

Markets Update

Friday, 05 September 2025

Key news

- The volatility on the currency markets at the start of the week has now settled and range trading has been the main feature of the last couple of days.
- The data focus yesterday was in the US and it painted a mixed picture. Weekly jobless claims were higher than expected, however, the non-manufacturing ISM survey surprised on the upside. The mixed picture ensured the US dollar remained in familiar territory.
- Turning to the day ahead, the pound has garnered some early support after the publish of stronger than expected retail sales for July. The month-on-month number printed at 0.6% against an expected 0.2%. The Bank of England will undoubtedly take note as the strong consumer demand could feed into ongoing inflationary pressure and thus add weight to the argument the central bank should be in no rush to cut UK interest rates further.
- The focus returns to the US later in the session with the key US non-farm payrolls number scheduled for release. Economist are expecting the monthly number to show a modest 75k increase in the payroll. Any surprises in either direction could have a material impact on the short-term fortunes of the US dollar.
- The pound opens above €1.15 against the single currency and around \$1.3450 against the dollar.

Market Rates

CCY pair	Market rate at opening
GBP/USD	1.3465
GBP/EUR	1.1530
EUR/USD	1.1677
EUR/GBP	0.8672
GBP/AUD	2.0575
GBP/CAD	1.8570
GBP/CHF	1.0820
GBP/DKK	8.6050
GBP/HKD	10.5020
GBP/JPY	199.54
GBP/NOK	13.528
GBP/NZD	2.2910
GBP/SEK	12.6860
USD/CNY	7.1377

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