



Global Economic Overview

26 January 2024

Quibbles regarding the path, not the end point for policy rates

Global

Interest rates are set to remain front and centre in 2024. However, in a departure from the last two years, now the question is not how far central banks will raise rates, but when and how far they will cut. We continue to believe that March/April cuts by the major central banks are less likely and that June will prove to be the month of action from the Fed, ECB and the BoE. Over a two-year horizon we are looking for 175-200bps of easing; this is not too dissimilar to market pricing. However, we diverge on the timing of cuts, believing central banks will be more cautious in easing policy this year than the market thinks but ramp up in 2025. Elections will also feature heavily this year with 48% of the world's population voting in some form of legislative election. Additional geopolitical tensions and protectionist policies are possible, which would represent a downside risk to our 2.9% 2024 and 3.2% 2025 global growth forecasts.

United States

The US economy had a stellar performance in 2023, with output expanding by 2.5% on the year, despite one of the most aggressive monetary tightening cycles in recent history. However not all of that tightening has hit the real economy yet, whilst economic growth last year was supported by more expansionary fiscal policy; IMF projections suggest that fiscal policy is in contrast set to be a slight headwind to growth this year. As such we expect economic momentum to weaken slightly, pencilling in GDP growth of 1.9% and 1.7% this year and next. Under weaker growth, we expect the US dollar to lose some steam, with end-'24 EURUSD at \$1.14. But shifts in the greenback are also dependent on the outcome of the US election, on 5 November.

Eurozone

Whether or not the EU20 entered a recession in H2 '23, momentum currently looks subdued, and the tightening in fiscal policy this year as energy support is phased out will act as a drag too. The better news is that inflation has eased faster than the ECB had expected and that the jobs market is still robust. Provided both factors remain in place, rising real incomes should lay the groundwork for faster growth later in '24 and into '25, reinforced in due course by rate cuts incentivising more investment. Our GDP growth forecasts are 0.6% and 1.6%, respectively. As regards ECB policy, we expect policy rate cuts to begin in June, proceeding more slowly this year (75bps) but faster in '25 (100bps) than priced in as inflation persistence fears are gradually dispelled.

United Kingdom

The MPC has overpredicted both headline and services CPI inflation for five straight months, a fact that is not altered by increases in December's readings. This lowers the barrier to the MPC cutting rates at some stage, but the MPC's assessment of the labour market is currently hamstrung by a paucity of reliable labour market data, in particular via the effective suspension of the Labour Force Survey. By Q2 we should see the *'Transformed Labour Force Survey'* which would enhance the committee's line of sight of whether conditions in the labour market are loosening sufficiently. Our baseline case is that members will judge there is sufficient progress on reducing inflation pressures more widely around the middle of the year and we still see the first cut in June. We judge that the MPC will proceed cautiously to start with and so see the Bank rate falling 75bps to 4.50% by end-year, against the 100bps currently priced into the yield curve. We concur with markets though that rates will end 2025 around 3.25%. Hence our disagreement with the curve is one of timing rather than substance.

	2024	2025
GDP growth (%)		
Global	2.9	3.2
US	1.9	1.7
China	4.6	4.2
UK	0.5	2.0
EU20	0.6	1.6
Key official interest rates (% end-year)		
US Fed funds	4.50-4.75	3.25-3.50
ECB Deposit rate	3.25	2.25
UK Bank rate	4.50	3.25
FX rates (end-year)		
€:\$	1.14	1.15
€:£	0.88	0.89
£:\$	1.30	1.29
¥:¥	138	135
AUD:\$	0.68	0.69
€:CHF	1.03	1.05

Please [click here](#) for a summary of our economic and market forecasts

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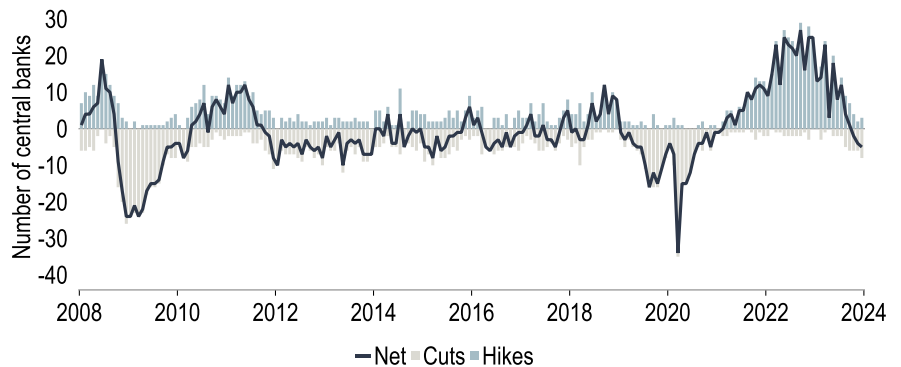
Global

Whilst 2023 was typified by rising interest rates, 2024 is set to see the global rate cycle turning to one of lower rates – a process which has already begun in a number of emerging markets, such as Brazil. However, the big question markets are grappling with is when and by how much the major central banks will ease, the Federal Reserve being front and centre (and the BoJ the odd one out). With inflation having trended lower over the course of 2023 and Chair Powell delivering an unexpectedly dovish message in December, interest rate markets ended the year pricing in what we would characterise as an overly optimistic pace of rate cuts. The possibility of rate cuts as soon as March was priced into...

...both the US and Euro curves, the latter seeing almost eight cuts priced into 2024 at one point. The consequence has been a concerted effort by central bankers to push back against such prospects to align them with a more realistic path, but also to prevent an undue loosening in financial conditions, which in itself could undermine inflation's return to target. 2024 has therefore got off to a volatile start. For example, 10y Treasury yields have risen 26bps and gilts a larger 44bps. Such volatility will likely remain in the near term as markets await a clear signal from central banks. That we suspect may not be for a number of months as policymakers assess incoming data.

