

ECB to leave rates on hold today

Once again the main focus was centred on the conflict in the Middle East yesterday. Overnight, military strikes continued for a 12th consecutive day. At the same time, the conflict appears to have spread, with the Iran backed Houthi militia in Yemen threatening to block shipping through the Red Sea. Saudi Arabia has been using the Red Sea as an alternative route to export oil.

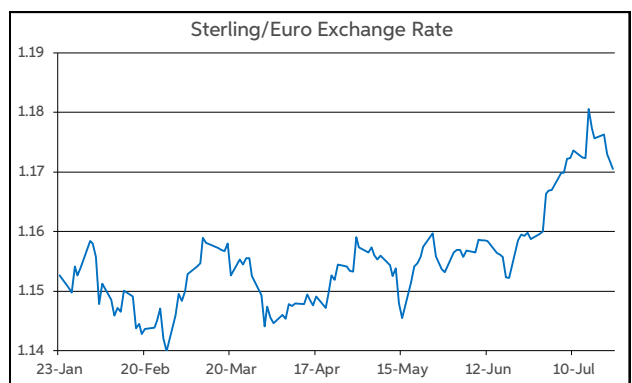
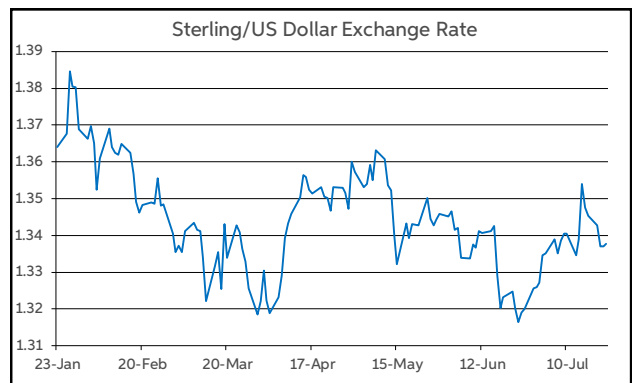
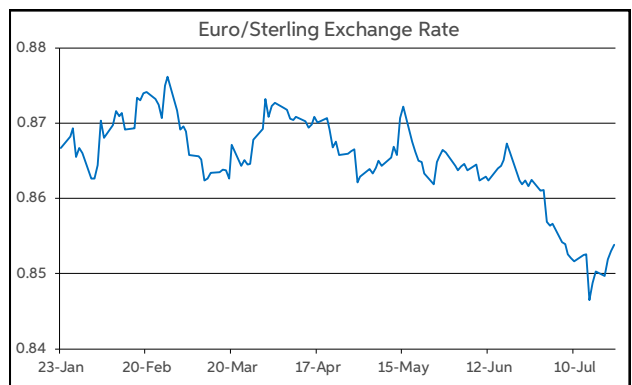
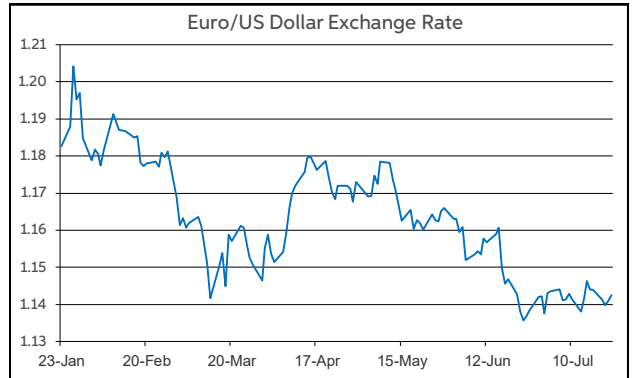
Against this backdrop, oil prices continued to climb higher yesterday. Brent crude oil prices reached a six-week high north of \$95 per barrel, before settling back near \$94. However, the wider market reaction to the re-escalation of the conflict remains relatively muted. The Euro Stoxx 50 gained 0.5% yesterday, while on Wall Street, the S&P 500 edged 0.1% lower.

Currency-wise, the main pairs have stayed tightly range bound. Of the limited moves to register, the yen was holding a slightly firmer tone amid reports that the BoJ may tighten policy at a faster pace than previously anticipated. However, the currency handed back its gains over the course of the day.

In level terms, EUR/USD opens this morning in the lower half of the \$1.14-1.15 range. GBP/USD remains in the top half of the \$1.33-1.34 corridor. EUR/GBP continues to operate in the bottom part of the 85-86p band. USD/JPY is in and around the ¥163 handle.

Looking ahead, the ECB is widely expected to leave rates on hold today. However, market participants will be paying close attention to the post meeting press conference with President Lagarde for guidance on the future path of policy. The market is currently fully pricing in a rate hike for the next ECB meeting in September. Investors will also continue to monitor developments in the Middle East.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2025
EUR/USD	1.1426	0.16	-2.72
EUR/GBP	0.8539	0.20	-2.02
GBP/USD	1.3377	-0.04	-0.71
GBP/EUR	1.1705	-0.20	2.06
USD/JPY	163.07	-0.06	4.10
EUR/JPY	186.35	0.11	1.28

* 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	3.72	3.81	4.12	4.43	4.40
EUR	2.25	2.20	2.48	2.93	3.07	3.09
GBP	3.75	3.74	3.81	4.23	4.59	4.65

