

Research Markets Outlook

6 July 2026

Signs of life

- **Recovery indicators make an appearance**
- **Business confidence jumps**
- **So too the consumer equivalent**
- **Building permits on the up**
- **Net migration turns the corner**

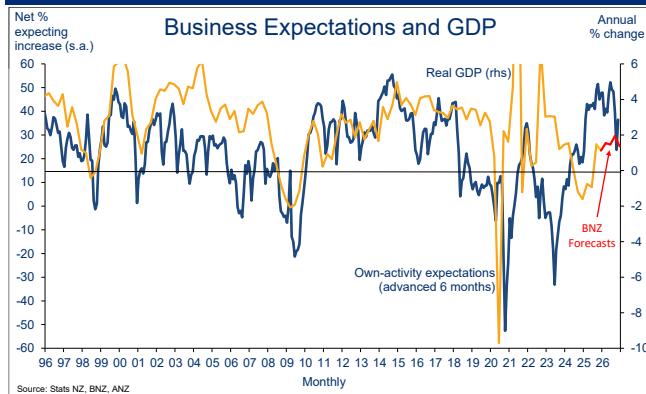
We published our preview of the July 8 Monetary Policy Review last week so we won't repeat our thoughts in detail again. To summarise, however:

- We think the RBNZ raises the cash rate 25 basis points to 2.5% and signals a modest tightening bias.
- Inflation concerns are far from dead, so it makes no sense to maintain extremely stimulatory monetary policy.
- Nearly everyone concurs that rates will need to rise from here so why wait.

One of the overarching themes we have been running is that signs of an economic recovery are emerging and should gain momentum as the pressure on real disposable incomes from fuel prices abates. Over the last week there have been several partial indicators that support this. In particular, the business and consumer confidence indicators released by the ANZ.

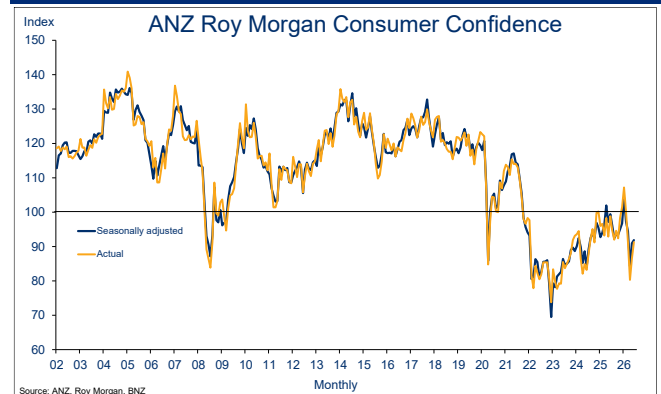
The business own-activity indicator indicated a net 36.6% of companies now think their output will increase. This is a sharp jump from the 10.0% a month earlier and the -10% reading of two months ago. Importantly, hiring intentions, investment intentions, export intentions and profit expectations all rose.

Business hopes rise



And for consumers, as expected, confidence also jumped in June reflecting easing pressure on the wallet as fuel prices dropped. The June reading in the ANZ-Roy Morgan survey was 91.3, up from 86.5 a month earlier and a low of 80.3 in April.

Consumers less miserable



Of course, the big question is can the upward momentum be maintained once fuel prices stop falling? For now, though, the expectations data are certainly positive.

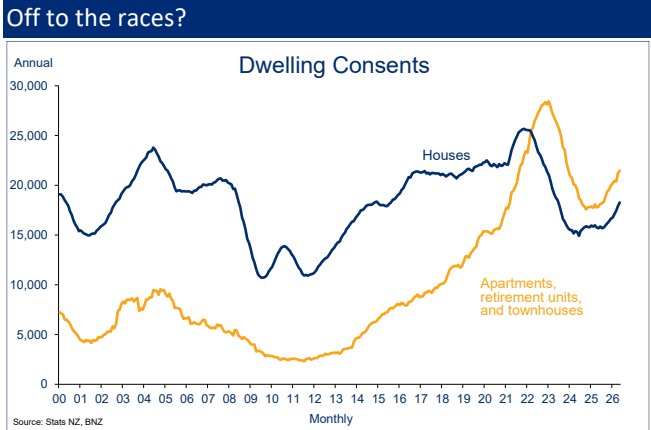
Inflation expectations declined in both the consumer and business confidence surveys. This will be heartening for the central bank. But while the direction is laudable, both groups still have inflation expectations that are inconsistent with the Bank getting inflation to the mid-point of its target band.

