

Research Markets Today

5 March 2026

Events round-up

NZ: Terms of trade (q/q%), Q4: 3.7 vs. -0.3 exp.
 AU: GDP (q/q%), Q4: 0.8 vs. 0.8 exp.
 CH: Manufacturing PMI, Feb: 49.0 vs. 49.2 exp.
 CH: Non-manufacturing PMI, Feb: 49.5 vs. 49.7 exp.
 CH: RatingDog PMI services, Feb: 56.7 vs. 52.3 exp.
 CH: RatingDog PMI manufacturing, Feb: 52.1 vs. 50.1 exp.
 EC: Unemployment rate (%), Jan: 6.1 vs. 6.2 exp.
 US: ADP employment change (k), Feb: 63 vs. 50 exp.
 US: ISM services index, Feb: 56.1 vs. 53.5 exp.

Good morning

Global equities were mixed. US and European markets rebounded alongside a pullback in oil prices from recent highs, after the US said it is considering offering shipping assistance to help ease oil flows through the Middle East. US equities were supported by data pointing to strength in the services sector. Asian markets declined, led by South Korea, where the Kospi fell 12%, extending its two-day decline to more than 18% amid an unwinding of leveraged positions. Treasuries were little changed and the US dollar was marginally weaker against G10 currencies.

Oil prices remain volatile. Brent crude pulled back from an overnight peak above US\$84 a barrel. U.S. Treasury Secretary Bessent, echoing comments from President Trump, said the US is discussing measures to ease oil flows from the Middle East as the conflict enters a fifth day. Options under consideration include offering shipping insurance via the US International Development Finance Corporation and, if required, naval escorts for tankers transiting the Strait of Hormuz.

The US services ISM surprised to the upside. The headline index rose to 56.1, its highest level since April 2022, driven by a 5.5-point lift in new orders and exceeding all Bloomberg survey expectations. That said, the ISM has often been a poor guide to hard data on services consumption in recent years. The employment index improved, while the prices index eased.

Front end treasury yields edged higher after the ISM data, but the move proved temporary, and the curve is largely unchanged. The market is pricing around 47bp of easing by

the Fed this year, the least since late January due to worries about a resurgence in inflation given the spike in oil prices. 10-year notes were stable near 4.07% while yields closed marginally lower in the main European sovereign bond markets.

The US dollar has declined against G10 currencies since the local close but the moves against the majors were small. USD/JPY pulled back following comments from Finance Minister Katayama that the government could act to quell excessive moves including through market intervention. The NZD and AUD were amongst the best performers likely benefiting from the improved risk tone. The AUD extended the rebound having fallen after the GDP data.

Australia's economy finished 2025 on a firm footing. Q4 GDP rose 0.8% q/q, lifting annual growth to 2.6%, beating expectations and reinforced by upward revisions to the prior quarter. That said, household spending undershot the Reserve Bank of Australia's projections from February, prompting a pull-back in market pricing for a back-to-back rate hike at the March 17 meeting.

China's PMIs were mixed in February. The official measures remained soft, while the RatingDog gauges surprised to the upside, reflecting stronger conditions among smaller and more export-orientated firms. China's leadership is meeting to finalise its growth blueprint through 2030. Premier Li Qiang is due to unveil 2026 economic targets today, with a lower growth goal a possibility for the first time since 2023.

Curve flattening dominated NZ rates markets in the local session yesterday, reflecting expectations of a more sustained lift in oil prices. 2-year swap rates rose 4bp to 3.02%, while the 10-year was unchanged at 4.02%. The government curve showed a similar flattening bias, with 10-year bonds closing unchanged at 4.40%. NZDM will offer \$250m of May-2031s and \$200m of May-2035s at today's weekly tender.

Further partial Q4 GDP data are scheduled today, with Value of Building Work Put in Place allowing us to refine our growth forecast. Otherwise, the local calendar is light on market-moving data. In the US, initial jobless claims are released, though attention remains firmly on the February labour market report due overnight Friday.

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Coming up

		Period	Cons.	Prev.	NZT
NZ	Volume of All Buildings SA (q/q%)	4Q	1.9	1.5	10:45
AU	Trade Balance	Jan	3800	3373	13:30
AU	Household Spending (m/m%)	Jan	0.4	-0.4	13:30
US	Nonfarm Productivity	4Q P	1.8	4.9	02:30
US	Initial Jobless Claims (k)	28-Feb	215	212	02:30

