

US inflation and Fed Chair speech in focus this week

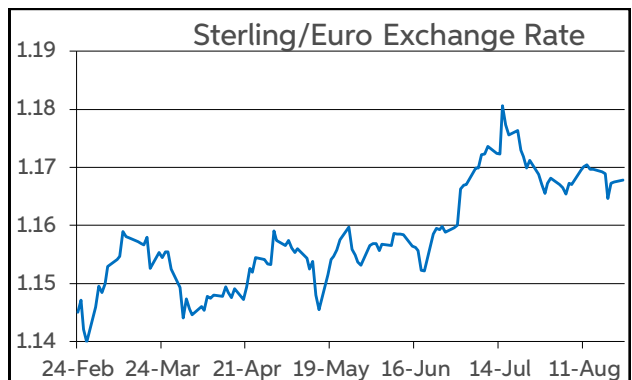
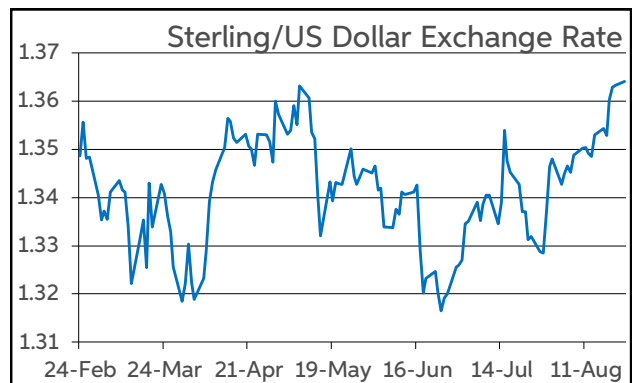
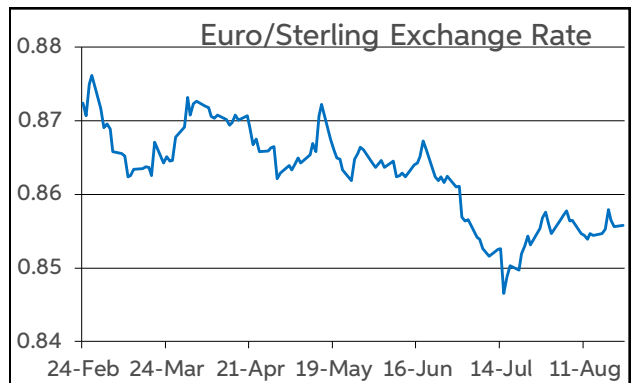
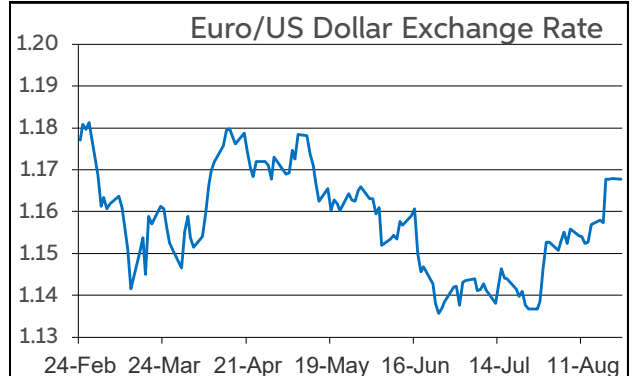
There was a risk-averse tone to investor sentiment for much of last week. This was against the backdrop of concerns that the US-Iran war could develop into a prolonged conflict amid escalatory remarks from both sides. These concerns were clearly evident in the renewed upward pressure on oil prices. Brent crude traded to a high just below \$95 per barrel before finishing the week nearer to \$94 p/b. This contrasted with the \$88-89 p/b range at the start of the week. Meanwhile, the risk-off mood was reflected in the falls recorded by the main equity indices on both sides of the Atlantic. In Europe, the Euro Stoxx 50 finished the week 1.2% lower over the period. Meanwhile, by the closing bell on Wall Street on Friday night, the S&P 500 had posted a 1.4% loss on the week.

Bond markets also featured prominently last week, with the US Treasury announcing on Wednesday a significantly expanded (at least a doubling, from \$2bn to \$4bn) liquidity support buyback operation for longer dated US government debt. Initially, yields moved lower on the news. However, this proved short-lived with the 30-year Treasury yield edging back up again towards the 5.3% mark as the week came to a close.

From a currency perspective, the dollar was under some downward pressure amid the news emanating from the US Treasury and subsequent bond market action. The softer dollar tone saw EUR/USD briefly test above \$1.17, GBP/USD peak at \$1.3675 and USD/JPY fall below ¥159. Elsewhere, EUR/GBP was confined to a tight range just above the midpoint of the 85-86p band.

Ahead this week, the Middle East conflict remains a potential source of direction for markets. On the data front, the highlight will be US core-PCE inflation for July. In terms of monetary policy, the spotlight will be on Fed Chair Warsh's speech at Jackson Hole (Fri).