Inflation expectations reverse

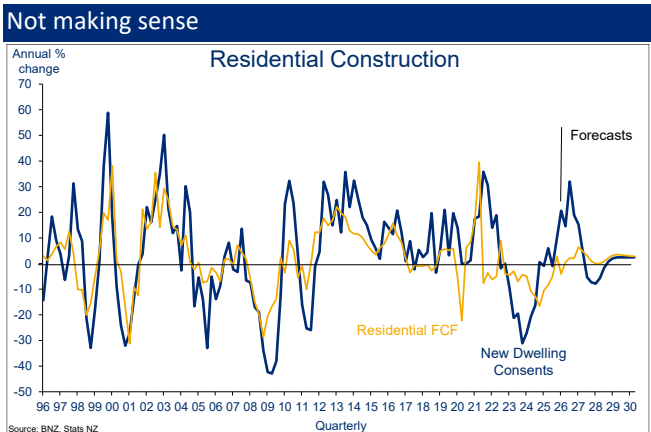


More good news on the growth front over the last week came by way of the latest residential building permits authorised. Sure, they dipped 4.0% in the month of May, on a seasonally adjusted basis, but this followed an 11.1% hike in the previous month. And despite the monthly fall, permits were up 20.6% over May 2025. The annual running total of 39,737 was 18.5% up on the previous year and the highest since October 2023.

Both multi-unit dwellings and standalone houses are rising at a similar pace.



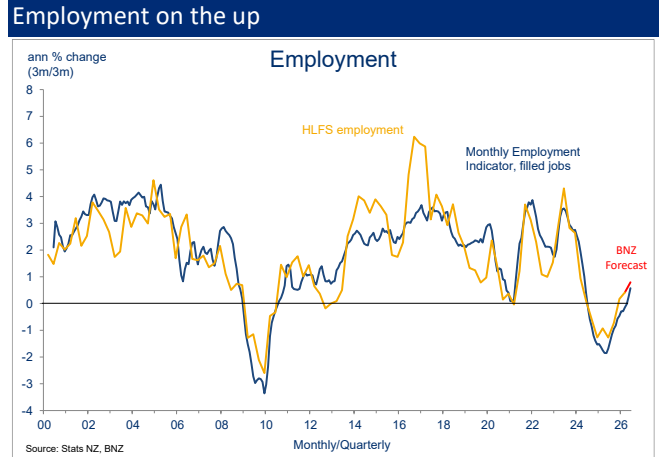
We are a little perplexed by the strength in these data as they do not fit with the anecdotal evidence we are hearing from builders. Moreover, there seems to be a breakdown between consents and work put in place.



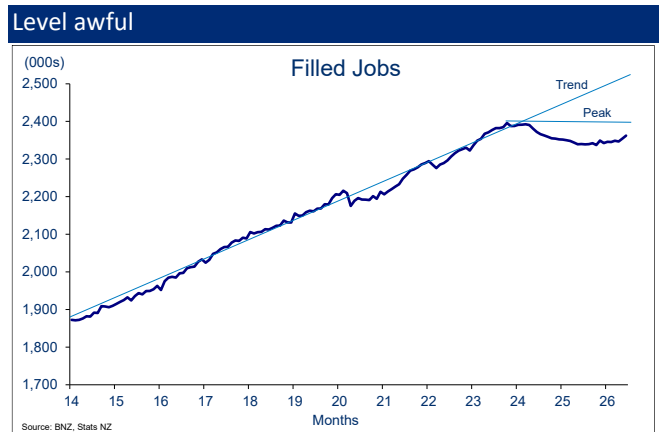
Initially, we thought the strength might be due to one or two exceptional regions. But it appears not to be the case. It comes as no surprise to us to hear that new homes consented in the year ended May 2026 (compared with the previous year) were up 30% in Canterbury. But the 22% increase for Auckland and 17% increase for Wellington leave us scratching our heads.

Whatever the reason, these data suggest we should be optimistic for the state of the sector going forward.

Of wider interest to us is the pick-up in hiring intentions and job ads that we are seeing. There is even a definite improvement occurring in filled jobs. The level of jobs being created is still modest, but the trajectory is positive and it's a far cry from the outright reduction in jobs reported for most of the last two years. And this despite the restructuring in the state sector and the partly oil-induced stalling in economic output through Q2.

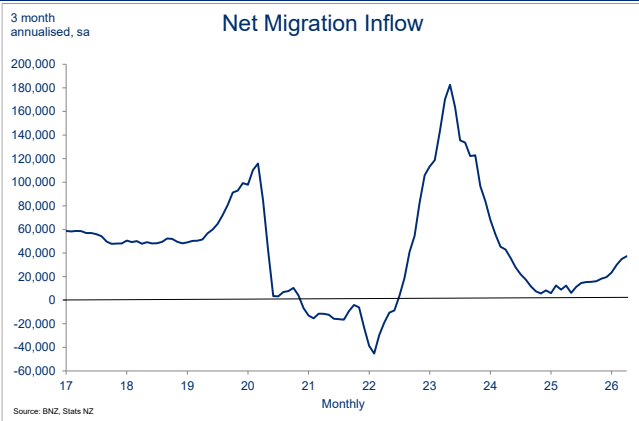


The pace of growth is not likely to be sufficient to stop the unemployment rate from rising, but it is a step in the right direction. We are also quick to point out that the level of employment is confronting, given that it is no higher than where it was back in March 2023, and well below where trend growth might have expected it to be.



Against this backdrop, it is ironic that one of the reasons job growth may fail to meet labour force growth is because net migration appears to have turned the corner. In the year to April a net 18,273 people migrated to New Zealand. Moreover, if the current monthly pace continues, this net inflow will rise relatively quickly to around 36,000. While not great for the current unemployed in the short term, rising population growth is another reason to believe growth can pick up eventually and, in due course, increase the demand for labour.

