# Nordic Alert

19 August 2026

## Continued weak stock markets – focus on Fed Minutes

## Global key stories

Stock markets continued to fall yesterday, both in the US, where the S&P 500 fell 0.7% and the Nasdaq by 1.3%, and in Europe, where the Euro Stoxx fell 1.0%. The lack of a solution around the Strait of Hormuz, combined with continued very high long-term interest rates, weighed on sentiment. However, the US ten-year Treasury yield fell slightly during the day, but the recent weakening of the dollar subsided. This could reflect caution ahead of tonight's important Fed minutes. Oil prices have continued to rise slightly, to 91.6, and seem to be heading back towards USD 100 per barrel. This is a level where Trump has previously communicated positive signals about developments in the Iran conflict, which in turn has pushed the price of oil down again. Read more about it in yesterday's oil commentary here. Asian stock markets have followed the US and Europe downwards overnight, but with generally larger falls. At the same time, stock market futures indicate a slightly negative opening in both Europe and the US.

**Important minutes from the Fed's July meeting.** Tonight's Minutes are one of the most important events of the week, following the market's negative reaction to Fed Chair Warsh's press conference and the continued lack of guidance. The market has priced in a clearly greater probability of an unchanged policy rate at the Fed's next meeting on September 16. Before the interest rate meeting in July, a hike was fully priced in, while the probability of an unchanged interest rate now amounts to around 65%. The market is hoping that the Minutes, along with Warsh's first speech at the Jackson Hole symposium next week, will provide guidance on whether the interpretation of the Fed and economic developments is correct.

**Tariff threats against Canada are paused.** Shortly before the deadline, Trump announced that the United States and Canada have reached an agreement. While waiting for the agreement to be signed, the tariff threat is paused for three days.

**Inflation in the UK remains lower.** Core inflation has fallen since last summer and we expect it to continue to fall slightly in July, to 2.5 per cent from 2.6 per cent at an annual rate. Towards the end of the year, however, we expect slightly higher inflation, driven by indirect effects from energy prices.

## Nordic key stories

**SEB's trading room survey: Riksbank with unchanged rate tomorrow.** All respondents predict that the policy rate will remain unchanged at 1.75% in August, but expectations differ slightly further ahead. If the Riksbank leaves the interest rate unchanged and says that the risk going forward is balanced, the impact on interest rates and the krona is believed to be minimal. For larger market movements, it is considered that an indication is required from the Riksbank that the risk of a hike in the near future is high.

**The krona with fragmented driving forces during the autumn.** In today's Ögat (in Swedish), we note that the driving forces for the krona are unusually fragmented. If the autumn will be governed by differences in interest rate leves and thus carry trades - as in the earlier part of July - it will be negative for the krona. Perhaps even more than usual as this summer's interversions in the Yen may have reduced its attraction in carry trades (read more about that in yesterday's Macro Trading Strategy). Since the end of July, however, the market has focused more on expected interest rate changes. If this focus continues, the outlook for the krona looks better in the autumn. On Tuesday, we will publish Nordic Outlook, where we will update our krona forecasts, among other things.

## Today's key events

For graphs and analysis of the week's most important data, click here

| Time | Country | Event | Period | SEB forecast | Consensus | Last |
|---|---|---|---|---|---|---|
| **08:00** | **UK** | **CPI \| core yoy** | **Jul** | **0.4/3.0 \| 2.5** | **0.4/2.9 \| 2.5** | **0.1/2.6 \| 2.6** |
| 11:00 | EA | Labour costs yoy | Q2 P | | --- | 3.2 |
| 11:00 | EA | CPI \| core yoy | Jul F | | 0.2/2.9 \| 2.5 | 0.2/2.9 \| 2.5 |
| 13:00 | US | MBA mortgage applications | Aug 14 | | --- | 3.6 |
| **20:00** | **US** | **FOMC meeting minutes** | **Jul 29** | | **---** | **---** |

**Auctions:** SWE to sell SGB 1067, NOR to sell bonds (11:00), GER to sell bonds (11:30), US to sell bills/bonds (17:30/19:00).
**Speeches:** RBA's Hauser (04:45).

## Market data

| Equities | Index | Future | FX | | Commodities | |
|---|---|---|---|---|---|---|
| S&P 500 | -0.7% | -0.2% | EUR/USD | 1.16 | Brent fut $/bl | 91.6 |
| Nasdaq comp | -1.3% | -0.4% | EUR/SEK | 11.04 | Gold fut $/oz | 4347 |
| Eurostoxx 50 | -1.0% | -0.2% | USD/SEK | 9.53 | **Government bonds yields** | |
| OMX Stockholm 30 | -0.7% | | EUR/NOK | 10.89 | US 10 year | 4.68% |
| OBX Oslo | -0.2% | | USD/NOK | 9.40 | US 2 year | 4.15% |
| OMX Copenhagen 25 | -0.7% | | NOK/SEK | 1.01 | Germany 10 year | 3.26% |
| OMX Helsinki 25 | -1.6% | | USD/DKK | 6.45 | Germany 2 year | 2.72% |
| Nikkei225 | -3.2% | | USD/JPY | 159 | Sweden 10 year | 3.07% |
| Shanghai Comp | -2.0% | | USD/CNY | 6.74 | Sweden 2 year | 2.46% |

*US and Europe indices indicate change at yesterday's close*

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