

Morning Comment

AIB Treasury Economic Research Unit



Tuesday 23 December 2025
07:45 am

Over and out for 2025

Overall, there was a relatively quiet start to the week on markets yesterday, amid a muted macro calendar. On equity markets, the Euro Stoxx 50 fell by a modest 0.3%. In contrast, at the closing bell on Wall Street, the S&P 500 was up by 0.6% for the day. Meanwhile, in terms of fixed income, benchmark sovereign bond yields were little changed across the board.

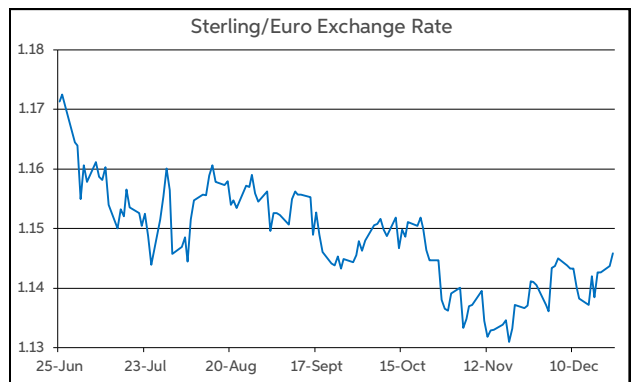
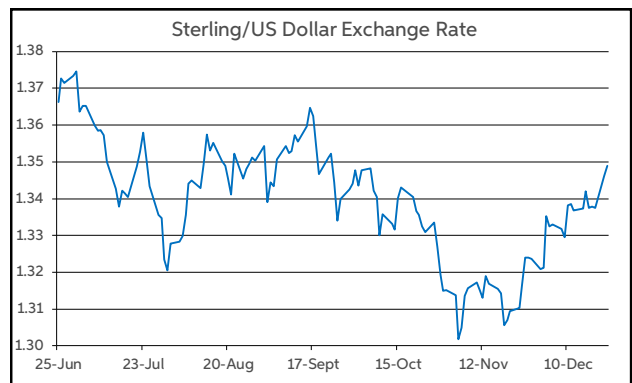
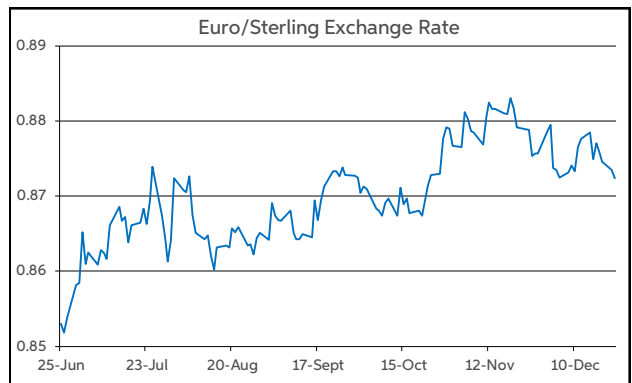
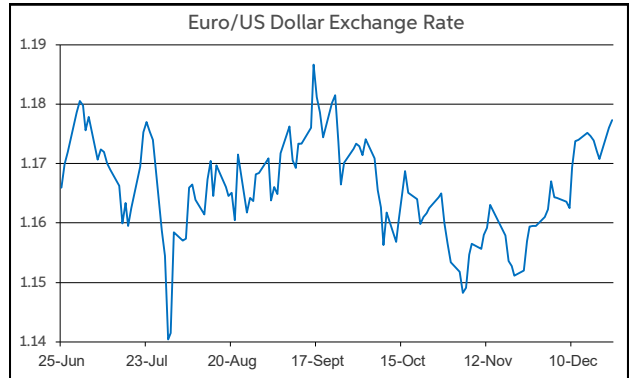
Currency-wise, the dollar was under some downward pressure. However, there was no obvious catalyst for the move. Furthermore, light trading conditions may have exaggerated the dollar's losses. The greenback shed between 0.5-0.9% against the euro, sterling and yen yesterday.

In level terms, the weaker tone to the dollar is evidenced by EUR/USD opening this morning up in the top half of the \$1.17-1.18 trading band. GBP/USD is changing hands close to the \$1.35 mark, having started yesterday below the \$1.34 threshold. USD/JPY is back at the ¥156 handle also. Elsewhere, EUR/GBP is in the lower half of the 87-88p corridor.

Turning to the day ahead, the main release of note will be the first reading of US GDP for Q3. The consensus is for a 3.3% annualised rate of growth in the quarter, down from 3.8% in Q2. US industrial production figures for November will also feature. Output is forecast to rise by a meagre 0.1% in the month. Regarding some timelier data, the Conference Board measure of consumer confidence is projected to improve slightly to 91.0 in December.

