

Research Markets Today

2 February 2026

Events round-up

NZ: ANZ Consumer Confidence, Jan: 107.2 vs. 101.5 prev.
 JN: Tokyo CPI (y/y%), Jan: 1.5 vs. 1.7 exp.
 JN: Tokyo CPI Ex Food, Energy (y/y%), Jan: 2.4 vs. 2.6 exp.
 GE: Unemployment Claims Rate SA, Jan: 6.3 vs. 6.3 exp.
 GE: GDP SA (q/q%), 4Q P: 0.3 vs. 0.2 exp.
 EC: GDP SA (q/q%), 4Q A: 0.3 vs. 0.2 exp.
 EC: Unemployment Rate, Dec: 6.2 vs. 6.3 exp.
 GE: CPI EU Harmonized (y/y%), Jan P: 2.1 vs. 2 exp.
 CA: GDP (m/m%), Nov: 0.0 vs. 0.1 exp.
 US: PPI Ex Food and Energy (m/m%), Dec: 0.7 vs. 0.2 exp.
 US: PPI Ex Food and Energy (y/y%), Dec: 3.3 vs. 2.9 exp.
 US: MNI Chicago PMI, Jan: 54.0 vs. 43.5 exp.
 CH: Manufacturing PMI, Jan: 49.3 vs. 50.1 exp.
 CH: Non-manufacturing PMI, Jan: 49.4 vs. 50.3 exp.

Good morning

The focus for markets late last week was President Trump's decision to nominate Kevin Warsh as the next Chair of the Federal Reserve. Warsh, a former Fed Governor, will succeed Jay Powell when Powell's term ends in May, subject to Senate approval. Warsh is seen as less supportive of deep rate cuts and more concerned about inflation than other candidates. The US dollar advanced, equities closed lower, and longer-term Treasury yields were mixed. Volatility in precious metals continued, with gold prices falling below US\$4,800/oz—a decline of nearly 15% relative to the previous session's high.

US money markets made no material adjustments in response to Warsh's nomination. A 25bp cut is fully priced by July, with 53bp of easing expected by year-end. The US Treasury curve steepened: front-end yields dipped while maturities beyond 10 years saw marginal increases. Markets showed limited reaction to the upside surprise in December PPI data. The PPI components that feed into the core PCE deflator did not shift expectations for a 0.4% monthly increase, which would take the annual rate to 3.0%.

The US dollar made broad-based gains against G10 currencies on Friday. The dollar index rose nearly 0.5% but

still ended the month lower after falling to a four-year low earlier in the week. The CAD underperformed slightly due to weakness in metals prices and a softer-than-expected monthly GDP result. NZD/USD ended the offshore session weaker relative to the local close, while absolute moves across the key NZD crosses were small.

The US Treasury's semi-annual foreign-exchange report assessed the Chinese yuan as "substantially undervalued," citing China's persistently large and expanding external surpluses. The report urged Chinese authorities to allow the currency to appreciate in a timely and orderly manner. Despite the assessment, the Treasury did not designate any major trading partner as a currency manipulator. Thailand was added to the monitoring list, which covers economies with large trade surpluses and notable currency-market intervention.

The Eurozone economy expanded 0.3% in the fourth quarter of 2025, outperforming expectations despite heightened geopolitical tensions and persistent uncertainty. The result matched the previous quarter's growth rate. The ECB is unanimously expected to leave rates on hold at 2.0% this week, and market pricing implies steady policy settings through 2026.

China's official PMIs were weaker than expected, with both the manufacturing and services indices slipping into contractionary territory in January. The data point to soft economic momentum heading into the new calendar year.

Tokyo CPI, a leading indicator for nationwide trends, decelerated more sharply than anticipated. Excluding fresh food, consumer prices rose 2% y/y in January. Bank of Japan Governor Ueda has indicated the Bank is closely monitoring inflation trends as the new fiscal year approaches in April. Market pricing suggests around 25bp of tightening by the June meeting and a cumulative 50bp by year-end.

It was a quiet end to last week for NZ fixed income. The swap curve closed unchanged, with the market consolidating near recent yield highs. Government bonds outperformed slightly, with yields ending 1–2bp lower across the curve. Australian 10-year bond futures are 3bp lower in yield terms since the local close on Friday, pointing to a modest downward bias for NZ yields on the open.

There is no significant domestic economic data scheduled today. China releases the RatingDog manufacturing PMI, and the US ISM manufacturing index is due overnight. Economists expect a slight improvement after the index fell to 47.9 in December.

