

Fed holds as expected. BoE policy decision today

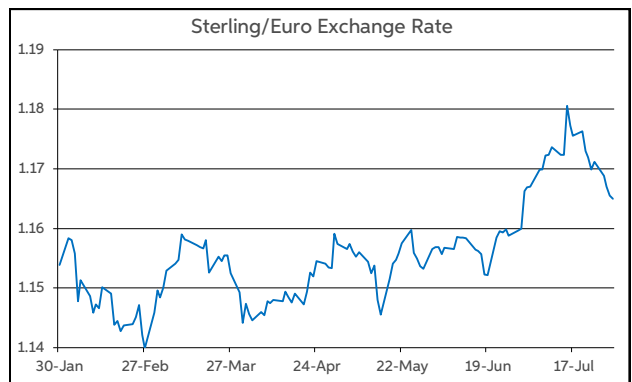
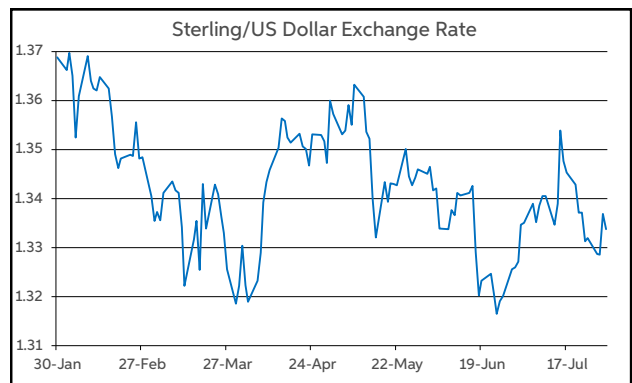
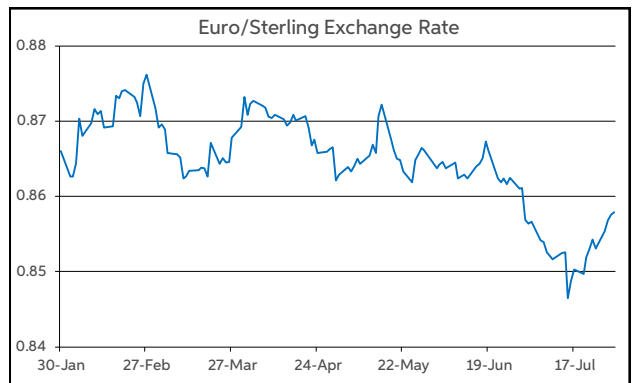
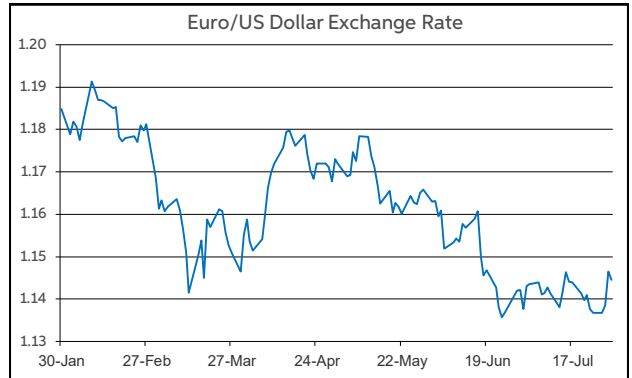
As expected, the Fed opted to leave the Fed Funds target range at 3.50-3.75% yesterday. However, the decision was not unanimous. Three officials voted in favour of hiking rates by 25bps. Meantime, at the press conference, Chair Warsh refrained from offering firm forward guidance on the future path of policy. Regardless, US market rate expectations have softened slightly. Market pricing indicates there is around a 70% chance of a rate hike at the next Fed meeting in September. Previously it was fully priced-in. However, the market still expects 50bps of policy tightening by the end of Q1 2027.

Elsewhere on markets, there was a risk averse tone to investor sentiment yesterday, as oil prices continued to climb higher. Brent crude rose up above \$90 per barrel. Some mixed company earnings data also impacted equity markets. Against that backdrop, the Euro Stoxx 50 fell by 0.6%, while on Wall Street, the S&P 500 shed 1.5%.

On the currency front, the main pairs remained tightly range bound throughout yesterday's European session. However, the dollar was on the defensive following the Fed policy meeting. In level terms, this is evidenced by EUR/USD opening this morning up near the midpoint of \$1.14-1.15. GBP/USD is up above the \$1.33 threshold. EUR/GBP is changing hands in the top half of the 85-86p band.

Today, the focus will be on the BoE policy decision. The MPC is widely expected to leave policy unchanged, but the voting split, meeting statement, updated Monetary Policy Report and the press conference, will garner close attention. Elsewhere, the BoJ is expected to leave rates unaltered tonight. On the data front, the first estimates of Eurozone and US GDP for Q2 will be released. US core-PCE inflation for June is also due.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2025
EUR/USD	1.1446	0.40	-2.55
EUR/GBP	0.8579	0.08	-1.56
GBP/USD	1.3335	0.29	-1.02
GBP/EUR	1.165	-0.08	1.59
USD/JPY	163.57	0.10	4.42
EUR/JPY	187.24	0.49	1.77

* 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	3.65	3.75	4.08	4.42	4.42
EUR	2.25	2.19	2.45	2.90	3.02	3.08
GBP	3.75	3.73	3.81	4.19	4.54	4.62

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
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Opening Levels

