

Fed policy decision due today

The positive mood on markets at the start of the week persisted yesterday. Against that backdrop, equity markets on both sides of the Atlantic registered a second consecutive day of gains. The Euro Stoxx 50 rose by 0.5%, while on Wall Street, the S&P 500 moved 0.2% higher. Amid the ongoing conflict in the Middle East, oil prices remained elevated, although Brent crude fell by over 1% to around \$102 per barrel.

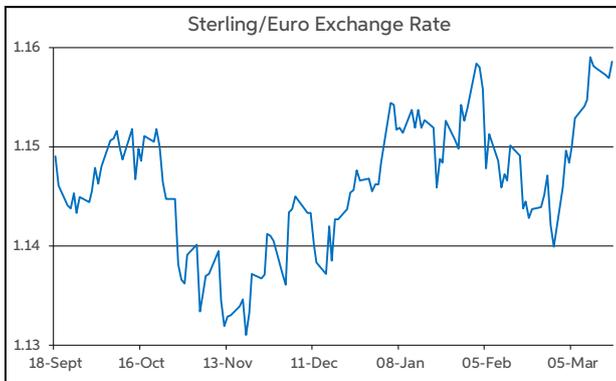
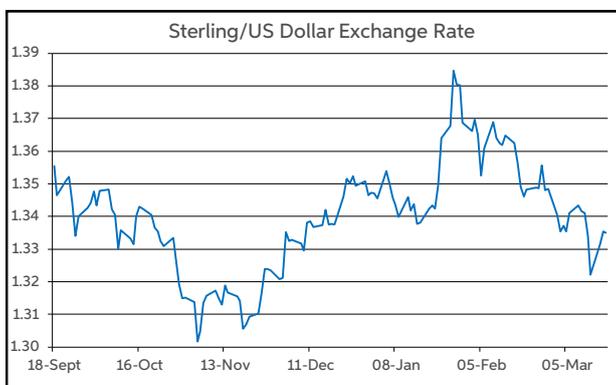
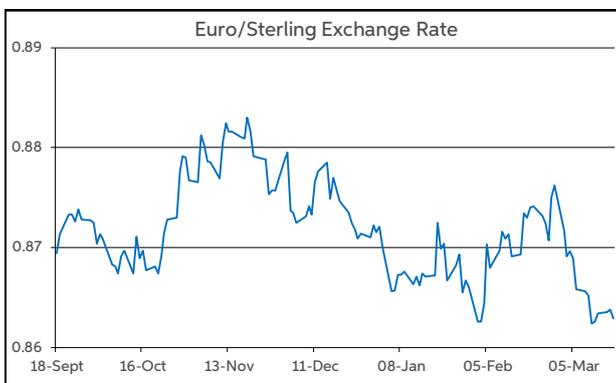
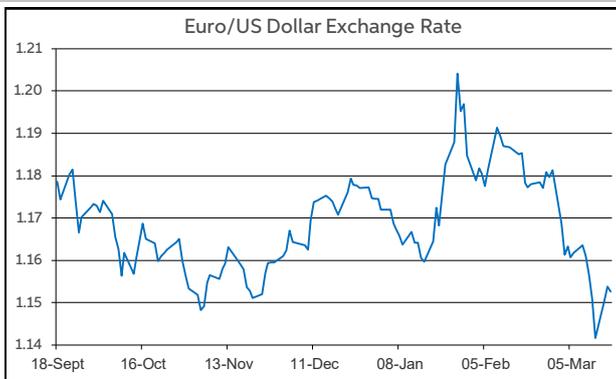
In terms of fixed income, US Treasury and German Bund yields declined by 2-6bps along the curve. Elsewhere, UK Gilt yields moved 5-10bps lower, partly due to a softening in UK rate expectations. Current futures pricing indicates the market is no longer fully pricing in a rate hike from the BoE next year.

Amid the ongoing improved in risk appetite, the dollar was on the defensive once again. The greenback depreciated by circa 0.4% against the euro, sterling and yen yesterday. At the same time, sterling edged marginally higher versus the euro.

In level terms, the weaker tone to the dollar sees EUR/USD open this morning up above the \$1.15 threshold. GBP/USD is changing hands at the midpoint of the \$1.33-1.34 corridor. Meantime, USD/JPY is back below the ¥159 handle. Elsewhere, EUR/GBP remains in the bottom half of the 86-87p band.

Turning to the day ahead, the focus will remain centred on the Middle East. Aside from that, the Fed monetary policy decision (due after the close in Europe) will also garner significant interest. The Fed is widely expected to leave policy on hold. However, investors will be paying close attention to the updated economic projections, and to remarks from Chair Powell at the post-meeting press conference. The final reading of Eurozone HICP inflation for February is also due for release.

