

UK CPI cools in November

There was a cautious tone to investor sentiment yesterday, amid a slew of data releases on both sides of the Atlantic. This was reflected by the Euro Stoxx 50 declining by 0.6%, while the S&P 500 fell by 0.2%. Meantime on bond markets, benchmark sovereign yields were little changed. Elsewhere, oil prices moved sharply lower yesterday but recovered somewhat overnight. Overall, Brent crude oil fell by around 1.5% and is currently down below \$60 per barrel.

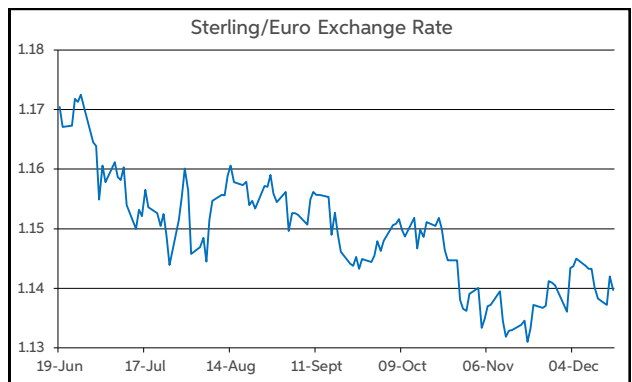
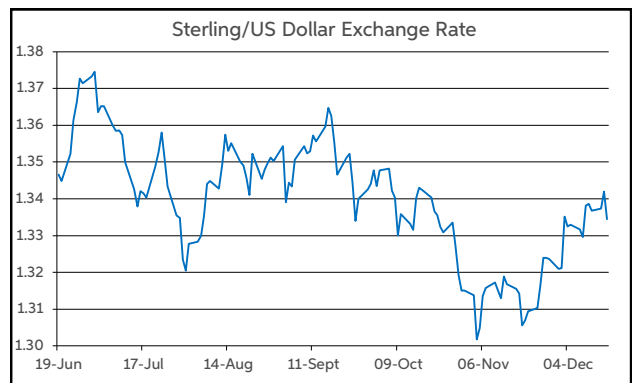
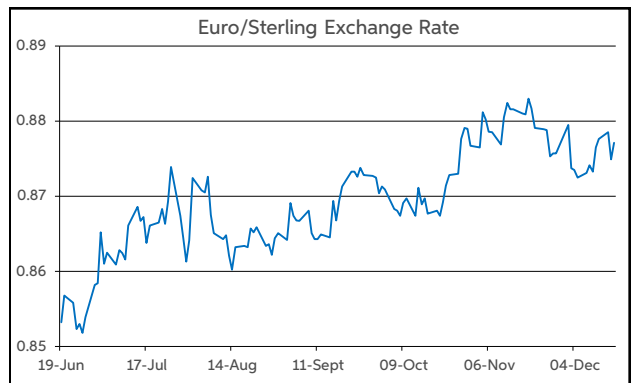
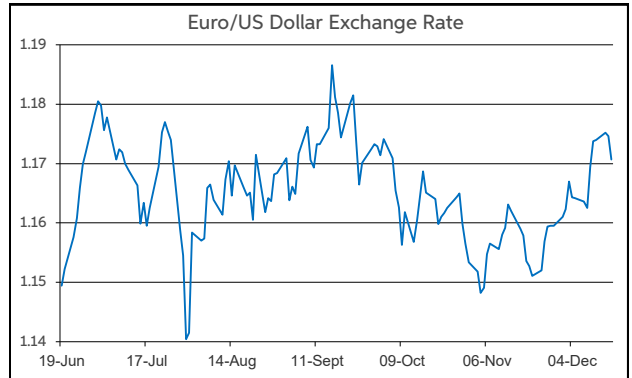
Data-wise, the main release of note was the US labour market report for November. Non-farm payrolls rose by 64k in the month (vs. 50k f'cast) but the unemployment rate rose to 4.6% (vs. 4.4% f'cast). Meanwhile, US retail sales stagnated in October (vs. 0.1% f'cast), although the control group measure jumped by 0.8% in the month (vs. +0.4% f'cast). In terms of more timely data, the US flash PMIs printed below the consensus but remained in expansion mode in December. Similarly, the Eurozone flash PMIs were weaker than anticipated, whereas the UK PMIs were stronger than expected.

Against that backdrop, the dollar was under some modest downward pressure. However, the greenback recouped its losses overnight, as oil prices moved off their lows. Meanwhile, sterling was holding a slightly firmer tone, amid the better than anticipated PMI data.

In level terms, the firmer tone to sterling is evidenced by EUR/GBP opening this morning back in the lower half of the 87-88p range. GBP/USD is operating in the \$1.33-1.34 corridor, having traded above the \$1.34 mark yesterday. Elsewhere, EUR/USD is changing hands near to the \$1.17 threshold.