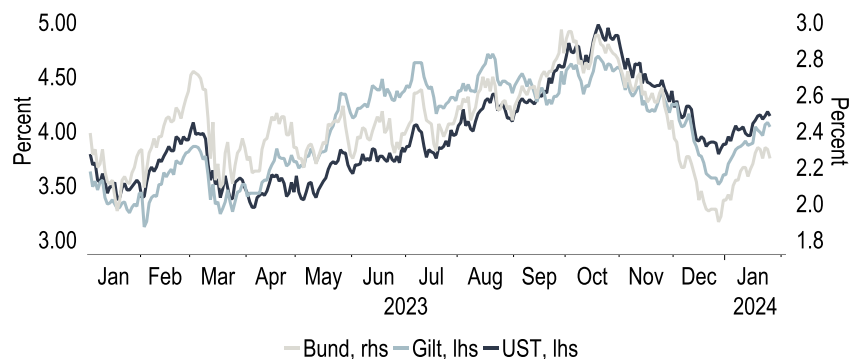
Inflation data may trigger some market angst, as was seen in last week's gilt reaction to a rise in UK CPI. There is a risk that inflation rises in the near term due to factors such as expiring energy support measures (EU20), but also on the Red Sea disruptions, Shanghai containerized freight costs having jumped 118% since December. Quantifying the CPI impact is difficult, as much will depend on the length of the disruption, but it does pose upside risks. Nonetheless we do expect sufficient inflation progress to be made going forward to allow for June rate cuts by the Fed, ECB and BoE. Our base case is for 75bps of easing this year, slightly more modest than current pricing. But our assumption of more aggressive cuts over 2025 means that our two-year view is more or less aligned with the curve.

Chart 1: The interest rate cycle has turned, led by emerging markets – the majors should follow



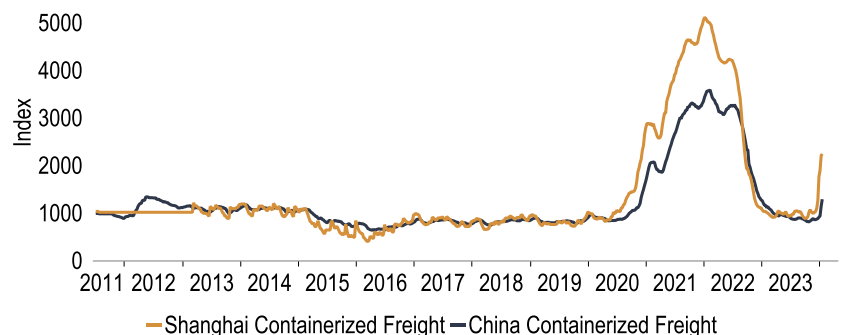
Source: Macrobond, Investec Economics

Chart 2: Poor start to 2024 for bonds with markets having reassessed central bank easing



Source: Macrobond, Investec Economics

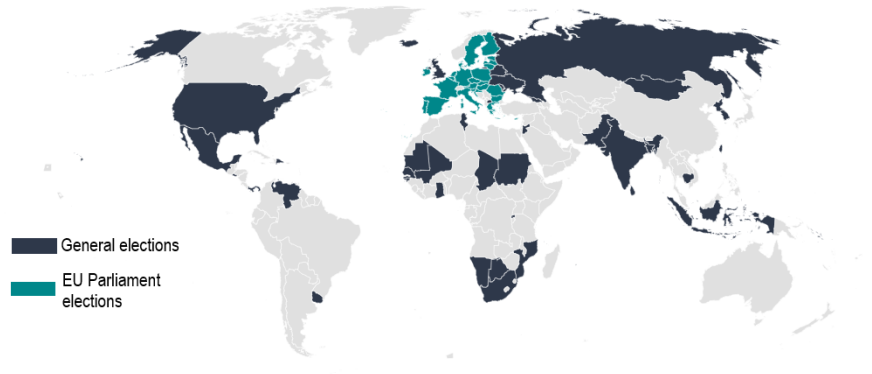
Chart 3: Red Sea disruptions have driven a doubling in some freight costs



Source: Macrobond, Investec Economics

Elections are another key theme for 2024, with 48% of the world's population set for some form of legislative vote. US and UK elections are high on the agenda. Major votes are also set across Asia, with India, Pakistan and Indonesia heading to the polls. Taiwan has already voted, the DPP* winning another term. Its opposition to unification with China will maintain cross-strait discord. Amid already high geopolitical tensions, the risk is that these are ratcheted up further in the event of a slide to the populist right globally. This poses downside risk to global growth, if for example, contrary to our base case, Trump were to win the US elections and enact protectionist trade policies.

Chart 4: Almost 4bn people are voting this year!



* DPP- Democratic Progressive Party

Source: Macrobond, Investec Economics

China grew 5.2% in 2023, capped off by 1% q/q growth in Q4. A lacklustre response from households in spending extra Covid savings was a factor. A 50bps cut in the RRR* by the PBoC this week may provide some support but headwinds to the 2024 and 2025 outlook remain. Continuing issues in the property sector are one. Here prices have fallen every month since May, and over half of the country's top 50 developers have defaulted. China's population is also ageing rapidly, which will pressure trend growth in the future. Our sense is that the economy will grow 4.6% in 2024 and 4.2% in 2025. But we have assumed a constant policy approach in US-Sino relations. A Trump victory would upend this and likely result in lower growth in 2025.

Chart 5: Chinese GDP growth looks set to remain below 2023's target

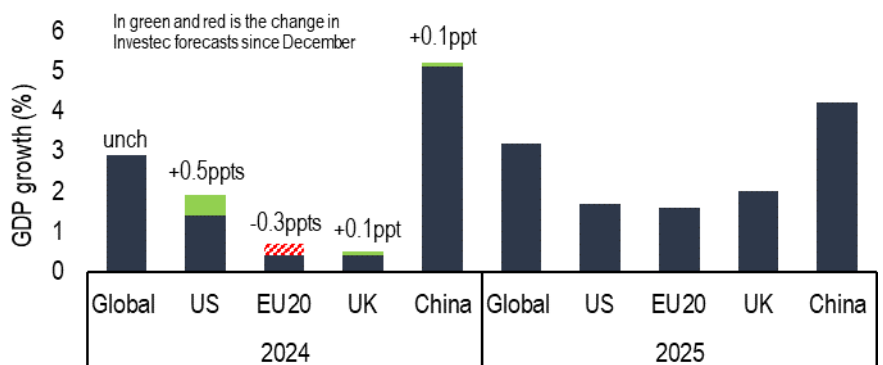


*RRR - Reserve Requirement Ratio

Source: Macrobond, Investec Economics

Partly a result of our view on China, we see lacklustre growth over 2024 with a noticeable recovery in most economies only being seen in H2. As such we are looking for 2.9% global GDP growth this year, a slowdown from the likely outturn for 2023 (3.0%) as the impacts of the global monetary tightening linger. Indeed, this forecast is unchanged from our last publication in December, although we have nudged up our forecasts for the US, UK and India while revising the growth outlook for the Eurozone lower (Chart 6). We also introduce our 2025 forecasts in this publication, where we expect continued muted growth of 3.2% as weak Chinese growth prevents the global economy from kicking into a higher gear despite faster growth in Europe.

