

Focus on Fed Chair Warsh's speech

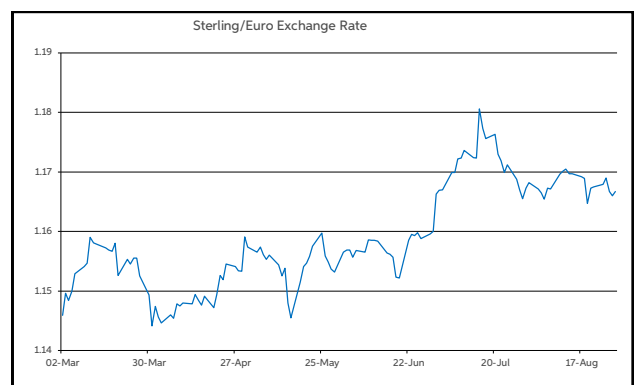
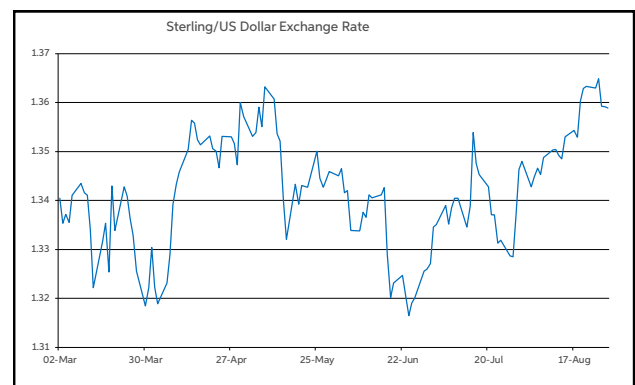
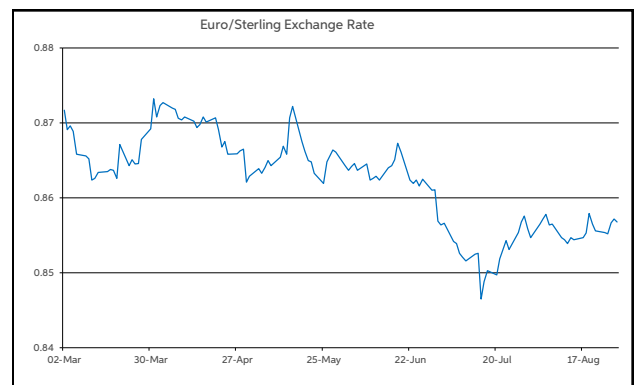
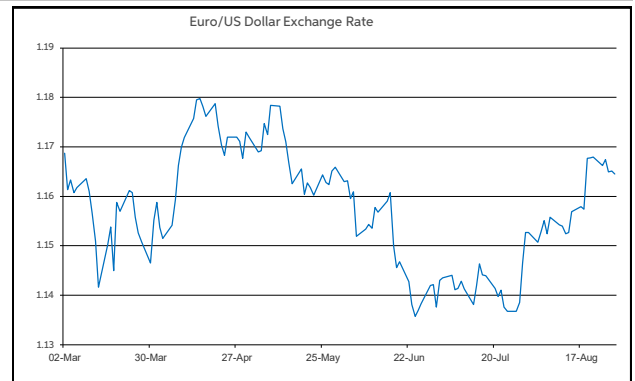
Investor sentiment was mixed yesterday, as three of the main themes that have influenced markets this year remained to the fore (geopolitical tensions, AI investment & monetary policy tightening). On equity markets, this was reflected by the Euro Stoxx 50 falling by 0.7%, as oil and natural gas prices continued to drift higher, amid uncertainty regarding the war in the Middle East. On Wall Street though, the S&P 500 rose by 0.7%, led by a rally in tech stocks, following very strong quarterly results from Nvidia.

In terms of monetary policy, a number of Fed officials made hawkish remarks yesterday. FOMC member Schmid stated that he would have sided with the three dissenters who voted for a rate hike in July (he is a non-voter this year). Similarly, Goolsbee and Hammack indicated that they are becoming increasingly concerned that inflation is becoming embedded in the US economy. Meantime, the main takeaway from the ECB monetary policy meeting account for July was that some officials "would not have opposed" raising rates, suggesting further policy tightening is likely.

Despite this though, currency markets remained extremely range bound yesterday. Of the limited action to register over this period, the dollar was holding a slightly firmer tone following the remarks from Fed officials. However, the greenback was unable to maintain its gains. As a result, EUR/USD opens today at the midpoint of \$1.16 -1.17 once again. GBP/USD is in the top half of \$1.35-1.36, while EUR/GBP remains in the upper part of the 85-86p band.

