

Markets pause for breath

Trading conditions remained choppy on both sides of the Atlantic yesterday, as investors remained focused on developments in the Middle East. However, despite there being few signs that the fighting was slowing, investor sentiment improved somewhat. This was partly due to President Trump's assurances that the US would support shipping through the Strait of Hormuz late on Tuesday. The mood on markets improved further amid reports that Iranian officials had contacted their US counterparts, in an attempt to de-escalate. It should be noted though, that Iran has since denied the reports.

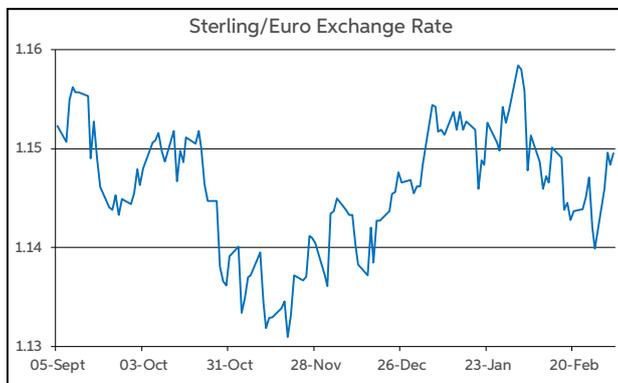
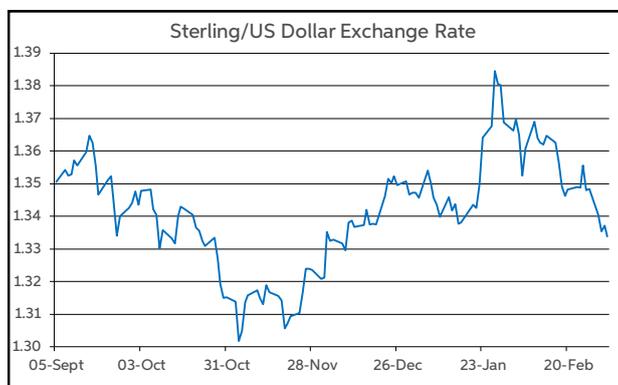
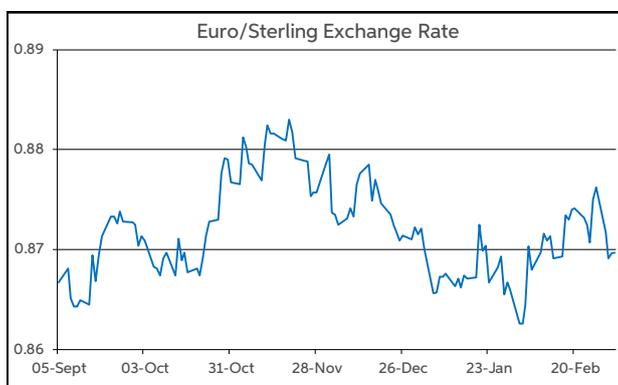
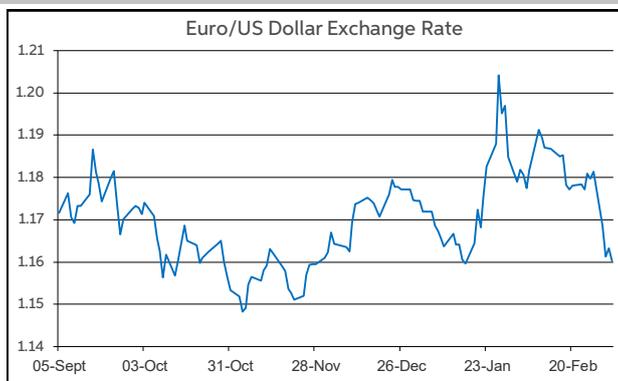
Against that backdrop, oil and natural gas prices moved off their peaks. Brent crude fell by circa 3.5% to near \$81 per barrel. Meanwhile, European natural gas prices are down by circa 3% compared to yesterday's open, to below €42 per megawatt hour. Equity markets also rebounded, with the Euro Stoxx 50 gaining 1.7%, while the S&P 500 rose by 0.8%, having suffered smaller losses earlier in the week.

On the currency front, the main pairs have been confined to relatively narrow ranges over the past 24 hours. Of the limited moves to register, the dollar gave back some of its recent gains throughout the European session. However, the greenback has edged slightly higher once again in overnight Asia-Pacific trading.

In level terms, this sees EUR/USD open this morning down at the \$1.16 threshold. GBP/USD is changing hands in the lower half of the \$1.33-1.34 range. Meantime, EUR/GBP continues to operate in and around the 87p handle.

