

## US CPI inflation due this week

For the majority of last week, there was a cautious mood on markets. Ongoing inflation concerns related to elevated oil prices, volatile trading conditions on bond markets, and political/fiscal instability in France, continued to weigh on investor sentiment. As a result, the Euro Stoxx 50 contracted by 1.0% on the week. On Wall Street though, losses in the middle of the week were book ended by strong rises for the S&P 500, resulting in a 1.2% gain overall, and a new all-time high for the index.

Brent crude prices continued to trade north of \$100 per barrel last week, topping out near \$106/bbl before settling back close to \$104/bbl on Friday. At the same time, long-dated US Treasury yields reached new multi-decade highs (10yr at 5.36%, 30-yr at 5.73%), before moving off peaks. Similarly, German Bund and UK Gilt yields rose somewhat, but ended the week below their recent highs. Meanwhile, the spread between German and French 10-year yields remained elevated, at circa 130-140bps.

On the currency front, the main pairs range traded throughout last week. EUR/USD operated in and around the \$1.12 threshold, GBP/USD changed hands close to the \$1.32 mark, while EUR/GBP was confined to the top half of the 84-85p corridor. As trading gets underway this morning, the key FX rates are still trading within the levels seen last week.

Turning to the week ahead, the main release of note will be US CPI inflation for September. The headline and core rates are both projected to rise modestly. A significant upside risk could support the dollar, which would pose significant downside risk for the EUR/USD pair. At the same time, developments in France may also continue to weigh on the euro this week. Throughout the week, investors will also be keeping a close eye on the conflict in the Middle East.

Daniel Noonan, Economist, AIB

## Today's Opening FX Rates

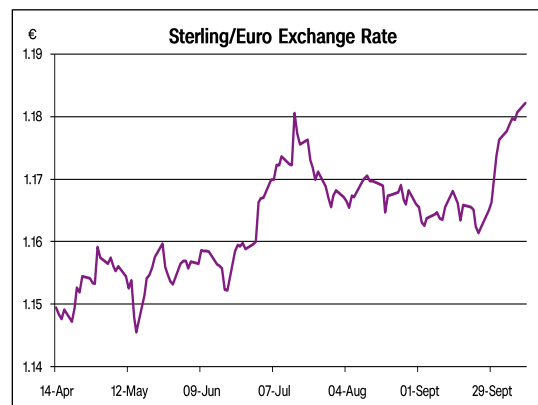
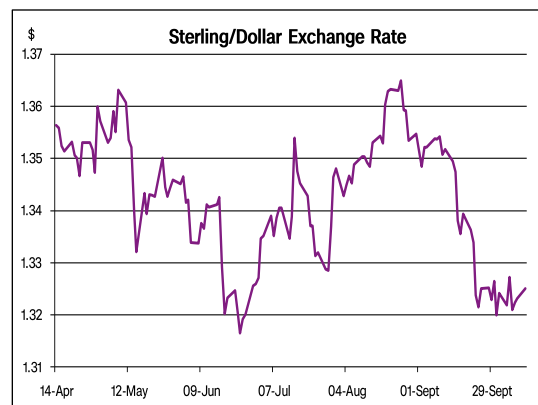
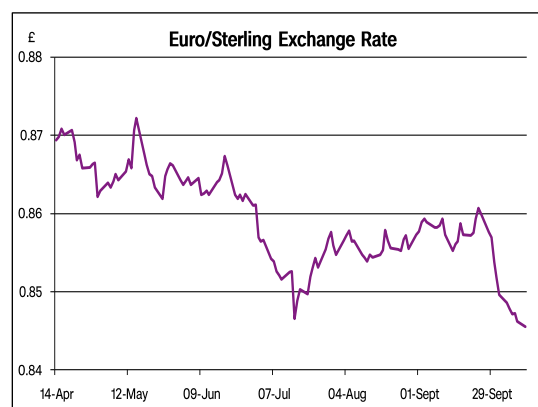
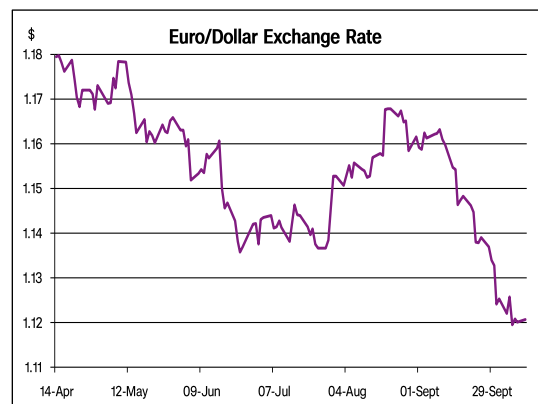
|         |        | % Change |          |
|---------|--------|----------|----------|
|         |        | Day *    | End 2025 |
| EUR/USD | 1.1206 | -0.20    | -4.59    |
| EUR/GBP | 0.8453 | -0.29    | -3.01    |
| GBP/USD | 1.3251 | +0.08    | -1.65    |
| GBP/EUR | 1.1824 | +0.30    | 3.10     |
| USD/JPY | 158.34 | +0.16    | 1.08     |
| EUR/JPY | 177.46 | -0.05    | -3.55    |

