

Main FX pairs more confined recently

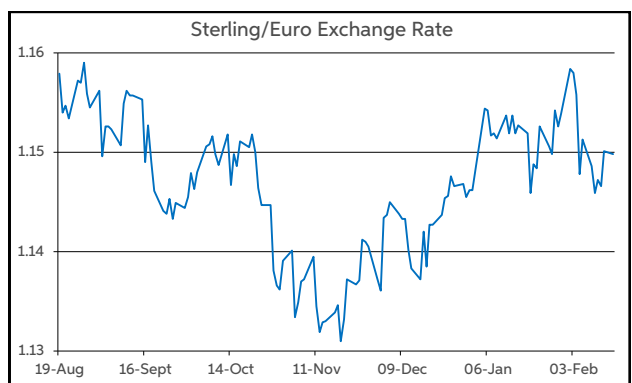
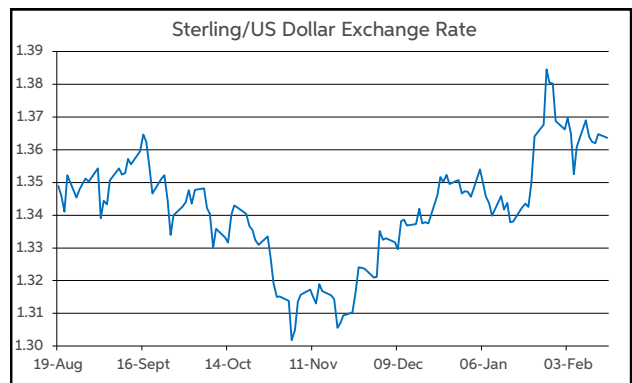
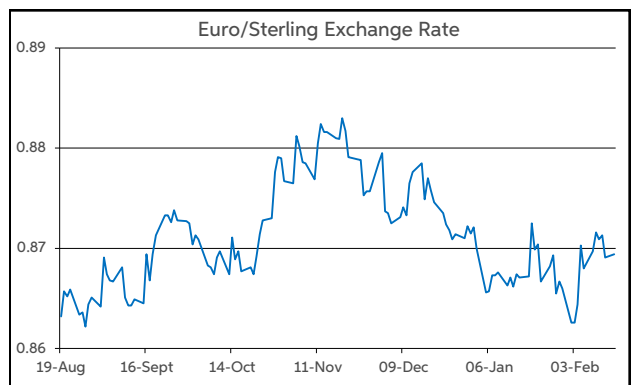
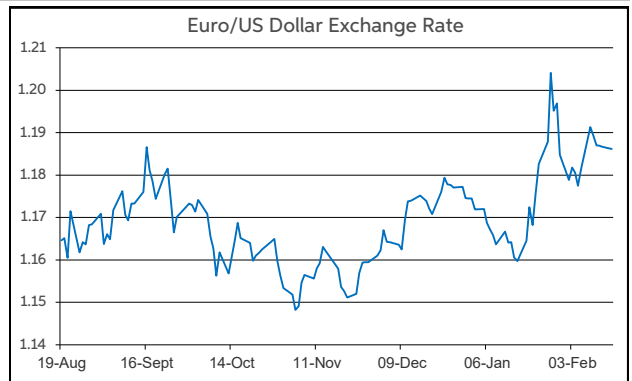
Looking back over last week, there was a risk averse tone to investor sentiment for much of the period. At the closing bell on Wall Street Friday night, the S&P 500 was over 1% lower on the week, amid some negative AI related newsflow.

In terms of the macro calendar, attention shifted from monetary policy back to the data releases last week. In this regard, the raft of US labour market updates for January, were generally better than expected, albeit revisions to previous months were less encouraging. However, the January numbers suggest a solid start to 2026 for job creation in the US. The other main take-away from last week's data was that the UK economy lacked momentum heading into 2026, with Q4 GDP posting a meagre 0.1% quarterly growth rate.

From a currency viewpoint, whilst the aforementioned data generated headlines and provided some useful insights, it did not prompt much of a reaction amongst the main pairs. Indeed, the FX action for most of the majors was characterised by relatively narrow range trading. EUR/USD operated within a \$1.182-1.193 corridor, settling just above the midpoint of \$1.18-1.19. The moves in EUR/GBP were also limited, with trading confined to a 86.8-87.4p range. Meantime, GBP/USD traded in and around \$1.36 after being unable to sustain a move at the \$1.37 handle. There was some more notable action in the yen with the currency gaining around 2% on the exchanges last week in the aftermath of the previous weekend's landslide election victory for PM Takaichi's party.

Examining the macro diary for this week, there are some key data releases due. In the US, we get the first estimate of Q4'25 GDP, as well as the Fed's preferred inflation gauge - core-PCE (Dec). In the UK, a busy schedule includes labour market data for Q4 and retail sales figures (Dec). There are also some timelier indicators due in the form of the flash PMIs for February for the US, Eurozone and UK.