Turning to the day ahead, markets will remain highly sensitive to the conflict in the Middle East. Elsewhere, the ECB February meeting account will be released, albeit the minutes are likely to seem stale. Data-wise, the weekly US initial jobless claims figure is due.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2025
EUR/USD	1.1602	0.07	-1.22
EUR/GBP	0.8697	-0.08	-0.21
GBP/USD	1.3337	0.17	-1.01
GBP/EUR	1.1493	0.08	0.21
USD/JPY	157.27	-0.19	0.40
EUR/JPY	182.48	-0.11	-0.82

* 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	3.53	3.66	3.68
EUR	2.00	1.93	2.04	2.24	2.33	2.54
GBP	3.75	3.70	3.66	3.59	3.83	3.95

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

Thursday 05 March 2026
07:56 am



Euro

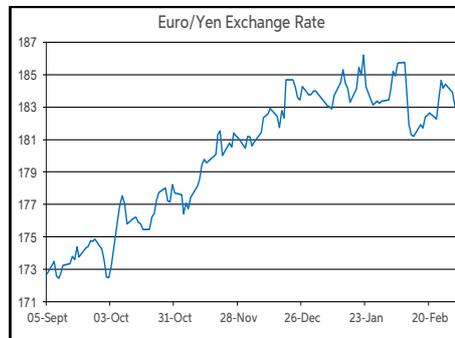
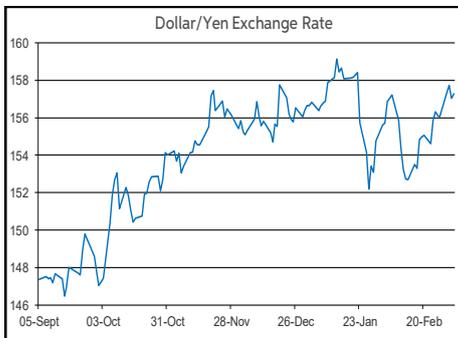
EUR/GBP	0.8697
EUR/USD	1.1602
EUR/JPY	182.48
EUR/SEK	10.6985
EUR/DKK	7.4714
EUR/NOK	11.2192
EUR/CHF	0.9054
EUR/AUD	1.6495
EUR/HKD	9.0736
EUR/CAD	1.5831

Sterling

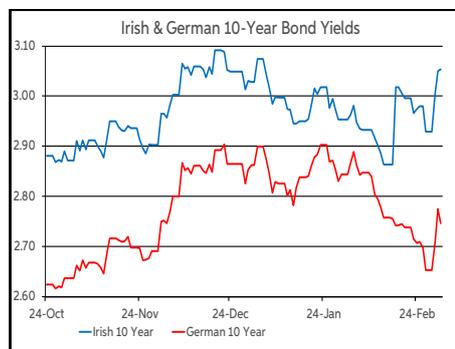
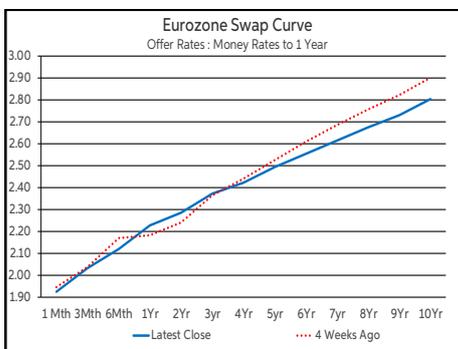
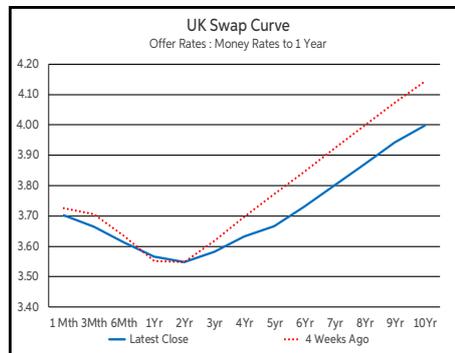
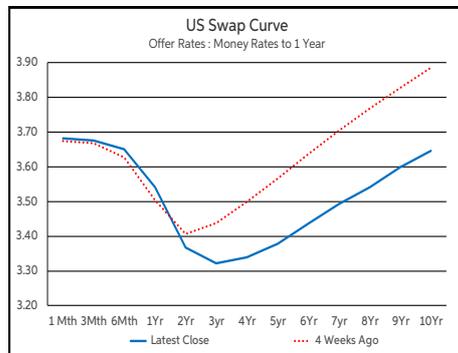
GBP/EUR	1.1493
GBP/USD	1.3337
GBP/CAD	1.8199
GBP/NZD	2.2519
GBP/JPY	209.77
GBP/SEK	12.2991
GBP/DKK	8.5868
GBP/NOK	12.8859
GBP/CHF	1.0407
GBP/AUD	1.8963

Dollar

USD/JPY	157.27
USD/CAD	1.3647
USD/CHF	0.7804
USD/CNY	6.8951
USD/BRL	5.2312
USD/RUB	78
USD/INR	91.609
AUD/USD	0.7031
NZD/USD	0.5919



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 25
10 Year Yield %				
US	4.08	+2	-20	-7
Germany	2.75	-3	-12	-12
UK	4.44	-2	-11	-3
5 Year Swap %				
US	3.66	+4	-15	-7
Eurozone	2.46	-2	-5	-10
UK	3.91	-3	-9	+1
2 Year Swap %				
US	3.63	+4	-2	+6
Eurozone	2.26	-1	+3	+0
UK	3.76	-4	-2	+3
10 Year Government Bond Spreads to Benchmark bps				
Ireland	31	+3	+22	+14
Belgium	41	-2	+1	-7
France	60	-1	+1	-10
Italy	68	-2	+6	+3
Spain	45	+1	+8	+2
Portugal	38	-3	+2	+8
Greece	68	-3	+17	+6



Commodities				
	Close	% Change		
		Day	4 Weeks	End 25
Brent Oil	81.4	-3.50	+17.19	+33.77
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold \$	5135.3	+0.96	+3.48	+19.04

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