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Coming up

		Period	Cons.	Prev.	NZT
CH	RatingDog China PMI Mfg	Jan	50	50.1	14:45
US	ISM Manufacturing	Jan	48.5	47.9	04:00

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	0.6022	-0.9	0.6010	0.6079	CHF	0.7730	+1.1	S&P 500	6,939	-0.4	14.3	Oil (Brent)	70.69	-0.0
AUD	0.6964	-1.2	0.6940	0.7032	SEK	8.921	+1.3	Dow	48,892	-0.4	8.9	Oil (WTI)	65.21	-0.3
EUR	1.1852	-1.0	1.1855	1.1955	NOK	9.638	+1.0	Nasdaq	23,462	-0.9	19.2	Gold	4713.9	-11.4
GBP	1.3686	-0.9	1.3681	1.3788	HKD	7.814	+0.1	Stoxx 50	5,948	+0.9	12.6	HRC steel	972.0	+0.0
JPY	154.78	+1.1	153.71	154.76	CNY	6.957	+0.1	FTSE	10,224	+0.5	18.2	CRB	320.1	-1.1
CAD	1.3621	+0.9			SGD	1.270	+0.5	DAX	24,539	+0.9	12.9	Wheat Chic.	546.0	-0.8
NZD/AUD	0.8647	+0.3			IDR	16,786	+0.2	CAC 40	8,127	+0.7	2.3	Sugar	14.27	-2.9
NZD/EUR	0.5081	+0.1			THB	31.57	+1.1	Nikkei	53,323	-0.1	34.7	Cotton	63.17	-0.5
NZD/GBP	0.4400	-0.1			KRW	1,445	+0.7	Shanghai	4,118	-1.0	26.7	Coffee	332.3	-3.8
NZD/JPY	93.20	+0.1			TWD	31.47	+0.4	ASX 200	8,869	-0.7	3.9	WM powder	3460	+0.9
NZD/CAD	0.8202	-0.0			PHP	58.89	-0.1	NZX 50	13,423	+0.6	3.3	Australian Futures		
NZ TWI	68.55	-0.4						VIX Index	17.44	+3.3	+10.1	3 year bond	95.72	0.01
												10 year bond	95.18	-0.01
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	3.75	4.85	3.36	3.85	USD	4.24	0.00	15-May-28	3.34	-0.02	BKBM 1-mth	2.42	0.00	
AUD	3.60	3.84	4.17	4.86	AUD	4.81	-0.03	20-Apr-29	3.61	-0.02	BKBM 3-mth	2.51	0.00	
NZD	2.25	2.51	3.16	4.25	NZD	4.61	-0.02	15-May-30	3.85	-0.02	1 year	2.72	-0.00	
EUR	2.00	2.02	2.23	2.86	GER	2.84	0.00	15-May-31	4.07	-0.02	2 year	3.16	0.00	
GBP	3.75	3.99	3.54	4.13	GBP	4.52	0.01	15-May-32	4.21	-0.02	3 year	3.43	0.00	
JPY	0.74	-0.03	1.23	2.00	JPY	2.25	-0.01	14-Apr-33	4.32	-0.02	5 year	3.78	0.00	
CAD	2.25	4.97	2.43	3.18	CAD	3.42	0.00	15-May-34	4.43	-0.02	7 year	4.01	0.00	
								15-May-35	4.53	-0.02	10 year	4.25	0.00	
								15-May-36	4.61	-0.01	15 year	4.51	0.00	
								15-May-37	4.71	-0.01				
								15-May-41	4.97	-0.02	NZ Inflation-Indexed Bonds			
								15-May-51	5.20	-0.02	Sept-30	1.69	-0.03	
								15-May-54	5.20	-0.02	Sept-35	2.48	-0.04	
											Sept-40	2.88	-0.05	
Carbon Price					Policy Meeting Run									
	Level	% Day	% Year		NZD	AUD	USD							
NZU	35.70	+0.0	-44.5		1st	2.26	3.78	3.61						
					2nd	2.26	3.82	3.56						
					3rd	2.32	3.96	3.43						
					4th	2.38	3.99	3.34						
					5th	2.51	4.08	3.23						
* These are indicative ranges from 5pm NZT; please confirm rates with your BNZ dealer														
Rates at NY close														
Source: Bloomberg														