Chart 6: Our global growth forecast for 2024 is unchanged, but its mix has shifted



Source: Macrobond, Investec Economics

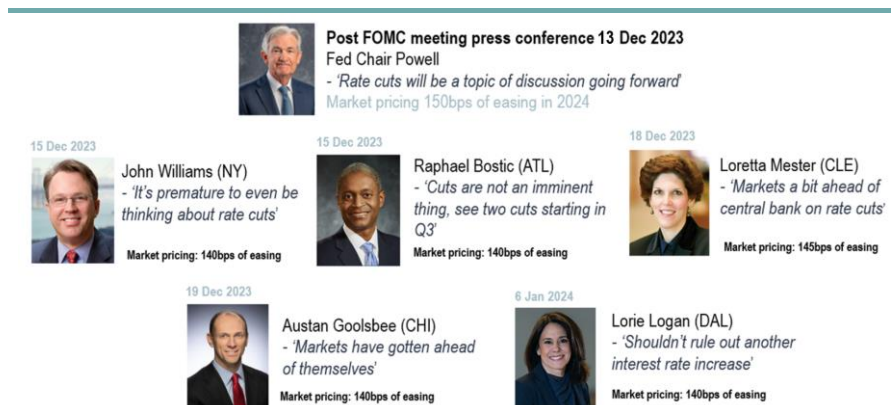
United States

The end of 2023 saw a shift in market expectations for US rate cuts over this year. Despite no change in the Federal Funds Target range in Dec (as was expected), Chair Powell appeared to pivot in Fed narrative, stating that rate cuts were 'a topic of discussion', contributing to financial markets pricing in an extra c.50bps of easing in 2024 post presser*. Likely thinking that interest rate markets had gone too far, top Fed officials came out to push back on the move (Chart 7). This first had minimal effect, but markets have since retraced slightly, now pricing in 140bps of cuts this year with the first cut in May, having once priced in a Mar start. We expect the Fed to be slightly more cautious and wait until Jun for the first cut.

One factor that we think will prevent the Fed from an earlier cut is the still tight labour market. At the end of last year conditions seemed to be loosening, with continuing claims creeping higher, but this has since flatlined. The question is by how much the labour market needs to cool for the Fed to be comfortable that it will not threaten inflation returning to 2% on a sustainable basis. But if productivity growth were to improve, a tight labour market and high wage growth could co-exist without causing further inflationary pressures. Such an outcome would boost GDP growth too, although with forecasts of 1.9% this year (prior: 1.4%), aided by the strong Q4'23 print and a more robust start to this year, and 1.7% in 2025, the economy is performing well considering the restrictiveness of monetary policy.

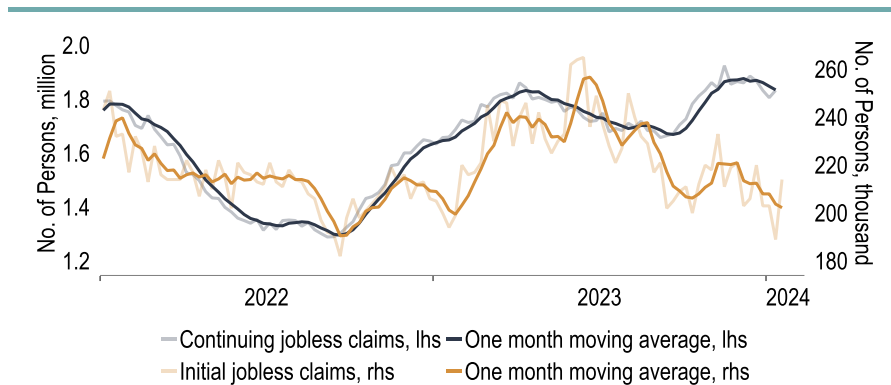
The economy has not been completely shatter-proof to the impact of higher interest rates though. Some of the 'softer' data has been flashing warning signals, such as credit card delinquencies, where the 30-day rate is now the highest since 2011. More consumers also appear to be relying on credit cards: total consumer credit rose above \$5 trillion for the first time on record in November (Chart 9). This also does not fully capture the rising usage of buy now, pay later (BNPL) schemes. Concerningly, these statistics are less transparent given that not all BNPL lenders (particularly non-banks) report activity to credit bureaus, creating a 'hidden debt' issue in the US economy.

Chart 7: The Fed attempts to push back after Powell on market pricing...with little success



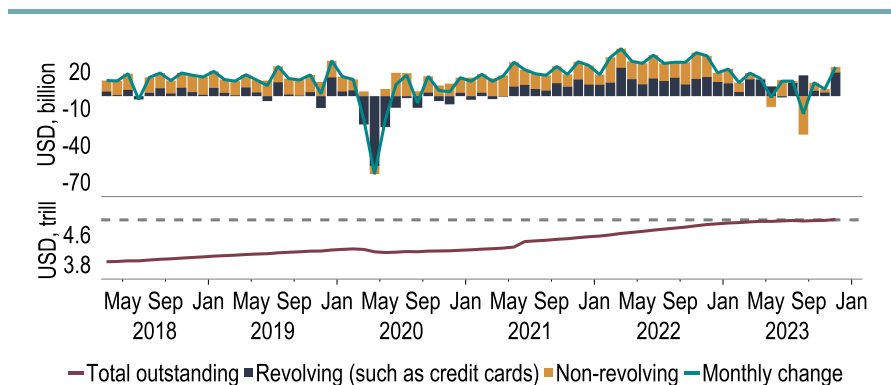
Market pricing is for 2024 Source: Bloomberg, Investec Economics, images from Federal Reserve
*Change from end 12th Dec to end 13th Dec

Chart 8: Has progress on a loosening in labour market conditions stalled?



