Morning Comment

AIB Treasury Economic Research Unit

Friday 07 August 2026
07:18 am

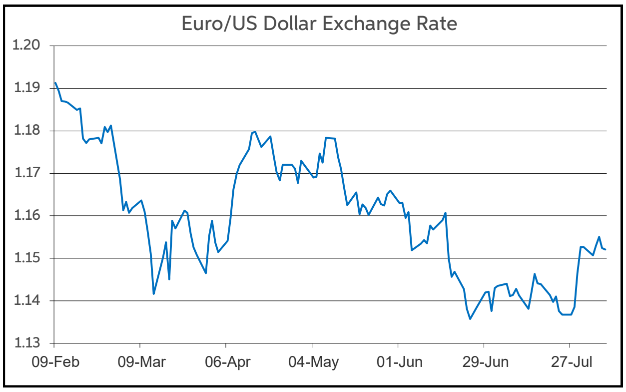
US jobs report in focus today

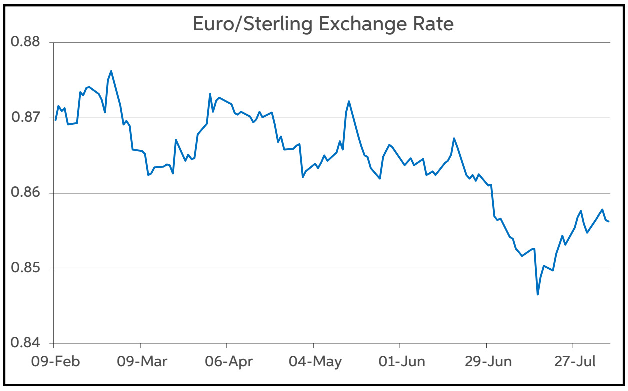
There was a broadly cautious tone to investor sentiment yesterday. Market participants were waiting for meaningful details on the reports of progress on a deal to re-open the Strait of Hormuz. On commodity markets, oil prices came under some renewed upward pressure, with Brent Crude moving back above $82 per barrel. By the closing bell on Wall Street last night, the global benchmark S&P 500 equity index was 0.2% lower on the day.

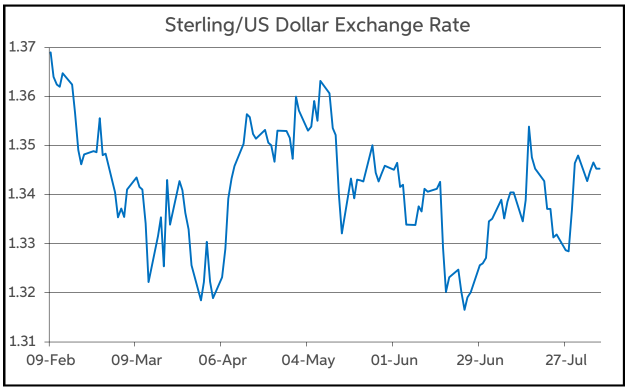
Amid the quiet macro data and event calendar, the main currency pairs tended to be confined to relatively narrow ranges for much of yesterday. Of the limited FX action to register over the past 24 hours, the euro is marginally weaker versus the dollar and sterling. In level terms, the EUR/USD pair is trading nearer to the lower end of the $1.15-1.16 band, while EUR/GBP has edged back nearer to the midpoint of 85-86p. Elsewhere, GBP/USD continues to operate in and around the halfway point of the $1.34-1.35. Meanwhile, the yen has experienced some renewed weakness, evident in USD/JPY moving back above the ¥158 threshold.

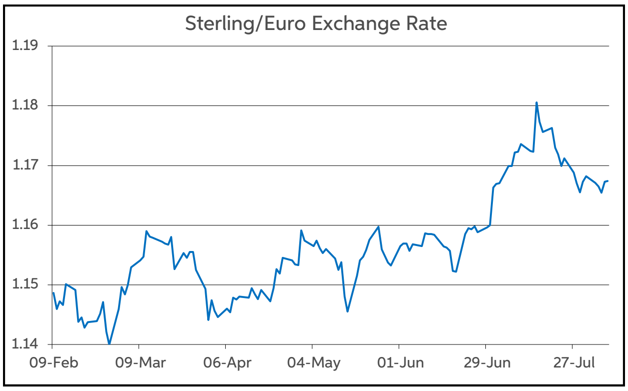
Ahead today, geopolitical newsflow in relation to the Middle East conflict will remain a source of interest and potential directional driver for markets. However, investors will be turning their attention to the data calendar as we get the key release of the week, with US non-farm payrolls for July due along with a raft of other labour market updates (incl. unemployment rate). The data provide some two-way event risk for the dollar. If payrolls surprise to the upside of expectations (f'cast for 80k), it could lead to a firming in US rate expectations, which in turn would support the dollar. However, if the July number misses to the downside of expectations, the market may view this as helping Fed Chair Warsh's case for not hiking rates this year, which could lead to some downward pressure on the greenback heading into the weekend.

