

Morning Comment

AIB Treasury Economic Research Unit



Wednesday 05 November 2025
07:18 am

EUR/USD below \$1.15

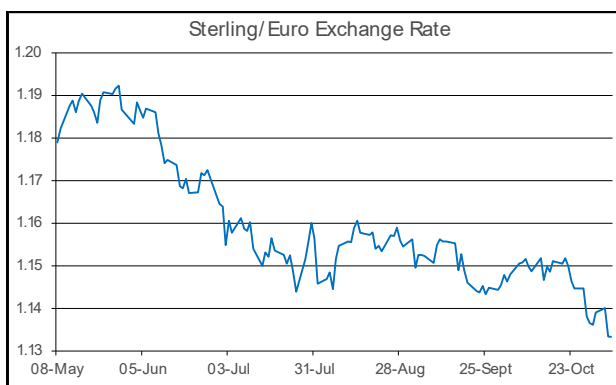
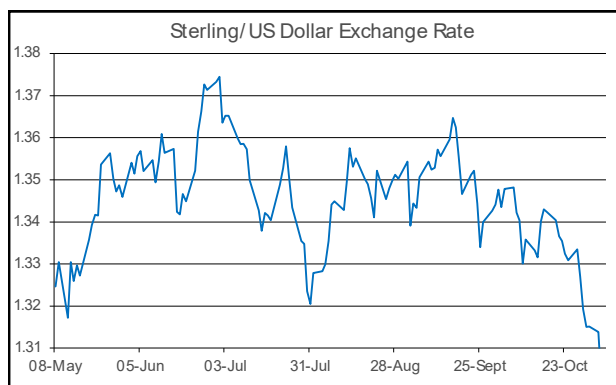
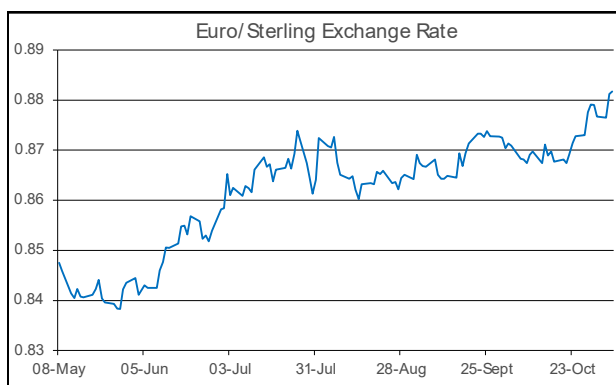
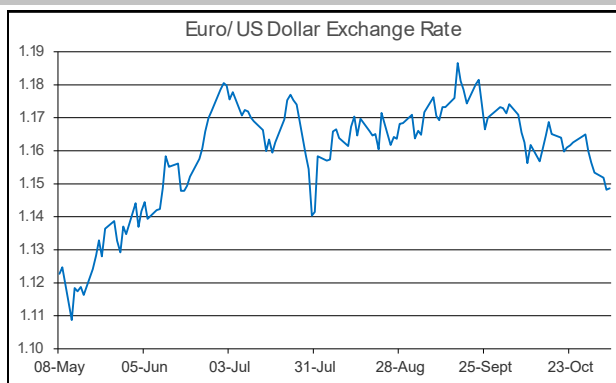
Investor sentiment was holding a risk averse tone yesterday amid concerns over stretched valuations. Data-wise, the US and European macro calendars were devoid of any notable economic releases. At the close on Wall Street last night, the S&P 500 was 1.2% down on the day. On bond markets, 10-year yields were generally 1-2bps lower across the main sovereign benchmarks. Meanwhile, on commodity markets, gold continued to move back from its recent record highs, trading below the \$4,000/oz mark.

On the currency front, the dollar maintained the upper hand and managed to generate some further upward momentum. It benefited from safe haven demand amid the risk averse mood that prevailed yesterday. The recent reduction in trade tensions between the US and some of its key trading partner has helped to reinstate to some extent the dollar's safe haven appeal. The less dovish tone from the Fed last week has also been a support for the currency. Elsewhere, sterling remained under pressure. The pound was not helped by the increased potential for tax hikes in the upcoming Budget, following comments from Chancellor Reeves.

The firmer tone to the dollar yesterday was evident in the EUR/USD pair being unable to hold onto the \$1.15 level, trading to a low of \$1.1474. Meantime, a combination of a stronger dollar and sterling weakness saw GBP/USD fall below the \$1.31 handle. The softer sterling tone was also reflected in EUR/GBP moving back above 88p.

Looking ahead to today, we get some private sector data from the US to fill the void arising from the lack of government releases. The ADP employment report, while not a reliable guide to official payrolls, will at least provide an update on the labour market for October. Meanwhile, the publication of the non-manufacturing ISM survey for October will be assessed as a leading indicator of activity levels in the US economy.

