

# Research Markets Today

8 June 2026

## Events round-up

JN: Full-Time Pay - Same Base (y/y%), Apr: 2.6 vs. 3.0 exp.  
 CA: Unemployment Rate, May: 6.6 vs. 6.9 exp.  
 US: Change in Nonfarm Payrolls, May: 172 vs. 85 exp.  
 US: Unemployment Rate, May: 4.3 vs. 4.3 exp.  
 US: Average Hourly Earnings (m/m%), May: 0.3 vs. 0.3 exp.  
 US: Average Hourly Earnings (y/y%), May: 3.4 vs. 3.4 exp.

## Good morning

Stronger-than-expected US labour market data drove a sharp repricing across markets into the weekly close, pushing rates higher and lifting the US dollar. Equities, which were already under pressure through the Asian session, extended losses after the data amid an accelerating rotation out of mega-cap technology and semiconductor names. The S&P 500 fell almost 2%, while the Nasdaq dropped 4%. Brent crude declined towards US\$92 per barrel, while spot gold fell 3%, fully erasing this year's gains.

US payrolls rose 172k in May, almost double the consensus estimate, while prior months were revised up by a further 93k, underscoring continued labour market resilience. Job gains were concentrated in leisure and hospitality, local government, and healthcare. The unemployment rate held at 4.3%, while average hourly earnings rose 0.3% m/m, leaving annual wage growth at 3.4%. Payrolls have now beaten consensus for three straight months, while the three-month average of private payrolls has risen to 166k, the highest level since June 2023.

Interest-rate swaps now fully price a 25bp Fed hike by December, with around a 60% chance of a move as early as October, following a hawkish repricing after the surprisingly strong jobs data. 2-year treasury yields spiked 11bp to 4.15%, the highest level in more than a year. The curve flattened – yields on 10-year notes increased 6bp to 4.53% - which saw the 2y/10y curve decline to new cycle low at +38bp.

Japan's Finance Ministry data suggest officials likely liquidated around US\$75.6 billion of foreign securities, including Treasuries, to help fund its record yen intervention in May. The drop in holdings of foreign reserves was the largest on record, with a ministry official

acknowledging that intervention was among the factors behind the sharp drop. European bonds moved higher in yield alongside Treasuries, although the adjustment was relatively modest, with 10-year bund yields rising 2bp to 3.04%.

Canada's labour market also surprised to the upside, with employment rising 88k in May and the unemployment rate falling to 6.6%. The gain was driven by full-time roles and was broad-based across industries, marking the strongest monthly increase since December 2024, though only partly reversing earlier weakness. Canadian rates sold off sharply in response, with the 2-year yield up around 10bp to 2.91% before partially retracing, while swaps moved to price more than 30bp of Bank of Canada tightening by year-end.

The dollar index posted its largest single-day gain since March, rising around 0.6% and strengthening against all G10 peers. The move had the largest impact on the AUD and NZD, with NZD/USD falling nearly 1% to 0.5800, its lowest level since mid-April. The NZD also weakened on most major crosses, with the exception of NZD/AUD. By contrast, the yen was only modestly weaker against the US dollar despite the sharp rise in US yields, likely reflecting intervention risk at USD/JPY levels above 160, while the CAD also outperformed.

NZ fixed income yields edged lower in the local session on Friday with few fresh drivers or economic data. Swap rates fell 0-2bp across the curve, with 2-year rates unchanged and the 2y/5y curve ~2bp flatter as receiving interest emerged in the belly. Government bonds modestly outperformed, with 10-year yields falling 3bp to 4.52%, matching the post-conflict low seen last week. Despite the move in Treasuries, Australian 3- and 10-year bond futures are only 1-2bp higher in yield terms since the local close, suggesting a modest upward bias for NZ rates at the open.

It's a quiet start to the week on the economic calendar. There is no domestic data of note and only German factory orders for April scheduled.

