

Market whiplash

Trading conditions were very volatile across markets yesterday. Once again, the focus centred on developments in the Middle East. Initially, there was a strong risk off tone to investor sentiment, following the escalating rhetoric from the US, Iran and Israel at the weekend. As a result, oil and natural gas prices moved higher, equity markets across Asia and Europe were sharply lower, while benchmark sovereign bond yields were continuing to rise, in the early part of yesterday.

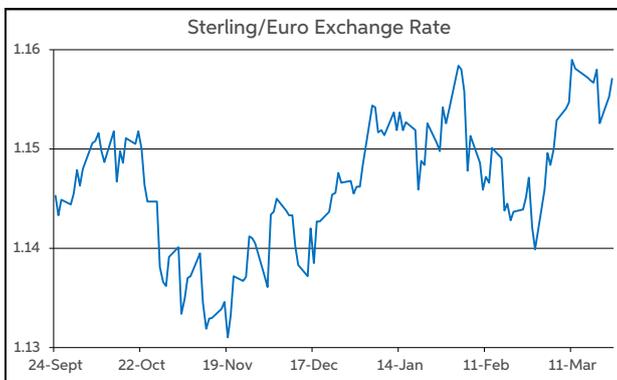
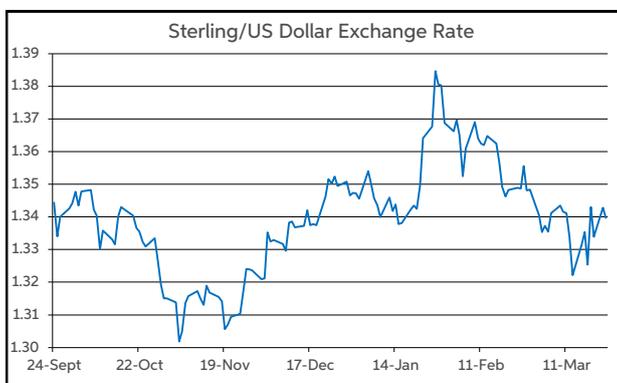
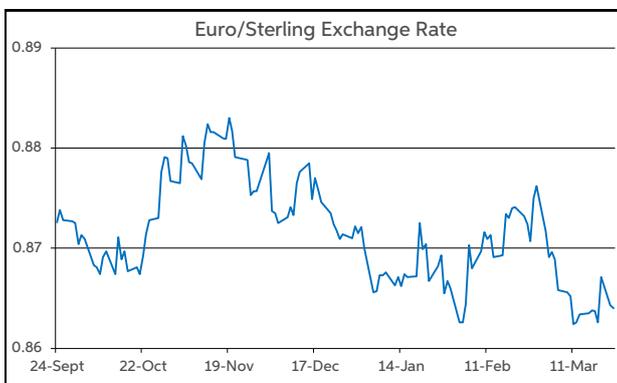
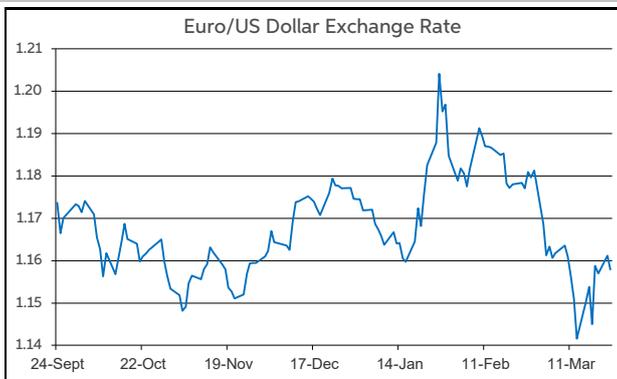
However, before markets opened in the US, President Trump stated that the US was in talks with Iran about the “complete and total resolution of our hostilities”. President Trump also noted that he instructed the military not to strike Iranian energy infrastructure for five days, as talks continue. The remarks provided instant relief for markets, with commodity prices declining markedly. It should be noted though, that Iran has denied that direct talks have taken place.

