

Markets Update

Tuesday, 08 September 2026

- **GBP/USD holding above \$1.35**- The pound opened this morning close to 1.3540 against the dollar, largely unchanged over the course of yesterday with the US out for the Labour Day bank holiday. Against the euro, GBP/EUR sits close to 1.1650, marginally firmer on the week.
- **UK hiring data provided a positive surprise** - The Recruitment and Employment Confederation's index showed permanent staff appointments grew in August for the first time since September 2022, reflecting a pickup in business optimism.
- **New Chancellor Healey struck a fiscally hawkish tone** - In his first major speech yesterday, John Healey pledged fiscal discipline and economic growth as twin priorities, vowing to build on the UK's credibility in international bond markets. Economists are calling on him to restore the UK's fiscal buffer at the upcoming budget, with the fiscal headroom having eroded amid the global bond selloff.
- **Gilts under modest pressure as oil approaches \$99/barrel** - Two-year gilt yields are up a basis point this morning, lagging European peers slightly. Rising oil prices — Brent near \$99 — are stoking inflation concerns and keeping rate-cut expectations in check. UK house prices posted their first annual decline since November 2023 in August (Lloyds data), adding to a mixed domestic demand picture.
- **ECB decision (Thursday) and US CPI (Friday) are the dominant macro events for the week.** Markets are awaiting the ECB rate decision on Thursday and US inflation data on Friday as the key catalysts — both of which will drive EUR/GBP and GBP/USD volatility. UK retail sales data is also due this week. The broader FX backdrop is dominated by yen strength (USD/JPY near 153), a softer dollar, and Brent closing in on \$100/bbl.

Market rates at opening	
GBP/USD	1.3535
GBP/EUR	1.1652
EUR/USD	1.1616
EUR/GBP	0.8581
GBP/AUD	1.8760
GBP/CAD	1.8671
GBP/CHF	1.0974
GBP/DKK	8.7110
GBP/HKD	10.6130
GBP/JPY	208.22
GBP/NOK	12.5320
GBP/NZD	2.3104
GBP/SEK	13.006
USD/CNY	6.7114

CONTACT INFORMATION

Contact Markets on 028 9089 1111 / 028 9089 1100

We may record or monitor calls to confirm details of our conversations, and for verification and quality purposes. Lines are open 8am to 5pm Monday - Friday except for bank holidays or other holidays in Northern Ireland when the bank is not open for business. Call charges may vary. Please contact your phone company for details. We may record or monitor calls to confirm details of our conversations, and for verification and quality purposes.

EMAIL: markets@danskebank.co.uk

WEBSITE: www.danskebank.co.uk

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. 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.