Morning Comment

AIB Treasury Economic Research Unit

Monday 24 November 2025
06:49 am

EUR/USD opens in the bottom half of $1.15-1.16

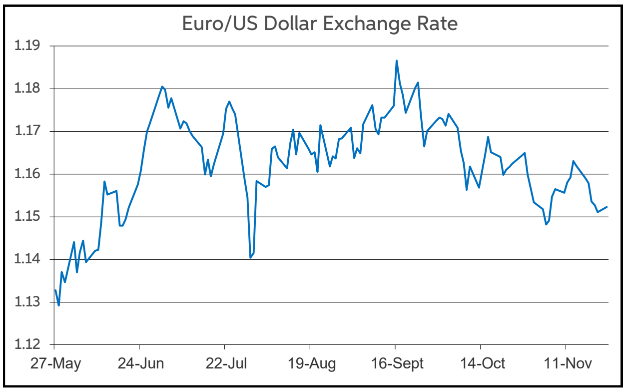
There was a cautious tone to investor sentiment last week. Ongoing concerns regarding stretched valuations in the tech-sector, mixed US labour market data and volatility in relation to US market rate expectations, impacted financial markets throughout the week. Overall, the Euro Stoxx 50 fell by 3.1% over the period. Meanwhile on Wall Street, the S&P 500 closed down by 1.9% on the week, despite registering a solid 1.0% daily gain on Friday.

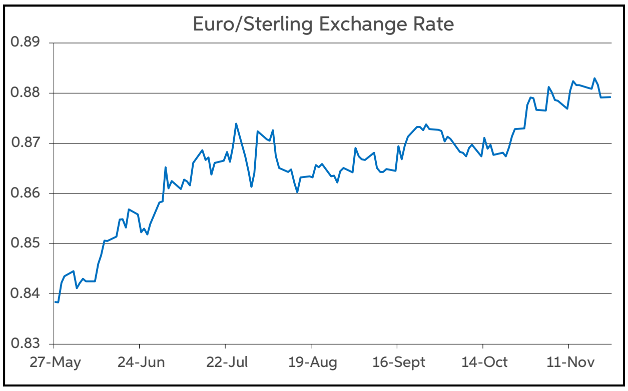
The key data release last week was the delayed US labour market report for September. Payrolls printed above the consensus (+119k vs. +50k f'cast), but the August figure was revised lower, and the unemployment rate rose to 4.4%. At the same time, the Fed meeting minutes indicated that there are diverging views amongst the FOMC officials regarding the need to cut rates in December. Against this backdrop, futures contracts moved from pricing in around a 40% chance of a rate cut on Monday, to just a 25% chance during the week. However, they softened on Friday, meaning current pricing suggests the market sees around a 60% chance of a cut at present.

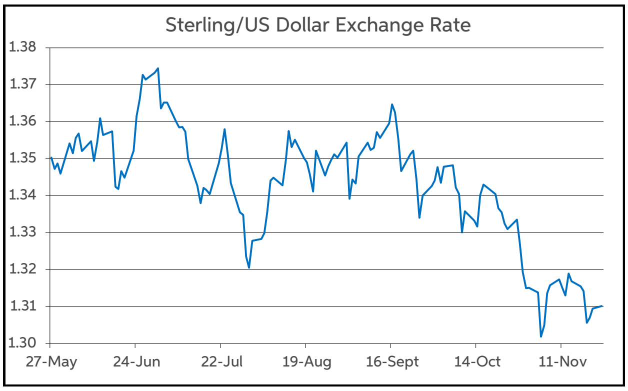
On the currency front, the main pairs were somewhat range bound last week. Overall, the dollar was holding a slightly firmer tone, while the yen remained on the defensive. In level terms, this sees EUR/USD open this morning in the bottom half of $1.15-1.16. GBP/USD is at the $1.31 threshold. Meantime, EUR/GBP is changing hands just below the 88p mark. USD/JPY is in the top half of ¥156-157.

