Morning Comment

AIB Treasury Economic Research Unit

Friday 24 July 2026
07:28 am

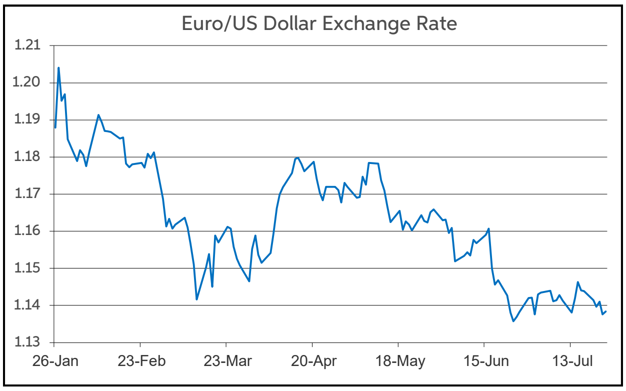
Flash PMIs due today

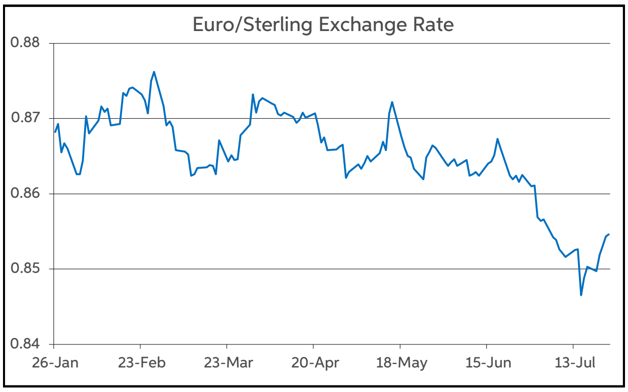
As expected, the ECB left monetary policy unchanged yesterday. Although the decision to remain on hold was unanimous, President Lagarde revealed that the Governing Council did discuss potentially raising rates. The overarching message from the post-meeting press conference was that the ECB remains concerned about the upside risks to inflation. However, President Lagarde refused to offer firm guidance regarding a rate hike in September, and instead emphasised that the ECB will remain data dependent. Against this backdrop, the market reaction was relatively muted.

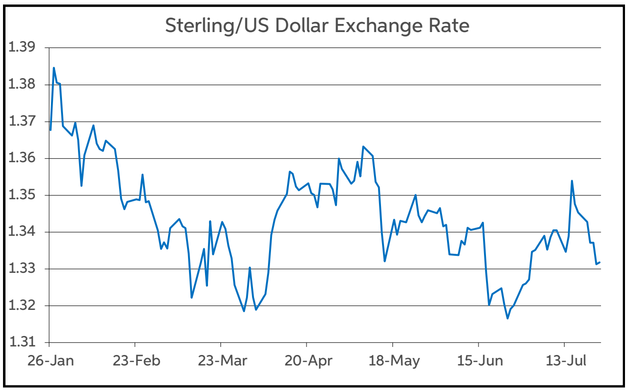
Indeed, for the most part investors remained focused on developments in the Middle East yesterday. Oil prices continued to climb as the recent escalation in the conflict showed no signs of ending. Brent crude broke above $100 per barrel for the first time since May. This in-turn contributed to a risk averse tone across markets. Equity markets moved markedly lower on both sides of the Atlantic. At the same time, market interest rate expectations firmed in the US, UK and Eurozone.

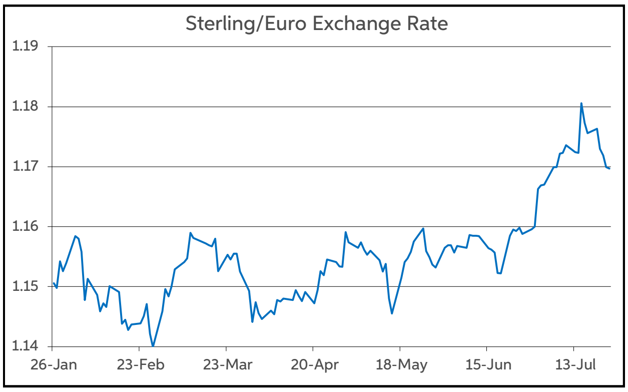
On the currency front, the dollar was in the driving seat amid the weaker tone to risk appetite. The greenback gained circa 0.5% versus the euro, sterling and yen. In level terms this sees EUR/USD open today back below the $1.14 threshold. GBP/USD is down near $1.33. USD/JPY is in the top half of ¥163-164, a new YTD high.

Already today, UK retail sales data for June have been released. Both the headline and the core measure of sales printed well above the consensus, rising by circa 1.0% in the month. Meantime, UK consumer confidence also improved sharply in July. However, the data have not impacted sterling so far in early trading. Looking ahead, the flash PMIs in the main advanced economies for July are due. Developments in the Middle East will also remain in focus.
Daniel Noonan, Economist, AIB









Today's Opening FX Rates

		% Change	
		Day *	End 2025
EUR/USD	1.1384	-0.43	-3.07
EUR/GBP	0.8546	0.07	-1.94
GBP/USD	1.3319	-0.49	-1.14
GBP/EUR	1.1697	-0.07	1.98
USD/JPY	163.76	0.44	4.54
EUR/JPY	186.46	0.02	1.34

* 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	3.73	3.83	4.15	4.48	4.44
EUR	2.25	2.18	2.46	2.95	3.09	3.11
GBP	3.75	3.74	3.82	4.26	4.62	4.68

