Danske Bank Markets in Northern Ireland

Danske Bank

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

***EMAIL:* markets@danskebank.co.uk** ***WEBSITE:* www.danskebank.co.uk**