

Morning Comment

AIB Treasury Economic Research Unit



Wednesday 11 February 2026
07:00 am

US labour market report due today

There was a cautious tone to investor sentiment yesterday, amid a relatively quiet day across markets. Investors largely kept their powder dry ahead of the release of the US labour market report today. On equity markets, the Euro Stoxx 50 inched 0.2% lower. Similarly, the S&P 500 fell by 0.3%. Meantime, benchmark sovereign bond yields moved 2-5bps lower in the US, UK and Eurozone.

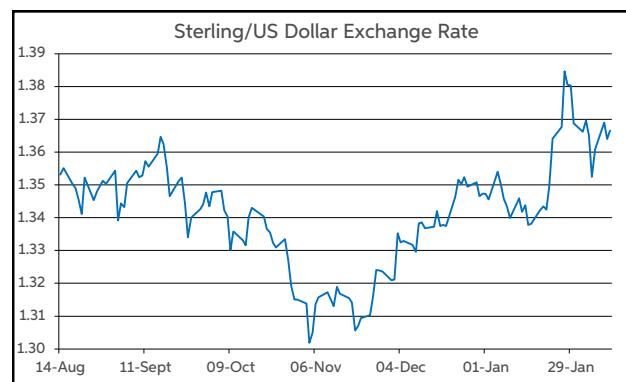
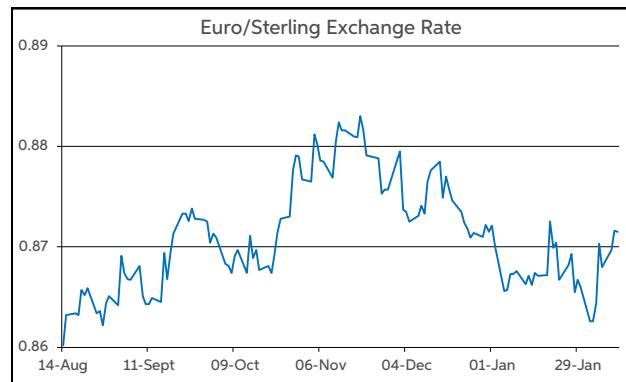
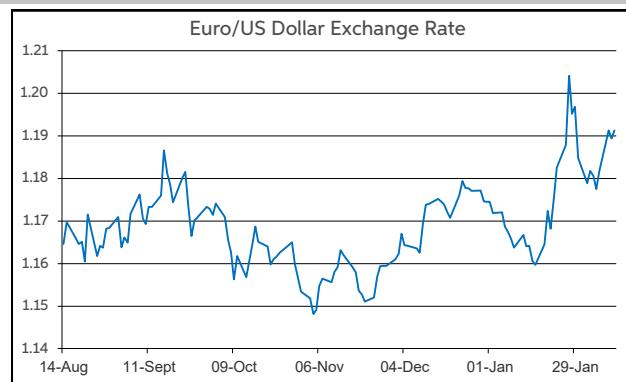
Data-wise, US retail sales printed well below the consensus. Headline sales flatlined in December (vs. +0.4% f'cast), while the control group measure contracted by 0.1% (vs. +0.4% f'cast also). Meanwhile, the wages component of the employment cost index (a wage inflation metric followed closely by the Fed) eased to +0.7% in Q4, its lowest level since Q3 2020. In terms of some timelier data, US small business optimism fell marginally to 99.3 in January.

Against this backdrop, the dollar was under some mild downward pressure. This saw EUR/USD trade to a high of \$1.1929. However, the greenback recouped its losses before the close. At the same time, the yen was holding a firmer tone, gaining over 1% versus the euro and the dollar. Thin trading conditions due to a market holiday in Japan may have exacerbated the move.

In level terms, EUR/USD opens above the \$1.19 handle for a second consecutive day. GBP/USD is operating in the top half of the \$1.36-1.37 range. Elsewhere, EUR/GBP is changing hands above the 87p mark. Meantime, USD/JPY is trading back close to ¥153.

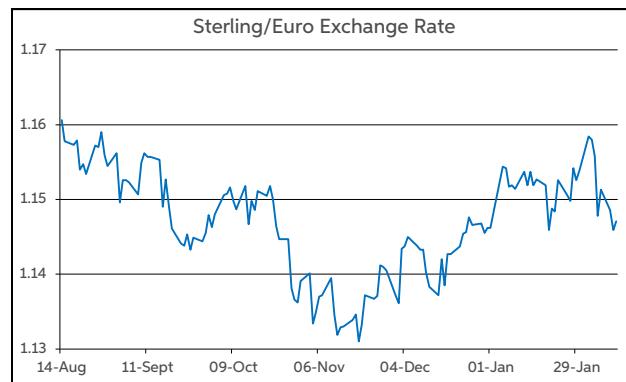
Turning to the day ahead, the focus will be on the delayed release of the aforementioned US labour market report for January. The consensus is for non-farm payrolls to rise by 70k in the month. Meanwhile, the unemployment rate is forecast to stay at 4.4%, and average earnings growth is projected to slow to +3.6% y/y from +3.8% y/y. The release may create some volatility for the dollar.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
	% Change		
	Day *	End 2025	
EUR/USD	1.1911	0.04	1.41
EUR/GBP	0.8715	0.13	0.00
GBP/USD	1.3666	-0.08	1.43
GBP/EUR	1.147	-0.13	0.00
USD/JPY	153.16	-1.38	-2.23
EUR/JPY	182.47	-1.33	-0.83

* 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	3.65	3.63	3.38	3.55	3.68
EUR	2.00	1.97	1.98	2.14	2.20	2.47
GBP	3.75	3.72	3.62	3.46	3.73	3.97