Brain drain reversing?

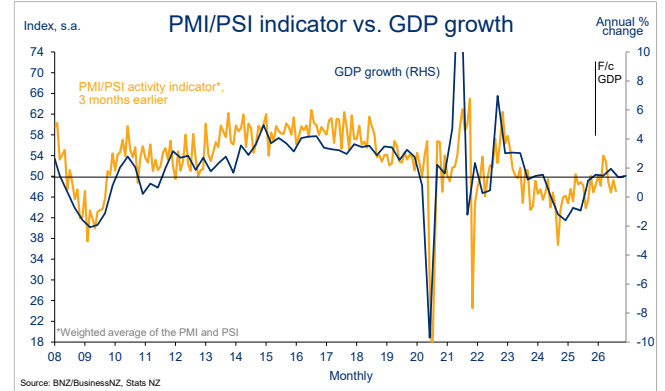


So, all in all, there are certainly signs of life, over and above that directly linked to the primary sector.

In the week ahead we will get more insight into what is happening now rather than what might happen. On Thursday we get the latest instalment of our own Performance of Manufacturing data. The Performance of Services follows on Monday July 13. It might be a bit early

to expect these indicators to turn, as they are coincident not leading indicators. That said, we will want to see some improvement in these data soon if our expectation for a slight pick-up in activity in the third quarter are to be supported.

Looking for an uplift



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Global Watch

- **RBNZ decision a feature**
- **RBA's Hunter talks supply shocks**
- **Chinese inflation data due**
- **FOMC minutes awaited**
- **Trump at NATO summit**

A very quiet week on the international data front. So much so that the RBNZ's announcement on Wednesday could well be the focal point for many.

Across the Tasman, RBA Assistant Governor Hunter speaks at the Australian Conference of Economists at 1.00pm NZT Wednesday in a session on understanding supply shocks and their implications for monetary policy. It will be interesting to see how this matches up with a similar speech from Paul Conway in New Zealand on July 14.

Apart from this, the data calendar is light and far from top-tier. The Melbourne Institute inflation gauge and ANZ-Indeed Job Ads (both Monday) are followed by Q1 building activity on Wednesday.

In Asia, Japan's labour cash earnings (Tuesday) will be watched as a firming in the wage-price cycle is a condition for further BoJ tightening. Household spending (Tuesday) and machine tool orders (Thursday) are the notable activity indicators alongside the PPI (Friday). For China, the CPI and PPI (both Thursday) update the inflation picture. Credit data are due in the week from Thursday.

ISM Services (Monday) and the May trade balance (Tuesday) are the only notable data reads in the United States. Wednesday's FOMC Minutes should reinforce June's hawkish pivot but may be shorter or less detailed given Warsh's communication strategy. The Fed's Williams participates in a market liquidity panel (Thursday).

In Canada, labour market data arrive Friday.

It's a busy week for central bank speakers in Europe. ECB's Schnabel and Chief Economist Lane are among those making comments. BoE's Breeden speaks in New York (Thursday). There are no important data releases besides retail sales (Monday).

The NATO Summit convenes in Ankara (Tuesday–Wednesday), where leaders including US President Trump will discuss defence spending commitments and support for Ukraine. OPEC+ meets (virtually) on Sunday.

Key Event Previews

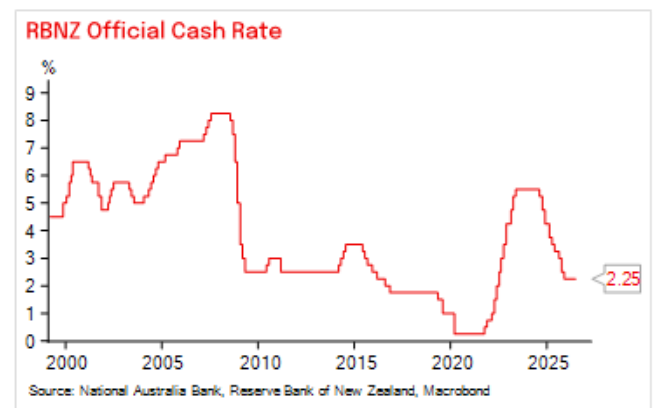
Wednesday

NZ RBNZ Rate Decision

We expect the RBNZ to raise the cash rate 25 basis points to 2.50% at the July 8 Monetary Policy Review. A 25bp increase is 70% priced and the expectation of a slight majority of analysts, the minority look for a hold.

We are strongly of the view the cash rate needs to get back to neutral relatively quickly to ensure stimulatory monetary policy does not add to inflation; once there, the RBNZ can ponder the nature of inflationary pressure and determine what to do next.

The end of the regional conflict and notable labour market weakness may create extra caution. Nonetheless, we are keeping with our projection of further rate increases after July, though the cash rate peak may ultimately end up lower than we are currently forecasting.



