

## Markets Update

Friday, 27 February 2026

- Japanese inflation cooled overnight and this has complicated the Bank of Japan's plan for future rate hikes as mentioned yesterday. Japan's finance minister Katayama also declared last night in parliament that the government is monitoring the recent slide in Yen with a powerful sense of urgency. The fear is rising import costs is hampering wage growth and Tokyo is in close communication with Washington to try and ensure concerns do not materialise.
- In Europe, this morning French GDP came in positive up 0.2% on the quarter, with French consumer spending also showing a stronger rise of 0.5% month on month EUR has gained some strength this morning. The French Inflation figures also showed higher than expected rises. GBP/EUR initially "knee-jerked" to 1.1410 and maintains at the lower end of 1.1400, with the inverse around 0.8750. EUR/USD is making steady progress over 1.1800, however resistance levels seem to be around 1.1820.
- Following the Green Party by-election win in the UK last night, the markets seem a little nervous on GBP. GBP/USD fell below 1.3500 as a result, and it would seem some analysts feel that losing a seat that they held for over 100 years, the Labour party may make noises in the coming days again about the leadership of Keir Starmer. The defeat was even further compounded with Reform pushing Labour into third place.
- Today we wait German CPI and Unemployment figures @ 10:00 with US PPI figures due at 13:30. This could provide an interesting end to what has been a busy month's trading.

### Market rates at opening

GBP/USD	1.3492
GBP/EUR	1.1422
EUR/USD	1.1812
EUR/GBP	0.8755
GBP/AUD	1.8941
GBP/CAD	1.8445
GBP/CHF	1.0424
GBP/DKK	8.5344
GBP/HKD	10.5563
GBP/JPY	210.5200
GBP/NOK	12.8383
GBP/NZD	2.2525
GBP/SEK	12.1788
USD/CNY	6.8553

## CONTACT INFORMATION

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