Finally, this is our last Morning Comment of 2025. Our next publication will be on Monday, 5th January 2026. We would like to take this opportunity to wish all of our readers a Merry Christmas, and a safe and prosperous 2026.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2024
EUR/USD	1.1773	0.48	13.72
EUR/GBP	0.8724	-0.23	5.45
GBP/USD	1.349	0.69	7.83
GBP/EUR	1.1456	0.23	-5.17
USD/JPY	155.99	-0.86	-0.76
EUR/JPY	183.61	-0.42	12.82
* 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	3.63	3.74	3.69	3.44	3.62	3.72
EUR	2.00	1.91	2.00	2.17	2.29	2.61
GBP	3.75	3.72	3.72	3.55	3.77	3.95

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

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Euro

EUR/GBP	0.8724
EUR/USD	1.1773
EUR/JPY	183.61
EUR/SEK	10.8608
EUR/DKK	7.4704
EUR/NOK	11.8804
EUR/CHF	0.9308
EUR/AUD	1.7632
EUR/HKD	9.157
EUR/CAD	1.6166

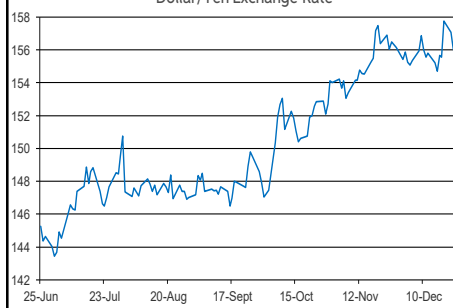
Sterling

GBP/EUR	1.1456
GBP/USD	1.349
GBP/CAD	1.8523
GBP/NZD	2.3168
GBP/JPY	210.43
GBP/SEK	12.4434
GBP/DKK	8.5568
GBP/NOK	13.5984
GBP/CHF	1.0662
GBP/AUD	2.02

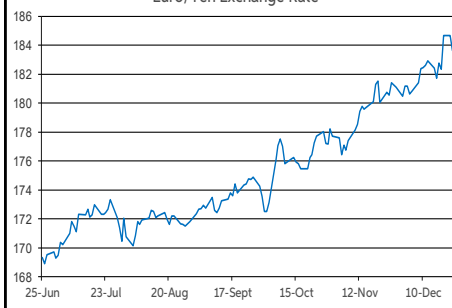
Dollar

USD/JPY	155.99
USD/CAD	1.3735
USD/CHF	0.7905
USD/CNY	7.0281
USD/BRL	5.591
USD/RUB	78.4
USD/INR	89.6875
AUD/USD	0.6674
NZD/USD	0.5819

Dollar/Yen Exchange Rate

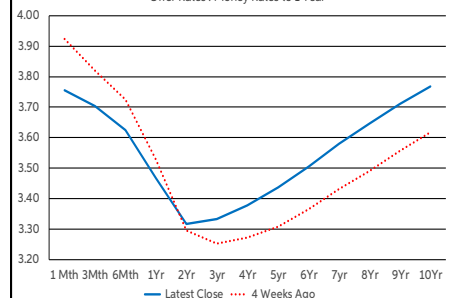


Euro/Yen Exchange Rate



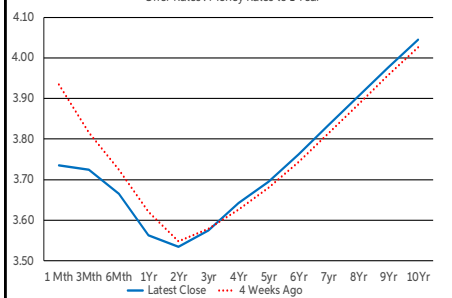
US Swap Curve

Offer Rates : Money Rates to 1 Year



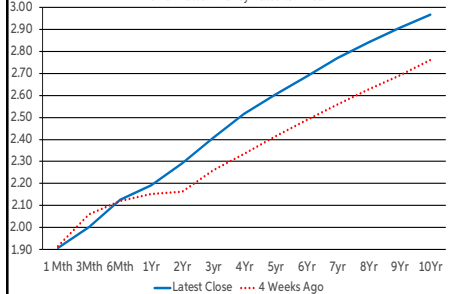
UK Swap Curve

Offer Rates : Money Rates to 1 Year

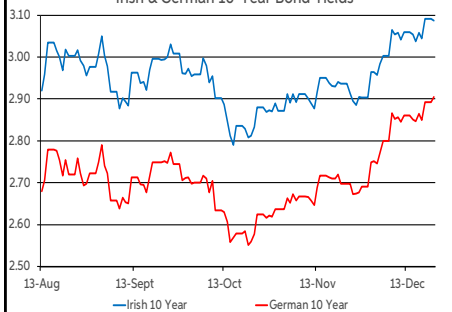


Eurozone Swap Curve

Offer Rates : Money Rates to 1 Year



Irish & German 10-Year Bond Yields



Debt Markets

	Close	Day	4 Weeks	End 24
10 Year Yield %				
US	4.17	+2	+14	-41
Germany	2.90	+1	+21	+54
UK	4.54	+1	-0	-4
Ireland	3.09	-0	+17	+44
Belgium	3.40	+1	+18	+42
France	3.62	+1	+18	+43
Italy	3.57	+2	+13	+5
Spain	3.34	+1	+14	+28
Portugal	3.21	+2	+16	+36
Greece	3.52	+4	+19	+27
5 Year Swap %				
US	3.69	+7	+15	-60
Eurozone	2.60	-0	+20	+36
UK	3.95	+1	+2	-33
2 Year Swap %				
US	3.59	+3	+5	-75
Eurozone	2.29	+0	+13	+9
UK	3.77	-0	-3	-72
10 Year Government Bond Spreads to Benchmark bps				
Ireland	18	-2	-3	-10
Belgium	50	+0	-3	-12
France	72	+0	-3	-11
Italy	66	+1	-8	-49
Spain	44	+0	-6	-26
Portugal	30	+1	-5	-18
Greece	62	+3	-2	-27

Commodities

	Close	Day	4 Weeks	End 24
% Change				
Brent Oil	62.07	+2.65	-2.05	-16.84
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	4445.4	+2.48	+7.40	+69.42

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