

Dollar remains under pressure

Investor sentiment was holding a cautious tone throughout last week, amid choppy trading conditions. Attention was focused on tensions between the US and its traditional allies regarding Greenland, which culminated in threats and counter-threats of higher tariffs. However, markets recoup some of their losses, as President Trump ruled out military action in Greenland mid-week.

Overall though, the Euro Stoxx 50 still declined by 1.3% on the week. Similarly, the S&P 500 fell by 0.4% last week. Meanwhile on bond markets, yields moved higher across the board throughout the week albeit, they ended it well of their peaks, led by a rebound in the US. German Bund and UK Gilt yields finished the week 3-12bps higher, whereas US Treasury yields finished broadly where they started.

In contrast, on currency markets the dollar performed poorly. The greenback was under pressure, despite some solid US data and the rebound in other asset classes. Elsewhere, the yen was on the defensive, before strengthening sharply into the US close on Friday, and again in early trading this week, amid speculation of market intervention from Japanese authorities. Overall, the dollar is around 2.5% weaker against the yen, and circa 2% lower versus the euro and sterling, compared to last Monday.

In level terms, EUR/USD opens this morning up at the midpoint of \$1.18-1.19, having started last week in the bottom half of \$1.16-1.17. GBP/USD is changing hands above the halfway mark of the \$1.36-1.37 range. Meantime, EUR/GBP remains in the top half of the 86-87p corridor. USD/JPY is back in the lower region of ¥154-155.

This week, the main focus will be the Fed policy meeting. Interest rates are widely expected to be left unchanged. Data-wise, the main highlight will be the first reading of Eurozone GDP for Q4.

Daniel Noonan, Economist, AIB

Today's Opening FX Rates

| | | % Change | |
|---------|--------|----------|----------|
| | | Day * | End 2025 |
| EUR/USD | 1.1851 | 0.86 | 0.90 |
| EUR/GBP | 0.8675 | -0.32 | -0.46 |
| GBP/USD | 1.3656 | 1.19 | 1.36 |
| GBP/EUR | 1.152 | 0.32 | 0.46 |
| USD/JPY | 154.29 | -2.73 | -1.51 |
| EUR/JPY | 182.87 | -1.89 | -0.61 |

* v Previous Day's European Open

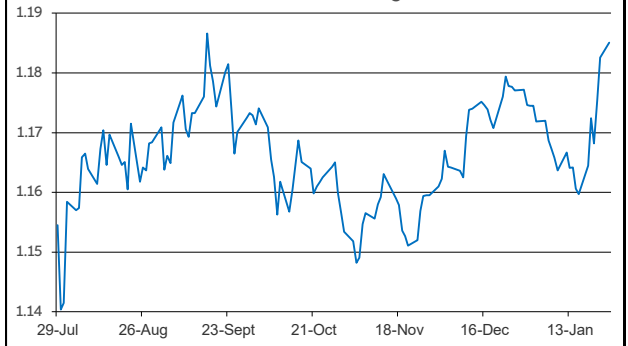
See Next Page for More Rates

Opening Interest Rates

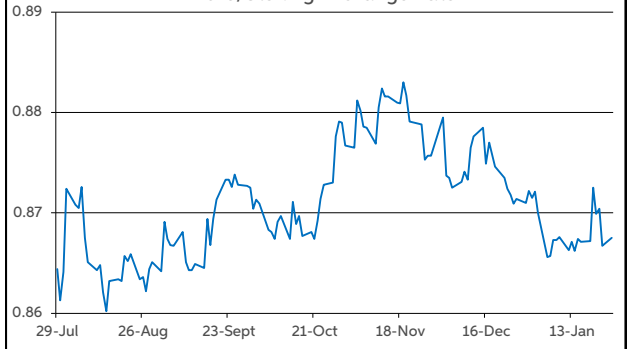
| | Base Rate | Money Market | | Swap Rates | | |
|-----|-----------|--------------|-------|------------|------|------|
| | | 1-Mth | 3-Mth | 1-Yr | 2-Yr | 5-Yr |
| USD | 3.63 | 3.67 | 3.67 | 3.51 | 3.71 | 3.84 |
| EUR | 2.00 | 1.96 | 2.04 | 2.18 | 2.30 | 2.58 |
| GBP | 3.75 | 3.72 | 3.72 | 3.55 | 3.79 | 4.00 |

