Research

Markets Today

6 August 2026

Events round-up

NZ: Employment (q/q%), Q2: 0.5 vs. 0.1 exp.

NZ: Employment (y/y%), Q2: 1.2 vs. 0.7 exp.

NZ: Unemployment rate (%), Q2: 5.6 vs. 5.4 exp.

NZ: LCI pvt wages inc overtime (q/q%), Q2: 0.7 vs. 0.6 exp.

JN: Schd FT pay, same base (y/y%), Jun: 2.9 vs. 2.7 exp.

CH: RatingDog PMI services, Jul: 50.4 vs. 53.7 exp.

US: ADP employment change (k), Jul: 44 vs. 65 exp.

US: ISM services index, Jul: 54.1 vs. 54.5 exp.

Good morning

US equity markets took a breather after solid gains in recent sessions. The S&P was little changed, albeit after an initial advance pushed the index to a fresh intraday high. Global rates markets were broadly stable, with Treasuries looking past data showing steady expansion in the services sector. The US dollar eased, though moves were contained. Gold prices rose more than 4% to US$4,250 per troy ounce, marking a notable breakout after being confined to a narrow range through July.

Brent crude prices have been broadly stable near US$79 per barrel amid growing indications that the Strait of Hormuz could soon reopen. Iran said it had reached agreement with Oman on a proposed shipping route, with a joint statement reportedly in the final drafting stage. President Trump has said a deal to reopen the strait is imminent, though he has provided few further details.

The US services ISM pointed to steady expansion. New orders accelerated and business activity rose to a five-month high, suggesting underlying demand remains resilient. The prices-paid subindex jumped to 70.3 in July, with higher oil and gasoline prices adding to cost pressures after the collapse of the interim US-Iran deal. Meanwhile, the employment component slipped below 50, reaching its weakest level since March. Separately, ADP private payrolls increased by 44k, below the 65k consensus estimate, as the market looks ahead to the official labour market report at the end of the week.

There was limited reaction to the data in US rates markets, with Treasury yields little changed across the curve. The Treasury Department set its quarterly refunding in line with expectations, leaving debt sales unchanged from May at US$125b. It also retained guidance that auction sizes are expected to be maintained for at least the next several quarters. Auction sizes will likely have to increase sometime next year to prevent an over-reliance on short-term bills to meet borrowing needs. The 10-year yield was steady near 4.61%.

Currency moves were modest relative to the local close. The US dollar was marginally softer against most G10 currencies, while USD/JPY was stable after the intervention-driven volatility of recent sessions. The NZD recovered toward 0.5890 against the dollar after dipping after yesterday's labour market report, and was broadly stable on the crosses, apart from a small gain against the yen.

NZ labour market data were mixed. The unemployment rate rose to a new 10-year high of 5.6%, above both the 5.4% consensus forecast and the RBNZ's projection. Employment growth was stronger than expected, with the rise in unemployment reflecting higher labour force participation. Wage growth, as measured by the labour cost index, increased at a 2% annual pace, consistent with the RBNZ's inflation target.

The NZ fixed income market opened with lower yields, following offshore moves. The rally extended after the labour market release, as markets focused on the additional spare capacity signalled by the further lift in the unemployment rate. Two-year swap rates fell 8bp to 3.62% and are now almost 20bp below the cycle peak reached 10 days ago. The 10-year swap rate closed 7bp lower at 4.36%. NZGBs broadly matched the move in swaps, with 10-year bonds ending the local session at 4.66%. Focus now turns to the weekly tender, with NZDM offering May-31 ($225m), May-36 ($175m), and May-54 ($50m).

No domestic data are due today, while the international calendar is largely limited to second-tier releases. US initial jobless claims remain low, although there is a risk of a small increase this week associated with the conclusion of the FIFA World Cup.

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Coming up

		Period	Cons.	Prev.	NZT
US	Fed's Cook Speaks on Economic Outlook				08:05
AU	Trade Balance	Jun	-1080	-3018	13:30
GE	Factory Orders (m/m%)	Jun	0.5	1.9	18:00
US	Nonfarm Productivity	2Q P	0.6	0.3	00:30
US	Initial Jobless Claims	1-Aug	205	197	00:30

Source: Bloomberg

Currencies

FX Majors — **Indicative overnight ranges (*)**

	Last	% Day	Low	High
NZD	0.5890	-0.1	0.5860	0.5892
AUD	0.7061	+0.2	0.7040	0.7065
EUR	1.1556	+0.2	1.1531	1.1559
GBP	1.3469	+0.1	1.3454	1.3486
JPY	157.69	-0.0	157.31	157.88
CAD	1.4009	-0.4		
NZD/AUD	0.8342	-0.3		
NZD/EUR	0.5097	-0.3		
NZD/GBP	0.4373	-0.2		
NZD/JPY	92.88	-0.1		
NZD/CAD	0.8251	-0.4		
NZ TWI	66.93	-0.2		