John Fahey, Senior Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2025
EUR/USD	1.1862	0.04	1.00
EUR/GBP	0.8694	-0.26	-0.24
GBP/USD	1.3639	0.26	1.23
GBP/EUR	1.1496	0.26	0.24
USD/JPY	153.34	0.03	-2.11
EUR/JPY	181.91	0.07	-1.13

* 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	3.64	3.40	3.52	3.61
EUR	2.00	1.95	2.00	2.14	2.19	2.43
GBP	3.75	3.71	3.60	3.44	3.68	3.89

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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Euro

EUR/GBP	0.8694
EUR/USD	1.1862
EUR/JPY	181.91
EUR/SEK	10.5857
EUR/DKK	7.4708
EUR/NOK	11.2618
EUR/CHF	0.9117
EUR/AUD	1.6741
EUR/HKD	9.2735
EUR/CAD	1.6147

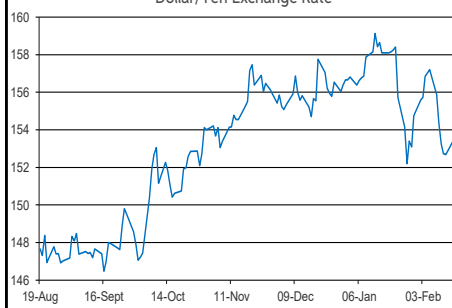
Sterling

GBP/EUR	1.1496
GBP/USD	1.3639
GBP/CAD	1.8563
GBP/NZD	2.2585
GBP/JPY	209.14
GBP/SEK	12.1725
GBP/DKK	8.5884
GBP/NOK	12.95
GBP/CHF	1.0483
GBP/AUD	1.9249

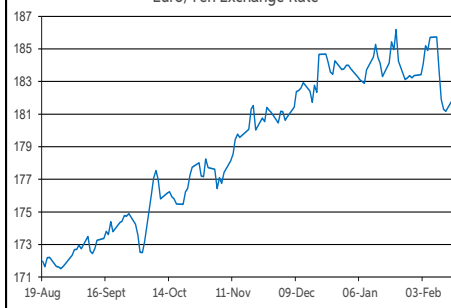
Dollar

USD/JPY	153.34
USD/CAD	1.3611
USD/CHF	0.7685
USD/CNY	6.908
USD/BRL	5.224
USD/RUB	76.7
USD/INR	90.711
AUD/USD	0.7083
NZD/USD	0.6035

Dollar/Yen Exchange Rate

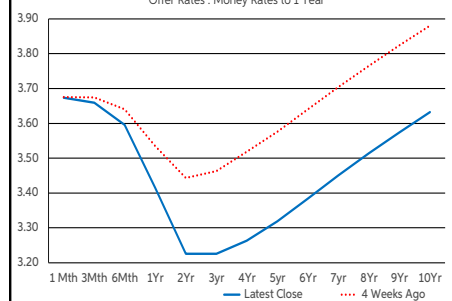


Euro/Yen Exchange Rate



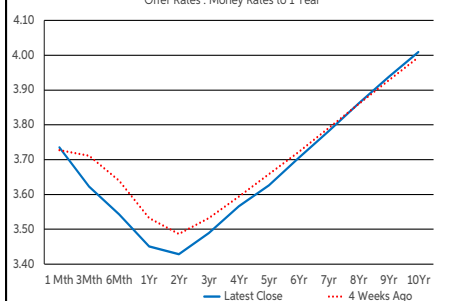
US Swap Curve

Offer Rates : Money Rates to 1 Year



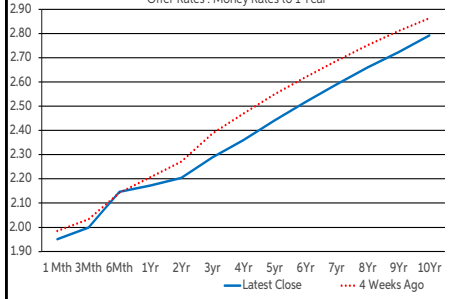
UK Swap Curve

Offer Rates : Money Rates to 1 Year

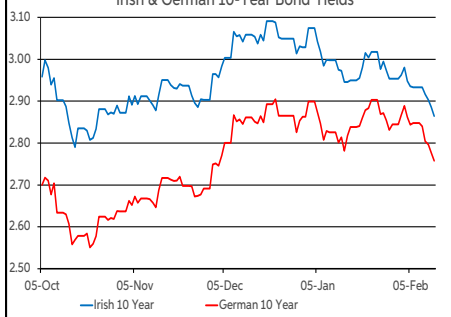


Eurozone Swap Curve

Offer Rates : Money Rates to 1 Year



Irish & German 10-Year Bond Yields



Debt Markets

	Close	Change bps		
		Day	4 Weeks	End 25
10 Year Yield %				
US	4.06	-5	-18	-10
Germany	2.76	-2	-8	-11
UK	4.42	-4	+2	-6
Ireland	2.86	-2	-9	-16
Belgium	3.16	-2	-13	-19
France	3.35	-2	-17	-22
Italy	3.37	-2	-4	-14
Spain	3.14	-2	-8	-15
Portugal	3.12	-2	-10	-4
Greece	3.37	-2	+1	-11
5 Year Swap %				
US	3.58	-5	-25	-14
Eurozone	2.43	-2	-11	-14
UK	3.88	-4	-2	-2
2 Year Swap %				
US	3.49	-4	-20	-8
Eurozone	2.18	-1	-8	-8
UK	3.66	-2	-7	-7
10 Year Government Bond Spreads to Benchmark bps				
Ireland	11	-0	-0	-6
Belgium	40	-0	-5	-8
France	59	-0	-9	-11
Italy	62	+0	+4	-3
Spain	38	+0	-0	-5
Portugal	36	-0	-2	+7
Greece	61	-0	+9	-1

Commodities

	% Change			
	Close	Day	4 Weeks	End 25
Brent Oil	67.75	+0.34	+5.64	+11.34
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	5042.1	+2.49	+9.74	+16.87

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