Research

# Markets Today

6 November 2026

## Events round-up

AU: Trade balance ($m), Sep: 286 vs. 1000 exp.

GE: Factory orders (m/m%), Sep: 4.4 vs. 4.5 exp.

UK: Bank of England Bank Rate (%), Nov: 4.0 vs. 4 exp.

US: Nonfarm productivity (q/q ann. %), Q3: 3.6 vs. 2.7 exp.

US: Initial jobless claims (k), 31 Oct: 189 vs. 196 exp.

## Good morning

US equities fell sharply overnight, led by tech, as investors positioned for a slowdown in the AI build-out after the midterms. Speculation that congressional Democrats will clamp down on the sector hit chipmakers and data-centre suppliers hardest, dragging the Nasdaq close to 4% lower. Defensive sectors such as consumer staples and health care held up better, but the S&P still fell 3%. The VIX spiked to its highest level since the US–Iran conflict began. Treasury yields declined despite a partial recovery in oil prices, while the US dollar gained and defensive currencies outperformed.

Brent crude edged up from near US$93 a barrel after falling almost 9% on the Democratic sweep in the US midterms. The prospect of easing tensions has left Brent about 15% below its late-October levels, though uncertainty persists. Persian Gulf crude exports have recovered to near pre-conflict levels, but shipping in the region remains at constant risk of attack. US–Iran talks have yet to produce a durable resolution, although the New York Times reported that Qatar-led diplomatic efforts to avert a full-blown war have had some success, with Iran reviewing "concrete proposals" on its nuclear programme.

Rising risk aversion led markets to scale back Fed tightening expectations, with the chance of a December hike dipping below 70% and terminal pricing falling close to 10bp. Largely second tier economic data had a limited impact on price action. Treasury yields initially drifted higher, with the 10-year reaching 4.92%, before the equity sell-off triggered a sharp reversal. Safe-haven demand pulled the 10-year yield down close to 10bp to 4.83%, slightly below levels seen in Asian trading yesterday.

The Bank of England lifted Bank Rate 25bp to 4.0%, its first hike in more than three years, and struck a hawkish tone. The 8–1 vote saw Catherine Mann dissent in favour of a 50bp move, and policymakers signalled further tightening is likely in the coming months. Inflation is projected to peak at 4.9% in Q2 2027, before falling below the 2% target in 2029 on a policy rate path peaking at 4.75–5%. The one caveat is that the forecasts don't incorporate the significantly recent fall in oil prices. Front end UK rates moved higher initially with the move fading as equity markets fell. There was little impact on the pound with EUR/GBP only dipping marginally on the release.

The US dollar firmed against most G10 currencies, with the defensive yen and Swiss franc outperforming. The NZD and AUD were among the weakest, both falling close to 1% as risk sentiment soured. The NZD pushed above 0.5650 yesterday before drifting steadily lower overnight to stabilise just above 0.5600, with much of the decline coming before the equity rout. The NZD is broadly weaker on the crosses, although NZD/AUD is little changed after trading in a wide range with the AUD weakness more pronounced as equity market fell.

NZ rates extended their decline in the local session yesterday, led by the long end of the curve. There was no domestic catalyst, but the positive tone across global fixed income supported the move. The 2-year yield fell 4bp to 3.71%, while the 10-year closed 8bp lower at 4.33%. The first of the reduced NZGB weekly tenders, now NZ$350m, was more than five times covered despite lower yields. Demand was strongest for the shortest line, with the NZ$175m May-2032s attracting NZ$1.2bn of bids and clearing 2bp through mid-market.

Despite sharp swings across global markets, Australian 10-year bond futures are net little changed from the NZ close, suggesting little directional lead for NZ rates on the open.

There is no domestic data on the calendar today. Offshore, the focus will be on US October labour market data. Consensus expects nonfarm payrolls to rise 65k, rebounding from a soft September print, with the unemployment rate steady at 4.2%. University of Michigan consumer sentiment is expected to hold up as gasoline prices continue to ease from their late-September highs. Canada also releases labour market data.

