

Morning Comment

AIB Treasury Economic Research Unit



Thursday 12 February 2026
07:49 am

Dollar strengthens post payrolls

The cautious tone to investor sentiment persisted on financial markets yesterday. The Euro Stoxx 50 registered a modest 0.2% fall. Meantime on Wall Street, the S&P 500 finished flat for the day. In terms of fixed income, German Bund and UK Gilt yields moved 1-3bps lower. In contrast, US Treasury yields rose by 3-6bps, led higher by the short-end of the curve.

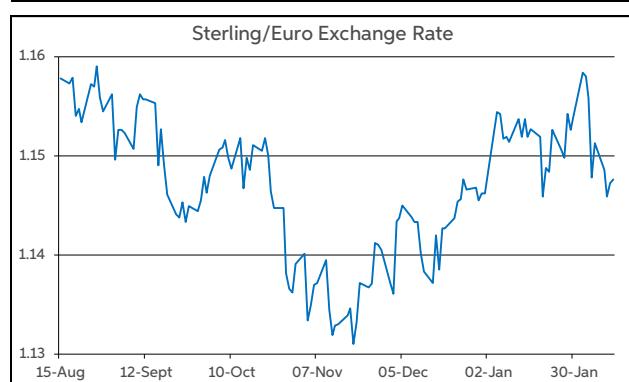
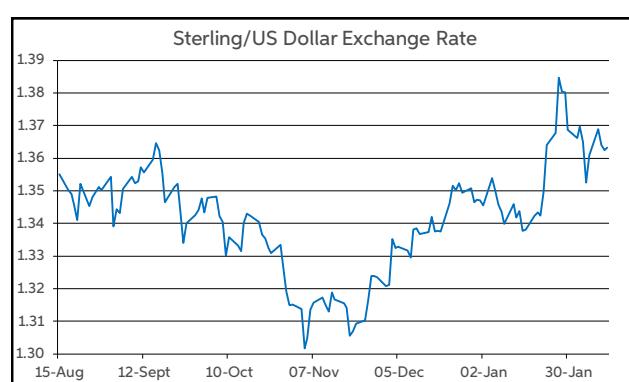
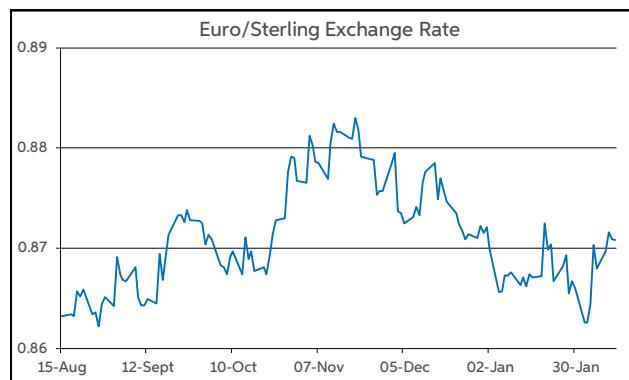
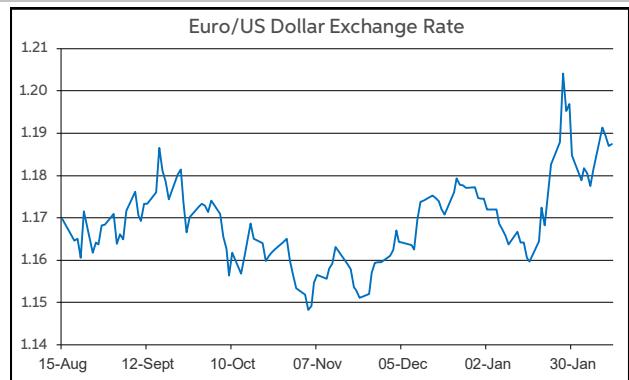
On the data front, the main release was the US labour market report for January. Overall, the release was a mixed bag. The data for January were better than anticipated, with non-farm payrolls surging by 130k, almost double the 70k consensus. Furthermore, the unemployment rate declined to 4.3% (vs. 4.4% fcast), while average earnings growth eased slightly to +3.7% y/y (vs. +3.6% fcast). However, significant benchmark revisions to prior months indicate that the labour market was softer than previously thought last year, albeit, the weakness was concentrated in the first half of the year.

The dollar experienced some volatility following the release. In the initial aftermath it strengthened markedly, with EUR/USD dropping to a low of \$1.1833. However, as investors digested the details of the report, the greenback handed back the majority of its gains. Elsewhere, the yen remained on the front-foot yesterday.

As trading gets underway this morning, EUR/USD opens in the top half of \$1.18-1.19. GBP/USD is operating back in the lower half of \$1.36-1.37. EUR/GBP remains just above the 87p mark. USD/JPY is trading at the ¥153 threshold.