\* v Previous Day's European Open

See Next Page for More Rates

## Opening Interest Rates

|     |           | Money Market |       | Swap Rates |      |      |
|-----|-----------|--------------|-------|------------|------|------|
|     | Base Rate | 1-Mth        | 3-Mth | 1-Yr       | 2-Yr | 5-Yr |
| USD | 3.88      | 3.92         | 4.03  | 4.47       | 4.92 | 5.00 |
| EUR | 2.50      | 2.43         | 2.63  | 3.20       | 3.39 | 3.48 |
| GBP | 3.75      | 3.78         | 3.95  | 4.47       | 4.91 | 5.00 |



Today's Opening Rates

Euro

|         |         |
|---------|---------|
| EUR/GBP | 0.8455  |
| EUR/USD | 1.1206  |
| EUR/JPY | 177.46  |
| EUR/SEK | 11.1999 |
| EUR/DKK | 7.4742  |
| EUR/NOK | 10.7023 |
| EUR/CHF | 0.9307  |
| EUR/AUD | 1.605   |
| EUR/HKD | 8.7941  |
| EUR/CAD | 1.5963  |

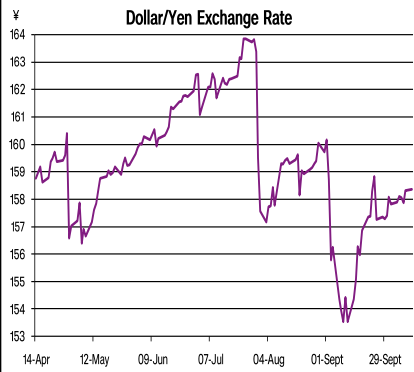
Sterling

|         |         |
|---------|---------|
| GBP/EUR | 1.1824  |
| GBP/USD | 1.3251  |
| GBP/CAD | 1.8876  |
| GBP/NZD | 2.3621  |
| GBP/JPY | 209.83  |
| GBP/SEK | 13.243  |
| GBP/DKK | 8.8376  |
| GBP/NOK | 12.6608 |
| GBP/CHF | 1.1006  |
| GBP/AUD | 1.898   |

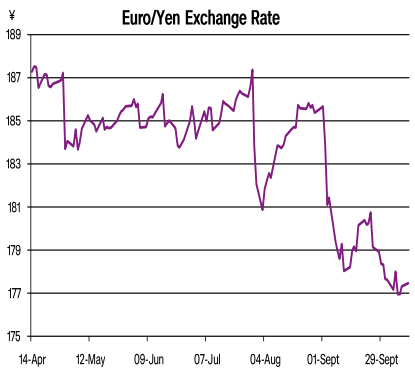
Dollar

|         |         |
|---------|---------|
| USD/JPY | 158.35  |
| USD/CAD | 1.4246  |
| USD/CHF | 0.8306  |
| USD/CNY | 6.6917  |
| USD/BRL | 4.9922  |
| USD/RUB | 84.4200 |
| USD/INR | 95.7725 |
| AUD/USD | 0.6980  |
| NZD/USD | 0.5607  |

