Morning Comment

AIB Treasury Economic Research Unit

Friday 14 August 2026
07:03 am

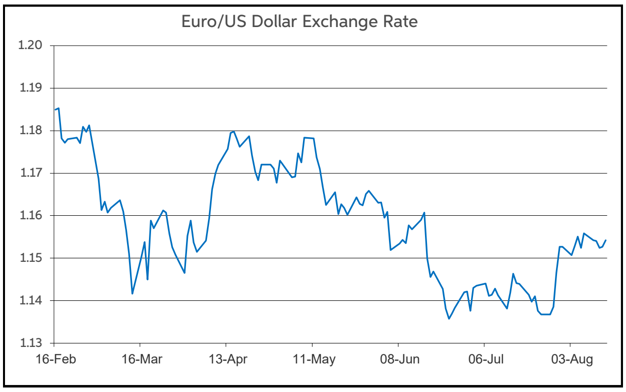
Oil prices ease back, FX majors range bound

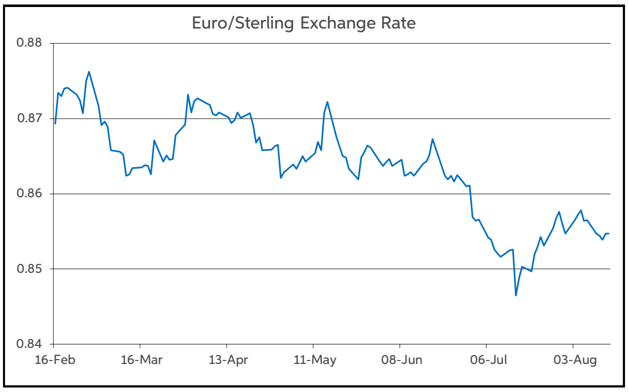
There was a broadly positive tone to investor sentiment yesterday. It was a relatively quiet day in terms of geopolitical newsflow. Given the uncertainty over the Middle East conflict and the risks of a re-escalation, oil prices remained in focus. However, yesterday saw some easing, with Brent crude falling back towards $87 per barrel. The main highlight from Thursday's sparse data calendar was US PPI inflation numbers for July. They printed slightly below expectations and indicate no significant build-up of factory gate price pressures.

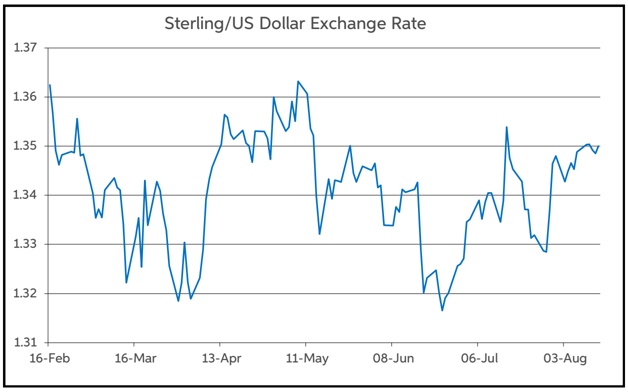
Combined with Wednesday's CPI inflation update, the softer than anticipated PPI report reinforces the view that the US Fed is likely to remain on hold at its next meeting in mid-September. The market is now attaching around a 30% probability to a hike next month and is no longer fully pricing in a 25bps rise before year end. Overall, the easing in oil prices and benign inflation data supported risk appetite. At the close on Wall Street, the S&P 500 was 0.7% higher on the day, registering a new record high in the process.

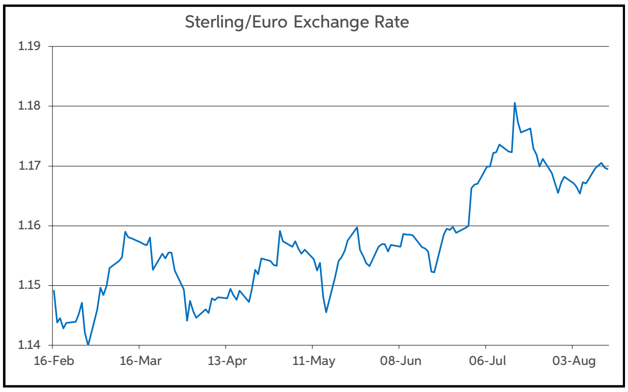
From a currency viewpoint, once again the action amongst the majors was defined by narrow ranges. This trend has continued in overnight trading on Asia-Pacific markets. As a result, the main pairs start this morning's European session very similar to their opening levels 24 hours earlier. EUR/USD remains in the lower half of $1.15-1.16, GBP/USD continues to straddle $1.35 while EUR/GBP is operating in a very tight 85.3-85.6p corridor.

Today's macro diary is US centric with the focus on the all-important consumer side of the economy. Retail sales data for July will provide an indication on how household spending performed at the start of Q3. Meanwhile, the consumer sentiment index for August will give a timely insight on the mood among US consumers.
John Fahey, Senior Economist, AIB









Today's Opening FX Rates

		% Change	
		Day *	End 2025
EUR/USD	1.1542	0.15	-1.73
EUR/GBP	0.8547	0.09	-1.93
GBP/USD	1.35	0.04	0.20
GBP/EUR	1.1694	-0.09	1.97
USD/JPY	159.21	-0.03	1.63
EUR/JPY	183.79	0.13	-0.11

* v Previous Day's European Open

See Next Page for More Rates

Opening Interest Rates

		Money Market		Swap Rates		
	Base Rate	1-Mth	3-Mth	1-Yr	2-Yr	5-Yr
USD	3.63	3.63	3.72	3.96	4.29	4.34
EUR	2.25	2.19	2.51	2.87	2.97	3.03
GBP	3.75	3.72	3.77	4.09	4.44	4.54

