

Shutdown in the US, dollar slightly softer

The action across markets for much of yesterday was subdued. Investors had one eye on the US, with the pending deadline for avoiding a government shutdown looming over proceedings. Against this backdrop, risk appetite was holding a somewhat cautious tone. At the close on Wall Street last night, the S&P 500 still managed to post a 0.4% gain on the day.

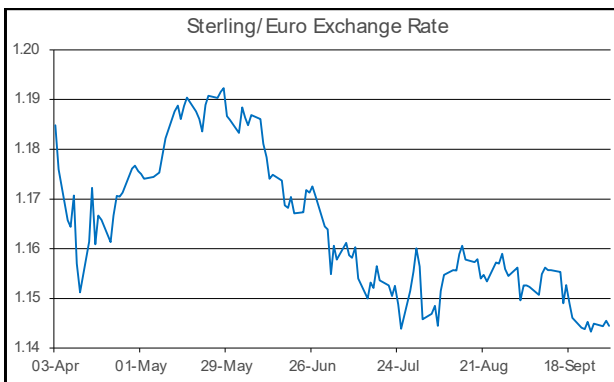
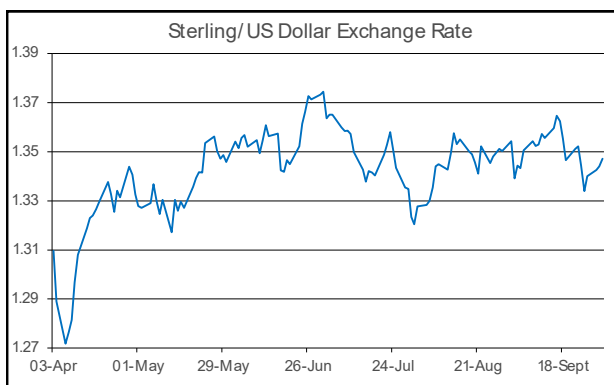
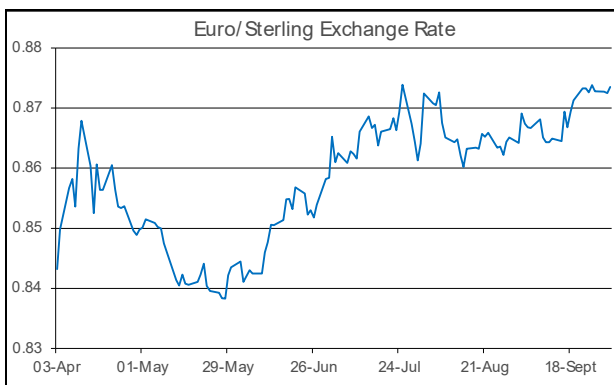
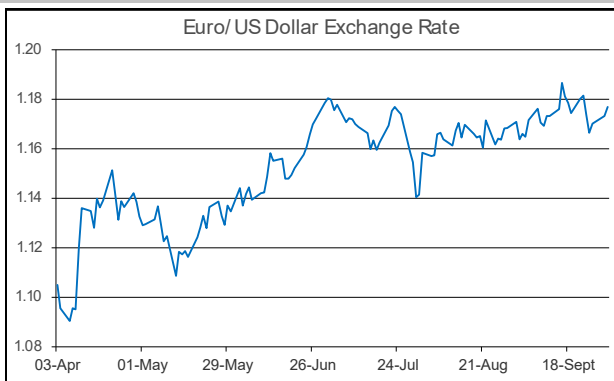
Data-wise, yesterday's macro diary did not derive much market interest. In the Eurozone, inflation updates for September produced mixed results. The French HICP rate printed lower than expected, Italian headline inflation was higher than forecast, while the German number was also higher than anticipated. The data had no impact on the euro.

The US macro diary also provided some mixed results. House price data (20-city index) for August came in marginally better than expected. Jolt job openings for August were also ahead of expectations. In contrast, the Conference Board measure of consumer confidence for September disappointed versus consensus forecasts. The 'weak' confidence survey acted as a mild headwind to the dollar.

Overall though, the main currency pairs operated within narrow ranges yesterday. This has generally continued in overnight trading. The dollar is marginally softer in the aftermath of the passing of the deadline to avoid a US government shutdown. In level terms, EUR/USD opens this morning in the upper half of the \$1.17-1.18 band, while GBP/USD is above the midpoint of \$1.34-1.35. Elsewhere, EUR/GBP continues to operate in the lower half of 87-88p.

Looking ahead to today, the main data releases are Eurozone HICP inflation and the US manufacturing ISM (both Sept). Events in Washington with the government 'shutdown' will also be in focus.