All rates quoted are indicative market rates

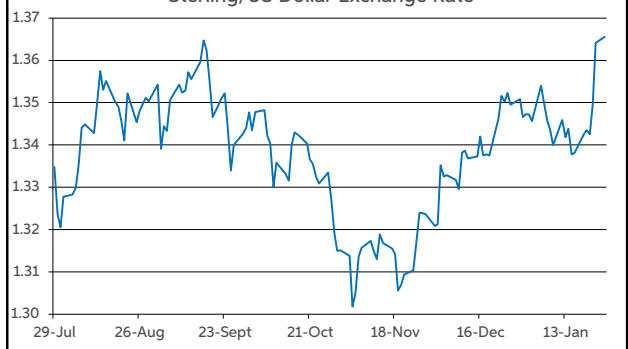
Euro/US Dollar Exchange Rate



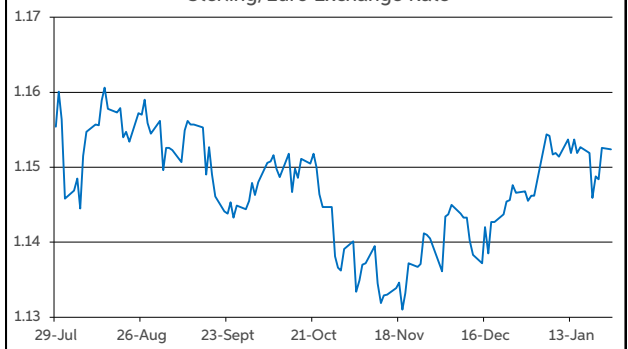
Euro/Sterling Exchange Rate



Sterling/US Dollar Exchange Rate



Sterling/Euro Exchange Rate



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

Monday 26 January 2026
07:01 am



Euro

| | |
|---------|---------|
| EUR/GBP | 0.8675 |
| EUR/USD | 1.1851 |
| EUR/JPY | 182.87 |
| EUR/SEK | 10.5589 |
| EUR/DKK | 7.468 |
| EUR/NOK | 11.5467 |
| EUR/CHF | 0.9217 |
| EUR/AUD | 1.7151 |
| EUR/HKD | 9.2393 |
| EUR/CAD | 1.6219 |

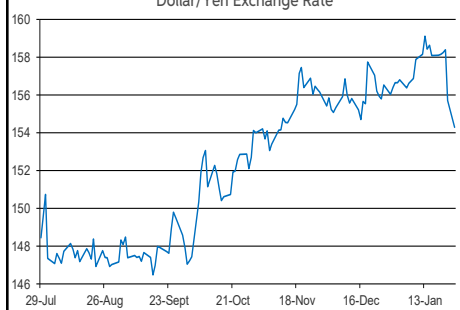
Sterling

| | |
|---------|---------|
| GBP/EUR | 1.152 |
| GBP/USD | 1.3656 |
| GBP/CAD | 1.8684 |
| GBP/NZD | 2.2928 |
| GBP/JPY | 210.7 |
| GBP/SEK | 12.1683 |
| GBP/DKK | 8.606 |
| GBP/NOK | 13.3039 |
| GBP/CHF | 1.0619 |
| GBP/AUD | 1.9757 |

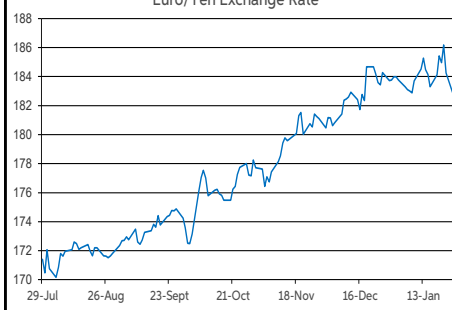
Dollar

| | |
|---------|--------|
| USD/JPY | 154.29 |
| USD/CAD | 1.3683 |
| USD/CHF | 0.7776 |
| USD/CNY | 6.9579 |
| USD/BRL | 5.2895 |
| USD/RUB | 75.75 |
| USD/INR | 91.534 |
| AUD/USD | 0.6907 |
| NZD/USD | 0.5952 |