Other FX

	Last	% Day
CHF	0.8069	-0.3
SEK	9.480	-0.4
NOK	9.514	-0.3
HKD	7.844	+0.0
CNY	6.749	+0.0
SGD	1.281	-0.1
IDR	17,933	-0.5
THB	33.09	-0.5
KRW	1,422	-0.6
TWD	32.30	-0.5
PHP	60.76	-0.7

Equities

Major Indices

	Last	% Day	% Year
S&P 500	7,744	+0.1	22.9
Dow	54,556	+0.8	23.7
Nasdaq	26,465	-0.5	26.5
Stoxx 50	6,477	-0.1	23.4
FTSE	10,888	+0.1	19.1
DAX	26,126	-0.3	9.6
CAC 40	8,669	+0.0	13.8
Nikkei	66,300	+3.7	62.5
Shanghai	3,878	+1.5	7.2
ASX 200	9,228	+0.9	4.3
NZX 50	13,997	+0.7	8.7
VIX Index	15.79	-4.3	-11.5

Commodities

Price (Near futures, except CRB)

	Last	Net Day
Oil (Brent)	79.33	-0.1
Oil (WTI)	75.12	-0.9
Gold	4256.7	+3.9
HRC steel	1193.0	+0.0
CRB	373.4	-1.7
Wheat Chic.	661.5	+0.5
Sugar	15.15	+0.7
Cotton	81.80	+0.8
Coffee	311.5	+0.9
WM powder	3545	+1.1

Australian Futures

	Last	Net Day
3 year bond	95.54	0.06
10 year bond	95.05	0.00

Interest Rates

Rates / **Swap Yields**

	Cash	3Mth	2 Yr	10 Yr
USD	3.75	4.85	4.05	4.21
AUD	4.35	4.50	4.52	5.00
NZD	2.50	2.94	3.62	4.36
EUR	2.25	2.50	2.94	3.15
GBP	3.75	3.87	4.14	4.50
JPY	0.99	-0.03	1.61	2.68
CAD	2.25	4.97	2.76	3.32

Benchmark 10 Yr Bonds

	Last	Net Day
USD	4.61	0.00
AUD	4.91	-0.06
NZD	4.66	-0.07
GER	3.11	0.00
GBP	4.89	-0.01
JPY	2.83	-0.03
CAD	3.56	0.01

NZ Government Bonds

	Last	Chg
15-May-28	3.55	-0.08
20-Apr-29	3.75	-0.09
15-May-30	3.93	-0.09
15-May-31	4.11	-0.09
15-May-32	4.26	-0.08
14-Apr-33	4.36	-0.08
15-May-34	4.47	-0.08
15-May-35	4.57	-0.07
15-May-36	4.66	-0.07
15-May-37	4.75	-0.07
15-May-38	4.82	-0.07
15-May-41	5.04	-0.07
15-May-51	5.26	-0.06
15-May-54	5.26	-0.06

NZ BKBM and Swap Yields

	Last	Chg
BKBM 1-mth	2.73	0.02
BKBM 3-mth	2.94	0.00
1 year	3.36	-0.06
2 year	3.62	-0.08
3 year	3.76	-0.08
5 year	3.97	-0.08
7 year	4.15	-0.08
10 year	4.36	-0.07
15 year	4.61	-0.06

NZ Inflation-Indexed Bonds

	Last	Chg
Sept-30	1.64	-0.07
Sept-35	2.46	-0.07
Sept-40	2.93	-0.07

Carbon Price

	Level	% Day	% Year
NZU	55.70	-1.4	-3.1

Policy Meeting Run

	NZD	AUD	USD
1st	2.73	4.37	3.78
2nd	2.86	4.39	3.85
3rd	3.02	4.47	3.95
4th	3.17	4.49	3.98
5th	3.29	4.51	4.04

