

## Markets Update

Friday, 30 October 2026

- Yesterday, the European Central Bank kept interest rates unchanged, as widely expected. However, it strongly suggested that another rate increase could come in December, warning that high and rising energy prices are adding to inflation risks. The ECB has already raised rates twice this year to help prevent the energy price shock linked to the conflict involving Iran from feeding through more broadly into the economy. It has also indicated that further action may be needed, though it is likely to wait for clearer signs that inflation is spreading into wages and other prices before moving again.
- Also yesterday, European Central Bank President Christine Lagarde announced that she plans to step down early so she can speak more freely on important issues beyond monetary policy. She is due to leave the role on 7 February, giving current European Union leaders time to choose her successor before the French presidential election, which polls currently suggest Marine Le Pen is the favourite to win.
- The US third-quarter GDP report released yesterday showed that the economy grew by a stronger-than-expected 3.4%, while inflation picked up in September. Alongside the GDP report, the personal consumption expenditures price index rose by a seasonally adjusted 0.5% during the month, bringing the annual inflation rate to 3.6%.
- On the economic data front today, attention in the euro area will be on the first estimate of Q3 GDP, flash October inflation figures from the major economies and the September unemployment rate.

### Market rates at opening

|         |         |
|---------|---------|
| GBP/USD | 1.3407  |
| GBP/EUR | 1.1972  |
| EUR/USD | 1.1196  |
| EUR/GBP | 0.8350  |
| GBP/AUD | 1.9091  |
| GBP/CAD | 1.8714  |
| GBP/CHF | 1.1010  |
| GBP/DKK | 8.9490  |
| GBP/HKD | 10.5162 |
| GBP/JPY | 21107   |
| GBP/NOK | 12.3475 |
| GBP/NZD | 2.3757  |
| GBP/SEK | 13.1663 |
| USD/CNY | 6.6555  |

## CONTACT INFORMATION

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