Danske Bank Markets in Northern Ireland

Danske Bank

Markets Update

Thursday, 06 August 2026

- Federal Reserve Governor Lisa Cook said yesterday she is willing to consider raising interest rates again if inflation remains too high. She noted that the Fed has less flexibility to allow inflation to stay above its 2% target because it has been elevated for a long time. In June, inflation measured by the personal consumption expenditures price index was 3.7% compared with the same month a year earlier. Cook was one of the officials who voted last week to keep the Federal Reserve's target interest rate range unchanged at 3.5% to 3.75%, even though inflation remains well above the 2% target.
- A proposed agreement between Iran and Oman aimed at ending five months of conflict between Iran and the United States would give Tehran authority over vessels entering the Gulf through the Strait of Hormuz, according to a senior source in Iran and two officials in the region cited by Reuters on yesterday. If agreed, it would mark one of the most significant concessions to Iran so far. The US has not yet commented on the proposal. President Donald Trump has said a deal to reopen the strait is close, but US officials have repeatedly stated that they would not accept Iran having control over access to one of the world's most important energy trade routes.
- In the euro area, the final July PMI readings published yesterday showed a modest upward revision from the preliminary estimates. The services PMI rose to 51.7, while the composite PMI, which covers overall business activity, increased to 52.0. The figures point to a clear improvement in activity compared with June.
- In the US, markets will focus on the July Challenger report on layoff announcements, the flash estimate for productivity growth in Q2 and the latest weekly jobless claims figures, all due for release this afternoon.

Market rates at opening	
GBP/USD	1.3455
GBP/EUR	1.1655
EUR/USD	1.1543
EUR/GBP	0.8575
GBP/AUD	1.9103
GBP/CAD	1.8854
GBP/CHF	1.0874
GBP/DKK	8.7126
GBP/HKD	10.5524
GBP/JPY	212.25
GBP/NOK	12.8304
GBP/NZD	2.2906
GBP/SEK	12.7545
USD/CNY	6.7497

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