Source: US Department of Labour, Macrobond, Investec Economics

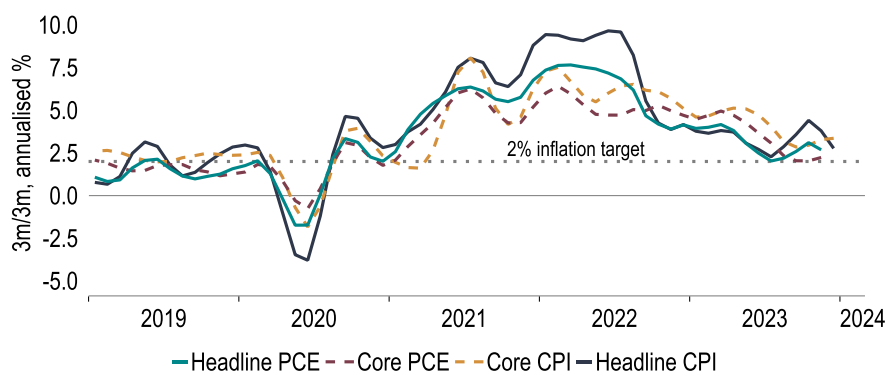
Chart 9: US consumption was strong in Q4, but how reliant is the US on credit cards?



Source: Federal Reserve, Macrobond, Investec Economics

But ultimately, the Fed will be assessing how inflation progresses towards the 2% target over the coming months before pivoting to rate cuts. The headline CPI numbers for December were slightly disappointing, exceeding consensus, with a strong shelter print (+0.5% on the month) boosting the headline measure. Given an indifferent housing market and the fall in rental asking prices (as shown by alternative sources) we would have expected monthly price gains to have moderated by more than they have by now*. But housing costs have a smaller weight in the Fed's targeted PCE measure and here underlying trends are promising: on a 3m/3m annualised basis, core PCE inflation is already at c.2%.

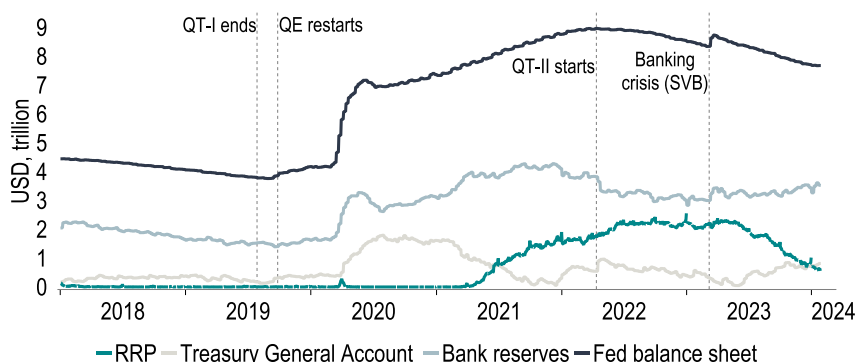
Chart 10: The trend is the Fed's friend – when annualised inflation is close to 2%



*The CPI rental index covers the entire stock of rentals, alternative indicators such as Zillow are just new leases
Source: Macrobond, Investec Economics

But it is not just interest rates that the Fed is debating, it is also the appropriate end-date to Quantitative Tightening (QT), as highlighted in the minutes from the Dec meeting. QT is no longer 'like watching paint dry', with the withdrawal of liquidity in the system possibly contributing to volatility seen in overnight financing rates. Thus far, the rapid runoff in the Fed's overnight reverse repo facility (RRP, Chart 11) has offset some of the liquidity drain from QT. But this has its limits, causing some, such as former head of market operations of the NY Fed, and now Dallas Fed President, Lorie Logan, to question whether the Fed should start slowing the pace of balance sheet run off, so not to threaten a Goldilocks level of 'ample reserves' in the system.

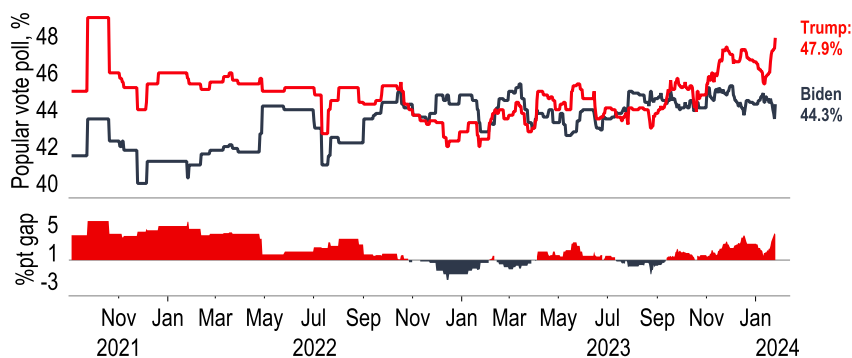
Chart 11: When is enough, enough? Fed officials start discussing end point of QT



Source: Federal Reserve, Macrobond, Investec Economics

Aside from monetary policy, a key theme this year is politics, as the 5 November US Presidential election draws closer. As it stands, it is looking like a rerun of 2020. There are no real challengers to Biden on the Democratic side, while in the Republican party, Nikki Haley's hopes of challenging Trump have fallen short following his NH* win. Assuming no legal troubles or ill-health, a Trump vs Biden contest seems the most likely outcome. Current polling suggests Trump could inch past the goal line in such a head-to-head, taking victory. It is not clear what a Trump presidency might look like at this stage and much would depend on the make-up of Congress, but we would prepare for more protectionist policies.

