Morning Comment

AIB Treasury Economic Research Unit

AIB

Friday 04 September 2026
07:16 am

US jobs market in spotlight today

Oil prices remained in focus yesterday amid continued military strikes between in the Middle East. Brent crude traded as high as $97-98 per barrel before easing back below $96 bbl as the day progressed. On bond markets, yields fell, led initially by US Treasuries after less hawkish comments from the Fed's Waller.

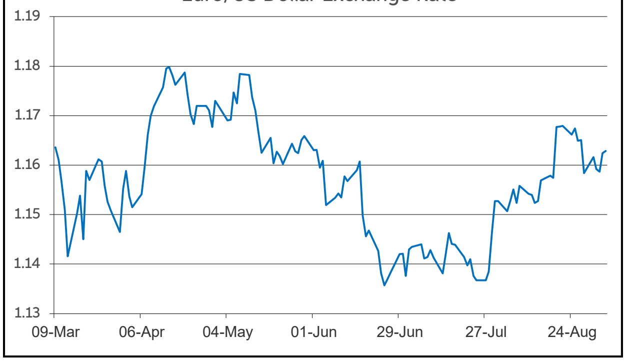
From a currency perspective, the yen registered further gains amid signs of official intervention to boost the currency the previous day. This was evident in USD/JPY falling towards ¥156 and EUR/JPY trading below ¥182. The yen has gained around 2% on the exchanges over the past 48 hours. Meantime, the other main pairs were confined to relatively tight ranges yesterday. The dollar was marginally weaker coinciding with the Waller comments. EUR/USD edged back above the $1.16 mark, while GBP/USD regained the $1.35 level. Elsewhere, EUR/GBP continues to trade near 86p.

For the day ahead, the spotlight will be on the US economy with a raft of labour market updates for August due. The highlight is the payrolls data. Jobs growth has been weak in the US over the last number of months. Indeed, payrolls contracted by 23,000 in July. The consensus is for a rebound in August, with growth of 56,000 pencilled in. Meanwhile, the unemployment rate is anticipated to register an unchanged reading of 4.1%.

Today's data present some event risk for the dollar. The market is currently attaching around a 50% probability to a Fed hike in September (was nearer to 60% before Waller's speech). If today's data come in weaker than anticipated, it could see some softening in US rate expectations, which could in turn weigh on the dollar. On the other hand, if the data suggest the labour market has recovered some momentum, there could be a firming in rate expectations which may support the dollar heading into the weekend.

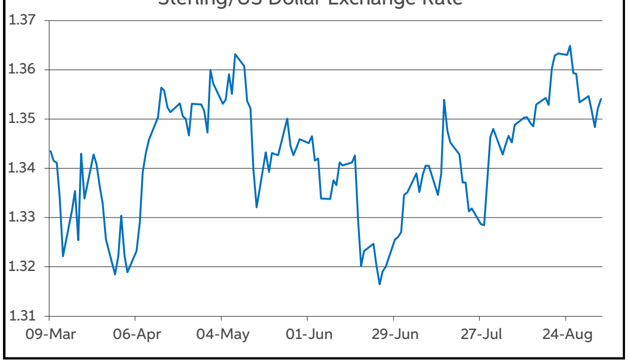
John Fahey, Senior Economist, AIB

Euro/US Dollar Exchange Rate



Euro/Sterling Exchange Rate

Sterling/US Dollar Exchange Rate



Sterling/Euro Exchange Rate

Today's Opening FX Rates

		% Change	
		Day *	End 2025
EUR/USD	1.1629	0.29	-0.99
EUR/GBP	0.8585	-0.08	-1.49
GBP/USD	1.3541	0.36	0.50
GBP/EUR	1.1642	0.08	1.51
USD/JPY	156.25	-0.90	-0.26
EUR/JPY	181.73	-0.60	-1.23

* 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	3.81	4.11	4.47	4.51
EUR	2.25	2.30	2.65	3.04	3.18	3.25
GBP	3.75	3.74	3.81	4.20	4.57	4.68

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

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All Data Sourced from Refinitiv

