

Research Markets Today

1 October 2026

Events round-up

NZ: ANZ activity outlook (net%), Sep: 47.9 vs. 48.2 prev.
 AU: CPI (y/y%), Aug: 4.0 vs. 4.1 exp.
 AU: CPI trimmed mean (m/m%), Aug: 0.2 vs. 0.3 exp.
 AU: CPI trimmed mean (y/y%), Aug: 3.6 vs. 3.6 exp.
 CH: Manufacturing PMI, Sep: 50.1 vs. 50.1 exp.
 CH: Non-manufacturing PMI, Sep: 50.2 vs. 49.2 exp.
 CH: RatingDog PMI manufacturing, Sep: 51.6 vs. 51.7 exp.
 CH: RatingDog PMI services, Sep: 52.1 vs. 51.3 exp.
 GE: Unemployment rate (%), Sep: 6.4 vs. 6.4 exp.
 GE: CPI EU harmonised (y/y%), Sep: 3.3 vs. 3.2 exp.
 US: ADP employment change (k), Sep: 90 vs. 75 exp.
 US: Real personal spending (m/m%), Aug: 0.6 vs. 0.5 exp.
 US: Core PCE deflator (m/m%), Aug: 0.2 vs. 0.3 exp.
 US: Core PCE deflator (y/y%), Aug: 3.0 vs. 3.3 exp.
 US: Goods trade balance (\$b), Aug: -133 vs. -115 exp.

Good morning

US equities advanced as data pointed to resilient economic activity while a key inflation measure printed below expectations. Revised figures showed the economy grew faster than expected in the second quarter, while consumer spending recorded its strongest monthly increase in more than a year in August. The S&P 500 was up around 0.5% in afternoon trading, with the Nasdaq outperforming, in contrast to weaker European equity markets. The US Treasury curve steepened as 30-year yields reached a fresh multi-year high. Oil prices rose, while the US dollar was mixed against G10 currencies.

US real consumption rose 0.6% m/m in August, above the 0.5% consensus, providing further evidence that economic activity remains resilient despite elevated inflation. The Fed's preferred measure of underlying inflation increased by a smaller-than-expected 0.2%, although the reading was affected by an anticipated technical adjustment. Annual core PCE inflation eased to 3.0%, below both the 3.3% consensus and the 3.2% estimate Fed Chair Warsh provided at the post-FOMC press conference.

Markets pared expectations of an October Fed rate hike following the PCE release, with the implied probability

falling to around 40%. The repricing began a day earlier after a Fed official indicated the central bank was in no hurry to tighten further. 2-year Treasury yields initially declined by almost 5bp after the data, before retracing to stand little changed near 4.88%. By contrast, the intermediate and long ends remained under pressure. 10-year yields reached a fresh cycle high of 5.29%, while the 2s10s curve steepened 5bp to +41bp.

Headline inflation across several euro area economies was higher than expected, supporting the case for further ECB tightening. Annual inflation reached 3.4% in France, 4.1% in Italy and 3.3% in Germany, with energy prices remaining the main driver. ECB pricing was little changed, with around 30bp of tightening priced across the two remaining meetings this year. Euro area CPI data is scheduled tomorrow evening. Marker reaction was minimal with German yields lower across the curve led by the front end.

After an initial decline, the US dollar index rebounded following the economic data, although net moves across most G10 currencies were modest. Sterling outperformed and the AUD lagged, with no clear catalysts for either move. NZD/USD reached an offshore session high near 0.5660 as the DXY weakened, before retreating towards 0.5630. It is now only marginally above its 2026 low of around 0.5625, reached in June.

China's September PMIs pointed to renewed expansion, with the official manufacturing index rising to 50.1, non-manufacturing returning to positive territory at 50.2, and private surveys improving by more than expected. The firmer data coincided with the government's largest stimulus effort in two years, increasing the likelihood that growth returns to the 4.5%–5% annual target range. Even so, the economy remains bifurcated, as resilient exports contrast with near-zero consumption growth, weak business confidence and contracting investment.

NZ rates rallied strongly during yesterday's local session, led by offshore developments. Yields opened lower and extended their decline after softer-than-expected Australian CPI data. Two-year rates closed 9bp lower at 4.05%, while 10-year rates fell 7bp to 4.76%. The government bond curve broadly matched the move in swaps, with 10-year NZGB yields falling 9bp to 5.04%. NZGBs are trading around 20bp through US Treasuries, the tightest spread since early 2025. Today's weekly tender

will offer the May-2031 (NZ\$250m) and May-2035 (NZ\$200m) lines.

Building consents for August are the only domestic data release today. In Japan, the quarterly Tankan survey is expected to show firmer business sentiment and higher inflation expectations. US jobless claims are expected to remain near 200k, while the jump in the preliminary PMI suggests the ISM manufacturing index should remain elevated. ECB President Lagarde is also due to speak on a panel.