All rates quoted are indicative market rates

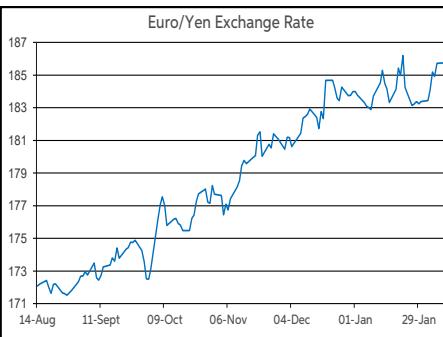
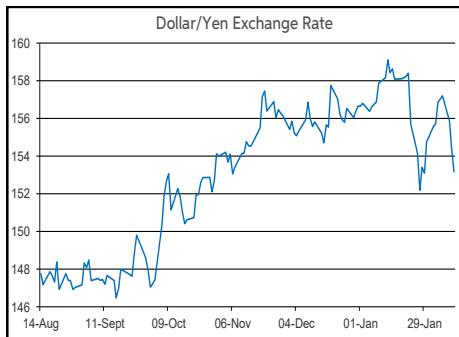
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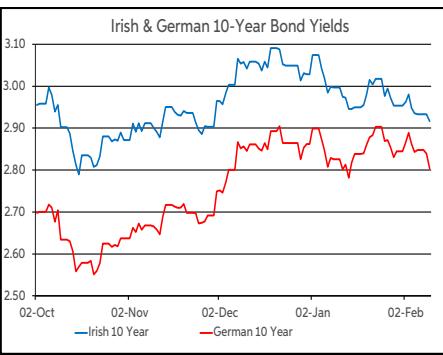
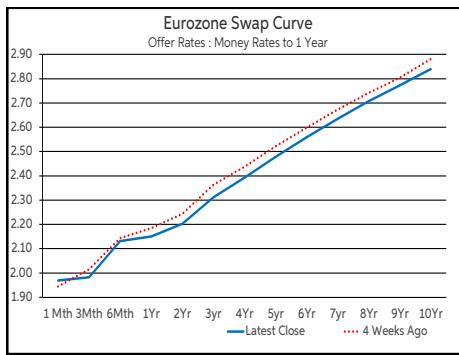
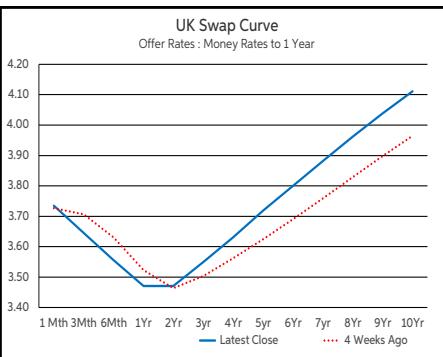
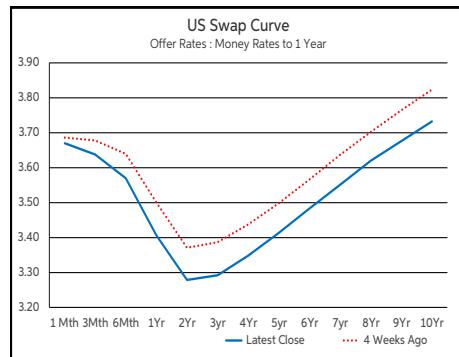
Euro	
EUR/GBP	0.8715
EUR/USD	1.1911
EUR/JPY	182.47
EUR/SEK	10.5501
EUR/DKK	7.4707
EUR/NOK	11.2951
EUR/CHF	0.9125
EUR/AUD	1.6762
EUR/HKD	9.31
EUR/CAD	1.6111

Sterling	
GBP/EUR	1.147
GBP/USD	1.3666
GBP/CAD	1.848
GBP/NZD	2.2561
GBP/JPY	209.31
GBP/SEK	12.1006
GBP/DKK	8.5703
GBP/NOK	12.9645
GBP/CHF	1.0468
GBP/AUD	1.9229

Dollar	
USD/JPY	153.16
USD/CAD	1.3527
USD/CHF	0.766
USD/CNY	6.9125
USD/BRL	5.1967
USD/RUB	77.2
USD/INR	90.572
AUD/USD	0.7104
NZD/USD	0.6053



	Change bps			
	Close	Day	4 Weeks	End 25
10 Year Yield %				
US	4.15	-5	-3	-1
Germany	2.80	-4	-1	-6
UK	4.51	-2	+11	+4
Ireland	2.92	-2	-6	-11
Belgium	3.22	-4	-9	-13
France	3.40	-4	-12	-16
Italy	3.42	-4	-3	-9
Spain	3.18	-4	-7	-12
Portugal	3.16	-4	+5	+0
Greece	3.42	-4	+5	-6
5 Year Swap %				
US	3.68	-4	-8	-5
Eurozone	2.46	-2	-5	-10
UK	3.96	+0	+10	+7
2 Year Swap %				
US	3.54	-3	-9	-4
Eurozone	2.20	-1	-4	-6
UK	3.71	-0	+1	-2
10 Year Government Bond Spreads to Benchmark bps				
Ireland	11	+2	-5	-5
Belgium	41	-1	-8	-7
France	60	-0	-11	-10
Italy	61	-1	-2	-4
Spain	37	-0	-6	-6
Portugal	36	-0	+6	+6
Greece	62	-0	+6	+0



	% Change			
	Close	Day	4 Weeks	End 25
Brent Oil	68.8	-0.35	+5.09	+13.06
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	5023.0	-0.82	+9.50	+16.43

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