Morning Comment

AIB Treasury Economic Research Unit

Wednesday 29 October 2025
06:31 am

Fed meeting in focus

There was a cautious tone to investor sentiment yesterday, amid a relatively quiet day on financial markets. Against this backdrop the Euro Stoxx 50 edged 0.1% lower. In contrast, the S&P 500 notched a modest 0.2% gain. Elsewhere on bond markets yields were little changed across the board.

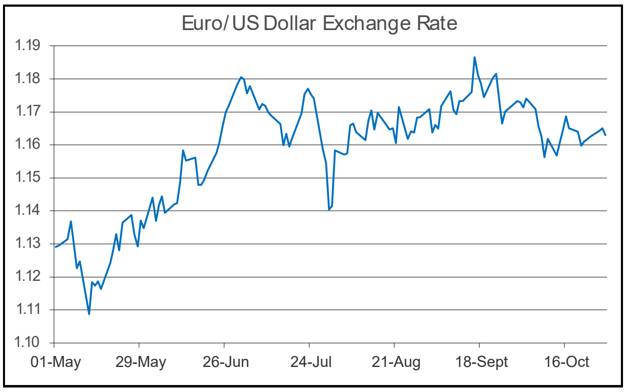
Data-wise the US Conference board measure of consumer confidence printed above the consensus, but fell from an upwardly revised 95.6 in September to 94.6 in October. Elsewhere, German consumer confidence deteriorated by more than anticipated, although the Italian measure improved in October. However, the data had no material impact on proceedings yesterday.

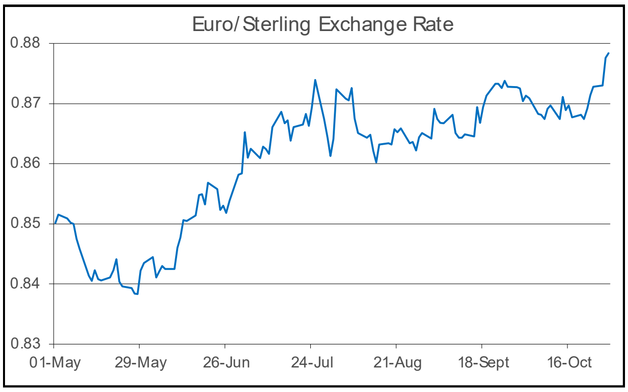
On the currency front, sterling remained under some downward pressure. This was evidenced by EUR/GBP peaking at 87.9p, its highest level since May 2023. At the same time, the dollar was holding a firmer tone during the European session. As the day progressed though, the greenback handed back most of its gains.

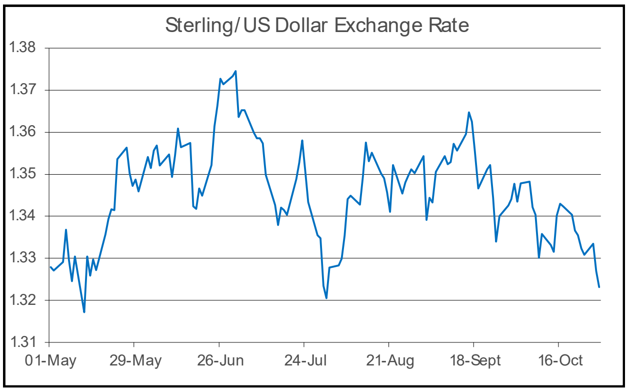
In level terms, EUR/GBP opens today in the top half of the 87-88p range. GBP/USD is changing hands down in the bottom end of the $1.32-1.33 trading band. Meanwhile, EUR/USD is operating in the lower half of $1.16-1.17. USD/JPY remains above the ¥152 handle.

