

Research Markets Today

1 October 2025

Events Round-Up

NZ: ANZ Activity Outlook, Sep: 43.4 vs. 38.7 prev.
 AU: Building Approvals (m/m%), Aug: 6.0 vs. 2.6 exp.
 CH: Manufacturing PMI, Sep: 49.8 vs. 49.6 exp.
 CH: Non-manufacturing PMI, Sep: 50.0 vs. 50.2 exp.
 CH: RatingDog China PMI Services, Sep: 52.9 vs. 52.6 exp.
 CH: RatingDog China PMI Mfg, Sep: 51.2 vs. 50.2 exp.
 AU: RBA Cash Rate Target, Sep: 3.6 vs. 3.6 exp.
 GE: Unemployment Claims Rate SA, Sep: 6.3 vs. 6.3 exp.
 GE: CPI EU Harmonized (y/y%), Sep P: 2.4 vs. 2.2 exp.
 US: MNI Chicago PMI, Sep: 40.6 vs. 43.3 exp.
 US: JOLTS Job Openings (k), Aug: 7227 vs. 7170 exp.
 US: Conf. Board Cons. Confidence, Sep: 94.2 vs. 96 exp.

Good morning

US equities are little changed overnight, with hopes for a last-minute deal to avoid a government shutdown fading, which would create uncertainty and delay the publication of key economic releases. The S&P wasn't impacted by weaker-than-expected consumer-confidence data and oscillated in a narrow range. Oil prices extended the recent decline on concerns about increased OPEC+ supply - Brent crude traded towards US\$67 per barrel. There was limited movement across government bond markets, and the US dollar is modestly weaker.

The Conference Board measure of consumer confidence fell to a five-month low in September on growing concerns about the job prospects and the broader economy. Most of the drop in the headline index reflected a decline in the present situation component. But the expectations component, which is more closely related to spending, also fell. A measure of confidence in the labour market declined to the lowest level since February 2021. Separately, US JOLTs job openings were little changed in August and near the consensus estimate.

US treasuries were mixed with small moves overall. The curve steepened with front end yields dipping 2bp while 10-year notes are unchanged at 4.14%.

German CPI was higher than expected, and increased at a 2.4% annual rate, compared with the 2.2% consensus. This followed an uptick in other regional data and suggests upside risks to the 2.2% consensus estimate for the

preliminary euro area release. There was limited reaction in European rates markets. The ECB is expected to leave rates steady at 2.0% for an extended period.

The Reserve Bank of Australia left rates on hold at 3.60%, in a unanimous decision, which was in line with expectations. The accompanying statement struck a more hawkish tone relative to August and suggests the central bank could leave rates steady for some time. It noted that private demand is recovering more quickly than expected, and that inflation in the September quarter, may be higher than forecast at the time of the August Statement. Australian rates sold off after the decision before retracing.

The AUD gained after the announcement, and the NZD/AUD has fallen to a fresh multi-month low near 0.8760, albeit after a period of whippy price action. The US dollar is broadly weaker against G10 currencies overnight, but the moves were modest overall. NZD/USD is marginally higher, and NZD/JPY dipped towards 85.70.

NZ fixed income yields continued to edge lower in the local session yesterday reflecting moves in offshore markets. While not market moving, measures of activity in the ANZ business outlook survey increased to 43.4 from 38.7 in August. Swap rates closed 1-2bp lower across the curve, extending the recent rally, to fresh yield lows. The market implied terminal Official Cash Rate has declined to 2.25%.

NZ government bonds largely matched the move in swaps. 10-year NZGB yields declined 2bp to end the session at 4.20%. NZ Local Government Funding Agency is undertaking its monthly tender today and offering the April-2029 (NZ\$50m) and May-2035 (NZ\$50m) maturities.

Building permits data for August is the only domestic economic release today. Residential building consents have been very volatile recently though the annual rate has stabilised near 34k. The Tankan survey is scheduled in Japan, and a resilient reading will lend further weight for a rate hike this month. The preliminary reading of euro area CPI is expected to edge higher to 2.2%, though there are upside risks, given the regional readings. ADP private payrolls are released in the US along with the ISM manufacturing survey.

stuart.ritson@bnz.co.nz

Coming Up

		Period	Cons.	Prev.	NZT
NZ	Building Permits (m/m%)	Aug	5.4	10:45	
JN	Tankan Large Mfg Index	3Q	14	13	12:50
EC	CPI Estimate (y/y%)	Sep P	2.2	2.1	22:00
EC	CPI Core (y/y%)	Sep P	2.3	2.3	22:00
US	ADP Employment Change (k)	Sep	50	54	01:15
US	ISM Manufacturing	Sep	49	48.7	03:00