stuart_ritson@bnz.co.nz

## Coming up

| | | Period | Cons. | Prev. | NZT |
|---|---|---|---|---|---|
| JN | Full-Time Pay (y/y%) | Sep | 3 | 2.8 | 12:30 |
| GE | Industrial Production (m/m%) | Sep | -0.1 | 2 | 20:00 |
| CA | Unemployment Rate | Oct | 6.5 | 6.5 | 02:30 |
| US | Change in Nonfarm Payrolls | Oct | 65 | 29 | 02:30 |
| US | Average Hourly Earnings (m/m%) | Oct | 0.3 | 0.1 | 02:30 |
| US | Average Hourly Earnings (y/y%) | Oct | 2.9 | 3 | 02:30 |
| US | Unemployment Rate | Oct | 4.2 | 4.2 | 02:30 |
| US | U. of Mich. Sentiment | Nov P | 48 | 48 | 04:00 |
| US | U. of Mich. 5-10 Yr Inflation | Nov P | 3.5 | 3.5 | 04:00 |

Source: Bloomberg

## Currencies

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

| | Last | % Day | Low | High |
|---|---|---|---|---|
| NZD | 0.5612 | -0.2 | 0.5603 | 0.5651 |
| AUD | 0.6954 | -0.7 | 0.6948 | 0.7025 |
| EUR | 1.1233 | +0.1 | 1.1203 | 1.1267 |
| GBP | 1.3482 | +0.1 | 1.3448 | 1.3501 |
| JPY | 157.78 | -0.4 | 157.67 | 158.50 |
| CAD | 1.3987 | +0.1 | | |
| NZD/AUD | 0.8070 | +0.6 | | |
| NZD/EUR | 0.4996 | -0.2 | | |
| NZD/GBP | 0.4163 | -0.2 | | |
| NZD/JPY | 88.55 | -0.6 | | |
| NZD/CAD | 0.7850 | -0.1 | | |
| NZ TWI | 63.84 | -0.1 | | |

### Other FX

| | Last | % Day |
|---|---|---|
| CHF | 0.8149 | -0.3 |
| SEK | 9.791 | +0.6 |
| NOK | 9.296 | -0.1 |
| HKD | 7.842 | -0.0 |
| CNY | 6.669 | -0.1 |
| SGD | 1.277 | -0.1 |
| IDR | 18,082 | -0.5 |
| THB | 33.42 | -0.6 |
| KRW | 1,353 | +0.9 |
| TWD | 32.94 | +0.3 |
| PHP | 63.00 | -0.8 |

## Equities

### Major Indices

| | Last | % Day | % Year |
|---|---|---|---|
| S&P 500 | 7,425 | -3.4 | 9.2 |
| Dow | 51,930 | -2.7 | 9.8 |
| Nasdaq | 24,569 | -4.6 | 4.6 |
| Stoxx 50 | 6,232 | -0.5 | 9.9 |
| FTSE | 10,783 | -0.4 | 10.3 |
| DAX | 26,325 | -0.4 | 9.5 |
| CAC 40 | 8,205 | +0.3 | 1.6 |
| Nikkei | 61,078 | -1.8 | 20.0 |
| Shanghai | 3,690 | +0.1 | -7.0 |
| ASX 200 | 9,065 | +2.6 | 2.7 |
| NZX 50 | 14,091 | +2.2 | 3.8 |
| VIX Index | 24.98 | +50.4 | +38.7 |

## Commodities

### Price (Near futures, except CRB)

| | Last | Net Day |
|---|---|---|
| Oil (Brent) | 96.79 | +2.2 |
| Oil (WTI) | 90.25 | +2.3 |
| Gold | 4129.1 | +1.4 |
| HRC steel | 1357.0 | +0.1 |
| CRB | 389.0 | -2.3 |
| SGX Iron Ore | 93.40 | +0.4 |
| NZ Milk '27 | 10.49 | -0.6 |
| NZ Milk '28 | 10.26 | -1.3 |
| NZ Milk '29 | 9.92 | +0.0 |
| WM powder | 4075 | -0.6 |

### Australian Futures

| | Last | Net Day |
|---|---|---|
| 3 year bond | 95.31 | 0.05 |
| 10 year bond | 94.99 | 0.02 |

## Interest Rates

### Rates / Swap Yields

| | Cash | 3Mth | 2 Yr | 10 Yr |
|---|---|---|---|---|
| USD | 4.00 | 4.85 | 4.36 | 4.45 |
| AUD | 4.85 | 4.94 | 4.77 | 5.14 |
| NZD | 2.75 | 3.11 | 3.71 | 4.33 |
| EUR | 2.50 | 2.76 | 3.29 | 3.34 |
| GBP | 4.00 | 3.87 | 4.62 | 4.72 |
| JPY | 1.25 | 1.35 | 1.85 | 2.65 |
| CAD | 2.50 | 2.60 | 3.09 | 3.47 |