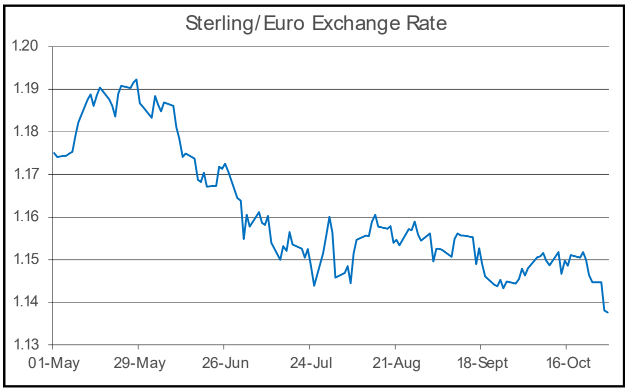
Turning to the day ahead, the data calendar is sparse on both sides of the Atlantic. On the monetary policy front, the Fed policy decision is due after the close in Europe. The market is expecting a second consecutive 25bps rate cut which would bring the fed funds target range down to 3.75-4.00%. The Fed is also expected to alter its QT programme. The post-meeting press conference with Chair Powell and the vote breakdown will also be in focus. Elsewhere, a potential meeting between President Trump and President Xi at the sidelines of the APEC Summit will warrant attention.

Daniel Noonan, Economist, AIB









Today's Opening FX Rates

		% Change	
		Day *	End 2024
EUR/USD	1.1629	-0.29	12.32
EUR/GBP	0.8786	0.69	6.20
GBP/USD	1.3232	-0.97	5.76
GBP/EUR	1.1377	-0.68	-5.84
USD/JPY	152.35	0.29	-3.07
EUR/JPY	177.18	0.00	8.87

* 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	4.13	3.94	3.82	3.49	3.55	3.56
EUR	2.00	1.89	2.08	2.12	2.13	2.33
GBP	4.00	3.90	3.86	3.63	3.77	3.84

All rates quoted are indicative market rates

See Next Page For More Rates & Charts

CONTACTS

AIB Customer Treasury Services
business.treasury@aib.ie
aib.corporatetreasury@aib.ie
aib.ie/fxcentre

Customer Treasury Services GB
treasury.gb@aib.ie
aibgb.co.uk/fxcentre

Customer Treasury Services NI
TreasuryNI@aib.ie
aibni.co.uk/fxcentre

Opening Levels

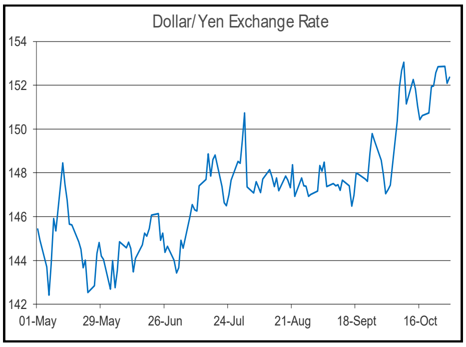
Wednesday 29 October 2025
06:31 am

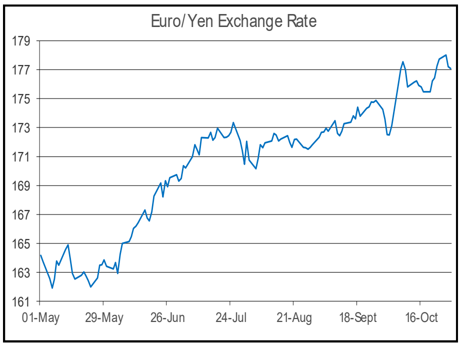
AIB

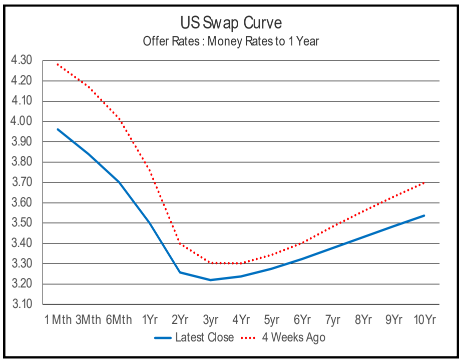
Euro	
EUR/ GBP	0.8786
EUR/ USD	1.1629
EUR/ JPY	177.18
EUR/ SEK	10.9242
EUR/ DKK	7.4681
EUR/ NOK	11.62
EUR/ CHF	0.9238
EUR/ AUD	1.7599
EUR/ HKD	9.0362
EUR/ CAD	1.6209