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

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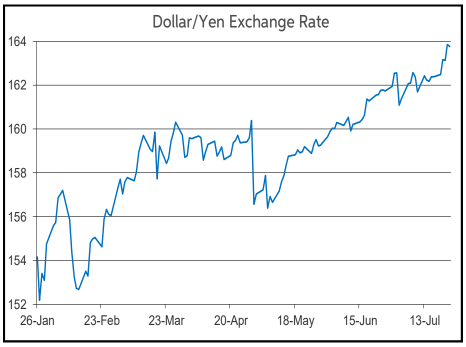
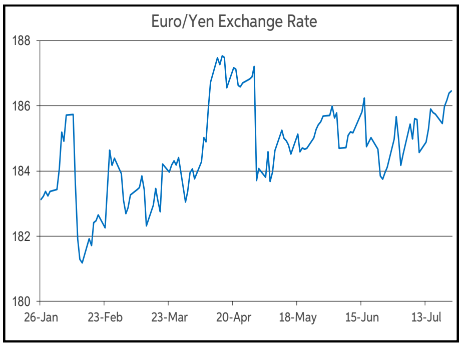
AIB

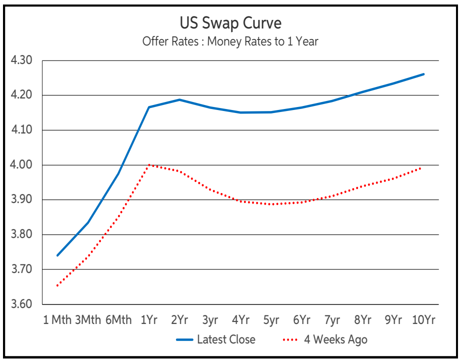
Euro	
EUR/GBP	0.8546
EUR/USD	1.1384
EUR/JPY	186.46
EUR/SEK	11.0975
EUR/DKK	7.4753
EUR/NOK	10.9388
EUR/CHF	0.9298
EUR/AUD	1.6307
EUR/HKD	8.9274
EUR/CAD	1.6023

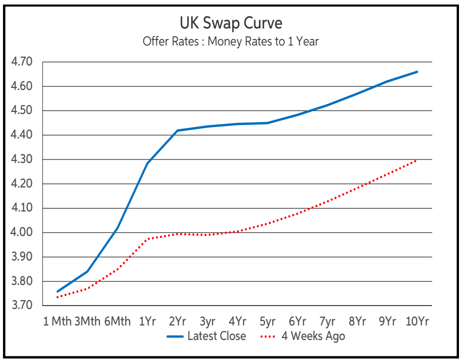
Sterling	
GBP/EUR	1.1697
GBP/USD	1.3319
GBP/CAD	1.8745
GBP/NZD	2.3032
GBP/JPY	218.11
GBP/SEK	12.9811
GBP/DKK	8.743
GBP/NOK	12.7929
GBP/CHF	1.0876
GBP/AUD	1.9077

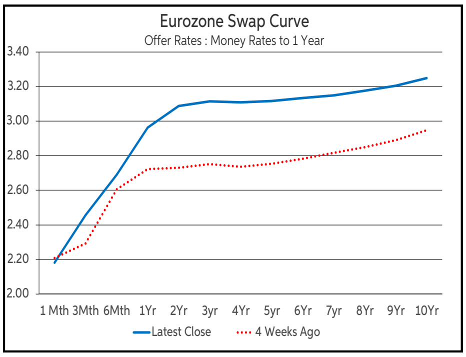
Dollar	
USD/JPY	163.76
USD/CAD	1.4076
USD/CHF	0.8167
USD/CNY	6.7747
USD/BRL	5.0827
USD/RUB	78.55
USD/INR	96.535
AUD/USD	0.6979
NZD/USD	0.578

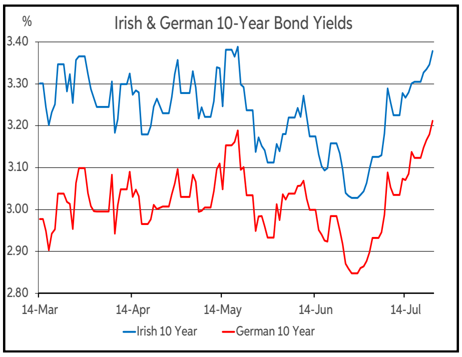












Debt Markets

	Close	Change bps Day	4 Weeks	End 25
10 Year Yield %				
US	4.70	+5	+31	+55
Germany	3.21	+3	+35	+35
UK	5.10	+7	+40	+63
Ireland	3.38	+3	+35	+35
Belgium	3.77	+5	+36	+43
France	4.02	+5	+40	+46
Italy	4.08	+8	+48	+57
Spain	3.69	+5	+35	+40
Portugal	3.60	+6	+35	+44
Greece	3.93	+2	+41	+45
5 Year Swap %				
US	4.43	+5	+29	+71
Eurozone	3.11	+4	+36	+55
UK	4.68	+6	+41	+78
2 Year Swap %				
US	4.46	+7	+24	+89
Eurozone	3.08	+4	+35	+82
UK	4.63	+7	+40	+90
10 Year Government Bond Spreads to Benchmark bps				
Ireland	17	+0	-1	+0
Belgium	56	+2	+1	+8
France	81	+2	+4	+11
Italy	87	+4	+12	+22
Spain	48	+2	-1	+5
Portugal	39	+2	-0	+10
Greece	72	-1	+5	+10

Commodities

	Close	% Change Day	4 Weeks	End 25
Brent Oil	100.69	+7.04	+33.79	+65.47
West Texas Oil	93.08	+6.18	+28.09	+62.56
Gold $	4047.2	-1.99	+0.53	-6.19

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