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

Thursday 23 July 2026
07:53 am



Euro

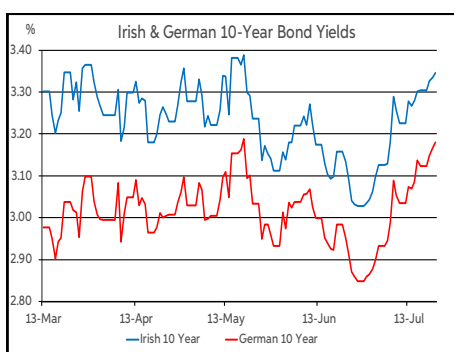
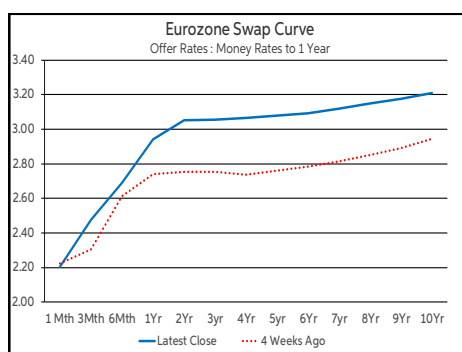
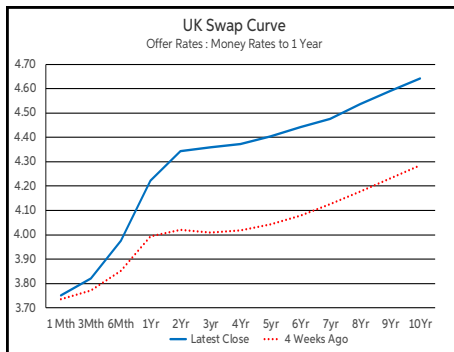
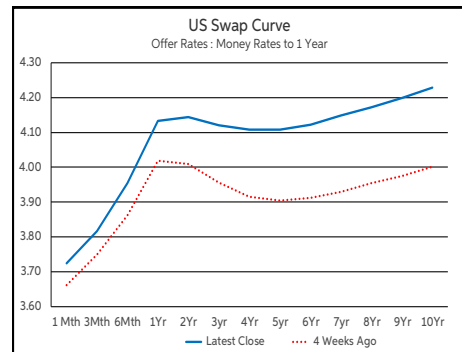
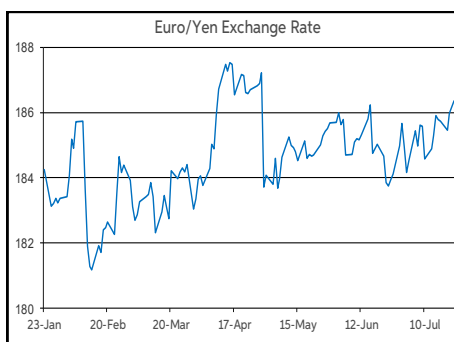
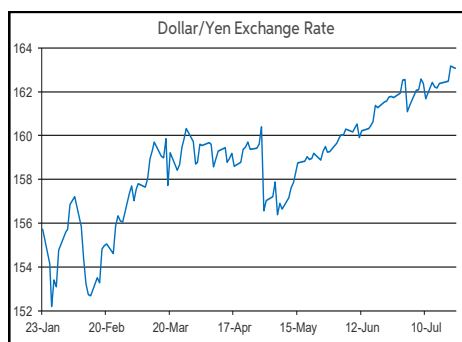
EUR/GBP	0.8539
EUR/USD	1.1426
EUR/JPY	186.35
EUR/SEK	11.062
EUR/DKK	7.4754
EUR/NOK	10.936
EUR/CHF	0.9297
EUR/AUD	1.6294
EUR/HKD	8.9573
EUR/CAD	1.6065

Sterling

GBP/EUR	1.1705
GBP/USD	1.3377
GBP/CAD	1.881
GBP/NZD	2.2987
GBP/JPY	218.14
GBP/SEK	12.9488
GBP/DKK	8.7533
GBP/NOK	12.802
GBP/CHF	1.0886
GBP/AUD	1.908

Dollar

USD/JPY	163.07
USD/CAD	1.4062
USD/CHF	0.8137
USD/CNY	6.7694
USD/BRL	5.0597
USD/RUB	78.4
USD/INR	96.5375
AUD/USD	0.701
NZD/USD	0.5817



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 25
10 Year Yield %				
US	4.66	+3	+26	+50
Germany	3.18	+1	+31	+32
UK	5.04	+1	+35	+56
Ireland	3.35	+1	+31	+32
Belgium	3.72	+1	+30	+37
France	3.97	+1	+34	+41
Italy	4.00	+0	+40	+49
Spain	3.64	+0	+29	+34
Portugal	3.55	+2	+29	+39
Greece	3.91	+2	+35	+43
5 Year Swap %				
US	4.38	+5	+23	+66
Eurozone	3.07	+2	+32	+51
UK	4.62	+2	+34	+72
2 Year Swap %				
US	4.37	+1	+12	+80
Eurozone	3.05	+4	+30	+79
UK	4.56	+4	+31	+83
10 Year Government Bond Spreads to Benchmark bps				
Ireland	17	-0	-0	+0
Belgium	54	-1	-1	+6
France	79	-1	+3	+9
Italy	82	-1	+9	+17
Spain	46	-1	-2	+3
Portugal	37	+1	-2	+7
Greece	73	+0	+4	+11

Commodities				
	% Change			
	Close	Day	4 Weeks	End 25
Brent Oil	94.07	+3.36	+27.57	+54.59
West Texas Oil	87.66	+1.88	+22.74	+53.09
Gold \$	4129.3	+1.30	+3.22	-4.28

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