Thursday 30 July 2026
07:45 am



Euro

EUR/GBP	0.8579
EUR/USD	1.1446
EUR/JPY	187.24
EUR/SEK	11.0684
EUR/DKK	7.4753
EUR/NOK	10.9837
EUR/CHF	0.9336
EUR/AUD	1.6468
EUR/HKD	8.9773
EUR/CAD	1.6086

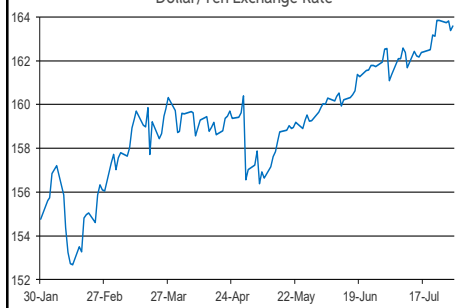
Sterling

GBP/EUR	1.165
GBP/USD	1.3335
GBP/CAD	1.8741
GBP/NZD	2.2966
GBP/JPY	218.14
GBP/SEK	12.897
GBP/DKK	8.7088
GBP/NOK	12.7982
GBP/CHF	1.0879
GBP/AUD	1.9184

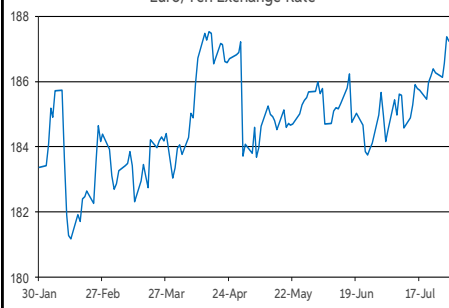
Dollar

USD/JPY	163.57
USD/CAD	1.4054
USD/CHF	0.8157
USD/CNY	6.7581
USD/BRL	5.1178
USD/RUB	79.8
USD/INR	95.7425
AUD/USD	0.695
NZD/USD	0.5805

Dollar/Yen Exchange Rate

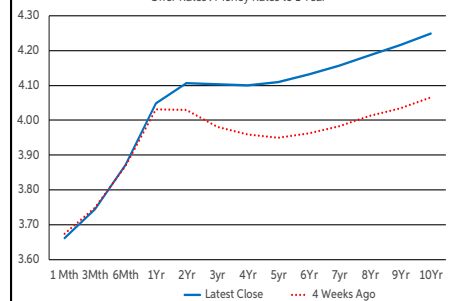


Euro/Yen Exchange Rate



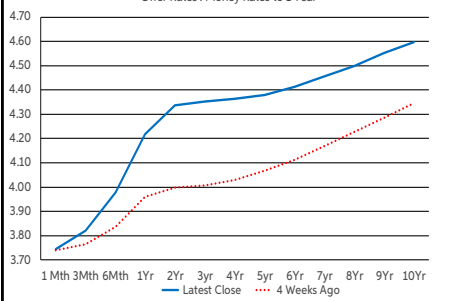
US Swap Curve

Offer Rates : Money Rates to 1 Year



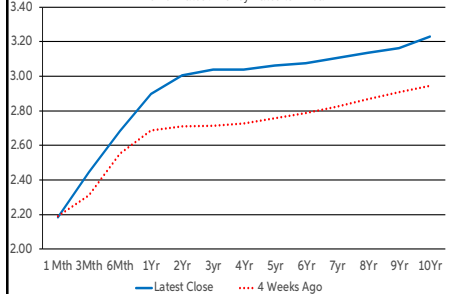
UK Swap Curve

Offer Rates : Money Rates to 1 Year

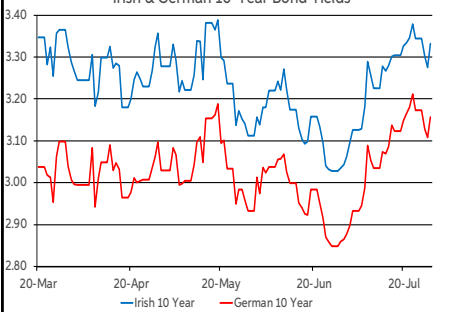


Eurozone Swap Curve

Offer Rates : Money Rates to 1 Year



Irish & German 10-Year Bond Yields



Debt Markets

	Close	Change bps		
		Day	4 Weeks	End 25
10 Year Yield %				
US	4.62	+2	+15	+47
Germany	3.16	+5	+28	+29
UK	5.04	+9	+27	+56
Ireland	3.33	+6	+27	+30
Belgium	3.70	+6	+24	+36
France	3.96	+7	+27	+39
Italy	4.00	+8	+37	+49
Spain	3.62	+6	+25	+33
Portugal	3.54	+8	+25	+38
Greece	3.86	+2	+29	+38
5 Year Swap %				
US	4.38	+3	+18	+66
Eurozone	3.06	+6	+31	+50
UK	4.62	+11	+32	+72
2 Year Swap %				
US	4.37	-1	+10	+80
Eurozone	3.00	+4	+29	+74
UK	4.57	+13	+35	+84
10 Year Government Bond Spreads to Benchmark bps				
Ireland	18	+1	-1	+1
Belgium	55	+2	-4	+6
France	80	+2	-0	+10
Italy	84	+4	+9	+19
Spain	47	+2	-3	+4
Portugal	38	+3	-2	+8
Greece	70	-3	+1	+8

Commodities

	% Change			
	Close	Day	4 Weeks	End 25
Brent Oil	90.74	+7.91	+26.78	+49.12
West Texas Oil	86.08	+6.39	+23.43	+50.33
Gold \$	4065.0	+0.94	+0.87	-5.77

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