

Middle East war remains in focus

A market holiday across Europe meant trading conditions were relatively muted yesterday. Nevertheless, investor sentiment remained reactive to developments in relation to the war in the Middle East. Reports indicate that Iran has rejected a ceasefire proposal, while claiming it wants a permanent end to the war. Talks between both sides are set to continue, despite ongoing threats of increased attacks from US President Trump, if the Strait of Hormuz is not re-opened today. At the same time, the war is continuing, the Strait of Hormuz remains largely unpassable, and energy infrastructure across the Gulf region is being damaged.

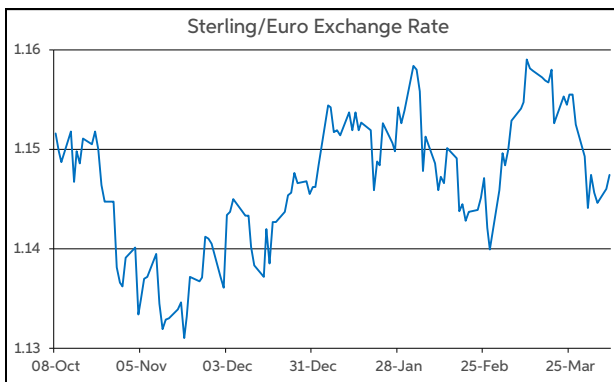
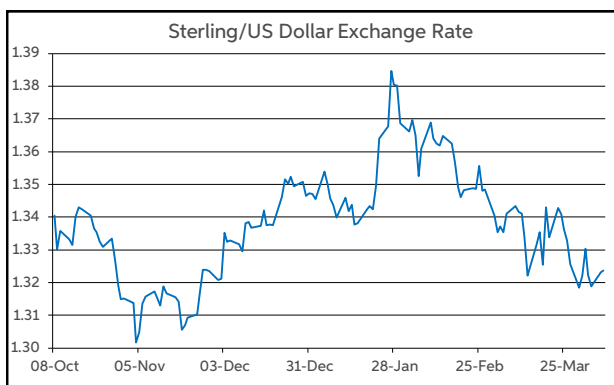
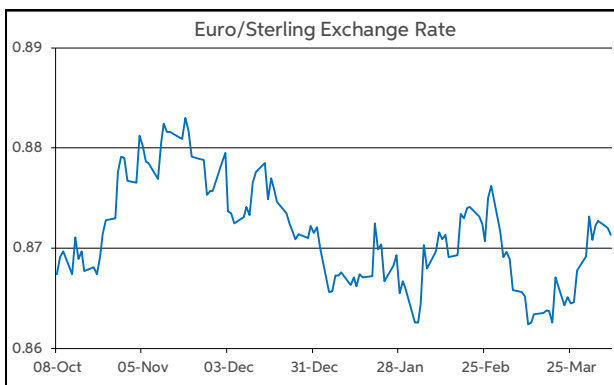
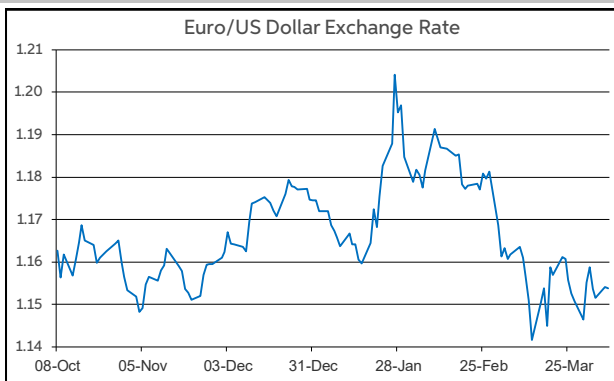
Against this backdrop, oil prices fluctuated throughout yesterday. Brent crude finished the day above \$109 per barrel but rose overnight, meaning it is currently north of \$111/bbl. Despite this though, the S&P 500 registered a modest 0.3% gain. Meanwhile, US Treasury yields were little changed, falling by 1-3bps along the curve.

On the currency front, the main pairs have been relatively range bound over the past 24 hours. Of the very limited moves to note, the dollar has edged slightly lower. Overall, the greenback declined by circa 0.1-0.2% versus the euro and sterling.

This sees EUR/USD open today in the lower half of the \$1.15-1.16 range. GBP/USD is in the bottom half of the \$1.32-1.33 corridor. USD/JPY is in the upper region of the ¥159-160 band. Elsewhere, EUR/GBP remains north of the 87p mark.

Turning to the day ahead, market participants will remain focused on developments in relation to the war in the Middle East. Data-wise, the main highlight will be the EU Sentix survey for April. Later this week, the focus will be on US inflation, with both core-PCE (Feb) and CPI (Mar) due for release. On the monetary policy front, the Fed meeting minutes will be published on Wednesday.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2025
EUR/USD	1.1538	0.13	-1.76
EUR/GBP	0.8713	-0.08	-0.02
GBP/USD	1.3237	0.20	-1.75
GBP/EUR	1.1471	0.08	0.02
USD/JPY	159.77	0.13	1.99
EUR/JPY	184.37	0.26	0.21

* 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	3.68	3.75	3.97	3.96
EUR	2.00	1.91	2.10	2.76	2.87	2.90
GBP	3.75	3.74	3.83	4.20	4.47	4.39

