

Markets Update

Friday, 20 February 2026

Key news

- The pound remained on the back foot yesterday as markets become increasingly confident that the Bank of England will sanction a further interest cut in March. It has been a big data week for the pound, and it has felt the impact of weaker than expected employment numbers and headline inflation easing back in line with expectations.
- Geopolitical tensions between the US and Iran continued yesterday with President Trump stating at his Board of Peace that the next 10-15 days will determine whether a deal is struck or military action is taken. The tough stance helped strengthen the US dollar over the course of the day, largely on the back of safe-haven flows. The tension also impacted on oil prices as Brent traded at year highs above \$70 per barrel.
- In early news today, UK retail sales for January have printed much stronger than expected at 1.8% against an expected 0.2% rise. The reaction on the currency markets though has been relatively muted so far.
- Turning to the rest of today and PMI data from the UK, US and Eurozone will dominate. The update on each blocks manufacturing and services sectors is always keenly watched as it gives a good comparison on the relative strengths and weaknesses of two key sectors of their economies.
- The advance reading of US Q4 GDP is also scheduled in a busy end to the week in terms of data.

Market Rates

CCY pair	Market rate at opening
GBP/USD	1.3453
GBP/EUR	1.1437
EUR/USD	1.1758
EUR/GBP	0.8742
GBP/AUD	1.9075
GBP/CAD	1.8417
GBP/CHF	1.0431
GBP/DKK	8.5446
GBP/HKD	10.5090
GBP/JPY	209.055
GBP/NOK	12.9000
GBP/NZD	2.2601
GBP/SEK	12.204
USD/CNY	6.9032

CONTACT INFORMATION

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