

No major reaction to US government shutdown

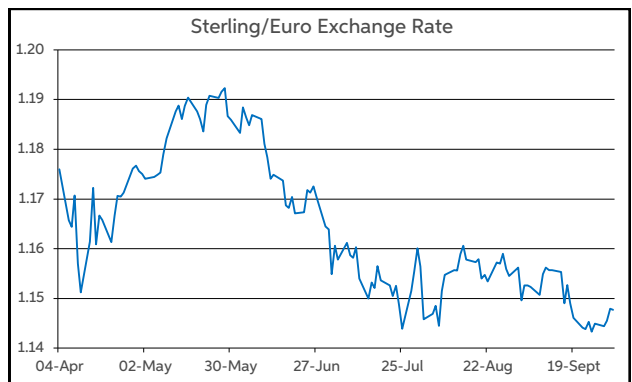
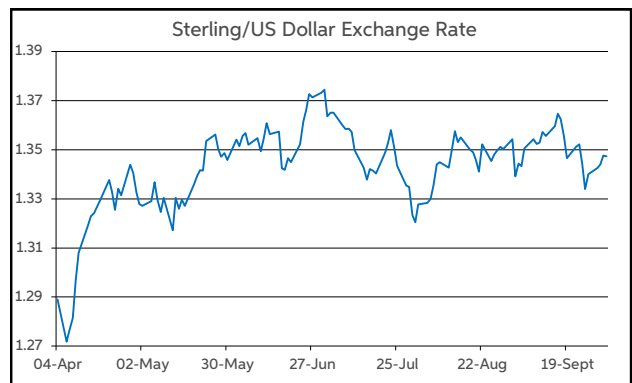
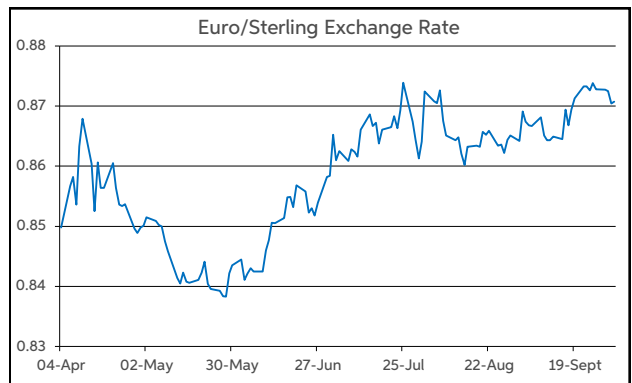
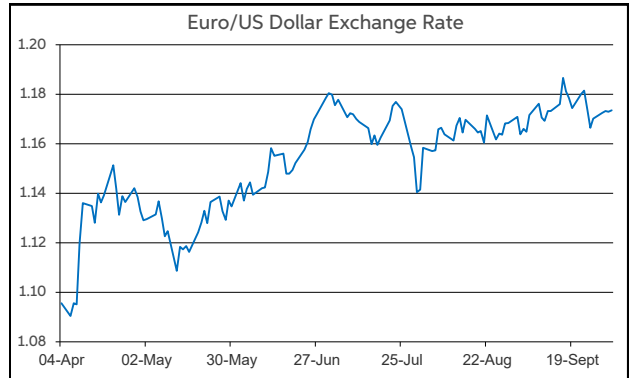
The early stages of the US government shutdown did not appear to impact risk appetite yesterday. This could be due in part to the shutdown being anticipated. In Europe, the Euro Stoxx 50 posted a 0.9% gain. At the closing bell on Wall Street last night, the S&P 500 index was 0.3% higher on the day.

Data-wise, yesterday's main European release of note was the flash reading of Eurozone HICP inflation for September. The headline rate printed in line with expectations, rising to 2.2% (from 2.0% in August). The underlying details support the ECB's view that its current monetary policy setting remains appropriate. Meanwhile, the US data highlight yesterday was the manufacturing ISM for September. While it printed marginally ahead of forecast, the report indicates that activity in the sector remains subdued.

On the currency front, the majors started the month of October, similar to where they ended September, within confined trading ranges. This has continued in overnight trading on Asia-Pacific markets. As a result, most of the main pairs start this morning's European session showing only minimal changes compared to 24 hours earlier. Of the limited moves to register over this period, the euro is slightly softer. EUR/USD has edged back below the midpoint of \$1.17-1.18, while EUR/GBP is operating down nearer to the 87p threshold. Elsewhere, GBP/USD remains in the upper half of the \$1.34-1.35 trading band.

Looking ahead to today, the macro diary is sparse. The US government 'shutdown' means that today's scheduled release of weekly jobless claims will not happen. More importantly if the impasse continues into tomorrow, the eagerly anticipated non-farm payrolls and unemployment rate for September will also not be published.

