

Morning Comment

AIB Treasury Economic Research Unit



Wednesday 18 February 2026
08:06 am

EUR/GBP remains above the 87p mark

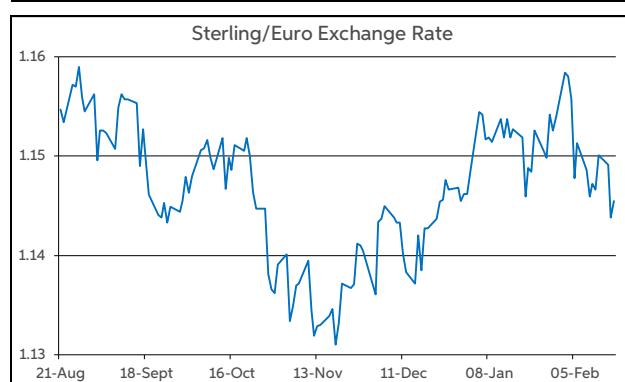
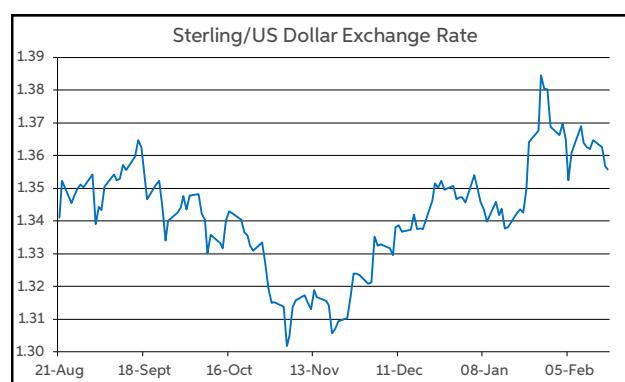
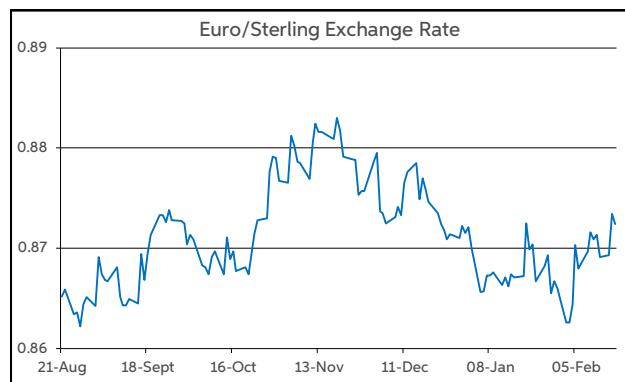
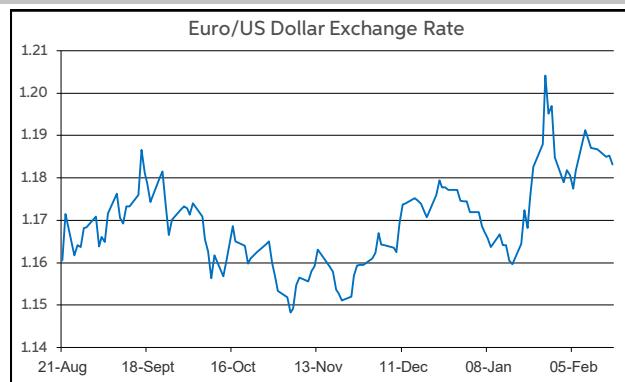
There was a positive tone to investor sentiment yesterday, as US investors returned following a long weekend. The Euro Stoxx 50 gained 0.7% on the day. Meantime, on Wall Street, the S&P 500 rebounded late on to register a slight 0.1% increase. Elsewhere, oil prices declined by over 1%, amid signs of progress between the US & Iran in the ongoing nuclear talks. Brent crude is currently back below \$68 per barrel.

Data-wise, the calendar was somewhat sparse following the early morning release of UK labour market update. Of the other limited releases to note, the German ZEW fell to 58.3 in February (vs. 65.0 fcast), while the US Empire State index declined to 7.1 (vs. 6.98 fcast). However, neither data point had any discernible impact on the euro or the dollar.

