

Markets Update

Monday, 15 September 2025

Key news

- Last week in the UK, GDP was unchanged in July compared to June, leaving y/y growth slightly weaker than market expectations. Services improved slightly while manufacturing output declined, largely aligning with the narrative reflected in recent PMI data.
- Elsewhere, the ECB kept rates unchanged for the second consecutive meeting last week, leading to a slight firming in Eurozone rate expectations.
- Looking to the week ahead, The Bank of England meeting is on Thursday, and it is widely expected the policy committee will leave the headline policy rate at 4%. Ahead of the meeting UK labour data and CPI data will be released which will heavily influence the outcome of the vote.
- Monetary policy will also feature in the US on Wednesday. It is anticipated the Federal Reserve will deliver its first rate cut of the year following a pause since December. Recent CPI inflation data has been running above target; however, attention is focused on the labour market where the latest non-farm payrolls report printed lower than many economists had expected. A rate cut of 25bps is widely expected this week to bolster growth with a further two more cuts anticipated later this year.
- The pound opens the new week slightly firmer against the US dollar, closer to \$1.36 and nearer to €1.16 against the Euro.

Market Rates

Market rates at opening

GBP/USD	1.3579
GBP/EUR	1.1574
EUR/USD	1.1732
EUR/GBP	0.8639
GBP/AUD	2.0380
GBP/CAD	1.8790
GBP/CHF	1.0815
GBP/DKK	8.6396
GBP/HKD	10.5595
GBP/JPY	200.2500
GBP/NOK	13.3773
GBP/NZD	2.2774
GBP/SEK	12.6486
USD/CNY	7.1231

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