

Research Markets Today

9 July 2026

Events round-up

NZ: RBNZ Official Cash Rate, July: 2.5 vs. 2.5 exp.

Good morning

A renewed flare-up in US-Iran tensions weighed on equity markets and pushed global bond yields higher, as oil prices jumped after President Trump said the ceasefire with Iran was over and the US launched a fresh round of strikes. The S&P was initially down more than 1%, though it has since pared most of those losses. European markets were weaker, with the Euro Stoxx falling close to 2%. Global yields moved higher, led by the UK and Europe, as markets priced greater inflation risk and the potential for tighter policy. Currency-market moves were limited.

The developments followed renewed attacks on commercial shipping in the Strait of Hormuz, which Washington blamed on Tehran. The US launched strikes on Iran, while President Trump threatened further action and raised the prospect of reinstating a blockade on Iranian ports. The escalation followed the revocation of a US waiver allowing Iran to sell oil globally. Brent crude traded above US\$80 per barrel before retracing but remains well above the US\$72 level seen earlier in the week, reflecting risks to Gulf exports and energy supply chains.

The minutes from the June FOMC meeting showed growing concern among policymakers about inflation, while worries over the labour market had eased slightly. Those inflation concerns extended beyond tariffs and oil, with officials also discussing the potential inflationary consequences of AI-driven demand. A few Fed officials saw a case for raising rates, although they ultimately supported leaving policy on hold. The market reaction was limited, as the shift in the dot plot had already signalled the committee's more hawkish bias.

US Treasuries extended their recent selloff. Higher energy prices pushed 2-year yields above 4.20%, only marginally below the year's high reached in June. 10-year Treasuries traded up towards 4.60% before retracing, with those yield levels attracting solid demand at the US\$39 billion auction, which cleared below prevailing market levels. European bond markets also came under pressure, with 10-year bund yields rising 10bp to 3.09%. The market is now

pricing 37bp of ECB hikes by December, up from around 20bp earlier in the week.

The volatility in energy markets and higher yields had limited impact on currency markets. The US dollar initially gained after Trump said the ceasefire had ended, but the move subsequently unwound. Net movements across G10 currencies since the local close were modest. Energy-linked currencies, including the Norwegian krone and Canadian dollar, outperformed at the margin. The NZD firmed towards 0.5720 following yesterday's RBNZ decision before retracing towards 0.5700 in offshore trade. NZD crosses were mostly little changed, although NZD/GBP slipped towards 0.4255.

The RBNZ increased the OCR by 25bp to 2.50% in a unanimous decision, broadly matching analyst expectations and market pricing. The Committee judged that it was appropriate to begin withdrawing policy stimulus to ensure inflation returns to target over the medium term. The Bank retained a data-dependent tightening bias, signalling that further OCR increases are likely, though the timing remains uncertain.

NZ rates had moved higher in the local session yesterday ahead of the RBNZ decision reflecting offshore markets linked to the spike in energy prices. Rates extended higher following the central bank's decision, but the moves were not large. 2-year closed 6bp higher at 3.39% and the curve steepened with 10-year rates increasing 9bp to 4.16%.

The weekly government bond auction will offer the May-2031 (\$275m), May-2035 (\$175m) nominals lines and a small parcel of Sep-30 linkers. NZ Debt Management announced the syndicate for the new 15 May 2038 nominal bond yesterday which suggests a transaction is imminent. We expect the deal to launch at the start of next week and price either Tuesday or Wednesday.

The June manufacturing PMI is released a day early because of Friday's public holiday, after dipping toward 50 in May. Lower oil prices likely contributed to slower producer-price inflation in China, while consumer inflation remained subdued. US initial jobless claims are expected to be little changed.

