

## Yields lower, some firming in risk appetite

There was a firming in risk appetite yesterday amid a fall back in sovereign yields. It followed the previous day's risk averse tone which occurred against the backdrop of concerns over fiscal sustainability in some of the key advanced economies. The more upbeat mood yesterday was evident in gains for equity markets on both sides of the Atlantic. In Europe, the Euro Stoxx 50 rose by 0.6%, after a 1.4% fall on Tuesday. Meanwhile, at the closing bell on Wall Street last night, the S&P 500 was 0.5% higher on the day.

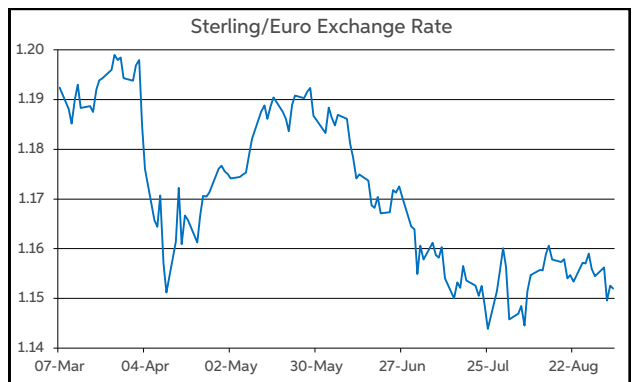
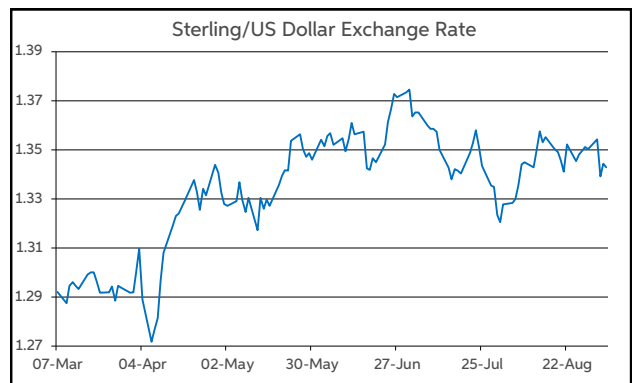
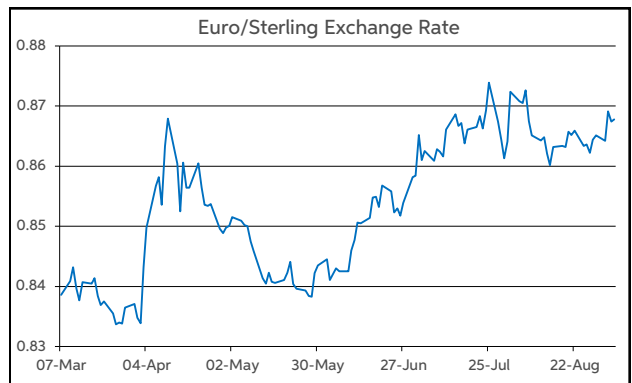
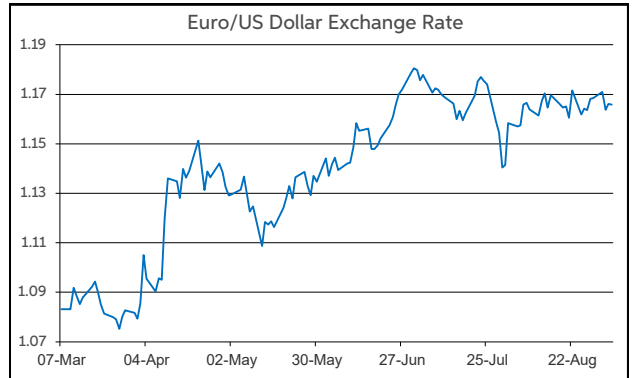
Data-wise, yesterday's diary was generally sparse. One of the few highlights was US JOLTS Job Openings for July. Openings fell to 7.181m in the month, which was weaker than expected and the underlying details in the report provide some further signs of a softening in US labour market conditions.

On the currency front, the main pairs were confined to relatively narrow ranges. Having been supported by the 'risk-off' backdrop on Tuesday, the dollar gave up some of these gains yesterday amid the 'risk-on' tone to market sentiment. At the same time, sterling edged higher.

The modestly softer dollar tone over the past 24 hours is reflected in EUR/USD opening this morning just above the midpoint of \$1.16-1.17 and GBP/USD back up in \$1.34 territory. Elsewhere, the EUR/GBP pair has edged back, to trade below the 87p threshold.

Looking ahead to today, the macro calendar is US centric. While not a reliable guide to non-farm payrolls, today's ADP employment report for August will still receive some attention ahead of tomorrow's official jobs numbers. The weekly jobless claims data as well as the ISM non-manufacturing survey (Aug) are the other highlights from today's US macro agenda.

