

## Dollar on the front-foot

There was a mixed mood on markets throughout the first full trading day of 2025. Initially, equities edged higher on both sides of the Atlantic. The Euro Stoxx 50 held its gains, and finished the day up by 0.4%. However, risk appetite soured late on, with the S&P 500 registering a 0.2% fall at the US close. Meanwhile, sovereign bond yields were little changed across the board.

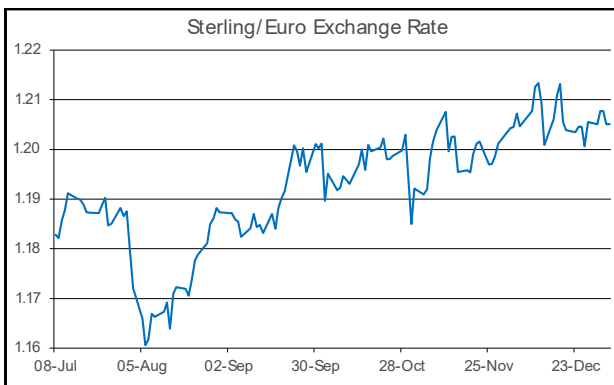
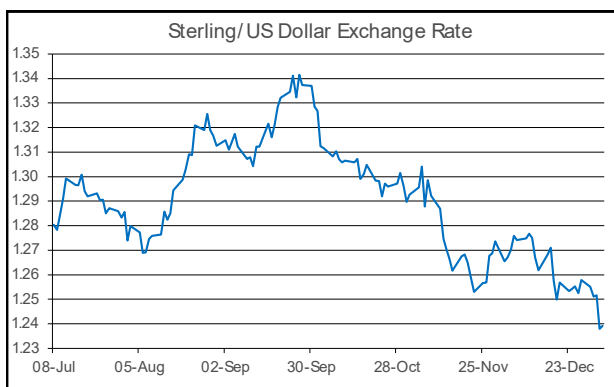
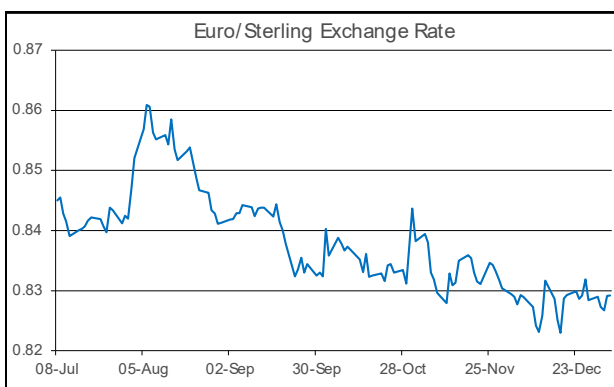
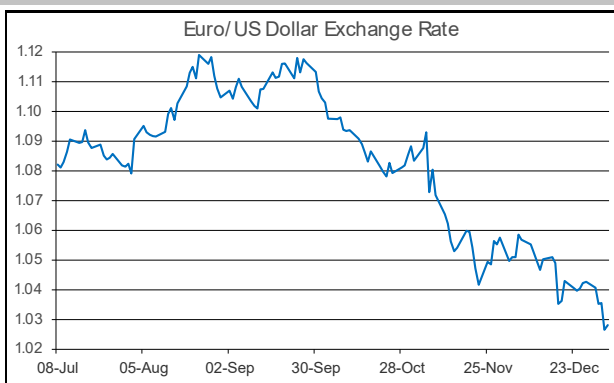
Data-wise, the latest US weekly initial jobless claims fell to an eight-month low of 211k (vs. 222k f'cast). However, the data may be impacted by some degree of seasonality. Elsewhere, the US manufacturing PMI was revised higher in December, while the Eurozone and UK readings were revised lower. It should be noted though, that all three readings remained in contraction mode.

On the currency front, the dollar was firmly in the ascendancy yesterday. The greenback gained 0.8% versus the euro and rose by over 1% against sterling. The better than anticipated US data coincided with the dollar's strength. At the same time, the more positive US growth outlook and the potential policy mix from the incoming Trump administration may also have contributed to the firmer dollar tone.

