

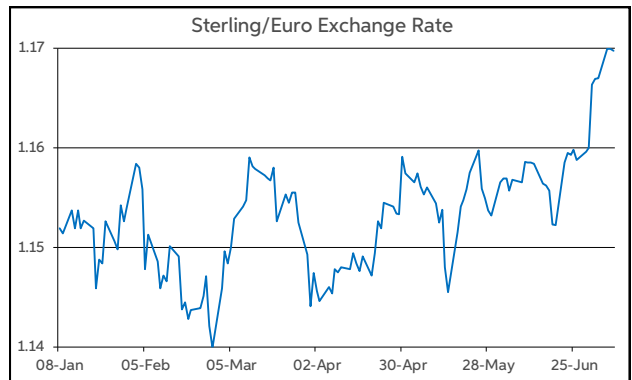
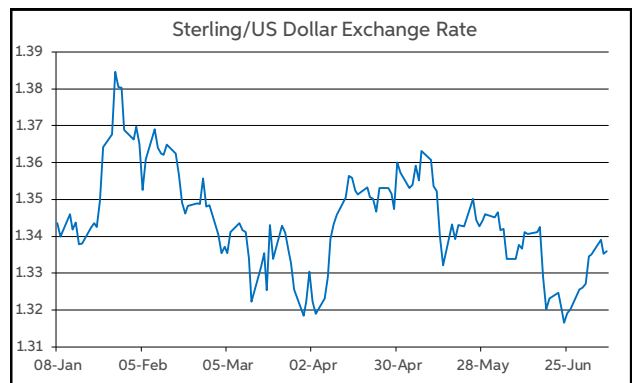
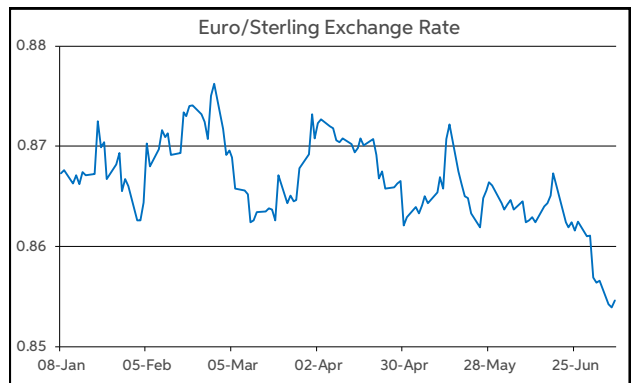
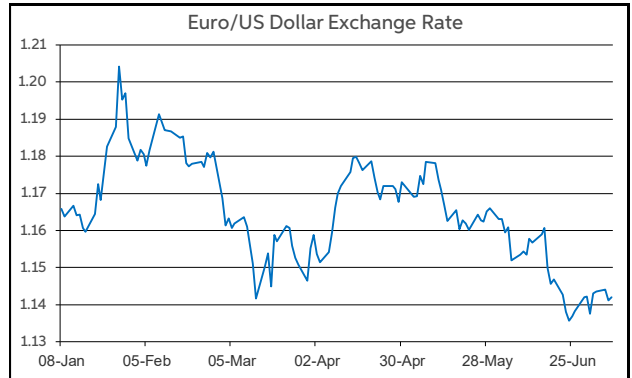
Geopolitical risks back in focus

There was a generally risk averse tone to market sentiment yesterday. This was evident in falls on the main equity indices on both sides of the Atlantic. Some weakness in tech/AI related stocks as well as reports of Iranian strikes on commercial vessels in the Strait of Hormuz were factors in the 'risk-off' mood to proceedings. In Europe, the Euro Stoxx 50 fell by 1.2%. Meantime, at the close on Wall Street last night, the S&P 500 index was 0.4% lower on the day.

Yesterday's data calendar was sparse across all the main economies. Against this backdrop, the main currency pairs were once again confined to narrow ranges throughout the day. This limited action has persisted in overnight trading on Asia-Pacific markets. As a result, the majors start this morning broadly similar to where they opened 24 hours earlier. In level terms, this is reflected in EUR/USD trading just above the \$1.14 threshold. EUR/GBP remains in the lower half of 85-86p, while GBP/USD has held onto its position in the upper half of \$1.33-1.34. Meanwhile, the yen continues to trade near to 40-year lows versus the dollar, with USD/JPY operating north of the ¥162 handle. The lack of intervention suggests that Japanese 'official' acceptance for yen weakness may have increased, for now, if it broadly reflects fundamentals and its trading action is not disorderly.

Today's macro data diary remains quiet. On the monetary policy front though, we get the minutes (after European close) from the June Fed meeting, which was the first under Chair Kevin Warsh. The minutes will be assessed for insight on the extent of 'hawkishness' within the Fed. Futures contract pricing indicates that the market anticipates the Fed will hike by 25bps before year end. However, this may not materialise given the Chair's preference for lower rates. Geopolitical risk will also be in focus today given the overnight escalation of tensions between the US and Iran. We have seen some upward pressure on oil prices, with Brent crude trading this morning up in \$76-77 per barrel territory (was at \$72 at the start of the week).