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

Rates are as of: NZT 06:21

Source: Bloomberg

NZD exchange rates

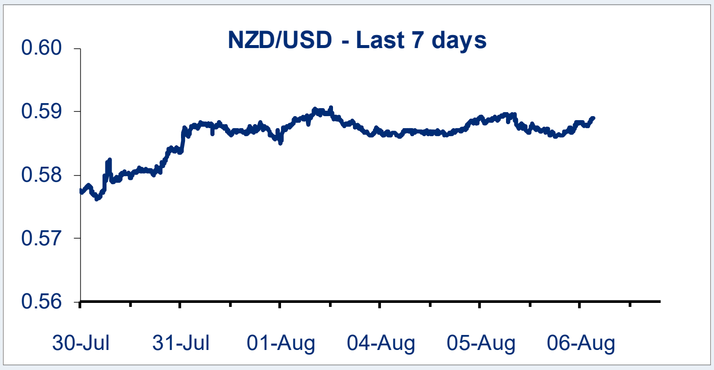
6/08/2026	6:20 am	Prev. NY close
USD	0.5890	0.5894
GBP	0.4373	0.4382
AUD	0.8342	0.8365
EUR	0.5097	0.5111
JPY	92.88	92.98
CAD	0.8251	0.8288
CHF	0.4753	0.4769
DKK	3.8103	3.8207
FJD	1.3063	1.3089
HKD	4.6201	4.6224
INR	56.03	56.22
NOK	5.6035	5.6243
PKR	163.66	163.77
PHP	35.79	36.06
PGK	2.6016	2.5862
SEK	5.5838	5.6106
SGD	0.7545	0.7557
CNY	3.9752	3.9780
THB	19.56	19.69
TOP	1.3911	1.3745
VUV	70.19	70.27
WST	1.6040	1.5974
XPF	60.79	61.06
ZAR	9.6042	9.6571

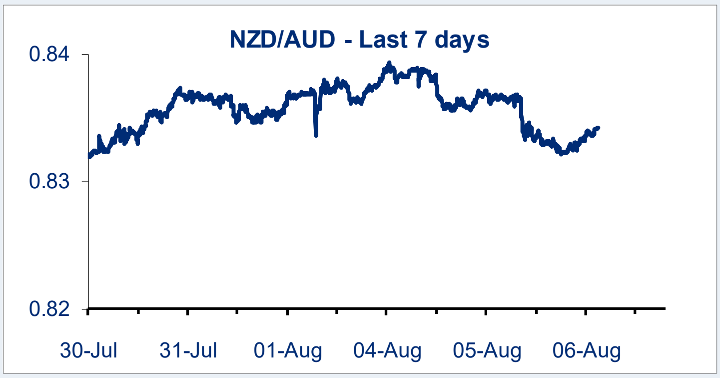
NZD/USD Forward Points

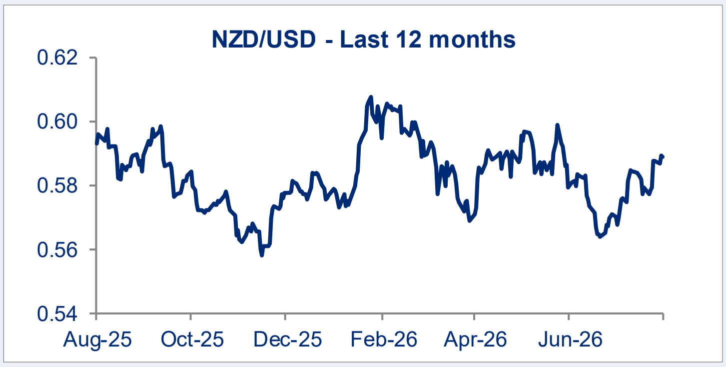
	BNZ buys NZD	BNZ sells NZD
1 Month	5.71	5.99
3 Months	15.68	16.33
6 Months	29.08	30.72
9 Months	38.81	41.59
1 Year	47.07	51.13

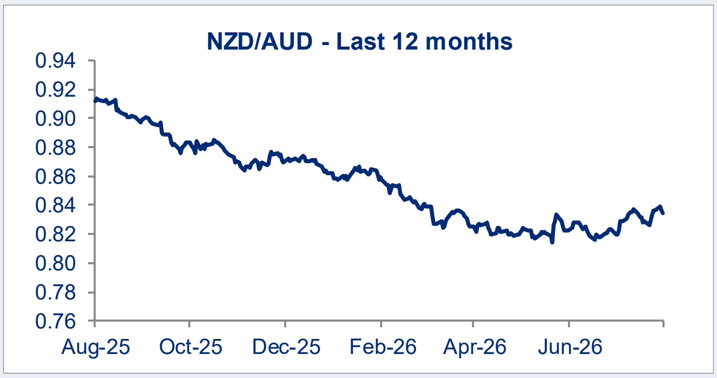
NZD/AUD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	12.67	13.26
3 Months	34.80	36.19
6 Months	64.44	67.86
9 Months	87.64	93.28
1 Year	108.76	116.93









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