Daniel Noonan, Economist, AIB



Today's Opening FX Rates			
		% Change	
		Day *	End 2025
EUR/USD	1.1526	0.40	-1.86
EUR/GBP	0.8629	-0.10	-0.99
GBP/USD	1.3351	0.47	-0.91
GBP/EUR	1.1582	0.10	1.00
USD/JPY	158.75	-0.43	1.34
EUR/JPY	183.01	-0.01	-0.53

* 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	3.66	3.68	3.60	3.75	3.72
EUR	2.00	1.96	2.16	2.46	2.57	2.68
GBP	3.75	3.72	3.73	3.84	4.12	4.21

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

Wednesday 18 March 2026
07:59 am



Euro

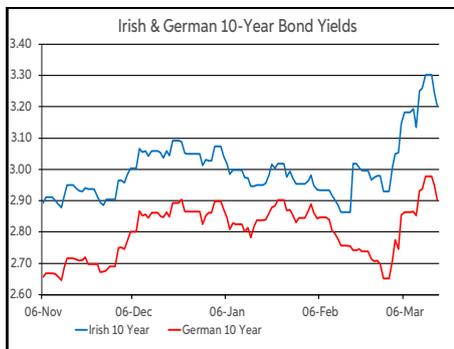
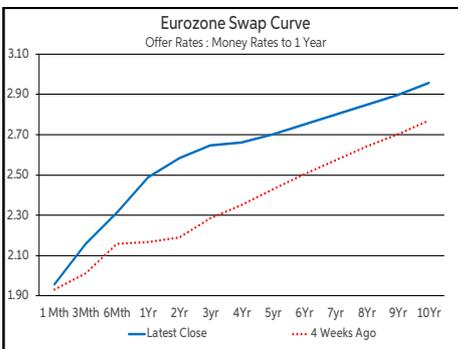
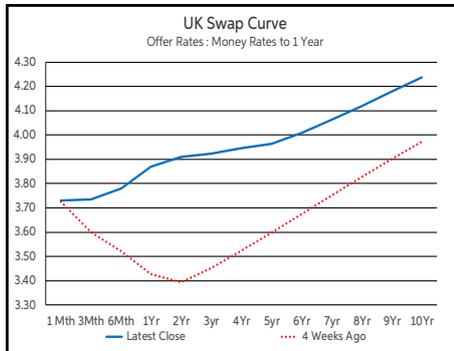
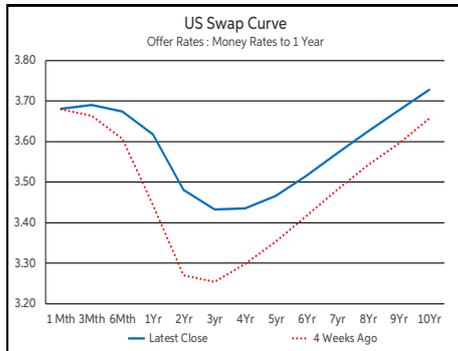
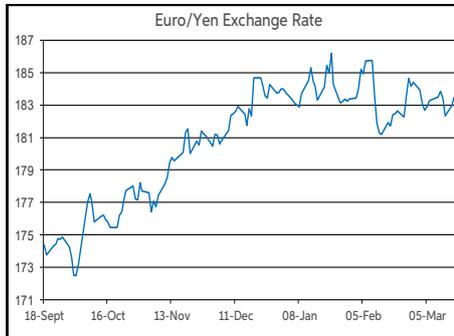
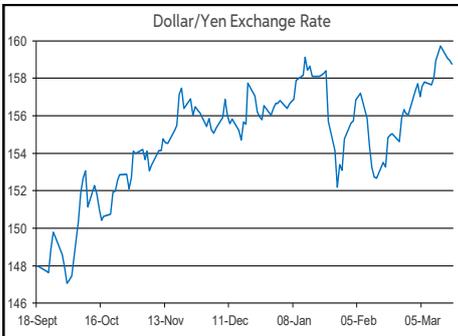
EUR/GBP	0.8629
EUR/USD	1.1526
EUR/JPY	183.01
EUR/SEK	10.7028
EUR/DKK	7.4725
EUR/NOK	11.045
EUR/CHF	0.9065
EUR/AUD	1.6205
EUR/HKD	9.0349
EUR/CAD	1.5801

Sterling

GBP/EUR	1.1582
GBP/USD	1.3351
GBP/CAD	1.8304
GBP/NZD	2.2791
GBP/JPY	211.99
GBP/SEK	12.3998
GBP/DKK	8.6559
GBP/NOK	12.7972
GBP/CHF	1.05
GBP/AUD	1.8771

Dollar

USD/JPY	158.75
USD/CAD	1.3708
USD/CHF	0.7863
USD/CNY	6.8752
USD/BRL	5.19
USD/RUB	83.35
USD/INR	92.455
AUD/USD	0.7111
NZD/USD	0.5856



Debt Markets				
	Close	Change bps		
		Day	4 Weeks	End 25
10 Year Yield %				
US	4.20	-2	+15	+5
Germany	2.90	-5	+16	+4
UK	4.70	-7	+32	+22
5 Year Swap %				
US	3.74	-2	+13	+1
Eurozone	2.69	-2	+27	+13
UK	4.21	-6	+35	+31
2 Year Swap %				
US	3.74	+0	+22	+17
Eurozone	2.58	-1	+39	+32
UK	4.14	-4	+49	+41
10 Year Government Bond Spreads to Benchmark bps				
Ireland	30	+0	+2	+13
Belgium	45	-1	+6	-3
France	66	-1	+8	-4
Italy	76	-2	+14	+11
Spain	49	-1	+6	+6
Portugal	42	-1	+6	+13
Greece	77	-0	+16	+15

Commodities				
	Close	% Change		
		Day	4 Weeks	End 25
Brent Oil	102.04	-1.33	+53.40	+69.96
West Texas Oil	96.01	+2.81	+53.54	+67.67
Gold \$	5004.4	-0.02	+2.61	+16.00

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