John Fahey, Senior Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2025
EUR/USD	1.1678	-0.12	-0.57
EUR/GBP	0.8558	-0.13	-1.80
GBP/USD	1.3641	-0.01	1.25
GBP/EUR	1.1679	0.13	1.83
USD/JPY	158.86	-0.08	1.41
EUR/JPY	185.56	-0.19	0.85

* 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	3.68	3.75	4.00	4.35	4.40
EUR	2.25	2.22	2.52	2.93	3.05	3.10
GBP	3.75	3.73	3.78	4.13	4.49	4.61

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

Monday 24 August 2026
07:08 am



Euro

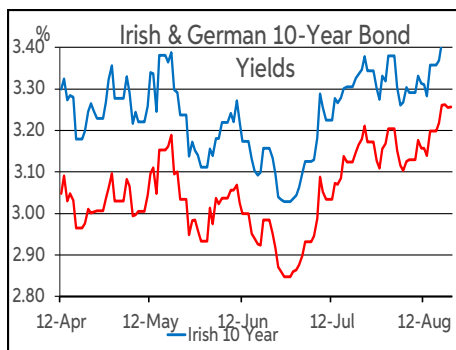
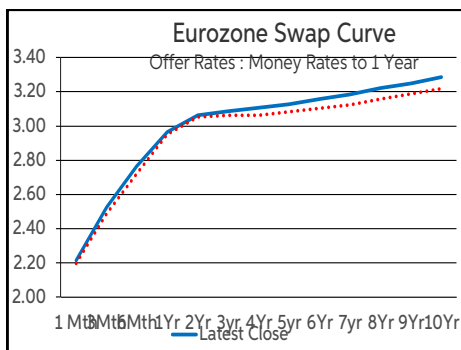
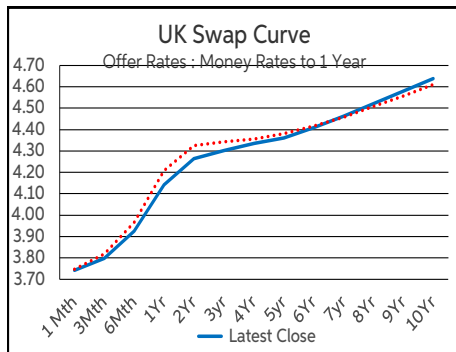
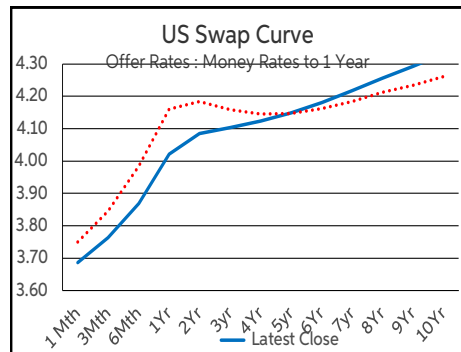
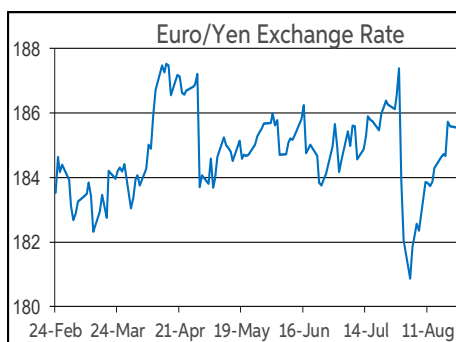
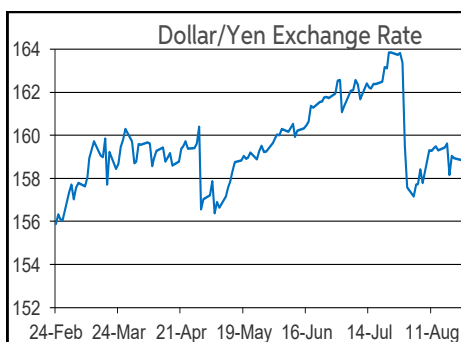
EUR/GBP	0.8558
EUR/USD	1.1678
EUR/JPY	185.56
EUR/SEK	11.0607
EUR/DKK	7.4752
EUR/NOK	10.8675
EUR/CHF	0.9345
EUR/AUD	1.6289
EUR/HKD	9.1538
EUR/CAD	1.6121

Sterling

GBP/EUR	1.1679
GBP/USD	1.3641
GBP/CAD	1.8832
GBP/NZD	2.2819
GBP/JPY	216.7
GBP/SEK	12.917
GBP/DKK	8.7293
GBP/NOK	12.6914
GBP/CHF	1.0916
GBP/AUD	1.9027

Dollar

USD/JPY	158.86
USD/CAD	1.3806
USD/CHF	0.8002
USD/CNY	6.7231
USD/BRL	5.1366
USD/RUB	83.45
USD/INR	95.71
AUD/USD	0.7167
NZD/USD	0.5975



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 25
10 Year Yield %				
US	4.74	+4	+6	+59
Germany	3.26	+0	+8	+39
UK	5.07	-0	+3	+59
Ireland	3.41	+0	+7	+39
Belgium	3.83	+0	+10	+48
France	4.13	+0	+16	+57
Italy	4.09	+1	+8	+58
Spain	3.71	+0	+7	+42
Portugal	3.63	+1	+10	+47
Greece	3.92	-1	+1	+44
5 Year Swap %				
US	4.41	+3	+0	+68
Eurozone	3.10	-1	+2	+54
UK	4.60	-2	-1	+71
2 Year Swap %				
US	4.34	+3	-9	+77
Eurozone	3.04	-0	-1	+78
UK	4.48	-2	-8	+75
10 Year Government Bond Spreads to Benchmark bps				
Ireland	16	+0	-1	-1
Belgium	57	+0	+2	+9
France	87	+0	+7	+17
Italy	84	+1	-0	+19
Spain	46	+0	-1	+3
Portugal	38	+1	+2	+8
Greece	66	-1	-7	+4

Commodities				
	% Change			
	Close	Day	4 Weeks	End 25
Brent Oil	94.39	+0.65	-2.47	+55.12
West Texas Oil	87.21	-2.83	-4.94	+52.31
Gold \$	4602.6	+1.88	+13.57	+6.69

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