

Markets Update

Thursday, 26 March 2026

Key news

- Market sentiment continues to be driven by events in the Middle East as oil prices climbed back above \$100 per barrel. The likelihood of an imminent ceasefire has receded as Iran dismissed the US ceasefire plan as “excessive” and outlined its own demands, including authority over the Strait of Hormuz and war compensation.
- The UK inflation data released yesterday had no impact on the markets as it aligned closely with expectations, with headline at 3.0%, core at 3.20% and services at 4.30%. An interest rate cut was firmly on the cards in March, prior to events in the Middle East. Remarkably, analysts are now increasingly pricing in a rate hike from the Bank of England as early as next month to counter the widely anticipated increase in inflation driven by higher energy costs across the world.
- It turned out to be a much quieter day on the currency markets yesterday after the huge volatility earlier in the week. The US dollar regained some ground as hopes of an imminent ceasefire receded and safe haven flows once again emerged. The pound opened today around \$1.3330, almost a full cent lower than yesterday morning. The GBPEUR exchange rate has been relatively steady throughout the market disruption and remains close to €1.1540 in early trading today.
- There is little in the way of economic data scheduled over today's session so markets will continue to take direction from geopolitical news flow.

Market Rates

CCY pair	Market rate at opening
GBP/USD	1.3347
GBP/EUR	1.1545
EUR/USD	1.1559
EUR/GBP	0.8660
GBP/AUD	1.9238
GBP/CAD	1.8461
GBP/CHF	1.0572
GBP/DKK	8.6280
GBP/HKD	10.4385
GBP/JPY	212.85
GBP/NOK	12.921
GBP/NZD	2.3070
GBP/SEK	12.5170
USD/CNY	6.9031

CONTACT INFORMATION

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