Chart 12: Polling of the popular vote indicates a Trump victory in a Biden-Trump rerun



The residual is those answering, 'Not sure' Source: Real Clear Politics, Macrobond, Investec Economics
*New Hampshire

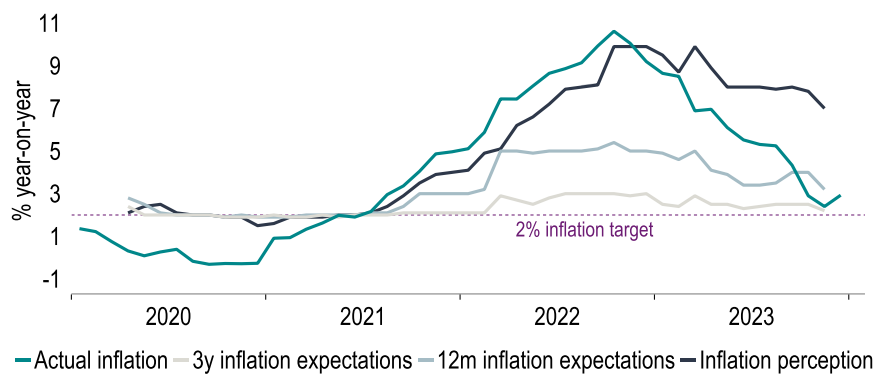
Eurozone

Inflation figures from the EU20 have been benign: Q4 headline and core inflation were 0.1%pts below the ECB's December staff projections, and in seasonally adjusted annualised terms only averaged 1.2% and 1.5% respectively. This degree of softness is unlikely to persist, not least as energy support is withdrawn and shipping costs have risen on Red Sea disruptions. Yet it is reassuring that consumers' perceptions and expectations of inflation have also dipped as per ECB survey data, even if much less than actual inflation (Chart 13). The ECB will want to see this maintained and crucially also incorporated into wage demands. The latter is by no means a given seeing as...

...the labour market has not loosened much so far: in fact, the unemployment rate is down to 6.4%, its lowest since Q3 1981. Instead, the fall in domestic inflation pressures owes to profit growth slowing after abnormal rises after the initial phase of Covid. Profits are volatile but typically decline in recessions (Chart 14). The jury is still out whether the Eurozone entered a technical recession in H2 '23. We estimate this was narrowly avoided in aggregate (but not in Germany). Over '24 and into '25, we predict lower inflation to restore more of the real household income losses since mid-'21, lifting momentum in GDP. We forecast 0.5% for '23, 0.6% for '24 and 1.6% for '25.

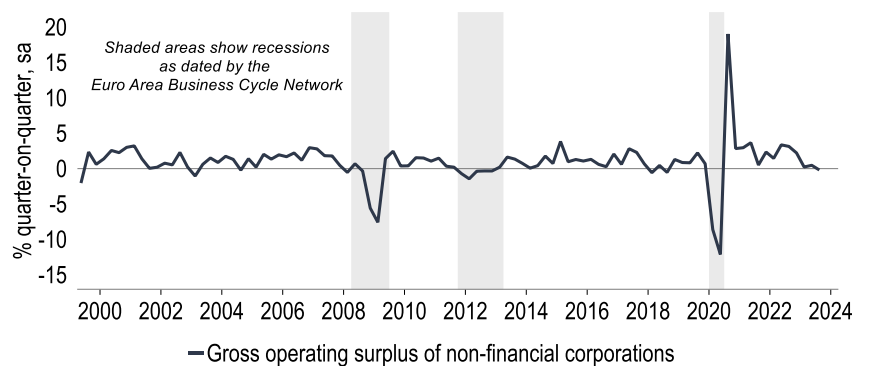
ECB policy has a tightrope to walk. Ease too soon – or allow excessive rate cut expectations to be incorporated into market pricing – and reignite inflation; ease too late when inflation expectations recede steeply, and trigger a recession deep enough to pull inflation below target. Given the current outlook, June seems to strike the right balance to start cutting rates. We expect a more cautious easing path than the market in '24 (75bps) but a faster pace in '25 (100bps), as fears of inflation persistence are dispelled, leaving end-'25 forecasts in a similar place (Chart 15). Given ample excess liquidity, we see no contradiction between stepping up quantitative tightening by tapering PEPP reinvestments just as rate cuts start.

Chart 13: Consumers' perceptions and expectations of inflation have dipped, but moderately



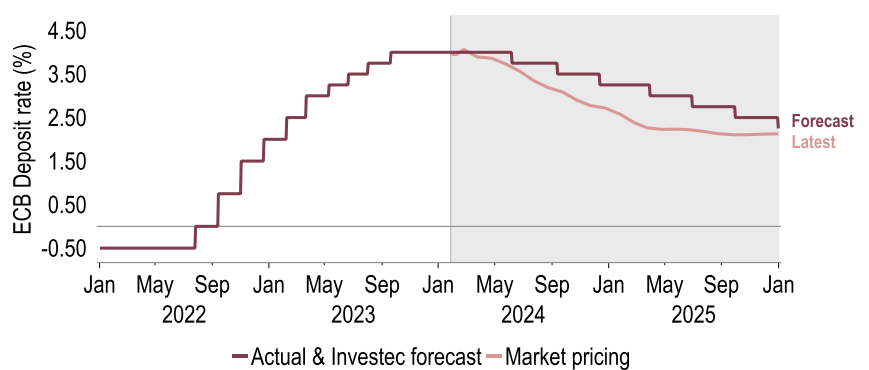
Source: ECB, Macrobond, Investec Economics

Chart 14: Profit growth has slowed significantly, helping to ease inflation pressures



Source: Euro Area Business Cycle Network, Eurostat, Macrobond, Investec Economics

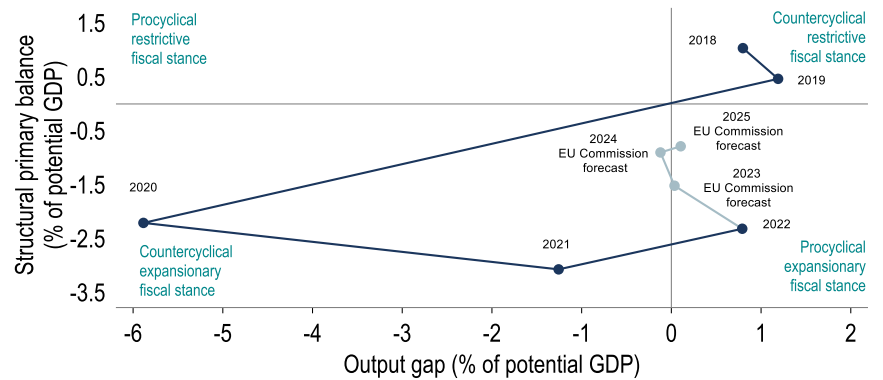
Chart 15: We agree with the market view of end-2025 ECB rates, not on the path to get there



