



Currency News

Here's our update on currency trends:

Sterling/Dollar

January saw a slight improvement in sterling towards the end of the month to almost \$1.26, but the average for the month is still well below \$1.25 and there is no sign that it will reach \$1.30 or higher anytime soon. So the pain for importers and holidaymakers going to the US continues.

Euro

The euro rate dipped to €1.14 in the month but recovered to €1.18 before slipping back again. At these rates the euro is still 12% more expensive than it was on June 23rd last year.

Chinese Yuan

The Chinese currency strengthened 1% against the dollar in January, after 7 months of steady falls, which of course improves the competitiveness of Chinese exports. It will be interesting to see if China allows it's currency to strengthen, in order to head off retaliation by President Trump for what he sees as unfair currency manipulation by the Chinese government. From a UK perspective the Yuan is 10% more expensive than June 2016.