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Coming up

		Period	Cons.	Prev.	NZT
NZ	Building Permits (m/m%)	Aug		-4.3	10:45
JN	Tankan Large Mfg Index	3Q	25	22	12:50
AU	Trade Balance	Aug	2000	1923	14:30
EC	Unemployment Rate	Aug	6.4	6.4	22:00
US	Initial Jobless Claims	26-Sept	200	197	01:30
EC	ECB's Lagarde Speaks in Frankfurt				02:30
US	ISM Manufacturing	Sep	54.9	54.6	03:00

Source: Bloomberg

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	0.5635	-0.1	0.5632	0.5665	CHF	0.8350	+0.1	S&P 500	7,709	+0.5	15.3	Oil (Brent)	103.66	+1.0
AUD	0.6951	-0.5	0.6947	0.6988	SEK	9.997	+0.0	Dow	51,299	-0.1	10.6	Oil (WTI)	90.97	+1.7
EUR	1.1339	-0.0	1.1333	1.1380	NOK	9.609	+0.1	Nasdaq	27,068	+1.0	19.5	Gold	4154.8	+0.2
GBP	1.3267	+0.3	1.3253	1.3311	HKD	7.847	+0.0	Stoxx 50	6,269	-0.8	13.4	HRC steel	1275.0	-0.5
JPY	157.25	-0.0	156.65	157.37	CNY	6.706	-0.0	FTSE	10,606	-0.3	13.4	CRB	409.5	-1.2
CAD	1.4217	+0.2			SGD	1.277	-0.0	DAX	25,199	-0.8	5.5	SGX Iron Ore	93.45	+0.1
NZD/AUD	0.8107	+0.4			IDR	17,894	-0.5	CAC 40	7,965	-0.9	0.9	NZ Milk '26	9.69	+0.0
NZD/EUR	0.4970	-0.1			THB	33.60	+0.1	Nikkei	66,754	+1.9	49.8	NZ Milk '27	10.04	+0.4
NZD/GBP	0.4247	-0.4			KRW	1,355	+0.3	Shanghai	3,842	+0.3	-1.0	NZ Milk '28	10.02	+0.2
NZD/JPY	88.61	-0.1			TWD	31.86	-0.2	ASX 200	8,789	+0.9	-0.6	WM powder	3740	+0.3
NZD/CAD	0.8011	+0.1			PHP	62.66	+0.1	NZX 50	13,834	+1.1	3.0	Australian Futures		
NZ TWI	64.18	-0.0						VIX Index	15.86	-1.1	-2.6	3 year bond	95.07	0.05
												10 year bond	94.61	-0.02
Interest Rates														
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	4.00	4.85	4.75	4.91	USD	5.29	0.06	15-May-28	3.85	-0.09	BKBM 1-mth	3.02	0.01	
AUD	4.60	4.77	4.94	5.48	AUD	5.35	-0.02	20-Apr-29	4.14	-0.09	BKBM 3-mth	3.23	-0.01	
NZD	2.75	3.23	4.05	4.76	NZD	5.04	-0.09	15-May-30	4.34	-0.09	1 year	3.73	-0.05	
EUR	2.50	2.62	3.54	3.69	GER	3.59	-0.04	15-May-31	4.50	-0.09	2 year	4.05	-0.09	
GBP	3.75	3.87	4.70	5.00	GBP	5.42	0.01	15-May-32	4.65	-0.09	3 year	4.22	-0.09	
JPY	1.23	-0.03	1.95	2.94	JPY	3.07	-0.03	14-Apr-33	4.75	-0.09	5 year	4.42	-0.08	
CAD	2.25	4.97	3.30	3.80	CAD	3.99	0.03	15-May-34	4.86	-0.09	7 year	4.57	-0.08	
Carbon Price					Policy Meeting Run			15-May-35	4.95	-0.09	10 year	4.76	-0.07	
	Level	% Day	% Year		NZD	AUD	USD	15-May-36	5.04	-0.08	15 year	4.96	-0.07	
NZU	52.60	-0.3	-7.5		1st	2.91	4.68	3.98	15-May-37	5.13	-0.08	NZ Inflation-Indexed Bonds		
* These are indicative ranges from 5pm NZT; please confirm rates with your BNZ dealer								15-May-38	5.17	-0.08	Sept-30	1.90	-0.06	
								15-May-41	5.38	-0.07	Sept-35	2.69	-0.05	
Rates are as of: NZT 06:12								15-May-51	5.58	-0.07	Sept-40	3.14	-0.05	
Source: Bloomberg								15-May-54	5.58	-0.07				