Source: Macrobond, Investec Economics

Monetary loosening is to take place in the context of fiscal tightening. Largely due to the phasing out of energy support, the EU20 fiscal stance stands to tighten by c.1½%/GDP in '24. Germany unexpectedly falling foul of its constitutional debt brake rules necessitates an extra fiscal squeeze there. The longer-term outlook is for more fiscal tightening: after three consecutive years of suspension of Stability & Growth Pact rules given Covid and the outbreak of war in Ukraine, the framework will be reinstated this year, with at least eight EU countries set to have Excessive Deficit Procedures (EDPs) against them opened by the EU Commission. Only once a country has exited EDPs will the newly revised EU fiscal governance framework kick in, guiding higher-debt countries gradually to debt sustainability. This is the theory at least; implementation is key.

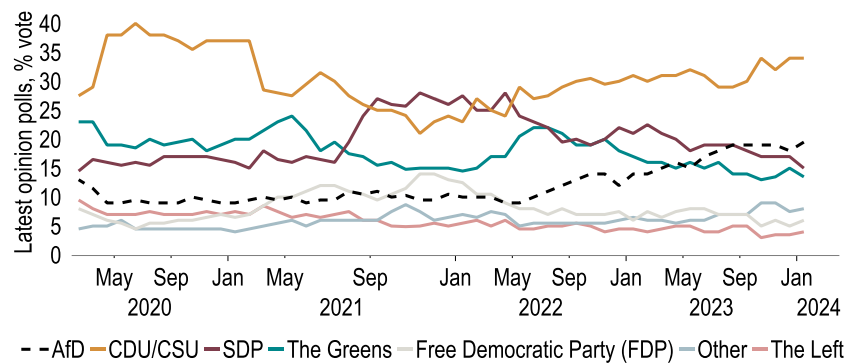
Chart 16: The euro area's fiscal stance is expected to tighten in 2024



Source: EU Commission (Nov '23 forecasts), Macrobond, Investec Economics

Fiscal policy is, of course, the preserve of governments, and the will to adhere to EU-led fiscal plans by populist right parties is doubtful, support for which has grown recently (Chart 17). This is not a new trend but a multi-year phenomenon in many parts of Europe. That said, it is not uniform; we note the election win in Poland by a coalition led by Tusk, ending eight years of rule by the populist PiS. Moreover, depending on electoral systems and conventions, even election-winning far right parties can find it difficult to form governments that push through their agenda, as Geert Wilders of the Dutch PVV is discovering. Still, the threat to institutional frameworks is not remote.

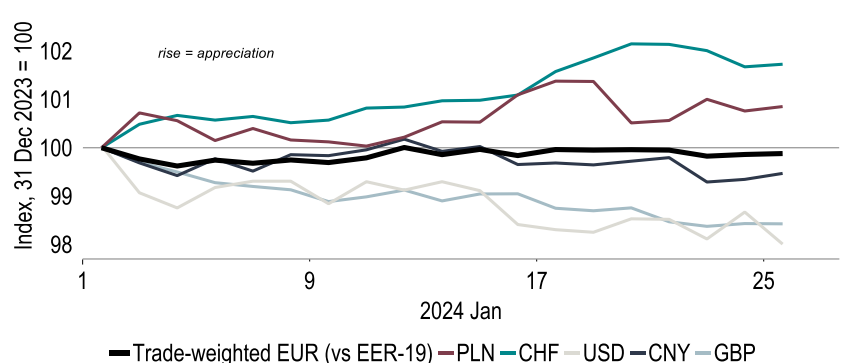
Chart 17: Germany's AfD is one of several European populist right parties to gain support



Source: Allensbach, Macrobond, Investec Economics

Moves in the euro have been modest and broadly offsetting in trade-weighted terms since the start of the year: some weakening against USD and GBP was offset by strengthening against CHF (Chart 18). Our forecasts envisage some EUR appreciation, primarily over 2024, with little further gains over 2025: our end-'24/end-'25 EURUSD forecasts are 1.14 & 1.15, respectively, and our corresponding EURGBP forecasts 88p & 89p. A turn in the global manufacturing cycle and prospects of rising global LNG supplies from 2025 should help. This though is predicated on the assumption of a Biden win; we would expect a weaker euro if Trump were to win the election.

Chart 18: The euro has seen little movement in trade-weighted terms so far this year



Source: ECB, Macrobond, Investec Economics

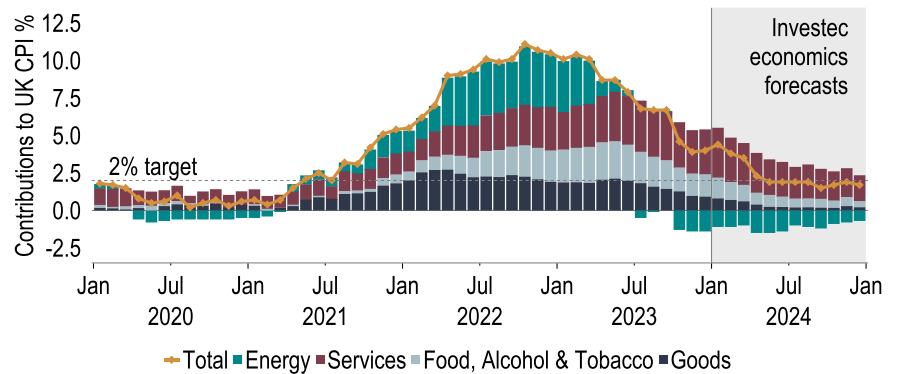
United Kingdom

A bump in the road towards 2% inflation appeared in the shape of December's CPI data, thanks to an unexpected rise in the headline rate of CPI inflation to 4.0% from November's 3.9%, the first increase for 10 months. The all-important services measure also ticked up, from 6.3% to 6.4%. But there were some mitigating factors. Airfares spiked up by 57.1% on the month. A jump normally occurs in December, but this was far in excess of the 33% long-term average; we expect an above-average fall to follow in January's release. Also, clothing & footwear prices rose by 0.4% against monthly declines in December in 18 of the past 20 years. We still judge that inflation is heading lower and that it will hit c.2% around mid-year.