John Fahey, Senior Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2024
EUR/USD	1.177	0.36	13.69
EUR/GBP	0.8735	0.11	5.58
GBP/USD	1.3472	0.27	7.68
GBP/EUR	1.1444	-0.11	-5.29
USD/JPY	147.18	-0.82	-6.36
EUR/JPY	173.27	-0.45	6.46

* 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	4.12	3.96	3.63	3.68	3.67
EUR	2.00	1.93	2.02	2.11	2.18	2.42
GBP	4.00	3.97	3.96	3.85	4.01	4.09

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

Wednesday 01 October 2025
07:15 am



Euro

EUR/GBP	0.8735
EUR/USD	1.177
EUR/JPY	173.27
EUR/SEK	11.0519
EUR/DKK	7.4647
EUR/NOK	11.7206
EUR/CHF	0.9337
EUR/AUD	1.7804
EUR/HKD	9.1607
EUR/CAD	1.6375

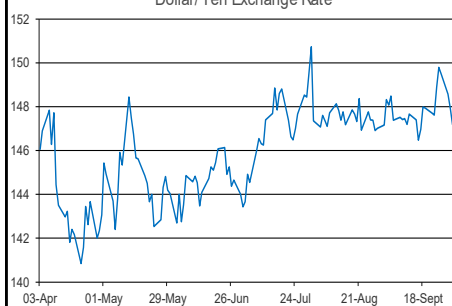
Sterling

GBP/EUR	1.1444
GBP/USD	1.3472
GBP/CAD	1.8742
GBP/NZD	2.319
GBP/JPY	198.31
GBP/SEK	12.6519
GBP/DKK	8.5433
GBP/NOK	13.4174
GBP/CHF	1.0688
GBP/AUD	2.0379

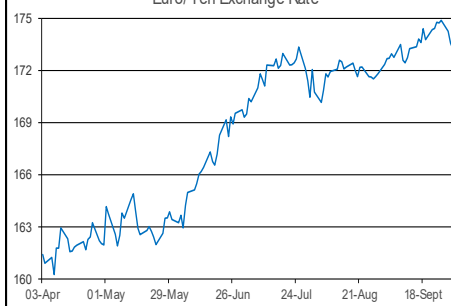
Dollar

USD/JPY	147.18
USD/CAD	1.3911
USD/CHF	0.7933
USD/CNY	7.119
USD/BRL	5.3198
USD/RUB	82.4
USD/INR	88.655
AUD/USD	0.6609
NZD/USD	0.5807

Dollar/Yen Exchange Rate

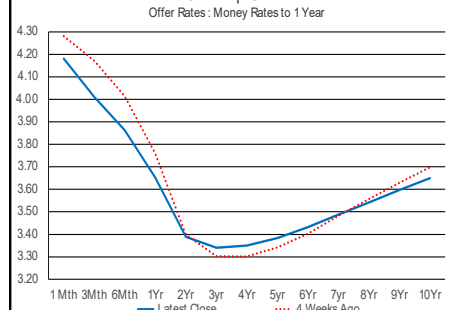


Euro/Yen Exchange Rate



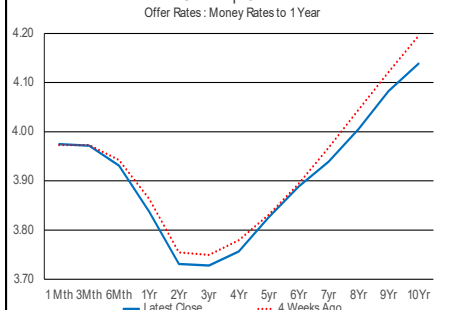
US Swap Curve

Offer Rates : Money Rates to 1 Year



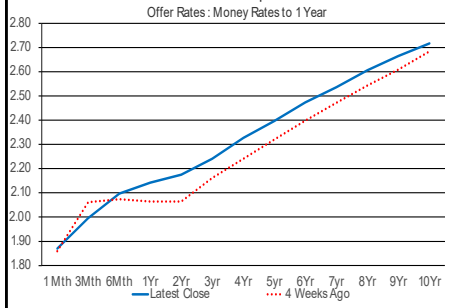
UK Swap Curve

Offer Rates : Money Rates to 1 Year

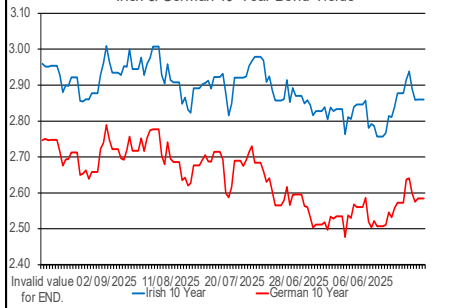


Eurozone Swap Curve

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	4.15	+1	-13	-43
Germany	2.71	+1	-8	+35
UK	4.70	+0	-10	+13
Ireland	2.96	-0	-9	+31
Belgium	3.26	-0	-11	+28
France	3.54	+0	-5	+34
Italy	3.56	+0	-15	+4
Spain	3.26	-0	-15	+19
Portugal	3.12	-1	-12	+27
Greece	3.41	-0	-11	+16
5 Year Swap %				
US	3.65	-0	+3	-64
Eurozone	2.37	-1	+2	+14
UK	4.08	+1	-3	-20
2 Year Swap %				
US	3.63	-3	-4	-70
Eurozone	2.15	-1	+5	-4
UK	4.01	-0	-0	-48
10 Year Government Bond Spreads to Benchmark bps				
Ireland	25	-1	-1	-4
Belgium	55	-1	-3	-7
France	82	-0	+3	-1
Italy	85	-0	-7	-30
Spain	55	-1	-7	-16
Portugal	41	-1	-4	-8
Greece	70	-1	-4	-19

Commodities

	Close	% Change		
		Day	4 Weeks	End 24
Brent Oil	67.02	-1.40	-3.07	-10.21
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	3858.2	+0.64	+9.21	+47.04

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