### Benchmark 10 Yr Bonds

| | Last | Net Day |
|---|---|---|
| USD | 4.84 | -0.05 |
| AUD | 5.01 | -0.07 |
| NZD | 4.64 | -0.07 |
| GER | 3.24 | -0.03 |
| GBP | 5.13 | 0.00 |
| JPY | 2.79 | -0.04 |
| CAD | 3.68 | -0.02 |

### NZ Government Bonds

| | Last | Chg |
|---|---|---|
| 15-May-28 | 3.56 | -0.04 |
| 20-Apr-29 | 3.78 | -0.05 |
| 15-May-30 | 3.95 | -0.06 |
| 15-May-31 | 4.10 | -0.07 |
| 15-May-32 | 4.23 | -0.07 |
| 14-Apr-33 | 4.34 | -0.07 |
| 15-May-34 | 4.44 | -0.07 |
| 15-May-35 | 4.55 | -0.07 |
| 15-May-36 | 4.64 | -0.07 |
| 15-May-37 | 4.74 | -0.07 |
| 15-May-38 | 4.79 | -0.07 |
| 15-May-41 | 5.03 | -0.06 |
| 15-May-51 | 5.26 | -0.04 |
| 15-May-54 | 5.28 | -0.04 |

### NZ BKBM and Swap Yields

| | Last | Chg |
|---|---|---|
| BKBM 1-mth | 2.91 | 0.00 |
| BKBM 3-mth | 3.11 | -0.03 |
| 1 year | 3.48 | -0.01 |
| 2 year | 3.71 | -0.04 |
| 3 year | 3.81 | -0.06 |
| 5 year | 3.98 | -0.07 |
| 7 year | 4.14 | -0.08 |
| 10 year | 4.33 | -0.08 |
| 15 year | 4.55 | -0.08 |

### NZ Inflation-Indexed Bonds

| | | |
|---|---|---|
| Sept-30 | 1.61 | -0.03 |
| Sept-35 | 2.39 | -0.03 |
| Sept-40 | 2.83 | -0.04 |

### Carbon Price

| | Level | % Day | % Year |
|---|---|---|---|
| NZU | 48.50 | -0.6 | +6.6 |

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

Rates are as of: NZT 06:23

*Source: Bloomberg*

### Policy Meeting Run

| | NZD | AUD | USD |
|---|---|---|---|
| 1st | 2.91 | 4.88 | 4.06 |
| 2nd | 3.04 | 4.91 | 4.11 |
| 3rd | 3.15 | 4.90 | 4.22 |
| 4th | 3.26 | 4.88 | 4.27 |
| 5th | 3.35 | 4.83 | 4.34 |

## NZD exchange rates

| 6/11/2026 | 6:23 am | Prev. NY close |
|---|---|---|
| USD | 0.5612 | 0.5621 |
| GBP | 0.4163 | 0.4173 |
| AUD | 0.8070 | 0.8024 |
| EUR | 0.4996 | 0.5006 |
| JPY | 88.55 | 89.05 |
| CAD | 0.7850 | 0.7857 |
| CHF | 0.4573 | 0.4593 |
| DKK | 3.7342 | 3.7418 |
| FJD | 1.2597 | 1.2640 |
| HKD | 4.4012 | 4.4099 |
| INR | 53.02 | 53.20 |
| NOK | 5.2167 | 5.2279 |
| PKR | 155.23 | 155.51 |
| PHP | 35.35 | 35.71 |
| PGK | 2.5155 | 2.5218 |
| SEK | 5.4949 | 5.4723 |
| SGD | 0.7169 | 0.7186 |
| CNY | 3.7421 | 3.7520 |
| THB | 18.76 | 18.91 |
| TOP | 1.3171 | 1.3220 |
| VUV | 67.20 | 67.38 |
| WST | 1.5540 | 1.5549 |
| XPF | 59.54 | 59.69 |
| ZAR | 9.2285 | 9.2290 |

## NZD/USD Forward Points

| | BNZ buys NZD | BNZ sells NZD |
|---|---|---|
| 1 Month | 5.85 | 6.05 |
| 3 Months | 17.84 | 18.36 |
| 6 Months | 33.30 | 34.53 |
| 9 Months | 47.69 | 50.14 |
| 1 Year | 60.11 | 63.84 |

