Morning Comment

AIB Treasury Economic Research Unit

Monday 06 July 2026
07:42 am

Quiet data calendar this week

Trading conditions were relatively calm throughout last week, as the fragile peace between the US & Iran held. At the same time, central bank heads offered no new guidance on the outlook, and the macro calendar was relatively quiet. Overall, the main release of note, the US labour market report for June, indicated that the job's market has lost some momentum.

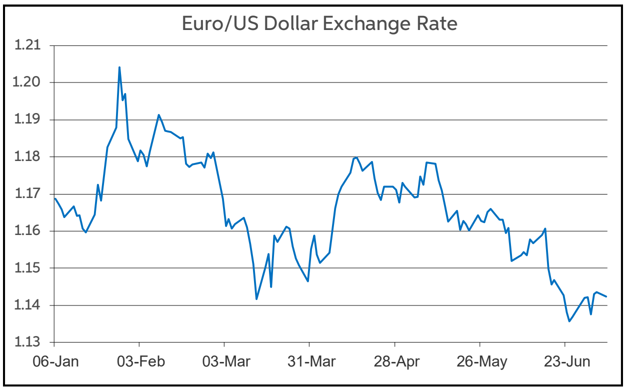
Against this backdrop, there was a somewhat positive tone to investor sentiment. Despite some volatility in the tech sector, the Euro Stoxx 50 rose by 3.1%. Meantime on Wall Street, the S&P 500 gained 1.8%, despite some volatility in the tech sector. Elsewhere, US market rate expectations softened slightly in the aftermath of the aforementioned labour market data release. The market now sees a 60% chance of a Fed rate hike in September compared to a 75% chance previously.

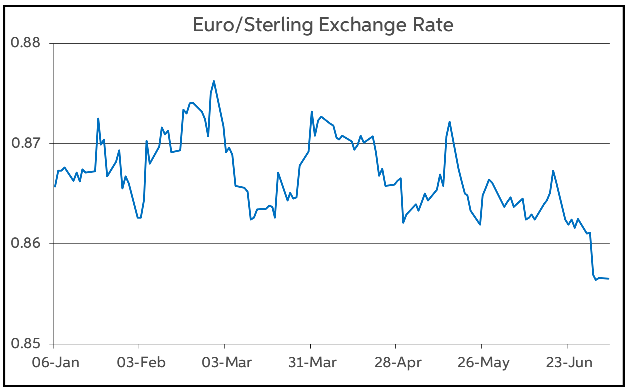
Currency-wise, the dollar was under some downward pressure amid the softening in US interest rate futures. Meantime, sterling was holding a modestly firmer tone, supported in part by a well-received speech from MP Burnham, who is likely to be the next British Prime Minister. The yen was also in the ascendancy at the end of last week, as Japanese officials verbally intervened to support the currency. However, the yen has handed back some of its gains already.

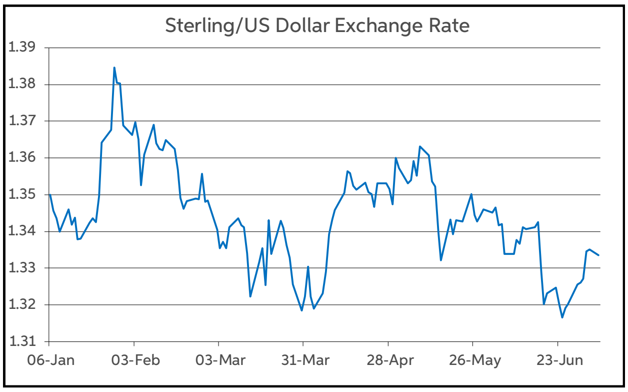
In level terms, as trading gets underway this morning, EUR/USD is above the $1.14 threshold. GBP/USD is operating in the lower half of the $1.33-1.34 range. USD/JPY is just above the ¥162 mark. Elsewhere, EUR/GBP is in the upper region of 85-86p.

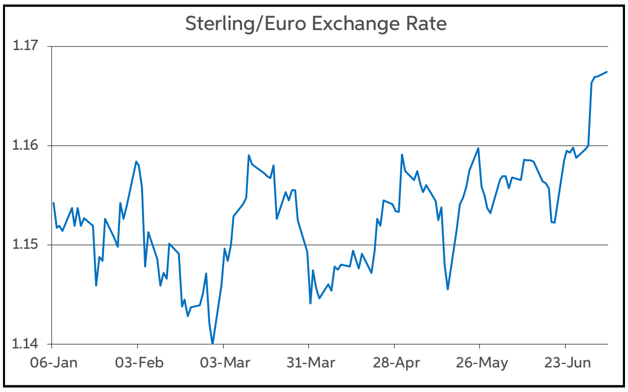
Turing to the week ahead, the data calendar is even more barren than the week prior. On the monetary policy front, the latest Fed FOMC and ECB Governing Council monetary policy meeting minutes will garner close attention.

