Global FX Outlook

September 2025

convera

Key insights

Dollar derailed, risk reigns

Markets remain resilient in the face of renewed political and policy turbulence. The US dollar has slipped again, pressured by a dovish shift in rate expectations following a softer-than-expected jobs report and cautious remarks from Fed Chair Powell at Jackson Hole.

Concerns over Fed independence continue to simmer. Governor Lisa Cook's legal challenge to her dismissal has reignited scrutiny over institutional credibility, though markets have largely stayed anchored to the data.

Meanwhile, political risk has resurfaced in Europe, with French assets under pressure ahead of a September 8 confidence vote. The spread between French and German 10-year yields has widened, but the euro is holding firm, suggesting limited contagion, for now.

Despite these crosscurrents, risk appetite remains elevated. The S&P 500 has registered its 25th all-time high of the year, and the VIX continues to trade below its long-term average of 20. With the Fed's path still data-dependent and European politics adding fresh uncertainty, markets are navigating diverging narratives.

This monthly guide provides analysis of the global trends and events driving FX volatility, to help SMEs and corporates uncover the potential opportunities or risks involved with cross-border trade. We hope that with better access to insights, more informed international trade and payment strategies may lead to better financial outcomes for our customers.

US

The US dollar index closed August more than 2% lower, its seventh monthly decline this year, and rose against just 12% of its global peers last month amid rising Fed rate cut bets.

EU

The euro regained over 80% of its July losses, rising above $1.17 in August, despite political turmoil in France. A further climb toward $1.20 likely depends on developments in Washington.

UK

After tumbling nearly 4% in July, GBP/USD regained over 2% in August, stabilizing between $1.34 and $1.36 throughout the month, buoyed by a string of upbeat UK economic indicators and more hawkish Bank of England pricing.

Australia

AUD/USD trades 2.1% above its 2025 YTD average, propelled by ongoing USD softness and shifting global rate expectations. The trend remains constructive for modest AUD upside.

Global economic outlook

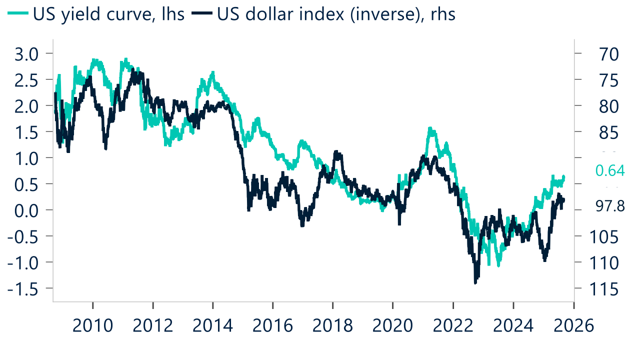
Key market themes to watch

Independence under pressure

Headline risk around Fed independence hasn't moved the dollar much of late but the yield curve is steepening - a signal of eroding confidence in the Fed's future discipline. The Cook saga may pressure the dollar if Trump wins and appoints a dovish governor. A bigger shift looms in May 2026 though, when Fed Chair Powell is expected to be replaced - potentially by one of Trump's most dovish picks, further weighing on the dollar.

Steeper yield curve usually dollar negative

US yield curve and the US dollar index



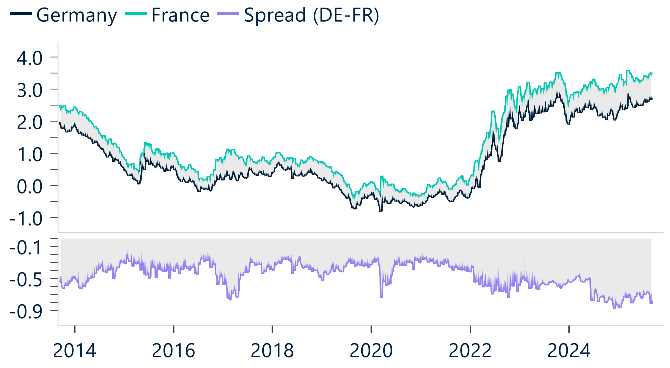
Source: Convera, Macrobond

France fires up the spread

Political uncertainty gripped the Eurozone as France's Prime Minister called a confidence vote over his €44 billion austerity plan. French bond yields surged to their highest level since March, widening the spread with German 10-year yields and signaling broader unease. While euro-sovereign spread correlations are typically weak, rising tensions amid ongoing EU trade concessions to the US could undermine the bloc's stance and weigh on euro sentiment.

French risk premium continues to climb

German-French 10-year yield comparison



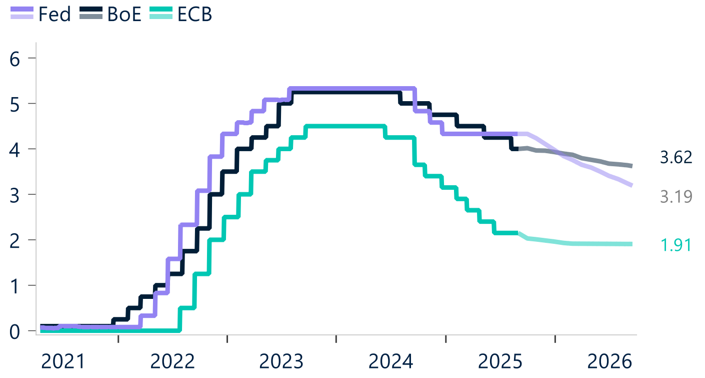
Source: Convera, Macrobond

Rate watch: Fed, ECB, BoE

Central bank guidance this month will steer FX price action. Trade uncertainty clouds the policy outlook, but the Fed may lean dovish if data stays soft. Still, rising inflation tempers rate cut expectations. The ECB's stance depends on trade talks, where any escalation could trigger a cut by year-end. The BoE is likely to hold, with sticky food inflation post-tax hikes deterring easing and making November a more probable pivot.

Fed expected to cut rates at faster pace

Policy Rate Paths: ECB, BoE, Fed



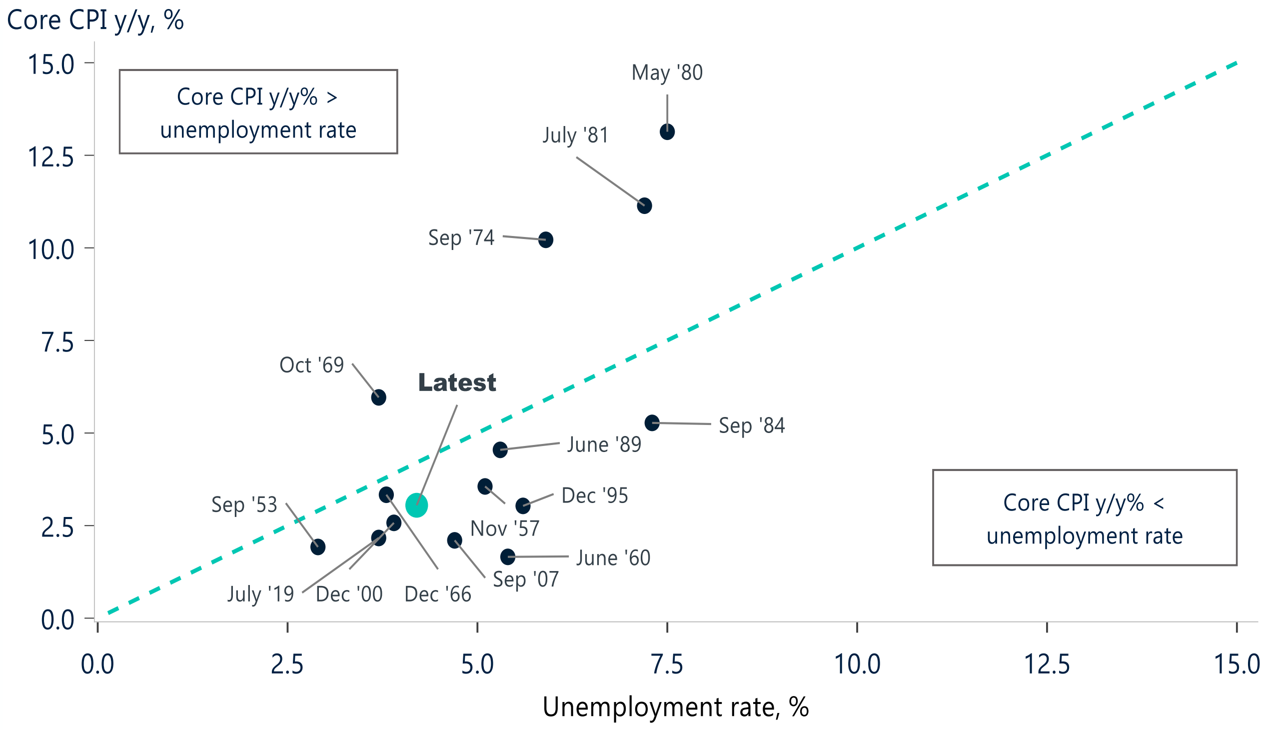
Source: Convera, Macrobond

Chart sources: Convera, Macrobond – August 29, 2025

Theme in focus: Fed's two-front dilemma to continue

The Fed rarely cuts rates when inflation exceeds unemployment rate

US Core CPI (y/y) vs unemployment rate, %



Source: Convera, Macrobond

- The Fed's policy dilemma is expected to persist as it weighs a likely rate cut against persistent inflation and a weakening labor market. While a rate cut on September 17 is anticipated, the path forward is highly uncertain, raising the possibility of a "one-and-done" move.
- The Fed faces a challenging situation: cutting rates further beyond September to support the labor market could worsen inflation and damage its credibility. This decision is further complicated by political pressure and the potential for new tariffs to increase prices. Consequently, a key question for the September FOMC meeting is whether the cut will be perceived as "hawkish" or "dovish."
- The US dollar's direction in September is a key focus. Following subdued volatility in August, a surge of new economic data, and central bank decisions are expected to provide more clarity on its medium-term trajectory.
- The recent steepening of the yield curve in developing economies, particularly in the U.S., is a significant red flag for FX markets, pointing to concerns about renewed inflation and the sustainability of US fiscal policy. This adds another layer of complexity to the Fed's already challenging macro backdrop.
- Other major central banks are in varied positions. The ECB and BoE are widely expected to take a pause in their easing cycles in their upcoming meetings in September, while the Bank of Japan faces a unique bind as it navigates the balance between its very low interest rates and a weakening yen that is fueling inflation.

Key market events to watch

September 2025

1
- Mfg PMI

2
- Inflation (CPI)
- ISM Mfg PMI

3
- Job Openings
- Fed Beige Book
- Services PMI
- Q2 GDP

4
- Balance of Trade
- Retail Sales
- Balance of Trade
- ISM Services PMI

5
- Q2 GDP & Employment
- Retail Sales
- Jobs Report

6

7

8
- Q2 GDP
- Balance of Trade
- Balance of Trade Industrial Production
- **Confidence Vote**

9
- NFIB Optimism Index
- BRC Retail Sales

10
- Inflation (PPI)
- Inflation (CPI, PPI)

11
- **Rate Decision**
- Inflation (CPI)
- Mfg. Production

12
- GDP & Balance of Trade
- Michigan Consumer Expectations

13

14

15
- Balance of Trade
- Retail Sales & Industrial Production

16
- Jobs Report
- ZEW Surveys
- Inflation (CPI)
- Retail Sales & Industrial Production

17
- **Rate Decision**
- **Rate Decision**
- Inflation (CPI, PPI)
- Balance of Trade

18
- Jobs Report
- **Rate Decision**
- **Rate Decision**

19
- Retail Sales
- Retail Sales
- **Rate Decision**

20

21

22
- C. Confidence

23
- Industry PMIs
- **Rate Decision**

24
- Ifo Surveys

25
- Q2 GDP
- **Rate Decision**
- GfK C. Confidence

26
- Inflation (CPI)
- PCE Inflation

27

28

29
- Economic Sentiment

30
- **Rate Decision**
- Lloyds Business Barometer
- GDP
- Inflation (CPI)
- CB C. Confidence

Source: Convera, Bloomberg – August 29, 2025. Dates BST.