Turning to the day ahead, the main focus will be on Fed Chair Warsh's Jackson Hole speech, which poses some event risk for the dollar. On the data front, the EC sentiment indicators and a raft of flash inflation readings for some of the large Eurozone economies (all August) are due.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2025
EUR/USD	1.1645	-0.09	-0.85
EUR/GBP	0.8568	-0.10	-1.69
GBP/USD	1.3589	0.02	0.86
GBP/EUR	1.1665	0.11	1.72
USD/JPY	159.42	0.04	1.77
EUR/JPY	185.7	-0.02	0.93

* 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	3.68	3.75	4.02	4.36	4.39
EUR	2.25	2.25	2.55	2.96	3.08	3.15
GBP	3.75	3.74	3.80	4.14	4.49	4.60

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

Friday 28 August 2026
07:53 am



Euro

EUR/GBP	0.8568
EUR/USD	1.1645
EUR/JPY	185.7
EUR/SEK	11.0774
EUR/DKK	7.4748
EUR/NOK	10.849
EUR/CHF	0.9372
EUR/AUD	1.6173
EUR/HKD	9.1308
EUR/CAD	1.6129

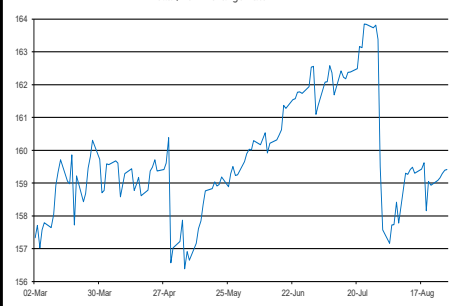
Sterling

GBP/EUR	1.1665
GBP/USD	1.3589
GBP/CAD	1.8818
GBP/NZD	2.2795
GBP/JPY	216.64
GBP/SEK	12.9249
GBP/DKK	8.7222
GBP/NOK	12.659
GBP/CHF	1.0936
GBP/AUD	1.8873

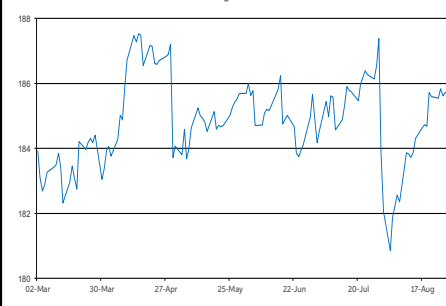
Dollar

USD/JPY	159.42
USD/CAD	1.3848
USD/CHF	0.8047
USD/CNY	6.721
USD/BRL	5.1633
USD/RUB	86
USD/INR	95.55
AUD/USD	0.7199
NZD/USD	0.5959

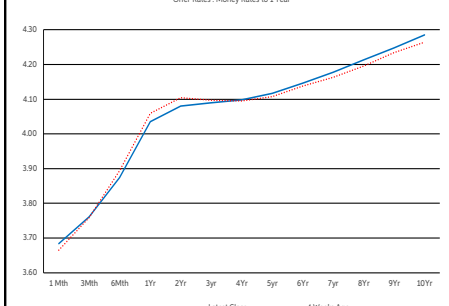
Dollar/Yen Exchange Rate



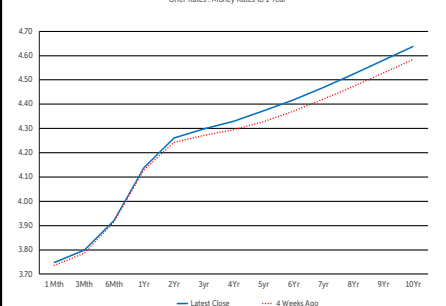
Euro/Yen Exchange Rate



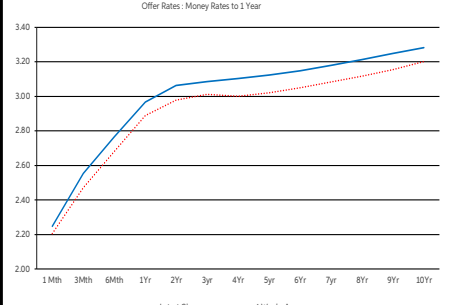
US Swap Curve
Offer Rates - Money Rates to 1 Year



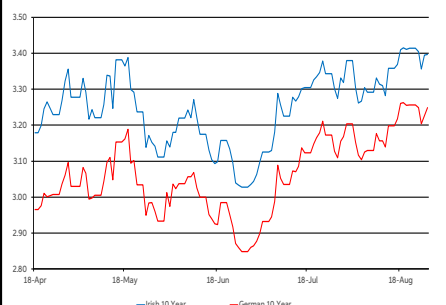
UK Swap Curve
Offer Rates - Money Rates to 1 Year



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	4.67	+1	+1	+52
Germany	3.25	+2	+8	+39
UK	5.03	-1	+5	+56
Ireland	3.40	+0	+8	+37
Belgium	3.80	+2	+11	+45
France	4.10	+2	+15	+54
Italy	4.07	+2	+9	+56
Spain	3.70	+2	+9	+41
Portugal	3.61	+2	+9	+45
Greece	3.93	+5	+7	+45
5 Year Swap %				
US	4.39	+3	+2	+66
Eurozone	3.12	+2	+10	+56
UK	4.60	-0	+6	+70
2 Year Swap %				
US	4.34	+3	-1	+76
Eurozone	3.06	+2	+9	+80
UK	4.49	-1	+4	+76
10 Year Government Bond Spreads to Benchmark bps				
Ireland	15	-2	-0	-2
Belgium	55	+0	+3	+7
France	85	-0	+7	+15
Italy	82	-0	+1	+17
Spain	45	-0	+1	+2
Portugal	36	+0	+1	+7
Greece	68	+2	-1	+6

Commodities

	% Change			
	Close	Day	4 Weeks	End 25
Brent Oil	89.7	+2.12	+0.75	+47.41
West Texas Oil	84.81	+1.62	-0.40	+48.11
Gold \$	4601.0	+0.20	+12.15	+6.65

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