Morning Comment

AIB Treasury Economic Research Unit

Thursday 24 September 2026
07:47 am

Dollar in the ascendancy

The key benchmark equity indices moved lower on both sides of the Atlantic yesterday, as oil prices rose and market interest rate expectations firmed. The Euro Stoxx 50 declined by 0.4% while the S&P 500 shed 0.8%.

Brent crude prices moved circa 4% higher to $103 per barrel. Meantime, the market is now pricing in up to 90bps of policy tightening in the US and Eurozone, as well as circa 100bps of rate hikes in UK by the end of next year. Against this backdrop, yields moved sharply upwards by 5-20bps. Notably, the key 10-year US Treasury yield climbed to a new near two-decade peak at 5.12%.

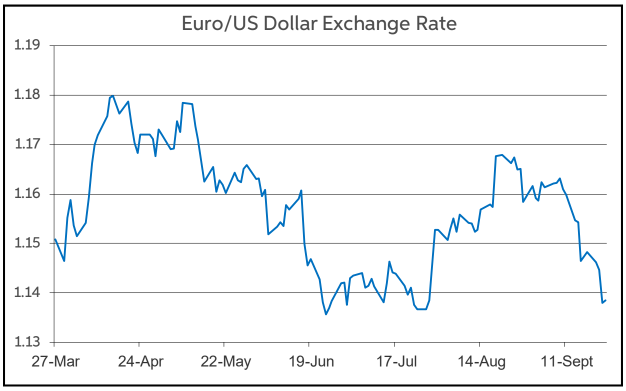
Market rates firmed due to further hawkish remarks from Fed officials (mainly from Governor Barr), and in the aftermath of the US PMI data for September. Both the manufacturing and services PMIs beat expectations, surging to all-time survey highs, indicating that activity levels are robust in the US. However, the underlying details of the survey showed that inflationary pressures remain elevated. Elsewhere, the Eurozone PMIs modestly beat the consensus, while the UK PMIs printed broadly in line with the forecasts.

Currency-wise, the dollar was in the ascendancy yesterday. The greenback was supported by the hawkish Fed rhetoric and the rise in oil prices. At the same time, sterling was under some slight downward pressure. This is reflected by GBP/USD opening today back below the midpoint of $1.32-1.33. EUR/USD is below $1.14. EUR/GBP is changing hands up at the 86p mark.

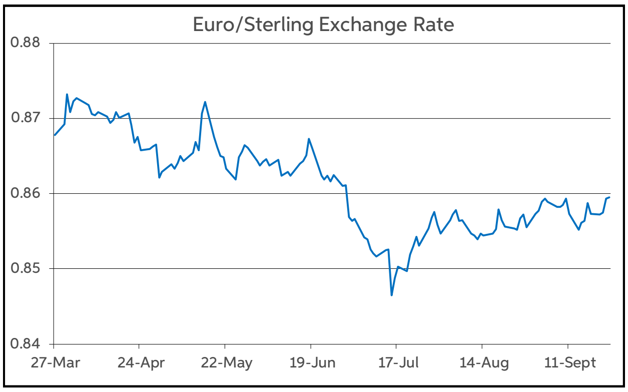
The macro data schedule is limited today. On the monetary policy front, remarks from Fed and BoE officials will warrant attention. Meanwhile, newsflow regarding the summit between Presidents Trump and Xi, or in relation to the Middle East, may impact markets.

