Nordic Alert

26 August 2026

Oil price declines after positive signals from the Middle East

Global key stories

Brent Oil fell more than 6% to $86/barrel after reports that Iran has resumed discussions with Oman about opening the Strait of Hormuz, as well as one-sided reports from Iranian media that Iran wants to resume negotiations with the United States. In addition, Trump announced that all mines in the strait have been cleared. Despite having been on this carousel before, the market remains strikingly susceptible to rumors and media reports. The fact that the market is increasingly influenced by Iranian media reports rather than statements from the US president says a lot about the current state of affairs and the times we live in.

The oil price decline gave breathing room to the government bond market, which saw yield declines of 5-7 basis points in both the US and Europe. During the morning, however, US yields are slightly higher. The Swedish krona was one of the big winners yesterday on the back of the broad USD decline. US stock markets closed higher and Asian equity indices are mostly on the rise this morning. Equity futures point to a positive open in both Europe and the US.

"Let the bond market speak." Treasury Secretary Bessent's decision to intervene in the bond market last week was criticised by his mentor and former boss Stanley Druckenmiller in a WSJ op-ed. The hedge fund legend warns that Bessent's move to increase buybacks of long-dated government bonds risks distorting price formation in the bond market and undermining its ability to send accurate signals about the state of the economy.

The tariff spiral between the US and Canada continues. Canada is imposing counter-tariffs of 15–50% on, among other things, US steel, dairy products and agricultural equipment, after trade talks with the US collapsed over the weekend. The US's 50% tariffs on around USD 20bn worth of Canadian goods already came into force this Saturday. Trump also floated the idea yesterday of renaming Lake Ontario to Lake America, citing that he "does not expect to do much business with Ontario going forward". Nineteen US states have larger trade volumes with the Canadian province of Ontario, which is vital for, among other things, the US auto industry, than with any other country. Despite this, the Canadian dollar has shown resilience in recent days.

Today's macro agenda is light, with Swedish producer prices this morning and US PCE inflation this afternoon. We expect inflation rose 0.2% month-on-month – in line with CPI – but the divergence between core measures in CPI and PCE is the largest since the 1980s, complicating the Fed's reaction function. Tonight we will see whether Nvidia – the world's largest listed company – once again lives up to high expectations in its quarterly report.

Yesterday, we published a new Nordic Outlook – read more here: Hope rises amid autumn uncertainty.

Nordic key stories

The Riksbank Minutes were more hawkish compared with the August rate decision. Overall, the discussions suggest that the next step will be a rate hike, but the timing remains uncertain. Anna Seim appears ready to hike in September, while a majority of the Executive Board seems to prefer waiting to see how, among other things, inflation and the situation in the Middle East develop. The big question is whether the first hike will come before or after the turn of the year. The market expects a hike before year-end, while we expect the Riksbank to wait until next Spring. Read our comment **here**.

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
3:30	AUS	CPI	Jul		0.9/3.3	-0.1/3.8
8:00	SWE	PPI	Jul	-1.0/5.2	---/---	0.1/7.4
13:00	US	MBA mortgage applications	Aug 21		---	-0.4
14:30	US	Personal income | spending | real personal spending	Jul		0.2 | 0.1 | 0.0	0.2 | 0.3 | 0.4
14:30	US	PCE price index | core PCE	Jul	---/--- | 0.2/3.3	0.1/3.6 | 0.2/3.3	-0.1/3.7 | 0.1/3.3
14:30	US	GDP | annualized | personal consumption	Q2 S		6.2 | 1.5 | 3.2	6.2 | 1.5 | 3.2

Auctions: SWE to sell SGB 1060 & 1063 (11:00), GER to sell bonds (11:30), US to sell bills/FRN/notes (17:30/17:30/19:00).
Speeches: Riksbank's Hjelm (08:00), SNB's Martin (18:15). Reports: Nvidia.

Market data

Equities	Index	Future	FX		Commodities	
S&P 500	0.3%	-0.1%	EUR/USD	1.17	Brent fut $/bl	86.3
Nasdaq comp	0.7%	-0.1%	EUR/SEK	11.04	Gold fut $/oz	4641
Eurostoxx 50	0.1%	0.2%	USD/SEK	9.47	**Government bonds yields**	
OMX Stockholm 30	0.8%		EUR/NOK	10.88	US 10 year	4.64%
OBX Oslo	0.3%		USD/NOK	9.33	US 2 year	4.19%
OMX Copenhagen 25	0.8%		NOK/SEK	1.01	Germany 10 year	3.20%
OMX Helsinki 25	1.5%		USD/DKK	6.41	Germany 2 year	2.81%
Nikkei225	0.8%		USD/JPY	159	Sweden 10 year	3.01%
Shanghai Comp	0.7%		USD/CNY	6.72	Sweden 2 year	2.40%

US and Europe indices indicate change at yesterday's close

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