UK currency outlook

GBP volatility analysis

GBP/USD in top 20% of YTD range

Chart: GBP 30-day, year-to-date trading range

Increasing volatility

	Spot	High 30D	Low	High YTD	Low	Trading range 30D	Trading range YTD	Position within the range 30D	Position within the range YTD
GBP/NZD	2.290	2.321	2.238	2.335	2.168	3.7%	7.7%	63%	73%
GBP/USD	1.350	1.359	1.314	1.378	1.21	3.4%	13.9%	80%	83%
GBP/CAD	1.854	1.877	1.823	1.883	1.745	3.0%	7.9%	57%	79%
GBP/CHF	1.079	1.096	1.065	1.150	1.061	2.9%	8.4%	45%	20%
GBP/CNY	9.632	9.750	9.480	9.875	8.873	2.8%	11.3%	56%	76%
GBP/ZAR	23.84	24.19	23.55	25.47	22.71	2.7%	12.2%	45%	41%
GBP/AUD	2.064	2.100	2.045	2.164	1.959	2.7%	10.5%	35%	51%
GBP/JPY	198.5	200.2	195.0	200.2	184.3	2.7%	8.6%	67%	89%
GBP/NOK	13.59	13.89	13.53	14.34	13.32	2.7%	7.7%	17%	26%
GBP/EUR	1.155	1.163	1.143	1.213	1.140	1.7%	6.4%	60%	21%

Source: Bloomberg, Convera – Sept 1, 2025

- Sterling has staged a modest recovery over the past month, lifted by stronger UK data and a pivot in market expectations toward a more hawkish Bank of England. With the dollar under pressure, GBP/USD continues to serve as the clearest proxy for near-term bullish sentiment on the pound.
- **GBP/USD** suffered a sharp 4% drop in July, but the pair recovered over 2% in August, largely consolidating between $1.34 and $1.36 and comfortably positioned in the top 20% of its year-to-date trading range.
- **GBP/EUR** experienced the lowest trading range last month, of less than 2%, stuck in the lower realms of its YTD range, but recovering ground from around two-year lows of €1.14 reached in July.
- **GBP/JPY** has held firm of late amid reduced safe-haven demand following easing trade tensions and elevated risk appetite, while Japanese political uncertainty also clouds the yen's outlook. The pair remains close to its 2025 high of 200.0.

GBP value indicator

GBP/EUR trading below long-term moving averages

Chart: GBP performance versus year-to-date, 1, 2, and 5-year averages

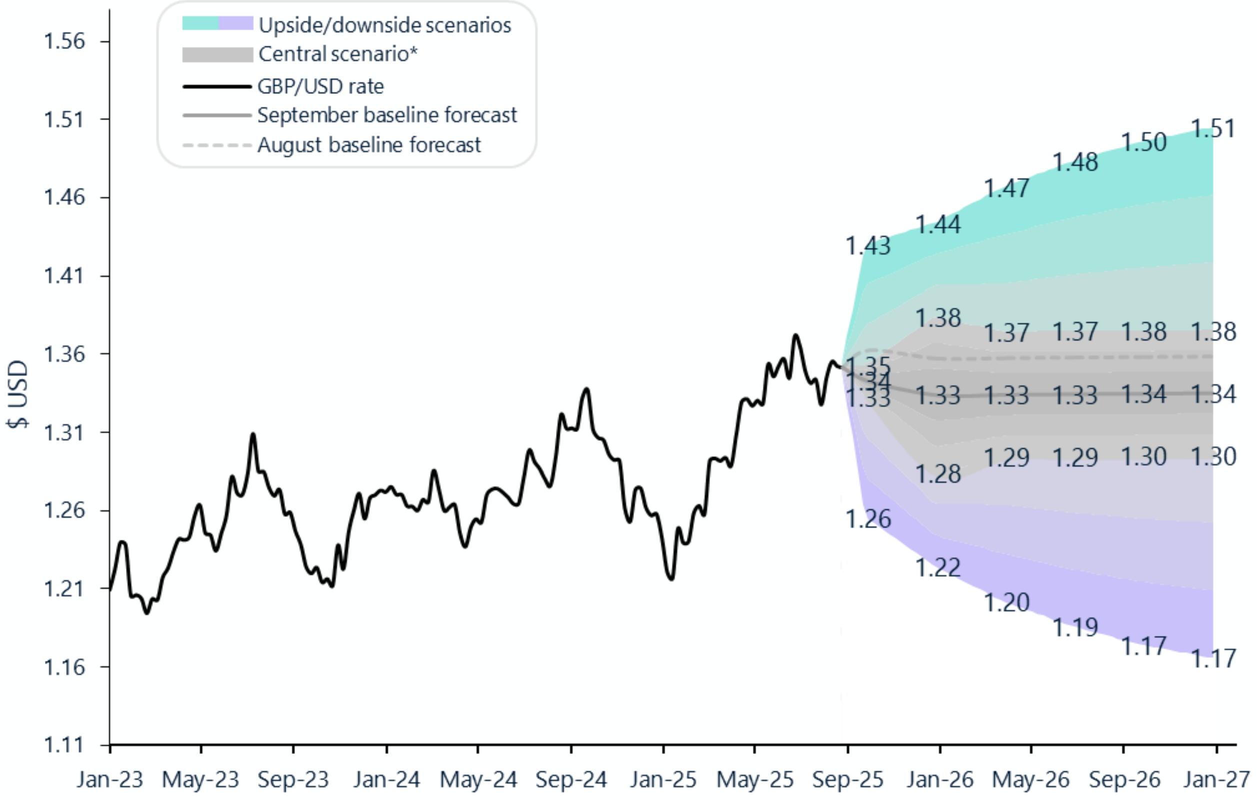
Appreciation Depreciation

	Spot (As of 01.09.2025)	Spot vs YTD average	1-year average	2-year average	5-year average
GBP/USD	1.350	3.0% Avg.: 1.310	3.5% Avg.: 1.304	5.2% Avg.: 1.282	4.7% Avg.: 1.289
GBP/JPY	198.5	2.3% Avg.: 194.0	2.3% Avg.: 193.9	3.4% Avg.: 192.0	15.9% Avg.: 171.3
GBP/NZD	2.290	2.1% Avg.: 2.242	3.5% Avg.: 2.213	6.6% Avg.: 2.147	12.6% Avg.: 2.033
GBP/CNY	9.632	1.6% Avg.: 9.477	2.4% Avg.: 9.402	4.1% Avg.: 9.256	8.4% Avg.: 8.887
GBP/CAD	1.854	1.1% Avg.: 1.833	1.9% Avg.: 1.819	4.9% Avg.: 1.767	8.3% Avg.: 1.711
GBP/AUD	2.064	0.6% Avg.: 2.051	2.1% Avg.: 2.020	4.7% Avg.: 1.971	9.9% Avg.: 1.878
GBP/EUR	1.155	-2.1% Avg.: 1.179	-2.6% Avg.: 1.185	-1.8% Avg.: 1.176	-0.8% Avg.: 1.164
GBP/CHF	1.079	-2.6% Avg.: 1.108	-3.1% Avg.: 1.113	-3.3% Avg.: 1.115	-7.2% Avg.: 1.163

- Sterling remains elevated relative to most of its long-term averages against major currencies, though it continues to lag behind the Swiss franc and the euro. Its earlier strength was underpinned by solid UK economic data and persistent expectations of Bank of England tightening. However, the domestic backdrop has become less supportive, with momentum fading and policy risks starting to weigh.
- **GBP/USD** remains a solid 5% above its two-year average as the balance of risk tilts lower for the dollar in the wake of a dovish Fed and political risk premia.
- **GBP/JPY** is also above all major long-term moving averages and sits almost 16% above its five-year average. This reflects widening rate differentials and a broader improvement in global risk sentiment.
- **GBP/CHF** has faced a more challenging year though. The pair remains more than 7% below its five-year average despite the threat of negative Swiss interest rates and the tariff risk premium on the franc following the 39% tariff rate imposed by the US.
- **GBP/EUR** is also trading below its key long-term moving averages – 2.6% below its one-year average despite renewed political risk in France.

Source: Bloomberg, Convera – Sept 1, 2025. Note: YTD average refers to the following time periods: 01.01.2025 - 01.09.2025; 1Y: 30.08.2024 - 01.09.2025; 2Y: 01.09.2023 - 01.09.2025; 5Y: 02.09.2020 - 01.09.2025.

GBP/USD future scenarios



Upside scenario: US confidence crisis

- Geopolitical risks ease and growth outlook improves, boosting pro-cyclical GBP, or trade war escalates and hurts the US economy more than peers.
- The BoE keeps interest rates elevated due to resilient UK data and persistent services inflation, whilst Fed forced to cut on recession risks.

Central scenario: Policy uncertainty extends

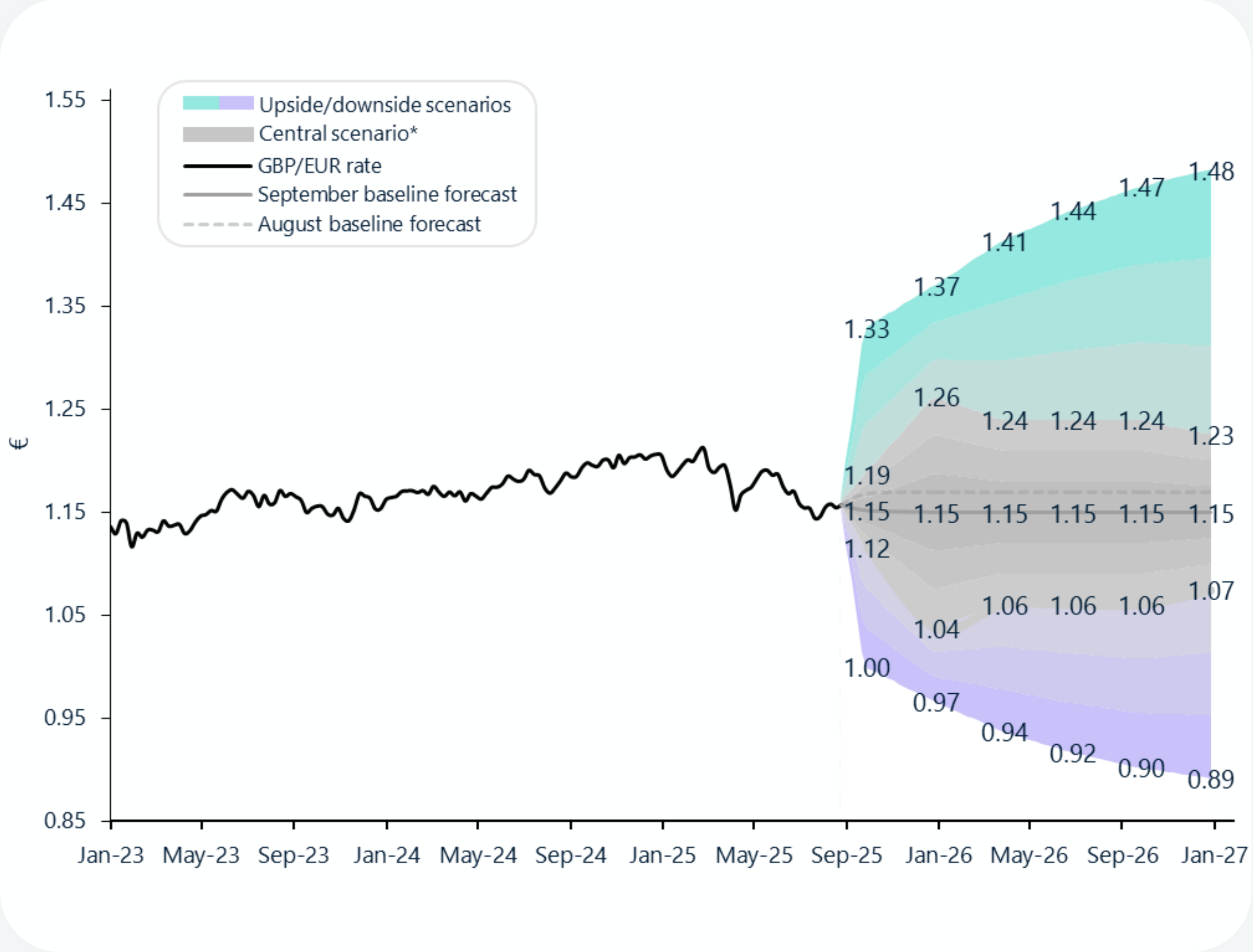
- Narrowing UK-US economic growth divergence in the wake of US tariffs hurting the US economy, helps support sterling's longer-term outlook.
- Confidence in safe haven USD also eroded due to US policy risk, plus rate differentials start coming back into play.

Downside scenario: Reversal of UK fortunes

- BoE forced to cut interest rates more as UK falls into recession and confidence crisis in UK policy as government borrowing costs soar higher.
- Risk sentiment sours due to external global risks, both geopolitical and financial, challenging sterling and USD emerges as safe haven again.

Chart sources: Oxford Economics, Bloomberg, Convera – August 29, 2025. For more information about the Convera-Oxford Economics economic modelling, framework and methodology used to derive the FX forecast scenarios please contact AskMarketInsights@convera.com
*+/-1 standard deviation from baseline (68% chance rate falls within this range)

GBP/EUR future scenarios



Upside scenario: Hawkish BoE and positive UK

- BoE keeps interest rates high for longer amid stronger UK economy and sticky inflation, whilst ECB is forced to cut rates more amid disinflationary impulse accelerating.
- Meanwhile, the Eurozone is hit hard by US tariffs as US-EU trade war escalates.

