

## Dollar boosted by tariff pause announcement

The risk averse tone to investor sentiment carried over to the European session yesterday, as the trade war sparked by the US tariffs announcement last week continued to escalate. China raised tariffs on US goods to 84%. In response, the US raised tariffs on Chinese imports to 125%. Meantime, the EU replied to 25% levies placed on aluminium and steel back in March, by introducing targeted tariffs on some US imports, worth roughly €21bn.

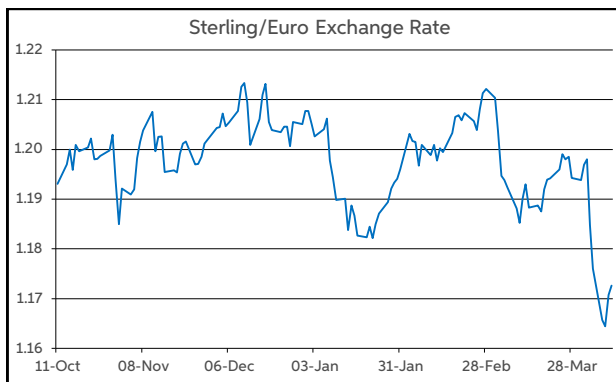
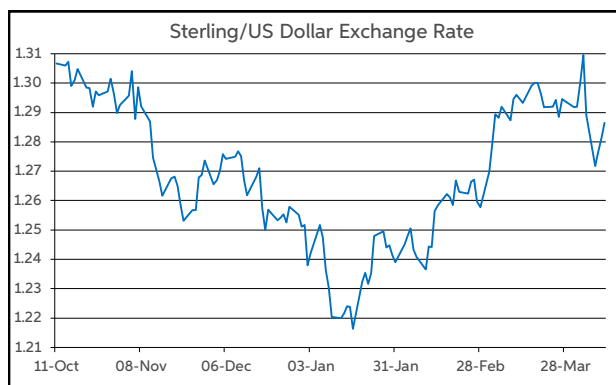
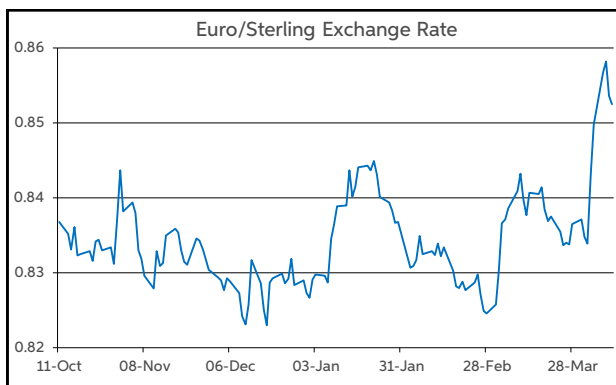
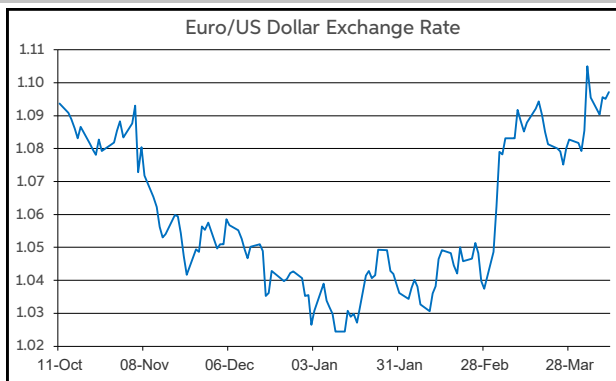
Against that backdrop, trading conditions were volatile, with the Euro Stoxx 50 finishing the day down 3.2%. At the same time, there were large and sharp moves on bond markets, particularly in US Treasuries, sparking concern of broader financial market stress.

However, President Trump later announced that the US will pause implementing reciprocal tariffs on countries who have not retaliated for 90-days, although the 10% universal rate will remain in place. The announcement sent equity markets soaring, with the S&P 500 closing up 9.5% overall. Meanwhile, long-dated Treasury yields declined overnight.

