

Markets Update

Wednesday, 07 January 2026

- Despite deepening geopolitical fractures around the world, the markets seem to have brushed off the concerns and are concentrating on upcoming economic data that traders consider more consequential for currencies.
- In the US today we have ISM services index and private sector employment released for December. Current predictions show that there was growth in the employment in the US end of November and December. The USD hugged tight ranges yesterday and managed to break below the big figures of 1.3500 against GBP and 1.1700 against EUR.
- In the Euro area, following French and Germany inflation coming in softer than expected yesterday expectations are that overall inflation figures released at 10:00 will also come in softer. This is likely to provide a doveish stance from ECB. With retail sales in the Euro area also expected to be soft when released tomorrow, the common currency may not see a major rebound this week.
- With a quiet week for GBP in terms of data, the currency has held strong against EUR holding around 1.1550. We have not seen these steady levels over 1.1500 since September and the data and markets would indicate this trend will continue in the short term.

Market rates at opening

GBP/USD	1.3488
GBP/EUR	1.1549
EUR/USD	1.1679
EUR/GBP	0.8658
GBP/AUD	2.0015
GBP/CAD	1.8645
GBP/CHF	1.0740
GBP/DKK	8.6295
GBP/HKD	10.5057
GBP/JPY	211.0800
GBP/NOK	13.6028
GBP/NZD	2.3327
GBP/SEK	12.4250
USD/CNY	6.9895

CONTACT INFORMATION

Foreign Exchange & Treasury deposits: 028 9089 1111 / 028 9089 1100
Structured Term Loans: 028 9004 9617/028 9004 9602

EMAIL: markets@danskebank.co.uk

WEBSITE: www.danskebank.co.uk

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