In level terms, EUR/USD opens this morning down in the \$1.02-1.03 range, having recorded a two-year low of \$1.0226 yesterday. GBP/USD is operating back below the \$1.24 threshold. EUR/GBP is changing hands in the top half of the 82-83p corridor.

Turning to the day ahead, the main release of note will be the US manufacturing ISM for December. Remarks from ECB Chief Economist Lane will also be under the microscope.

**Daniel Noonan, Economist, AIB**



Today's Opening FX Rates			
		% Change	
		Day *	End 2024
EUR/ USD	1.028	-0.80	-0.71
EUR/ GBP	0.8292	0.28	0.23
GBP/ USD	1.2394	-1.09	-0.94
GBP/ EUR	1.2054	-0.28	-0.23
USD/ JPY	157.21	0.01	0.02
EUR/ JPY	161.65	-0.79	-0.68

\* 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	4.30	4.29	4.17	4.37	4.32
EUR	3.15	2.85	2.71	2.33	2.22	2.27
GBP	4.75	4.70	4.61	4.44	4.49	4.30

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

### CONTACTS

**AIB Customer Treasury Services**  
business.treasury@aib.ie  
aib.corporatetreasury@aib.ie

**Customer Treasury Services GB**  
treasury.gb@aib.ie

**Customer Treasury Services NI**  
TreasuryNI@aib.ie

# Opening Levels

Friday 03 January 2025  
07:38 am



## Euro

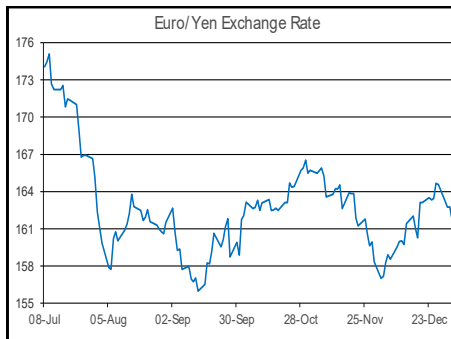
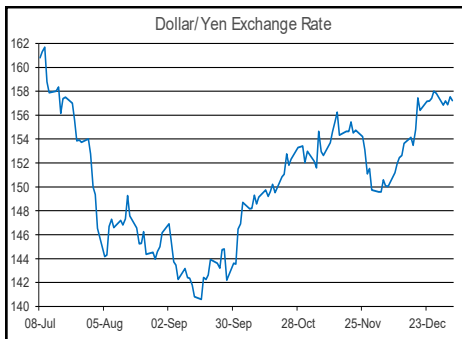
EUR/GBP	0.8292
EUR/USD	1.028
EUR/JPY	161.65
EUR/SEK	11.4508
EUR/DKK	7.4592
EUR/NOK	11.699
EUR/CHF	0.9358
EUR/AUD	1.6554
EUR/HKD	7.9976
EUR/CAD	1.4802