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Fixed Interest Market

Reuters: BNZL, BNZM Bloomberg:BNZ

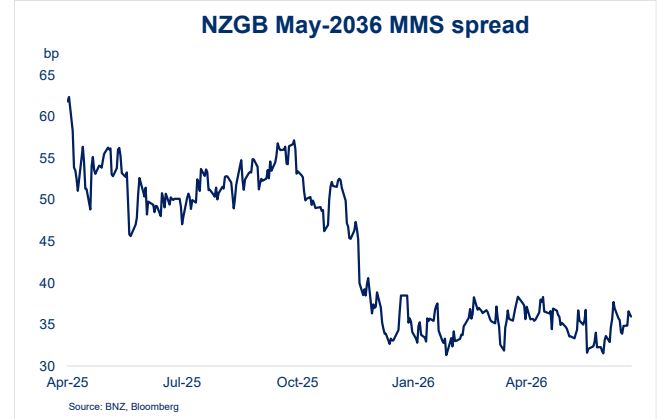
Fixed income demand into month-end proved short-lived, with the associated dip in yields and flattening in the swap curve quickly reversing. The 2y/10y swaps curve briefly fell to +67bp, a fresh cyclical low, before moving higher. Yields have since rebounded across the curve as the market turns its focus to the RBNZ Monetary Policy Review, the key risk event for NZ fixed income. Two-year rates, which traded near 3.25% in mid-June, have rebounded towards 3.40%, though remain around 30bp below the conflict peak.

Bloomberg-surveyed economists overwhelmingly expect a 25bp hike. However, they are not unanimous, a small minority of domestic economists expect the RBNZ to hold. Market pricing, after dipping towards a 60% chance of a 25bp hike, has rebounded to near 80%. Although the Monetary Policy Committee differed on timing in May, there was clear consensus on the need for higher rates to prevent near-term cost increases from feeding into medium-term inflation.

Assuming the Bank hikes as we expect, the accompanying messaging will be key for rates markets. We expect the RBNZ to retain a tightening bias, while acknowledging the need to move monetary policy closer to neutral from its currently accommodative setting. Lower oil prices should reduce near-term inflation risks, though this has been partly offset by renewed NZD weakness. The TWI is around 2% below the RBNZ's May assumption, increasing the risk that imported inflation remains firmer than otherwise.

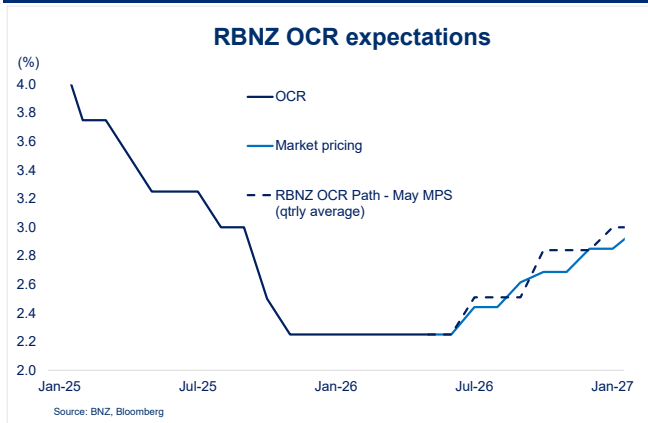
The government's financial statements for the eleven months ended May showed a positive variance to the Budget baseline, with the residual cash deficit NZ\$2b smaller than forecast. The market continues to assess whether NZ Debt Management will launch the May-2038 syndication this month. One possible window is the week beginning 13 July, after the RBNZ meeting and ahead of Q2 CPI on 21 July. If used, the syndicate would likely be announced early this week. The AOFM is also expected to syndicate a new May-2038 nominal bond and is thought to favour late July, so NZDM will likely want to avoid a clash.

10Y matched maturity spread rangebound



Ten-year matched maturity swap (MMS) spreads have drifted back towards the top of the range but have remained remarkably stable this year. This contrasts with a gradual tightening trend in shorter maturities, which has steepened the MMS 5y/10y box to its highest level since late last year and towards the upper end of the +5 to +20bp range that has prevailed over the past eighteen months. Although bonds typically underperform at the margin into syndications, we expect demand to continue emerging near the top of the 10Y MMS range, with the position benefiting from around 1bp per month of carry.

Market pricing for RBNZ hikes aligns with modelled track



The modelled OCR track in May indicated a high probability of back-to-back hikes. While any RBNZ guidance is likely to emphasise conditionality, a further hike in September also appears likely, barring a significant deviation in incoming data from the Bank's May baseline forecasts. A cumulative 37bp of tightening is priced by that meeting. From a strategy perspective, the OCR path implied by market pricing appears reasonable, though we retain a marginal upside bias for 2-year rates.