Daniel Noonan, Economist, AIB









Today's Opening FX Rates

		% Change	
		Day *	End 2025
EUR/USD	1.1424	-0.17	-2.73
EUR/GBP	0.8565	0.04	-1.72
GBP/USD	1.3337	-0.19	-1.01
GBP/EUR	1.1674	-0.04	1.75
USD/JPY	162.15	0.64	3.51
EUR/JPY	185.25	0.45	0.68

* 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	3.63	3.66	3.73	3.97	4.25	4.20
EUR	2.25	2.21	2.32	2.66	2.72	2.79
GBP	3.75	3.73	3.76	3.93	4.21	4.31

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

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Opening Levels

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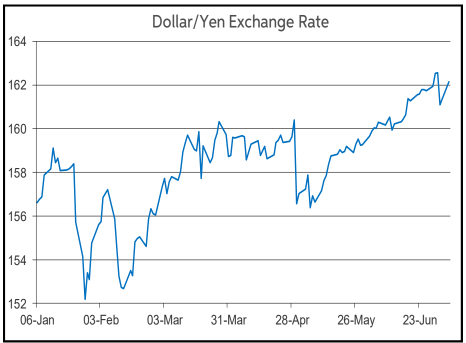
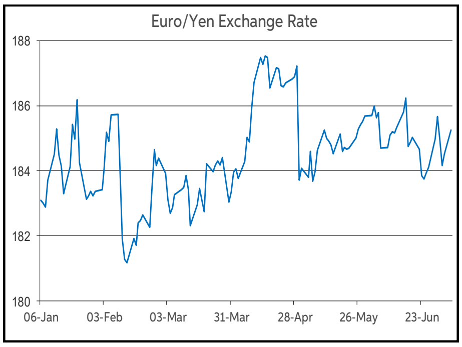
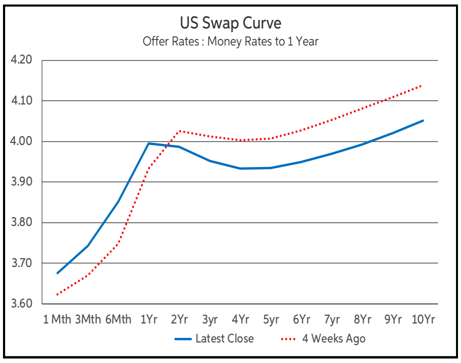
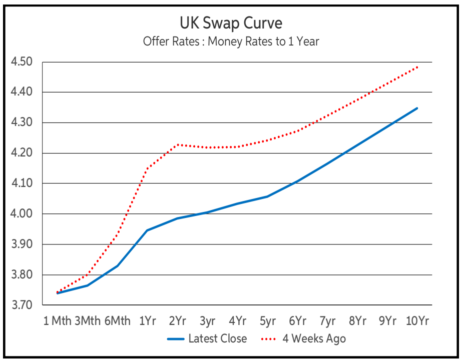
AIB

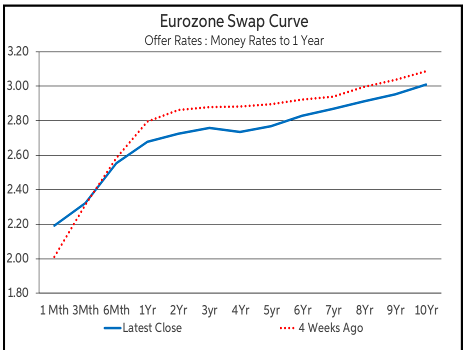
Euro		Sterling		Dollar	
EUR/GBP	0.8565	GBP/EUR	1.1674	USD/JPY	162.15
EUR/USD	1.1424	GBP/USD	1.3337	USD/CAD	1.4212
EUR/JPY	185.25	GBP/CAD	1.8952	USD/CHF	0.805
EUR/SEK	11.029	GBP/NZD	2.3449	USD/CNY	6.7893
EUR/DKK	7.4745	GBP/JPY	216.22	USD/BRL	5.1682
EUR/NOK	11.2349	GBP/SEK	12.8753	USD/RUB	77.3
EUR/CHF	0.9197	GBP/DKK	8.7258	USD/INR	95.425
EUR/AUD	1.6476	GBP/NOK	13.1157		
EUR/HKD	8.9587	GBP/CHF	1.0737	AUD/USD	0.6932
EUR/CAD	1.6234	GBP/AUD	1.9234	NZD/USD	0.5685

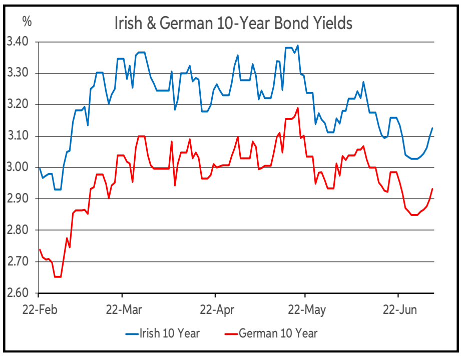












Debt Markets

	Close	Change bps Day	4 Weeks	End 25
10 Year Yield %				
US	4.48	+0	-6	+33
Germany	2.93	+3	-11	+7
UK	4.79	+1	-12	+31
Ireland	3.13	+3	-9	+10
Belgium	3.50	+2	-10	+15
France	3.73	+2	+3	+17
Italy	3.72	+3	-10	+21
Spain	3.42	+3	-5	+13
Portugal	3.32	+1	-10	+16
Greece	3.61	+1	-11	+13
5 Year Swap %				
US	4.20	-0	-3	+47
Eurozone	2.77	+2	-11	+21
UK	4.31	-0	-15	+41
2 Year Swap %				
US	4.24	-0	-1	+67
Eurozone	2.71	+1	-15	+45
UK	4.21	-1	-23	+48
10 Year Government Bond Spreads to Benchmark bps				
Ireland	19	-1	+1	+3
Belgium	57	-1	+1	+8
France	79	-1	+14	+10
Italy	79	-1	+1	+14
Spain	49	-1	+5	+6
Portugal	39	-2	+0	+9
Greece	68	-3	-1	+6

Commodities

	Close	% Change Day	4 Weeks	End 25
Brent Oil	72.12	+0.45	-22.53	+18.52
West Texas Oil	69.73	-0.01	-26.07	+21.78
Gold $	4174.9	+1.26	-3.56	-3.23

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