

Dollar benefits from US court ruling on tariffs

Investor sentiment was holding a cautious tone throughout the European session yesterday, amid a barren data calendar. This was reflected by the Euro Stoxx 50 falling by 0.7%. Meantime in the US, risk appetite soured heading into the close. A hawkish tone to the latest Fed meeting minutes and reports that the US government had told firms to stop selling critical technologies (software for semiconductors, certain chemicals etc.) to China, weighed on sentiment. This saw the S&P 500 decline by 0.6% yesterday.

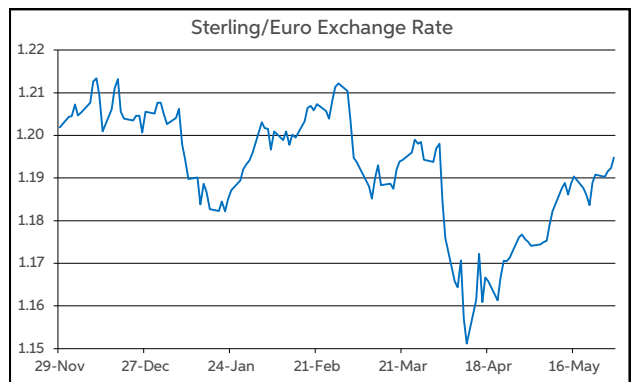
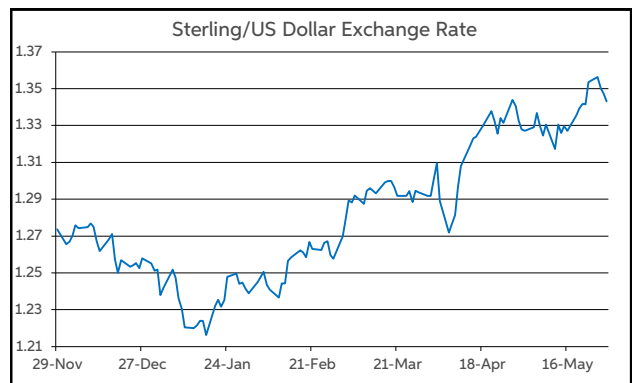
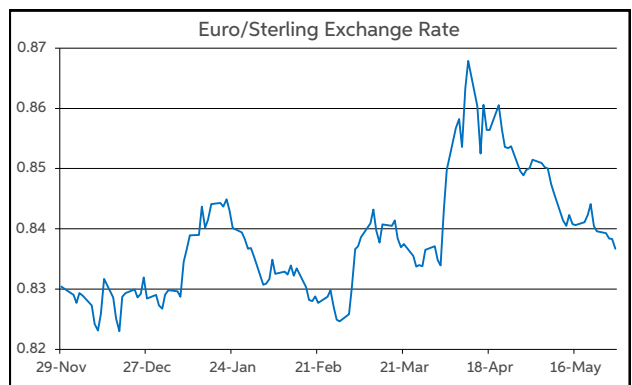
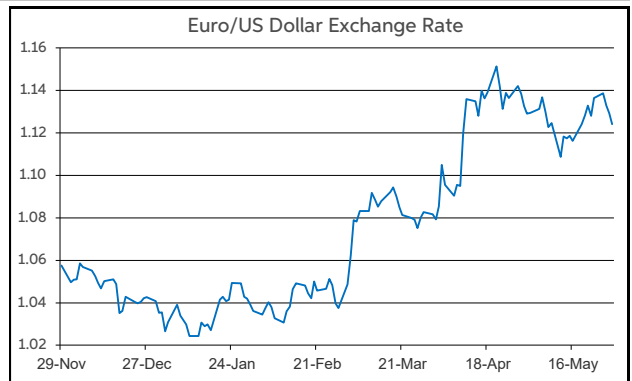
After the US market close, the US Court of International Trade blocked the White House from implementing some key aspects of its tariff policy. The administration has said it will appeal the decision. Regardless, the ruling resulted in an immediate boost to investor sentiment overnight, with benchmark Asian equity indices moving higher (Nikkei up 1.7%). Furthermore, equity futures across Europe and in the US are also pointing higher this morning.

Currency-wise, the majors continued to operate in very narrow ranges throughout yesterday. However, the dollar took the ascendancy once again overnight, supported by the US court ruling and a slight firming in US futures after the release of the Fed meeting minutes. At the same time, currencies such as the euro, yen and Swiss franc - which had initially benefitted the most from US trade policy uncertainty - were on the defensive.

This is evidenced by EUR/USD opening this morning back below the midpoint of \$1.12-1.13, while USD/JPY is up in the top half of the ¥145-146 range. Elsewhere, GBP/USD is changing hands down in the lower half of the \$1.34-1.35 corridor. Meantime, EUR/GBP has declined further, albeit it is still in the upper region of 83-84p.

Looking ahead, today's market discourse will likely be dominated by the reaction to the US tariff policy ruling. The macro calendar is quiet.