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	0.5934	+0.7	0.5886	0.5936	CHF	0.7799	-0.3	S&P 500	6,873	+0.8	18.9	Oil (Brent)	81.09	-0.3
AUD	0.7072	+0.5	0.6992	0.7077	SEK	9.164	-1.1	Dow	48,834	+0.7	14.8	Oil (WTI)	74.18	-0.5
EUR	1.1637	+0.2	1.1590	1.1655	NOK	9.629	-0.4	Nasdaq	22,844	+1.5	24.9	Gold	5157.8	+0.7
GBP	1.3363	+0.0	1.3306	1.3403	HKD	7.817	+0.2	Stoxx 50	5,871	+1.7	9.0	HRC steel	1014.0	-0.2
JPY	156.96	-0.5	156.86	157.65	CNY	6.896	-0.3	FTSE	10,568	+0.8	20.6	CRB	326.3	+1.8
CAD	1.3664	-0.1			SGD	1.275	-0.2	DAX	24,205	+1.7	8.4	Wheat Chic.	566.0	-1.4
NZD/AUD	0.8391	+0.2			IDR	16,892	+0.1	CAC 40	8,168	+0.8	1.5	Sugar	13.73	-1.5
NZD/EUR	0.5099	+0.5			THB	31.53	-0.2	Nikkei	54,246	-3.6	45.0	Cotton	62.04	-0.9
NZD/GBP	0.4441	+0.7			KRW	1,463	-1.5	Shanghai	4,082	-1.0	22.8	Coffee	286.1	+1.0
NZD/JPY	93.14	+0.3			TWD	31.71	+0.3	ASX 200	8,901	-1.9	9.3	WM powder	3965	+0.4
NZD/CAD	0.8108	+0.7			PHP	58.57	+0.2	NZX 50	13,531	-0.7	9.0	Australian Futures		
NZ TWI	67.42	+0.5						VIX Index	20.80	-11.8	-11.5	3 year bond	95.69	0.03
												10 year bond	95.21	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	3.34	3.63	USD	4.07	0.01	15-May-28	3.15	0.03	BKBM 1-mth	2.43	0.00	
AUD	3.85	4.07	4.33	4.87	AUD	4.75	-0.02	20-Apr-29	3.42	0.03	BKBM 3-mth	2.48	0.00	
NZD	2.25	2.48	3.02	4.02	NZD	4.40	0.01	15-May-30	3.65	0.03	1 year	2.67	0.03	
EUR	2.00	2.04	2.27	2.77	GER	2.75	-0.00	15-May-31	3.86	0.02	2 year	3.02	0.04	
GBP	3.75	3.90	3.52	4.01	GBP	4.44	-0.03	15-May-32	4.01	0.03	3 year	3.25	0.03	
JPY	0.73	-0.03	1.23	1.94	JPY	2.12	-0.02	14-Apr-33	4.11	0.02	5 year	3.56	0.02	
CAD	2.25	4.97	2.39	3.00	CAD	3.25	0.01	15-May-34	4.21	0.02	7 year	3.78	0.01	
								15-May-35	4.31	0.01	10 year	4.02	0.00	
								15-May-36	4.40	0.01	15 year	4.28	0.00	
								15-May-37	4.50	0.00				
								15-May-41	4.80	0.00	NZ Inflation-Indexed Bonds			
								15-May-51	5.04	-0.00	Sept-30	1.54	0.02	
								15-May-54	5.05	0.00	Sept-35	2.32	-0.00	
											Sept-40	2.73	-0.00	
Carbon Price					Policy Meeting Run									
	Level	% Day	% Year		NZD	AUD	USD							
NZU	44.05	+0.6	-29.8	1st	2.25	3.91	3.64							
				2nd	2.28	4.10	3.62							
				3rd	2.32	4.15	3.54							
				4th	2.41	4.28	3.47							
				5th	2.45	4.29	3.35							
* These are indicative ranges from 5pm NZT; please confirm rates with your BNZ dealer														
Rates are as of: NZT 06:13														
Source: Bloomberg														

NZD exchange rates

5/03/2026	6:14 am	Prev. NY close
USD	0.5934	0.5890
GBP	0.4441	0.4409
AUD	0.8391	0.8371
EUR	0.5099	0.5072
JPY	93.14	92.91
CAD	0.8108	0.8058
CHF	0.4628	0.4606
DKK	3.8102	3.7894
FJD	1.3056	1.3074
HKD	4.6385	4.5971
INR	54.68	53.88
NOK	5.7138	5.6975
PKR	165.78	164.66
PHP	34.77	34.41
PGK	2.5490	2.5290
SEK	5.4376	5.4561
SGD	0.7565	0.7522
CNY	4.0917	4.0748
THB	18.66	18.52
TOP	1.3855	1.3742
VUV	70.59	70.04
WST	1.5875	1.5840
XPF	60.40	60.02
ZAR	9.6909	9.7350



NZD/USD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	7.01	7.21
3 Months	20.19	20.59
6 Months	37.49	38.54
9 Months	49.62	51.50
1 Year	56.56	59.59

NZD/AUD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	11.24	11.76
3 Months	35.22	36.20
6 Months	72.72	75.35
9 Months	109.58	113.75
1 Year	143.70	150.61

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