Morning Comment

AIB Treasury Economic Research Unit

Friday 30 May 2025
07:42 am

EUR/USD near the midpoint of $1.13-1.14

Risk appetite turned more cautious over the course of yesterday, as investors assessed the potential impact of court rulings on US trade policy. The US Court of International Trade blocked the Trump administration from implementing some of its planned tariffs. However, an appeals court has since ruled that most of the tariffs should be reinstated. Overall, the courts rulings have simply added to already high levels of uncertainty regarding US trade policy.

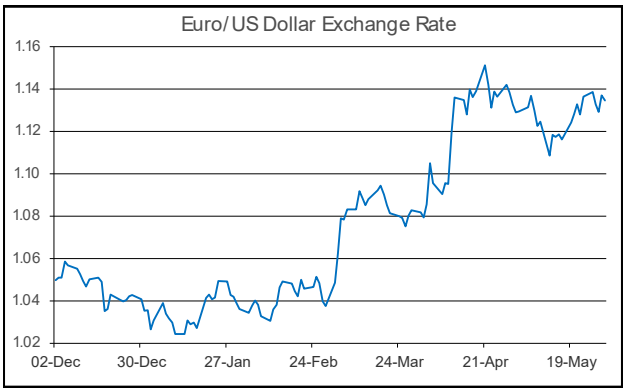
Against this backdrop, the Euro Stoxx 50 finished the day down by 0.1%, having initially gained around 1% at the open. At the closing bell on Wall Street, the S&P 500 was up by a modest 0.4%. Meanwhile, bond yields declined by 3-10bps across the board yesterday. This was partly due to a slight softening in market rate expectations, as growth concerns re-emerged, amid the ongoing trade policy uncertainty.

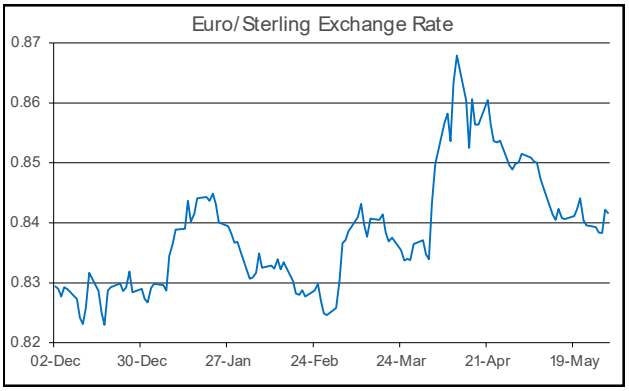
On the currency front, in a similar pattern to previous bouts of heightened market concern regarding US trade policy, the dollar was on the defensive yesterday. This saw the greenback hand back most of its recent gains, while the euro, yen and Swiss franc benefitted. Overall, the greenback shed around 1.0% versus all three.

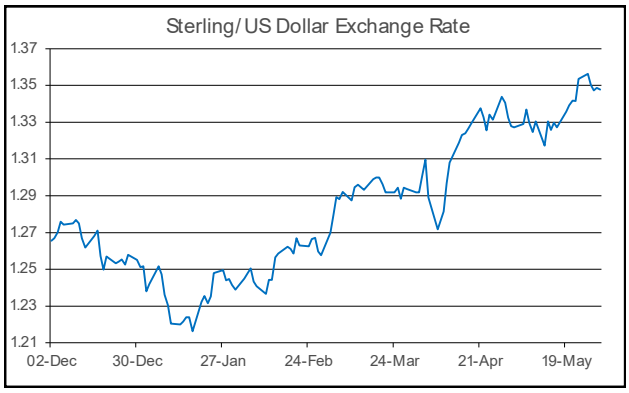
As trading gets underway this morning, the weaker dollar and firmer euro sees EUR/USD open up near the midpoint of $1.13-1.14. GBP/USD is in the top half of $1.34-1.35. Elsewhere, EUR/GBP is back above the 84p mark. USD/JPY is in the upper region of ¥143-144.