Current rates and 1-month range

	Current	Last 4-weeks range*
NZ 90d bank bills (%)	2.74	2.55 - 2.74
NZ 2yr swap (%)	3.38	3.26 - 3.55
NZ 5yr swap (%)	3.72	3.62 - 3.91
NZ 10yr swap (%)	4.10	3.98 - 4.29
2s10s swap curve (bps)	72	67 - 80
NZ 10yr swap-govt (bps)	-35	-37 - -31
NZ 10yr govt (%)	4.45	4.37 - 4.55
US 10yr govt (%)	4.48	4.36 - 4.58
NZ-US 10yr (bps)	-4	-12 - 7
NZ-AU 2yr swap (bps)	-105	-122 - -99
NZ-AU 10yr govt (bps)	-35	-39 - -31

*Indicative range over last 4 weeks

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Foreign Exchange Market

Reuters pg BNZFWDS Bloomberg pg BNZ

Last week, the USD pulled back after its strong run, retreating from a 13-month high on the DXY index. NZD/USD rose more than 1% to just above 0.57 and was the best performer among the major currencies, recovering some of its recent underperformance. NZD/AUD rose 0.6% to 0.8230. On the other major crosses, the NZD was relatively flat against GBP, cross-rate gains elsewhere ranged from 0.8% to 1.1%. The yen fell to a fresh 40-year low against the USD, followed by reports of a shift in Japan’s intervention strategy that could make future action less predictable. Even with signs of possible intervention later in the week, NZD/JPY still managed a 1% gain.

The USD’s strong two-month rally appeared to break last week. While the currency was due for a pause, softer-than-expected non-farm payrolls data reinforced the pullback. With net long positioning in the big dollar among the highest levels in three years, it did not take much to knock it off its perch.

From a seven-month low of 0.5626 near the end of June, NZD/USD has returned to a 0.57 handle. Following recent price action, we would put initial support and resistance levels at 0.5625 and 0.5850, respectively.

As promised, we published updated projections that reflect a stronger-for-longer USD theme, resulting in downgrades across all the key major currencies apart from the Chinese yuan. While our projections incorporate a modest USD pullback, we expect much of the recent USD strength—driven mainly by positive macro forces—to be sustained through the current quarter.

We lowered our NZD/USD forecast, with the previous 0.63 year-end target now looking too ambitious. We now target 0.59 by year-end and expect NZD/USD to remain broadly range-bound around 0.56–0.60 over the coming quarter. NZD upside is likely to be capped by low relative NZ interest rates, and we have also allowed for headwinds from the general election later this year, which is looking too close to call. Downside potential is limited to the extent that we view the current NZD level as already historically depressed. Revisions to our NZD cross forecasts are mixed but mostly modest, with relative central bank policy paths remaining the key swing factor.

On that note, Wednesday’s RBNZ MPS is a key risk event. We would argue that, with NZ core inflation having settled in a 2½–3% range, an economic recovery underway, and the OCR sitting well below neutral, the OCR needs to rise significantly. BNZ Economics projects the OCR increasing to 4% next year, but to date the RBNZ has shown little intent to deliver rate hikes, aside from MPC members agreeing in May that an increase in the OCR at upcoming meetings would likely be necessary. While we expect the RBNZ to

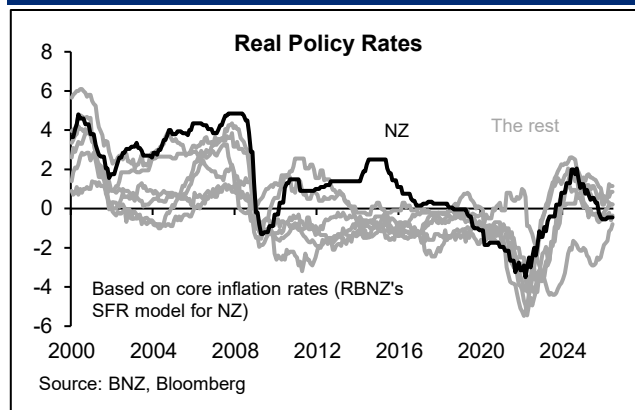
begin the tightening cycle this week, the decision is far from guaranteed. Many believe the Bank will wait until September.

We would see a delay as a hindrance to NZD performance over the next couple of months, and potentially for longer if the RBNZ starts to resemble the BoJ. The BoJ’s pattern has been to signal that policy will tighten, only to offer a new excuse to delay action when the time comes. This sort of policy inaction has been instrumental in driving the yen down to 40-year lows. We would be alarmed if the RBNZ began to act in a similar way.

While a rate hike this week is not fully priced and would likely be NZD-positive, there would be uncertainty about the sustainability of any lift. A key point in our forecast revision note last week was that NZ interest rates are historically low relative to key peers such as the US, UK, and Australia, and this will remain a headwind for some time. Even 100bps of tightening would leave NZ’s policy rate below those countries.

Apart from the RBNZ update, the economic calendar for the week ahead is sparse. The US ISM services survey is the only key US release. Japan wage data, China inflation, and Canadian labour market data round out the calendar. Central bank speakers will also be active again, including the Fed’s Waller and Williams.