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

Tuesday 07 April 2026
07:33 am



Euro

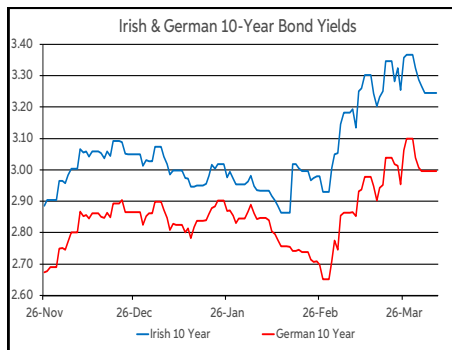
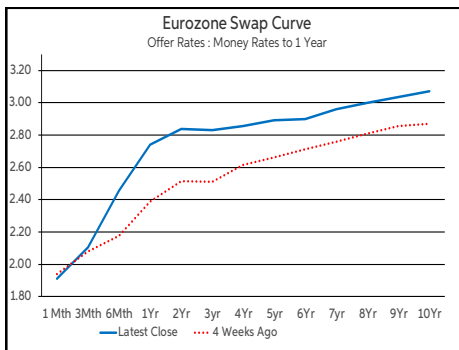
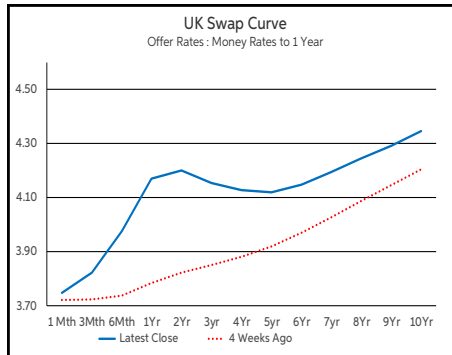
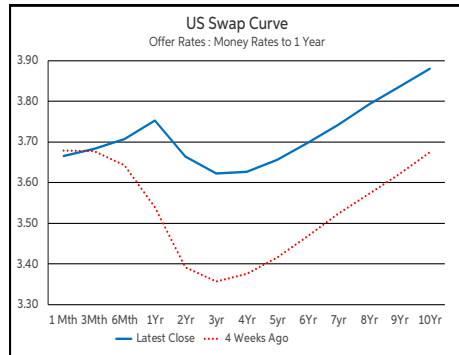
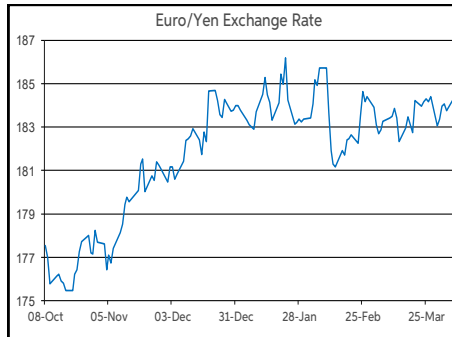
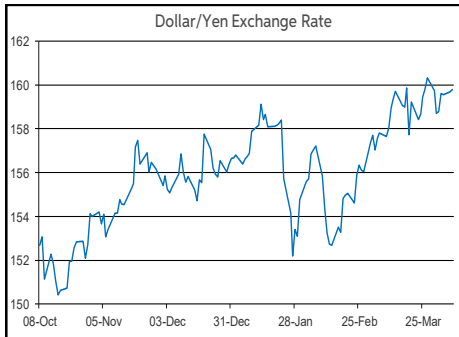
EUR/GBP	0.8713
EUR/USD	1.1538
EUR/JPY	184.37
EUR/SEK	10.9221
EUR/DKK	7.4726
EUR/NOK	11.1949
EUR/CHF	0.9213
EUR/AUD	1.6672
EUR/HKD	9.0425
EUR/CAD	1.6062

Sterling

GBP/EUR	1.1471
GBP/USD	1.3237
GBP/CAD	1.8427
GBP/NZD	2.32
GBP/JPY	211.49
GBP/SEK	12.5327
GBP/DKK	8.5743
GBP/NOK	12.8479
GBP/CHF	1.0572
GBP/AUD	1.913

Dollar

USD/JPY	159.77
USD/CAD	1.392
USD/CHF	0.7986
USD/CNY	6.8742
USD/BRL	5.1393
USD/RUB	79.15
USD/INR	92.95
AUD/USD	0.6918
NZD/USD	0.5703



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 25
10 Year Yield %				
US	4.34	-1	+20	+18
Germany	3.00	-0	+13	+13
UK	4.84	+0	+18	+36
Ireland	3.25	-2	+5	+22
Belgium	3.47	-1	+15	+12
France	3.68	-0	+17	+12
Italy	3.85	+0	+24	+34
Spain	3.48	+0	+13	+18
Portugal	3.43	+0	+13	+27
Greece	3.85	+5	+18	+37
5 Year Swap %				
US	3.93	-1	+27	+20
Eurozone	2.85	-1	+22	+29
UK	4.37	+0	+20	+47
2 Year Swap %				
US	3.95	+1	+34	+37
Eurozone	2.80	-1	+29	+54
UK	4.42	-0	+33	+69
10 Year Government Bond Spreads to Benchmark bps				
Ireland	25	-2	-8	+8
Belgium	47	-1	+2	-1
France	68	-0	+4	-2
Italy	86	+1	+11	+21
Spain	48	+0	-0	+5
Portugal	44	+0	-1	+14
Greece	85	+5	+5	+23

Commodities				
	% Change			
	Close	Day	4 Weeks	End 25
Brent Oil	109.77	+0.68	+10.92	+80.39
West Texas Oil	114.01	+0.69	+20.45	+99.11
Gold \$	4647.4	-0.60	-9.53	+7.73

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