

Flash PMIs due today

Oil prices fell by over 5% yesterday, amid signals that the US & Iran were close to reaching an agreement to end the war. Overall, Brent crude prices dropped from around \$110 to near \$105 per barrel. Against this backdrop, there was a positive tone to investor sentiment. The Euro Stoxx 50 rose by 2.1%, while on Wall Street, the S&P 500 gained 1.1%. Elsewhere, bond yields declined across the board. US Treasury and German Bunds falling by 6-10bps, with UK Gilt yields moving 10-15bps lower.

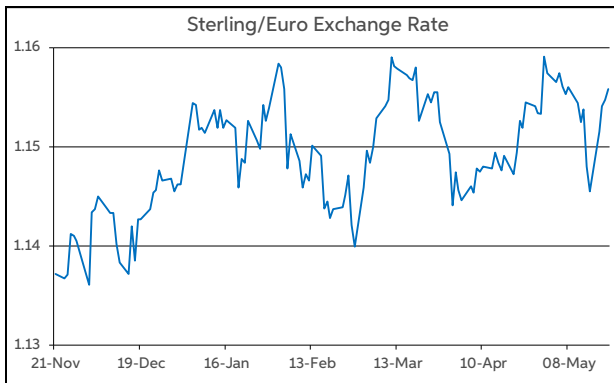
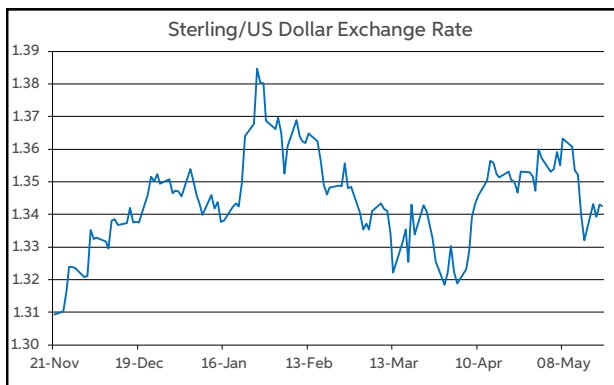
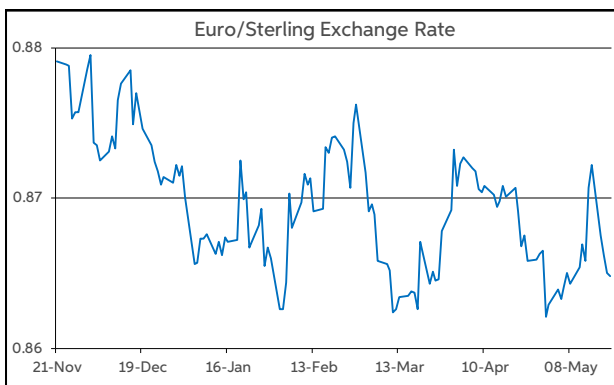
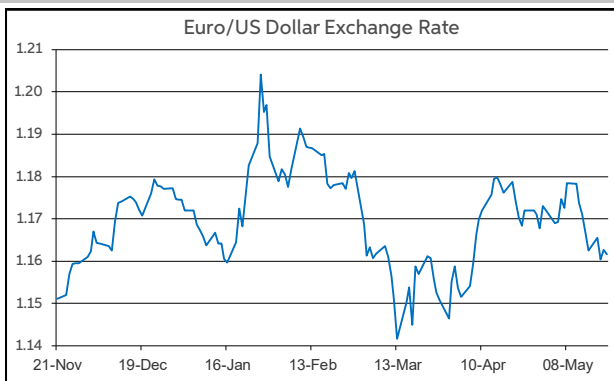
The larger move in UK Gilt yields was partly driven by a softening in UK rate expectations, following better than expected UK CPI data for April and some dovish remarks from BoE Governor Bailey. Markets are now attaching just a 15% chance to a BoE rate hike in June, and see around 50bps of tightening this year. In contrast, the Fed meeting minutes contained a slight hawkish bias. Notably, the minutes stated that “several participants” agreed the Fed may have to hike rates if inflation remained persistently above 2%.

Currency-wise, sterling was initially under some downward pressure, amid the softening in UK rate expectations. However, the pound recouped its losses as risk appetite improved late in the European session. In contrast, the dollar was on the defensive heading into the European close, before moving off its lows overnight.

As trading gets under way this morning, EUR/USD is just above the \$1.16 mark. GBP/USD is operating north of the \$1.34 threshold. Meantime, EUR/GBP is back at the midpoint of 86-87p.

Turning to the day ahead, the flash reading of the PMIs for May in the Eurozone, UK and US are due for release. Elsewhere, Eurozone consumer confidence is forecast to deteriorate slightly in May. At the same time, markets will remain highly sensitive to further developments regarding the Middle East.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2025
EUR/USD	1.1616	0.18	-1.10
EUR/GBP	0.8648	-0.14	-0.77
GBP/USD	1.3427	0.28	-0.34
GBP/EUR	1.1556	0.14	0.77
USD/JPY	159.05	0.04	1.53
EUR/JPY	184.79	0.22	0.43

* 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	3.58	3.63	3.84	4.20	4.26
EUR	2.00	1.98	2.20	2.78	2.89	2.96
GBP	3.75	3.73	3.78	4.15	4.50	4.54

