

Markets Update

Monday, 16 March 2026

- The ongoing conflict in the Middle East continues to drive financial markets, with the likelihood of a ceasefire remaining slim as Iran refuses to engage in talks, citing prior discussions with the US before the attacks three weeks ago.
- Oil prices remain high at \$107 per barrel, with significant concern over attacks on Kharg Island, which controls 90% of Iran's oil exports, and Fujairah in the UAE, another key oil terminal. US President Donald Trump has urged NATO allies to assist in securing the Strait of Hormuz, warning that refusal to assist would be "very bad for the future of NATO."
- Eight central banks are meeting this week, offering markets insights into inflationary concerns stemming from the conflict. Many analysts anticipate that the US Federal Reserve, European Central Bank, and Bank of England will hold interest rates steady while hoping for an end to the war to avoid inflationary challenges they may struggle to resolve.
- GBP/USD fell to a three-and-a-half-month low on Friday, rebounding to 1.3219 and currently trading around 1.3250. The US dollar continues to regain its safe-haven status, further highlighted by EUR/USD reaching its lowest levels since August overnight.
- GBP/EUR remains stable, trading at the higher end of 1.1500 within a tight range despite global turmoil.
- This week's key economic data includes Eurozone inflation figures on Wednesday, with Thursday being particularly busy as UK unemployment data is released alongside the Bank of England's decision.

Market rates at opening

GBP/USD	1.3246
GBP/EUR	1.1576
EUR/USD	1.1442
EUR/GBP	0.8638
GBP/AUD	1.8875
GBP/CAD	1.8149
GBP/CHF	1.0460
GBP/DKK	8.6497
GBP/HKD	10.3726
GBP/JPY	211.0500
GBP/NOK	12.8965
GBP/NZD	2.2787
GBP/SEK	12.4894
USD/CNY	6.8996

CONTACT INFORMATION

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