

Tariff deadline looms

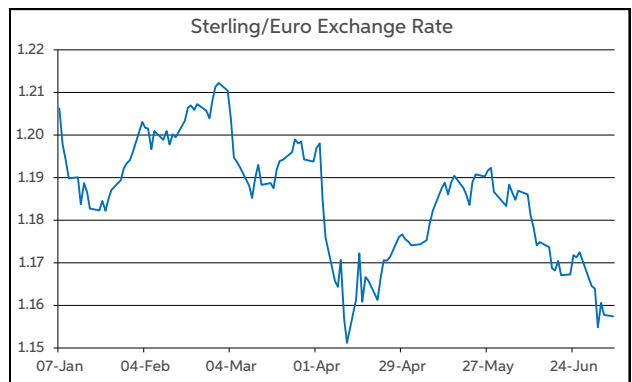
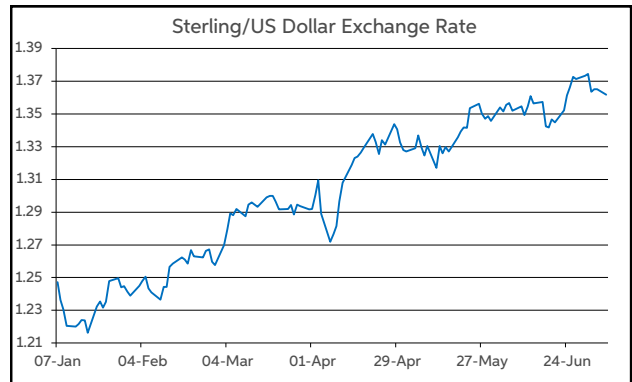
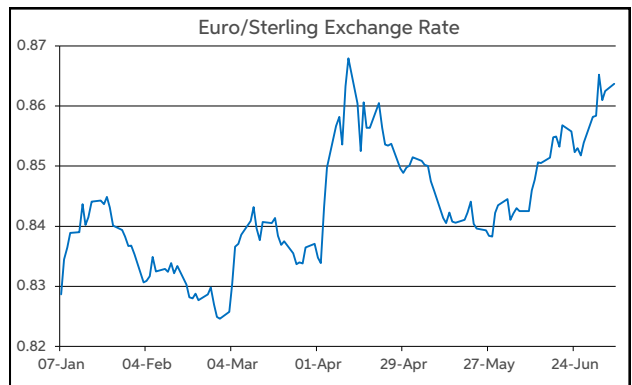
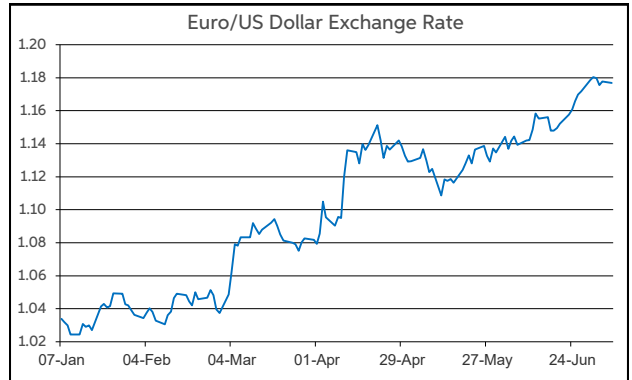
Assessing the action amongst the currency majors last week, the euro was generally holding the upper hand on the exchanges. The currency posted gains against both the dollar and sterling. However, this was more to do with some downward pressure on these other currencies rather any euro specific based strength.

From a dollar perspective, concerns over the Fed's independence amid on-going pressure from the White House for immediate rate cuts continued to hamper the greenback. The passage of the "One Big Beautiful Bill Act" (OBBBA) through Congress also meant concerns over the fiscal outlook for the US economy remained a drag on the dollar. The dollar did receive some support from the better than expected payrolls figure for June. Although, the underlying details in the report indicate that private sector labour demand is weakening. Fiscal concerns were also the main driver of sterling weakness around the mid-week point. The pound did regain some ground though towards the end of the week.

In level terms, all of the above was reflected in EUR/USD registering a new year-to-date high of \$1.1829 (indeed, its highest level since the summer of 2021). Sterling also posted a fresh YTD peak versus the dollar, before it ran into its own difficulties. It reached \$1.3788 in the first half of the week, before falling to a low of \$1.3563. Meanwhile, the EUR/GBP pair rose to a high of 86.7p last week and opens this morning in the lower half of the 86-87p trading band.

Looking ahead to this week, the July 9th deadline that the White House imposed on securing trade deals is obviously a key focus for markets. Investor sentiment does seem to have taken a more sanguine view of the potential risks over the last few weeks despite the uncertainty that still prevails. Therefore, the deadline is a potential source of volatility for markets. The macro diary is very quiet. Fed minutes and UK GDP (May) are the main highlights.