**John Fahey, Senior Economist, AIB**



Today's Opening FX Rates			
		% Change	
		Day *	End 2024
EUR/USD	1.1658	0.24	12.61
EUR/GBP	0.8678	-0.23	4.90
GBP/USD	1.3428	0.46	7.33
GBP/EUR	1.1517	0.23	-4.67
USD/JPY	148.2	-0.26	-5.71
EUR/JPY	172.78	-0.03	6.16

\* 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	4.21	4.11	3.71	3.65	3.60
EUR	2.00	1.90	2.08	2.07	2.10	2.34
GBP	4.00	3.96	3.95	3.84	4.00	4.08

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 04 September 2025  
07:19 am



## Euro

EUR/GBP	0.8678
EUR/USD	1.1658
EUR/JPY	172.78
EUR/SEK	10.9979
EUR/DKK	7.4641
EUR/NOK	11.7175
EUR/CHF	0.9372
EUR/AUD	1.7864
EUR/HKD	9.0927
EUR/CAD	1.6096

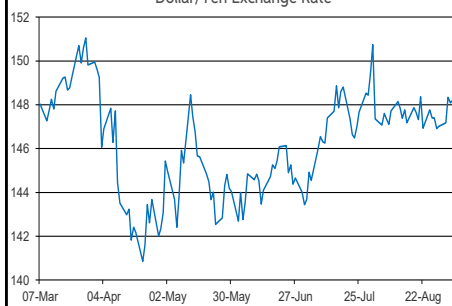
## Sterling

GBP/EUR	1.1517
GBP/USD	1.3428
GBP/CAD	1.8541
GBP/NZD	2.2878
GBP/JPY	199
GBP/SEK	12.6708
GBP/DKK	8.5993
GBP/NOK	13.4996
GBP/CHF	1.0795
GBP/AUD	2.0579

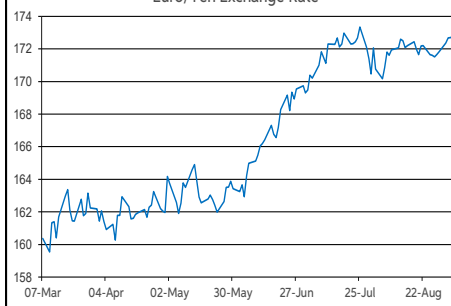
## Dollar

USD/JPY	148.2
USD/CAD	1.3808
USD/CHF	0.8039
USD/CNY	7.1416
USD/BRL	5.4499
USD/RUB	80.9
USD/INR	88.14
AUD/USD	0.6523
NZD/USD	0.5867

Dollar/Yen Exchange Rate

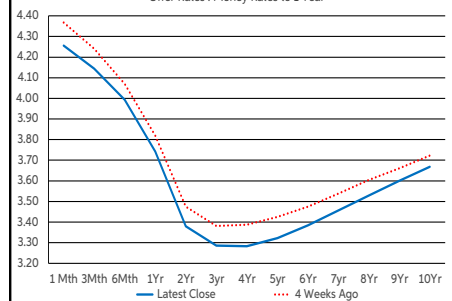


Euro/Yen Exchange Rate



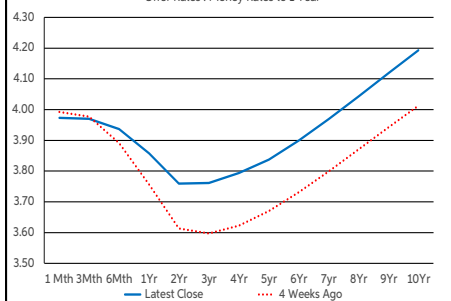
US Swap Curve

Offer Rates : Money Rates to 1 Year



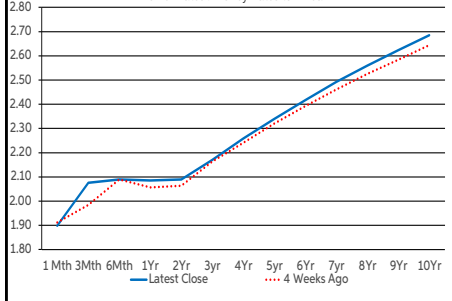
UK Swap Curve

Offer Rates : Money Rates to 1 Year

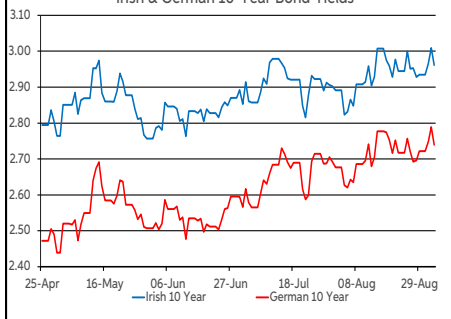


Eurozone Swap Curve

Offer Rates : Money Rates to 1 Year



Irish & German 10-Year Bond Yields



## Debt Markets

	Close	Change bps		
		Day	4 Weeks	End 24
<b>10 Year Yield %</b>				
US	4.21	-7	-1	-37
Germany	2.74	-5	+10	+38
UK	4.75	-5	+21	+17
<b>5 Year Swap %</b>				
US	3.59	-3	-9	-70
Eurozone	2.33	-3	+2	+9
UK	4.07	-4	+16	-21
<b>2 Year Swap %</b>				
US	3.63	-4	-9	-70
Eurozone	2.08	-1	+3	-11
UK	4.00	-2	+15	-49
<b>10 Year Government Bond Spreads to Benchmark bps</b>				
Ireland	26	+0	+1	-2
Belgium	58	+0	+4	-4
France	80	+0	+13	-3
Italy	90	-2	+6	-26
Spain	60	-1	+1	-10
Portugal	45	-1	+3	-4
Greece	74	+1	+7	-14

## Commodities

	Close	% Change		
		Day	4 Weeks	End 24
Brent Oil	67.6	-2.23	+1.06	-9.43
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	3558.7	+0.73	+5.65	+35.63

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