Markets Today

3 November 2026

Events round-up

AU: Building approvals (m/m%), Sep: 5.1 vs. 2.0 exp.

CH: RatingDog PMI manufacturing, Oct: 52.0 vs. 52.1 prev.

US: ISM manufacturing, Oct: 55.5 vs. 54.5 exp.

Good morning

Risk sentiment has begun the week on a positive note, with oil prices plunging on hopes for a resolution to the US-Iran conflict. Lower oil prices have supported global bond markets, sending rates lower, and have also supported equity markets. Currency markets show only small net movements, with the NZD little changed from last week's close at 0.5625.

Oil prices fell during the Asian trading session and extended their decline overnight. Early yesterday, Axios reported that President Trump told PM Netanyahu on a call that he is open to more time for diplomacy on the Middle East conflict, while Netanyahu is pushing for a resumption of military strikes on Iran after the mid-term elections. Overnight, Iranian media reported President Pezeshkian as saying that Supreme Leader Khamenei had empowered the civilian government to negotiate.

However, the reality is that one side will need to give ground, otherwise the stalemate will continue. Iran's Foreign Minister reiterated Iran's position that negotiations with the US could begin within a short period, and that security could return to the Strait of Hormuz, if Washington ends its naval blockade and meets Tehran's demands. Iran's 7-day plan remains the basis for negotiations, and he described consultations with mediators as "very intense". A more than 7% plunge in Brent crude to below USD105 per barrel highlights that traders are taking an optimistic view of the news.

The fall in oil prices has supported the rates market. The US 10-year rate is currently trading near its low for the session at 4.88%, down 5bps from the NZ close, with a flatter curve. Germany's 10-year rate is down only 3bps but, reflecting higher risk appetite, the fall in 10-year rates for the peripheral markets, France and the UK has been greater, at as much as 9bps for the day.

In economic news, the ISM manufacturing index rose a full point to 55.5 in October, stronger than the consensus estimate for a flat result. The production index rose to 59.0, its highest level in five years. New orders edged higher, while employment edged lower. Despite the recent strength in oil prices, the prices paid index fell 2.7pts to 75.2, albeit this is still a historically high level. The data were consistent with solid momentum in the US manufacturing sector, supported by resilient consumer demand, strong business investment and the data centre rollout.

Lower rates have supported equity markets, with the S&P500 and Nasdaq showing modest gains in early afternoon trading. Apple reports its earnings after the bell today. In Europe, the Euro Stoxx 600 index closed up 0.4%.

Price action in currency markets has been modest. European currencies have been supported by the near 10% fall in European gas prices, which has reversed some of the recent strong gains. The euro is up 0.4% from last week's close, to just over 1.12. The NZD is flat relative to last week's close at 0.5625, which has seen NZD/EUR push down to 0.5020. After trading back below 0.7990 yesterday, NZD/AUD has recovered to 0.8020, with the AUD a little weaker at 0.7010.

Trading activity was quiet in the domestic rates market, with NZGBs marked 1bp higher across the curve and the swaps market mostly unchanged, apart from a 1bp lift in the 10-year rate.

In the day ahead, the focus will be on the RBA meeting. Based on recent comments from senior RBA officials, there is a strong consensus for a fifth 25bps hike this year, which would take the cash rate target to 4.85%. Market pricing for a hike is about 80%. The economic data calendar is light, with only tonight's US JOLTS data of some interest.

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Coming up

		Period	Cons.	Prev.	NZT
NZ	Dwelling consents (m/m%)	Sep		5.6	10:45
AU	RBA cash rate target (%)	Nov	4.85	4.6	16:30
US	JOLTS job openings (k)	Sep	7162	7079	04:00

Source: Bloomberg

Currencies

FX Majors — Indicative overnight ranges (*)

	Last	% Day	Low	High
NZD	0.5622	-0.2	0.5611	0.5646
AUD	0.7008	-0.3	0.6999	0.7031
EUR	1.1205	+0.4	1.1178	1.1237
GBP	1.3417	+0.2	1.3394	1.3448
JPY	157.80	+0.2	157.60	158.00
CAD	1.3976	+0.0		
NZD/AUD	0.8022	+0.2		
NZD/EUR	0.5017	-0.6		
NZD/GBP	0.4190	-0.4		
NZD/JPY	88.72	-0.0		
NZD/CAD	0.7857	-0.1		
NZ TWI	63.86	-0.0		

