

Markets Update

Tuesday, 16 December 2025

Key news

- Kicking off on the currencies, the pound remained in familiar territory yesterday ahead of a busy week in the UK economic calendar with the highlight on Thursday when the BoE is expected to cut interest rates to 3.75%, its lowest since 2023.
- This morning saw the release of UK employment data which revealed that in the three months to October, the unemployment rate has increased to 5.1% according to the Office of National Statistics (ONS). The publication marked an increase from 5% and the ONS said the data reflected a “subdued labour market”.
- Staying in the UK, attention now shifts to the latest inflation numbers due tomorrow. If these land in line with market forecasts, it is likely to confirm analysts’ current expectations that the BoE will cut rates on Thursday given the poor GDP reading last week and signs of a weakening labour market from this morning’s release of jobs data.
- In the US, the delayed non-farm payrolls and full November jobs report are both due for release at 14.30 CET with expectations of a softening labour market. October retail sales data and December flash PMI’s are also due for release.
- In the euro area, the flash PMI report for December is released. Activity in the 4th quarter has been decent according to the latest two PMI reports that surpassed expectations. Consensus is that both manufacturing and services are to pick up slightly and supporting the ECB’s “good place” assessment of the euro area economy.

Market Rates

CCY pair	Market rate at opening
GBP/USD	1.3383
GBP/EUR	1.1382
EUR/USD	1.1757
EUR/GBP	0.8785
GBP/AUD	2.0146
GBP/CAD	1.8420
GBP/CHF	1.0660
GBP/DKK	8.5020
GBP/HKD	10.4082
GBP/JPY	207.26
GBP/NOK	13.594
GBP/NZD	2.311
GBP/SEK	12.4350
USD/CNY	7.0423

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

Issued by Northern Bank Limited trading as Danske Bank (the “Bank” or “We”).

So far as the law or regulation allow, We disclaim any warranty or representation as to the accuracy or reliability of the information and statements in this commentary. We will not be liable for any loss or damage suffered from relying on this commentary. This commentary does not purport to contain all relevant information. Recipients should not rely on its contents but should make their own assessment and seek professional advice relevant to their circumstances. We may have proprietary positions in the products described in this commentary. This commentary is for information purposes only, is not intended as an offer or solicitation, nor is it the intention of the Bank to create legal relations on the basis of the information contained in it. No part of this commentary may be reproduced without our prior permission.

Danske Bank is a trading name of Northern Bank Limited which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Registered in Northern Ireland (registered number R568). Registered Office: Donegall Square West Belfast BT1 6JS. Northern Bank Limited is a member of the Danske Bank Group.