

Yen strengthens markedly overnight

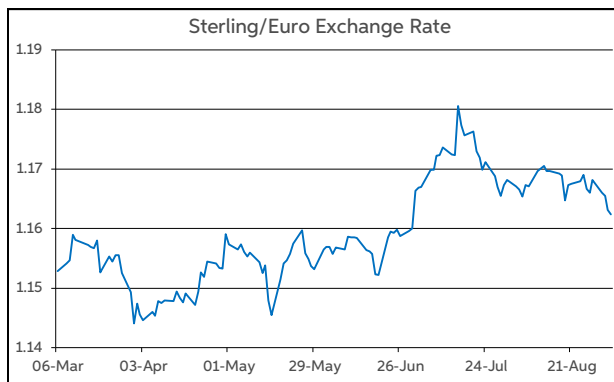
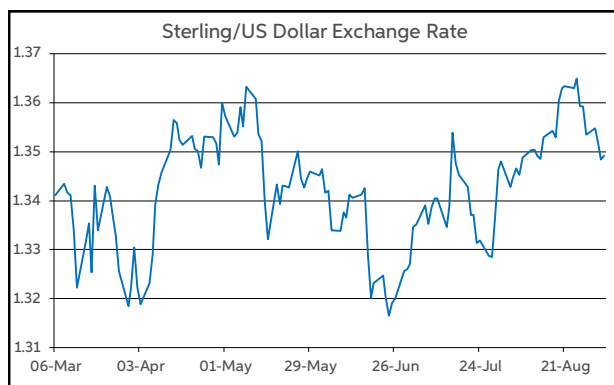
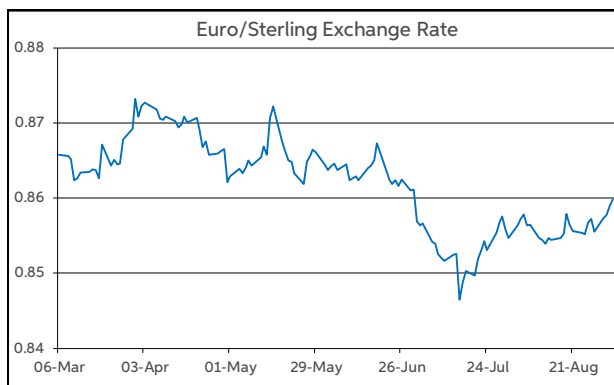
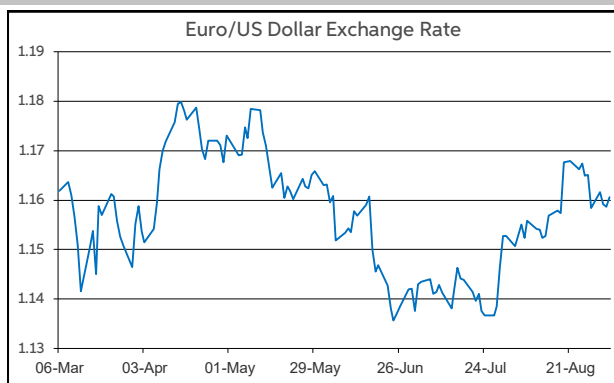
Investor sentiment continued to hold a cautious tone yesterday. Oil prices are little changed over the past 24 hours, with Brent crude remaining near the \$95 per barrel threshold. Against this backdrop, the Euro Stoxx 50 inched 0.1% lower. On Wall Street, the S&P 500 snapped a run of recent losses, moving 0.5% higher yesterday. Elsewhere on markets, medium to long-dated sovereign bond yields stayed in and around multi-year highs in the US, Europe and Japan.

On the monetary policy front, New York Fed President Williams was somewhat dovish in remarks yesterday. Williams noted that he sees “the trend in inflation moving slowly down”, and that he is not seeing “second round inflation effects from tariffs”. However, his remarks had little to no impact on market rate expectations. Futures contracts indicate that the market is still attaching around a 60% probability to a rate hike from the Fed later this month.

Currency-wise, not for the first time this week, the main pairs were very tightly range bound. Of the limited price action to note, the euro eked out some slight gains. However, overnight the yen was in the ascendancy, amid speculation that authorities may have intervened once again to strengthen the currency. In level terms, this is reflected by USD/JPY changing hands down in the lower half of \$157-158, having started yesterday close to ¥160. Elsewhere, EUR/USD opens this morning just above the \$1.16 handle. EUR/GBP is up at the 86p mark.

Turning to the day ahead, the macro calendar is relatively quiet. The main release will be the US non-manufacturing ISM for August. Meantime, Eurozone producer price inflation data for July will garner some interest. In terms of monetary policy, remarks from a slew of Fed officials will also be in focus.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2025
EUR/USD	1.1606	0.27	-1.18
EUR/GBP	0.86	0.29	-1.32
GBP/USD	1.3492	-0.02	0.14
GBP/EUR	1.1624	-0.29	1.34
USD/JPY	157.14	-1.84	0.31
EUR/JPY	182.39	-1.59	-0.87

* 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	3.75	3.83	4.15	4.51	4.53
EUR	2.25	2.23	2.61	3.04	3.19	3.27
GBP	3.75	3.75	3.81	4.23	Stale	Stale