Central scenario: Risk appetite chops and changes

- The euro is seen as a safer bet than the pound in the global trade war thanks to its liquidity and EZ fiscal stimulus and current account surplus.
- The pound is more sensitive to risk aversion and elevated volatility so developments here could cap sterling upside.

Downside scenario: European exceptionalism

- Historic fiscal reforms translate to stronger Eurozone economic growth, and more demand for European assets amidst global trade and policy risks.
- BoE forced to cut rates more than currently priced in by markets, eroding sterling's yield advantage.

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EU currency outlook

EUR volatility analysis

EUR/USD holds as second most volatile pair amid renewed eurozone political turmoil

Chart: EUR 30-day, year-to-date trading range

Increasing volatility

	Spot	High 30D	Low	High YTD	Low	Trading range 30D	Trading range YTD	Position within the range 30D	Position within the range YTD
EUR/NZD	1.982	2.003	1.934	2.003	1.811	3.6%	10.6%	70%	89%
EUR/USD	1.169	1.174	1.139	1.182	1.014	3.1%	16.6%	86%	92%
EUR/CAD	1.606	1.622	1.580	1.622	1.468	2.7%	10.5%	62%	90%
EUR/CNY	8.337	8.417	8.216	8.468	7.383	2.4%	14.7%	60%	88%
EUR/AUD	1.787	1.815	1.773	1.855	1.635	2.4%	13.5%	33%	69%
EUR/CHF	0.935	0.945	0.927	0.966	0.922	1.9%	4.8%	44%	30%
EUR/JPY	171.8	173.0	169.8	173.9	154.8	1.9%	12.3%	63%	89%
EUR/SEK	11.06	11.24	11.04	11.53	10.66	1.8%	8.2%	10%	46%
EUR/GBP	0.866	0.874	0.859	0.876	0.824	1.7%	6.3%	47%	81%
EUR/CZK	24.43	24.63	24.38	25.31	24.38	1.0%	3.8%	20%	5%

Source: Bloomberg, Convera – Sept 1, 2025

- US macro data and its impact on the Fed's dovish tilt remains the key FX driver heading into fall. Markets need a steady data flow to justify further USD selloffs, which in turn supports euro gains. Trade uncertainty is likely to blur central bank guidance, making sentiment increasingly correlated with fundamentals.

- **EUR/USD** is the second most volatile pair this month, caught between persistent dollar weakness and fresh euro setbacks, driven by France's political unrest and unresolved trade talks. The lack of sharply negative data after August's weak non-farm payrolls (NFP) report kept EUR/USD from rising, leaving markets hesitant to fully price in a Fed rate cut.

- **EUR/CHF**, after rising in early August due to Swiss tariff tensions, pared back those gains as the franc regained its safe haven appeal amid eurozone political turmoil. Meanwhile, the dollar remains weighed down by questions over Fed independence, and the pound by debt sustainability concerns. These issues overshadow the tariff risk premium on the franc - seen as negotiable - and reinforce its haven status versus the euro.

- **EUR/GBP**, after dropping until mid-August on repriced hawkish BoE expectations, has rebounded steadily, making it one of the least volatile pairs this month. Eurozone turmoil is eclipsed by the UK's softening macro backdrop and self-imposed fiscal rules, which may prompt further tightening and pressure sterling.

EUR value indicator

EUR/USD rides high as bearish USD sentiment persists

Chart: EUR performance versus year-to-date, 1, 2, and 5-year averages

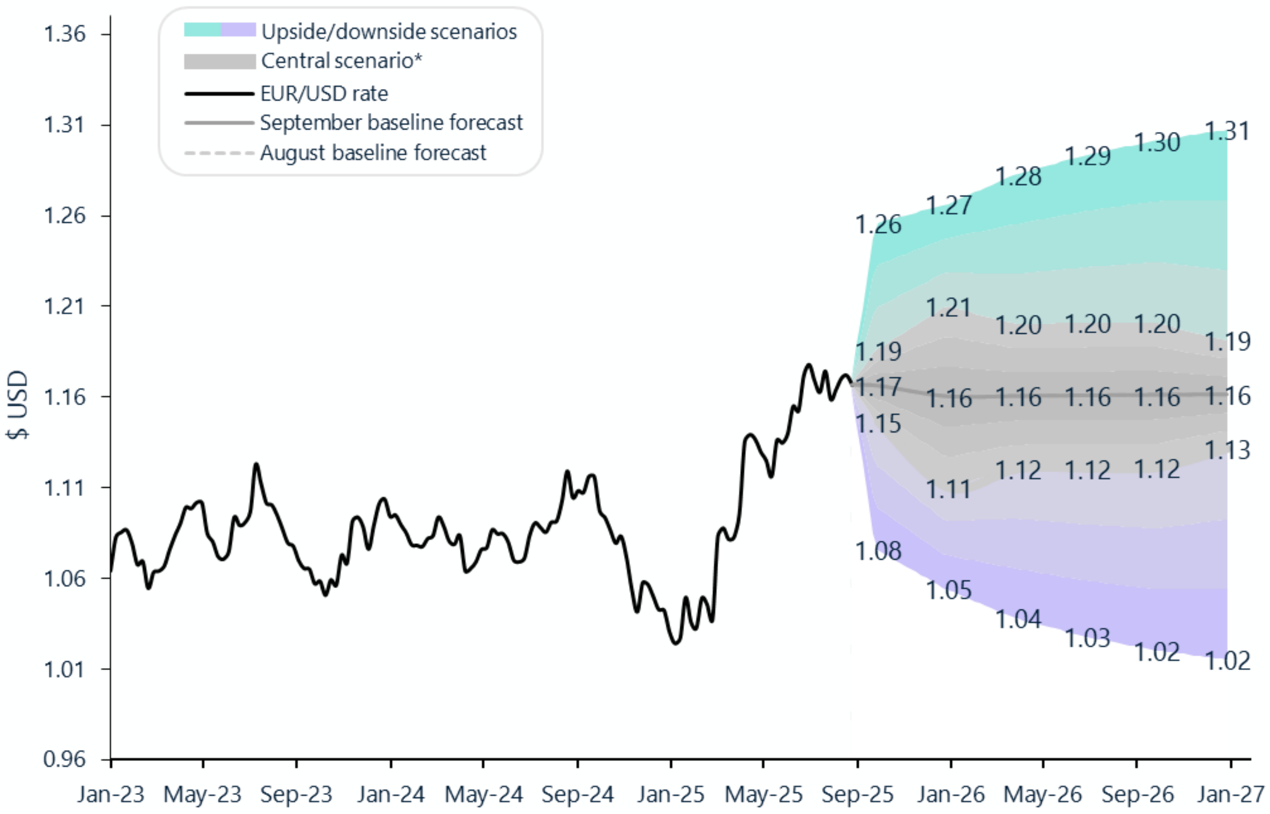
Appreciation Depreciation

	Spot (As of 01.09.2025)	Spot vs YTD average	1-year average	2-year average	5-year average
EUR/USD	1.169	5.2% Avg.: 1.111	6.2% Avg.: 1.100	7.2% Avg.: 1.090	5.5% Avg.: 1.107
EUR/JPY	171.8	4.4% Avg.: 164.6	5.0% Avg.: 163.6	5.2% Avg.: 163.2	16.9% Avg.: 146.9
EUR/NZD	1.982	4.2% Avg.: 1.901	6.2% Avg.: 1.867	8.5% Avg.: 1.826	13.5% Avg.: 1.746
EUR/CAD	1.606	3.3% Avg.: 1.555	4.6% Avg.: 1.534	6.9% Avg.: 1.502	9.3% Avg.: 1.469
EUR/AUD	1.787	2.7% Avg.: 1.739	4.8% Avg.: 1.704	6.6% Avg.: 1.675	10.8% Avg.: 1.612
EUR/GBP	0.866	2.1% Avg.: 0.848	2.7% Avg.: 0.843	1.9% Avg.: 0.850	0.8% Avg.: 0.859
EUR/CHF	0.935	-0.5% Avg.: 0.939	-0.4% Avg.: 0.938	-1.5% Avg.: 0.948	-6.4% Avg.: 0.999
EUR/CZK	24.43	-1.8% Avg.: 24.88	-2.3% Avg.: 24.99	-2.0% Avg.: 24.93	-2.1% Avg.: 24.96

- Recent political turmoil and doubts over the eurozone's trade leverage with the U.S. have dented euro sentiment. Still, the euro remains the top beneficiary of dollar weakness, trading 5.2% above its YTD average versus the dollar.
- **EUR/USD** drifted sideways in August, as resilient U.S. data and lingering - but contained - concerns over Fed independence kept the pair range-bound. Upside risks persist, with a dovish Fed and a hawkish ECB supporting the euro. A strong NFP print in early September could reignite the uptrend toward YTD highs.
- **EUR/CZK** ranked lowest, as the Czech National Bank's hawkish stance gained fresh momentum from stronger-than-expected Q2 growth (GDP +0.5% vs. 0.2% forecast). The CNB remains a rare hawkish outlier both regionally and globally.
- **EUR/JPY** remains one of the most bullish pairs, driven by uncertainty around Japan's leadership and policy direction, which has made Japanese assets less attractive - especially amid rising global yields. Prime Minister Ishiba's reluctance to resign, however, dampened the politically-driven risk premium in August, while the euro also faced its own bearish headwinds, nudging up just 0.2% against the yen.

Source: Bloomberg, Convera – Sept 1, 2025. Note: YTD average refers to the following time periods: 01.01.2025 - 01.09.2025; 1Y: 30.08.2024 - 01.09.2025; 2Y: 01.09.2023 - 01.09.2025; 5Y: 02.09.2020 - 01.09.2025.

EUR/USD future scenarios



Upside scenario: Political interference risk premium intensifies

- Fed-related threats materialize as Cook is replaced, and the new leadership pursues more aggressive easing. Administrative moves to control the 12 regional banks deepen interference.
- US macro data deteriorates sharply, led by weakness in the labor market.

Central scenario: Trade policy dampens growth

- Trade deals are finalized, though some countries face unexpectedly high tariffs. US growth slows modestly, weighing on the dollar.
- The Fed eases cautiously amid a mildly dovish data backdrop.
- Lingering trade and Fed headline risks lose momentum, limiting further dollar weakness.

Downside scenario: U.S. economy holds resilient

- Escalations from a fragile EU-US trade deal prompt the ECB to cut rates this year amid weaker growth prospects.
- Stronger-than-expected US macro data delays Fed cuts and lifts sentiment, as tariffs prove less disruptive than feared.

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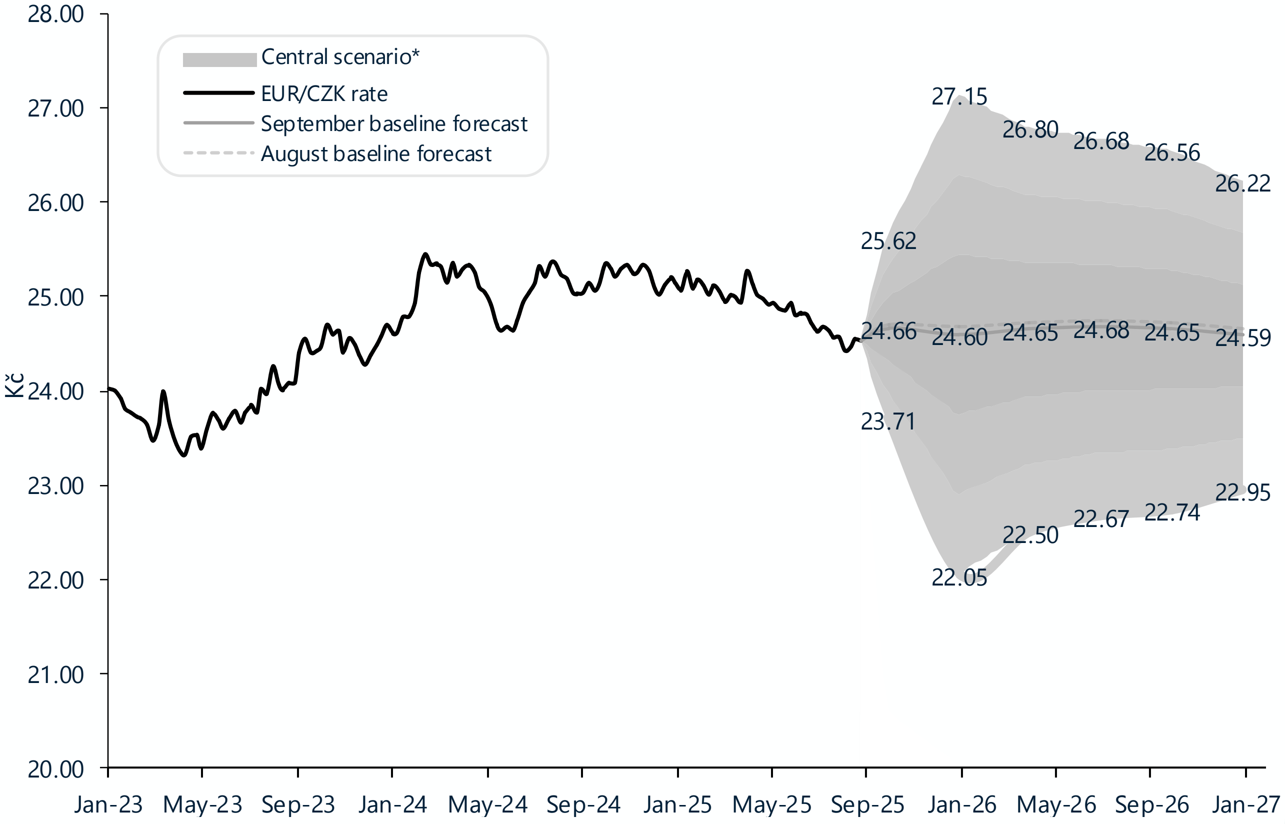
EUR/CZK future scenarios



Central scenario: Hawkish CNB to remain

- EUR/CZK closed near a one-month low at the end of August, down just over 3% year-to-date.
- The pair faced renewed bearish momentum after Czech Q2 GDP surprised to the upside (+0.5% vs. 0.2% forecast), reinforcing the Czech National Bank's position as a rare hawkish outlier both regionally and globally.
- While recent data is unlikely to shift the ECB's rate stance for now, escalating trade tensions with the US may further erode confidence in the euro, adding further pressure to EUR/CZK.
- The French political shock is being absorbed, and markets expect limited euro impact - unless snap elections become the baseline scenario.