John Fahey, Senior Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2025
EUR/USD	1.142	-0.13	-2.77
EUR/GBP	0.8546	0.08	-1.94
GBP/USD	1.336	-0.22	-0.84
GBP/EUR	1.1698	-0.08	1.98
USD/JPY	162.24	0.28	3.57
EUR/JPY	185.3	0.15	0.71

* 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	3.63	3.66	3.75	4.02	4.30	4.27
EUR	2.25	2.22	2.32	2.72	2.80	2.88
GBP	3.75	3.73	3.76	3.98	4.28	4.40

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
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Opening Levels

Wednesday 08 July 2026
07:21 am



Euro

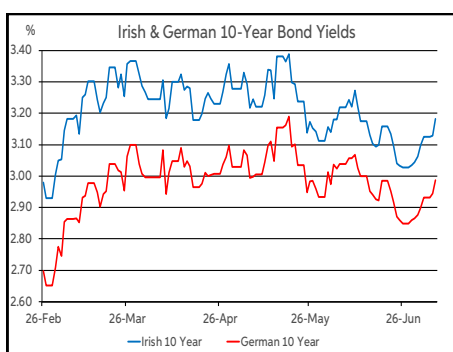
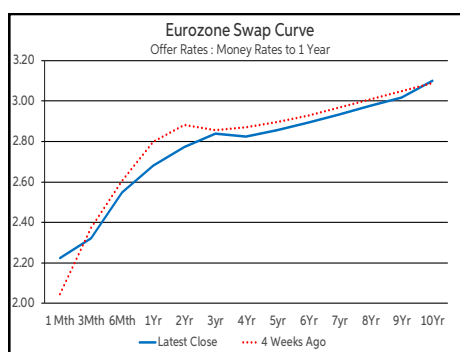
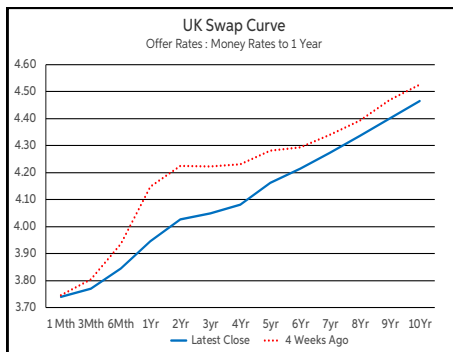
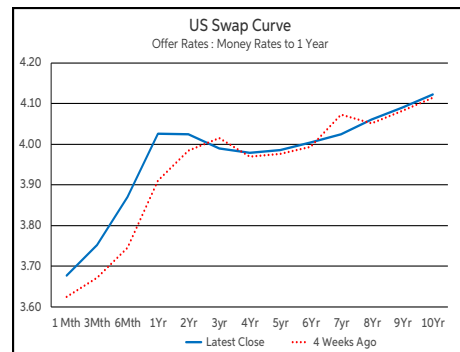
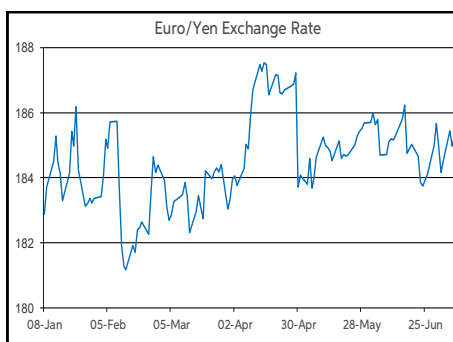
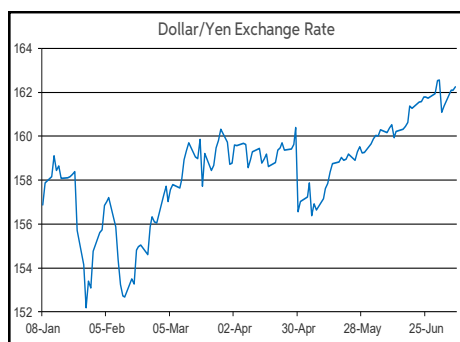
EUR/GBP	0.8546
EUR/USD	1.142
EUR/JPY	185.3
EUR/SEK	11.0541
EUR/DKK	7.475
EUR/NOK	11.1634
EUR/CHF	0.922
EUR/AUD	1.6452
EUR/HKD	8.9538
EUR/CAD	1.6193

Sterling

GBP/EUR	1.1697
GBP/USD	1.336
GBP/CAD	1.8944
GBP/NZD	2.3364
GBP/JPY	216.74
GBP/SEK	12.9304
GBP/DKK	8.7456
GBP/NOK	13.069
GBP/CHF	1.0785
GBP/AUD	1.9243

Dollar

USD/JPY	162.25
USD/CAD	1.418
USD/CHF	0.8073
USD/CNY	6.7968
USD/BRL	5.1626
USD/RUB	76.55
USD/INR	95.23
AUD/USD	0.6941
NZD/USD	0.5716



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 25
10 Year Yield %				
US	4.53	+5	+0	+38
Germany	2.99	+4	-7	+13
UK	4.85	+5	-5	+38
Ireland	3.18	+5	-4	+15
Belgium	3.56	+5	-5	+21
France	3.79	+5	+8	+23
Italy	3.78	+5	-3	+27
Spain	3.47	+4	-2	+18
Portugal	3.37	+3	-8	+21
Greece	3.65	+4	-9	+17
5 Year Swap %				
US	4.26	+8	+4	+53
Eurozone	2.84	+5	-5	+28
UK	4.37	+6	-10	+48
2 Year Swap %				
US	4.30	+9	+6	+73
Eurozone	2.77	+4	-8	+51
UK	4.27	+5	-21	+54
10 Year Government Bond Spreads to Benchmark bps				
Ireland	19	+1	+3	+3
Belgium	57	+1	+2	+9
France	80	+1	+15	+10
Italy	80	+1	+4	+15
Spain	49	+0	+5	+6
Portugal	38	-1	-1	+9
Greece	67	+0	-2	+5

Commodities				
	% Change			
	Close	Day	4 Weeks	End 25
Brent Oil	74.16	+3.01	-18.91	+21.87
West Texas Oil	71.53	+2.77	-22.17	+24.92
Gold \$	4105.7	-1.40	-3.68	-4.83

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