Morning Comment

AIB Treasury Economic Research Unit

Friday 17 July 2026
07:46 am

Sterling hands back some of its recent gains

There was a mixed tone to investor sentiment yesterday, amid relatively calm trading conditions across financial markets. A quiet data calendar and no new developments in the Middle East conflict, likely contributed to the muted price action. On equity markets, the Euro Stoxx 50 gained 0.3%. In contrast, on Wall Street, the S&P 500 fell by 0.5%. Meantime, oil prices were relatively stable, with Brent crude remaining in and around $84-85 per barrel.

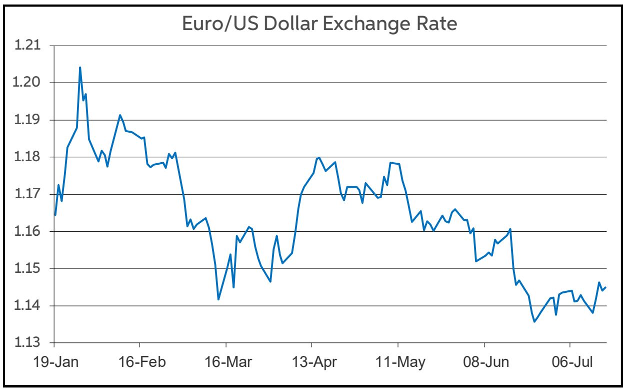
Data-wise, the main highlight was the release of US retail sales figures for June. The data were broadly in line with expectations, as the headline rate rose by 0.2% in the month, while the control group metric increased by 0.5%. However, the May sales figures were revised higher across the board. Elsewhere in the US, the latest weekly initial jobless claims were lower than anticipated.

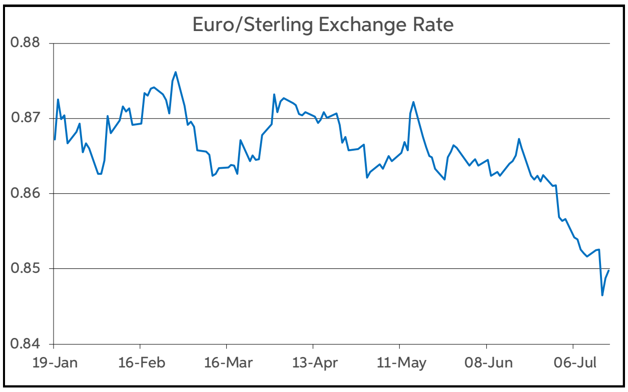
On the currency front, the dollar was holding a modestly firmer tone, supported by the positive data releases. At the same time, sterling has handed back some of its recent gains over the past 24 hours.

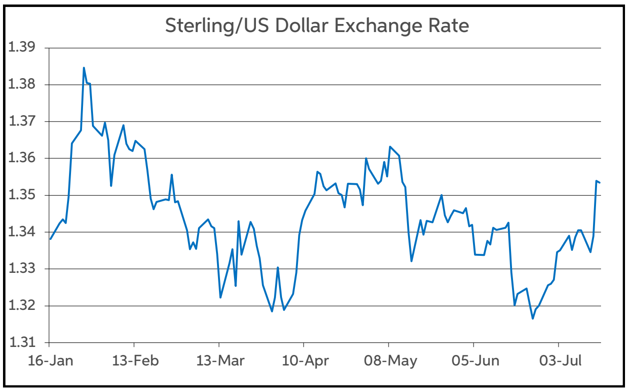
In the level terms, the stronger dollar is evidenced by EUR/USD opening this morning at the midpoint of the $1.14-1.15 corridor. GBP/USD is operating back below the $1.35 threshold. Meantime, EUR/GBP is changing hands up at the 85p handle. USD/JPY remains elevated, north of the ¥162 mark.

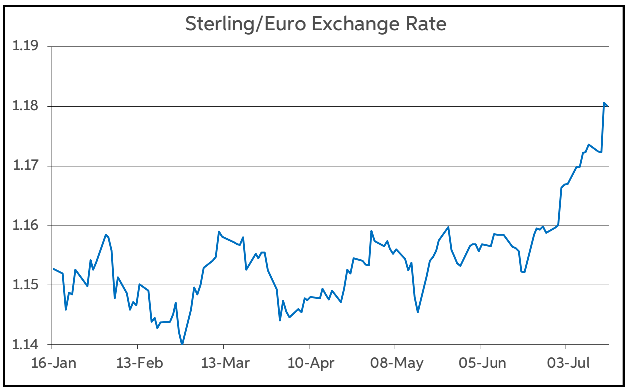
Turning to the day ahead, the data calendar is limited on both sides of the Atlantic. In the US, the main highlight will be industrial production data for June. A modest rise in output is anticipated. Elsewhere, the Michigan measure of consumer sentiment for July is also due. In the Eurozone, the final reading is set to confirm HICP inflation stood at 2.8% in June.