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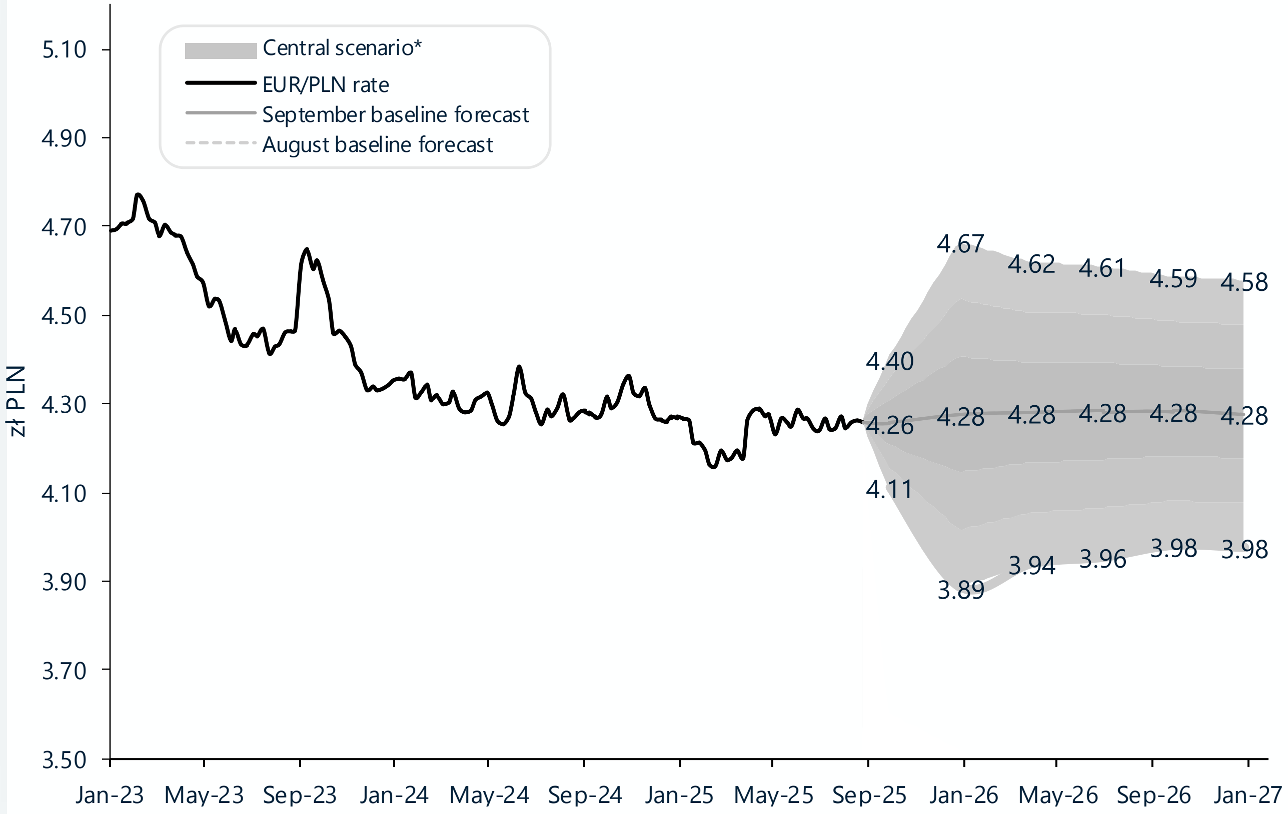
EUR/PLN future scenarios



Central scenario: Doves and hawks at crossroads

- EUR/PLN is down ~0.5% year-to-date, with renewed bearish pressure likely to emerge.
- A 25-basis point rate cut by the National Bank of Poland (NBP) is expected at the September meeting. Despite this dovish stance, idiosyncratic risks in Poland may build short-term pressure on EUR/PLN, which already fell ~0.3% in August on dented euro sentiment.
- At the end of August, the Ministry of Finance announced higher-than-expected borrowing needs in the draft budget for next year's general government and state finances.
- The fiscal outlook may prompt the NBP to adopt hawkish forward guidance, which could temper further downside risk for the zloty and attract interest at current levels.
- The market appears to be betting that NBP hawkishness will outweigh fiscal looseness, at least in the short term. That's why EUR/PLN could dip below 4.250, especially if the central bank signals rate hikes or delays cuts.

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APAC currency outlook

APAC volatility analysis

AUD & NZD take centre stage amid renewed divergence

Chart: AUD 30-day, year-to-date trading range

Increasing volatility

	Spot	High 30D	Low 30D	High YTD	Low YTD	Trading range 30D	Trading range YTD	Position within the range 30D	Position within the range YTD
NZD/EUR	0.504	0.516	0.498	0.552	0.498	3.6%	10.8%	33%	11%
NZD/USD	0.589	0.599	0.58	0.612	0.548	3.3%	11.7%	47%	64%
AUD/JPY	96.19	97.06	94.40	99.17	86.04	2.8%	15.3%	67%	77%
AUD/GBP	0.484	0.488	0.476	0.510	0.461	2.5%	10.6%	67%	47%
AUD/USD	0.652	0.656	0.641	0.662	0.591	2.3%	12.0%	73%	86%
AUD/CNY	4.657	4.711	4.601	4.738	4.352	2.4%	8.9%	51%	79%
AUD/EUR	0.559	0.563	0.550	0.611	0.539	2.4%	13.4%	69%	28%
NZD/AUD	0.901	0.917	0.898	0.938	0.894	2.1%	4.9%	16%	16%
USD/SGD	1.282	1.300	1.278	1.375	1.269	1.7%	8.4%	18%	12%
USD/CNY	7.134	7.214	7.126	7.351	7.126	1.2%	3.2%	9%	4%

- **AUD/JPY** leads regional volatility, traversing a 15.3% YTD range, highlighting its sensitivity to risk sentiment shifts and recent unwinds in carry trades. Its 30-day range remains high at 2.8%, underlining persistent market nerves.
- **NZD/EUR** (YTD range 10.8%) and **NZD/USD** (11.7%) are among the region's most volatile pairs, driven by heightened global risk aversion and ongoing shifts in European fiscal sentiment.
- **USD/CNY** remains the anchor of regional stability, with just a 3.2% YTD range, underscoring ongoing policy-driven suppression of volatility even as other APAC pairs swing sharply.
- The broad decline in the **USD** amplifies volatility in **NZD/EUR** and **NZD/USD** (both with 3.6% and 3.3% respectively 30-day ranges), as expectations for easier Fed policy and commodity currency resilience interact with geopolitical risk.
- As global rate expectations and geopolitical anxieties continue to evolve, expect **AUD** and **NZD** pairs to remain the focal point for volatility, while managed currencies like **CNY** keep a lid on broader spillovers.

Source: Bloomberg, Convera – September 1, 2025

APAC value indicator

Multi-year lows set stage for reversal

Chart: AUD performance versus year-to-date, 1, 2, and 5-year averages

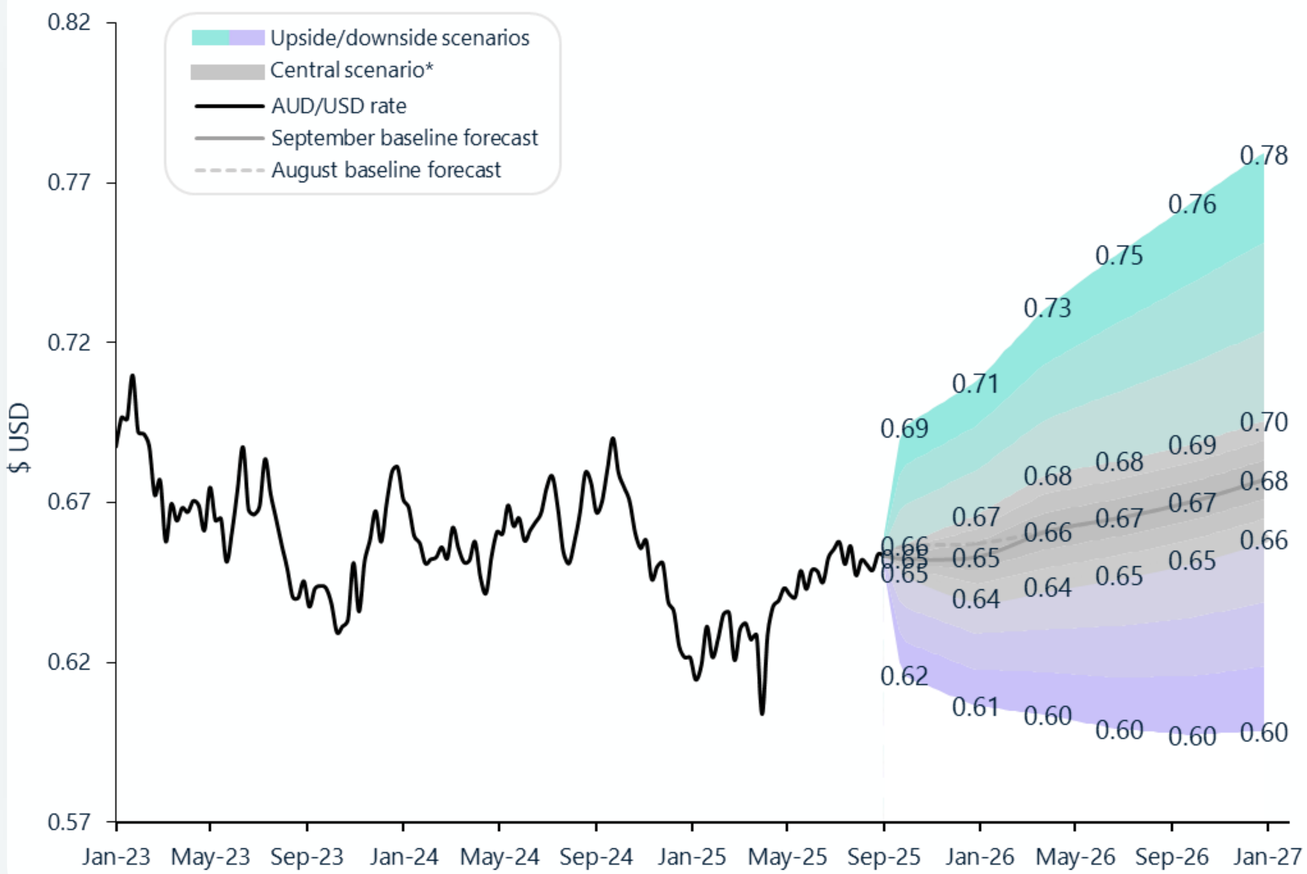
Appreciation Depreciation

	Spot (As of 01.09.2025)	Spot vs YTD average	1-year average	2-year average	5-year average
AUD/USD	0.652	2.1% Avg.: 0.638	1.0% Avg.: 0.645	0.1% Avg.: 0.651	-5.2% Avg.: 0.687
AUD/JPY	96.19	1.6% Avg.: 94.64	0.1% Avg.: 96.05	-1.3% Avg.: 97.49	5.6% Avg.: 91.06
AUD/NZD	1.108	1.3% Avg.: 1.093	1.1% Avg.: 1.095	1.7% Avg.: 1.089	2.3% Avg.: 1.082
AUD/CNY	4.657	0.8% Avg.: 4.618	0.1% Avg.: 4.652	-0.8% Avg.: 4.696	-1.6% Avg.: 4.733
AUD/CAD	0.897	0.3% Avg.: 0.894	-0.4% Avg.: 0.900	0.0% Avg.: 0.896	-1.6% Avg.: 0.911
AUD/SGD	0.838	-0.1% Avg.: 0.838	-1.4% Avg.: 0.849	-3.3% Avg.: 0.866	-9.5% Avg.: 0.925
AUD/GBP	0.484	-0.8% Avg.: 0.487	-2.3% Avg.: 0.495	-4.7% Avg.: 0.507	-9.3% Avg.: 0.533
AUD/EUR	0.559	-2.8% Avg.: 0.575	-4.8% Avg.: 0.587	-6.4% Avg.: 0.597	-10.0% Avg.: 0.621

- **AUD** remains 9.3% below its five-year average versus GBP and 10.0% below its five-year mean against EUR, despite Australia's resilient fundamentals. This persistent gap points to significant mean reversion potential.
- Structural mispricing is most evident in **AUD/EUR** and **AUD/GBP,** as policy divergence widens. The ECB's expected rate cuts contrast with a more hawkish RBA, increasing the likelihood of AUD outperformance.
- **AUD/USD** trades 2.1% above its 2025 YTD average, propelled by ongoing USD softness and shifting global rate expectations. The trend remains constructive for further AUD upside.
- **AUD/CNY** is 0.8% above its YTD average—unique among regional pairs—reflecting the divergence between China's policy easing and Australia's tighter stance.
- The value gap across AUD crosses highlights opportunity for renewed AUD strength as global and regional investors rebalance exposures and the dollar's decline persists.

