

Risk-off start to the week

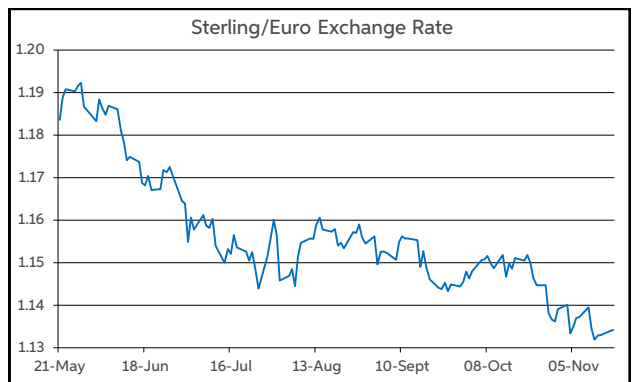
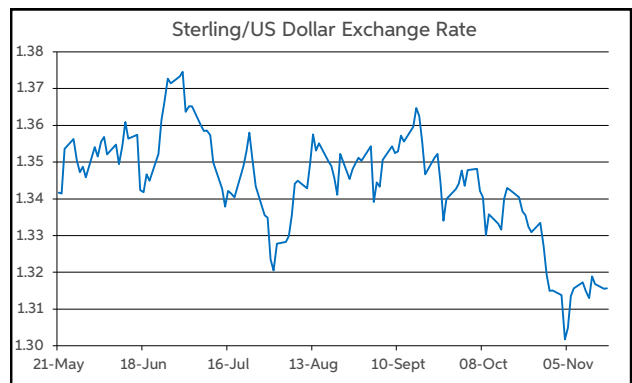
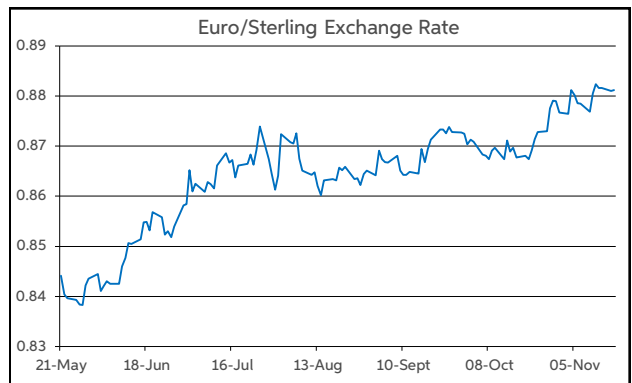
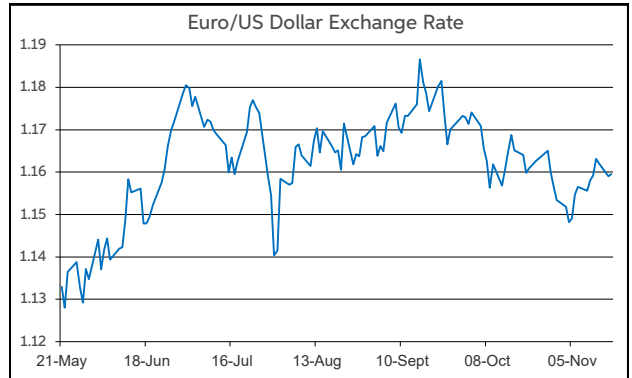
There was a cautious tone to investor sentiment at the start of the week. Ongoing concerns regarding AI-related tech stock valuations, muted Eurozone growth prospects, and hawkish remarks from Fed officials, provided an unhelpful backdrop for risk appetite. Having outperformed last week, the Euro Stoxx 50 fell by 0.9% yesterday. Meantime on Wall Street, the S&P 500 declined sharply into the close, to post a 0.9% loss also.

Hawkish remarks from Fed Vice-Chair Jefferson led to a modest firming in US rate expectations yesterday. He stated that the Fed should “proceed slowly” with any further rate cuts. His comments echoed recent speeches from a number of Fed officials over the past week, which also suggested that the central bank may leave rates unchanged in December. However, it should be noted that Governor Waller indicated in remarks made later in the day, that he supports a rate cut in December. Against this backdrop, futures contracts pricing suggests the market sees just a 40% chance of a rate cut at the next Fed meeting in December (was 65% last week).

Currency-wise, the main FX pairs have operated in relatively narrow ranges over the past 24 hours. Of the limited moves to note, sterling has edged slightly higher. Meantime, the yen remains on the defensive, as GDP data for Q3 showed that the economy contracted (albeit modestly) for the first time in six quarters. In level terms, EUR/USD opens this morning just below the \$1.16 threshold. Meanwhile, EUR/GBP is operating back near to 88p. GBP/USD is just above the midpoint of \$1.31-1.32. EUR/JPY is in the upper half of ¥179-180.

