

## Markets Update

Friday, 20 March 2026

- As analysts had predicted, the global markets have been directed by central bank's decisions this week. The dollar slipped from multi-month highs this week as soaring energy prices upended the outlook for global interest rates, with the US Federal Reserve the only major central bank that economists do not expect to raise interest rates this year.
- GBP/USD has broken 1.3400 overnight and has shown a 1.5% move in 24 hours. EUR/USD also trades at the higher end of 1.1500, although the currency pair met resistance overnight just below 1.1600. GBP is certainly performing a lot better since the announcements and GBP/EUR is hovering over 1.1600.
- Markets were stunned yesterday by the unanimous pivot by the Bank of England Committee. Keeping rates on hold was not a surprise for analysts, however a 9-0 vote did catch markets by surprise. This was the first unanimous vote in four and half years. Governor Andrew Bailey also stated that the central bank "stands ready to act" on interest rates to hold back inflationary pressures from the Middle East conflict. BOE now believe inflation will hit 3.5% in March but stated no matter what happens their job is to get inflation to the 2% target.
- The European Central Bank also kept rates on hold yesterday, however markets believe that policymakers will start discussing hikes next month, certainly a contrast to the US Fed wait-and-see approach.
- A quiet day in terms of economic data, and the start to trading has seen a slight easing in oil prices with Japan and some European countries offering to join efforts to secure safe passage for ships through the Gulf. There has also been a selloff in global bonds overnight in Asian markets after yields pushed to multi-month highs yesterday.

### Market rates at opening

GBP/USD	1.3431
GBP/EUR	1.1603
EUR/USD	1.1574
EUR/GBP	0.8618
GBP/AUD	1.8944
GBP/CAD	1.8421
GBP/CHF	1.0594
GBP/DKK	8.6692
GBP/HKD	10.5263
GBP/JPY	212.6500
GBP/NOK	12.7580
GBP/NZD	2.2818
GBP/SEK	12.4763
USD/CNY	6.8816

## CONTACT INFORMATION

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