

Markets Update

Tuesday, 06 October 2026

Key news

- Euro weakness continues to be the main theme in FX currency markets at the moment. The single currency dropped to a near 17 month low against the dollar yesterday as concerns about France's ability to rein in its budget deficit and sharp bond market sell off last week has added to fears of a potential sovereign debt crisis in the euro zone, while US economic data shows persistent inflation pressures.
- Adding to the political turmoil in the EU, the Spanish PM Sanchez called an unexpected snap general election for 29th November in an effort to increase his parliamentary support after lawmakers turned down proposals to address a housing crisis that has drawn nationwide support.
- In the US, market expectations for a rate hike at the end of this month have dropped considerably. The concerns about EU debt and US economic data that continue to point to persistent inflation have supported the dollar and markets are currently pencilling in an increase at the Fed December meeting.
- Looking ahead to today, August retail sales data for the eurozone is expected to show a slight increase. Focus will remain on whats happening in the European markets and in particular, Marine Le Pen is expected to present her 2027 budget plans today, which could provide clarity, or add further volatility. It will also be worth keeping alert for any new geopolitical developments in the Middle East.

Market Rates

CCY pair	Market rate at opening
GBP/USD	1.3225
GBP/EUR	1.1786
EUR/USD	1.1220
EUR/GBP	0.8484
GBP/AUD	1.8975
GBP/CAD	1.8880
GBP/CHF	1.1005
GBP/DKK	8.8089
GBP/HKD	10.3783
GBP/JPY	209.1630
GBP/NOK	12.7024
GBP/NZD	2.3625
GBP/SEK	13.2596
USD/CNY	6.7048

CONTACT INFORMATION

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