

Markets Update

Wednesday, 08 October 2025

Key news

- Looking at the currencies, the pound maintained its recent gains against the euro and yen but slipped slightly against the dollar yesterday.
- Ongoing political uncertainty and fiscal concerns within France and Japan are keeping the single currency and yen under pressure. As for the latter, the question arises if we could see interventions in the foreign exchange market from the BoJ. With no major economic data prints this week for the UK, it's all quiet for sterling at the moment so it is likely GBP could be range trading in the near term.
- Looking at commodities, gold surged past USD 4000 per troy ounce for the first time, marking a historic milestone with gains exceeding 50% year to date. The rally is fuelled by geopolitical uncertainty, soaring debt levels and central banks diversifying away from the dollar. Other precious metals, including silver and platinum also saw notable gains.
- In terms of central bank guidance, Bank of England Chief Economist Huw Pill is scheduled to speak today and fellow MPC member, Catherine Mann is due to speak tomorrow. Both Pill and Mann voted to keep interest rates unchanged at the last meeting in September. Market analysts will be looking for any signs or clues as to when the BoE may vote to cut rates during their speeches. At the moment, markets are pricing in the next 25bps cut Q2 next year.
- Elsewhere, in the US, minutes from the FOMC September meeting will be released, with markets closely watching for clues on the timing of the next rate cut which could be as soon as this month.

Market Rates

CCY pair	Market rate at opening
GBP/USD	1.3406
GBP/EUR	1.1538
EUR/USD	1.1619
EUR/GBP	0.8666
GBP/AUD	2.0421
GBP/CAD	1.8712
GBP/CHF	1.0741
GBP/DKK	8.6135
GBP/HKD	10.4333
GBP/JPY	204.3690
GBP/NOK	13.3970
GBP/NZD	2.3333
GBP/SEK	12.6519
USD/CNY	7.1200

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