Daniel Noonan, Economist, AIB









Today's Opening FX Rates

		% Change	
		Day *	End 2025
EUR/USD	1.1449	-0.14	-2.52
EUR/GBP	0.8498	0.32	-2.49
GBP/USD	1.3469	-0.46	-0.03
GBP/EUR	1.1764	-0.32	2.55
USD/JPY	162.36	0.17	3.65
EUR/JPY	185.92	0.04	1.05

* 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	3.66	3.72	3.96	4.26	4.24
EUR	2.25	2.22	2.49	2.86	2.96	3.01
GBP	3.75	3.74	3.80	4.12	4.45	4.53

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

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Opening Levels

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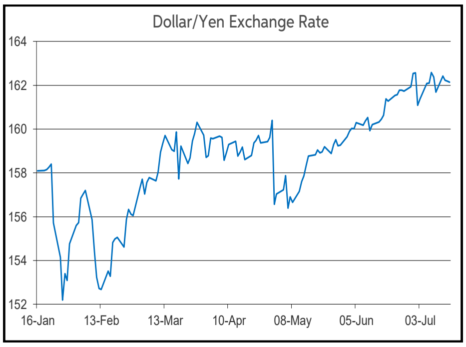
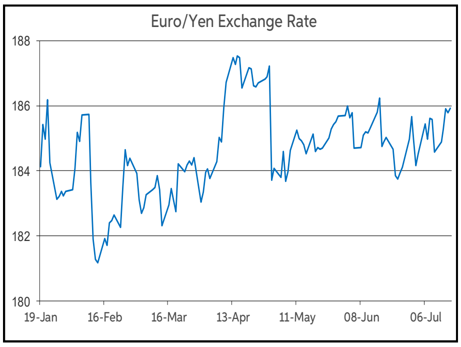
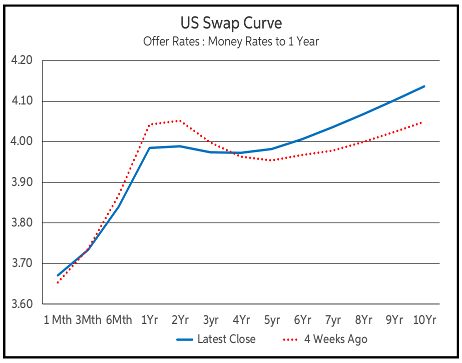
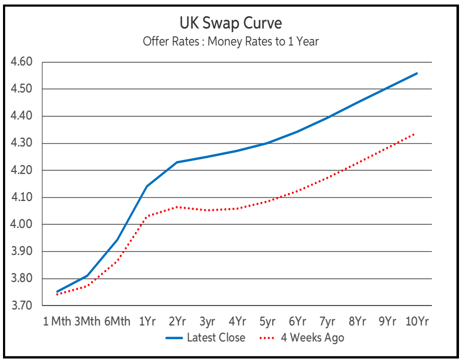
AIB

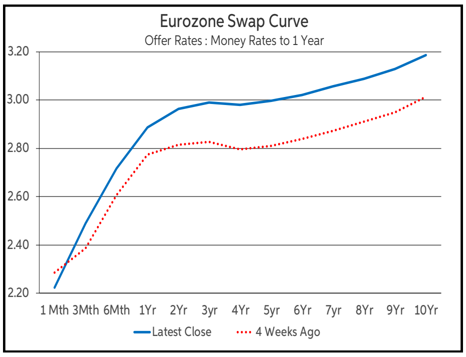
Euro		Sterling		Dollar	
EUR/GBP	0.8497	GBP/EUR	1.1764	USD/JPY	162.37
EUR/USD	1.1449	GBP/USD	1.347	USD/CAD	1.4032
EUR/JPY	185.92	GBP/CAD	1.8899	USD/CHF	0.8079
EUR/SEK	11.0458	GBP/NZD	2.306	USD/CNY	6.7718
EUR/DKK	7.4753	GBP/JPY	218.71	USD/BRL	5.0961
EUR/NOK	11.083	GBP/SEK	12.9922	USD/RUB	78.5
EUR/CHF	0.9248	GBP/DKK	8.7925	USD/INR	96.3625
EUR/AUD	1.639	GBP/NOK	13.026		
EUR/HKD	8.9746	GBP/CHF	1.0881	AUD/USD	0.6984
EUR/CAD	1.6064	GBP/AUD	1.9283	NZD/USD	0.5839

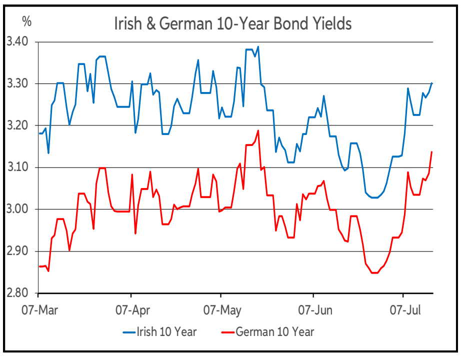












Debt Markets

	Close	Change bps Day	4 Weeks	End 25
10 Year Yield %				
US	4.57	+2	+12	+42
Germany	3.14	+5	+21	+28
UK	4.97	+4	+21	+50
Ireland	3.30	+2	+20	+27
Belgium	3.67	+2	+21	+33
France	3.93	+3	+26	+37
Italy	3.95	+4	+31	+44
Spain	3.60	+2	+20	+31
Portugal	3.49	+2	+18	+33
Greece	3.83	+2	+24	+35
5 Year Swap %				
US	4.25	+1	+3	+52
Eurozone	2.99	+2	+20	+43
UK	4.53	+2	+21	+63
2 Year Swap %				
US	4.26	+1	-5	+69
Eurozone	2.96	+2	+15	+70
UK	4.46	+3	+17	+73
10 Year Government Bond Spreads to Benchmark bps				
Ireland	16	-3	-1	-0
Belgium	54	-3	-1	+5
France	79	-3	+4	+9
Italy	81	-1	+9	+16
Spain	46	-3	-2	+3
Portugal	36	-3	-3	+6
Greece	69	-3	+2	+8

Commodities

	Close	% Change Day	4 Weeks	End 25
Brent Oil	84.23	-0.85	+5.49	+38.42
West Texas Oil	80.03	-0.87	-0.40	+39.77
Gold $	3969.9	-2.23	-5.67	-7.98

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