Other FX

	Last	% Day
CHF	0.8181	-0.8
SEK	9.776	-0.5
NOK	9.284	+0.9
HKD	7.847	+0.0
CNY	6.649	-0.1
SGD	1.279	+0.1
IDR	18,156	+0.0
THB	33.70	-0.2
KRW	1,345	+0.8
TWD	32.58	-0.0
PHP	63.62	-0.2

Equities

Major Indices

	Last	% Day	% Year
S&P 500	7,611	+0.4	11.3
Dow	52,202	+0.8	9.8
Nasdaq	25,459	+0.1	7.3
Stoxx 50	6,176	+0.7	9.1
FTSE	10,761	+0.3	10.7
DAX	25,981	+0.6	8.4
CAC 40	8,048	+1.0	-0.9
Nikkei	63,082	-0.3	22.5
Shanghai	3,638	+1.1	-8.0
ASX 200	8,856	-0.6	-0.4
NZX 50	13,699	-0.7	1.0
VIX Index	19.49	+0.4	+11.8

Commodities

Price (Near futures, except CRB)

	Last	Net Day
Oil (Brent)	104.93	-7.5
Oil (WTI)	96.55	-7.3
Gold	3968.0	+1.8
HRC steel	1352.0	+0.4
CRB	411.1	-0.1
SGX Iron Ore	91.25	+0.0
NZ Milk '27	10.41	+0.0
NZ Milk '28	10.30	+0.0
NZ Milk '29	9.92	+0.0
WM powder	3965	-0.1

Australian Futures

3 year bond	95.18	-0.02
10 year bond	94.89	0.03

Interest Rates

Rates / Swap Yields

	Cash	3Mth	2 Yr	10 Yr
USD	4.00	4.85	4.43	4.49
AUD	4.60	4.91	4.88	5.24
NZD	2.75	3.15	3.90	4.52
EUR	2.50	2.68	3.34	3.40
GBP	3.75	3.87	4.65	4.77
JPY	1.25	1.34	1.88	2.68
CAD	2.50	2.60	3.16	3.53

Benchmark 10 Yr Bonds

	Last	Net Day
USD	4.87	-0.06
AUD	5.13	0.02
NZD	4.82	0.01
GER	3.29	-0.03
GBP	5.19	-0.09
JPY	2.78	-0.00
CAD	3.75	-0.05

NZ Government Bonds

	Last	Chg
15-May-28	3.73	0.01
20-Apr-29	3.97	0.01
15-May-30	4.14	0.01
15-May-31	4.29	0.01
15-May-32	4.43	0.01
14-Apr-33	4.53	0.01
15-May-34	4.63	0.01
15-May-35	4.73	0.01
15-May-36	4.82	0.01
15-May-37	4.91	0.01
15-May-38	4.96	0.01
15-May-41	5.18	0.01
15-May-51	5.39	0.01
15-May-54	5.40	0.01

NZ BKBM and Swap Yields

	Last	Chg
BKBM 1-mth	2.92	-0.01
BKBM 3-mth	3.15	-0.02
1 year	3.61	-0.00
2 year	3.90	0.00
3 year	4.03	0.00
5 year	4.20	0.00
7 year	4.34	0.00
10 year	4.52	0.01
15 year	4.73	0.01

NZ Inflation-Indexed Bonds

Sept-30	1.70	0.01
Sept-35	2.49	0.01
Sept-40	2.93	0.01

Carbon Price

	Level	% Day	% Year
NZU	48.50	+0.0	-8.0

* These are indicative ranges from 5pm NZT; please confirm rates with your BNZ dealer