Despite this upside surprise, inflation is still running *below* the MPC's latest (November) projections (Chart 20). From having consistently underestimated inflation, the BoE's forecasting errors have swung the other way i.e. to systematically overpredicting the CPI. Note that this directional error applies equally to services inflation, which is more likely to influence the MPC's judgement of core price pressures and therefore the outlook for inflation more broadly. But we judge that the committee will be relatively cautious in its medium-term assessment of inflation trends in the next Monetary Policy Report on 1 February. One reason is that there remains a paucity of reliable official labour market data as the ...

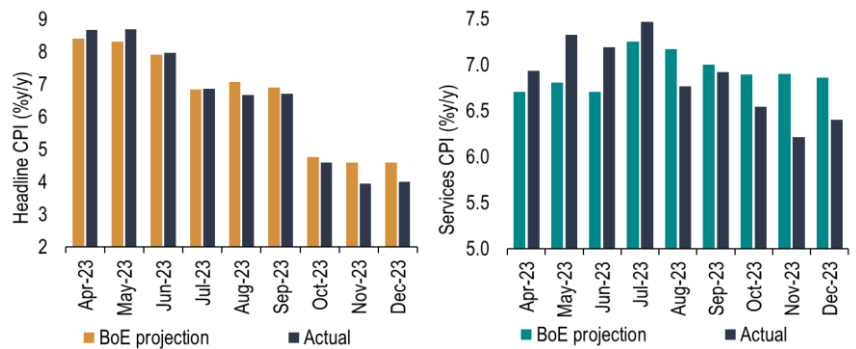
... Labour Force Survey is effectively suspended and (separately) the MPC mistrusts the average earnings data. We hope that the Transformed LFS will be in place in Q2. By the June meeting our forecasts envisage the prevailing CPI reading to be 1.9% and if the data show labour market conditions having loosened, rates could then be cut. We still expect three 25bp cuts to take place this year, taking the Bank rate to 4.50% by year-end. Interest rate markets had rallied hard in the last three months of 2023. Recently some repricing has taken place, with the curve now factoring in four cuts rather than five or six. This remains more optimistic than our forecast, but we broadly concur with the curve that the Bank rate will be c.3.25% by end-2025.

Chart 19: Inflation is still likely to come down further this year



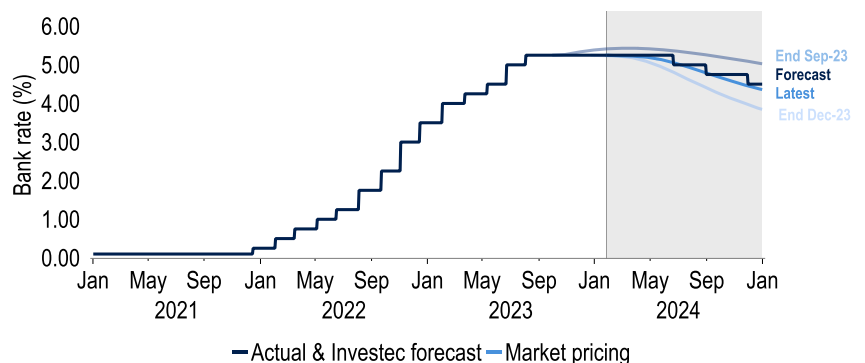
Source: ONS, Macrobond, Investec Economics

Chart 20: The BoE has consistently overpredicted both headline and services CPI inflation



Source: Bank of England, ONS, Macrobond, Investec Economics

Chart 21: Rates markets have repriced since end-2023 but are still optimistic over cuts this year



Source: Macrobond, Investec Economics

The decline in inflation is taking place across an economic background which remains subdued. Q3 GDP was revised down in December last year to show a 0.1% decline on the quarter and whereas November's data posted a 0.3% monthly increase, retail sales cratered by 3.2% on the month in December, possibly tipping Q4 GDP growth into negative territory and therefore the economy as whole into recession. Fundamentally this makes little difference to the outlook. Tax reductions from the Autumn Statement (AS) (and no doubt the 6 March Budget as well) should drive the economy forward by mid-year with lower interest rates reinforcing this later on. This is contingent however on inflation remaining on a downward path.

This month's cuts to National Insurance Contribution rates announced in November's AS have failed to alter materially the Conservatives' opinion poll standings. Labour's average lead remains in the region of 20%, which would imply a landslide overall majority for Sir Keir Starmer's party of some 180. An October election is still our best guess. By then several things should have swung in the Tories' favour – a recovering economy; still lower inflation; interest rates coming down; and a further reduction in taxation, this time the result of the 6 March Budget. This may not be enough to save the Conservatives, but it might help to limit the size of Labour's majority.

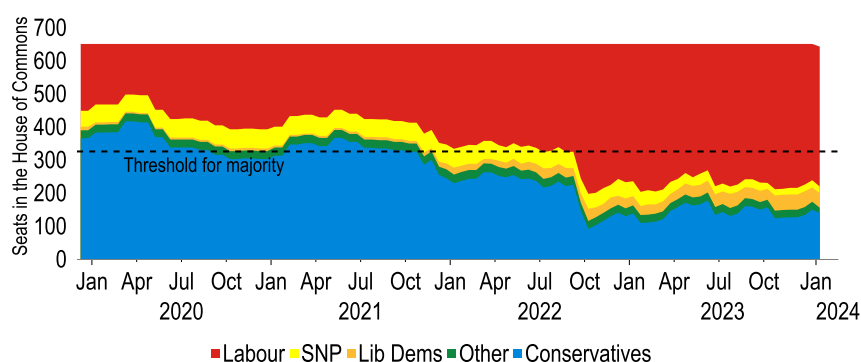
Since early December, GBPUSD has traded in a relatively tight range (Chart 24). We do not see huge volatility this year, and our forecast for end-'24 remains at \$1.30, with sterling firming marginally against the US dollar but slipping against the Euro. A weakening US economy relative to the UK could give sterling some strength. However we do think that market pricing for US interest rate cuts is more overdone than in the UK, constraining sterling's rally. At end-'25, we see the pound at similar levels. But the outcome of the US election is important. If Donald Trump returns to the White House, the experience after his victory in 2016 suggests that a repeat this year is likely to be dollar positive, posing a downside risk to our baseline cable view.

