20 October 2026

French unrest weighs on Europe

Global key stories

French interest rate rises after turbulent weekend. This weekend's massive demonstrations, with between 500,000 and 800,000 participants in protests against deteriorating study conditions and high living costs, have resulted in fires, looting and other vandalism. French Interior Minister Nuñez takes responsibility for the riots and wants to resign, but President Macron has rejected his request. Curfews have been imposed in several cities.

The market reactions were reflected in sharp French interest rate rises yesterday, from already elevated levels. The ten-year government bond yield rose by almost 15 basis points to a high of 4.94% and the spread against the German ten-year widened. The European stock market index Euro Stoxx 50 fell by 1% and the Paris Stock Exchange marginally more, -1.1%. The weekend's protests have further intensified concerns about French public finances given the size of the austerity measures needed to significantly reduce the budget deficit.

In the US, on the other hand, stock markets (S&P 500 +0.4% and Nasdaq +1.1%) rose, supported by a recovery in US technology stocks. However, high financing costs and uncertainty about the return on the large AI investments are likely to continue to affect the market. Oil traded erratically as the market weighed supply risks in the Middle East against US easing of sanctions on Russian energy. US long-term interest rates rose slightly.

Asian stock markets are falling this morning. Futures point to positive and negative openings in the US and Europe today.

Preliminary results indicate that three quarters of Albertans wish the province to remain a part of Canada.

New tensions between the US and the EU? Over the weekend, Ukrainian President Zelenskyy stated that Elon Musk's Starlink, which the Ukrainian army uses to control its drones, does not allow drones to be connected if they are going faster than 160 km/h. This makes it difficult for Ukraine to shoot down Russian attack drones. Musk claims that President Trump has requested to reduce Starlink's capabilities while the White House says the opposite. Regardless of who made the decision, Ukraine is weakened while the Russian negotiating position is strengthened, and Zelenskyy has not held back with his criticism. The development paves the way for renewed strain between the EU and the United States.

Trump confirmed yesterday that he is open to a meeting between him, Chinese President Xi and Russian President Putin in mid-November and that the focus could be on Ukraine, nuclear weapons and trade. Ukraine's Zelenskyy said that a meeting between the US and Ukraine could take place in Norway within the next few days.

Today's most interesting data release **is German producer prices** for September, which will be important for assessing the inflationary effects of the conflict in the Middle East. So far, rising fuel, gas and electricity prices have been the driving force behind the rise in producer prices. At the same time, the price increases

for input goods have slowed down at a monthly pace, but we will see if this year's energy shock breaks that trend.

Nordic key stories

Exploratory assignment to the Swedish Center Party leader. Yesterday, Speaker of the Riksdag Andreas Norlén gave Center Party leader Elisabeth Thand Ringqvist the task of trying to form a government**.** According to Norlén, it is about Thand Ringqvist investigating the conditions for an alternative in the centre. It has been 37 days since the election and this will be the third exploratory assignment. Thand Ringqvist must report back to the Speaker no later than Monday 26 October.

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	Average weekly earnings 3m moving average yoy	Aug		3.8	3.9
08:00	UK	ILO unemployment rate 3m	Aug		5.0	4.9
08:00	UK	Payrolled employees monthly change	Sep		-10k	-26.1k
08:00	**GER**	**PPI**	**Sep**		**1.6/6.3**	**1.1/4.6**
11:00	EA	ZEW survey expectations	Oct		---	25.8
11:00	EA	Construction output	Aug		---/---	0.0/-2.0
11:00	GER	ZEW survey expectations | current situation	Oct		30 | -44.5	34.7 | -47.1
14:15	US	ADP weekly employment change	Oct 3		---	24.8k
14:30	US	Housing starts | mom | building permits	Sep		1305k | 2.3 | 1385k	1275k | -2.6 | 1403k

Auctions: UK to sell bonds (11:00), GER to sell bonds (11:30), US to sell bills (17:30). **Speeches**: ECB's Lane (06:15), BoE's Greene (19:00).
Reports: ABB, Tele2.

Market data

Equities	Index	Future	FX		Commodities	
S&P 500	0.4%	0.1%	EUR/USD	1.12	Brent fut $/bl	109.9
Nasdaq comp	1.1%	-0.2%	EUR/SEK	11.11	Gold fut $/oz	4144
Eurostoxx 50	-1.0%	-0.6%	USD/SEK	9.89	**Government bonds yields**	
OMX Stockholm 30	-0.9%		EUR/NOK	10.55	US 10 year	5.12%
OBX Oslo	0.0%		USD/NOK	9.39	US 2 year	4.75%
OMX Copenhagen 25	-0.9%		NOK/SEK	1.05	Germany 10 year	3.45%
OMX Helsinki 25	-0.9%		USD/DKK	6.65	Germany 2 year	3.11%
Nikkei225	-1.0%		USD/JPY	158	Sweden 10 year	3.20%
Shanghai Comp	-0.1%		USD/CNY	6.68	Sweden 2 year	2.76%

US and Europe indices indicate change at yesterday's close

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