Danske Bank Markets in Northern Ireland

Danske Bank

Markets Update

Wednesday, 19 August 2026

- The US dollar is trading close to multi-month lows against major currencies this morning as Treasury yields retreated from recent peaks. Investors are looking ahead to the Federal Reserve's latest policy meeting minutes, due later today, for further signals on the interest rate outlook. The euro edged up 0.1% to $1.1595, staying close to the two-month high reached earlier this week. Sterling was slightly firmer at $1.3548, holding near a three-month high ahead of UK inflation data due later today, which is widely expected to point to persistent price pressures.
- UK inflation rose as expected last month, reaching its highest level since March, driven by higher household energy bills after regulator Ofgem raised the price cap by 13%. Annual consumer price inflation increased to 2.9% in July from a 15-month low of 2.6% in June, the Office for National Statistics said this morning. Core inflation, which excludes energy and food prices, came in slightly above expectations at 2.6%. Sterling and UK government bond futures showed little immediate response to the broadly in-line data.
- Final July HICP inflation figures for the euro area are due today and are expected to match the preliminary estimate, with headline inflation at 2.9% year on year and core inflation at 2.5% year on year. Attention will also be on wage trends as Eurostat releases its Q2 Labour Cost Index, offering the first indication of wage growth for the quarter.
- Oil prices have risen for a fourth consecutive day today as investors assessed mixed signals from Tehran and Washington over whether the Strait of Hormuz remains open to shipping. US President Donald Trump said yesterday that no talks were taking place with Iran and insisted the Strait of Hormuz was open, contradicting Iran's claim that the critical waterway remained closed to shipping.

Market rates at opening	
GBP/USD	1.3548
GBP/EUR	1.1677
EUR/USD	1.1595
EUR/GBP	0.8556
GBP/AUD	1.9150
GBP/CAD	1.8801
GBP/CHF	1.0980
GBP/DKK	8.7338
GBP/HKD	10.6274
GBP/JPY	215.71
GBP/NOK	12.7240
GBP/NZD	2.3057
GBP/SEK	12.8967
USD/CNY	6.7377

CONTACT INFORMATION

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