Danske Bank Markets in Northern Ireland

Danske Bank

Markets Update

Monday, 17 November 2025

Key news

- It was a choppy week on the currency and UK gilt markets after news reports emerged that the Chancellor will row back on income tax increases in the budget next week after a slightly improved fiscal forecast from the budgetary watchdog, the Office for Budget Responsibility (OBR).
- The pound has come under renewed pressure against the euro and gilt prices have picked up as the markets took exception to the Chancellor potentially rewriting the fiscal rules in response to a worsening economic outlook and a subsequent larger shortfall in the public finances.
- The UK will remain in the spotlight again this week with the October CPI inflation report due for release on Wednesday. Headline inflation in the UK has remained above target at 3.8% in the last couple of months, however, it is expected to fall to 3.6% last month. A downward trajectory in headline inflation will further cement market expectations for a UK interest rate cut in December.
- PMI data on Friday will feature with updates from the UK, US and Eurozone. The services sector is performing better than the manufacturing sector and that theme is expected to continue this month.
- In the US there is still uncertainty on the timing of economic data releases after the end of the government shutdown. There is a chance that the Spetember US non-farm payrolls could be aired later in the week.
- The pound opens the new week around $1.3150 against the dollar and slightly firmer against the euro close to €1.1350.

Market Rates

CCY pair	Market rate at opening
GBP/USD	1.3165
GBP/EUR	1.1345
EUR/USD	1.1605
EUR/GBP	0.8815
GBP/AUD	2.0182
GBP/CAD	1.8459
GBP/CHF	1.0463
GBP/DKK	8.4710
GBP/HKD	10.2334
GBP/JPY	203.70
GBP/NOK	13.2801
GBP/NZD	2.3199
GBP/SEK	12.4380
USD/CNY	7.1063

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