Opening Levels

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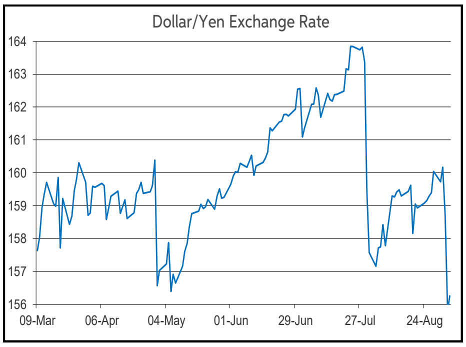
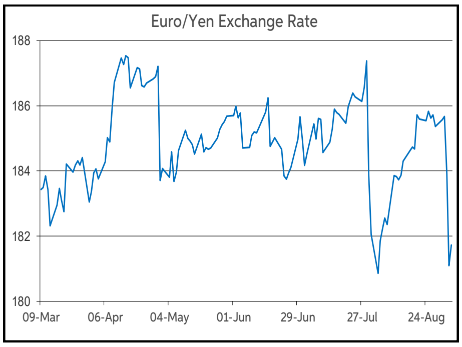
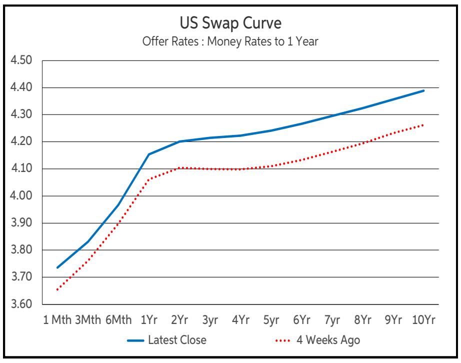
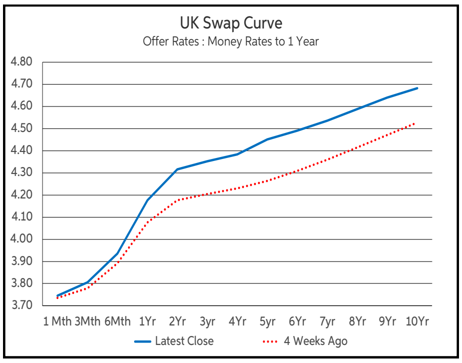
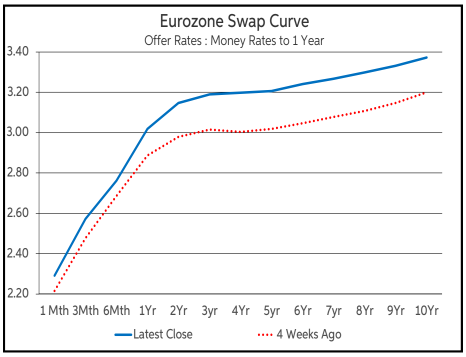
Euro		Sterling		Dollar	
EUR/GBP	0.8585	GBP/EUR	1.1642	USD/JPY	156.25
EUR/USD	1.1629	GBP/USD	1.3541	USD/CAD	1.3789
EUR/JPY	181.73	GBP/CAD	1.8671	USD/CHF	0.8074
EUR/SEK	11.0824	GBP/NZD	2.2946	USD/CNY	6.7152
EUR/DKK	7.4743	GBP/JPY	211.58	USD/BRL	5.1004
EUR/NOK	10.797	GBP/SEK	12.9017	USD/RUB	86.2
EUR/CHF	0.9389	GBP/DKK	8.7013	USD/INR	94.48
EUR/AUD	1.6133	GBP/NOK	12.5687		
EUR/HKD	9.1175	GBP/CHF	1.0933	AUD/USD	0.7206
EUR/CAD	1.6034	GBP/AUD	1.8782	NZD/USD	0.5899

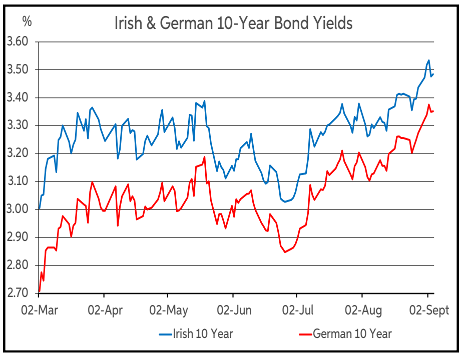












Debt Markets

	Close	Change bps Day	4 Weeks	End 25
10 Year Yield %				
US	4.76	-3	+9	+61
Germany	3.35	-3	+22	+49
UK	5.14	-9	+19	+67
Ireland	3.48	-6	+17	+45
Belgium	3.89	-5	+22	+55
France	4.21	-5	+29	+65
Italy	4.18	-4	+26	+67
Spain	3.79	-4	+22	+50
Portugal	3.71	-3	+23	+55
Greece	4.03	-4	+26	+56
5 Year Swap %				
US	4.51	-1	+13	+78
Eurozone	3.24	-3	+22	+68
UK	4.67	-9	+15	+77
2 Year Swap %				
US	4.41	-8	+6	+84
Eurozone	3.17	-2	+20	+92
UK	4.56	-8	+13	+83
10 Year Government Bond Spreads to Benchmark bps				
Ireland	13	-3	-5	-4
Belgium	54	-2	-0	+6
France	86	-2	+6	+16
Italy	83	-2	+4	+18
Spain	44	-2	-0	+1
Portugal	36	-0	+0	+6
Greece	68	-1	+4	+7

Commodities

	Close	% Change Day	4 Weeks	End 25
Brent Oil	95.52	-0.12	+15.80	+56.98
West Texas Oil	92.55	+0.43	+17.33	+61.63
Gold $	4472.9	+1.97	+5.51	+3.68

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