Daniel Noonan Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2024
EUR/USD	1.1242	-0.56	8.59
EUR/GBP	0.8367	-0.27	1.14
GBP/USD	1.3431	-0.29	7.35
GBP/EUR	1.1945	0.27	-1.12
USD/JPY	145.89	1.03	-7.18
EUR/JPY	164.05	0.47	0.80

* 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	4.32	4.10	4.09	4.01
EUR	2.40	2.10	2.04	1.97	1.96	2.21
GBP	4.25	4.20	4.19	4.00	4.10	4.12

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

Thursday 29 May 2025
06:42 am



Euro

EUR/GBP	0.8367
EUR/USD	1.1242
EUR/JPY	164.05
EUR/SEK	10.8839
EUR/DKK	7.4588
EUR/NOK	11.4647
EUR/CHF	0.9366
EUR/AUD	1.7502
EUR/HKD	8.8117
EUR/CAD	1.5566

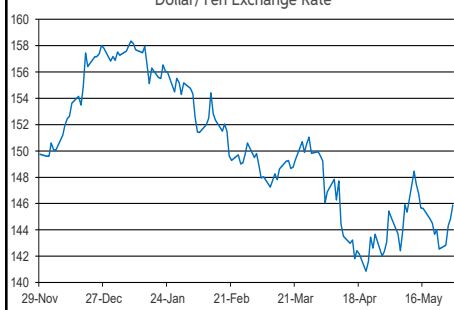
Sterling

GBP/EUR	1.1945
GBP/USD	1.3431
GBP/CAD	1.8597
GBP/NZD	2.2602
GBP/JPY	195.94
GBP/SEK	13.0051
GBP/DKK	8.9083
GBP/NOK	13.6989
GBP/CHF	1.1186
GBP/AUD	2.0904

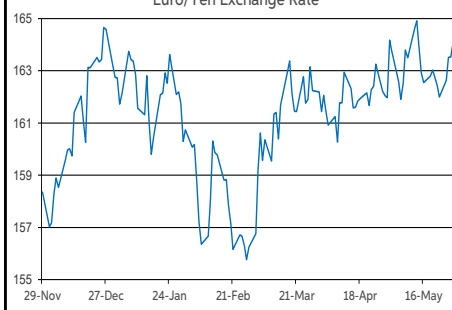
Dollar

USD/JPY	145.89
USD/CAD	1.3848
USD/CHF	0.8329
USD/CNY	7.1967
USD/BRL	5.6377
USD/RUB	80.1
USD/INR	85.586
AUD/USD	0.6422
NZD/USD	0.5938

Dollar/Yen Exchange Rate

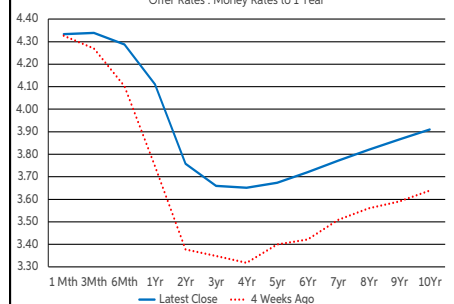


Euro/Yen Exchange Rate



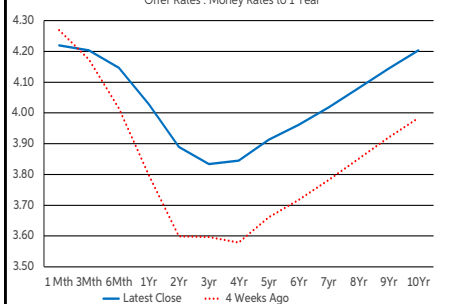
US Swap Curve

Offer Rates : Money Rates to 1 Year



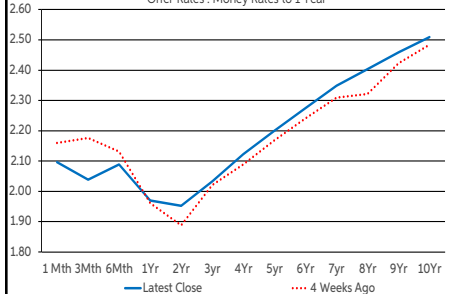
UK Swap Curve

Offer Rates : Money Rates to 1 Year

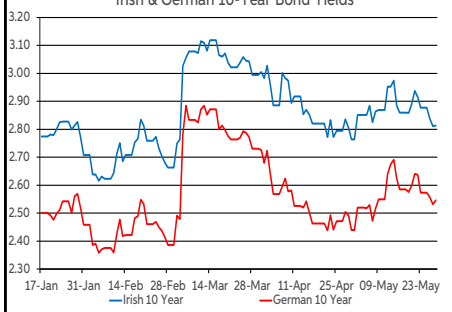


Eurozone Swap Curve

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	4.51	-4	+30	-7
Germany	2.53	-3	+4	+17
UK	4.67	-2	+18	+9
5 Year Swap %				
US	3.95	+2	+30	-34
Eurozone	2.20	-2	+3	-4
UK	4.15	+7	+26	-13
2 Year Swap %				
US	4.02	+1	+36	-32
Eurozone	1.95	+0	+2	-24
UK	4.11	+5	+26	-37
10 Year Government Bond Spreads to Benchmark bps				
Ireland	30	-2	-6	+1
Belgium	53	-0	-5	-9
France	68	+0	-5	-15
Italy	100	+1	-13	-16
Spain	61	-1	-7	-9
Portugal	50	-1	-6	+1
Greece	78	+1	-11	-11

Commodities

	Close	% Change		
		Day	4 Weeks	End 24
Brent Oil	64.09	-1.00	-0.25	-14.13
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	3299.6	-1.29	-0.50	+25.75

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