Currency-wise, the dollar benefitted from the decision to pause the tariffs. Meantime, the Swiss franc and the yen fell sharply, while the euro also moved lower. As trading gets underway this morning, EUR/USD is back below \$1.10. GBP/USD remains in the top half of \$1.28-1.29. Elsewhere, EUR/GBP is operating in the bottom half of 85-86p. USD/JPY is up at ¥147.

Today, the main data release will be US CPI inflation for March. Both the headline and core rates are forecast to edge lower. Markets will also continue to digest the pause in US tariffs and any new information regarding the US-China trade war.

**Daniel Noonan, Economist, AIB**



| Today's Opening FX Rates |        |          |          |
|--------------------------|--------|----------|----------|
|                          |        | % Change |          |
|                          |        | Day *    | End 2024 |
| EUR/USD                  | 1.0973 | -0.86    | 5.99     |
| EUR/GBP                  | 0.8523 | -0.98    | 3.02     |
| GBP/USD                  | 1.2869 | 0.13     | 2.86     |
| GBP/EUR                  | 1.1727 | 0.99     | -2.93    |
| USD/JPY                  | 146.97 | 1.40     | -6.50    |
| EUR/JPY                  | 161.29 | 0.54     | -0.90    |

\* 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         | 4.34  | 4.28       | 3.91 | 3.95 | 3.93 |
| EUR                    | 2.65         | 2.33  | 2.29       | 2.09 | 2.06 | 2.35 |
| GBP                    | 4.50         | 4.41  | 4.28       | 4.02 | 4.11 | 4.17 |

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

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# Opening Levels

Thursday 10 April 2025  
08:18 am



## Euro

|         |         |
|---------|---------|
| EUR/GBP | 0.8524  |
| EUR/USD | 1.0971  |
| EUR/JPY | 161.26  |
| EUR/SEK | 10.9023 |
| EUR/DKK | 7.4654  |
| EUR/NOK | 11.8291 |
| EUR/CHF | 0.9386  |
| EUR/AUD | 1.7737  |
| EUR/HKD | 8.5179  |
| EUR/CAD | 1.5437  |

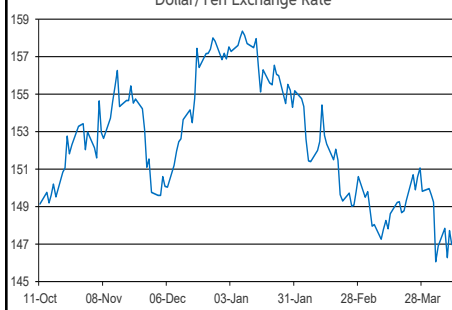
## Sterling

|         |         |
|---------|---------|
| GBP/EUR | 1.1728  |
| GBP/USD | 1.2868  |
| GBP/CAD | 1.8101  |
| GBP/NZD | 2.26    |
| GBP/JPY | 189.11  |
| GBP/SEK | 12.7817 |
| GBP/DKK | 8.752   |
| GBP/NOK | 13.8721 |
| GBP/CHF | 1.1003  |
| GBP/AUD | 2.0796  |

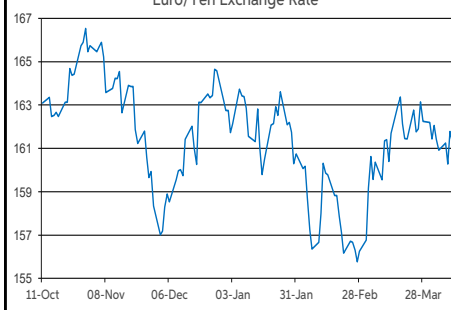
## Dollar

|         |        |
|---------|--------|
| USD/JPY | 146.96 |
| USD/CAD | 1.4074 |
| USD/CHF | 0.8553 |
| USD/CNY | 7.3409 |
| USD/BRL | 5.8187 |
| USD/RUB | 85.7   |
| USD/INR | 86.222 |
| AUD/USD | 0.6183 |
| NZD/USD | 0.5688 |