NZD exchange rates

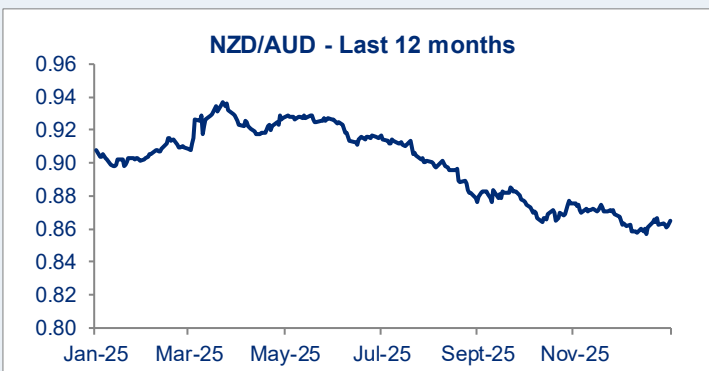
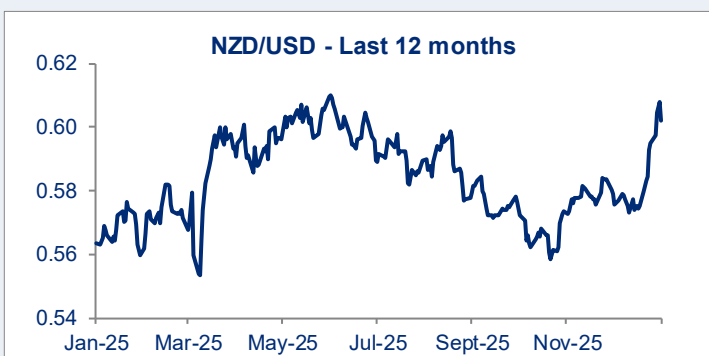
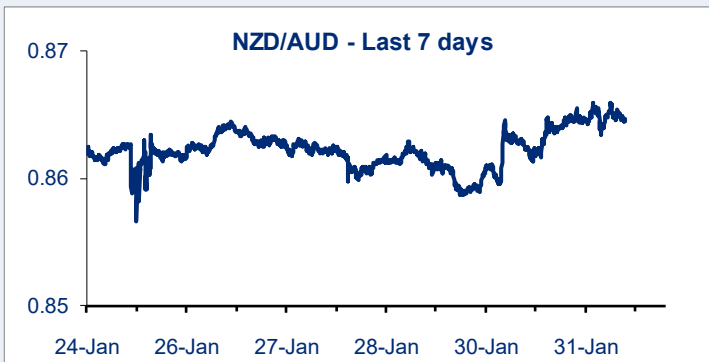
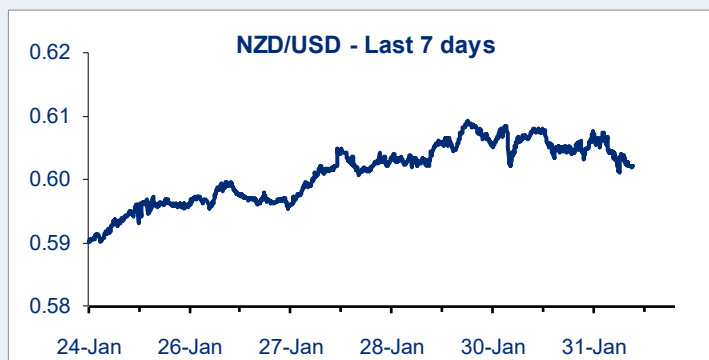
31/01/2026	NY close	Prev. NY close
USD	0.6022	0.6078
GBP	0.4400	0.4401
AUD	0.8647	0.8622
EUR	0.5081	0.5077
JPY	93.20	93.06
CAD	0.8202	0.8199
CHF	0.4654	0.4645
DKK	3.7948	3.7913
FJD	1.3274	1.3462
HKD	4.7047	4.7442
INR	55.39	55.89
NOK	5.8028	5.7972
PKR	168.50	170.09
PHP	35.45	35.83
PGK	2.5753	2.5952
SEK	5.3712	5.3513
SGD	0.7648	0.7686
CNY	4.1887	4.2257
THB	18.95	18.94
TOP	1.3896	1.4201
VUV	71.99	72.70
WST	1.6140	1.6543
XPF	60.32	61.42
ZAR	9.7220	9.5655

NZD/USD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	6.20	6.40
3 Months	19.61	20.11
6 Months	36.63	37.67
9 Months	48.30	50.30
1 Year	54.06	57.14

NZD/AUD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	9.27	9.65
3 Months	30.86	32.05
6 Months	65.93	68.35
9 Months	99.93	104.08
1 Year	130.64	137.37



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