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Coming up

		Period	Cons.	Prev.	NZT
NZ	Manufacturing PMI	Jun	49.9	10:30	
CH	PPI (y/y%)	Jun	4.1	3.9	13:30
CH	CPI (y/y%)	Jun	1.1	1.2	13:30
US	Initial Jobless Claims	4-Jul	218	215	00:30
US	Fed's Williams in Moderated Discussion				01:00
US	Existing Home Sales (m/m%)	Jun	1	3.2	02:00

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	0.5705	+0.5	0.5681	0.5720	CHF	0.8079	-0.0	S&P 500	7,478	-0.4	20.1	Oil (Brent)	78.05	+5.2
AUD	0.6935	+0.1	0.6907	0.6943	SEK	9.692	-0.1	Dow	52,355	-1.1	18.3	Oil (WTI)	73.60	+4.5
EUR	1.1427	+0.1	1.1391	1.1432	NOK	9.772	-0.3	Nasdaq	25,800	-0.1	26.4	Gold	4082.6	-1.8
GBP	1.3402	+0.3	1.3322	1.3410	HKD	7.840	-0.0	Stoxx 50	6,205	-1.8	15.5	HRC steel	1155.0	+0.0
JPY	162.47	+0.2	162.18	162.71	CNY	6.806	+0.1	FTSE	10,489	-1.7	18.5	CRB	363.1	+0.2
CAD	1.4170	-0.2			SGD	1.293	+0.1	DAX	24,897	-2.2	2.9	Wheat Chic.	607.8	-1.8
NZD/AUD	0.8226	+0.4			IDR	18,014	+0.2	CAC 40	8,253	-2.2	6.3	Sugar	15.11	-0.1
NZD/EUR	0.4993	+0.3			THB	33.44	+0.3	Nikkei	66,819	-2.1	67.8	Cotton	76.94	+4.0
NZD/GBP	0.4257	+0.2			KRW	1,506	-0.6	Shanghai	3,971	-0.5	13.5	Coffee	309.8	-1.3
NZD/JPY	92.69	+0.7			TWD	32.04	-0.4	ASX 200	8,785	-0.2	2.9	WM powder	3395	-2.7
NZD/CAD	0.8084	+0.2			PHP	61.51	+0.1	NZX 50	13,665	-0.7	7.0	Australian Futures		
NZ TWI	65.59	+0.5						VIX Index	16.77	+4.0	-0.2	3 year bond	95.55	-0.05
												10 year bond	95.05	-0.05
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	4.06	4.15	USD	4.57	0.02	15-May-28	3.37	0.05	BKBM 1-mth	2.64	0.02	
AUD	4.35	4.47	4.50	4.98	AUD	4.88	0.06	20-Apr-29	3.56	0.05	BKBM 3-mth	2.74	0.01	
NZD	2.50	2.74	3.39	4.16	NZD	4.51	0.09	15-May-30	3.75	0.06	1 year	3.16	0.06	
EUR	2.25	2.31	2.88	3.14	GER	3.09	0.10	15-May-31	3.93	0.06	2 year	3.39	0.06	
GBP	3.75	3.87	4.18	4.54	GBP	4.97	0.13	15-May-32	4.10	0.07	3 year	3.53	0.06	
JPY	0.99	-0.03	1.46	2.73	JPY	2.87	0.01	14-Apr-33	4.21	0.07	5 year	3.75	0.08	
CAD	2.25	4.97	2.75	3.30	CAD	3.56	0.07	15-May-34	4.32	0.08	7 year	3.94	0.09	
								15-May-35	4.42	0.09	10 year	4.16	0.09	
								15-May-36	4.51	0.08	15 year	4.41	0.10	
								15-May-37	4.62	0.09				
								15-May-41	4.89	0.09				
								15-May-51	5.14	0.08				
								15-May-54	5.15	0.08				
Carbon Price				Policy Meeting Run							NZ Inflation-Indexed Bonds			
	Level	% Day	% Year		NZD	AUD	USD							
NZU	54.00	+0.4	-7.4	1st	2.50	4.42	3.71				Sept-30	1.58	0.02	
* These are indicative ranges from 5pm NZT; please confirm rates with your BNZ dealer				2nd	2.71	4.45	3.84				Sept-35	2.39	0.03	
Rates are as of: NZT 06:22				3rd	2.78	4.51	3.90				Sept-40	2.86	0.03	
Source: Bloomberg				4th	2.92	4.52	4.00							
				5th	3.03	4.50	4.04							