Dollar/Yen Exchange Rate

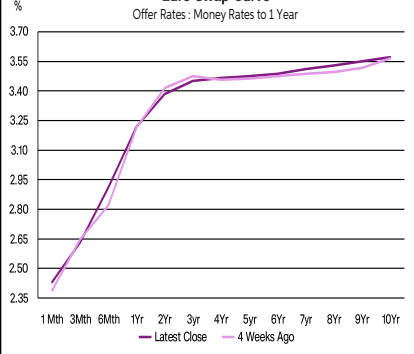


Euro/Yen Exchange Rate



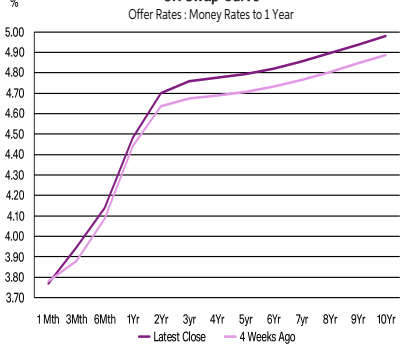
Euro Swap Curve

Offer Rates : Money Rates to 1 Year



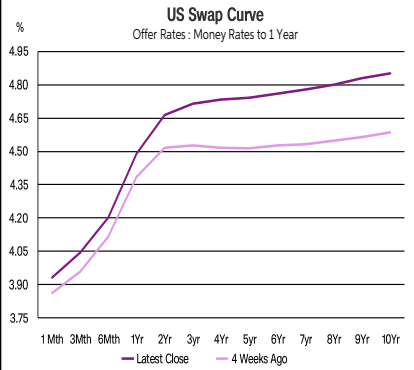
UK Swap Curve

Offer Rates : Money Rates to 1 Year

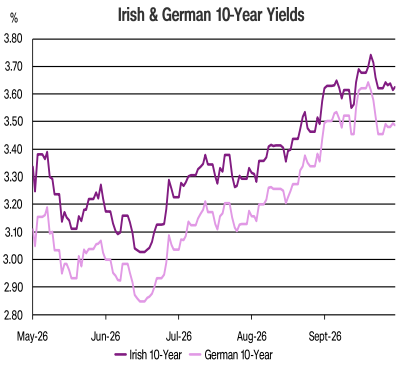


US Swap Curve

Offer Rates : Money Rates to 1 Year



Irish & German 10-Year Yields



Debt Markets

|                 |       | Change bps |         |        |
|-----------------|-------|------------|---------|--------|
|                 | Close | Day        | 4 Weeks | End 25 |
| 10 Year Yield % |       |            |         |        |
| US              | 5.24  | +1         | +27     | +109   |
| Germany         | 3.49  | -1         | -2      | +62    |
| UK              | 5.45  | -4         | +10     | +97    |
| Ireland         | 3.63  | +1         | -0      | +60    |
| Belgium         | 4.33  | -3         | +23     | +99    |
| France          | 4.86  | -4         | +41     | +130   |
| Italy           | 4.59  | -3         | +23     | +108   |
| Spain           | 4.10  | -2         | +14     | +81    |
| Portugal        | 3.99  | -0         | +12     | +83    |
| Greece          | 4.41  | -2         | +18     | +93    |

5 Year Swap %

|          |      |    |     |      |
|----------|------|----|-----|------|
| US       | 5.00 | +3 | +23 | +127 |
| Eurozone | 3.47 | +2 | +1  | +91  |
| UK       | 5.00 | +2 | +7  | +110 |

2 Year Swap %

|          |      |    |     |      |
|----------|------|----|-----|------|
| US       | 4.91 | +5 | +15 | +134 |
| Eurozone | 3.36 | +1 | -4  | +111 |
| UK       | 4.92 | +3 | +6  | +119 |

10 Year Government Bond Spreads to Benchmark bps

|          |     |    |     |     |
|----------|-----|----|-----|-----|
| Ireland  | 14  | +2 | +1  | -3  |
| Belgium  | 85  | -2 | -2  | +24 |
| France   | 137 | -3 | -3  | +43 |
| Italy    | 110 | -2 | -2  | +25 |
| Spain    | 62  | -2 | -2  | +16 |
| Portugal | 51  | +0 | +14 | +21 |
| Greece   | 93  | -1 | +20 | +20 |

Commodities

|                | % Change |       |         |        |
|----------------|----------|-------|---------|--------|
|                | Close    | Day   | 4 Weeks | End 25 |
| Brent Oil      | 104.72   | +0.42 | +0.11   | +72.10 |
| West Texas Oil | 98.73    | +0.48 | -2.51   | +72.42 |
| Gold \$        | 4193.8   | +1.45 | -3.53   | -2.79  |

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