Note: YTD average refers to the following time periods: 01.01.2025 - 01.09.2025; 1Y: 30.08.2024 - 01.09.2025; 2Y: 01.09.2023 - 01.09.2025; 5Y: 02.09.2020 - 01.09.2025.

AUD/USD future scenarios



Upside scenario: Easing of tariff tensions

- The Australian government plans to boost growth prospects by compensating for cost savings with another significant fiscal easing.
- Easing of tariff tensions supports a rebound in risk assets and helps restore AUD-USD rate differentials to positive levels.

Central scenario: Greenback recovers

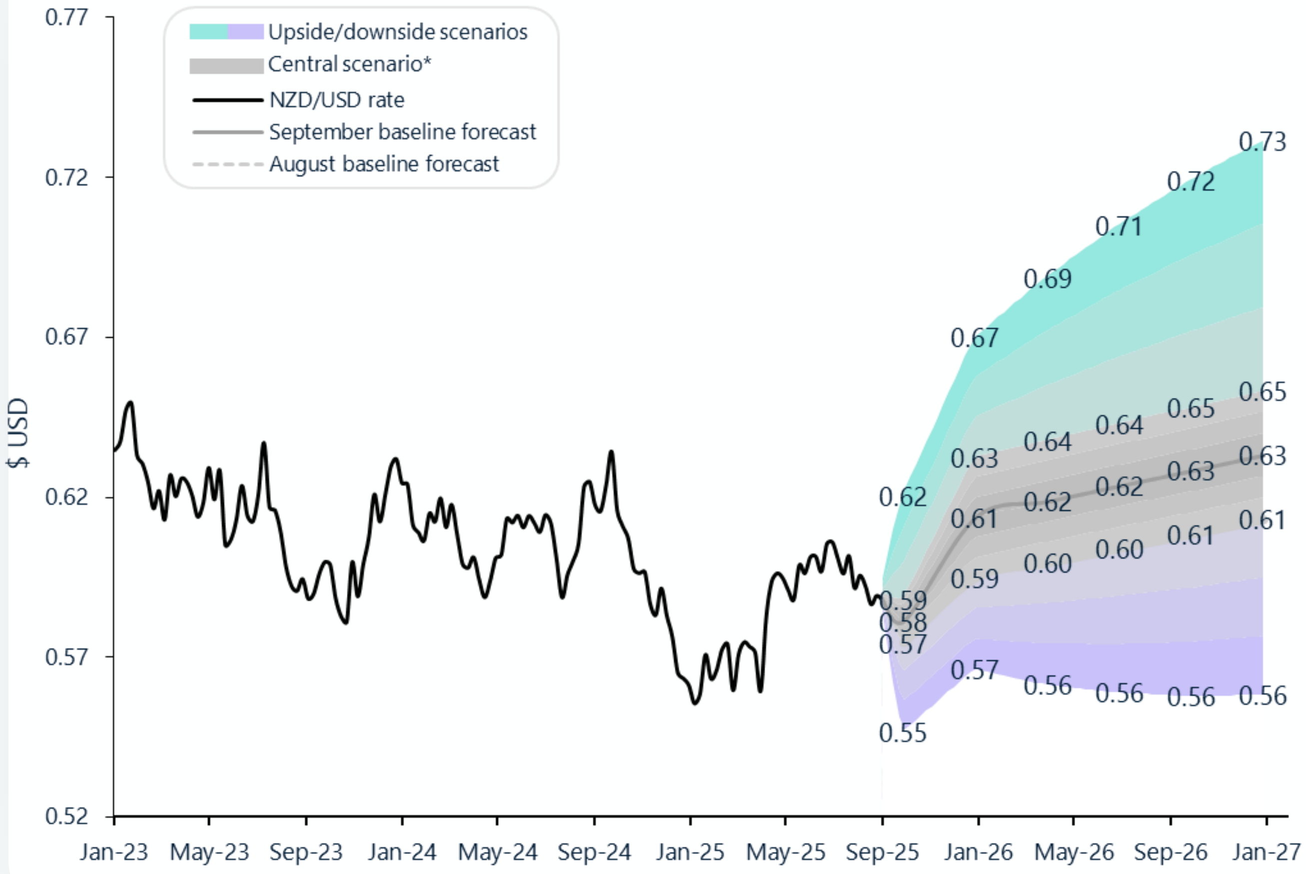
- The Australian dollar might rise in response to the Reserve Bank of Australia's resistance to a worldwide cycle of rate cuts.
- Although the RBA may hold steady in coming meetings, US rates are likely to remain above Australian rates, capping growth in the AUD/USD.

Downside scenario: Escalation of tariffs - too fast too furious

- Escalation of tariffs happens more quickly or widely than anticipated.
- Concentrated weakening in Asian trade and commodities prices is caused by slower global growth.

Chart sources: Oxford Economics, Bloomberg, Convera – September 1, 2025. For more information about the Convera-Oxford Economics economic modelling, framework and methodology used to derive the FX forecast scenarios please contact AskMarketInsights@convera.com
*+/-1 standard deviation from baseline (68% chance rate falls within this range)

NZD/USD future scenarios



Upside scenario: Change in leadership at the RBNZ

- Immigration rises sharply as improving labor market conditions boost confidence.
- A change in leadership at the RBNZ opens the door to easing macroprudential and capital requirements.

Central scenario: NZD susceptible to risk-off events

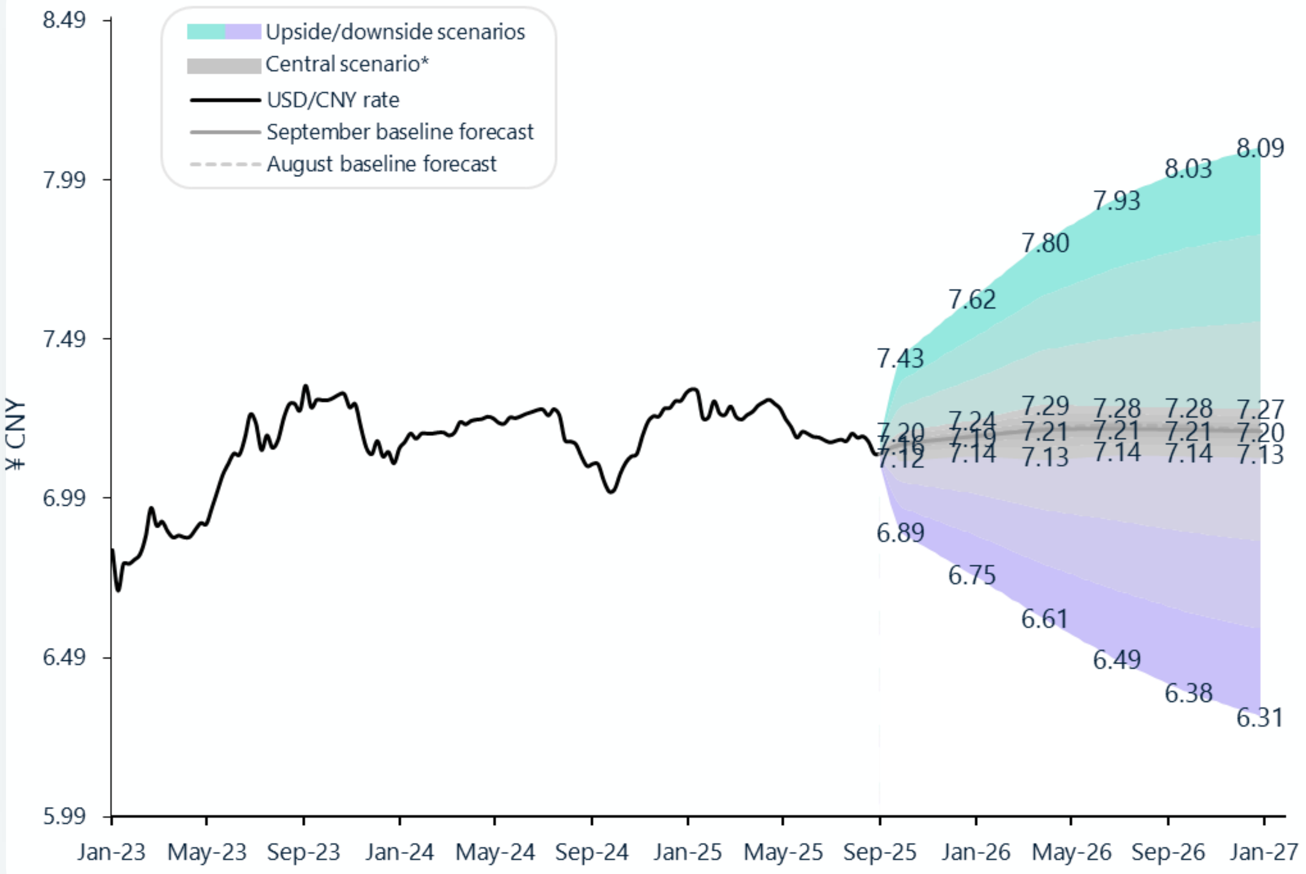
- NZD is still susceptible to any global risk-off events, even if China surprises to the upside.
- A slowdown in growth means commodities remain under pressure with dairy prices key for NZD.

Downside scenario: More aggressive RBNZ easing

- A more expansive and forceful tariff policy.
- When the RBNZ begins to ease, domestic growth stagnates, and a more aggressive policy response is pursued.

Chart sources: Oxford Economics, Bloomberg, Convera – September 1, 2025. For more information about the Convera-Oxford Economics economic modelling, framework and methodology used to derive the FX forecast scenarios please contact AskMarketInsights@convera.com
*+/-1 standard deviation from baseline (68% chance rate falls within this range)

USD/CNY future scenarios



Upside scenario: Higher PBoC tolerance for a yuan that is weaker

- Higher PBoC tolerance for a yuan that is weaker.
- Geopolitical unrest intensifies.

