

Markets Update

Monday, 27 September 2021

Key news

- Sterling dipped against the dollar on Friday, losing some of its gains from a rally that followed the Bank of England taking a more hawkish than expected tone on interest rates and its pandemic era government bond-buying programme.
- Persistent debt worries surrounding Chinese developer Evergrande continued to sap confidence across global markets, boosting the safe haven dollar and weighing on risk-orientated currencies such as the pound.
- Sterling at one point traded as high as \$1.3750 ended the day below \$1.37; against the euro, the pound trickled down slightly and remained under €1.17.
- A quiet start to the week in terms of economic data, with media attention set to follow German coalition talks. US durable goods orders will be released in the afternoon.
- China's Evergrande developments will also remain in focus with more bond payments due on Wednesday. On Friday, we also get inflation figures from the US and the Euro Area.

Market rates at opening

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| GBP/USD | 1.3675 |
| GBP/EUR | 1.1672 |
| EUR/USD | 1.1715 |
| EUR/GBP | 0.8567 |
| GBP/AUD | 1.8783 |
| GBP/CAD | 1.7257 |
| GBP/CHF | 1.2676 |
| GBP/DKK | 8.6776 |
| GBP/HKD | 10.6458 |
| GBP/JPY | 151.35 |
| GBP/NOK | 11.7060 |
| GBP/NZD | 1.9482 |
| GBP/SEK | 11.8130 |
| USD/CNY | 6.4614 |

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