Already this morning, UK CPI data for November have been released. Both the headline and core rates printed below the consensus, at 3.2%. Later today, the final reading of Eurozone HICP is set to confirm that headline inflation rose to 2.2% in November.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2024
EUR/USD	1.1707	-0.36	13.08
EUR/GBP	0.8771	-0.24	6.02
GBP/USD	1.3344	-0.13	6.66
GBP/EUR	1.1396	0.24	-5.68
USD/JPY	155.39	0.36	-1.14
EUR/JPY	181.95	0.01	11.80

* 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	3.73	3.69	3.46	3.59	3.71
EUR	2.00	1.93	2.07	2.19	2.27	2.57
GBP	4.00	3.75	3.73	3.58	3.79	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

Wednesday 17 December 2025
07:04 am



Euro

EUR/GBP	0.8771
EUR/USD	1.1707
EUR/JPY	181.95
EUR/SEK	10.9265
EUR/DKK	7.4708
EUR/NOK	11.9537
EUR/CHF	0.934
EUR/AUD	1.7696
EUR/HKD	9.1066
EUR/CAD	1.6131

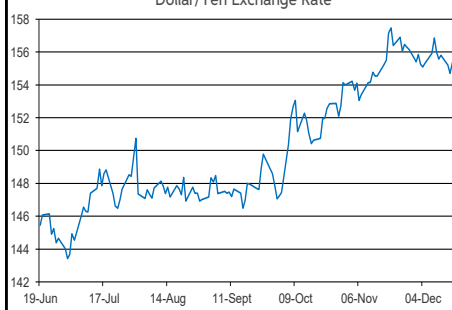
Sterling

GBP/EUR	1.1396
GBP/USD	1.3344
GBP/CAD	1.8381
GBP/NZD	2.3113
GBP/JPY	207.35
GBP/SEK	12.4539
GBP/DKK	8.5074
GBP/NOK	13.6244
GBP/CHF	1.0648
GBP/AUD	2.0162

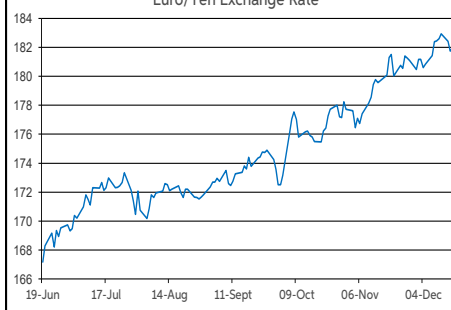
Dollar

USD/JPY	155.39
USD/CAD	1.3778
USD/CHF	0.7977
USD/CNY	7.0457
USD/BRL	5.5088
USD/RUB	79.7
USD/INR	90.35
AUD/USD	0.6615
NZD/USD	0.5769

Dollar/Yen Exchange Rate

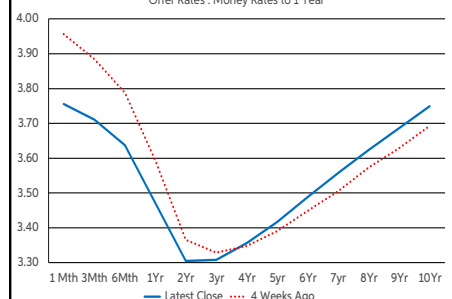


Euro/Yen Exchange Rate



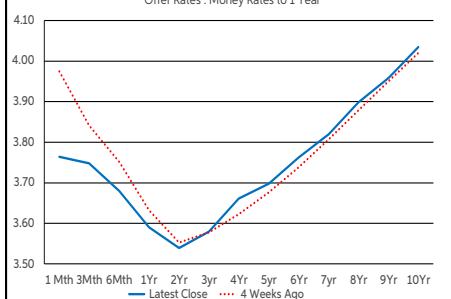
US Swap Curve

Offer Rates : Money Rates to 1 Year



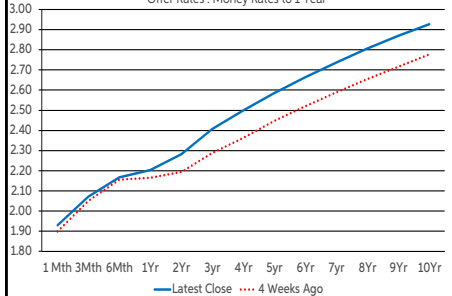
UK Swap Curve

Offer Rates : Money Rates to 1 Year

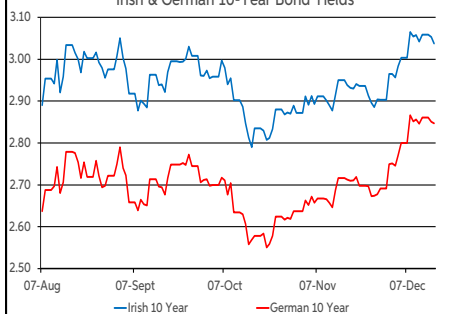


Eurozone Swap Curve

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	-3	+3	-43
Germany	2.85	-0	+14	+48
UK	4.52	+2	-4	-5
Ireland	3.04	-2	+11	+39
Belgium	3.34	-0	+10	+36
France	3.55	-2	+9	+35
Italy	3.51	-3	+4	-1
Spain	3.28	-2	+7	+22
Portugal	3.15	-1	+10	+30
Greece	3.46	+1	+12	+21
5 Year Swap %				
US	3.67	-2	+4	-62
Eurozone	2.57	+1	+14	+33
UK	3.94	+3	+2	-34
2 Year Swap %				
US	3.58	-1	-3	-76
Eurozone	2.28	-0	+9	+9
UK	3.79	+3	-1	-70
10 Year Government Bond Spreads to Benchmark bps				
Ireland	19	-1	-3	-10
Belgium	49	+0	-4	-13
France	70	-1	-5	-13
Italy	66	-3	-9	-50
Spain	44	-1	-7	-26
Portugal	31	-1	-4	-18
Greece	62	+1	-1	-27

Commodities

	% Change			
	Close	Day	4 Weeks	End 24
Brent Oil	59.67	-1.47	-8.04	-20.06
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	4303.5	+0.03	+5.80	+64.02

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