

Markets Update

Monday, 19 October 2026

Key news

- **Opening levels:** Sterling is holding around \$1.33, broadly stable, while the euro is under pressure from French political turmoil and expectations of further Fed tightening supporting the dollar. The euro weakness has pushed sterling to the upper end of recent levels close to €1.1875.
- **UK to dominates the economic diary this week:** It's a quiet start to the week with no economic data scheduled for release today. The UK is in the spotlight for most of the week, starting with tomorrow's labour market update which is expected to show that the unemployment rate remains relatively steady at 4.9%. Wednesday's Inflation data from the UK will also be eagerly anticipated with the headline rate expected to increase for a third successive month, up to 3.4% in September from 3.1% in August. The recent uplift in inflation is projected to weigh on retail sales on Friday, with economists expecting a minor contraction of 0.2% in September.
- **US, UK & European Flash PMI:** The end of the week sees the release of the latest manufacturing and services data from each of the major blocs. The eurozone and UK have trended in line over the course of this year and that is expected to continue this month with minor contractions in both sectors expected. In contrast the US indicators have remained very strong over the course of the year. A slight downturn is also expected in October from the record recent highs posted in September.

Market Rates

CCY pair	Market rate at opening
GBP/USD	1.3317
GBP/EUR	1.1885
EUR/USD	1.1201
EUR/GBP	0.8412
GBP/AUD	1.9097
GBP/CAD	1.8768
GBP/CHF	1.0977
GBP/DKK	8.888
GBP/HKD	10.4487
GBP/JPY	210.499
GBP/NOK	12.5561
GBP/NZD	2.2539
GBP/SEK	13.222
USD/CNY	6.6813

CONTACT INFORMATION

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