Markets Update

Monday, 24 November 2025

Key news

- Kicking things off on the currency front, sterling was little changed at close of business Friday as markets wait for the UK's upcoming budget. Sterling treads water as the latest batch of data showed the economy appears to be struggling ahead of this week's major test for the currency and bond market.
- As if underscoring the importance of Rachel Reeve's budget on Wednesday, UK public finances are in troubling shape, hitting the highest on record outside of Covid in the first seven months of this year. Also, retail sales have tumbled in October as households fret over what may fall out of the Chancellor's budget.
- The overall consensus is that the Chancellor has to raise tens of billions of pounds to stay on track to meet the Government's fiscal targets and any tax raising measures may well dampen down growth heading into next year which may put pressure on the Bank of England to keep lowering interest rates, not an easy task given how sticky inflation is proving to be.
- Over the weekend, the press has been dominated by developments in the Ukraine war with US secretary Marco Rubio stating that peace talks in Geneva "showed meaningful progress" but declined to share details. On Sunday, US Trump urged Ukraine to accept the 28 point peace plan, blaming Ukraine and Europe for the lack of a truce.
- Looking ahead to today, German Ifo is released and we will see how the German index aligns with the German PMI softening. Tomorrow sees US September retail sales and PPI. On Thursday, markets will be looking to the euro area for the latest credit growth data and rounding off the week, we receive the flash estimates of inflation in Germany, France, Italy and Spain which together will reveal how inflation in the euro area fares ahead of the aggregate data next week.

Market Rates

CCY pair	Market rate at opening
GBP/USD	1.3103
GBP/EUR	1.1363
EUR/USD	1.1530
EUR/GBP	0.8799
GBP/AUD	2.0278
GBP/CAD	1.8471
GBP/CHF	1.0594
GBP/DKK	8.4867
GBP/HKD	10.1974
GBP/JPY	205.3250
GBP/NOK	13.4309
GBP/NZD	2.3354
GBP/SEK	12.4979
USD/CNY	7.1056

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