John Fahey, Senior Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2024
EUR/USD	1.1768	-0.08	13.67
EUR/GBP	0.8637	0.28	4.40
GBP/USD	1.3619	-0.39	8.86
GBP/EUR	1.1572	-0.28	-4.21
USD/JPY	145	0.44	-7.75
EUR/JPY	170.66	0.35	4.86

* 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	4.32	4.32	3.95	3.89	3.82
EUR	2.00	1.87	1.98	1.94	1.96	2.24
GBP	4.25	4.21	4.11	3.79	3.89	3.95

All rates quoted are indicative market rates

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Opening Levels

Monday 07 July 2025
07:21 am



Euro

EUR/GBP	0.8637
EUR/USD	1.1768
EUR/JPY	170.66
EUR/SEK	11.2523
EUR/DKK	7.4612
EUR/NOK	11.8848
EUR/CHF	0.9347
EUR/AUD	1.8079
EUR/HKD	9.2378
EUR/CAD	1.6044

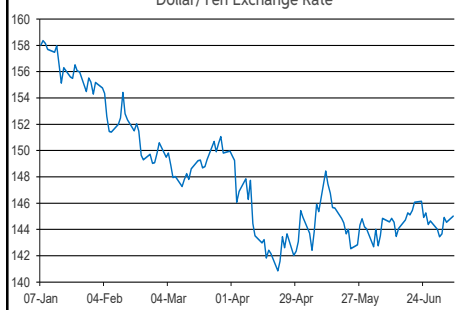
Sterling

GBP/EUR	1.1572
GBP/USD	1.3619
GBP/CAD	1.857
GBP/NZD	2.2642
GBP/JPY	197.48
GBP/SEK	13.0216
GBP/DKK	8.6358
GBP/NOK	13.7542
GBP/CHF	1.0818
GBP/AUD	2.0924

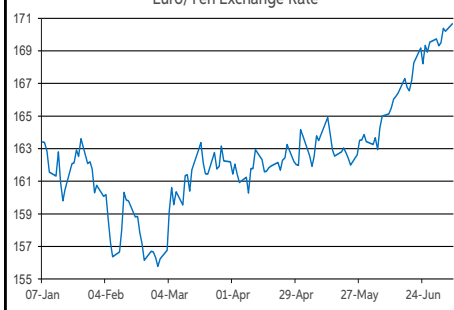
Dollar

USD/JPY	145
USD/CAD	1.3635
USD/CHF	0.7942
USD/CNY	7.1718
USD/BRL	5.4207
USD/RUB	78.7455
USD/INR	85.761
AUD/USD	0.6506
NZD/USD	0.6011

Dollar/Yen Exchange Rate

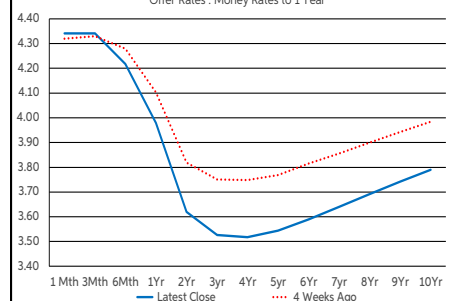


Euro/Yen Exchange Rate



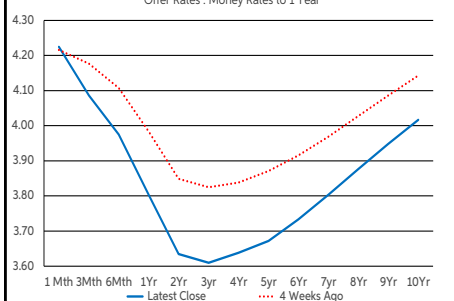
US Swap Curve

Offer Rates : Money Rates to 1 Year



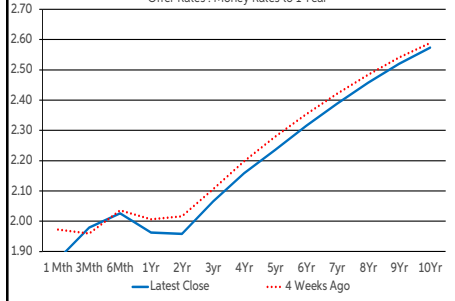
UK Swap Curve

Offer Rates : Money Rates to 1 Year

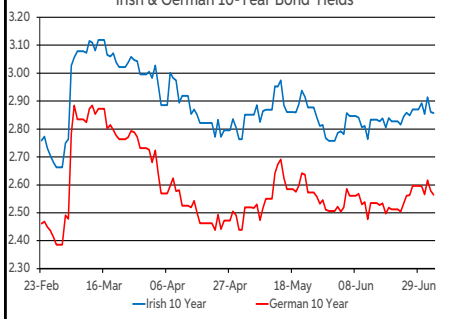


Eurozone Swap Curve

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	4.34	+5	-17	-24
Germany	2.57	-1	+0	+20
UK	4.56	+2	-9	-1
Ireland	2.87	-3	-2	+22
Belgium	3.16	+0	+6	+18
France	3.28	+0	+4	+9
Italy	3.48	-0	-3	-5
Spain	3.22	-1	+7	+16
Portugal	3.05	-0	+0	+20
Greece	3.30	-4	+0	+5
5 Year Swap %				
US	3.80	+0	-21	-49
Eurozone	2.23	-2	-4	-1
UK	3.90	-2	-21	-38
2 Year Swap %				
US	3.88	+0	-18	-45
Eurozone	1.95	-3	-6	-24
UK	3.85	-1	-22	-63
10 Year Government Bond Spreads to Benchmark bps				
Ireland	30	-2	-2	+2
Belgium	60	+2	+5	-2
France	71	+2	+3	-12
Italy	91	+1	-4	-25
Spain	66	+1	+7	-5
Portugal	48	+1	-0	-0
Greece	73	-3	+0	-16

Commodities

	Close	% Change		
		Day	4 Weeks	End 24
Brent Oil	68.3	-0.73	+2.75	-8.49
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	3336.3	+0.30	+0.81	+27.16

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