

Fed policy decision due today

The cautious mood on markets at the start of the week carried over into yesterday. This saw both the Euro Stoxx 50 and the S&P 500 edge down by 0.1% for the day. On bond markets, US Treasury and German Bund yields were little changed. Meantime, UK Gilt yields declined by 2-4bps along the curve. Elsewhere, oil prices continued to fall and finished down by circa 1% yesterday. Brent crude is currently near \$62 per barrel.

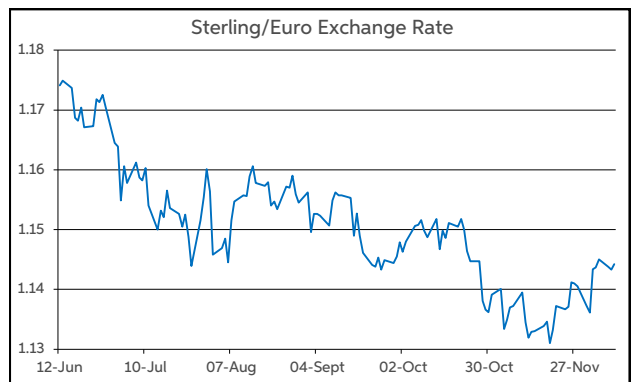
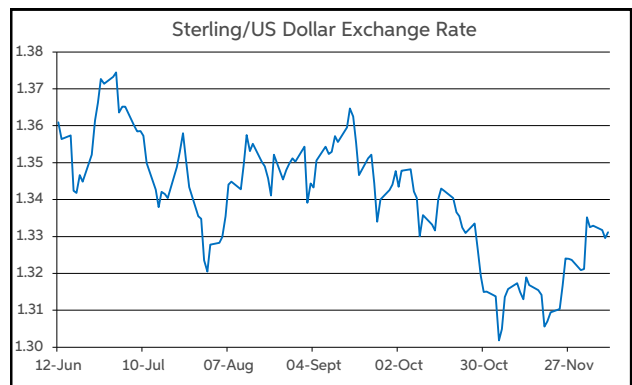
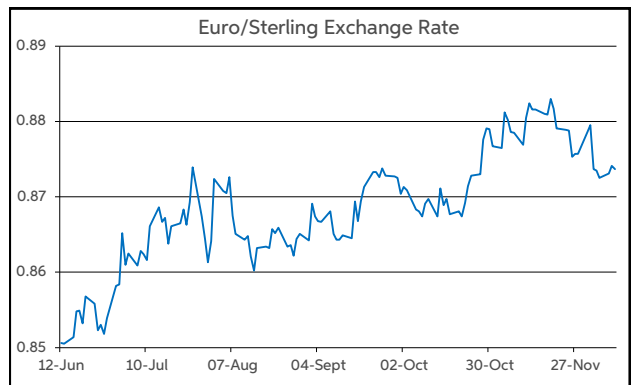
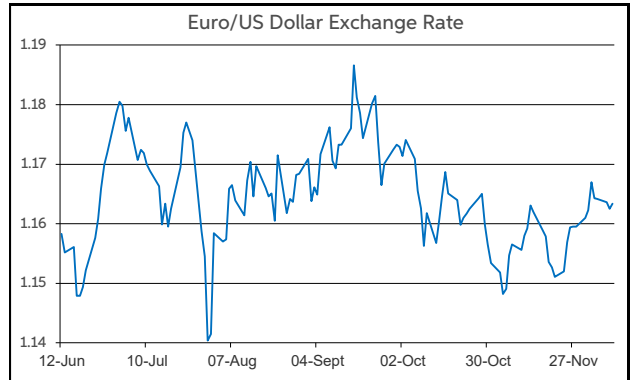
Data-wise, the main release of a sparse macro calendar, was the US JOLTS job openings figure for October. Overall, 7.67m job openings were recorded in the month, up from 7.66m in September, and well above the consensus of just 7.15m. At the same time, US small business optimism also printed above expectations, improving to 99.0 in November, up from 98.2. Both surveys contradict a slew of other data, which indicate that US labour market conditions have deteriorated in recent months.

Currency-wise, the data provided a fillip for the dollar throughout the European session. However, the greenback handed back most of its gains late on. Elsewhere, the yen was on the defensive once again.

As trading gets underway this morning, EUR/USD opens in the lower half of the \$1.16-1.17 range. EUR/GBP is operating in the bottom half of the 87-88p corridor. Meanwhile, GBP/USD is just above the \$1.33 threshold. USD/JPY is changing hands in the top half of ¥156-157.

Today, the focus will be on the Fed FOMC meeting outcome (after the close in Europe). Market pricing is leaning heavily towards a 25bps rate cut, albeit it is not fully priced-in (circa 90% priced) and some Fed officials have voiced concern about easing policy too quickly. Aside from the policy decision, the press conference with Chair Powell, and the updated Summary of Economic Projections, including the interest rate dotplot, will warrant attention.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2024
EUR/USD	1.1634	-0.12	12.37
EUR/GBP	0.8737	0.03	5.61
GBP/USD	1.3311	-0.15	6.39
GBP/EUR	1.1439	-0.03	-5.31
USD/JPY	156.68	0.44	-0.32
EUR/JPY	182.29	0.31	12.01

* 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	3.78	3.73	3.54	3.69	3.76
EUR	2.00	1.90	2.07	2.21	2.30	2.59
GBP	4.00	3.81	3.75	3.60	3.83	3.96

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
---------	----------------------------	------------	------------	------------------	---------------------------	-----------------	-----------------------------------