Chart 22: Technical recession is looking likely, but should be followed by recovery



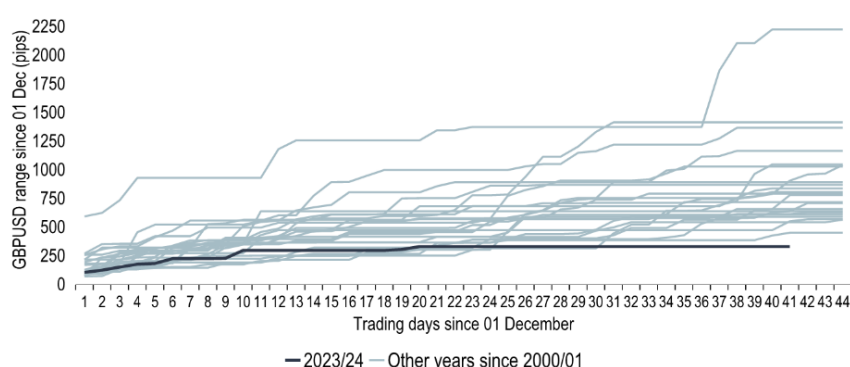
Source: ONS, Macrobond, Investec Economics

Chart 23: If polls are correct Labour is on path for a landslide win at the upcoming election



Source: Macrobond, ElectionmapsUK, Investec Economics

Chart 24: Cable has been trading in an unusually constrained range since December



Source: Macrobond, Bloomberg, Investec Economics

Global Forecasts

GDP Growth (%)

	Global	US	Japan	China	UK	EU20	Germany	France	Italy
2019	2.8	2.5	-0.4	6.0	1.6	1.6	1.1	1.9	0.5
2020	-2.8	-2.2	-4.2	2.2	-10.4	-6.2	-4.2	-7.7	-9.0
2021	6.3	5.8	2.6	8.4	8.7	5.9	3.1	6.4	8.3
2022	3.5	1.9	0.9	3.0	4.3	3.4	1.9	2.5	3.9
2023	3.0	2.5	2.0	5.2	0.2	0.5	-0.2	0.8	0.7
2024	2.9	1.9	0.7	4.6	0.5	0.6	0.0	0.8	0.5
2025	3.2	1.7	1.0	4.2	2.0	1.6	1.6	1.3	1.2

Source: IMF, Macrobond, Investec forecasts

Key Official Interest rates (% , end quarter):

	US Fed funds	Eurozone refi rate	Eurozone deposit rate	UK Bank rate	Australia cash rate
Current	5.25-5.50	4.50	4.00	5.25	4.35
2024					
Q1	5.25-5.50	4.50	4.00	5.25	4.35
Q2	5.00-5.25	4.00	3.75	5.00	4.35
Q3	4.75-5.00	3.75	3.50	4.75	4.10
Q4	4.50-4.75	3.50	3.25	4.50	3.85
2025					
Q1	4.25-4.50	3.25	3.00	4.00	3.60
Q2	3.75-4.00	3.00	2.75	3.75	3.35
Q3	3.50-3.75	2.75	2.50	3.50	3.25
Q4	3.25-3.50	2.50	2.25	3.25	3.25

Source: Macrobond, Investec

10-year government bond yields (% , end quarter):

	US	Germany	UK
Current	4.11	2.27	3.97
2024			
Q2	4.00	2.25	4.00
Q4	3.75	2.25	3.75
2025			
Q2	3.50	2.25	3.25
Q4	3.50	2.25	3.25

Source: Refinitiv, Investec

FX rates (end quarter/ annual averages)

		Current	2024				2025				2023	2024	2025	
		26-Jan	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	average	average	average	
Euro	€:\$	1.087	1.10	1.12	1.12	1.14	1.14	1.14	1.15	1.15	1.08	1.12	1.14	
	€:£	0.854	0.87	0.88	0.88	0.88	0.89	0.89	0.89	0.89	0.87	0.87	0.89	
Sterling	(£:€)	1.171	1.15	1.14	1.14	1.14	1.12	1.12	1.12	1.12	1.15	1.15	1.12	
	£:\$	1.273	1.27	1.28	1.28	1.30	1.28	1.28	1.29	1.29	1.24	1.28	1.28	
	Yen	\$	147.7	145	142	140	138	136	136	135	135	141	142	136
	€	160.6	160	159	157	157	155	155	155	155	152	158	155	
Aussie Dollar	£	188.1	184	182	179	179	174	174	174	174	175	181	175	
	\$	0.660	0.66	0.67	0.67	0.68	0.68	0.69	0.69	0.69	0.66	0.67	0.69	
	€:AUD	1.648	1.67	1.67	1.67	1.68	1.68	1.65	1.67	1.67	1.63	1.66	1.67	
	¥	97.42	95.7	95.1	93.8	93.8	92.5	93.8	93.2	93.2	93.3	94.9	93.2	
Swiss Franc	£:AUD	1.931	1.92	1.91	1.91	1.91	1.88	1.86	1.87	1.87	1.87	1.91	1.87	
	€	0.938	0.96	0.99	1.02	1.03	1.04	1.04	1.05	1.05	0.97	0.99	1.04	
	\$	0.863	0.87	0.88	0.91	0.90	0.91	0.91	0.91	0.91	0.90	0.88	0.91	
	£	1.099	1.11	1.13	1.17	1.17	1.17	1.17	1.18	1.18	1.12	1.13	1.17	

Source: Refinitiv, Investec

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