Markets Update

Monday, 21 September 2026

Key news

- UK retail sales surprised on the upside on Friday helping to buoy the pound against its major currency peers. The official figures from the ONS rose 0.5% month on month in August, defying analysts' expectations of a 0.2% fall. The expected sales boost is the latest positive update on the state of the economy for the Andy Burnham government as we inch closer to the Autumn Statement.
- Over the weekend, Germany's Chancellor Merz's CDU party was soundly beaten in two regional elections on Sunday putting more pressure on the ruling party and raising the likelihood of a change in leadership reinforcing a slowly building political risk narrative.
- Looking at commodities, Brent crude is trading below USD$102 this morning, extending last week's decline due to hope for a renewed US-Iran diplomacy talks. The US and Iran exchanged new threats over the weekend, but Trump said he may meet Iran's President at this week's UN General Assembly.
- Returning to the currencies, euro treads water against sterling as it is weighed down by German political uncertainty.
- The key economic release this week will be Wednesday preliminary PMI's for most major economies. The euro area will be interesting, as strong growth over the summer has made it easier for the ECB to tighten monetary policy. Domestically, the PMI numbers for the UK, also released Wednesday, will be watched closely by analysts to see if the economy will continue its recent trend of being surprisingly resilient given the cost pressures brought on by the conflict in the Middle East.

Market Rates

CCY pair	Market rate at opening
GBP/USD	1.3378
GBP/EUR	1.1658
EUR/USD	1.1476
EUR/GBP	0.8577
GBP/AUD	1.8770
GBP/CAD	1.8752
GBP/CHF	1.1015
GBP/DKK	8.7143
GBP/HKD	10.4954
GBP/JPY	210.3160
GBP/NOK	12.6155
GBP/NZD	2.3393
GBP/SEK	13.1576
USD/CNY	6.6957

CONTACT INFORMATION

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