NZ real policy rate now amongst the lowest



Cross Rates and Recent Ranges

	Current	Last wk % chg	Last 3-wks range*
NZD/USD	0.5708	1.3%	0.5630 - 0.5840
NZD/AUD	0.8227	0.6%	0.8160 - 0.8260
NZD/CAD	0.8105	1.3%	0.7990 - 0.8190
NZD/GBP	0.4276	0.1%	0.4260 - 0.4370
NZD/EUR	0.4989	0.8%	0.4940 - 0.5050
NZD/JPY	92.07	1.0%	91.00 - 93.70

*Indicative range over last 3 weeks, rounded

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Technicals

NZD/USD

Outlook: Trading range
 ST Resistance: 0.5850 (ahead of 60)
 ST Support: 0.5625 (ahead of 0.5580)

Following recent price action, we would put initial support and resistance levels at 0.5625 and 0.5850, respectively.



NZD/AUD

Outlook: Downside risk
 ST Resistance: 0.87 (ahead of 0.8950)
 ST Support: 0.8140

Technically, the cross rate remains vulnerable to further downside risk, with the low near 0.8140 as the only support level of note.

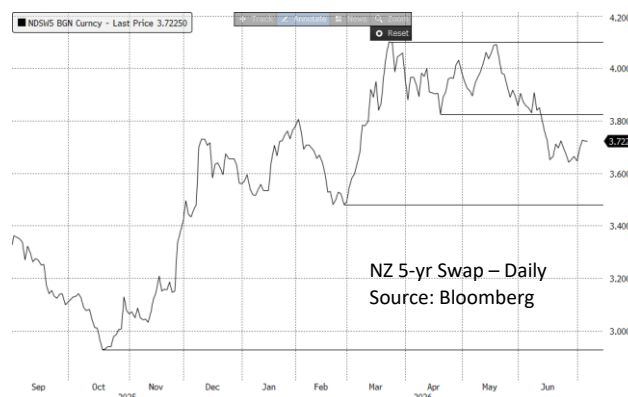
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NZ 5-year Swap Rate

Outlook: Neutral
 MT Resistance: 3.82
 MT Support: 3.48

5-year swap sold off a touch last week and continues to trade a very tight range. If it were to stay in this range, we may consider tightening our levels but for now we await a move in either direction.



NZ 2-year - 5-year Swap Spread (yield curve)

Outlook: Lower
 MT Resistance: 0.34
 MT Support: 0

2s5s curve continues to be held down below our level of resistance. The outlook is for a flatter curve.

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Quarterly Forecasts

Forecasts as at 6 July 2026

Key Economic Forecasts

Quarterly % change unless otherwise specified

Forecasts

	Jun-25	Sept-25	Dec-25	Mar-26	Jun-26	Sept-26	Dec-26	Mar-27	Jun-27	Sept-27
GDP (production s.a.)	-0.7	0.9	0.5	0.8	-0.2	0.3	0.6	0.6	0.7	0.7
Retail trade (real s.a.)	0.7	2.0	0.9	0.9	0.4	0.6	0.5	0.6	0.7	0.8
Current account (ann, % GDP)	-3.7	-3.5	-3.6	-3.6	-3.6	-4.1	-4.5	-4.5	-4.3	-4.0
CPI (q/q)	0.5	1.0	0.6	0.9	1.5	0.7	0.3	0.6	0.6	0.5
Employment	-0.2	-0.1	0.5	0.1	0.2	0.3	0.5	0.5	0.5	0.5
Unemployment rate %	5.2	5.3	5.4	5.3	5.4	5.5	5.6	5.7	5.7	5.7
Pr. avg hourly earnings (ann %)	4.6	4.1	3.5	3.5	2.6	2.6	2.7	3.3	3.2	3.2
Trading partner GDP (ann %)	3.4	3.2	3.3	3.6	3.1	2.8	2.6	2.8	2.8	2.9
CPI (y/y)	2.7	3.0	3.1	3.1	4.1	3.8	3.5	3.1	2.2	2.0
GDP (production s.a., y/y)	-0.9	1.1	1.5	1.5	1.9	1.4	1.5	1.2	2.1	2.6

Interest Rates

Historical data - qtr average

Forecast data - end quarter

	Government Stock				Swaps			US Rates		Spread
	Cash	90 Day	5 Year	10 Year	2 Year	5 Year	10 Year	SOFR	US 10 yr	NZ-US
		Bank Bills						3 month		Ten year
2025 Jun	3.33	3.38	3.85	4.55	3.19	3.57	4.10	4.30	4.35	0.19
Sep	3.08	3.09	3.67	4.42	2.99	3.40	3.95	4.20	4.25	0.17
Dec	2.33	2.51	3.54	4.27	2.71	3.26	3.85	3.80	4.10	0.18
2026 Mar	2.25	2.50	3.96	4.52	3.12	3.71	4.15	3.65	4.20	0.33
Jun	2.25	2.68	3.96	4.47	3.40	3.75	4.15	3.70	4.45	0.00
Forecasts										
Sep	2.75	3.25	4.25	4.70	3.80	4.00	4.30	3.65	4.50	0.20
Dec	3.25	3.65	4.35	4.75	4.00	4.15	4.40	3.40	4.50	0.25
2027 Mar	3.75	4.05	4.35	4.80	4.00	4.20	4.50	3.15	4.50	0.30
Jun	4.00	4.15	4.30	4.85	4.00	4.20	4.60	3.15	4.50	0.35
Sep	4.00	4.15	4.25	4.90	3.95	4.20	4.70	3.15	4.50	0.40
Dec	4.00	4.15	4.15	4.90	3.85	4.15	4.75	3.15	4.50	0.40
2028 Mar	4.00	4.15	4.10	4.90	3.75	4.10	4.75	3.15	4.50	0.40