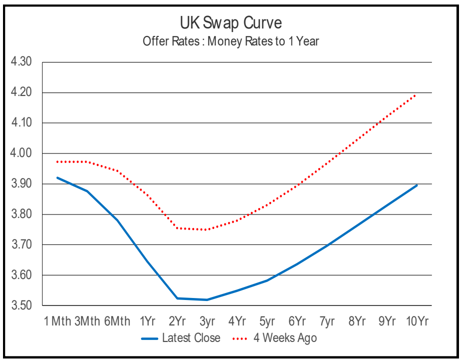
Sterling	
GBP/ EUR	1.1377
GBP/ USD	1.3232
GBP/ CAD	1.8443
GBP/ NZD	2.2861
GBP/ JPY	201.59
GBP/ SEK	12.4313
GBP/ DKK	8.4996
GBP/ NOK	13.2246
GBP/ CHF	1.0514
GBP/ AUD	2.0028

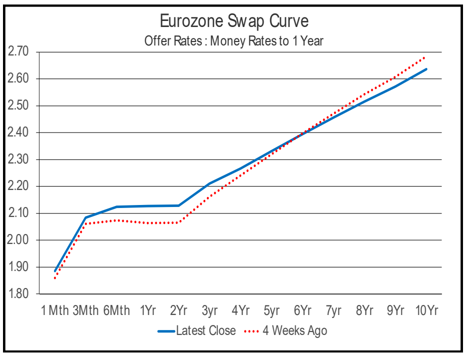
Dollar	
USD/ JPY	152.35
USD/ CAD	1.3939
USD/ CHF	0.7944
USD/ CNY	7.1003
USD/ BRL	5.3581
USD/ RUB	79.5
USD/ INR	88.28
AUD/ USD	0.6604
NZD/ USD	0.5785

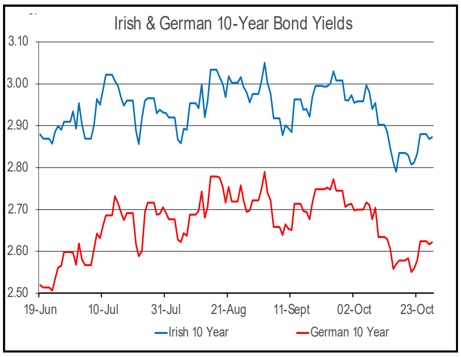












Debt Markets

	Close	Change bps Day	4 Weeks	End 24
10 Year Yield %				
US	3.98	-1	-17	-59
Germany	2.62	+0	-9	+26
UK	4.40	+0	-30	-17
Ireland	2.87	+0	-9	+22
Belgium	3.18	-0	-9	+19
France	3.42	+0	-11	+23
Italy	3.40	+0	-16	-12
Spain	3.15	+1	-11	+8
Portugal	3.01	+1	-11	+16
Greece	3.29	-1	-12	+4
5 Year Swap %				
US	3.55	+1	-10	-74
Eurozone	2.32	+1	-5	+8
UK	3.84	-2	-24	-44
2 Year Swap %				
US	3.51	+1	-13	-82
Eurozone	2.12	+1	-3	-7
UK	3.77	-3	-24	-72
10 Year Government Bond Spreads to Benchmark bps				
Ireland	25	+0	+0	-3
Belgium	55	-1	+0	-6
France	80	-0	-2	-3
Italy	78	-0	-7	-38
Spain	53	+0	-2	-18
Portugal	38	+1	-2	-10
Greece	67	-1	-3	-22

Commodities

	Close	% Change Day	4 Weeks	End 24
Brent Oil	64.4	-1.86	-3.91	-13.72
West Texas Oil	71.65	-0.17	-1.90	-1.27
Gold $	3951.6	-0.73	+2.42	+50.60

AIB, 10 Molesworth Street, Dublin 2 Tel: 353-1-6600311