Central scenario: China recovery improves

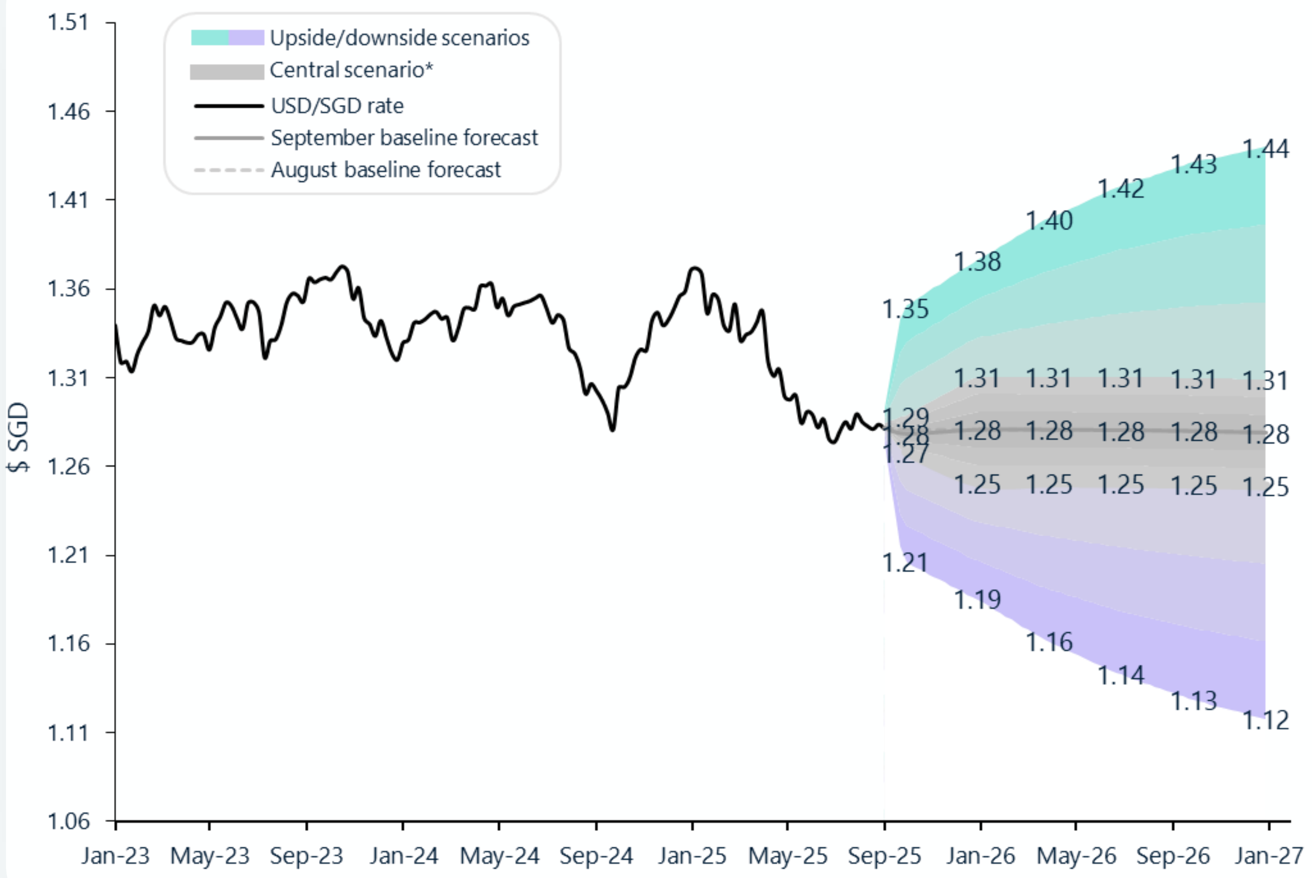
- The Chinese government's recent supportive action to the local economy could see the CNY strengthen.
- Once the Fed confirms a cut in rates, the US dollar might ease.

Downside scenario: Larger-than-expected stimulus from PBoC

- Larger-than-expected stimulus from PBoC.
- The USD could fall if the Fed is forced to cut official interest rates to support the US economy.

Chart sources: Oxford Economics, Bloomberg, Convera – September 1, 2025. For more information about the Convera-Oxford Economics economic modelling, framework and methodology used to derive the FX forecast scenarios please contact AskMarketInsights@convera.com
*+/-1 standard deviation from baseline (68% chance rate falls within this range)

USD/SGD future scenarios



Upside scenario: Global sell-off hits risk

- US equities could turn from higher levels, causing safe-haven FX like the US dollar to gain.
- SGD NEER trades in the top half of the band and poses downside risks to SGD.

Central scenario: Global growth remains underwhelming

- Global trade is likely disappointing as Chinese growth remains sluggish, keeping the USD/SGD near recent highs.
- The USD rises as risk aversion comes to the fore.

Downside scenario: Fed cuts, and fast

- USD might weaken if the Fed is forced to cut official interest rates as the US economy slows.
- An improving global growth outlook could help trade and the SGD.

Chart sources: Oxford Economics, Bloomberg, Convera – September 1, 2025. For more information about the Convera-Oxford Economics economic modelling, framework and methodology used to derive the FX forecast scenarios please contact AskMarketInsights@convera.com
*+/-1 standard deviation from baseline (68% chance rate falls within this range)

NAM currency outlook

NAM volatility analysis

The calm before the storm? FX markets show compressed volatility

Chart: NAM 30-day, year-to-date trading range

Increasing volatility

	Spot	High 30D	Low 30D	High YTD	Low YTD	Trading range 30D	Trading range YTD	Position within the range 30D	Position within the range YTD
GBP/USD	1.349	1.359	1.314	1.378	1.21	3.4%	13.9%	78%	83%
NZD/USD	0.585	0.599	0.58	0.612	0.548	3.3%	11.7%	26%	58%
USD/JPY	147.4	150.9	146.2	158.8	139.8	3.2%	13.6%	26%	40%
EUR/USD	1.163	1.174	1.139	1.182	1.014	3.1%	16.6%	69%	89%
EUR/CAD	1.604	1.622	1.576	1.622	1.468	2.9%	10.5%	61%	88%
USD/MXN	18.65	18.98	18.51	21.29	18.51	2.5%	15.0%	30%	5%
AUD/USD	0.650	0.656	0.641	0.662	0.591	2.3%	12.0%	60%	83%
USD/CHF	0.802	0.817	0.799	0.920	0.787	2.3%	16.9%	17%	11%
USD/CAD	1.379	1.392	1.372	1.479	1.354	1.5%	9.2%	35%	20%
USD/CNY	7.147	7.214	7.13	7.351	7.13	1.2%	3.1%	20%	8%

Source: Bloomberg, Convera – August 28, 2025

- The **GBP/USD** shows strong bullish momentum, trading near its 30-day high (78% into the range) and its YTD high (83% into the range). It was the most volatile pair in August, with a 3.4% 30-day trading range.
- The **EUR/USD** experienced a sharp decline in July, but August brought a rebound. The pair now trades near its 30-day high (69% into the range) and its YTD high (89% into the range), indicating a strong long-term uptrend despite previous volatility.
- The **USD/JPY** and **NZD/USD** both show a bearish bias in August, trading near the bottom of their 30-day ranges (26%). This contrasts with the broader YTD trend for NZD/USD, which is at 58% of its range, suggesting a recent pullback for the kiwi.
- The **USD/CAD** pair's subdued 1.5% 30-day range points to low recent volatility. The pair is currently positioned near its 30-day low (35% into the range) and its YTD low (20% into the range), suggesting continued Canadian dollar strength.
- The **USD/MXN** is near its YTD low (5% into the range), which is a key level to watch for. Although recent volatility has been moderate at 2.5%, its spot is closer to its monthly low (30%), hinting at persistent peso strength.

NAM value indicator

Dollar's rally proves temporary as global currencies rebound

Chart: NAM performance versus year-to-date, 1, 2, and 5-year averages

Appreciation Depreciation

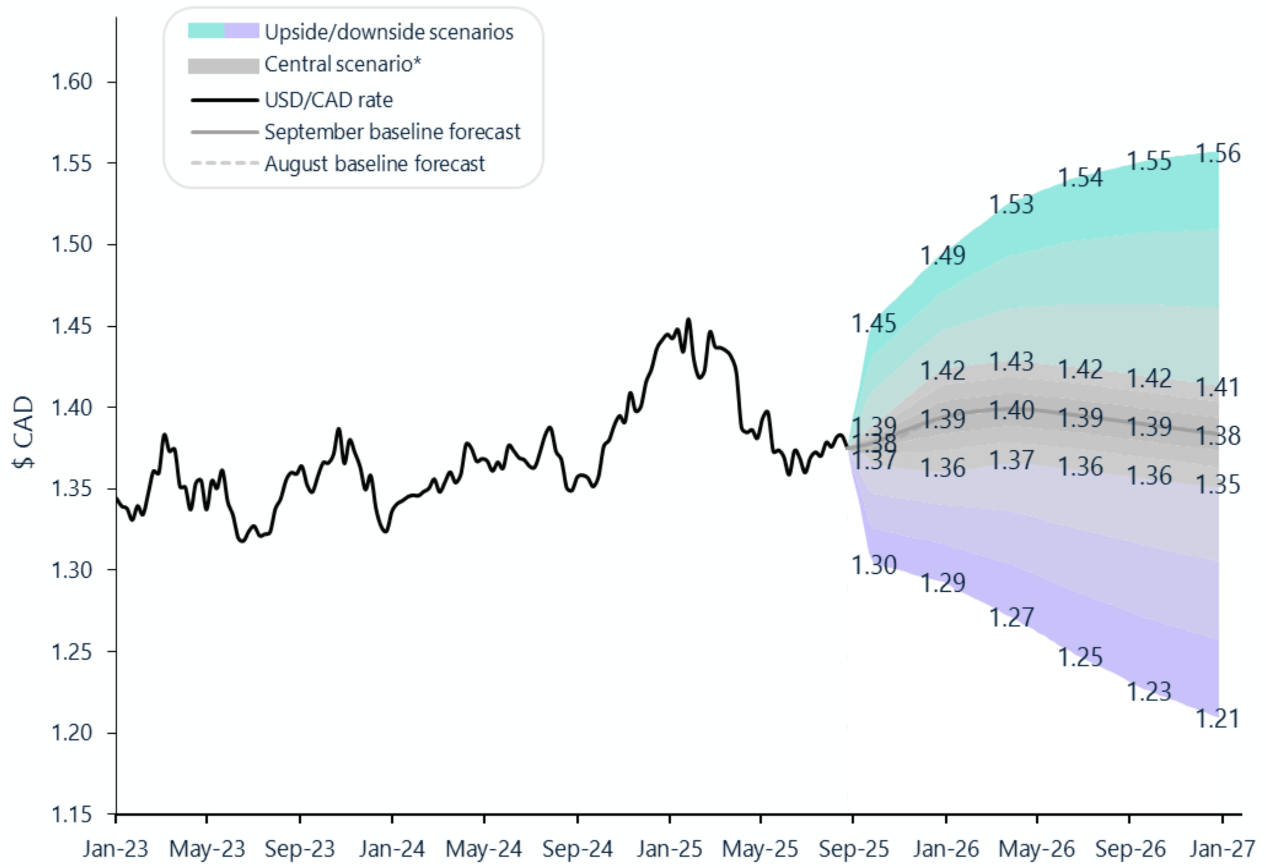
	Spot (As of 28.08.2025)	Spot vs			
		YTD average	1-year average	2-year average	5-year average
EUR/USD	1.163	4.7% Avg.: 1.110	5.7% Avg.: 1.100	6.7% Avg.: 1.090	5.0% Avg.: 1.107
EUR/CAD	1.604	3.2% Avg.: 1.554	4.6% Avg.: 1.534	6.8% Avg.: 1.502	9.1% Avg.: 1.469
GBP/USD	1.349	3.0% Avg.: 1.309	3.4% Avg.: 1.304	5.2% Avg.: 1.282	4.6% Avg.: 1.289
AUD/USD	0.650	1.8% Avg.: 0.638	0.7% Avg.: 0.645	-0.2% Avg.: 0.651	-5.5% Avg.: 0.688
NZD/USD	0.585	0.1% Avg.: 0.584	-0.8% Avg.: 0.589	-2.1% Avg.: 0.597	-8.0% Avg.: 0.636
USD/JPY	147.4	-0.6% Avg.: 148.2	-1.0% Avg.: 148.8	-1.6% Avg.: 149.7	10.6% Avg.: 133.3
USD/CAD	1.379	-1.6% Avg.: 1.400	-1.2% Avg.: 1.395	0.1% Avg.: 1.378	3.8% Avg.: 1.328
USD/MXN	18.65	-5.1% Avg.: 19.65	-5.6% Avg.: 19.75	0.2% Avg.: 18.60	-3.4% Avg.: 19.30

The US dollar has resumed its downtrend in August after a brief recovery in July. This trend is visible across major currencies. Factors like slowing US growth, persistent inflation worries, and a potential narrowing of interest rate differentials are contributing to this weakness.

- The **EUR/USD** has continued its strong performance in August. Despite experiencing a "sharp drop," in July, the Euro is still well-supported, trading way above its YTD and 1-year averages. The **EUR/CAD** confirmed the CAD's weakness in August. The 5-year average is now 9.1%, significantly higher than the previous month's 8.4%, suggesting a steeper long-term trend of Euro strength.
- While the **USD/CAD** has demonstrated short-term strength, indicated by the spot rate being below its YTD and 1-year averages, the US dollar's long-term resilience is highlighted by the 3.8% gain over the 5-year average. This suggests a more balanced struggle between the two currencies.
- **USD/MXN** continues to show persistent and broad-based strength, with the pair trading well below all historical averages. The peso's resilience is likely fueled by attractive carry returns and foreign investment.

Source: Bloomberg, Convera – August 28, 2025. Note: YTD average refers to the following time periods: 01.01.2025 - 26.02.2025; 1Y: 27.02.2024 - 26.02.2025; 2Y: 27.02.2023 - 26.02.2025; 5Y: 28.02.2020 - 26.02.2025.

USD/CAD future scenarios



Upside scenario: Dovish BoC, cautious Fed, tariffs higher for longer

- Fed remains hawkish despite softer macro data, BoC is forced to keep cutting rates due to tariffs weighing more heavily than expected on the economy with no end in sight for CUSMA/USMCA re-negotiations.
- Prolonged trade tariffs negotiations/recession, pushes the CAD above 1.42.