John Fahey, Senior Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2024
EUR/USD	1.1736	-0.20	13.36
EUR/GBP	0.8707	-0.30	5.25
GBP/USD	1.3477	0.11	7.72
GBP/EUR	1.148	0.30	-4.98
USD/JPY	147.14	-0.26	-6.39
EUR/JPY	172.72	-0.45	6.13

* 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	4.13	4.10	3.93	3.57	3.60	3.61
EUR	2.00	1.93	2.03	2.10	2.16	2.38
GBP	4.00	3.96	3.96	3.84	3.99	4.07

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

Thursday 02 October 2025
07:25 am



Euro

EUR/GBP	0.8707
EUR/USD	1.1736
EUR/JPY	172.72
EUR/SEK	10.9921
EUR/DKK	7.4657
EUR/NOK	11.6382
EUR/CHF	0.9351
EUR/AUD	1.7735
EUR/HKD	9.1296
EUR/CAD	1.6356

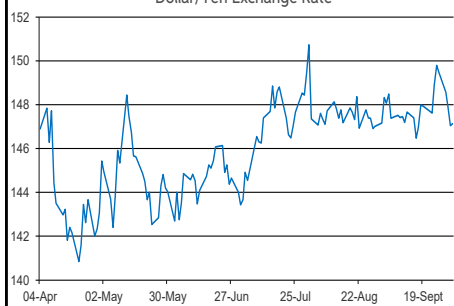
Sterling

GBP/EUR	1.148
GBP/USD	1.3477
GBP/CAD	1.8778
GBP/NZD	2.3077
GBP/JPY	198.3
GBP/SEK	12.6162
GBP/DKK	8.5703
GBP/NOK	13.3629
GBP/CHF	1.0735
GBP/AUD	2.0355

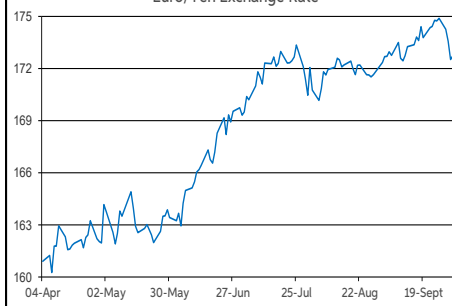
Dollar

USD/JPY	147.14
USD/CAD	1.3937
USD/CHF	0.7965
USD/CNY	7.119
USD/BRL	5.3293
USD/RUB	81.15
USD/INR	88.809
AUD/USD	0.6617
NZD/USD	0.5836

Dollar/Yen Exchange Rate

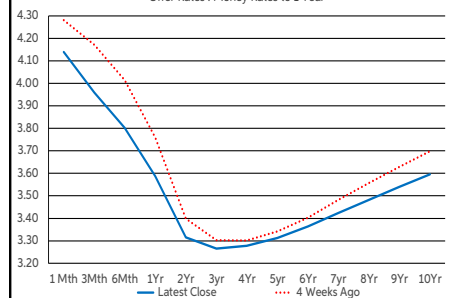


Euro/Yen Exchange Rate



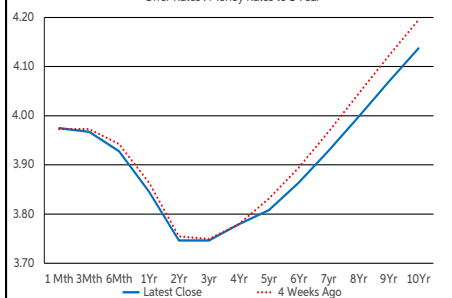
US Swap Curve

Offer Rates : Money Rates to 1 Year



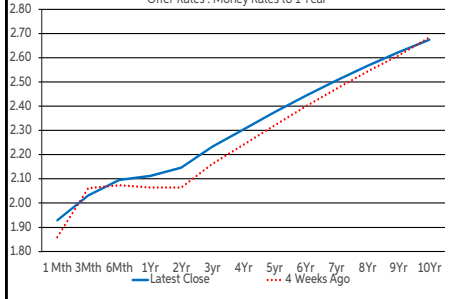
UK Swap Curve

Offer Rates : Money Rates to 1 Year

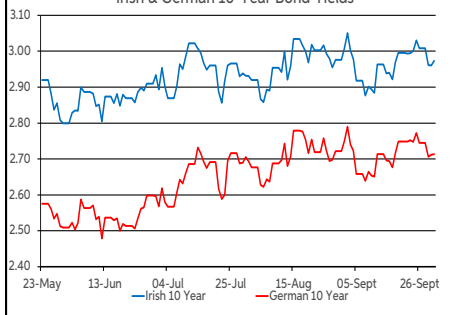


Eurozone Swap Curve

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	4.11	-4	-11	-47
Germany	2.71	+0	-3	+35
UK	4.70	-0	-5	+13
Ireland	2.97	+1	-3	+32
Belgium	3.26	-1	-6	+27
France	3.53	-1	-1	+33
Italy	3.55	-1	-9	+3
Spain	3.25	-1	-10	+18
Portugal	3.12	-0	-7	+27
Greece	3.38	-3	-10	+13
5 Year Swap %				
US	3.58	-7	-1	-71
Eurozone	2.37	-0	+4	+13
UK	4.06	-2	-1	-22
2 Year Swap %				
US	3.58	-6	-7	-75
Eurozone	2.14	-1	+6	-5
UK	3.98	-3	-1	-50
10 Year Government Bond Spreads to Benchmark bps				
Ireland	26	+1	-0	-3
Belgium	54	-1	-4	-8
France	81	-1	+1	-2
Italy	84	-1	-6	-32
Spain	54	-1	-7	-17
Portugal	40	-0	-4	-8
Greece	67	-3	-7	-22

Commodities

	% Change			
	Close	Day	4 Weeks	End 24
Brent Oil	65.35	-2.49	-3.33	-12.45
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	3865.4	+0.19	+8.62	+47.32

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