Dollar/Yen Exchange Rate

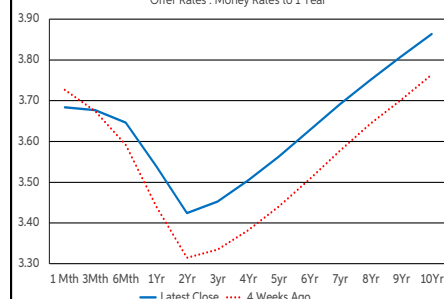


Euro/Yen Exchange Rate



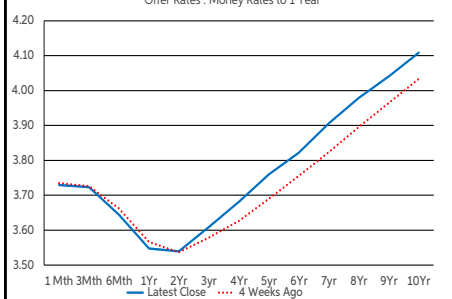
US Swap Curve

Offer Rates : Money Rates to 1 Year



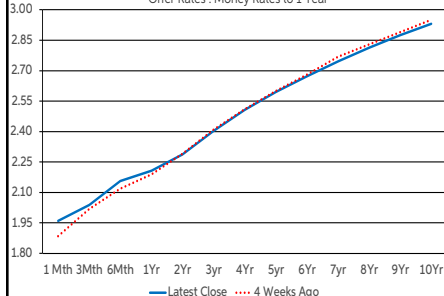
UK Swap Curve

Offer Rates : Money Rates to 1 Year

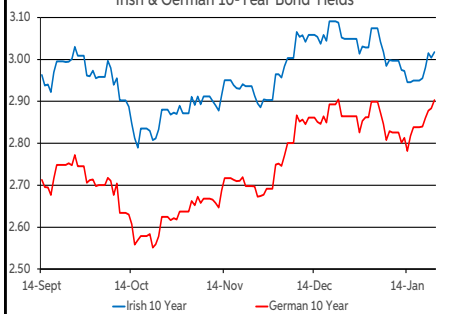


Eurozone Swap Curve

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 | 4.24 | -1 | +11 | +9 |
| Germany | 2.90 | +2 | +4 | +4 |
| UK | 4.52 | +5 | +1 | +5 |
| Ireland | 3.02 | +1 | -3 | -1 |
| Belgium | 3.31 | -0 | -4 | -4 |
| France | 3.49 | -2 | -8 | -7 |
| Italy | 3.52 | -0 | -0 | +1 |
| Spain | 3.27 | +1 | -2 | -2 |
| Portugal | 3.26 | +0 | +10 | +10 |
| Greece | 3.39 | -1 | -10 | -9 |
| ----- | | | | |
| 5 Year Swap % | | | | |
| US | 3.82 | -3 | +16 | +9 |
| Eurozone | 2.58 | +3 | -1 | +2 |
| UK | 4.00 | +6 | +8 | +11 |
| ----- | | | | |
| 2 Year Swap % | | | | |
| US | 3.69 | -2 | +13 | +12 |
| Eurozone | 2.28 | +2 | +0 | +2 |
| UK | 3.78 | +4 | +2 | +5 |
| ----- | | | | |
| 10 Year Government Bond Spreads to Benchmark bps | | | | |
| Ireland | 11 | -1 | -7 | -5 |
| Belgium | 41 | -2 | -8 | -8 |
| France | 59 | -4 | -11 | -11 |
| Italy | 61 | -2 | -4 | -4 |
| Spain | 37 | -1 | -6 | -6 |
| Portugal | 36 | -2 | +6 | +6 |
| Greece | 49 | -3 | -14 | -13 |

Commodities

| | Close | % Change | | |
|----------------|--------|----------|---------|--------|
| | | Day | 4 Weeks | End 25 |
| Brent Oil | 65.88 | +2.84 | +8.64 | +8.27 |
| West Texas Oil | 71.65 | -0.17 | -1.90 | -1.27 |
| Gold \$ | 4982.6 | +0.94 | +9.94 | +15.49 |

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