

Markets Update

Tuesday, 02 June 2026

Key news

- GBP was range bound yesterday against both the greenback and single currency as markets continue to watch for any developments on peace talks between the US and Iran.
- Discussions between the two sides are reportedly ongoing and still working towards a deal, however fresh attacks in the region have dented optimism about the re-opening of the Strait of Hormuz.
- Overall, the pound appears to have been fairly resilient during the conflict so far, helped in part by the UK's higher interest rate than most other countries.
- Looking at the price of oil, Brent crude reversed much of last week's ceasefire decline, briefly trading above \$97 per barrel, after Iran reportedly halted negotiations with the US over continued fighting in Lebanon. Prices later eased after Trump said negotiations with Tehran are continuing and signalled expectations of a deal to extend the ceasefire. Trump also claimed Israel and Hezbollah agreed to stop shooting, helping Brent slip back to below \$95 per barrel.
- Looking ahead to today, we see the publication of aggregate inflation data for the euro area. We have already received 75% of the index from individual country releases, which came in lower than expected and importantly, the earlier releases do not indicate that rising energy prices from the energy shock was broadening beyond energy components. Stateside, we have April JOLTS employment numbers which will serve as an early indicator of what the nonfarm payrolls may reveal on Friday.

Market Rates

CCY pair	Market rate at opening
GBP/USD	1.3470
GBP/EUR	1.1567
EUR/USD	1.1645
EUR/GBP	0.8644
GBP/AUD	1.8761
GBP/CAD	1.8642
GBP/CHF	1.0576
GBP/DKK	8.6446
GBP/HKD	10.5578
GBP/JPY	215.1340
GBP/NOK	12.4924
GBP/NZD	2.2685
GBP/SEK	12.5019
USD/CNY	6.7616

CONTACT INFORMATION

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