Opening Levels

Wednesday 10 December 2025
06:57 am



Euro

EUR/GBP	0.8737
EUR/USD	1.1634
EUR/JPY	182.29
EUR/SEK	10.8933
EUR/DKK	7.4685
EUR/NOK	11.8046
EUR/CHF	0.9373
EUR/AUD	1.7502
EUR/HKD	9.0535
EUR/CAD	1.6112

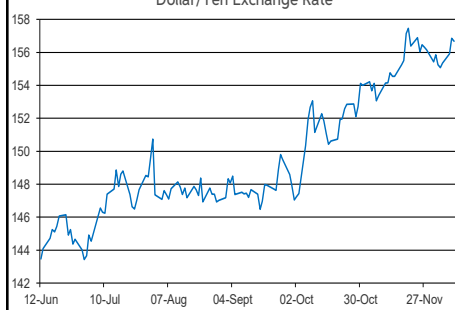
Sterling

GBP/EUR	1.1439
GBP/USD	1.3311
GBP/CAD	1.8431
GBP/NZD	2.3017
GBP/JPY	208.53
GBP/SEK	12.4624
GBP/DKK	8.5428
GBP/NOK	13.5049
GBP/CHF	1.0722
GBP/AUD	2.0019

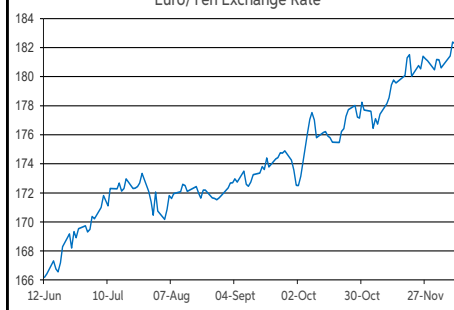
Dollar

USD/JPY	156.68
USD/CAD	1.3848
USD/CHF	0.8057
USD/CNY	7.0622
USD/BRL	5.4331
USD/RUB	77.4
USD/INR	89.915
AUD/USD	0.6645
NZD/USD	0.5779

Dollar/Yen Exchange Rate

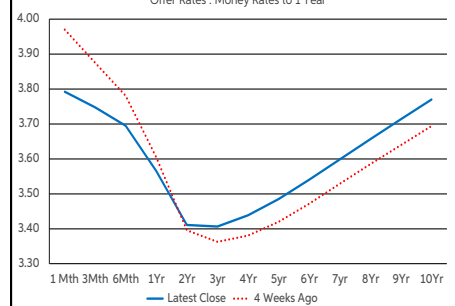


Euro/Yen Exchange Rate



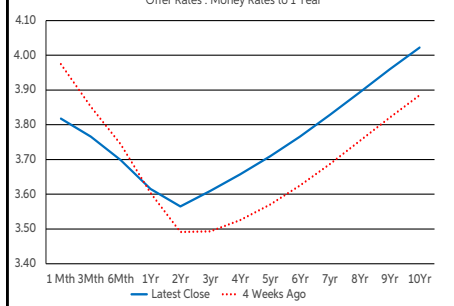
US Swap Curve

Offer Rates : Money Rates to 1 Year



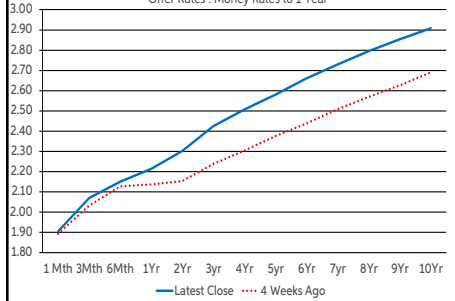
UK Swap Curve

Offer Rates : Money Rates to 1 Year

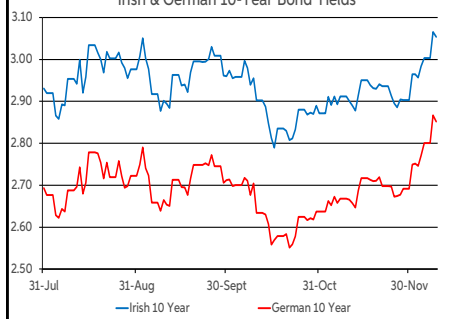


Eurozone Swap Curve

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	4.19	+1	+8	-39
Germany	2.85	-1	+19	+49
UK	4.51	-2	+12	-7
Ireland	3.05	-1	+16	+40
Belgium	3.34	-3	+14	+36
France	3.56	-3	+14	+36
Italy	3.55	-1	+15	+3
Spain	3.31	-2	+15	+25
Portugal	3.18	-2	+16	+33
Greece	3.50	+1	+19	+25

5 Year Swap %				
US	3.73	+4	+6	-56
Eurozone	2.58	-1	+22	+34
UK	3.96	-2	+15	-33

2 Year Swap %				
US	3.67	+4	+3	-66
Eurozone	2.30	+0	+15	+11
UK	3.81	-2	+8	-67

10 Year Government Bond Spreads to Benchmark bps				
Ireland	20	+0	-3	-8
Belgium	49	-1	-5	-13
France	71	-1	-6	-13
Italy	70	+0	-5	-46
Spain	46	-1	-5	-24
Portugal	32	-1	-3	-16
Greece	64	+3	-0	-24

Commodities

	Close	% Change		
		Day	4 Weeks	End 24
Brent Oil	61.94	-0.88	-4.94	-17.02
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	4209.3	+0.49	+2.01	+60.43

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.