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

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Opening Levels

Thursday 21 May 2026
07:55 am



Euro

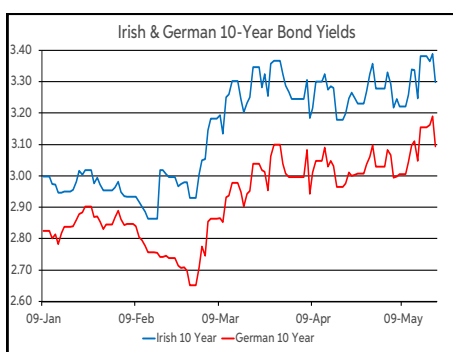
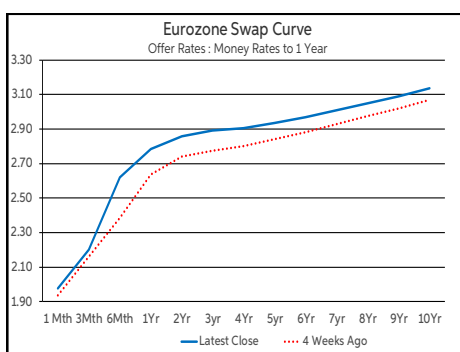
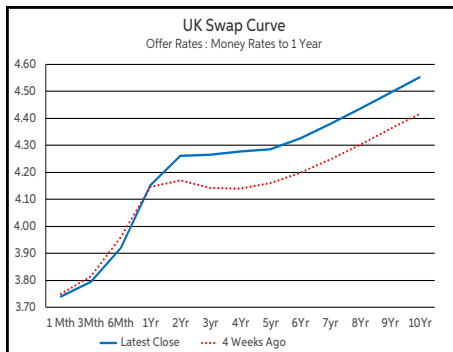
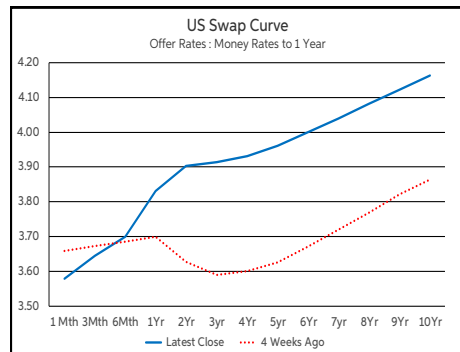
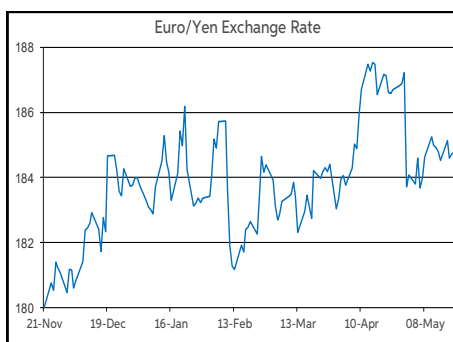
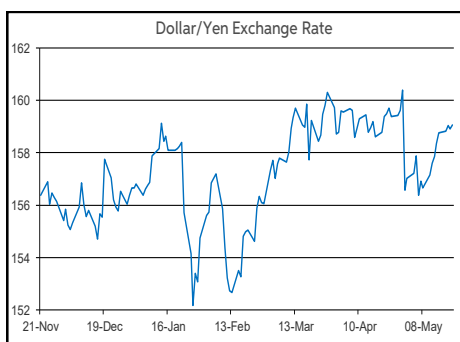
EUR/GBP	0.8648
EUR/USD	1.1616
EUR/JPY	184.79
EUR/SEK	10.8639
EUR/DKK	7.4727
EUR/NOK	10.7839
EUR/CHF	0.9146
EUR/AUD	1.6335
EUR/HKD	9.0995
EUR/CAD	1.5985

Sterling

GBP/EUR	1.1556
GBP/USD	1.3427
GBP/CAD	1.8479
GBP/NZD	2.2935
GBP/JPY	213.56
GBP/SEK	12.5563
GBP/DKK	8.6371
GBP/NOK	12.4667
GBP/CHF	1.0573
GBP/AUD	1.8883

Dollar

USD/JPY	159.05
USD/CAD	1.3763
USD/CHF	0.7874
USD/CNY	6.8052
USD/BRL	4.9954
USD/RUB	71.45
USD/INR	96.3125
AUD/USD	0.7109
NZD/USD	0.5852



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 25
10 Year Yield %				
US	4.57	-10	+28	+42
Germany	3.09	-9	+9	+23
UK	4.99	-14	+8	+52
Ireland				
Ireland	3.30	-9	+3	+27
Belgium	3.63	-12	+16	+28
France	3.86	-12	+20	+30
Italy	3.84	-14	+4	+32
Spain	3.52	-11	+5	+23
Portugal	3.48	-10	+6	+32
Greece	3.82	-3	+10	+34
5 Year Swap %				
US	4.24	-7	+35	+51
Eurozone	2.92	-10	+9	+36
UK	4.52	-14	+11	+63
2 Year Swap %				
US	4.16	-7	+29	+59
Eurozone	2.85	-10	+12	+60
UK	4.47	-15	+5	+74
10 Year Government Bond Spreads to Benchmark bps				
Ireland	20	+0	-6	+4
Belgium	54	-2	+7	+5
France	77	-2	+11	+7
Italy	74	-5	-6	+9
Spain	42	-1	-4	-1
Portugal	39	-1	-3	+9
Greece	73	+6	+1	+11

Commodities				
	Close	% Change		
		Day	4 Weeks	End 25
Brent Oil	105.02	-5.63	+3.05	+72.59
West Texas Oil	101.69	-9.28	+7.31	+77.59
Gold \$	4543.5	+1.39	-4.10	+5.32

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