Nevertheless, Brent crude fell yesterday by over 10%, to \$100 per barrel. Meantime, the Euro Stoxx 50 and the S&P 500 both gained over 1%, despite the former initially being over 2% in the red. Elsewhere, German Bund, UK Gilt and US Treasury yields closed down by 2-15bps, led lower by the front-end of the curves.

Currency-wise, the main FX pairs have traded in wide ranges over the past 24 hours. Notably, EUR/USD has operated between \$1.1485-1.1640. Overall, the moves on currency markets mirrored the changes in risk appetite. The dollar was on the front-foot early on, but came under significant pressure as sentiment improved. The greenback has since recouped some of its losses though. In level terms, EUR/USD opens this morning in the top half of \$1.15-1.16. GBP/USD is at \$1.34. Meanwhile, EUR/GBP is in the bottom half of 86-87p.

Today, the focus will remain on the conflict in the Middle East. The flash PMIs for March in the main advanced economies are also due.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates

% Change

| | | Day * | End 2025 |
|---------|--------|-------|----------|
| EUR/USD | 1.1579 | 0.40 | -1.41 |
| EUR/GBP | 0.864 | -0.33 | -0.86 |
| GBP/USD | 1.3397 | 0.74 | -0.56 |
| GBP/EUR | 1.1567 | 0.34 | 0.87 |
| USD/JPY | 158.66 | -0.56 | 1.28 |
| EUR/JPY | 183.75 | -0.17 | -0.13 |

* 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 | 3.70 | 3.79 | 4.00 | 3.96 |
| EUR | 2.00 | 1.92 | 2.11 | 2.73 | 2.83 | 2.85 |
| GBP | 3.75 | 3.73 | 3.85 | 4.24 | 4.50 | 4.44 |

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

Tuesday 24 March 2026
06:45 am



Euro

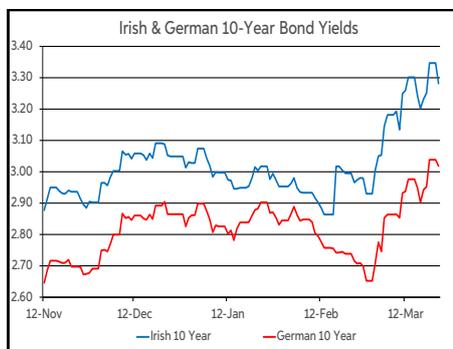
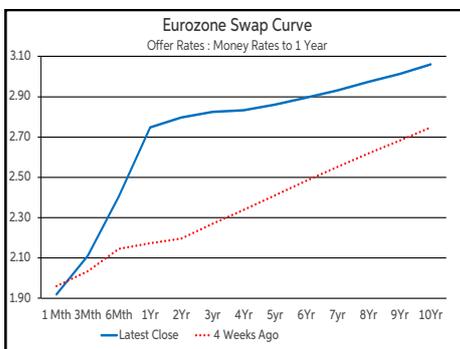
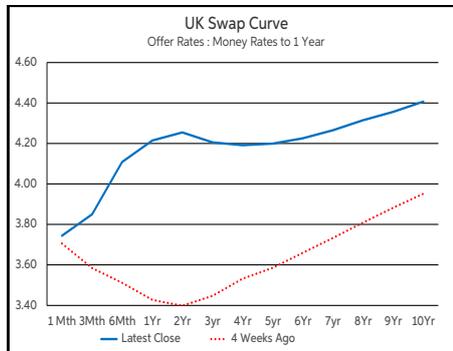
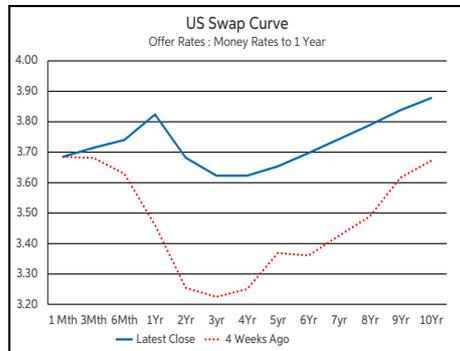
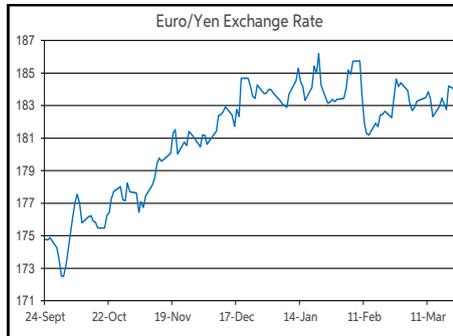
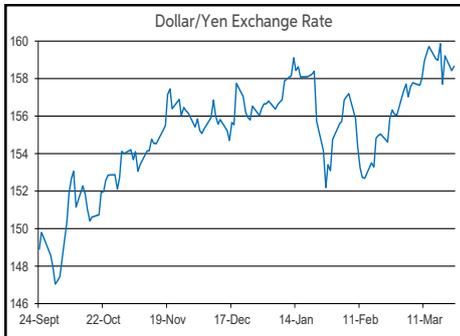
| | |
|---------|---------|
| EUR/GBP | 0.864 |
| EUR/USD | 1.1579 |
| EUR/JPY | 183.75 |
| EUR/SEK | 10.8526 |
| EUR/DKK | 7.4711 |
| EUR/NOK | 11.3386 |
| EUR/CHF | 0.9133 |
| EUR/AUD | 1.6602 |
| EUR/HKD | 9.0751 |
| EUR/CAD | 1.5933 |

