Danske Bank Markets in Northern Ireland

Danske Bank

Markets Update

Monday, 02 November 2026

Key news

- Sterling ended last week on a relative high, drawing support from the UK's budget (containing no nasty surprises) and supported by expectations that the BoE will likely raise interest rates this week.
- Current market expectations is that the BoE will increase rates this Thursday, followed by a second hike in February, a third by July and a 50/50 chance of a fourth by December 2027.
- Looking at the currencies this morning, cable is just over $1.34 following last week's US tech driven sell off. GBP/EUR is just under $1.20 with the euro pairing gains after Germany's September retail sales fell unexpectedly. French fiscal concerns continue to cap EUR strength, providing modest support to sterling.
- This week's main event will be the US election on Tuesday. Early results could be available by Wednesday morning, but final results could take weeks. As it stands, commentators are giving the Democrats nearly a 70% chance of them winning the Senate, while winning the House looks like a done deal for them.
- **Key events today – PMI's and ECB speakers**: Final PMIs for the UK, Eurozone, Germany and France are due today. Multiple ECB speakers are scheduled to speak, with any hawkish commentary potentially pressuring GBP/EUR. Stateside, ISM indices are due today and tomorrow. In the euro zone, flash inflation numbers are due Wednesday. At the end of the week, Friday sees the release of Octobers US nonfarm payrolls and Michigan consumer confidence figures.

Market Rates

CCY pair	Market rate at opening
GBP/USD	1.3415
GBP/EUR	1.1978
EUR/USD	1.1199
EUR/GBP	0.8348
GBP/AUD	1.9105
GBP/CAD	1.8743
GBP/CHF	1.1027
GBP/DKK	8.9525
GBP/HKD	10.5259
GBP/JPY	211.6000
GBP/NOK	12.3692
GBP/NZD	2.3842
GBP/SEK	13.1190
USD/CNY	6.6459

CONTACT INFORMATION

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