Currencies								Equities				Commodities				
FX Majors		Indicative overnight ranges (*)				Other FX		Major Indices				Price (Near futures, except CRB)				
	Last	% Day	Low	High		Last	% Day		Last	% Day	% Year		Last	Net Day		
NZD	0.5799	+0.4	0.5788	0.5808	CHF	0.7954	-0.3	S&P 500	6,647	-0.2	15.4	Oil (Brent)	67.08	-1.3		
AUD	0.6619	+0.6	0.6576	0.6629	SEK	9.397	-0.3	Dow	46,203	-0.2	9.1	Oil (WTI)	62.52	-1.5		
EUR	1.1749	+0.2	1.1717	1.1762	NOK	9.975	-0.1	Nasdaq	22,543	-0.2	23.9	Gold	3840.8	+0.6		
GBP	1.3452	+0.2	1.3414	1.3467	HKD	7.781	-0.0	Stoxx 50	5,530	+0.4	10.6	HRC steel	804.0	+0.2		
JPY	147.84	-0.5	147.65	148.18	CNY	7.121	-0.0	FTSE	9,350	+0.5	13.5	CRB	302.6	-0.8		
CAD	1.3918	+0.0			SGD	1.290	-0.0	DAX	23,881	+0.6	23.6	Wheat Chic.	527.3	-2.0		
NZD/AUD	0.8761	-0.3			IDR	16,665	-0.1	CAC 40	7,896	+0.2	3.4	Sugar	16.10	+0.2		
NZD/EUR	0.4936	+0.2			THB	32.45	+0.7	Nikkei	44,933	-0.2	16.2	Cotton	63.05	-1.4		
NZD/GBP	0.4311	+0.2			KRW	1,404	+0.3	Shanghai	3,883	+0.5	16.4	Coffee	374.9	+0.5		
NZD/JPY	85.73	-0.1			TWD	30.46	+0.1	ASX 200	8,849	-0.2	7.8	WM powder	3625	+0.1		
NZD/CAD	0.8071	+0.4			PHP	58.20	+0.1	NZX 50	13,292	+1.2	6.6	Australian Futures				
NZ TWI	66.84	+0.2						VIX Index	16.47	+2.2	-1.6	3 year bond	96.43	-0.01		
Interest Rates												7 year bond			95.64	-0.02
Rates		Swap Yields			Benchmark 10 Yr Bonds		NZ Government Bonds			NZ BKBM and Swap Yields						
	Cash	3Mth	2 Yr	10 Yr		Last	Net Day		Last	Chg		Last	Chg			
USD	4.25	4.85	3.39	3.65	USD	4.14	0.00	15-Apr-27	2.71	-0.02	BKBM 1-mth	2.93	-0.01			
AUD	3.60	3.58	3.48	4.28	AUD	4.30	-0.03	15-May-28	2.92	-0.02	BKBM 3-mth	2.80	0.00			
NZD	3.00	2.80	2.63	3.70	NZD	4.19	-0.02	20-Apr-29	3.13	-0.03	1 year	2.56	-0.02			
EUR	2.00	2.02	2.16	2.68	GER	2.71	0.00	15-May-30	3.36	-0.02	2 year	2.63	-0.02			
GBP	4.00	4.21	3.77	4.15	GBP	4.70	-0.00	15-May-31	3.59	-0.02	3 year	2.79	-0.01			
JPY	0.48	-0.03	0.96	1.50	JPY	1.65	0.01	15-May-32	3.79	-0.03	5 year	3.11	-0.02			
CAD	2.50	4.97	2.33	2.87	CAD	3.18	-0.04	14-Apr-33	3.93	-0.02	7 year	3.39	-0.02			
								15-May-34	4.08	-0.02	10 year	3.70	-0.02			
								15-May-35	4.19	-0.02	15 year	4.00	-0.01			
								15-May-36	4.30	-0.02	NZ Inflation-Indexed Bonds					
								15-May-37	4.43	-0.02	Sept-30	1.56	-0.02			
								15-May-41	4.76	-0.02	Sept-35	2.38	-0.02			
								15-May-51	5.03	-0.02	Sept-40	2.81	-0.03			
								15-May-54	5.06	-0.02						
* These are indicative ranges from 5pm NZT; please confirm rates with your BNZ dealer																
Rates are as of: NZT 06:51																
Source: Bloomberg																

* These are indicative ranges from 5pm NZT;

