

Markets Update

Friday, 11 July 2025

Key news

- The main UK economic release of the week which was released early this morning has put the pound on the backfoot against a basket of currencies in early trade.
- The news that the UK economy shrank 0.1% in May, marking the second consecutive month of decline was at odds to market expectation for a small increase of 0.1%.
- The fall has been attributed to weak retail sales, declining manufacturing and sluggish oil, gas and pharmaceutical sectors.
- The disappointing number will add to the woes of UK chancellor, Rachel Reeves, as she faces tough decisions in the Autumn budget on whether to raise taxes or increase spending cuts.
- There are no further data releases scheduled for today so the market will have plenty of time to digest the disappointing UK number as we head into the long weekend.
- The pound has fallen half a cent against the dollar to \$1.3550 and edged down against the euro to below €1.16 (0.8625p)

Market Rates

CCY pair	Market rate at opening
GBP/USD	1.3540
GBP/EUR	1.1585
EUR/USD	1.1689
EUR/GBP	0.8630
GBP/AUD	2.0560
GBP/CAD	1.8540
GBP/CHF	1.0787
GBP/DKK	8.643
GBP/HKD	10.6303
GBP/JPY	198.847
GBP/NOK	13.683
GBP/NZD	2.2480
GBP/SEK	12.894
USD/CNY	7.1698

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