Markets Update

Monday, 27 October 2025

Key news

- US CPI inflation data was in the headlines on Friday as annual inflation edged higher to 4% in September from 3.9% in August and the monthly number increased by 0.3%. Market analysts had anticipated that the numbers would come in higher, so the dollar gave up some of the gains it had made in the early part of the session.
- With the Federal Reserve due to meet on Wednesday, it is now widely expected that the current benchmark interest rate of 4% to 4.25% will be cut by a further 0.25%.
- This week is likely to be dominated by an expected trade deal being concluded between the US and China. US President, Donald Trump and China's President, Xi Jinping, are scheduled to meet in South Korea on Thursday to decide on the framework of a trade deal which was worked out over the weekend.
- Elsewhere in France the political landscape remains in turmoil after the Socialist party leader threatened to bring down PM Lecornu's government later today if their budget conditions are not met.
- The European Central Bank also meets this Thursday with rates likely to remain on hold at 2%
- It is a quiet week in terms of UK data so the market moves will be likely driven by geo-political developments further afield.
- The pound opens the week close to €1.1450 against the single currency and holding just above the $1.33 level against the US dollar. The EUR/USD cross is just above $1.16.

Market Rates

CCY pair	Market rate at opening
GBP/USD	1.3310
GBP/EUR	1.1455
EUR/USD	1.1618
EUR/GBP	0.8728
GBP/AUD	2.0363
GBP/CAD	1.8605
GBP/CHF	1.0611
GBP/DKK	8.5560
GBP/HKD	10.339
GBP/JPY	203.62
GBP/NOK	13.3290
GBP/NZD	2.3121
GBP/SEK	12.505
USD/CNY	7.111

CONTACT INFORMATION

Foreign Exchange & Treasury deposits: 028 9089 1111 / 028 9089 1100
Structured Term Loans: 028 9004 9617 / 028 9004 9602

EMAIL: *markets@danskebank.co.uk* WEBSITE: *www.danskebank.co.uk*
We may record or monitor calls to confirm details of our conversations, and for verification and quality purposes