NZD exchange rates

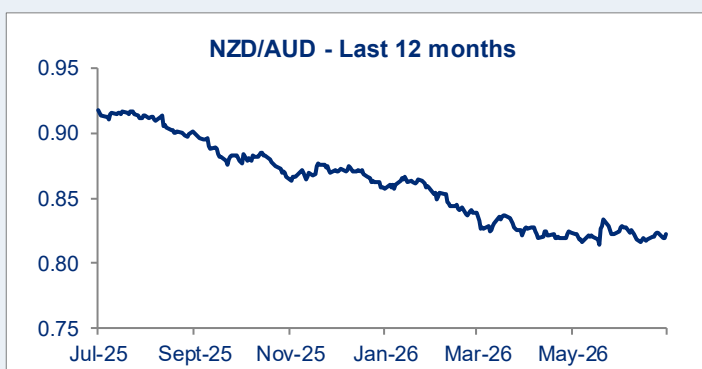
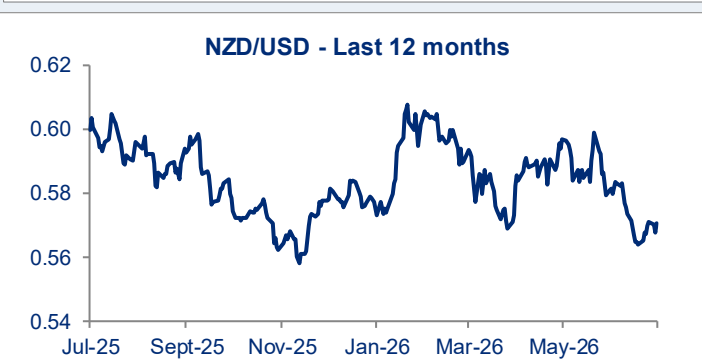
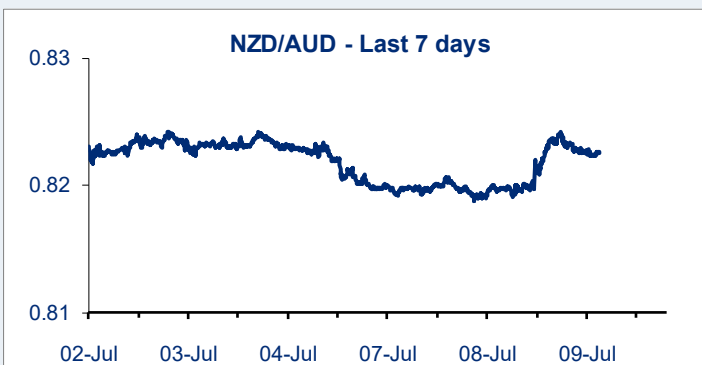
9/07/2026	6:23 am	Prev. NY close
USD	0.5705	0.5678
GBP	0.4257	0.4250
AUD	0.8226	0.8196
EUR	0.4993	0.4975
JPY	92.69	92.04
CAD	0.8084	0.8063
CHF	0.4609	0.4589
DKK	3.7323	3.7194
FJD	1.2734	1.2674
HKD	4.4724	4.4525
INR	54.52	53.92
NOK	5.5747	5.5661
PKR	158.61	157.94
PHP	35.09	34.88
PGK	2.5066	2.4893
SEK	5.5292	5.5054
SGD	0.7379	0.7339
CNY	3.8828	3.8587
THB	19.10	18.91
TOP	1.3311	1.3395
VUV	68.39	68.06
WST	1.5542	1.5504
XPF	59.58	59.34
ZAR	9.3417	9.2534

NZD/USD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	5.45	5.69
3 Months	15.77	16.42
6 Months	31.16	32.51
9 Months	44.02	46.68
1 Year	54.81	58.34

NZD/AUD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	12.21	12.71
3 Months	35.42	36.80
6 Months	68.28	71.31
9 Months	95.42	101.01
1 Year	119.02	126.52



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