Central scenario: Fed cuts rates once in 2025, room for CUSMA renegotiation before mid 2026, USD remains supported

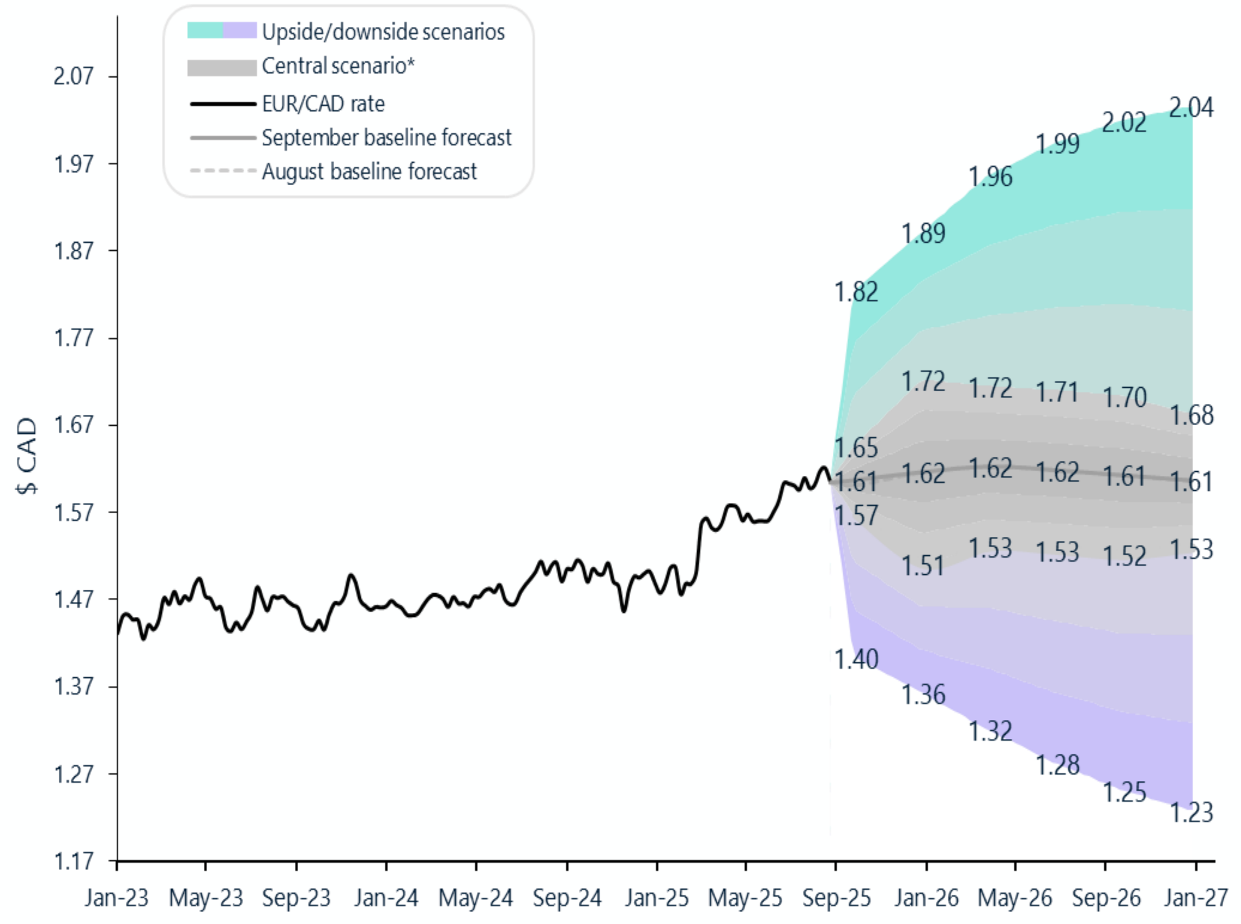
- The baseline forecast holds, with one Fed cut anticipated in the second half of the year and tariff-premia priced in.
- Lingering upside risks to inflation, despite the weakening US labor market, means the USD remains supported. Fiscal stimulus seen dollar positive and markets wait for regional trade resolution.

Downside scenario: US dollar weakens, Canadian economy proves resilient, hopes of CUSMA deal negotiated before 2025

- US dollar weakness supports USD/CAD momentum below 1.36.
- Fed delivers a more aggressive cutting cycle as US labor market weakens, reducing the US dollar interest rate differential. Canada and US formally start early CUSMA negotiation.
- The BoC ends easing cycle and shifts focus from growth to inflation.

Chart sources: Oxford Economics, Bloomberg, Convera – August 29, 2025. For more information about the Convera-Oxford Economics economic modelling, framework and methodology used to derive the FX forecast scenarios please contact AskMarketInsights@convera.com
*+/-1 standard deviation from baseline (68% chance rate falls within this range)

EUR/CAD future scenarios



Upside scenario: Dovish BoC, cautious ECB, tariffs higher for longer

- ECB ends easing cycle, BoC is forced to keep cutting rates due to tariffs weighing more heavily than expected on the economy with no end in sight for CUSMA re-negotiations. Soft dollar supports EUR momentum.
- Prolonged trade tariffs negotiations/recession push the EUR/CAD above 1.67.

Central scenario: ECB continues easing cycle, room for CUSMA renegotiation before mid 2026

- The baseline forecast holds, with one ECB cut anticipated in the second half of the year and tariff-premia already priced in.
- Euro remains supported despite regional turmoil and fiscal worries in France. EUR holds on to gains, CAD stays close to fair value vs USD.

Downside scenario: EUR weakens, hopes of new CUSMA deal negotiated before end of 2025

- EUR weakens; US dollar recovers. EUR economy deteriorates supporting EUR/CAD below 1.53.
- Fed delivers a more aggressive cutting cycle as US labor market weakens, reducing the US dollar interest rate differential. Global rates converge and Canada starts early CUSMA negotiation with US administration.
- The BoC ends easing cycle and shifts focus from growth to inflation.

Chart sources: Oxford Economics, Bloomberg, Convera – August 29, 2025. For more information about the Convera-Oxford Economics economic modelling, framework and methodology used to derive the FX forecast scenarios please contact AskMarketInsights@convera.com
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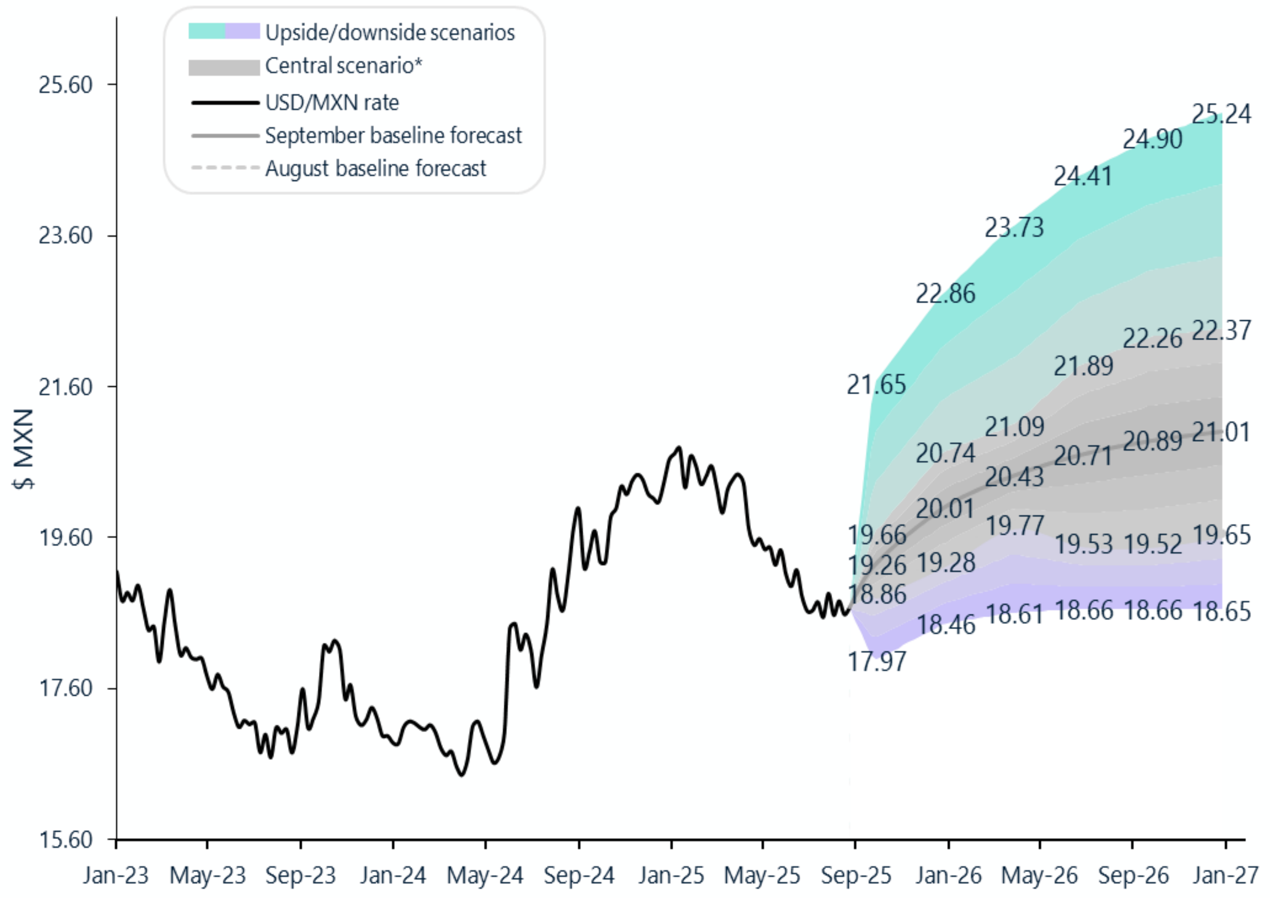
USD/MXN future scenarios



Upside scenario: Dovish Banxico, cautious Fed, tariffs higher for longer

- Fed remains hawkish despite softer macro data.
- Banxico is forced to keep cutting rates due to tariffs weighing more heavily than expected on the economy with no end in sight for CUSMA re-negotiations.

Central scenario: Regional growth supports MXN, room for CUSMA renegotiation before mid 2026

- Strong growth prospects for both the US and Mexico, usually more positive for the economically-sensitive MXN. Bid for local emerging market assets hold in 2H, supporting high carry currencies such as the Peso.
- Banxico continues policy easing as expected, with inflation stable and CUSMA talks anticipated before end of 2025.

Downside scenario: Demand for EM/Latam currencies supports Peso.

- US dollar weakness supports USD/MXN below 18.6 level.
- Fed delivers one rate cut in the second half of 2025. Demand for EM/Latam expands in 2H.
- CUSMA re-negotiation begins with tariff resolution in sight; Banxico ends easing cycle on target rate (~6.5%).

Chart sources: Oxford Economics, Bloomberg, Convera – August 29, 2025. For more information about the Convera-Oxford Economics economic modelling, framework and methodology used to derive the FX forecast scenarios please contact AskMarketInsights@convera.com
*+/-1 standard deviation from baseline (68% chance rate falls within this range)

International strategy

Considerations for global businesses

Currency volatility

What if we continue to see material 5-10% shifts in your key exchange rates, or your target rate stays at levels significantly above or below your budgeted level?

Risk management

Talk to us about our full range of currency risk management tools^.

Geopolitics

What if your industry, or specific country of interest remains exposed to supply chain risks, whilst pressures to diversify and speed up delivery remains high?

Diversification

Talk to us about our trade solutions and how we help organizations accelerate payment speed or diversify into alternative markets.

We support 140 currencies and operate across 200 countries and territories.

Sanctions

What if factors like sanctions escalate, and your payment and regulatory complexities increase? Is managing reputational risks and customer experience related to global payments important to you?

Efficiency and security

Talk to us about our automated global payment solutions, compliance controls and fraud prevention measures.

We invest annually in managing compliance and regulations globally.

