

Markets cautiously optimistic for now

There was a cautious optimism on markets yesterday that the war in the Middle East may be drawing to an end. This was despite continued military attacks from Israel and Iran, as well as hawkish remarks from both the US and Iranian administrations. Meanwhile, overnight reports that the International Energy Agency (IEA) will release a record number of oil reserves also helped move Brent crude prices lower. It is currently back below \$90 per barrel. Elsewhere, European natural gas prices declined sharply yesterday, to circa €49 per MWh.

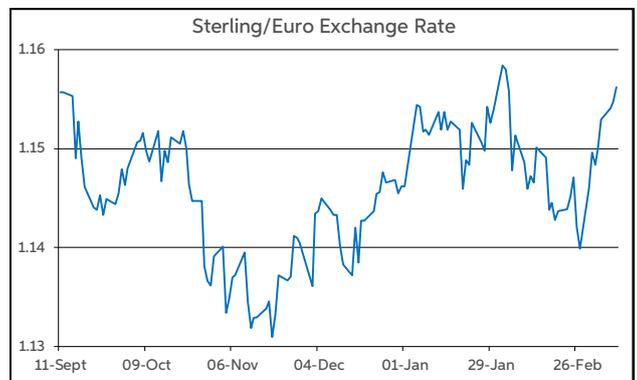
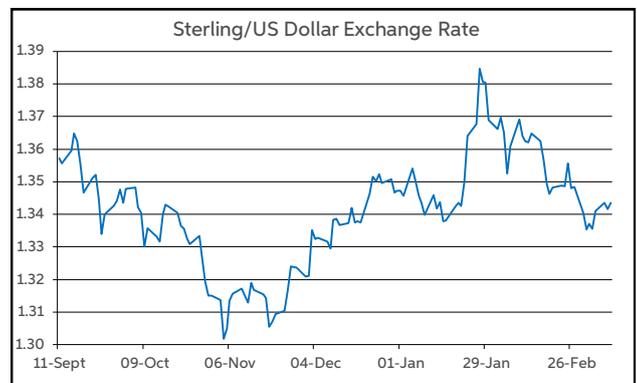
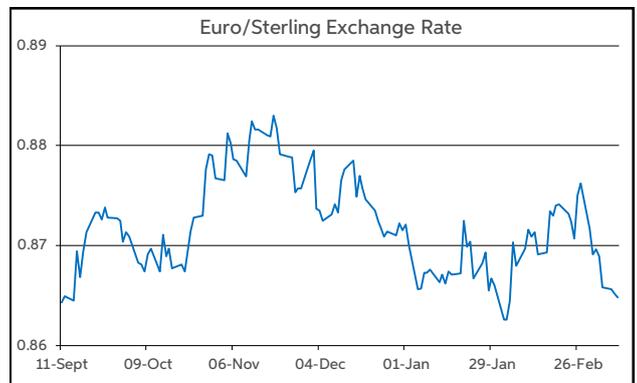
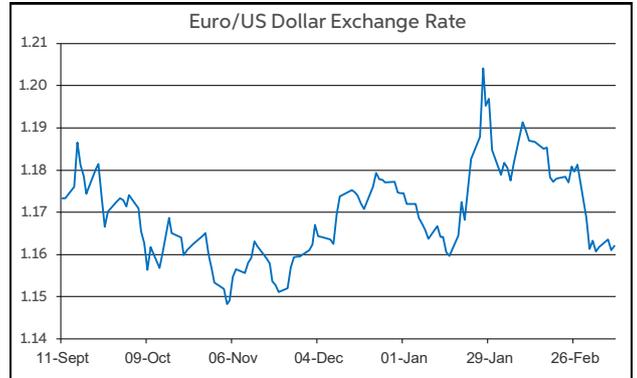
Against that backdrop, equity markets moved higher on both sides of the Atlantic. The Euro Stoxx 50 gained 2.7%, supported in part by tailwinds following President Trump's remarks on Monday, indicating the war would be over soon. The S&P 500 slumped at the close though, to register a modest 0.2% fall. In terms of fixed income, German bund yields fell by 1-3bps, while UK Gilt yields moved 5-10bps lower. US Treasury yields were little changed.

Currency-wise, the main pairs remained confined to very narrow ranges. Of the limited moves to note, the euro was holding a slightly firmer tone throughout the European session. However, the single currency handed back its gains overnight.

In level terms, this sees EUR/USD open this morning in the lower half of the \$1.16-1.17 corridor once again. GBP/USD is in the bottom half of the \$1.34-1.35 trading band. Meantime, EUR/GBP is at the midpoint of 86-87p. USD/JPY is operating north of the ¥158 handle.