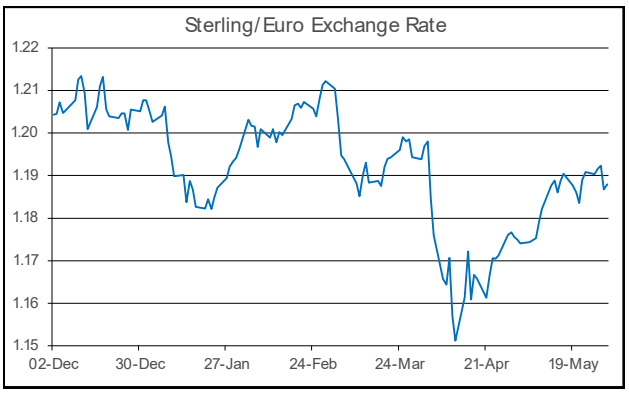
Turning to the day ahead, aside from any US trade policy related news flow, inflation data will be front and centre. In the US, core-PCE inflation for April is due, while in the Eurozone, the flash reading of German and Italian HICP inflation will feature. Expectations are for a slight easing across all three rates.

Daniel Noonan Economist, AIB









Today's Opening FX Rates

		% Change	
		Day *	End 2024
EUR/ USD	1.1346	0.88	9.59
EUR/ GBP	0.8416	0.59	1.73
GBP/ USD	1.3477	0.28	7.72
GBP/ EUR	1.1876	-0.58	-1.70
USD/ JPY	143.8	-1.33	-8.51
EUR/ JPY	163.17	-0.46	0.26

* v Previous Day's European Open

See Next Page for More Rates

Opening Interest Rates

		Money Market		Swap Rates		
	Base Rate	1-Mth	3-Mth	1-Yr	2-Yr	5-Yr
USD	4.38	4.31	4.32	4.05	4.01	3.92
EUR	2.40	2.01	2.01	1.96	1.94	2.18
GBP	4.25	4.21	4.20	3.99	4.06	4.09

All rates quoted are indicative market rates

See Next Page For More Rates &

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All Data Sourced from Refinitiv

Opening Levels

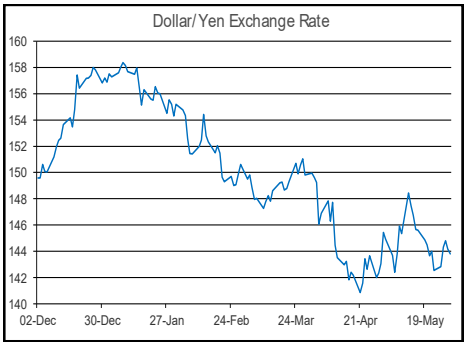
Friday 30 May 2025
07:43 am

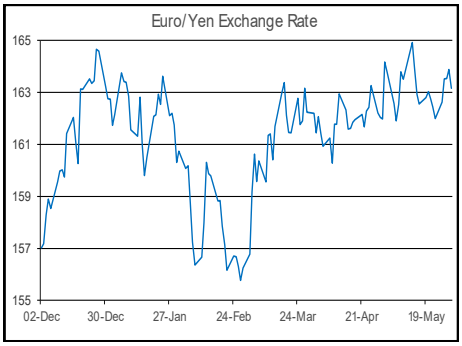
AIB

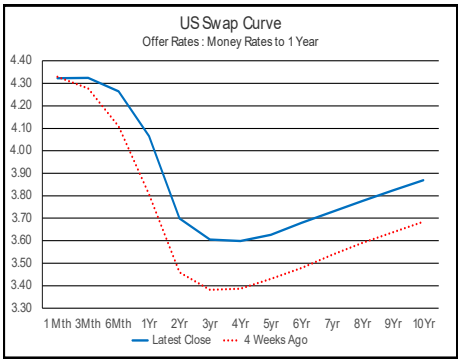
Euro	
EUR/ GBP	0.8416
EUR/ USD	1.1346
EUR/ JPY	163.17
EUR/ SEK	10.8686
EUR/ DKK	7.4592
EUR/ NOK	11.5133
EUR/ CHF	0.9341
EUR/ AUD	1.7652
EUR/ HKD	8.8968
EUR/ CAD	1.568