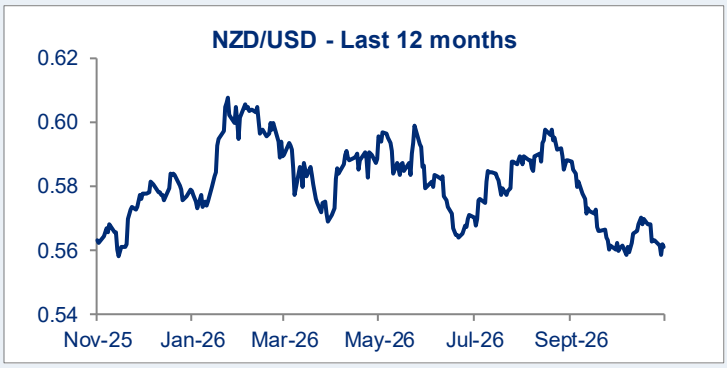
## NZD/AUD Forward Points

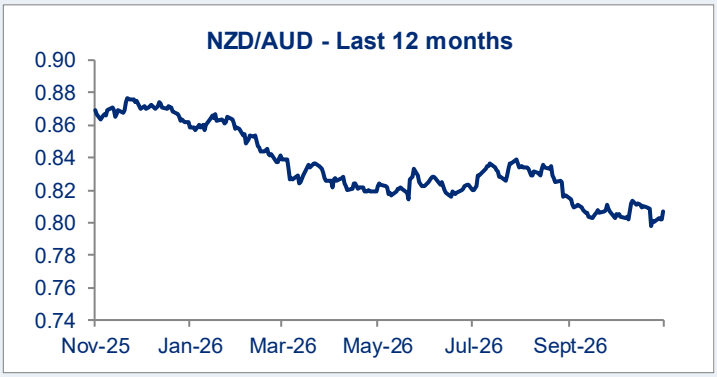
| | BNZ buys NZD | BNZ sells NZD |
|---|---|---|
| 1 Month | 13.90 | 14.33 |
| 3 Months | 40.10 | 41.14 |
| 6 Months | 74.24 | 76.97 |
| 9 Months | 104.08 | 109.29 |
| 1 Year | 127.58 | 135.37 |









# Contact Details

## BNZ Research

**Stephen Toplis**
Head of Research

**Doug Steel**
Senior Economist

**India Power**
Economist

**Jason Wong**
Senior Markets Strategist

**Stuart Ritson**
Senior Interest Rate Strategist

**Mike Jones**
BNZ Chief Economist

## Main Offices

**Wellington**
Level 2, BNZ Place
1 Whitmore St
Private Bag 39806
Wellington Mail Centre
Lower Hutt 5045
New Zealand
Toll Free: 0800 283 269

**Auckland**
80 Queen Street
Private Bag 92208
Auckland 1142
New Zealand
Toll Free: 0800 283 269

**Christchurch**
111 Cashel Street
Christchurch 8011
New Zealand
Toll Free: 0800 854 854

This document has been produced by Bank of New Zealand (BNZ). BNZ is a registered bank in New Zealand and is only authorised to offer products and services to customers in New Zealand.

Analyst Disclaimer: The Information accurately reflects the personal views of the author(s) about the securities, issuers and other subject matters discussed, and is based upon sources reasonably believed to be reliable and accurate. The views of the author(s) do not necessarily reflect the views of the NAB Group. No part of the compensation of the author(s) was, is, or will be, directly or indirectly, related to any specific recommendations or views expressed.

BNZ maintains an effective information barrier between the research analysts and its private side operations. Private side functions are physically segregated from the research analysts and have no control over their remuneration or budget. The research functions do not report directly or indirectly to any private side function. The Research analyst might have received help from the issuer subject in the research report.

New Zealand: The information in this publication is provided for general information purposes only, and is a summary based on selective information which may not be complete for your purposes. This publication does not constitute any advice or recommendation with respect to any matter discussed in it, and its contents should not be relied on or used as a basis for entering into any products described in it. Bank of New Zealand recommends recipients seek independent advice prior to acting in relation to any of the matters discussed in this publication.

Any statements as to past performance do not represent future performance, and no statements as to future matters are guaranteed to be accurate or reliable.

Neither Bank of New Zealand nor any person involved in this publication accepts any liability for any loss or damage whatsoever which may directly or indirectly result from any advice, opinion, information, representation or omission, whether negligent or otherwise, contained in this publication.

USA: If this document is distributed in the United States, such distribution is by nabSecurities, LLC. This document is not intended as an offer or solicitation for the purchase or sale of any securities, financial instrument or product or to provide financial services. It is not the intention of nabSecurities to create legal relations on the basis of information provided herein.