

## Markets Update

Wednesday, 08 July 2026

### Key news

**Geopolitical Risk Lifts Dollar:** The US Dollar garnered some support late yesterday after the US military launched a new wave of strikes against Iran, reigniting safe-haven demand. Oil prices climbed following fresh ship attacks in the Strait of Hormuz, providing additional mechanical support for the dollar.

**Brent Crude rise -** Brent crude oil is back above \$76 per barrel as of this morning following the renewed geopolitical tensions in the Middle East. Last week saw Brent reaching a prewar low of \$70 per barrel. The sharp 9% increase will undoubtedly be a concern to inflation tackling central banks.

**Sterling holding strong against the euro -** The pound opens today close to €1.17 against the single currency. With Andy Burnham on track to replace Keir Starmer as Prime Minister, the near-term political uncertainty for sterling is continuing to recede. Monetary policy divergence, an improving UK labour market alongside rising oil prices (the euro area is a large energy importer) has saw the single currency give up significant ground in the last couple of weeks.

**Thin data calendar -** There is little in the way of market data today so market focus will likely remain on the developments in the Middle East. There is also a string of central bank speeches from Kocher, Nagel, Dolenc, Moulin and Schlegel from the ECB.

**Today's Key Event:** The Fed minutes from Chair Kevin Warsh's first meeting are due at 18:00 GMT today. Markets are pricing further rate hikes given Warsh's hawkish stance on price stability, though analysts expect he is unlikely to permit explicit policy guidance via the minutes.

### Market Rates

CCY pair	Market rate at opening
GBP/USD	1.3368
GBP/EUR	1.1696
EUR/USD	1.1429
EUR/GBP	0.8549
GBP/AUD	1.9254
GBP/CAD	1.8933
GBP/CHF	1.0782
GBP/DKK	8.7425
GBP/HKD	10.4787
GBP/JPY	216.84
GBP/NOK	13.061
GBP/NZD	2.3372
GBP/SEK	12.933
USD/CNY	6.7970

### CONTACT INFORMATION

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