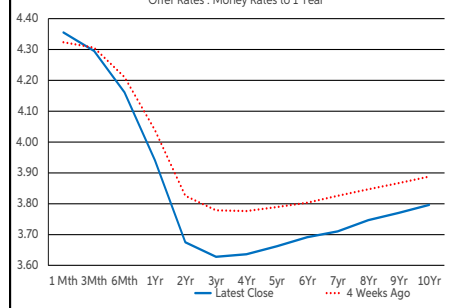
Dollar/Yen Exchange Rate



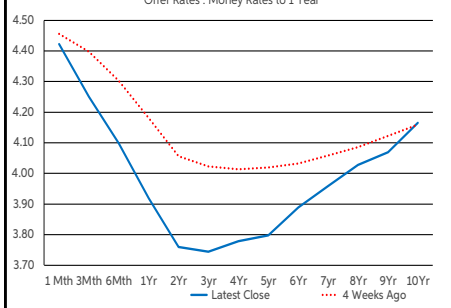
Euro/Yen Exchange Rate



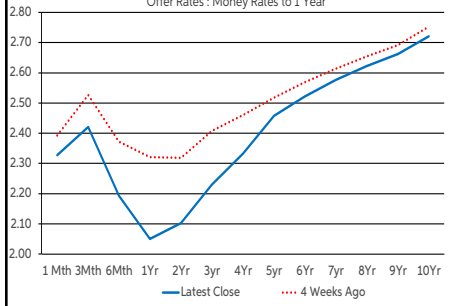
US Swap Curve  
Offer Rates : Money Rates to 1 Year



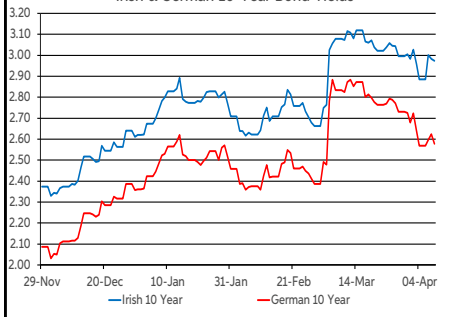
UK Swap Curve  
Offer Rates : Money Rates to 1 Year



Eurozone Swap Curve  
Offer Rates : Money Rates to 1 Year



Irish & German 10-Year Bond Yields



## Debt Markets

|   | Close | Day | 4 Weeks | End 24 |
|---|-------|-----|---------|--------|
| <b>10 Year Yield %</b>                                  |       |     |         |        |
| US  | 4.40  | +14 | +8      | -18    |
| Germany   | 2.58  | -4  | -31     | +22    |
| UK  | 4.79  | +18 | +6      | +21    |
| Ireland   | 3.03  | +0  | -11     | +38    |
| Belgium   | 3.22  | -1  | -20     | +24    |
| France  | 3.39  | -0  | -17     | +20    |
| Italy   | 3.89  | +3  | -6      | +36    |
| Spain   | 3.35  | +0  | -15     | +29    |
| Portugal  | 3.23  | -1  | -16     | +38    |
| Greece  | 3.58  | +1  | -15     | +33    |
| <b>5 Year Swap %</b>                                    |       |     |         |        |
| US  | 3.93  | +22 | -10     | -36    |
| Eurozone  | 2.45  | +21 | -6      | +22    |
| UK  | 4.05  | +0  | -23     | -23    |
| <b>2 Year Swap %</b>                                    |       |     |         |        |
| US  | 3.95  | +28 | -12     | -39    |
| Eurozone  | 2.10  | +14 | -21     | -9     |
| UK  | 3.99  | -2  | -31     | -50    |
| <b>10 Year Government Bond Spreads to Benchmark bps</b> |       |     |         |        |
| Ireland   | 45    | +5  | +20     | +16    |
| Belgium   | 64    | +3  | +11     | +2     |
| France  | 81    | +4  | +14     | -2     |
| Italy   | 131   | +7  | +25     | +15    |
| Spain   | 77    | +5  | +16     | +7     |
| Portugal  | 65    | +3  | +15     | +16    |
| Greece  | 100   | +6  | +16     | +12    |

## Commodities

|                 | Close  | Day   | 4 Weeks | End 24 |
|-----------------|--------|-------|---------|--------|
| <b>% Change</b> |        |       |         |        |
| Brent Oil       | 65.48  | +4.23 | -7.71   | -12.27 |
| West Texas Oil  | 71.65  | -0.17 | -1.90   | -1.27  |
| Gold \$         | 3082.2 | +3.30 | +5.12   | +17.47 |

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