Daniel Noonan, Economist, AIB

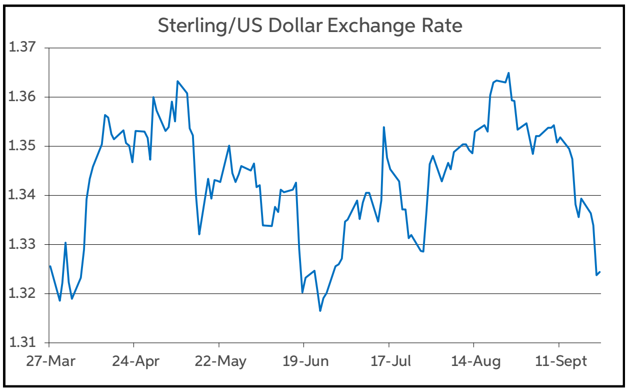
Euro/US Dollar Exchange Rate



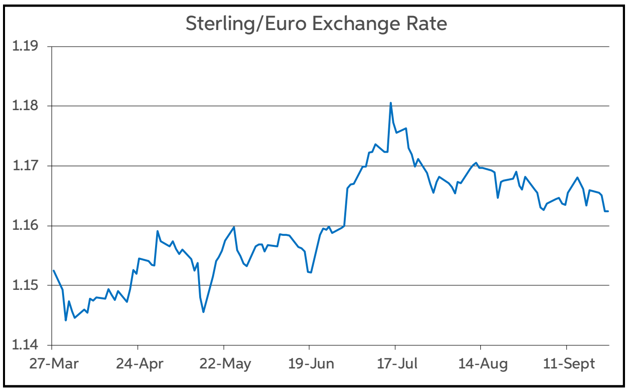
Euro/Sterling Exchange Rate



Sterling/US Dollar Exchange Rate



Sterling/Euro Exchange Rate



Today's Opening FX Rates

		% Change	
		Day *	End 2025
EUR/USD	1.1384	-0.37	-3.07
EUR/GBP	0.8596	0.20	-1.37
GBP/USD	1.3241	-0.55	-1.72
GBP/EUR	1.1629	-0.20	1.38
USD/JPY	158.44	0.54	1.14
EUR/JPY	180.37	0.16	-1.97

* 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	3.88	3.89	4.07	4.57	5.03	5.01
EUR	2.50	2.46	2.61	3.37	3.59	3.61
GBP	3.75	3.73	3.87	4.47	4.92	4.99