NZD exchange rates

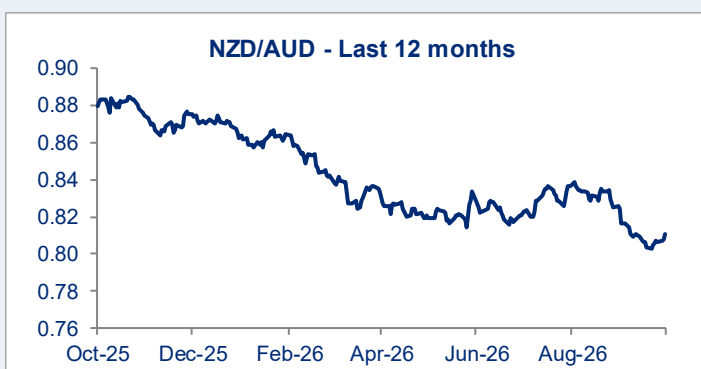
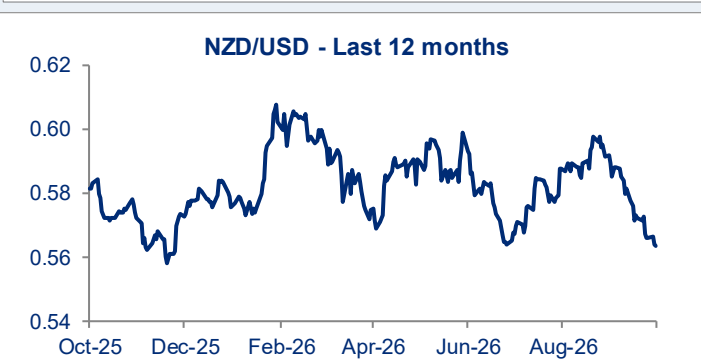
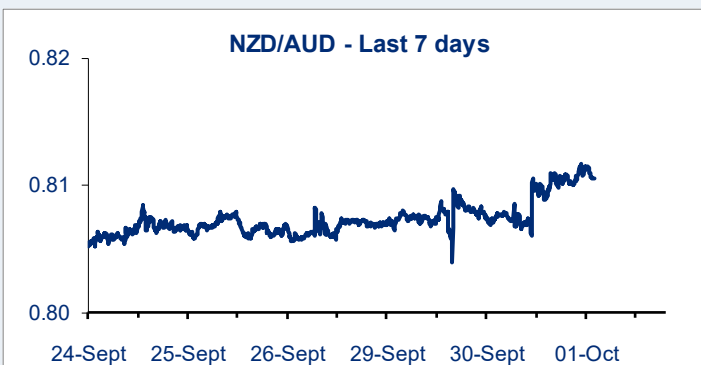
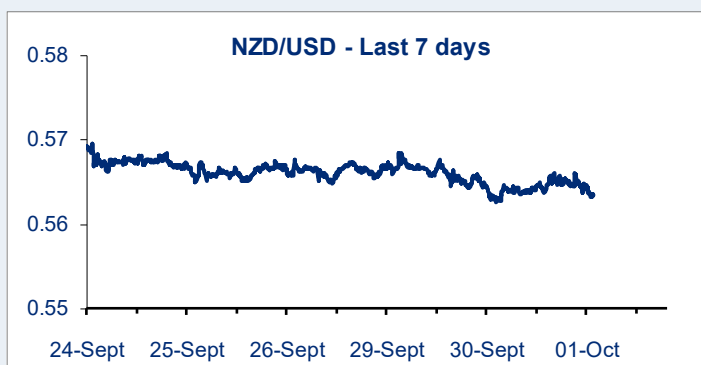
1/10/2026	6:12 am	Prev. NY close
USD	0.5635	0.5641
GBP	0.4247	0.4263
AUD	0.8107	0.8075
EUR	0.4970	0.4974
JPY	88.61	88.73
CAD	0.8011	0.8005
CHF	0.4705	0.4705
DKK	3.7152	3.7182
FJD	1.2723	1.2705
HKD	4.4217	4.4264
INR	54.00	54.15
NOK	5.4146	5.4137
PKR	156.13	156.32
PHP	35.30	35.29
PGK	2.5201	2.5285
SEK	5.6333	5.6372
SGD	0.7198	0.7209
CNY	3.7788	3.7832
THB	18.91	18.95
TOP	1.3426	1.3399
VUV	67.10	67.15
WST	1.5575	1.5550
XPF	59.16	59.29
ZAR	9.2522	9.2482

NZD/USD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	5.54	5.75
3 Months	16.15	16.65
6 Months	30.41	31.53
9 Months	43.77	46.28
1 Year	56.40	60.02

NZD/AUD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	11.75	12.21
3 Months	33.88	35.03
6 Months	61.40	64.01
9 Months	84.75	90.11
1 Year	105.11	112.79



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