## Sterling

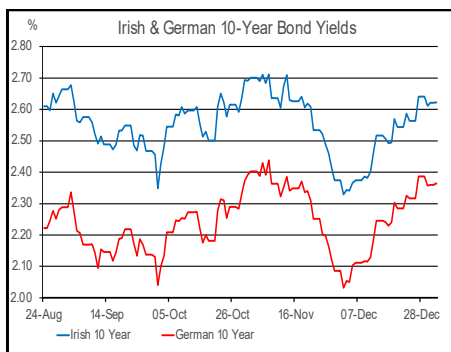
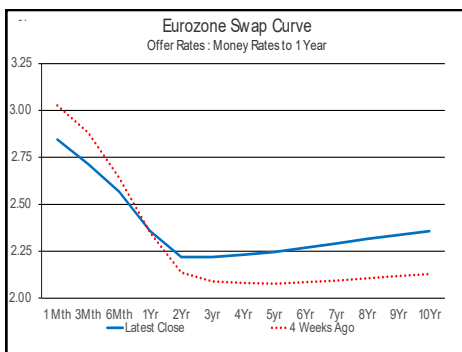
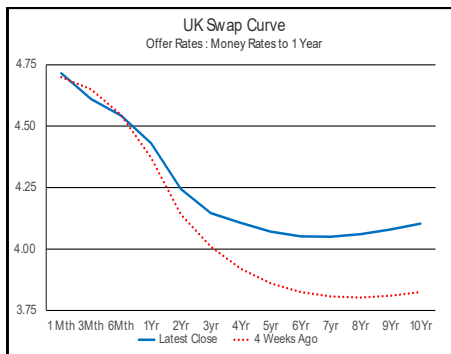
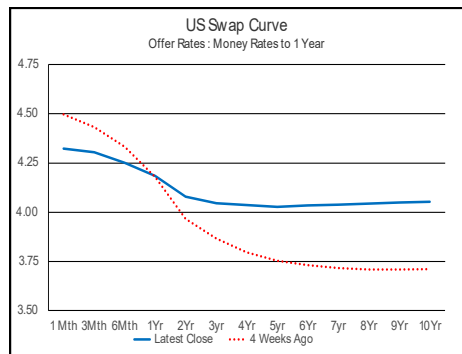
GBP/EUR	1.2054
GBP/USD	1.2394
GBP/CAD	1.7838
GBP/NZD	2.2116
GBP/JPY	194.85
GBP/SEK	13.7911
GBP/DKK	8.9887
GBP/NOK	14.0882
GBP/CHF	1.1282
GBP/AUD	1.9945

## Dollar

USD/JPY	157.21
USD/CAD	1.4395
USD/CHF	0.91
USD/CNY	7.309
USD/BRL	6.1519
USD/RUB	110.9955
USD/INR	85.7775
AUD/USD	0.6209
NZD/USD	0.5598



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 24
<b>10 Year Yield %</b>				
US	4.58	-0	+39	-0
Germany	2.37	+0	+26	+0
UK	4.60	+2	+31	+2
<b>5 Year Swap %</b>				
US	4.29	+0	+30	+0
Eurozone	2.25	+1	+18	+1
UK	4.31	+2	+21	+2
<b>2 Year Swap %</b>				
US	4.33	-0	+12	-0
Eurozone	2.22	+3	+9	+3
UK	4.49	+0	+13	+0
<b>10 Year Government Bond Spreads to Benchmark bps</b>				
Ireland	28	-0	-2	-0
Belgium	62	+0	+7	+0
France	85	+2	+6	+2
Italy	117	+1	+7	+1
Spain	69	-1	+3	-1
Portugal	48	-1	+7	-1
Greece	85	-4	+4	-4



Commodities				
	Close	% Change		
		Day	4 Weeks	End 24
Brent Oil	75.93	+1.73	+5.33	+1.73
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	2657.2	+1.27	+0.95	+1.27

This publication is for information purposes and is not an invitation to deal. The information is believed to be reliable but is not guaranteed. Any expressions of opinions are subject to change without notice. This publication is not to be reproduced in whole or in part without prior permission. In the Republic of Ireland it is distributed by Allied Irish Banks, p.l.c. In the UK it is distributed by Allied Irish Banks, p.l.c. and Allied Irish Bank (GB). In Northern Ireland it is distributed by Allied Irish Bank (NI). In the United States of America it is distributed by Allied Irish Banks, p.l.c. Allied Irish Banks, p.l.c. is regulated by the Central Bank of Ireland. Allied Irish Bank (GB) and AIB (NI) are trade marks used under licence by AIB Group (UK) p.l.c. (a wholly owned subsidiary of Allied Irish Banks, p.l.c.), incorporated in Northern Ireland. Registered Office 92 Ann Street, Belfast BT1 3HH. Registered Number NI018800. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. In the United States of America, Allied Irish Banks, p.l.c., New York Branch, is a branch licensed by the New York State Department of Financial Services. Deposits and other investment products are not FDIC insured, they are not guaranteed by any bank and they may lose value. Please note that telephone calls may be recorded in line with market practice.