

Research Markets Today

9 March 2026

Events round-up

- US: Retail sales (m/m%), Jan: -0.2 vs. -0.3 exp.
- US: Retail sales ex auto, gas (m/m%), Jan: 0.3 vs. 0.2 exp.
- US: Retail sales control group (m/m%), Jan: 0.3 vs. 0.3 exp.
- US: Change in nonfarm payrolls (k), Feb: -92 vs. 57 exp.
- US: Unemployment rate (%), Feb: 4.4 vs. 4.3 exp.
- US: Avg hourly earnings (m/m%), Feb: 0.4 vs. 0.3 exp.
- US: Avg hourly earnings (y/y%), Feb: 3.8 vs. 3.7 exp.

Good morning

US equities fell following a weaker-than-expected US labour market report, while ongoing Middle East tensions drove another leg higher in oil prices. Brent crude pushed above US\$92 per barrel despite efforts from US policymakers to boost supply. The S&P 500 closed 1.3% lower, with similar declines across European equities. Treasury markets saw whipsaw price action, while an early lift in the US dollar index faded into the weekly close.

An dip in oil prices during Asian trading proved short-lived. The move followed news that US Treasury Secretary Bessent had granted a 30-day waiver allowing Indian refiners to purchase Russian crude, including cargoes currently stranded at sea. However, sentiment quickly reversed after US National Economic Council Director Hassett said there had been no discussions around releasing Strategic Petroleum Reserve stocks. Adding to the upside pressure, reports that Kuwait has begun cutting output at some fields due to storage constraints saw oil prices surge higher.

US Nonfarm payrolls fell 92k in March which was far weaker than consensus estimates and there was a sizable 69k downward revision to previous months. The drop was one of the largest since the pandemic, partly reflecting a decrease in health-care employment due to strike activity but otherwise was spread across many sectors. The unemployment rate rose to 4.4%. Average hourly earnings rose by 3.8% y/y, marginally higher than expected. Overall, the report challenged the notion that the labour market is stabilising.

For the Federal Reserve, the softening in the labour market makes for a complex macro environment, with policymakers already grappling with renewed upside risks

to energy and commodity prices. Those pressures raise the risk of a fresh inflation impulse in an economy that has overshoot the Fed's 2% target for much of the past five years. Ahead of the payrolls report, markets had pared expectations for easing this year to around 34bp. The weaker than expected data saw pricing re-extend, with cuts now back closer to 45bp.

Although net moves across the US treasury curve were modest, this masked large swings in a whipsaw session. Yields traded higher initially on the back of energy prices before dropping sharply following the labour market data. 10-year notes ended the session unchanged at 4.14% having traded an 8bp range. There was a notable divergence between real yields which declined while break even inflation continued to climb. Inflation implied from 5-year TIPs increased to 2.62%, the highest level since peak tariff concerns last April and 6bp higher on the day.

The US dollar gained initially which saw NZD/USD trade down towards 0.5860 amid the risk-off tone but this moved faded into the global close. The AUD and NZD ended the overnight session on Friday little changed against the US dollar. Oil sensitive currencies including the Canadian dollar and Norwegian krone outperformed within the G10 basket. The US dollar made broad based gains over the past week benefitting from fragile investor risk sentiment.

NZ swap rates continued to push higher in the local session on Friday reflecting moves in global markets. 2-year swaps closed at 3.08%, up 6bp and at the highest level since early February. Longer maturities outperformed with the 2y/10y swap curve flattening to 100bp. Government bonds largely matched the move in swaps. 10-year yields closed at 4.49%, 4bp higher on the day. Australian bond futures were little changed from the local close suggesting limited directional bias for NZ rates on the open.

There is no domestic economic data scheduled today. In Japan, wage data is expected to show robust gains carrying into 2026. China's February inflation should firm, reflecting Lunar New Year demand and favourable base effects from the timing of the holiday. Producer prices are likely to have declined at a slower pace for a third consecutive month, supported by firmer commodity prices led by oil.

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Coming up

		Period	Cons.	Prev.	NZT
JN	Full-Time Pay (y/y%)	Jan	2.1	12:30	
CH	PPI (y/y%)	Feb	-1.1	-1.4	14:30
CH	CPI (y/y%)	Feb	0.9	0.2	14:30
GE	Factory Orders (m/m%)	Jan	-4.1	7.8	20:00
GE	Industrial Production (m/m%)	Jan	1	-1.9	20:00