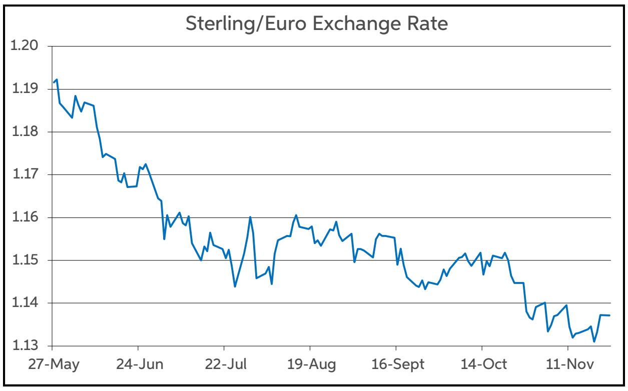
Turning to the week ahead, the macro calendar is relatively quiet. In the Eurozone, the main highlight will be the ECB meeting minutes from October. In the UK, the Budget on Wednesday will garner significant attention, and may impact sterling. Elsewhere, a holiday shortened week in the US for Thanksgiving features retail sales and consumer confidence. Meanwhile, any further developments regarding a potential Ukraine-Russia peace deal will also be in focus.

Daniel Noonan, Economist, AIB









Today's Opening FX Rates

		% Change	
		Day *	End 2024
EUR/USD	1.1523	-0.10	11.30
EUR/GBP	0.8792	-0.22	6.27
GBP/USD	1.3101	0.11	4.72
GBP/EUR	1.1367	0.22	-5.90
USD/JPY	156.66	-0.36	-0.33
EUR/JPY	180.53	-0.46	10.92

* v Previous Day's European Open

See Next Page for More Rates

Opening Interest Rates

		Money Market		Swap Rates		
	Base Rate	1-Mth	3-Mth	1-Yr	2-Yr	5-Yr
USD	3.88	3.92	3.83	3.52	3.57	3.59
EUR	2.00	1.93	2.05	2.13	2.17	2.43
GBP	4.00	3.93	3.80	3.60	3.78	3.91

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

Opening Levels

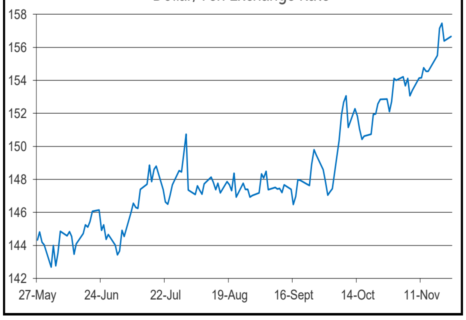
Monday 24 November 2025
06:49 am

Euro	
EUR/GBP	0.8792
EUR/USD	1.1523
EUR/JPY	180.53
EUR/SEK	10.9942
EUR/DKK	7.4681
EUR/NOK	11.803
EUR/CHF	0.9314
EUR/AUD	1.7825
EUR/HKD	8.967
EUR/CAD	1.6239

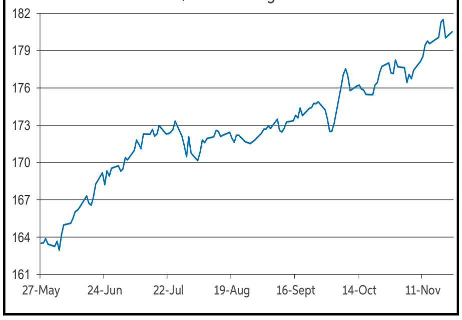
Sterling	
GBP/EUR	1.1367
GBP/USD	1.3101
GBP/CAD	1.8465
GBP/NZD	2.3365
GBP/JPY	205.24
GBP/SEK	12.4987
GBP/DKK	8.49
GBP/NOK	13.4215
GBP/CHF	1.0594
GBP/AUD	2.0263