John Fahey, Senior Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2024
EUR/ USD	1.1486	-0.23	10.94
EUR/ GBP	0.8817	0.55	6.58
GBP/ USD	1.3021	-0.75	4.08
GBP/ EUR	1.1335	-0.54	-6.17
USD/ JPY	153.65	-0.05	-2.25
EUR/ JPY	176.49	-0.28	8.44
* 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	3.88	3.98	3.85	3.56	3.62	3.64
EUR	2.00	1.91	2.02	2.13	2.15	2.35
GBP	4.00	3.89	3.84	3.63	3.79	3.87

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

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Opening Levels

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Euro

EUR/GBP	0.8817
EUR/USD	1.1486
EUR/JPY	176.49
EUR/SEK	11.0024
EUR/DKK	7.4655
EUR/NOK	11.721
EUR/CHF	0.9294
EUR/AUD	1.7707
EUR/HKD	8.9287
EUR/CAD	1.6216

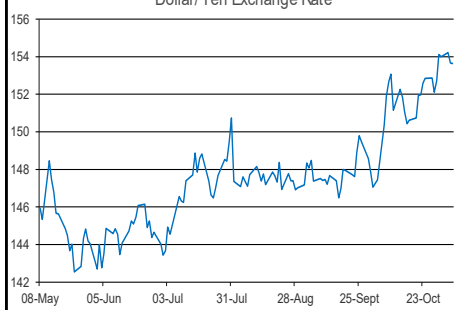
Sterling

GBP/EUR	1.1335
GBP/USD	1.3021
GBP/CAD	1.838
GBP/NZD	2.3035
GBP/JPY	200.07
GBP/SEK	12.4738
GBP/DKK	8.4614
GBP/NOK	13.293
GBP/CHF	1.0535
GBP/AUD	2.0069

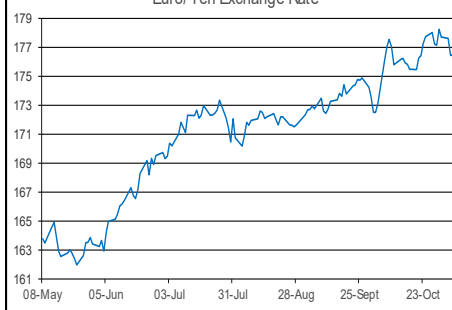
Dollar

USD/JPY	153.65
USD/CAD	1.4117
USD/CHF	0.8091
USD/CNY	7.1289
USD/BRL	5.3972
USD/RUB	80.8
USD/INR	88.745
AUD/USD	0.6485
NZD/USD	0.5649

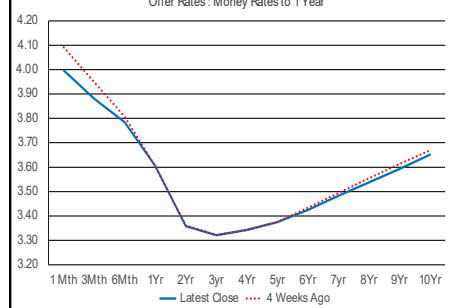
Dollar/Yen Exchange Rate



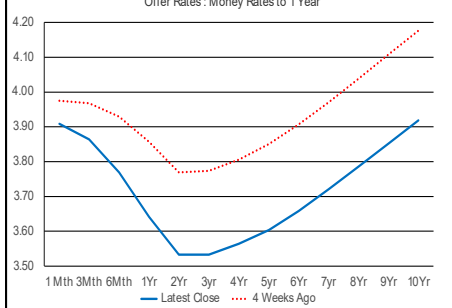
Euro/Yen Exchange Rate



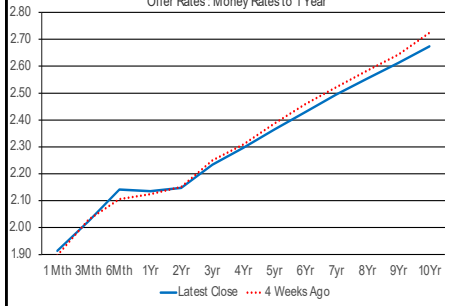
US Swap Curve
Offer Rates : Money Rates to 1 Year



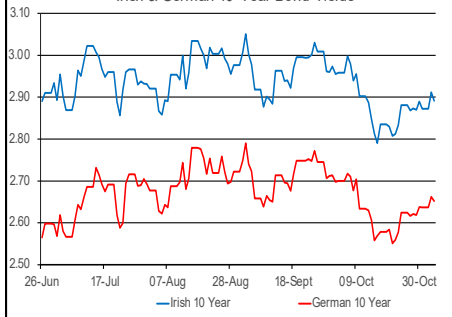
UK Swap Curve
Offer Rates : Money Rates to 1 Year



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	4.09	-2	-4	-49
Germany	2.65	-1	-6	+29
UK	4.42	-2	-31	-15
Ireland	2.89	-2	-9	+24
Belgium	3.19	-2	-10	+21
France	3.44	-1	-13	+24
Italy	3.40	-1	-16	-12
Spain	3.16	-1	-10	+9
Portugal	3.01	-1	-11	+16
Greece	3.29	+1	-13	+4
5 Year Swap %				
US	3.64	+1	+1	-65
Eurozone	2.35	-1	-3	+11
UK	3.86	-1	-23	-42
2 Year Swap %				
US	3.63	-1	+3	-70
Eurozone	2.14	-1	-0	-5
UK	3.78	-1	-22	-71
10 Year Government Bond Spreads to Benchmark bps				
Ireland	24	-1	-3	-5
Belgium	54	-1	-4	-8
France	79	+1	-7	-5
Italy	75	+1	-10	-41
Spain	51	+0	-4	-20
Portugal	36	+0	-5	-13
Greece	64	+2	-7	-25

Commodities

	Close	Day	4 Weeks	End 24
Brent Oil	64.44	-0.69	-1.54	-13.67
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	3931.8	-1.74	-1.30	+49.85

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