John Fahey, Senior Economist, AIB









Today's Opening FX Rates

		% Change	
		Day *	End 2025
EUR/USD	1.1521	-0.23	-1.91
EUR/GBP	0.8562	-0.19	-1.76
GBP/USD	1.3453	-0.04	-0.15
GBP/EUR	1.1675	0.19	1.79
USD/JPY	158.3	0.37	1.05
EUR/JPY	182.41	0.14	-0.86

* 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	3.64	3.75	4.05	4.37	4.38
EUR	2.25	2.23	2.49	2.88	2.98	3.03
GBP	3.75	3.74	3.77	4.08	4.42	4.52

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

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Opening Levels

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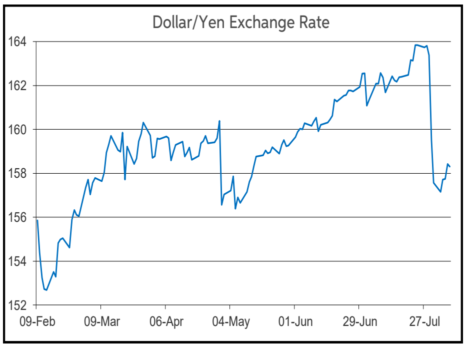
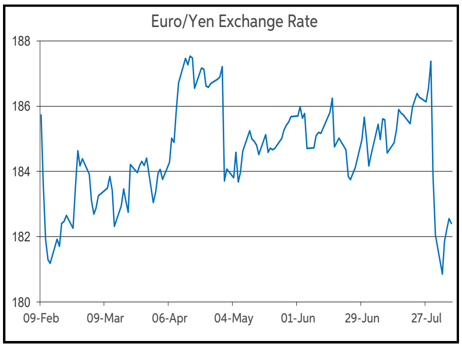
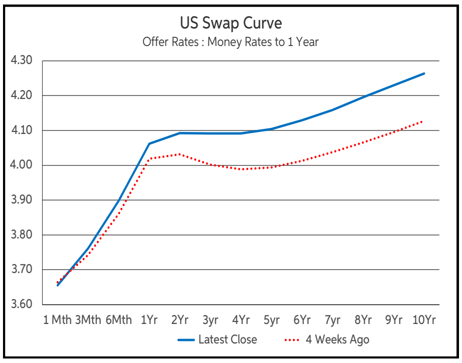
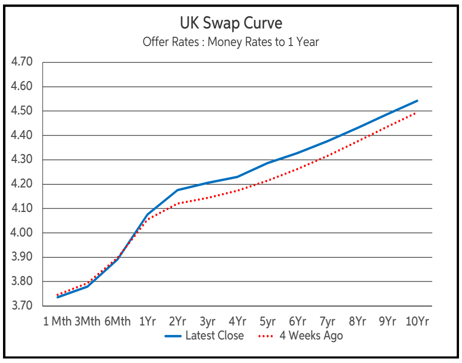
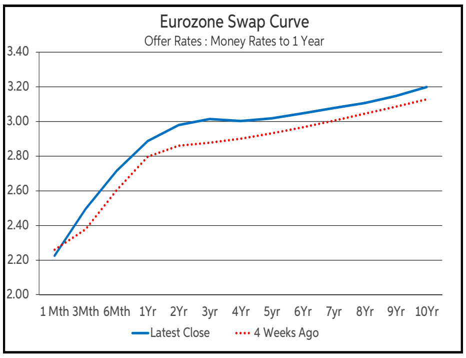
Euro		Sterling		Dollar	
EUR/GBP	0.8562	GBP/EUR	1.1675	USD/JPY	158.3
EUR/USD	1.1521	GBP/USD	1.3453	USD/CAD	1.4024
EUR/JPY	182.41	GBP/CAD	1.8866	USD/CHF	0.8119
EUR/SEK	10.9591	GBP/NZD	2.2928	USD/CNY	6.7466
EUR/DKK	7.4753	GBP/JPY	212.96	USD/BRL	5.1101
EUR/NOK	10.9886	GBP/SEK	12.793	USD/RUB	81.85
EUR/CHF	0.9355	GBP/DKK	8.7266	USD/INR	95.2125
EUR/AUD	1.6388	GBP/NOK	12.8294		
EUR/HKD	9.0366	GBP/CHF	1.0923	AUD/USD	0.7029
EUR/CAD	1.616	GBP/AUD	1.9135	NZD/USD	0.5865

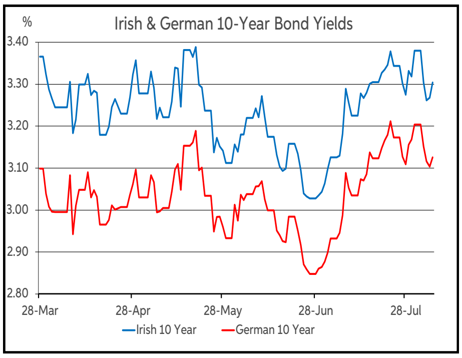












Debt Markets

	Close	Change bps Day	4 Weeks	End 25
10 Year Yield %				
US	4.67	+5	+13	+52
Germany	3.13	+2	+7	+26
UK	4.95	+6	+5	+48
Ireland	3.30	+4	+5	+28
Belgium	3.67	+3	+5	+32
France	3.92	+2	+6	+36
Italy	3.92	+3	+6	+40
Spain	3.57	+2	+3	+28
Portugal	3.48	+2	+4	+32
Greece	3.77	+0	+2	+29
5 Year Swap %				
US	4.38	+7	+12	+65
Eurozone	3.01	+4	+12	+45
UK	4.51	+6	+7	+62
2 Year Swap %				
US	4.36	+8	+7	+78
Eurozone	2.97	+4	+15	+72
UK	4.43	+7	+8	+70
10 Year Government Bond Spreads to Benchmark bps				
Ireland	18	+1	-2	+1
Belgium	54	+1	-2	+6
France	80	+0	-1	+10
Italy	79	+1	-1	+14
Spain	44	-0	-4	+1
Portugal	35	-0	-3	+6
Greece	65	-2	-5	+3

Commodities

	Close	% Change Day	4 Weeks	End 25
Brent Oil	82.49	+3.83	+8.11	+35.56
West Texas Oil	78.88	+2.74	+7.83	+37.76
Gold $	4239.2	-0.15	+2.87	-1.74

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