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

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Opening Levels

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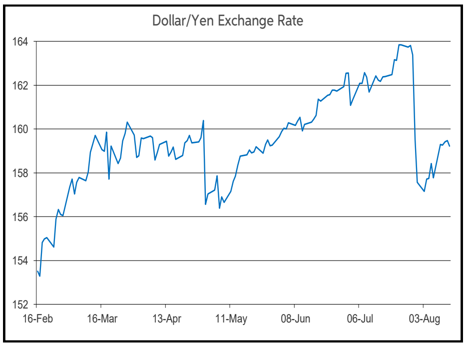
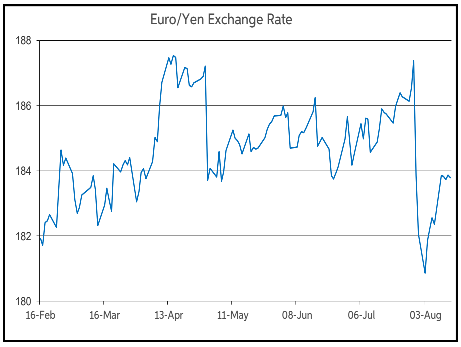
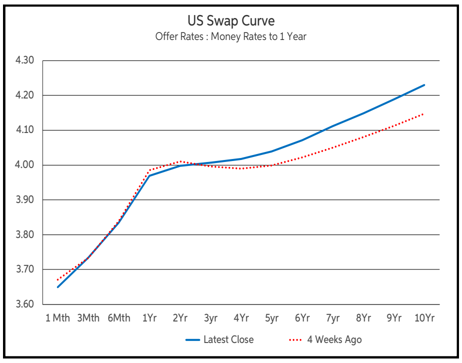
Euro	
EUR/GBP	0.8547
EUR/USD	1.1542
EUR/JPY	183.79
EUR/SEK	11.0198
EUR/DKK	7.4756
EUR/NOK	10.9514
EUR/CHF	0.9385
EUR/AUD	1.6329
EUR/HKD	9.0574
EUR/CAD	1.6056

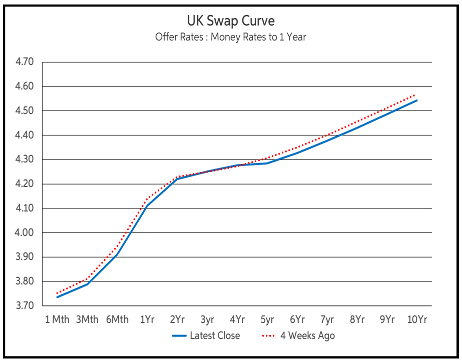
Sterling	
GBP/EUR	1.1694
GBP/USD	1.35
GBP/CAD	1.8776
GBP/NZD	2.2997
GBP/JPY	214.95
GBP/SEK	12.8858
GBP/DKK	8.7415
GBP/NOK	12.8058
GBP/CHF	1.0977
GBP/AUD	1.91

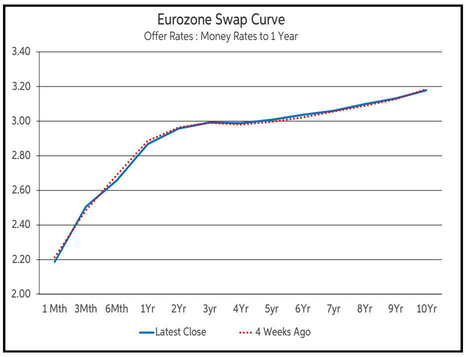
Dollar	
USD/JPY	159.21
USD/CAD	1.3909
USD/CHF	0.8131
USD/CNY	6.7429
USD/BRL	5.1798
USD/RUB	84.45
USD/INR	95.415
AUD/USD	0.7066
NZD/USD	0.5868

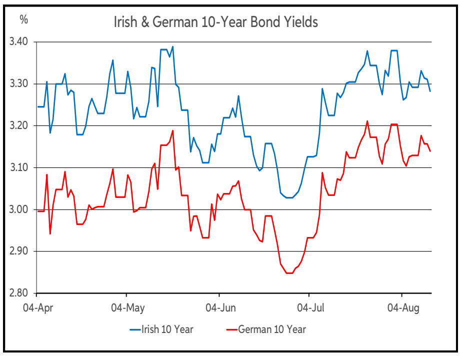












Debt Markets

	Close	Change bps Day	4 Weeks	End 25
10 Year Yield %				
US	4.64	-4	+7	+49
Germany	3.14	-2	+0	+28
UK	4.96	-2	-2	+48
Ireland	3.28	-3	-2	+25
Belgium	3.67	-3	-0	+32
France	3.95	-3	+2	+38
Italy	3.91	-3	-4	+40
Spain	3.57	-3	-3	+28
Portugal	3.49	-0	+0	+33
Greece	3.79	-0	-5	+31
5 Year Swap %				
US	4.31	-6	+5	+58
Eurozone	3.00	-4	+1	+44
UK	4.52	-2	-0	+63
2 Year Swap %				
US	4.23	-9	-1	+66
Eurozone	2.95	-3	-1	+70
UK	4.43	-3	-3	+70
10 Year Government Bond Spreads to Benchmark bps				
Ireland	14	-1	-2	-2
Belgium	53	-1	-0	+5
France	81	-1	+2	+11
Italy	77	-2	-4	+12
Spain	43	-2	-3	+0
Portugal	35	+2	-0	+6
Greece	65	+1	-5	+3

Commodities

	Close	% Change Day	4 Weeks	End 25
Brent Oil	87.07	-2.15	+3.37	+43.09
West Texas Oil	82.77	-2.59	+3.42	+44.55
Gold $	4350.2	-1.29	+9.58	+0.84

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