

Markets Update

Thursday, 07 August 2025

Key news

- The pound remained fairly steady on Wednesday against the dollar and the euro as markets await the outcome of today's Bank of England (BoE) meeting.
- The BoE is widely expected to lower interest rates to 4% from 4.25%, marking its third rate cut this year. However, it's possible that some members of the Monetary Policy Committee (MPC) may vote to keep rates unchanged.
- A survey yesterday revealed that activity in the UK's construction sector took a significant dip in July, marking its sharpest drop in over five years. S&P Global's purchasing managers' index for the sector dropped to 44.3, down from 48.8 in June, hitting its lowest point since May 2020.
- In the Eurozone, retail sales yesterday showed a strong performance, climbing by 3.1% year on year in June. This increase exceeded expectations of 2.6% and was driven by a continued recovery in domestic spending.

Market rates at opening

GBP/USD	1.3370
GBP/EUR	1.1450
EUR/USD	1.1676
EUR/GBP	0.8733
GBP/AUD	2.0487
GBP/CAD	1.8350
GBP/CHF	1.0760
GBP/DKK	8.5448
GBP/HKD	10.4950
GBP/JPY	196.2800
GBP/NOK	13.6058
GBP/NZD	2.2443
GBP/SEK	12.8287
USD/CNY	7.1777

Upcoming Events

- The focus today is on BoE and their rate announcement at midday.

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