Sterling

| | |
|---------|---------|
| GBP/EUR | 1.1567 |
| GBP/USD | 1.3397 |
| GBP/CAD | 1.8431 |
| GBP/NZD | 2.2963 |
| GBP/JPY | 212.56 |
| GBP/SEK | 12.5553 |
| GBP/DKK | 8.6447 |
| GBP/NOK | 13.1048 |
| GBP/CHF | 1.057 |
| GBP/AUD | 1.9205 |

Dollar

| | |
|---------|---------|
| USD/JPY | 158.66 |
| USD/CAD | 1.3758 |
| USD/CHF | 0.7887 |
| USD/CNY | 6.8892 |
| USD/BRL | 5.2322 |
| USD/RUB | 81.9205 |
| USD/INR | 93.8775 |
| AUD/USD | 0.6973 |
| NZD/USD | 0.5831 |



| Debt Markets | | | | |
|---|-------|------------|---------|--------|
| | Close | Change bps | | |
| | | Day | 4 Weeks | End 25 |
| 10 Year Yield % | | | | |
| US | 4.34 | -6 | +31 | +18 |
| Germany | 3.02 | -2 | +30 | +16 |
| UK | 4.92 | -8 | +60 | +44 |
| 5 Year Swap % | | | | |
| US | 3.93 | -2 | +38 | +21 |
| Eurozone | 2.83 | -7 | +44 | +27 |
| UK | 4.43 | -14 | +62 | +53 |
| 2 Year Swap % | | | | |
| US | 3.95 | -4 | +45 | +38 |
| Eurozone | 2.76 | -13 | +59 | +51 |
| UK | 4.49 | -19 | +86 | +76 |
| 10 Year Government Bond Spreads to Benchmark bps | | | | |
| Ireland | 26 | -4 | +1 | +10 |
| Belgium | 49 | -3 | +10 | +0 |
| France | 69 | -2 | +13 | -0 |
| Italy | 89 | -4 | +28 | +24 |
| Spain | 51 | -3 | +9 | +8 |
| Portugal | 46 | -1 | +10 | +16 |
| Greece | 80 | -5 | +17 | +18 |

| Commodities | | | | |
|----------------|--------|----------|---------|--------|
| | Close | % Change | | |
| | | Day | 4 Weeks | End 25 |
| Brent Oil | 99.94 | -10.92 | +39.80 | +64.24 |
| West Texas Oil | 89.33 | -9.50 | +34.61 | +56.01 |
| Gold \$ | 4405.8 | -1.82 | -15.78 | +2.12 |

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.