

## Spotlight on US labour market data

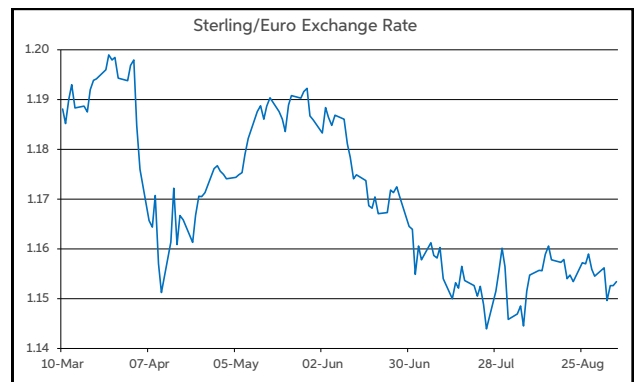
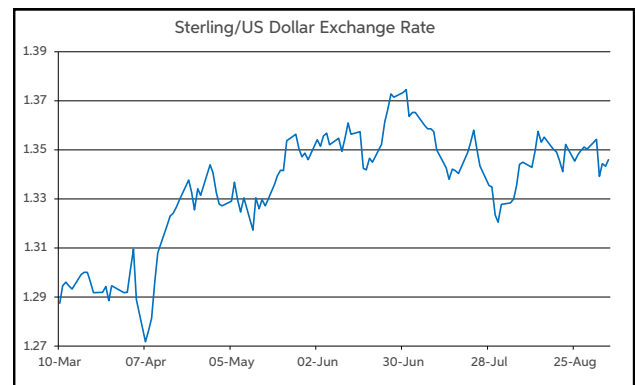
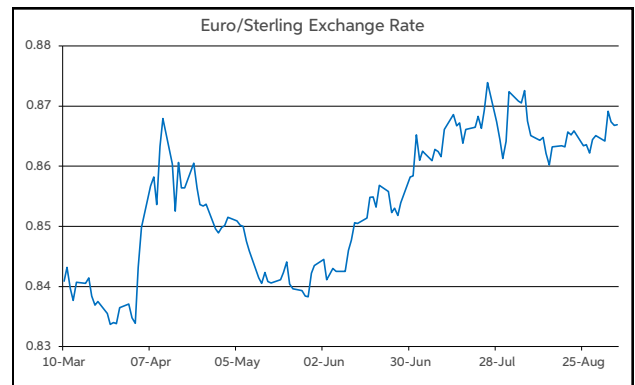
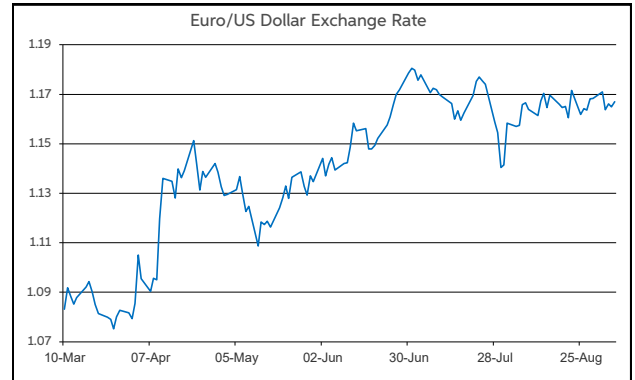
Investor sentiment retained a positive mood yesterday amid a further easing in sovereign bond yields. The main sovereign benchmarks saw their 10-year yields fall within a 2-5bps range. On equity markets, gains were posted on both sides of the Atlantic. In Europe, the Euro Stoxx 50 rose by 0.4%. At the closing bell on Wall Street last night, the S&P 500 was 0.8% higher on the day.

Data-wise, the majority of macro releases were from the US and they entailed mixed results. The weekly jobless claims figures were higher than expected, providing further signs of a softening in US labour market conditions. The ADP employment report was also weaker than anticipated. On the other hand, the non-manufacturing ISM survey for August printed ahead of forecasts, suggesting the US economy had solid momentum moving through Q3.

From a currency perspective, the raft of US data had no significant impact on the dollar. Indeed, the majors have operated within narrow ranges over the past 24 hours. As a result, the main pairs start this morning's European session showing limited changes compared to yesterday's open. The EUR/USD pair is trading in the upper half of \$1.16-1.17. EUR/GBP remains above the midpoint of 86-87p, while GBP/USD is in and around the halfway mark of \$1.34-1.35.

Today's macro diary has already seen the release of UK retail sales for July. The headline reading printed ahead of expectations, registering a 0.6% m/m rise (vs. f'cast for +0.2%). However, the market's focus today is very much centred on the US, with a raft of labour market updates due, including the non-farm payrolls number for August (f'cast for +75,000). The data provide a potential source of volatility for the dollar. If you recall last month, the combination of a weaker than anticipated July payroll print and downward revisions to the May-June period, saw an immediate softening in US rate expectations and in turn downward pressure on the dollar.

