

Research

Markets Today

3 February 2026

Events Round-Up

CH: RatingDog PMI manufacturing, Jan: 50.3 vs. 50.0 exp.
US: ISM manufacturing, Jan: 52.6 vs. 48.5 exp.

Good Morning

The Asian trading session kicked off in a volatile fashion, with gold and silver prices collapsing further, S&P500 futures opened on a weak note and the NZD dived below 0.60. This followed the choppy trading session on Friday following Trump's pick of Kevin Warsh as the next Fed Chair.

In overnight trading, gold and silver fell to fresh lows before showing decent bounces, US equities are on a much better footing, US Treasury yields have pushed higher and the USD is modestly stronger, with moves extended following a stronger than expected US ISM manufacturing survey.

The ISM manufacturing composite rose a chunky 4.7pts to 52.6, its strongest level in over three years and well ahead of consensus estimates for a small rise. A range of components of the index were strong, with new orders rising almost 10pts to 57.1 and solid gains in production and employment. On a more cautious note, the report noted the positive signs for the start of the year were tempered by commentary citing that January is a reorder month after the holidays and some buying appears to be to get ahead of expected price increases due to tariffs. The prices paid index pushed up to a four-month high of 59.0.

After opening down, the S&P500 has recovered and is up 0.7% in early afternoon trading. European equities were stronger, with the Euro Stoxx 600 index closing up 1%.

US Treasury yields are up 3bps across the curve since Friday's close, with a nudge higher after the ISM report. After trading at an overnight low of 4.21%, the 10-year rate currently trades at 4.26%.

The USD is broadly stronger from the weekend close, adding to Friday's gain after Warsh got the nod as the next Fed Chair. CHF has been the worst performing losing about 1%, reflecting the shift away from the dollar-debasement trade, with Warsh seen as a credible pick and one who is likely to defend the independence of the Fed. EUR has declined to the 1.18 mark.

JPY is on the softer side as well. Japan PM Takaichi said on Saturday that the weaker yen can be a huge opportunity for export industries, hardly comments that were conducive to intervening in the market to quell speculative yen selling pressure. While she tried to row back that comment, it was in vain, and USD/JPY has pushed up to 155.50. Following Friday's report that there was no official intervention when USD/JPY was trading up towards 160, some speculators might be willing to reload short yen positions in anticipation of a retest of that level.

The NZD has been oscillating, with a few unsuccessful attempts to fall below 0.5990, where there has been some support. It currently trades just over the 0.60 mark. AUD has been on the stronger side of the ledger, seeing NZD/AUD drift down, while the NZD is mostly higher on the other key crosses overnight.

Oil prices plunged with Brent crude down nearly 5% to USD66 per barrel. President Trump said he's hopeful "we'll make a deal" with Iran, playing down Supreme Leader Khamenei's weekend threat to strike back forcefully following any attack. OPEC+ ratified its plan to keep production steady in March, despite the strength in prices through January, but kept open its options for Q2.

Trading in gold and silver has been wild, with falls exaggerated by some forced selling as speculators got caught on Friday by the massive downdraft. After trading towards a low around USD4400, spot gold is currently USD4680.

In the domestic rates market there was a bias to slightly higher rates, with swaps up 1-3bps across the curve and NZGB yields up 1-2bps. The Australian 10-year bond future has traded an 8bps range overnight, but the net move from the NZ close is little changed.

In the day ahead, the NZ/Australian focus will be on the RBA meeting this afternoon. Around three-quarters of 33 economists surveyed by Bloomberg expect a 25bps lift in the cash rate to 3.85% and the market prices about a 75% chance – so a rate hike is not seen as a sure thing, but given a high chance. A rate hike would see the RBA become the first major central bank to tighten policy this cycle.

The new partial US government shutdown is again affecting data releases. The US JOLTs report will no longer be released tonight and the January jobs report (due

Friday) will also be delayed. The dates for rescheduled releases will be provided once funding is restored. There is some hope, but no guarantee, that the current government shutdown will be resolved soon with a vote in the House on a new funding bill.