On the currency front, sterling remained on the defensive in the aftermath of the aforementioned UK labour market data. At the same time, the dollar was holding a modestly firmer tone, albeit the greenback handed back most of its gains overnight. Elsewhere, the yen was under some modest downward pressure. In level terms, EUR/GBP opens this morning above the 87p mark. GBP/USD is changing hands near the midpoint of the \$1.35-1.36 range. EUR/USD remains in the lower half of \$1.18-1.19. USD/JPY is in upper region of the ¥153-154 corridor.

Already this morning, UK CPI inflation for January has been released. The headline rate declined to 3.1% (vs. 3.0% fcast), while the core rate fell to 3.0%, as expected. However, the release has not affected sterling in early trading. The remainder of today's macro calendar is US centric. Industrial production (Jan), as well as housing starts (Dec) are due. On the monetary policy front, the minutes from the Fed meeting in January will warrant close attention. Reports that ECB President Lagarde may step down early will also be in focus.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
	% Change		
	Day *	End 2025	
EUR/USD	1.1831	-0.08	0.73
EUR/GBP	0.8724	0.28	0.10
GBP/USD	1.3558	-0.35	0.63
GBP/EUR	1.1457	-0.28	-0.10
USD/JPY	153.69	0.48	-1.89
EUR/JPY	181.85	0.41	-1.16

* 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	3.66	3.65	3.43	3.55	3.64
EUR	2.00	1.95	2.00	2.15	2.20	2.44
GBP	3.75	3.73	3.58	3.42	3.65	3.86

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
---------	----------------------------	------------	------------	------------------	---------------------------	-----------------	-----------------------------------

Opening Levels

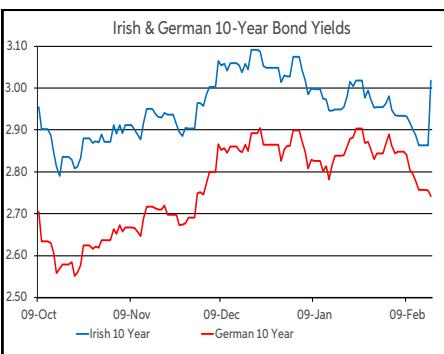
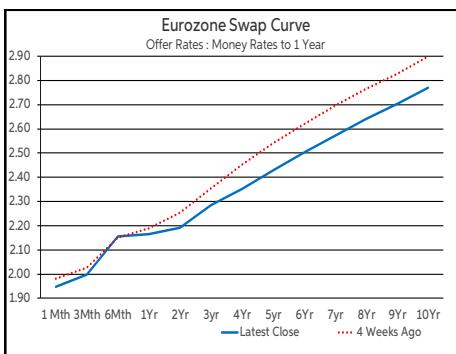
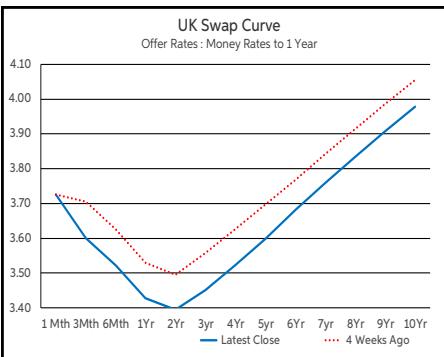
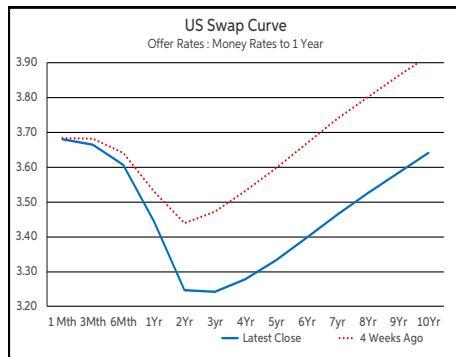
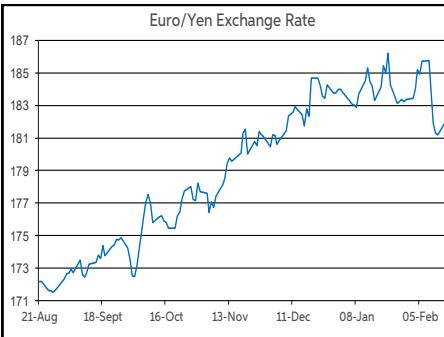
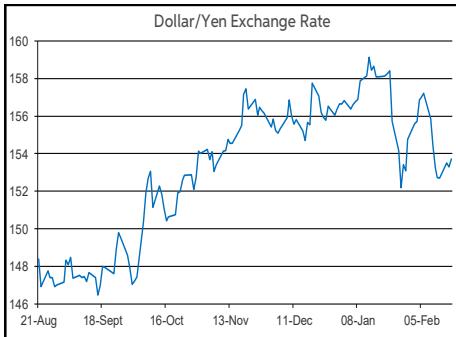
Wednesday 18 February 2026
08:06 am