Already this morning, the first estimate of UK GDP for Q4 has printed below expectations. The economy expanded by just 0.1% in the quarter (vs. 0.2% fcast), meaning UK GDP rose by 1.2% overall in 2025. However, the release has not impacted sterling in early trading. The remainder of today's macro calendar is relatively sparse.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
	% Change		
	Day *	End 2025	
EUR/USD	1.1874	-0.37	1.10
EUR/GBP	0.8708	-0.10	-0.08
GBP/USD	1.3632	-0.26	1.18
GBP/EUR	1.148	0.10	0.08
USD/JPY	153.01	-0.02	-2.32
EUR/JPY	181.7	-0.38	-1.24

* 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	3.65	3.45	3.61	3.73
EUR	2.00	1.98	1.98	2.14	2.21	2.48
GBP	3.75	3.73	3.62	3.45	3.71	3.95

All rates quoted are indicative market rates

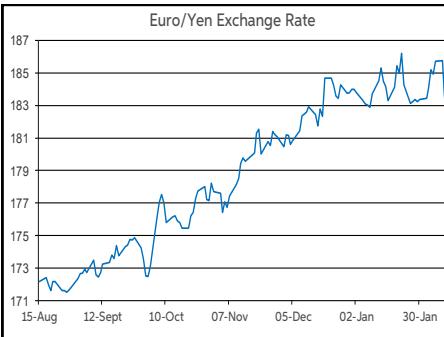
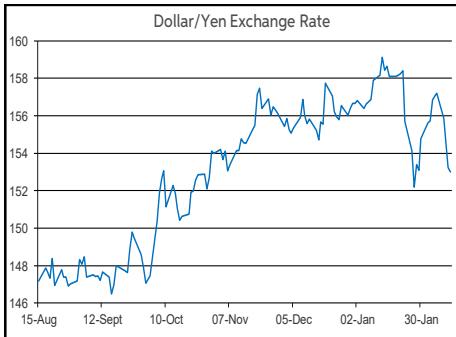
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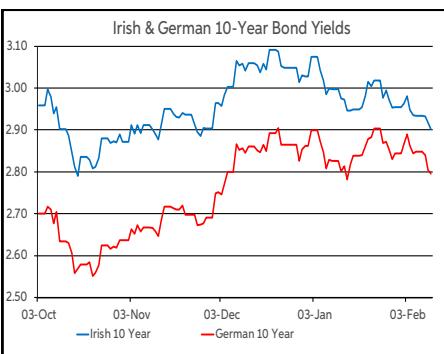
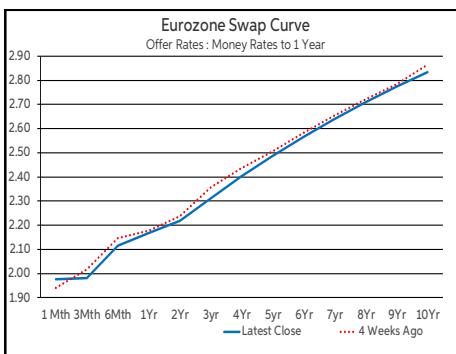
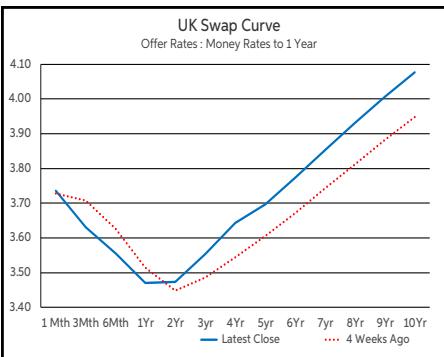
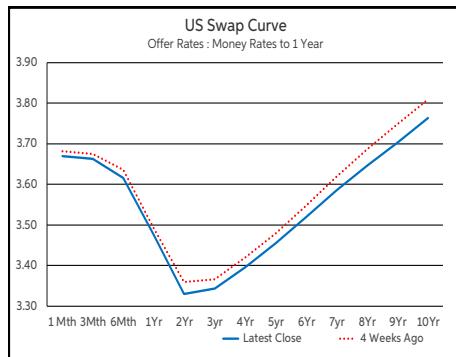
Euro	
EUR/GBP	0.8708
EUR/USD	1.1874
EUR/JPY	181.7
EUR/SEK	10.549
EUR/DKK	7.4708
EUR/NOK	11.2475
EUR/CHF	0.9152
EUR/AUD	1.6673
EUR/HKD	9.2844
EUR/CAD	1.6119

Sterling	
GBP/EUR	1.148
GBP/USD	1.3632
GBP/CAD	1.8506
GBP/NZD	2.2496
GBP/JPY	208.58
GBP/SEK	12.1113
GBP/DKK	8.5756
GBP/NOK	12.9094
GBP/CHF	1.0507
GBP/AUD	1.9139

Dollar	
USD/JPY	153.01
USD/CAD	1.3578
USD/CHF	0.7707
USD/CNY	6.9013
USD/BRL	5.1832
USD/RUB	77.15
USD/INR	90.59
AUD/USD	0.7121
NZD/USD	0.6057



	Debt Markets			
	Close	Day	4 Weeks	End 25
10 Year Yield %				
US	4.17	+3	+3	+2
Germany	2.80	-1	+1	-7
UK	4.48	-3	+14	+0
Ireland	2.90	-1	-4	-13
Belgium	3.20	-2	-7	-15
France	3.38	-2	-11	-18
Italy	3.41	-1	-1	-10
Spain	3.16	-1	-5	-13
Portugal	3.16	-1	+6	-0
Greece	3.42	-0	+6	-6
5 Year Swap %				
US	3.73	+5	-1	+0
Eurozone	2.45	-2	-5	-12
UK	3.94	-2	+12	+4
2 Year Swap %				
US	3.60	+6	-1	+3
Eurozone	2.18	-2	-5	-8
UK	3.71	-0	+3	-2
10 Year Government Bond Spreads to Benchmark bps				
Ireland	11	-1	-6	-6
Belgium	40	-1	-8	-8
France	59	-2	-12	-11
Italy	61	-0	-2	-4
Spain	37	-0	-7	-6
Portugal	36	+0	+5	+6
Greece	62	+1	+5	+1



	Commodities			
	Close	Day	4 Weeks	End 25
Brent Oil	69.4	+0.87	+4.33	+14.05
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	5078.5	+1.11	+9.91	+17.72

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