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Coming Up

		Period	Cons.	Prev.	NZT
NZ	Dwelling consents (m/m%)	Dec	2.8	10:45	
AU	Building approvals (m/m%)	Dec	-6.4	15.2	13:30
AU	RBA cash rate target (%)	Feb	3.85	3.6	16:30

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	0.6003	-0.3	0.5991	0.6026	CHF	0.7800	+0.9	S&P 500	6,985	+0.7	15.6
AUD	0.6952	-0.2	0.6909	0.6971	SEK	8.965	+0.5	Dow	49,389	+1.0	10.9
EUR	1.1799	-0.4	1.1791	1.1871	NOK	9.702	+0.7	Nasdaq	23,651	+0.8	20.5
GBP	1.3656	-0.2	1.3623	1.3715	HKD	7.810	-0.0	Stoxx 50	6,008	+1.0	13.6
JPY	155.54	+0.5	154.55	155.70	CNY	6.944	-0.2	FTSE	10,342	+1.2	19.2
CAD	1.3684	+0.5			SGD	1.272	+0.2	DAX	24,798	+1.1	14.1
NZD/AUD	0.8635	-0.1			IDR	16,798	+0.1	CAC 40	8,181	+0.7	2.9
NZD/EUR	0.5088	+0.1			THB	31.56	-0.0	Nikkei	52,655	-1.3	36.7
NZD/GBP	0.4396	+0.0			KRW	1,452	+0.5	Shanghai	4,016	-2.5	23.5
NZD/JPY	93.37	+0.2			TWD	31.61	+0.4	ASX 200	8,779	-1.0	4.8
NZD/CAD	0.8215	+0.2			PHP	58.90	+0.0	NZX 50	13,412	-0.1	4.7
NZ TWI	68.32	-0.2						VIX Index	16.29	-6.6	-0.9
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		
USD	3.75	4.85	3.40	3.88	USD	4.27	0.03	15-May-28	3.35	0.00	
AUD	3.60	3.85	4.21	4.89	AUD	4.80	-0.01	20-Apr-29	3.61	0.00	BKBM 1-mth
NZD	2.25	2.51	3.16	4.28	NZD	4.62	0.02	15-May-30	3.86	0.00	2.51
EUR	2.00	2.03	2.25	2.88	GER	2.87	0.03	15-May-31	4.07	0.01	-0.00
GBP	3.75	3.99	3.53	4.11	GBP	4.51	-0.02	15-May-32	4.23	0.01	1 year
JPY	0.74	-0.03	1.25	2.01	JPY	2.24	-0.01	14-Apr-33	4.33	0.01	2 year
CAD	2.25	4.97	2.45	3.19	CAD	3.43	0.01	15-May-34	4.44	0.01	3 year
Carbon Price											
Level	% Day	% Year		Policy Meeting Run			15-May-36	4.62	0.01	5 year	
NZU	37.00	+3.6	-42.5	1st	2.26	3.79	3.61	4.72	0.02	7 year	
* These are indicative ranges from 5pm NZT; please confirm rates with your BNZ dealer				2nd	2.26	3.83	3.58	4.98	0.02	10 year	
Rates are as of: NZT 06:52				3rd	2.32	3.97	3.45	5.22	0.02	15 year	
Source: Bloomberg				4th	2.38	4.01	3.37	5.22	0.02		
				5th	2.51	4.10	3.26				
NZ Inflation-Indexed Bonds											
Sept-30								1.71	0.02	Sept-35	
Sept-35								2.51	0.02	Sept-40	
								2.90	0.02		

NZD exchange rates

3/02/2026	6:53 am	Prev. NY close
USD	0.6003	0.6021
GBP	0.4396	0.4399
AUD	0.8635	0.8646
EUR	0.5088	0.5081
JPY	93.37	93.19
CAD	0.8215	0.8196
CHF	0.4685	0.4654
DKK	3.7996	3.7948
FJD	1.3336	1.3274
HKD	4.6890	4.7047
INR	54.95	55.39
NOK	5.8230	5.8028
PKR	168.02	168.50
PHP	35.36	35.45
PGK	2.5658	2.5753
SEK	5.3819	5.3712
SGD	0.7640	0.7648
CNY	4.1698	4.1887
THB	18.95	18.95
TOP	1.3976	1.3896
VUV	71.84	71.99
WST	1.6137	1.6140
XPF	60.28	60.32
ZAR	9.6598	9.7220

**NZD/USD Forward Points**

	BNZ buys NZD	BNZ sells NZD
1 Month	6.15	6.35
3 Months	19.26	19.76
6 Months	36.70	37.70
9 Months	48.64	50.64
1 Year	55.20	57.84

NZD/AUD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	9.25	9.67
3 Months	30.54	31.66
6 Months	65.86	68.30
9 Months	100.69	105.41
1 Year	132.58	138.89



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