Markets Update

Wednesday, 19 November 2025

Key news

- This morning's UK inflation update was the highlight data release of the week, however, the reaction to the news that inflation fell to 3.6% in the year to October has so far had little impact on the fortunes of the pound.
- Market analysts had been forecasting the fall from 3.8% to 3.6%, so the fact there was no surprises has resulted in a muted reaction – the likelihood of an interest rate cut from the Bank of England (BoE)in December now remains firmly on the cards.
- Whilst inflation remains well above the BoE 2% target the headline rate has fallen for the first time since March. The drop was mainly driven by slower rises in energy prices, which offset the increasing rate of food costs.
- Core inflation also fell back as expected from 3.5% to 3.4%.
- Inflation remains on the agenda this morning as the Eurozone releases its update for October. The annual rate of inflation is expected to remain close to target at 2.1%.
- Later today, the minutes of the October Federal Reserve monetary policy meeting are scheduled for release. The minutes will be closely looked at for clues to the pace of further interest rate cuts in the US.
- The pound opens today in familiar territory around €1.1340 against the single currency and close to $1.3135 against the US dollar.

Market Rates

CCY pair	Market rate at opening
GBP/USD	1.3130
GBP/EUR	1.1343
EUR/USD	1.1578
EUR/GBP	0.8816
GBP/AUD	2.0255
GBP/CAD	1.8387
GBP/CHF	1.0505
GBP/DKK	8.4720
GBP/HKD	10.2317
GBP/JPY	204.41
GBP/NOK	13.2791
GBP/NZD	2.3320
GBP/SEK	12.4474
USD/CNY	7.1100

CONTACT INFORMATION

Foreign Exchange & Treasury deposits: 028 9089 1111 / 028 9089 1100
Structured Term Loans: 028 9004 9617 / 028 9004 9602

EMAIL: *markets@danskebank.co.uk* WEBSITE: *www.danskebank.co.uk*
We may record or monitor calls to confirm details of our conversations, and for verification and quality purposes