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	0.5901	+0.1	0.5858	0.5916	CHF	0.7760	-0.7	S&P 500	6,740	-1.3	17.5	Oil (Brent)	92.81	+8.7
AUD	0.7030	+0.3	0.6977	0.7048	SEK	9.178	-0.5	Dow	47,502	-0.9	11.6	Oil (WTI)	91.06	+12.6
EUR	1.1617	+0.1	1.1546	1.1621	NOK	9.583	-0.9	Nasdaq	22,388	-1.6	23.9	Gold	5179.7	+2.0
GBP	1.3408	+0.4	1.3312	1.3410	HKD	7.822	+0.0	Stoxx 50	5,720	-1.1	3.6	HRC steel	1018.0	+0.2
JPY	157.82	+0.1	157.41	158.09	CNY	6.904	-0.1	FTSE	10,285	-1.2	18.4	CRB	352.1	+4.5
CAD	1.3567	-0.8			SGD	1.278	-0.2	DAX	23,591	-0.9	0.7	Wheat Chic.	618.3	+5.9
NZD/AUD	0.8394	-0.2			IDR	16,925	+0.1	CAC 40	7,993	-0.7	-2.5	Sugar	14.10	+2.8
NZD/EUR	0.5079	+0.0			THB	31.87	+0.4	Nikkei	55,621	+0.6	50.8	Cotton	63.19	+1.4
NZD/GBP	0.4401	-0.3			KRW	1,484	+0.0	Shanghai	4,124	+0.4	22.0	Coffee	293.3	+1.6
NZD/JPY	93.12	+0.2			TWD	31.68	-0.1	ASX 200	8,851	-1.0	11.4	WM powder	3920	-0.8
NZD/CAD	0.8005	-0.7			PHP	59.00	+0.7	NZX 50	13,519	-0.7	9.0	Australian Futures		
NZ TWI	67.18	-0.0						VIX Index	29.49	+24.2	+18.6	3 year bond	95.57	-0.07
												10 year bond	95.12	-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	3.38	3.68	USD	4.14	0.00	15-May-28	3.24	0.05	BKBM 1-mth	2.43	0.00	
AUD	3.85	4.07	4.43	4.93	AUD	4.84	0.04	20-Apr-29	3.51	0.05	BKBM 3-mth	2.48	0.00	
NZD	2.25	2.48	3.12	4.11	NZD	4.49	0.04	15-May-30	3.74	0.05	1 year	2.74	0.05	
EUR	2.00	2.05	2.47	2.88	GER	2.86	0.02	15-May-31	3.95	0.06	2 year	3.12	0.06	
GBP	3.75	3.90	3.75	4.19	GBP	4.63	0.09	15-May-32	4.11	0.05	3 year	3.36	0.06	
JPY	0.74	-0.03	1.24	1.99	JPY	2.17	0.01	14-Apr-33	4.21	0.05	5 year	3.68	0.07	
CAD	2.25	4.97	2.52	3.14	CAD	3.41	0.06	15-May-34	4.31	0.04	7 year	3.88	0.06	
								15-May-35	4.40	0.04	10 year	4.11	0.04	
								15-May-36	4.49	0.04	15 year	4.37	0.04	
								15-May-37	4.58	0.03				
								15-May-41	4.87	0.03	NZ Inflation-Indexed Bonds			
								15-May-51	5.12	0.03	Sept-30	1.57	0.01	
								15-May-54	5.13	0.03	Sept-35	2.35	0.01	
											Sept-40	2.77	0.01	
Carbon Price				Policy Meeting Run										
	Level	% Day	% Year	NZD	AUD	USD								
NZU	46.24	+0.0	-25.3	1st	2.26	3.93	3.64							
				2nd	2.31	4.12	3.60							
				3rd	2.37	4.18	3.51							
				4th	2.47	4.34	3.44							
				5th	2.51	4.36	3.34							
* These are indicative ranges from 5pm NZT; please confirm rates with your BNZ dealer														
Rates at NY close														
Source: Bloomberg														

NZD exchange rates

7/03/2026	NY close	Prev. NY close
USD	0.5901	0.5895
GBP	0.4401	0.4413
AUD	0.8394	0.8412
EUR	0.5079	0.5078
JPY	93.12	92.90
CAD	0.8005	0.8063
CHF	0.4577	0.4605
DKK	3.7926	3.7938
FJD	1.3006	1.3088
HKD	4.6136	4.6095
INR	54.11	54.00
NOK	5.6518	5.7022
PKR	164.78	164.80
PHP	34.80	34.55
PGK	2.5335	2.5300
SEK	5.4131	5.4389
SGD	0.7536	0.7549
CNY	4.0724	4.0742
THB	18.84	18.63
TOP	1.3618	1.3786
VUV	70.17	70.19
WST	1.5859	1.5953
XPF	60.08	60.08
ZAR	9.7600	9.8174



NZD/USD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	6.73	6.94
3 Months	19.50	20.00
6 Months	35.32	36.74
9 Months	46.50	48.82
1 Year	51.85	56.05



NZD/AUD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	10.97	11.44
3 Months	34.52	35.61
6 Months	71.65	74.73
9 Months	108.84	113.59
1 Year	141.73	150.78



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