

EUR/USD tests below \$1.16 threshold

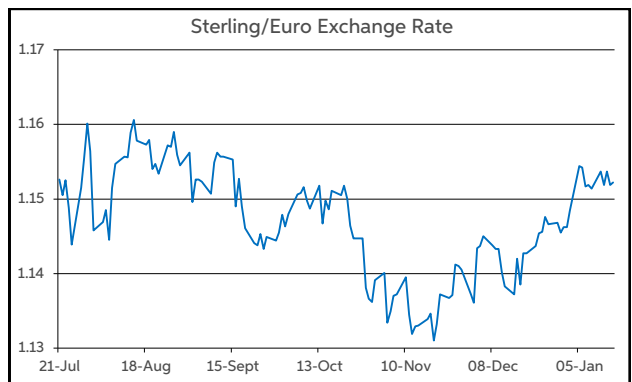
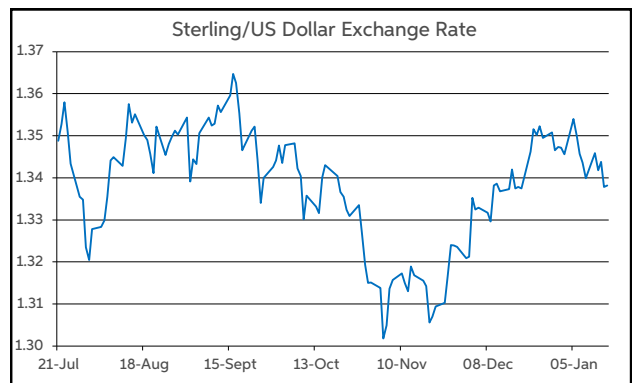
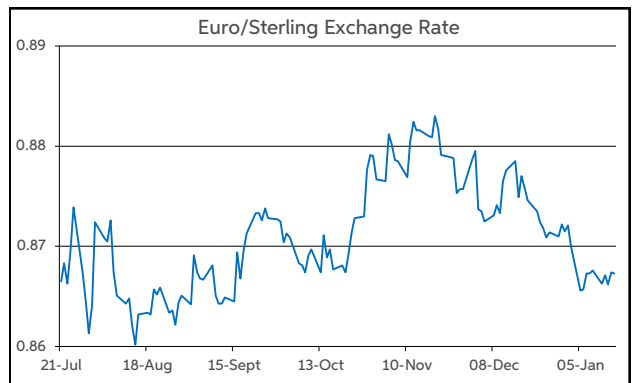
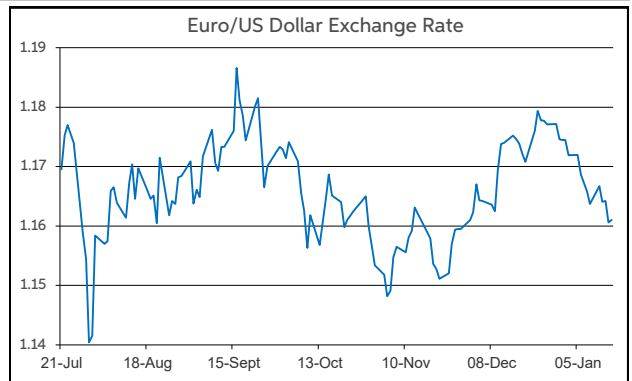
There was a more positive tone to investor sentiment yesterday. This was in part due to an apparent easing in the near term risk of US military intervention in Iran. The main equity indices posted modest gains. In Europe, the Euro Stoxx 50 rose by 0.6%. Meanwhile, at the closing bell on Wall Street last night, the S&P 500 was 0.3% higher.

Yesterday's data calendar was relatively quiet. The data though that was published tended to surprise to the upside of expectations. The main Eurozone release of note was industrial production for November. The headline number printed at 0.7% m/m (vs. f'cast for +0.5%). The underlying details indicated some broad-based growth and suggests the sector was on course for a solid performance in Q4. Meantime, in the US, the weekly jobless claims data were lower than expected, providing some positive news from the labour market.

On the currency, the magnitude of moves among the FX majors remained relatively confined. Within this though, the dollar had some upward momentum for much of yesterday. Some less dovish comments from a raft of Fed speakers led to a firming in US futures contracts, which provided a supportive backdrop for the greenback. Although, some of this momentum has lessened in overnight trading. In level terms, EUR/USD tested below the \$1.16 threshold for the first time since late November/early December. The pair starts this morning's European session at \$1.161. The firmer tone to the dollar saw GBP/USD fall back below \$1.34. Elsewhere, the EUR/GBP pair continued to trade in the upper half of 86-87p.

Looking ahead to today, there is a quiet macro diary in Europe, with no top tier or even second tier Eurozone or UK releases due. In the US, the data highlight will be industrial production figures for December. Homebuilder sentiment for January is on the US agenda today as well. Market participants will also be keeping a watchful on the US Supreme Court as it awaits its 'tariff' ruling.