please confirm rates with your BNZ dealer

Rates are as of: NZT 06:51

Source: Bloomberg

NZD exchange rates

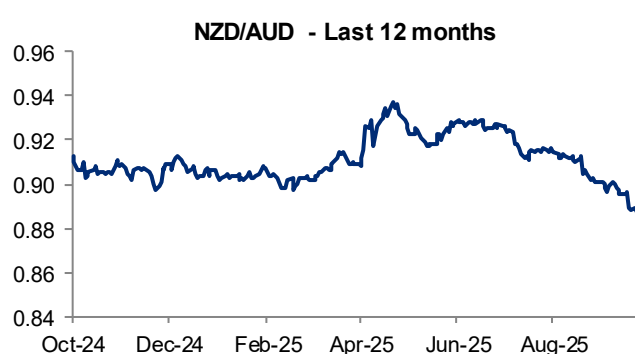
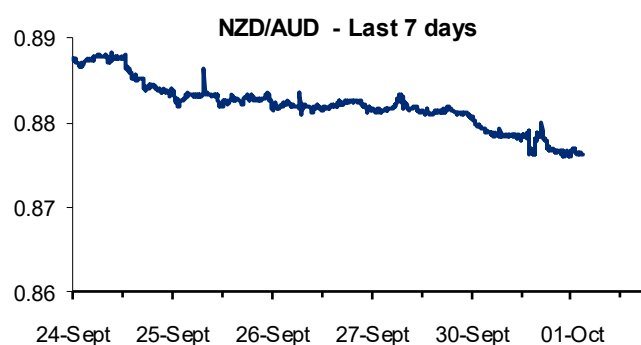
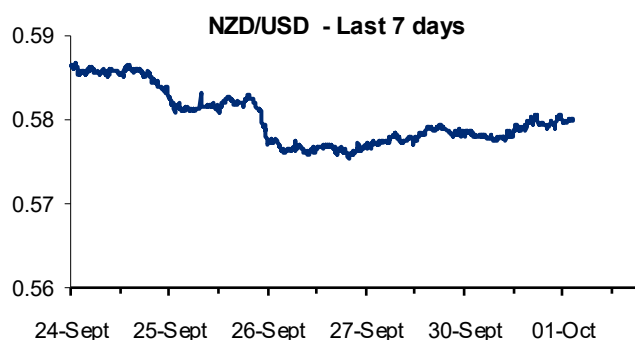
1/10/2025	6:51 am	Prev. NY close
USD	0.5799	0.5777
GBP	0.4311	0.4302
AUD	0.8761	0.8784
EUR	0.4936	0.4926
JPY	85.73	85.84
CAD	0.8071	0.8039
CHF	0.4613	0.4608
DKK	3.6841	3.6773
FJD	1.3064	1.3103
HKD	4.5122	4.4965
INR	51.49	51.28
NOK	5.7844	5.7656
PKR	163.18	162.57
PHP	33.75	33.58
PGK	2.4092	2.3961
SEK	5.4490	5.4432
SGD	0.7478	0.7452
CNY	4.1303	4.1146
THB	18.79	18.63
TOP	1.3629	1.3577
VUV	69.73	69.20
WST	1.5879	1.5958
XPF	58.90	58.78
ZAR	10.0053	9.9784

NZD/USD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	7.26	7.44
3 Months	21.15	21.55
6 Months	39.19	40.16
9 Months	56.56	58.16
1 Year	71.05	73.45

NZD/AUD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	6.86	7.26
3 Months	22.49	23.37
6 Months	45.20	47.83
9 Months	69.50	73.72
1 Year	93.82	100.10



Contact Details

BNZ Research

Stephen Toplis
Head of Research
+64 4 474 6905

Doug Steel
Senior Economist
+64 4 474 6923

Jason Wong
Senior Markets Strategist
+64 4 924 7652

Stuart Ritson
Senior Interest Rate Strategist
+64 9 9248601

Mike Jones
BNZ Chief Economist
+64 9-956 0795

Main Offices

Wellington
Level 4, Spark Central
42-52 Willis Street
Private Bag 39806
Wellington Mail Centre
Lower Hutt 5045
New Zealand
Toll Free: 0800 283 269

Auckland
80 Queen Street
Private Bag 92208
Auckland 1142
New Zealand
Toll Free: 0800 283 269

Christchurch
111 Cashel Street
Christchurch 8011
New Zealand
Toll Free: 0800 854 854

This document has been produced by Bank of New Zealand (BNZ). BNZ is a registered bank in New Zealand and is only authorised to offer products and services to customers in New Zealand.

Analyst Disclaimer: The Information accurately reflects the personal views of the author(s) about the securities, issuers and other subject matters discussed, and is based upon sources reasonably believed to be reliable and accurate. The views of the author(s) do not necessarily reflect the views of the NAB Group. No part of the compensation of the author(s) was, is, or will be, directly or indirectly, related to any specific recommendations or views expressed.

BNZ maintains an effective information barrier between the research analysts and its private side operations. Private side functions are physically segregated from the research analysts and have no control over their remuneration or budget. The research functions do not report directly or indirectly to any private side function. The Research analyst might have received help from the issuer subject in the research report.

New Zealand: The information in this publication is provided for general information purposes only, and is a summary based on selective information which may not be complete for your purposes. This publication does not constitute any advice or recommendation with respect to any matter discussed in it, and its contents should not be relied on or used as a basis for entering into any products described in it. Bank of New Zealand recommends recipients seek independent advice prior to acting in relation to any of the matters discussed in this publication.

Any statements as to past performance do not represent future performance, and no statements as to future matters are guaranteed to be accurate or reliable.

Neither Bank of New Zealand nor any person involved in this publication accepts any liability for any loss or damage whatsoever which may directly or indirectly result from any advice, opinion, information, representation or omission, whether negligent or otherwise, contained in this publication.

USA: If this document is distributed in the United States, such distribution is by nabSecurities, LLC. This document is not intended as an offer or solicitation for the purchase or sale of any securities, financial instrument or product or to provide financial services. It is not the intention of nabSecurities to create legal relations on the basis of information provided herein.

