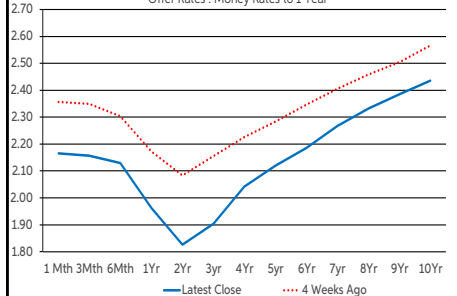
UK Swap Curve

Offer Rates : Money Rates to 1 Year

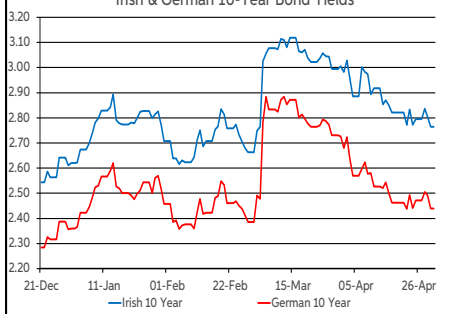


Eurozone Swap Curve

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	4.23	+6	+18	-35
Germany	2.44	-5	-20	+8
UK	4.48	+4	-4	-9
Ireland	2.80	-5	-20	+15
Belgium	3.03	-5	-18	+5
France	3.17	-5	-21	-3
Italy	3.58	-4	-19	+6
Spain	3.11	-5	-19	+5
Portugal	3.01	-5	-18	+16
Greece	3.34	-3	-16	+9
5 Year Swap %				
US	3.69	+8	+0	-60
Eurozone	2.11	+0	-17	-13
UK	3.88	+2	-18	-40
2 Year Swap %				
US	3.71	+9	-6	-62
Eurozone	1.82	-6	-26	-37
UK	3.84	+1	-28	-65
10 Year Government Bond Spreads to Benchmark bps				
Ireland	36	+0	+0	+7
Belgium	59	+0	+2	-3
France	73	+0	-0	-11
Italy	114	+1	+1	-2
Spain	67	-0	+2	-3
Portugal	57	+1	+2	+8
Greece	90	+2	+4	+1

Commodities

	% Change			
	Close	Day	4 Weeks	End 24
Brent Oil	62.13	-1.57	-11.42	-16.76
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	3240.3	-1.44	+4.09	+23.50

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