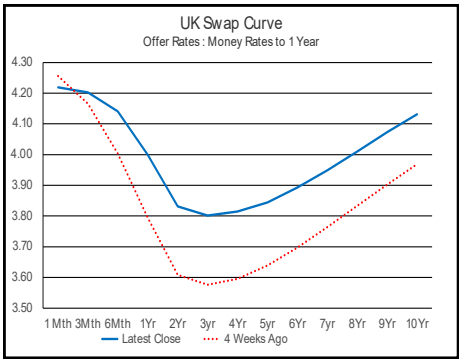
Sterling	
GBP/ EUR	1.1876
GBP/ USD	1.3477
GBP/ CAD	1.8623
GBP/ NZD	2.2565
GBP/ JPY	193.79
GBP/ SEK	12.9088
GBP/ DKK	8.8589
GBP/ NOK	13.667
GBP/ CHF	1.1095
GBP/ AUD	2.0968

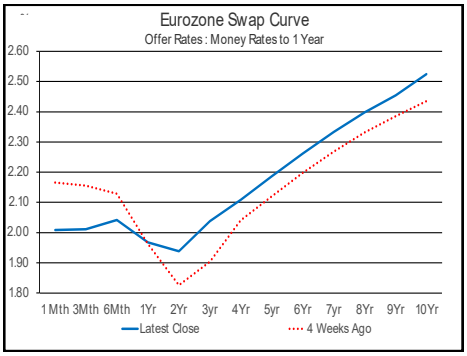
Dollar	
USD/ JPY	143.8
USD/ CAD	1.3818
USD/ CHF	0.8233
USD/ CNY	7.189
USD/ BRL	5.67
USD/ RUB	78.2
USD/ INR	85.499
AUD/ USD	0.6425
NZD/ USD	0.597

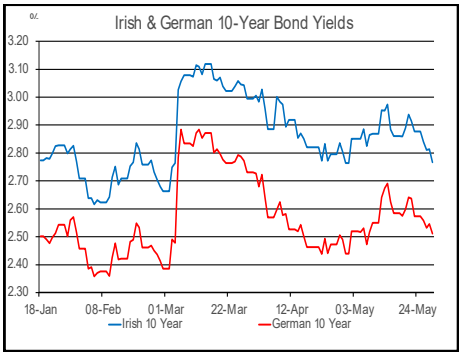












Debt Markets		Change bps		
	Close	Day	4 Weeks	End 24
10 Year Yield %				
US	4.42	-5	+19	-15
Germany	2.51	-3	+7	+15
UK	4.65	-8	+17	+8
Ireland	2.79	-5	-0	+14
Belgium	3.04	-4	+1	+5
France	3.18	-5	+1	-2
Italy	3.50	-5	-8	-2
Spain	3.11	-5	-0	+4
Portugal	3.01	-4	+1	+16
Greece	3.27	-3	-7	+2
5 Year Swap %				
US	3.89	-6	+21	-40
Eurozone	2.18	-1	+7	-5
UK	4.08	-7	+20	-20
2 Year Swap %				
US	3.96	-6	+25	-37
Eurozone	1.93	-2	+11	-26
UK	4.06	-6	+21	-43
10 Year Government Bond Spreads to Benchmark bps				
Ireland	28	-2	-8	-1
Belgium	52	-0	-7	-10
France	66	-2	-6	-17
Italy	99	-2	-15	-17
Spain	60	-1	-8	-11
Portugal	50	-0	-7	+1
Greece	75	+0	-15	-13

Commodities		% Change		
	Close	Day	4 Weeks	End 24
Brent Oil	64.15	-1.16	+3.25	-14.05
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold $	3315.9	+0.81	+2.33	+26.38

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