Turning to the day ahead, the data calendar is sparse on both sides of the Atlantic. Indeed, US NAHB homebuilder sentiment for November is the only release of note. Meantime, on the monetary policy front, remarks from Fed, ECB and BoE officials will garner attention.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2024
EUR/USD	1.1595	-0.04	12.00
EUR/GBP	0.881	-0.18	6.49
GBP/USD	1.3156	0.11	5.16
GBP/EUR	1.1346	0.18	-6.10
USD/JPY	155.12	0.28	-1.31
EUR/JPY	179.89	0.25	10.53

* 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	3.88	3.94	3.88	3.58	3.63	3.66
EUR	2.00	1.89	2.07	2.16	2.21	2.45
GBP	4.00	3.96	3.83	3.64	3.82	3.94

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

Tuesday 18 November 2025
06:14 am



Euro

EUR/GBP	0.881
EUR/USD	1.1595
EUR/JPY	179.89
EUR/SEK	10.9947
EUR/DKK	7.4682
EUR/NOK	11.7295
EUR/CHF	0.9212
EUR/AUD	1.7888
EUR/HKD	9.0235
EUR/CAD	1.6291

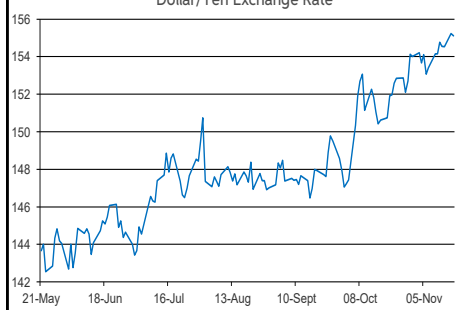
Sterling

GBP/EUR	1.1346
GBP/USD	1.3156
GBP/CAD	1.8484
GBP/NZD	2.326
GBP/JPY	204.11
GBP/SEK	12.4747
GBP/DKK	8.4745
GBP/NOK	13.3104
GBP/CHF	1.0453
GBP/AUD	2.0296

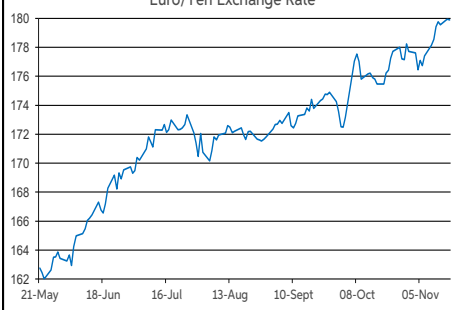
Dollar

USD/JPY	155.12
USD/CAD	1.4052
USD/CHF	0.7944
USD/CNY	7.1119
USD/BRL	5.329
USD/RUB	81.05
USD/INR	88.595
AUD/USD	0.6479
NZD/USD	0.5652

Dollar/Yen Exchange Rate

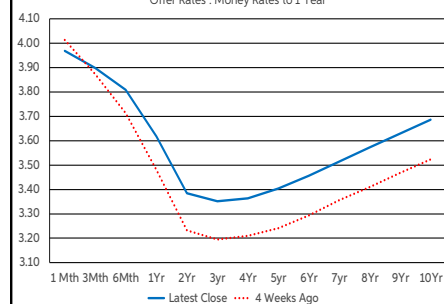


Euro/Yen Exchange Rate



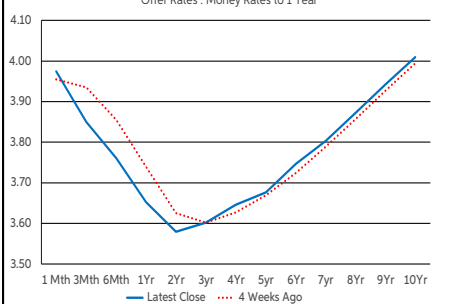
US Swap Curve

Offer Rates : Money Rates to 1 Year



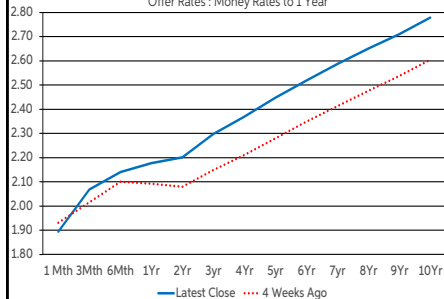
UK Swap Curve

Offer Rates : Money Rates to 1 Year

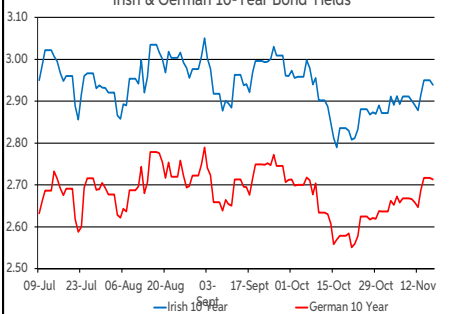


Eurozone Swap Curve

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	4.13	-1	+15	-44
Germany	2.71	-0	+13	+35
UK	4.54	-4	+2	-4
Ireland	2.94	-1	+11	+29
Belgium	3.23	-1	+9	+25
France	3.45	-0	+9	+26
Italy	3.45	-2	+8	-7
Spain	3.21	-1	+10	+15
Portugal	3.05	-1	+8	+20
Greece	3.35	-2	+10	+10
5 Year Swap %				
US	3.67	+1	+16	-62
Eurozone	2.43	+0	+17	+20
UK	3.93	-4	+2	-35
2 Year Swap %				
US	3.66	+1	+17	-68
Eurozone	2.20	+0	+14	+0
UK	3.81	-3	-4	-67
10 Year Government Bond Spreads to Benchmark bps				
Ireland	23	-1	-2	-6
Belgium	52	-1	-3	-10
France	74	+0	-4	-9
Italy	74	-1	-5	-42
Spain	50	-1	-3	-20
Portugal	34	-1	-5	-15
Greece	63	-1	-3	-25

Commodities

	% Change			
	Close	Day	4 Weeks	End 24
Brent Oil	64.2	-0.30	+5.23	-13.99
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	4044.3	-0.86	-7.14	+54.14

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