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

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Opening Levels

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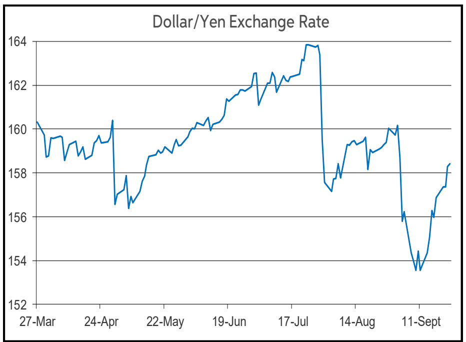
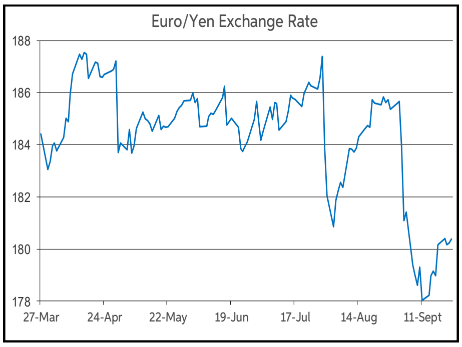
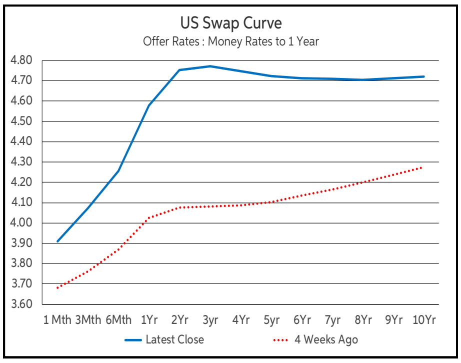
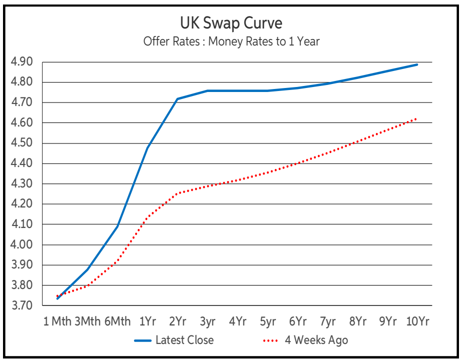
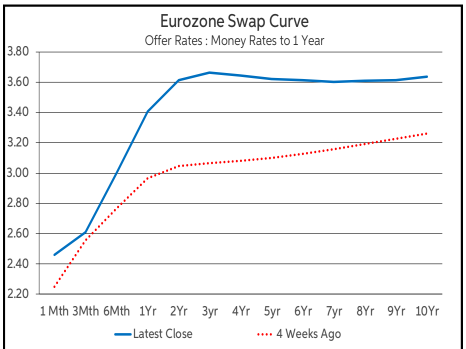
Euro		Sterling		Dollar	
EUR/GBP	0.8596	GBP/EUR	1.1629	USD/JPY	158.44
EUR/USD	1.1385	GBP/USD	1.3241	USD/CAD	1.4102
EUR/JPY	180.38	GBP/CAD	1.8669	USD/CHF	0.824
EUR/SEK	11.2807	GBP/NZD	2.3311	USD/CNY	6.7129
EUR/DKK	7.4754	GBP/JPY	209.78	USD/BRL	5.1648
EUR/NOK	10.7929	GBP/SEK	13.1197	USD/RUB	85.175
EUR/CHF	0.9382	GBP/DKK	8.694	USD/INR	95.885
EUR/AUD	1.6181	GBP/NOK	12.5499		
EUR/HKD	8.9301	GBP/CHF	1.0912	AUD/USD	0.7035
EUR/CAD	1.6052	GBP/AUD	1.8816	NZD/USD	0.5677

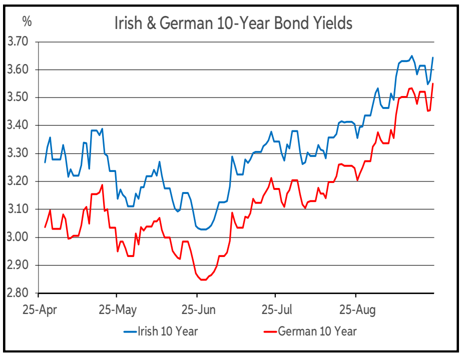












Debt Markets

		Change bps		
	Close	Day	4 Weeks	End 25
10 Year Yield %				
US	5.11	+15	+45	+96
Germany	3.55	+10	+32	+69
UK	5.35	+11	+31	+88
Ireland	3.64	+8	+25	+61
Belgium	4.23	+13	+45	+88
France	4.66	+15	+58	+110
Italy	4.51	+15	+46	+100
Spain	4.04	+11	+36	+75
Portugal	3.92	+9	+33	+76
Greece	4.31	+11	+43	+83
5 Year Swap %				
US	4.99	+17	+63	+126
Eurozone	3.62	+16	+52	+106
UK	5.01	+14	+41	+111
2 Year Swap %				
US	5.01	+14	+70	+144
Eurozone	3.61	+13	+57	+135
UK	4.97	+13	+47	+124
10 Year Government Bond Spreads to Benchmark bps				
Ireland	9	-2	-7	-7
Belgium	68	+4	+13	+19
France	111	+6	+26	+41
Italy	96	+6	+14	+31
Spain	49	+2	+4	+6
Portugal	37	-1	+0	+7
Greece	76	+1	+11	+14

Commodities

		% Change		
	Close	Day	4 Weeks	End 25
Brent Oil	103.08	+3.86	+17.35	+69.40
West Texas Oil	93.38	-3.14	+11.89	+63.08
Gold $	4286.9	-1.56	-6.65	-0.63

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