Rates are as of: NZT 06:46

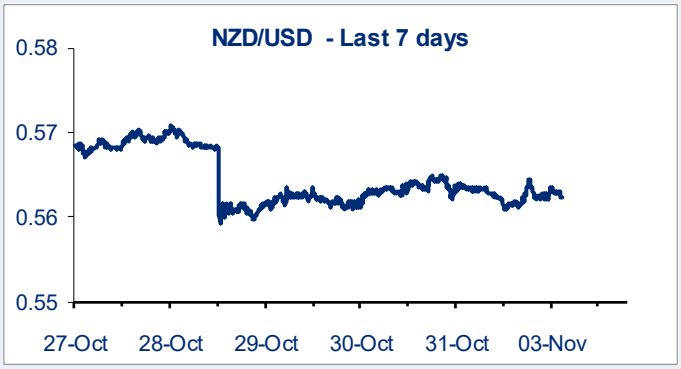
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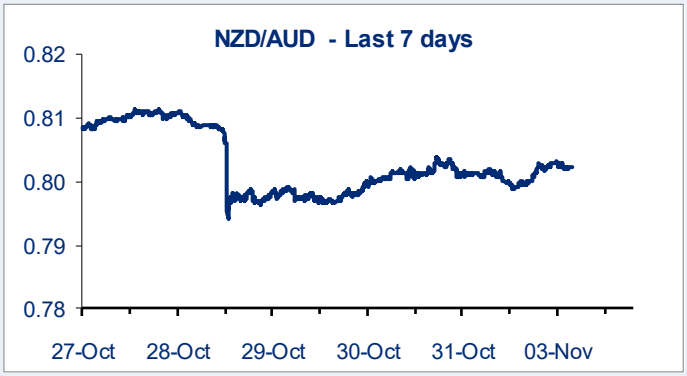
Policy Meeting Run

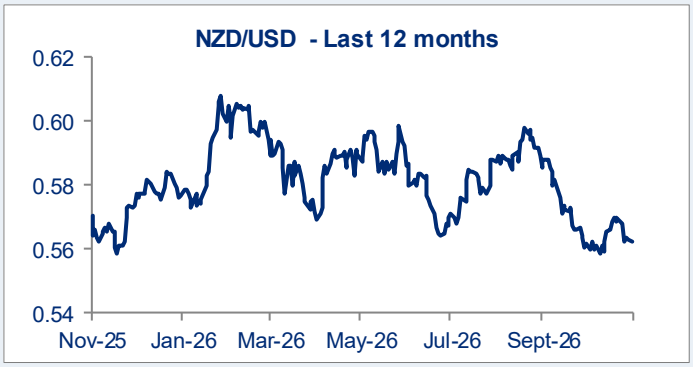
	NZD	AUD	USD
1st	2.95	4.82	4.08
2nd	3.12	4.87	4.14
3rd	3.28	4.94	4.28
4th	3.42	4.94	4.34
5th	3.55	4.94	4.42

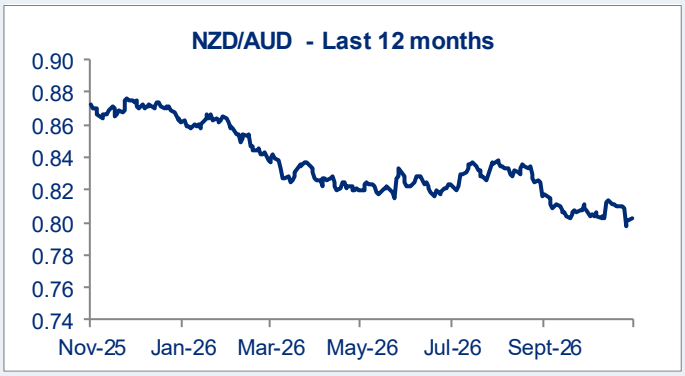
NZD exchange rates

3/11/2026	6:46 am	Prev. NY close
USD	0.5622	0.5631
GBP	0.4190	0.4205
AUD	0.8022	0.8008
EUR	0.5017	0.5046
JPY	88.72	88.72
CAD	0.7857	0.7869
CHF	0.4607	0.4646
DKK	3.7549	3.7715
FJD	1.2647	1.2634
HKD	4.4167	4.4174
INR	53.42	53.47
NOK	5.2225	5.1823
PKR	155.76	155.90
PHP	35.88	35.95
PGK	2.5436	2.5251
SEK	5.5045	5.5330
SGD	0.7198	0.7196
CNY	3.7423	3.7474
THB	19.01	18.97
TOP	1.3232	1.3423
VUV	67.20	67.36
WST	1.5529	1.5521
XPF	60.00	60.18
ZAR	9.3438	9.4091









NZD/USD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	5.80	6.00
3 Months	17.44	17.96
6 Months	32.18	33.22
9 Months	45.38	47.21
1 Year	55.74	59.04

NZD/AUD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	13.36	13.78
3 Months	38.98	40.15
6 Months	72.18	74.56
9 Months	100.43	104.61
1 Year	122.27	129.28

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