Euro	
EUR/GBP	0.8724
EUR/USD	1.1831
EUR/JPY	181.85
EUR/SEK	10.626
EUR/DKK	7.4711
EUR/NOK	11.2789
EUR/CHF	0.9129
EUR/AUD	1.6726
EUR/HKD	9.2486
EUR/CAD	1.6162

Sterling	
GBP/EUR	1.1457
GBP/USD	1.3558
GBP/CAD	1.852
GBP/NZD	2.2591
GBP/JPY	208.37
GBP/SEK	12.1774
GBP/DKK	8.5599
GBP/NOK	12.9248
GBP/CHF	1.0461
GBP/AUD	1.9167

Dollar	
USD/JPY	153.69
USD/CAD	1.3661
USD/CHF	0.7716
USD/CNY	6.908
USD/BRL	5.2228
USD/RUB	76.2
USD/INR	90.632
AUD/USD	0.7072
NZD/USD	0.5999



	Debt Markets			
	Close	Day	4 Weeks	End 25
10 Year Yield %				
US	4.05	-0	-24	-10
Germany	2.74	-1	-12	-12
UK	4.38	-2	-8	-9
Ireland	3.02	+15	+4	-1
Belgium	3.14	-2	-18	-21
France	3.32	-3	-21	-24
Italy	3.36	-2	-10	-15
Spain	3.17	-2	-8	-12
Portugal	3.11	-2	-14	-5
Greece	3.36	-1	-4	-12
5 Year Swap %				
US	3.60	+2	-24	-12
Eurozone	2.41	-1	-11	-15
UK	3.86	-1	-7	-4
2 Year Swap %				
US	3.51	+2	-17	-6
Eurozone	2.19	+0	-3	-7
UK	3.65	-1	-8	-8
10 Year Government Bond Spreads to Benchmark bps				
Ireland	28	+17	+16	+11
Belgium	39	-1	-6	-9
France	58	-1	-9	-12
Italy	62	-1	+2	-3
Spain	43	-1	+4	+0
Portugal	37	-0	-2	+7
Greece	61	+1	+8	-0

	Commodities			
	Close	Day	4 Weeks	End 25
Brent Oil	67.42	-1.79	+3.85	+10.80
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	4877.3	-2.30	+2.39	+13.05

This publication is for information purposes and is not an invitation to deal. The information is believed to be reliable but is not guaranteed. Any expressions of opinions are subject to change without notice. This publication is not to be reproduced in whole or in part without prior permission. In the Republic of Ireland it is distributed by Allied Irish Banks, p.l.c. In the UK it is distributed by Allied Irish Banks, p.l.c. and Allied Irish Bank (GB). In Northern Ireland it is distributed by Allied Irish Bank (NI). In the United States of America it is distributed by Allied Irish Banks, p.l.c. Allied Irish Banks, p.l.c. is regulated by the Central Bank of Ireland. Allied Irish Bank (GB) and AIB (NI) are trade marks used under licence by AIB Group (UK) p.l.c. (a wholly owned subsidiary of Allied Irish Banks, p.l.c.), incorporated in Northern Ireland. Registered Office 92 Ann Street, Belfast BT1 3HH. Registered Number NI018800. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. In the United States of America, Allied Irish Banks, p.l.c., New York Branch, is a branch licensed by the New York State Department of Financial Services. Deposits and other investment products are not FDIC insured, they are not guaranteed by any bank and they may lose value. Please note that telephone calls may be recorded in line with market practice.