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## Coming up

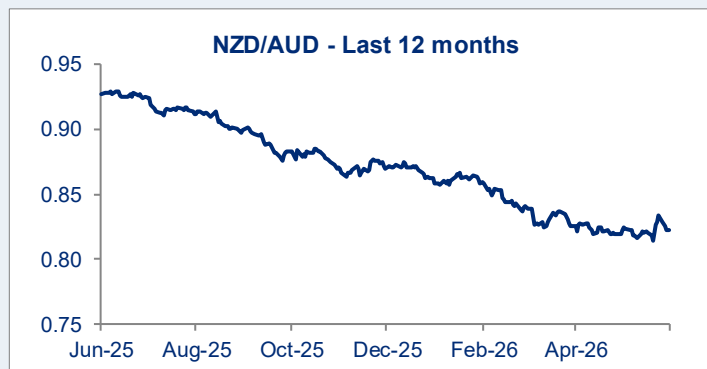
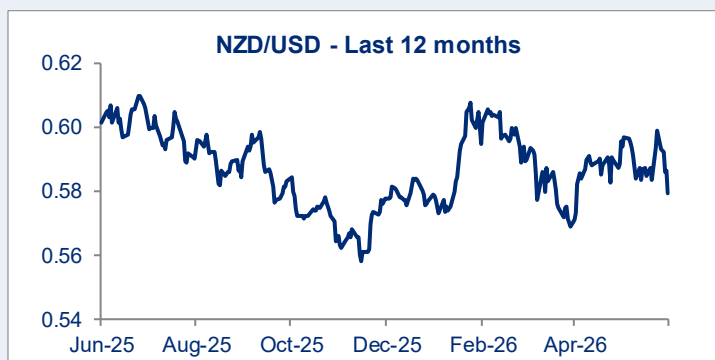
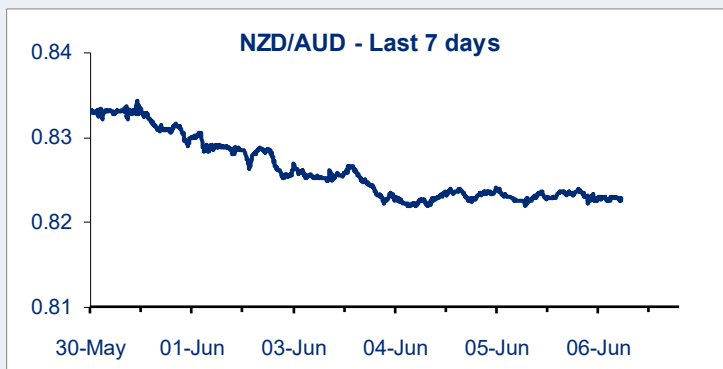
	Period	Cons. Prev.	NZT
GE	Factory Orders (m/m%)	Apr	5 18:00

Source: Bloomberg



**NZD exchange rates**

6/06/2026	NY close	Prev. NY close
USD	0.5795	0.5867
GBP	0.4345	0.4371
AUD	0.8228	0.8224
EUR	0.5030	0.5053
JPY	92.90	93.88
CAD	0.8079	0.8160
CHF	0.4614	0.4633
DKK	3.7600	3.7767
FJD	1.2724	1.2895
HKD	4.5406	4.5964
INR	55.03	56.20
NOK	5.4769	5.4821
PKR	161.38	163.35
PHP	35.63	36.15
PGK	2.5299	2.5687
SEK	5.4808	5.5078
SGD	0.7481	0.7537
CNY	3.9345	3.9747
THB	18.91	19.16
TOP	1.3297	1.3785
VUV	68.46	69.35
WST	1.5515	1.5836
XPF	59.75	60.25
ZAR	9.6001	9.5703



**NZD/USD Forward Points**

	BNZ buys NZD	BNZ sells NZD
1 Month	5.97	6.22
3 Months	16.06	16.61
6 Months	28.62	29.84
9 Months	39.26	41.18
1 Year	47.45	51.03

**NZD/AUD Forward Points**

	BNZ buys NZD	BNZ sells NZD
1 Month	14.59	15.05
3 Months	38.68	39.74
6 Months	73.37	75.92
9 Months	103.78	107.45
1 Year	128.01	135.19

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