**John Fahey, Senior Economist, AIB**



Today's Opening FX Rates			
		% Change	
		Day *	End 2024
EUR/USD	1.167	0.17	12.72
EUR/GBP	0.8667	-0.09	4.76
GBP/USD	1.3458	0.25	7.57
GBP/EUR	1.153	0.09	-4.55
USD/JPY	148.2	-0.01	-5.71
EUR/JPY	172.98	0.15	6.29

\* 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	4.10	3.69	3.62	3.55
EUR	2.00	1.89	2.08	2.08	2.09	2.33
GBP	4.00	3.96	3.95	3.83	3.99	4.06

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

Friday 05 September 2025  
07:13 am



## Euro

EUR/GBP	0.8667
EUR/USD	1.167
EUR/JPY	172.98
EUR/SEK	11.0194
EUR/DKK	7.4652
EUR/NOK	11.742
EUR/CHF	0.9383
EUR/AUD	1.7853
EUR/HKD	9.1017
EUR/CAD	1.6109

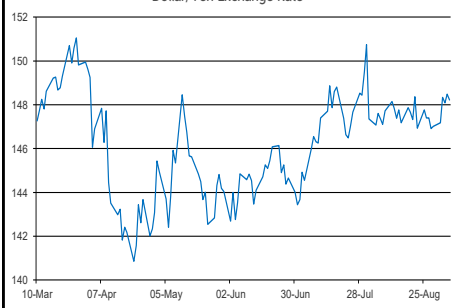
## Sterling

GBP/EUR	1.153
GBP/USD	1.3458
GBP/CAD	1.8576
GBP/NZD	2.2939
GBP/JPY	199.48
GBP/SEK	12.7079
GBP/DKK	8.6074
GBP/NOK	13.5418
GBP/CHF	1.0822
GBP/AUD	2.059

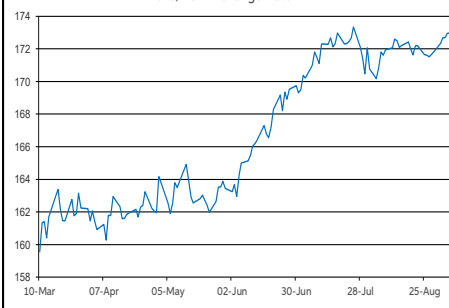
## Dollar

USD/JPY	148.2
USD/CAD	1.3803
USD/CHF	0.804
USD/CNY	7.1357
USD/BRL	5.4447
USD/RUB	81.25
USD/INR	88.315
AUD/USD	0.6533
NZD/USD	0.5864

Dollar/Yen Exchange Rate

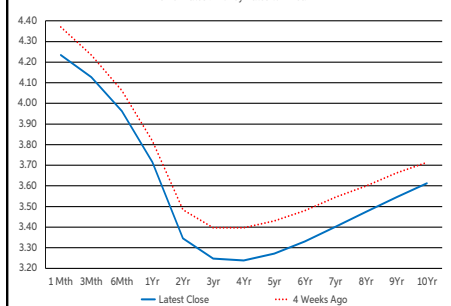


Euro/Yen Exchange Rate



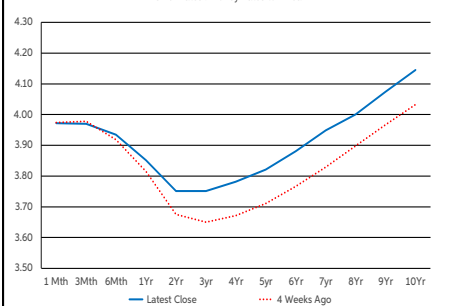
US Swap Curve

Offer Rates : Money Rates to 1 Year



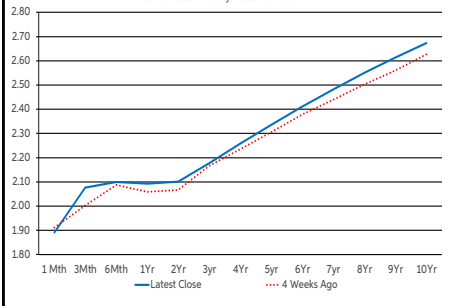
UK Swap Curve

Offer Rates : Money Rates to 1 Year

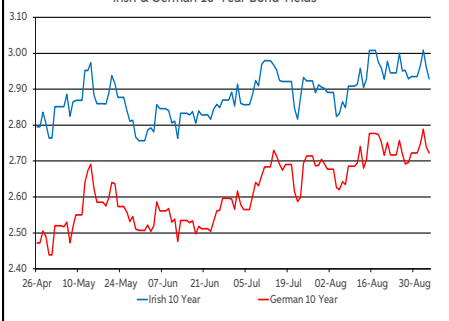


Eurozone Swap Curve

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	4.18	-4	-7	-40
Germany	2.72	-2	+9	+36
UK	4.72	-2	+18	+15
<b>5 Year Swap %</b>				
US	3.54	-4	-16	-75
Eurozone	2.32	-0	+3	+9
UK	4.06	-2	+11	-23
<b>2 Year Swap %</b>				
US	3.60	-5	-13	-73
Eurozone	2.08	-0	+2	-11
UK	3.98	-1	+8	-50
<b>10 Year Government Bond Spreads to Benchmark bps</b>				
Ireland	25	-1	+0	-3
Belgium	56	-2	+5	-6
France	77	-3	+11	-6
Italy	88	-2	+6	-28
Spain	59	-2	+2	-11
Portugal	43	-2	+2	-6
Greece	71	-3	+3	-17

## Commodities

	Close	% Change		
		Day	4 Weeks	End 24
Brent Oil	66.99	-0.90	+0.84	-10.25
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	3545.3	-0.38	+4.37	+35.12

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