Exchange Rates (End Period)

USD Forecasts

	NZD/USD	AUD/USD	EUR/USD	GBP/USD	USD/JPY
Current	0.57	0.69	1.14	1.34	161
Forecasts					
Sept-26	0.57	0.69	1.14	1.32	163
Dec-26	0.59	0.70	1.15	1.32	161
Mar-27	0.60	0.70	1.16	1.33	158
Jun-27	0.61	0.69	1.15	1.32	155
Sept-27	0.61	0.68	1.15	1.31	153
Dec-27	0.61	0.67	1.15	1.32	151
Mar-28	0.61	0.67	1.15	1.32	151

NZD Forecasts

	NZD/USD	NZD/AUD	NZD/EUR	NZD/GBP	NZD/JPY	TWI-17
Current	0.57	0.82	0.50	0.43	92.1	65.5
Forecasts						
Sept-26	0.57	0.83	0.50	0.43	92.6	65.4
Dec-26	0.59	0.84	0.51	0.45	94.7	67.1
Mar-27	0.60	0.86	0.52	0.45	94.5	67.9
Jun-27	0.61	0.88	0.53	0.46	94.6	69.0
Sept-27	0.61	0.90	0.53	0.46	93.0	69.2
Dec-27	0.61	0.90	0.53	0.46	91.4	68.9
Mar-28	0.61	0.90	0.53	0.46	91.4	68.9

TWI Weights

16.2% 17.8% 9.2% 4.0% 4.7%

Source for all tables: Stats NZ, Bloomberg, Reuters, RBNZ, BNZ

Annual Forecasts

Forecasts as at 6 July 2026	March Years					December Years				
	Actuals		Forecasts			Actuals		Forecasts		
	2024	2025	2026	2027	2028	2023	2024	2025	2026	2027
GDP - annual average % change										
Private Consumption	1.1	0.0	1.4	1.3	2.4	1.1	-0.2	1.4	1.1	2.1
Government Consumption	1.1	-1.3	3.8	1.2	1.0	0.1	-0.9	2.5	2.9	0.4
Total Investment	-1.1	-4.9	-0.2	4.2	3.7	-0.3	-4.8	-1.3	3.2	4.1
Stocks - ppts cont'n to growth	-1.4	0.4	0.3	0.2	-0.1	-1.2	0.4	-0.1	0.5	-0.1
GNE	-0.9	-1.0	1.8	2.3	2.4	-0.7	-1.1	0.9	2.6	2.2
Exports	8.6	3.4	3.3	6.5	3.4	11.5	4.7	2.8	6.9	3.5
Imports	-1.4	1.5	5.4	7.9	2.6	-0.7	1.6	3.3	8.9	3.1
Real Expenditure GDP	1.5	-0.7	1.3	1.9	2.5	2.1	-0.3	0.7	2.2	2.2
GDP (production)	1.8	-0.9	0.8	1.5	2.6	2.2	-0.3	0.3	1.6	2.2
<i>GDP - annual % change (q/q)</i>	1.5	-0.8	1.5	1.2	3.0	1.5	-1.6	1.5	1.5	2.8
Output Gap (ann avg, % dev)	1.3	-0.4	-0.8	-0.8	-0.2	1.4	0.0	-0.9	-0.7	-0.4
Nominal Expenditure GDP - \$bn	417	432	451	473	496	413	427	445	468	490
Prices and Employment -annual % change										
CPI	4.0	2.5	3.1	3.1	1.9	4.7	2.2	3.1	3.5	1.9
Employment	0.9	-0.9	0.4	1.5	2.3	2.6	-1.3	0.2	1.1	2.1
Unemployment Rate %	4.4	5.1	5.3	5.7	5.6	4.0	5.1	5.4	5.6	5.7
Wages - ave. hr. ord. time earnings (private sector)	4.8	3.8	3.5	3.3	3.2	6.6	4.0	3.5	2.7	3.2
Productivity (ann av %)	-0.6	0.1	1.2	0.3	0.6	-0.8	0.1	1.2	0.6	0.3
Unit Labour Costs (ann av %)	6.6	4.4	2.5	2.8	2.6	7.1	4.7	2.9	2.4	2.9
House Prices (stratified, mth)	2.7	-0.7	0.2	-0.5	5.4	0.7	-0.8	-0.3	0.0	4.5
External Balance										
Current Account - \$bn	-23.8	-18.3	-16.3	-21.0	-17.6	-25.8	-20.0	-16.0	-21.1	-18.4
Current Account - % of GDP	-5.7	-4.2	-3.6	-4.5	-3.6	-6.3	-4.7	-3.6	-4.5	-3.8
Government Accounts - June Yr, % of GDP										
OBEGAL ex ACC (core op. balance) (Treasury forecasts)	-3.1	-3.2	-2.6	-2.4	-0.8					
Net Core Crown Debt (ex NZS) (Treasury forecasts)	41.7	41.9	42.4	45.6	46.1					
Bond Programme - \$bn (Treasury forecasts)	39.3	42.6	35.0	34.0	32.0					
Bond Programme - % of GDP	9.4	9.9	7.8	7.2	6.5					
Financial Variables ⁽¹⁾										
NZD/USD	0.61	0.57	0.58	0.60	0.61	0.62	0.57	0.58	0.59	0.61
USD/JPY	150	149	159	158	150	144	154	156	161	151
EUR/USD	1.09	1.08	1.16	1.16	1.14	1.09	1.05	1.17	1.15	1.15
NZD/AUD	0.93	0.91	0.83	0.86	0.90	0.93	0.91	0.87	0.84	0.90
NZD/GBP	0.48	0.44	0.44	0.45	0.47	0.49	0.45	0.43	0.45	0.46
NZD/EUR	0.56	0.53	0.51	0.52	0.54	0.57	0.55	0.49	0.51	0.53
NZD/YEN	91.1	85.4	92.8	94.5	91.5	89.5	88.4	90.3	94.7	91.4
TWI	71.2	67.9	66.8	67.9	69.4	72.0	68.5	66.8	67.1	68.9
Overnight Cash Rate (end qtr)	5.50	3.75	2.25	3.75	4.00	5.50	4.25	2.25	3.25	4.00
90-day Bank Bill Rate	5.64	3.60	2.50	4.05	4.15	5.63	4.26	2.49	3.65	4.15
5-year Govt Bond	4.60	4.00	4.10	4.35	4.10	4.50	3.90	3.90	4.35	4.15
10-year Govt Bond	4.60	4.50	4.65	4.80	4.90	4.65	4.45	4.50	4.75	4.90
2-year Swap	4.91	3.35	3.32	4.00	3.75	4.93	3.53	2.98	4.00	3.85
5-year Swap	4.40	3.65	3.87	4.20	4.10	4.43	3.63	3.61	4.15	4.15
US 10-year Bonds	4.20	4.25	4.25	4.50	4.50	4.00	4.40	4.15	4.50	4.50
NZ-US 10-year Spread	0.40	0.25	0.40	0.30	0.40	0.65	0.05	0.35	0.25	0.40