^Options products are not available in Hong Kong.
*Certain hedging products are not available in all countries. For more information on availability, contact AskMarketInsights@Convera.com

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Appendix

Future scenarios

	Scenarios	2025 Q3	2025 Q4	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q1	2027 Q2	2027 Q3
GBP/USD	High	1.430	1.444	1.466	1.483	1.496	1.505	1.510	1.511	1.511
	Baseline + σ	1.352	1.384	1.374	1.374	1.375	1.375	1.375	1.376	1.386
	Baseline	**1.342**	**1.334**	**1.334**	**1.334**	**1.335**	**1.335**	**1.335**	**1.336**	**1.336**
	Baseline - σ	1.332	1.284	1.294	1.294	1.295	1.295	1.295	1.296	1.286
	Low	1.255	1.224	1.202	1.186	1.174	1.165	1.161	1.160	1.161
GBP/EUR	High	1.329	1.369	1.412	1.442	1.466	1.482	1.491	1.492	1.492
	Baseline + σ	1.186	1.261	1.238	1.238	1.238	1.225	1.224	1.224	1.247
	Baseline	**1.151**	**1.149**	**1.149**	**1.149**	**1.149**	**1.150**	**1.149**	**1.149**	**1.149**
	Baseline - σ	1.115	1.036	1.059	1.059	1.059	1.074	1.073	1.073	1.050
	Low	0.999	0.966	0.937	0.917	0.902	0.891	0.886	0.885	0.885
GBP/JPY	High	230.5	243.2	255.1	262.5	267.8	271.1	272.2	271.1	269.3
	Baseline + σ	200.6	212.5	211.8	211.8	210.4	208.9	209.6	209.7	209.5
	Baseline	**196.3**	**198.5**	**199.5**	**198.5**	**197.5**	**196.3**	**195.0**	**193.5**	**191.9**
	Baseline - σ	191.9	184.4	187.1	185.1	184.5	183.6	180.3	177.2	174.2
	Low	171.5	166.3	160.2	154.1	149.2	145.4	142.7	141.1	139.8
GBP/AUD	High	2.322	2.381	2.430	2.476	2.504	2.514	2.502	2.474	2.448
	Baseline + σ	2.086	2.160	2.133	2.121	2.105	2.086	2.059	2.031	2.035
	Baseline	**2.058**	**2.042**	**2.018**	**2.006**	**1.991**	**1.972**	**1.946**	**1.919**	**1.895**
	Baseline - σ	2.029	1.923	1.902	1.890	1.876	1.857	1.832	1.806	1.754
	Low	1.809	1.730	1.644	1.586	1.537	1.496	1.460	1.434	1.414

Chart sources: Oxford Economics, Bloomberg, Convera – August 29, 2025. For more information about the Convera-Oxford Economics economic modelling, framework and methodology used to derive the FX forecast scenarios please contact AskMarketInsights@convera.com

*+/-1 standard deviation from baseline (68% chance rate falls within this range)

Future scenarios

	Scenarios	2025 Q3	2025 Q4	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q1	2027 Q2	2027 Q3
EUR/USD	High	1.255	1.266	1.282	1.293	1.301	1.307	1.310	1.311	1.311
	Baseline + σ	1.186	1.21	1.2	1.2	1.201	1.191	1.191	1.191	1.202
	Baseline	**1.166**	**1.160**	**1.160**	**1.160**	**1.161**	**1.161**	**1.161**	**1.161**	**1.162**
	Baseline - σ	1.146	1.11	1.12	1.12	1.121	1.131	1.131	1.131	1.122
	Low	1.076	1.054	1.038	1.028	1.020	1.015	1.012	1.012	1.012
EUR/GBP	High	1.000	1.034	1.067	1.090	1.108	1.121	1.128	1.129	1.129
	Baseline + σ	0.889	0.940	0.925	0.925	0.925	0.918	0.918	0.918	0.932
	Baseline	**0.868**	**0.869**	**0.869**	**0.869**	**0.869**	**0.869**	**0.869**	**0.869**	**0.869**
	Baseline - σ	0.846	0.797	0.812	0.812	0.812	0.819	0.819	0.819	0.805
	Low	0.752	0.729	0.707	0.693	0.682	0.674	0.670	0.669	0.669
EUR/CHF	High	1.097	1.124	1.144	1.157	1.170	1.178	1.182	1.183	1.183
	Baseline + σ	0.962	1.025	1.012	1.010	0.998	0.988	0.989	1.001	1.010
	Baseline	**0.935**	**0.937**	**0.932**	**0.930**	**0.930**	**0.929**	**0.930**	**0.930**	**0.930**
	Baseline - σ	0.907	0.848	0.851	0.849	0.861	0.869	0.870	0.858	0.849
	Low	0.787	0.767	0.741	0.727	0.717	0.711	0.707	0.707	0.707
EUR/CNY	High	9.336	9.644	9.998	10.25	10.44	10.58	10.64	10.64	10.62
	Baseline + σ	8.538	8.754	8.744	8.739	8.737	8.661	8.685	8.715	8.794
	Baseline	**8.348**	**8.335**	**8.360**	**8.367**	**8.365**	**8.362**	**8.351**	**8.333**	**8.316**
	Baseline - σ	8.157	7.915	7.975	7.994	7.992	8.062	8.016	7.950	7.837
	Low	7.409	7.118	6.867	6.669	6.513	6.404	6.335	6.307	6.292

Chart sources: Oxford Economics, Bloomberg, Convera – August 29, 2025. For more information about the Convera-Oxford Economics economic modelling, framework and methodology used to derive the FX forecast scenarios please contact AskMarketInsights@convera.com
*+/-1 standard deviation from baseline (68% chance rate falls within this range)

Future scenarios

	Scenarios	2025 Q3	2025 Q4	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q1	2027 Q2	2027 Q3
EUR/CZK	High	29.06	29.62	30.31	30.71	30.96	31.09	31.08	30.95	30.82
	Baseline + σ	25.61	27.14	26.79	26.67	26.55	26.21	26.18	26.01	26.28
	Baseline	**24.66**	**24.60**	**24.65**	**24.67**	**24.65**	**24.58**	**24.49**	**24.36**	**24.24**
	Baseline - σ	23.70	22.05	22.50	22.66	22.74	22.94	22.79	22.70	22.19
	Low	20.62	20.04	19.57	19.29	19.05	18.84	18.68	18.56	18.45
EUR/PLN	High	4.961	5.101	5.227	5.308	5.367	5.401	5.414	5.409	5.400
	Baseline + σ	4.401	4.666	4.619	4.610	4.586	4.579	4.582	4.622	4.761
	Baseline	**4.257**	**4.276**	**4.280**	**4.283**	**4.283**	**4.278**	**4.270**	**4.262**	**4.254**
	Baseline - σ	4.112	3.885	3.940	3.955	3.979	3.976	3.957	3.901	3.746
	Low	3.606	3.523	3.428	3.368	3.322	3.285	3.261	3.252	3.245
USD/CZK	High	23.14	23.39	23.63	23.74	23.79	23.78	23.71	23.60	23.49
	Baseline + σ	21.6	22.43	22.32	22.21	22.11	22.01	21.97	21.83	21.87
	Baseline	**21.15**	**21.20**	**21.24**	**21.25**	**21.23**	**21.17**	**21.08**	**20.97**	**20.86**
	Baseline - σ	20.7	19.97	20.16	20.29	20.35	20.33	20.19	20.11	19.85
	Low	19.16	19.01	18.85	18.76	18.66	18.56	18.44	18.33	18.22
USD/PLN	High	3.951	4.029	4.075	4.104	4.123	4.132	4.131	4.124	4.117
	Baseline + σ	3.711	3.855	3.848	3.84	3.819	3.844	3.846	3.878	3.961
	Baseline	**3.651**	**3.685**	**3.688**	**3.690**	**3.689**	**3.684**	**3.676**	**3.668**	**3.661**
	Baseline - σ	3.591	3.515	3.528	3.54	3.559	3.524	3.506	3.458	3.361
	Low	3.350	3.342	3.301	3.276	3.255	3.236	3.221	3.212	3.204

Chart sources: Oxford Economics, Bloomberg, Convera – August 29, 2025. For more information about the Convera-Oxford Economics economic modelling, framework and methodology used to derive the FX forecast scenarios please contact AskMarketInsights@convera.com
*+/-1 standard deviation from baseline (68% chance rate falls within this range)

Future scenarios

	Scenarios	2025 Q3	2025 Q4	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q1	2027 Q2	2027 Q3
	High	0.693	0.707	0.731	0.747	0.763	0.779	0.795	0.809	0.821
	Baseline + σ	0.656	0.665	0.678	0.682	0.687	0.695	0.704	0.715	0.728
AUD/USD	**Baseline**	**0.652**	**0.653**	**0.661**	**0.665**	**0.670**	**0.677**	**0.686**	**0.696**	**0.704**
	Baseline - σ	0.647	0.640	0.643	0.647	0.652	0.658	0.667	0.676	0.679
	Low	0.615	0.606	0.603	0.599	0.597	0.598	0.603	0.610	0.617
	High	0.644	0.671	0.704	0.727	0.748	0.767	0.785	0.799	0.810
	Baseline + σ	0.557	0.563	0.583	0.587	0.591	0.601	0.608	0.617	0.627
AUD/EUR	**Baseline**	**0.559**	**0.562**	**0.569**	**0.573**	**0.577**	**0.583**	**0.590**	**0.599**	**0.606**
	Baseline - σ	0.560	0.560	0.554	0.558	0.562	0.564	0.571	0.580	0.584
	Low	0.490	0.478	0.470	0.463	0.458	0.457	0.460	0.465	0.470
	High	1.269	1.249	1.302	1.337	1.368	1.395	1.418	1.433	1.442
	Baseline + σ	1.142	1.118	1.130	1.128	1.129	1.132	1.138	1.153	1.164
AUD/NZD	**Baseline**	**1.122**	**1.064**	**1.068**	**1.066**	**1.066**	**1.069**	**1.074**	**1.080**	**1.083**
	Baseline - σ	1.101	1.009	1.005	1.003	1.002	1.005	1.009	1.006	1.001
	Low	0.992	0.905	0.876	0.849	0.830	0.818	0.813	0.814	0.813
	High	5.157	5.389	5.699	5.930	6.129	6.305	6.459	6.568	6.650
	Baseline + σ	4.727	4.817	4.943	4.970	5.006	5.055	5.138	5.232	5.338
AUD/CNY	**Baseline**	**4.671**	**4.692**	**4.763**	**4.795**	**4.829**	**4.875**	**4.933**	**4.993**	**5.044**
	Baseline - σ	4.614	4.566	4.582	4.619	4.651	4.694	4.727	4.753	4.749
	Low	4.240	4.095	3.991	3.886	3.812	3.776	3.776	3.805	3.836

Chart sources: Oxford Economics, Bloomberg, Convera – August 29, 2025. For more information about the Convera-Oxford Economics economic modelling, framework and methodology used to derive the FX forecast scenarios please contact AskMarketInsights@convera.com
*+/-1 standard deviation from baseline (68% chance rate falls within this range)

Future scenarios

	Scenarios	2025 Q3	2025 Q4	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q1	2027 Q2	2027 Q3
USD/CAD	High	1.452	1.494	1.525	1.541	1.552	1.557	1.558	1.553	1.548
	Baseline + σ	1.388	1.423	1.428	1.424	1.419	1.413	1.408	1.402	1.396
	Baseline	**1.378**	**1.393**	**1.398**	**1.394**	**1.389**	**1.383**	**1.378**	**1.372**	**1.366**
	Baseline - σ	1.368	1.363	1.368	1.364	1.359	1.353	1.348	1.342	1.336
	Low	1.304	1.293	1.271	1.247	1.226	1.209	1.198	1.191	1.185
USD/MXN	High	21.64	22.85	23.72	24.41	24.89	25.23	25.44	25.54	25.57
	Baseline + σ	19.66	20.74	21.08	21.89	22.26	22.37	22.41	22.41	22.47
	Baseline	**19.26**	**20.01**	**20.42**	**20.71**	**20.89**	**21.01**	**21.10**	**21.15**	**21.18**
	Baseline - σ	18.86	19.28	19.76	19.53	19.52	19.65	19.79	19.89	19.89
	Low	17.97	18.45	18.60	18.65	18.65	18.64	18.66	18.69	18.72
USD/JPY	High	161.1	168.4	173.9	176.9	179.0	180.1	180.2	179.4	178.1
	Baseline + σ	148.3	153.6	154.1	154.0	153.0	151.9	152.2	152.4	151.1
	Baseline	**146.2**	**148.8**	**149.5**	**148.7**	**147.9**	**147.0**	**145.9**	**144.8**	**143.6**
	Baseline - σ	144.0	144	144.8	143.3	142.7	142.0	139.5	137.1	136.0
	Low	136.6	135.8	133.3	129.9	127.1	124.7	122.9	121.6	120.4
USD/CNY	High	7.434	7.617	7.795	7.930	8.027	8.093	8.122	8.114	8.098
	Baseline + σ	7.2	7.235	7.285	7.278	7.275	7.27	7.289	7.312	7.316
	Baseline	**7.16**	**7.185**	**7.205**	**7.208**	**7.205**	**7.200**	**7.189**	**7.172**	**7.156**
	Baseline - σ	7.12	7.135	7.125	7.138	7.135	7.13	7.089	7.032	6.996
	Low	6.885	6.752	6.614	6.486	6.382	6.307	6.256	6.229	6.213

Chart sources: Oxford Economics, Bloomberg, Convera – August 29, 2025. For more information about the Convera-Oxford Economics economic modelling, framework and methodology used to derive the FX forecast scenarios please contact AskMarketInsights@convera.com
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