Turning to the day ahead, the focus will remain on the Middle East, as markets look for any signs that the war is winding down, amid continued attacks once again overnight. Data-wise, US CPI inflation for February will warrant some attention. Both the headline and core rates are projected to remain at 2.4% and 2.5%, respectively.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2025
EUR/USD	1.1621	0.03	-1.06
EUR/GBP	0.8647	0.01	-0.78
GBP/USD	1.3436	0.00	-0.27
GBP/EUR	1.1559	-0.01	0.79
USD/JPY	158.24	0.39	1.02
EUR/JPY	183.9	0.39	-0.05

* 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	3.67	3.54	3.69	3.72
EUR	2.00	1.94	2.08	2.37	2.48	2.66
GBP	3.75	3.71	3.71	3.74	4.03	4.12

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

Wednesday 11 March 2026
07:54 am



Euro

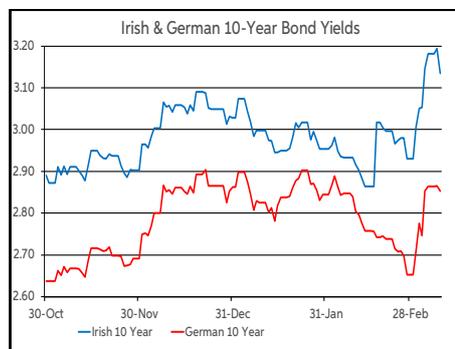
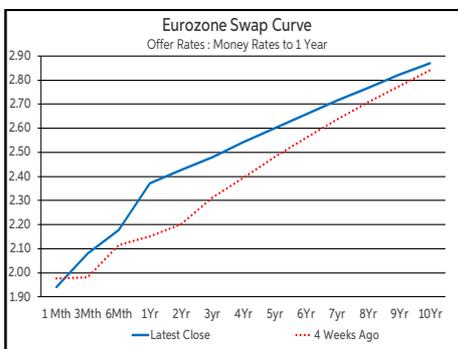
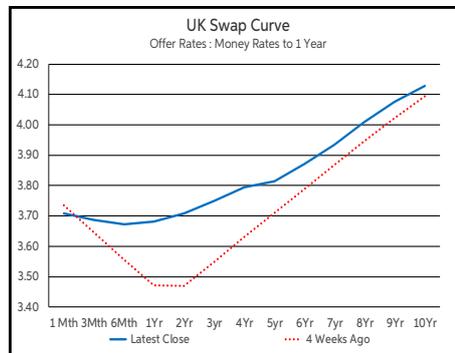
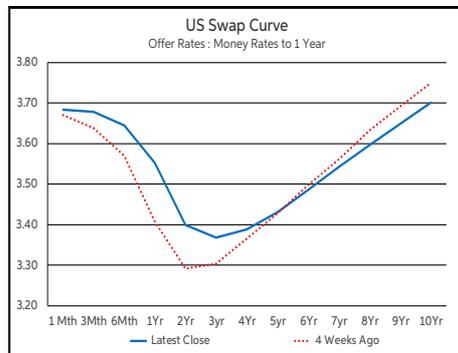
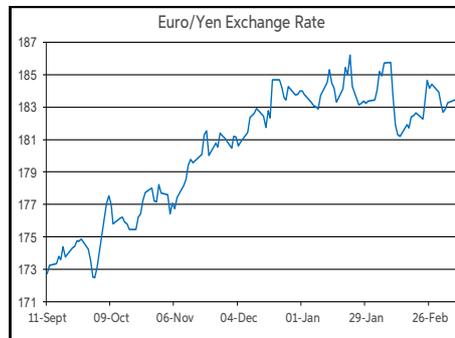
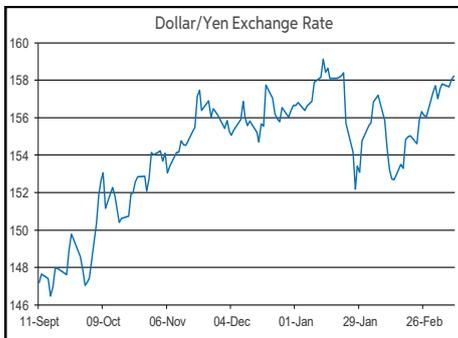
EUR/GBP	0.8647
EUR/USD	1.1621
EUR/JPY	183.9
EUR/SEK	10.6487
EUR/DKK	7.4718
EUR/NOK	11.1597
EUR/CHF	0.9038
EUR/AUD	1.6219
EUR/HKD	9.0956
EUR/CAD	1.5763

Sterling

GBP/EUR	1.1559
GBP/USD	1.3436
GBP/CAD	1.8223
GBP/NZD	2.2635
GBP/JPY	212.61
GBP/SEK	12.3109
GBP/DKK	8.6373
GBP/NOK	12.9023
GBP/CHF	1.045
GBP/AUD	1.8749

Dollar

USD/JPY	158.24
USD/CAD	1.3564
USD/CHF	0.7778
USD/CNY	6.8662
USD/BRL	5.1639
USD/RUB	79
USD/INR	91.9575
AUD/USD	0.7164
NZD/USD	0.5933



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 25
10 Year Yield %				
US	4.14	+0	-1	-2
Germany	2.85	-1	+5	-1
UK	4.56	-10	+5	+8
5 Year Swap %				
US	3.70	+5	+2	-2
Eurozone	2.59	-5	+12	+3
UK	4.06	-11	+10	+17
2 Year Swap %				
US	3.66	+5	+11	+8
Eurozone	2.40	-11	+21	+15
UK	3.93	-16	+21	+20
10 Year Government Bond Spreads to Benchmark bps				
Ireland	28	-5	+17	+12
Belgium	39	-6	-3	-10
France	61	-3	+1	-8
Italy	67	-9	+5	+2
Spain	45	-3	+8	+2
Portugal	39	-6	+3	+9
Greece	68	-12	+6	+6

Commodities				
	Close	% Change		
		Day	4 Weeks	End 25
Brent Oil	87.8	-11.28	+27.62	+44.29
West Texas Oil	85.55	-4.80	-1.90	-1.27
Gold \$	5191.3	+1.06	+3.35	+20.33

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