

Markets Update

Tuesday, 26 May 2026

- The US Dollar steadied on Tuesday as investors saw hopes of an imminent deal to reopen the Strait of Hormuz suffer a severe setback with fresh attacks from the US on Iranian targets. GBP/USD is back below 1.3500 after a brief flirtation over this level during trading yesterday. After a difficult end to last week, EUR/USD has recovered despite the USD strength across the markets, with the pair sitting now at low 1.1600 levels.
- A slight risk-on approach from the markets can be seen in early trading, with many currencies losing ground in the markets along with Gold. With new attacks fuelling fear of inflation long term investors are betting on higher-for-longer interest rates in the US.
- There is still some positive optimism within the markets, with many seeing Iran's willingness to travel to Qatar for peace talks as path towards an end to the conflict, which would ease risk around oil, inflation, and global growth.
- Oil price had a sharp fall yesterday morning following U.S. Secretary of State Marco Rubio's comments regarding negotiations with Iran, and despite the renewed attacks the oil price remains below \$100 a barrel.
- GBP/EUR remains at a high 1.1500 level, with the political fears in the UK slightly diluted with the by-election in Makerfield not due until 18th June. Many analysts though are predicting that GBP should enjoy this fruitful period as end of June could be the start of a turbulent time for the Government.
- Economic data is quite light this week, with US GDP out on Thursday and German and French flash inflation figures due on Friday. It does look like geopolitical issues could drive investors this week.

Market rates at opening

GBP/USD	1.3478
GBP/EUR	1.1583
EUR/USD	1.1635
EUR/GBP	0.8633
GBP/AUD	1.8801
GBP/CAD	1.8611
GBP/CHF	1.0576
GBP/DKK	8.6546
GBP/HKD	10.5609
GBP/JPY	214.4200
GBP/NOK	12.4940
GBP/NZD	2.3028
GBP/SEK	12.5411
USD/CNY	6.7831

CONTACT INFORMATION

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