

Markets Update

Monday, 17 August 2026

- The yen has strengthened against the dollar, largely overlooking weaker-than-expected GDP figures from Japan, as traders scaled back expectations that the Federal Reserve could raise interest rates this year. The euro rose against the dollar to \$1.1595, reaching a two-month high, while the British pound strengthened to \$1.3560, moving close to its highest level since May. Soft US data, including non-farm payrolls and consumer and producer inflation figures, has dampened investor expectations of further rate hikes from the Federal Reserve this year. Markets are now likely to look for clearer signals from the US central bank at the Jackson Hole symposium from 27 August to 29 August.
- In the US, the August regional manufacturing PMI from the New York Fed and the NAHB housing market index are due for release today. The figures will give an initial indication of business confidence and the state of the housing market.
- Later this week, market attention will shift to the UK inflation figures for July and the release of the FOMC minutes on Wednesday, which may offer further insight into the Federal Reserve's policy outlook. On Thursday, the ECB minutes are scheduled for publication. The week concludes on Friday with the preliminary August PMI readings for major economies, alongside nationwide CPI figures for Japan for July.
- Attention remains on the Middle East after Israel carried out strikes in Lebanon over the weekend. Meanwhile, the US is preparing fresh sanctions on Iran and the interim ceasefire between the US and Iran is set to expire today.

Market rates at opening

GBP/USD	1.3560
GBP/EUR	1.1689
EUR/USD	1.1595
EUR/GBP	0.8552
GBP/AUD	1.9039
GBP/CAD	1.8789
GBP/CHF	1.0979
GBP/DKK	8.7379
GBP/HKD	10.6454
GBP/JPY	215.54
GBP/NOK	12.7614
GBP/NZD	2.2893
GBP/SEK	12.8607
USD/CNY	6.7385

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.