John Fahey, Senior Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2025
EUR/USD	1.161	-0.21	-1.15
EUR/GBP	0.8673	0.12	-0.48
GBP/USD	1.3382	-0.32	-0.68
GBP/EUR	1.1525	-0.12	0.48
USD/JPY	158.21	-0.14	1.00
EUR/JPY	183.69	-0.35	-0.16

* 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	3.66	3.50	3.69	3.79
EUR	2.00	1.94	2.02	2.18	2.26	2.53
GBP	3.75	3.73	3.71	3.52	3.73	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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Opening Levels

Friday 16 January 2026
07:23 am



Euro

EUR/GBP	0.8673
EUR/USD	1.161
EUR/JPY	183.69
EUR/SEK	10.712
EUR/DKK	7.4715
EUR/NOK	11.7357
EUR/CHF	0.9315
EUR/AUD	1.7322
EUR/HKD	9.0534
EUR/CAD	1.6127

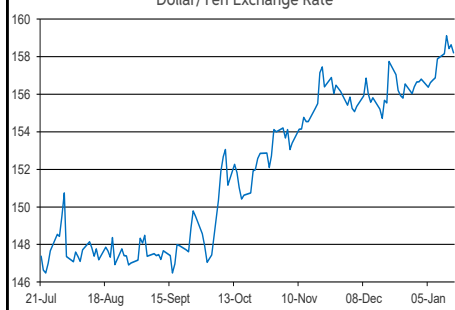
Sterling

GBP/EUR	1.1525
GBP/USD	1.3382
GBP/CAD	1.8588
GBP/NZD	2.3241
GBP/JPY	211.72
GBP/SEK	12.3455
GBP/DKK	8.6102
GBP/NOK	13.5279
GBP/CHF	1.0737
GBP/AUD	1.9965

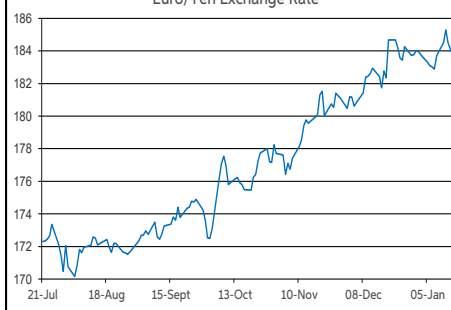
Dollar

USD/JPY	158.21
USD/CAD	1.389
USD/CHF	0.8023
USD/CNY	6.9675
USD/BRL	5.3678
USD/RUB	77.5
USD/INR	90.702
AUD/USD	0.6699
NZD/USD	0.5754

Dollar/Yen Exchange Rate

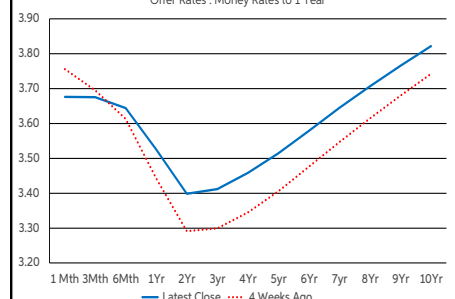


Euro/Yen Exchange Rate



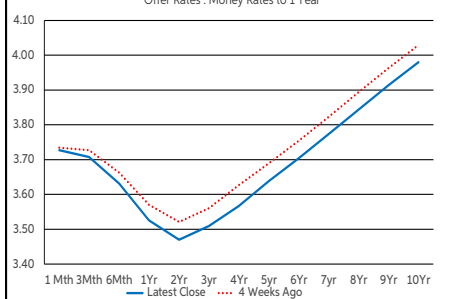
US Swap Curve

Offer Rates : Money Rates to 1 Year



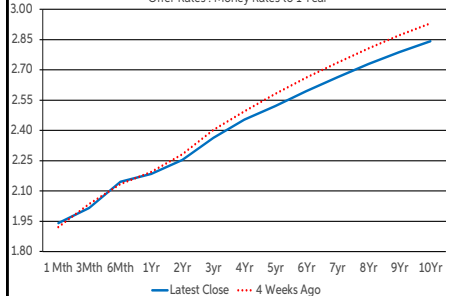
UK Swap Curve

Offer Rates : Money Rates to 1 Year

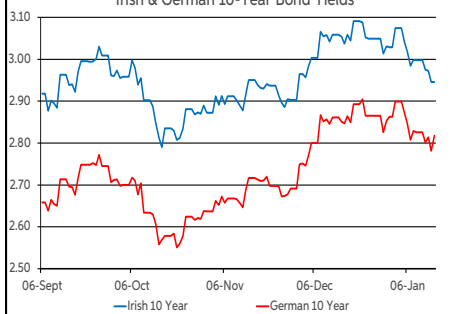


Eurozone Swap Curve

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	4.16	+2	+4	+1
Germany	2.82	+4	-3	-4
UK	4.39	+5	-9	-8
Ireland	2.95	-0	-10	-8
Belgium	3.27	+0	-7	-8
France	3.49	+0	-7	-7
Italy	3.41	-0	-9	-10
Spain	3.21	-0	-7	-8
Portugal	3.21	+12	+7	+5
Greece	3.35	-1	-11	-13
5 Year Swap %				
US	3.78	+5	+17	+5
Eurozone	2.51	+2	-5	-5
UK	3.88	+6	-3	-2
2 Year Swap %				
US	3.67	+5	+12	+9
Eurozone	2.25	+2	-3	-1
UK	3.73	+5	-3	-0
10 Year Government Bond Spreads to Benchmark bps				
Ireland	13	-4	-7	-4
Belgium	45	-3	-3	-3
France	67	-3	-3	-2
Italy	59	-4	-6	-6
Spain	39	-4	-3	-4
Portugal	40	+8	+10	+10
Greece	53	-4	-8	-9

Commodities

	Close	% Change		
		Day	4 Weeks	End 25
Brent Oil	63.76	-4.15	+6.59	+4.78
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	4614.6	-0.13	+6.53	+6.97

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