Dollar	
USD/JPY	156.66
USD/CAD	1.4094
USD/CHF	0.8083
USD/CNY	7.1056
USD/BRL	5.4028
USD/RUB	79
USD/INR	89.185
AUD/USD	0.6463
NZD/USD	0.5604

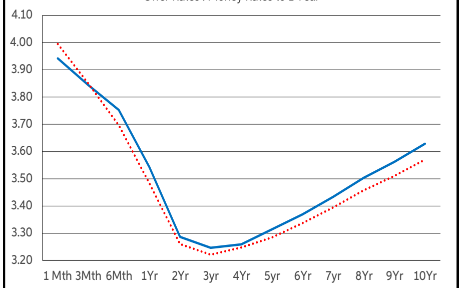
Dollar/Yen Exchange Rate



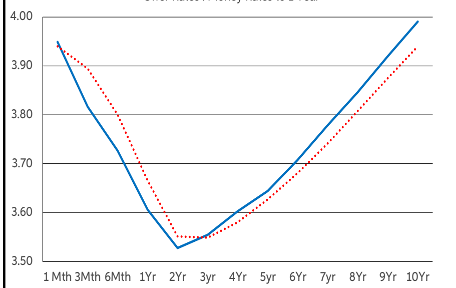
Euro/Yen Exchange Rate



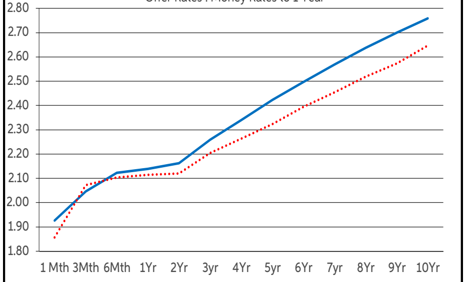
US Swap Curve
Offer Rates : Money Rates to 1 Year



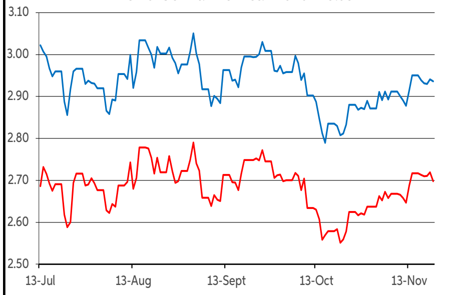
UK Swap Curve
Offer Rates : Money Rates to 1 Year



Eurozone Swap Curve
Offer Rates : Money Rates to 1 Year



Irish & German 10-Year Bond Yields



Debt Markets

		Change bps		
	Close	Day	4 Weeks	End 24
10 Year Yield %				
US	4.06	-4	+7	-51
Germany	2.70	-2	+7	+33
UK	4.55	-4	+11	-3
Ireland	2.94	-0	+6	+29
Belgium	3.26	-0	+7	+28
France	3.47	-2	+4	+28
Italy	3.46	-1	+5	-6
Spain	3.21	-2	+5	+15
Portugal	3.05	-1	+4	+20
Greece	3.33	-2	+3	+8
5 Year Swap %				
US	3.56	-5	+1	-73
Eurozone	2.41	-0	+9	+18
UK	3.91	-3	+5	-37
2 Year Swap %				
US	3.55	-3	+4	-79
Eurozone	2.16	-2	+4	-3
UK	3.78	-2	-2	-71
10 Year Government Bond Spreads to Benchmark bps				
Ireland	24	+2	-2	-5
Belgium	56	+2	-1	-6
France	78	+1	-3	-5
Italy	77	+1	-3	-39
Spain	51	+1	-2	-19
Portugal	35	+1	-4	-13
Greece	63	-0	-4	-25

Commodities

		% Change		
	Close	Day	4 Weeks	End 24
Brent Oil	62.56	-1.29	-5.13	-16.18
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold $	4065.4	-0.28	-1.12	+54.94

AIB, 10 Molesworth Street, Dublin 2 Tel: 353-1-6600311