⁽¹⁾ Average for the last month in the quarter

Source: Statistics NZ, BNZ, RBNZ, NZ Treasury

Key Upcoming Events

All times and dates NZT

		Median	Fcast	Last			Median	Fcast	Last
Monday					Thursday				
GE	Factory Orders MoM - May	1.1		-3.8	US	FOMC Meeting Minutes - Jun			
Tuesday					NZ	BusinessNZ Manufacturing PMI - Jun			49.9
US	ISM Services Index - Jun	54		54.5	CH	PPI YoY - Jun	4.2		3.9
EC	Fed's Waller, ECB's Schnabel, Wunsch, Riksbank's Seim in Rome				CH	CPI YoY - Jun	1.1		1.2
JN	Schld Full-Time Pay - Same Base YoY - May			2.6	Friday				
GE	Industrial Production SA MoM - May	0.1		0.4	US	Initial Jobless Claims July	220		215
Wednesday					US	Fed's Williams in Moderated Discussion			
US	Trade Balance - May	-78.5		-55.9	US	Existing Home Sales MoM - Jun	0.85		3.2
NZ	RBNZ Official Cash Rate - July	2.5	2.5	2.25	CA	Unemployment Rate - Jun	6.6		6.6

Historical Data

	Today	Week Ago	Month Ago	Year Ago		Today	Week Ago	Month Ago	Year Ago
CASH AND BANK BILLS					SWAP RATES				
Call	2.25	2.25	2.25	3.25	2 years	3.38	3.32	3.55	3.18
1mth	2.61	2.55	2.45	3.33	3 years	3.51	3.46	3.70	3.29
2mth	2.68	2.62	2.56	3.30	4 years	3.63	3.57	3.81	3.42
3mth	2.74	2.69	2.67	3.27	5 years	3.72	3.67	3.91	3.55
6mth	2.95	2.89	2.91	3.27	10 years	4.10	4.03	4.28	4.06
GOVERNMENT STOCK					FORBGN EXCHANGE				
05/28	3.37	3.31	3.54	3.48	NZD/USD	0.5712	0.5651	0.5810	0.5995
05/31	3.91	3.85	4.09	4.04	NZD/AUD	0.8229	0.8205	0.8247	0.9235
04/33	4.16	4.10	4.32	4.32	NZD/JPY	92.15	91.50	93.03	87.54
05/36	4.45	4.38	4.60	4.62	NZD/EUR	0.4994	0.4947	0.5037	0.5120
05/41	4.83	4.75	4.97	4.97	NZD/GBP	0.4279	0.4262	0.4355	0.4407
05/54	5.09	5.02	5.19	5.20	NZD/CAD	0.8109	0.8030	0.8105	0.8202
GLOBAL CREDIT INDICES (ITRXX)					TWI	65.6	65.1	66.6	69.1
Nth America 5Y	50	51	52	51					
Europe 5Y	51	52	54	54					

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