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 03 September 2026
07:55 am



Euro

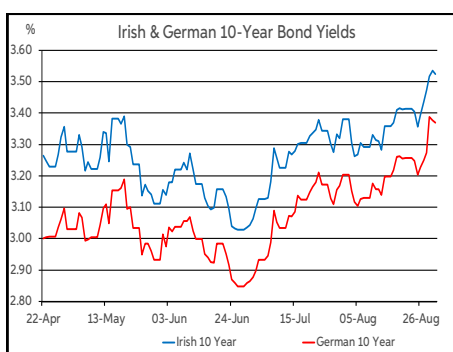
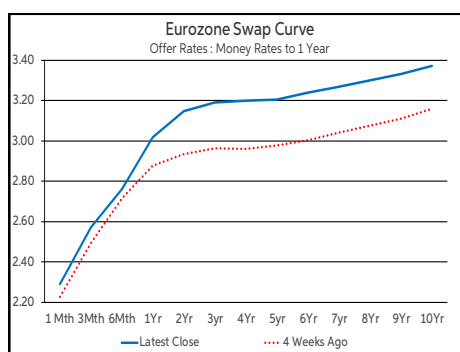
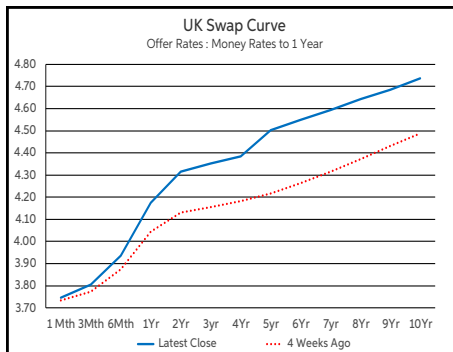
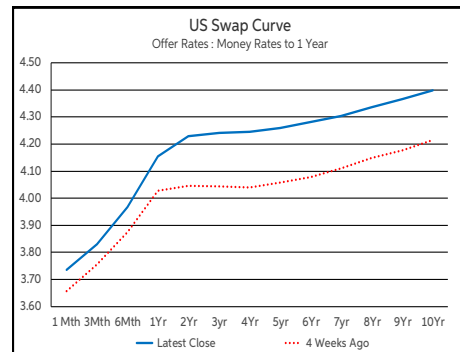
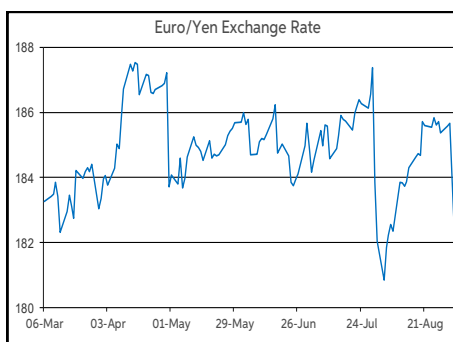
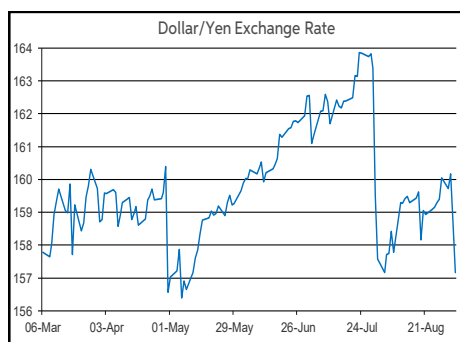
EUR/GBP	0.86
EUR/USD	1.1606
EUR/JPY	182.39
EUR/SEK	11.1371
EUR/DKK	7.4752
EUR/NOK	10.8055
EUR/CHF	0.9394
EUR/AUD	1.619
EUR/HKD	9.1009
EUR/CAD	1.6042

Sterling

GBP/EUR	1.1624
GBP/USD	1.3492
GBP/CAD	1.8649
GBP/NZD	2.3022
GBP/JPY	212.01
GBP/SEK	12.9456
GBP/DKK	8.6883
GBP/NOK	12.5603
GBP/CHF	1.0923
GBP/AUD	1.8821

Dollar

USD/JPY	157.14
USD/CAD	1.3825
USD/CHF	0.8093
USD/CNY	6.7178
USD/BRL	5.0938
USD/RUB	87.1
USD/INR	94.44
AUD/USD	0.7167
NZD/USD	0.5858



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 25
10 Year Yield %				
US	4.79	-0	+18	+64
Germany	3.38	+4	+27	+51
UK	5.23	+1	+34	+76
Ireland	3.53	+2	+27	+51
Belgium	3.94	+5	+30	+59
France	4.25	+5	+36	+69
Italy	4.22	+4	+33	+71
Spain	3.84	+4	+29	+54
Portugal	3.74	+3	+28	+58
Greece	4.07	+5	+30	+59
5 Year Swap %				
US	4.53	-2	+22	+80
Eurozone	3.27	-0	+29	+71
UK	4.76	-0	+31	+86
2 Year Swap %				
US	4.51	-2	+23	+94
Eurozone	3.19	-1	+26	+94
UK	4.65	-3	+29	+92
10 Year Government Bond Spreads to Benchmark bps				
Ireland	16	-2	-1	-1
Belgium	56	+1	+3	+8
France	88	+1	+9	+18
Italy	85	+0	+6	+20
Spain	46	+0	+1	+3
Portugal	36	-0	+0	+6
Greece	70	+1	+3	+8

Commodities				
	% Change			
	Close	Day	4 Weeks	End 25
Brent Oil	95.63	+1.04	+20.37	+57.16
West Texas Oil	92.15	+0.73	+20.02	+60.93
Gold \$	4386.3	+1.33	+3.32	+1.67

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