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 overshot 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

FX Majors	Last	% Day	Low	High
NZD	0.5901	+0.1	0.5858	0.5916
AUD	0.7030	+0.3	0.6977	0.7048
EUR	1.1617	+0.1	1.1546	1.1621
GBP	1.3408	+0.4	1.3312	1.3410
JPY	157.82	+0.1	157.41	158.09
CAD	1.3567	-0.8		
NZD/AUD	0.8394	-0.2		
NZD/EUR	0.5079	+0.0		
NZD/GBP	0.4401	-0.3		
NZD/JPY	93.12	+0.2		
NZD/CAD	0.8005	-0.7		
NZ TWI	67.18	-0.0		

Indicative overnight ranges (*)

Other FX	Last	% Day
CHF	0.7760	-0.7
SEK	9.178	-0.5
NOK	9.583	-0.9
HKD	7.822	+0.0
CNY	6.904	-0.1
SGD	1.278	-0.2
IDR	16,925	+0.1
THB	31.87	+0.4
KRW	1,484	+0.0
TWD	31.68	-0.1
PHP	59.00	+0.7

Equities

Major Indices	Last	% Day	% Year
S&P 500	6,740	-1.3	17.5
Dow	47,502	-0.9	11.6
Nasdaq	22,388	-1.6	23.9
Stoxx 50	5,720	-1.1	3.6
FTSE	10,285	-1.2	18.4
DAX	23,591	-0.9	0.7
CAC 40	7,993	-0.7	-2.5
Nikkei	55,621	+0.6	50.8
Shanghai	4,124	+0.4	22.0
ASX 200	8,851	-1.0	11.4
NZX 50	13,519	-0.7	9.0
VIX Index	29.49	+24.2	+18.6

Commodities

Price (Near futures, except CRB)	Last	Net Day
Oil (Brent)	92.81	+8.7
Oil (WTI)	91.06	+12.6
Gold	5179.7	+2.0
HRC steel	1018.0	+0.2
CRB	352.1	+4.5
Wheat Chic.	618.3	+5.9
Sugar	14.10	+2.8
Cotton	63.19	+1.4
Coffee	293.3	+1.6
WM powder	3920	-0.8
Australian Futures		
3 year bond	95.57	-0.07
10 year bond	95.12	-0.05

Interest Rates

	Rates Cash	Rates 3Mth	Swap Yields 2 Yr	Swap Yields 10 Yr
USD	3.75	4.85	3.38	3.68
AUD	3.85	4.07	4.43	4.93
NZD	2.25	2.48	3.12	4.11
EUR	2.00	2.05	2.47	2.88
GBP	3.75	3.90	3.75	4.19
JPY	0.74	-0.03	1.24	1.99
CAD	2.25	4.97	2.52	3.14

Benchmark 10 Yr Bonds	Last	Net Day
USD	4.14	0.00
AUD	4.84	0.04
NZD	4.49	0.04
GER	2.86	0.02
GBP	4.63	0.09
JPY	2.17	0.01
CAD	3.41	0.06

NZ Government Bonds	Last	Chg
15-May-28	3.24	0.05
20-Apr-29	3.51	0.05
15-May-30	3.74	0.05
15-May-31	3.95	0.06
15-May-32	4.11	0.05
14-Apr-33	4.21	0.05
15-May-34	4.31	0.04
15-May-35	4.40	0.04
15-May-36	4.49	0.04
15-May-37	4.58	0.03
15-May-41	4.87	0.03
15-May-51	5.12	0.03
15-May-54	5.13	0.03

NZ BKBM and Swap Yields	Last	Chg
BKBM 1-mth	2.43	0.00
BKBM 3-mth	2.48	0.00
1 year	2.74	0.05
2 year	3.12	0.06
3 year	3.36	0.06
5 year	3.68	0.07
7 year	3.88	0.06
10 year	4.11	0.04
15 year	4.37	0.04

NZ Inflation-Indexed Bonds	Last	Chg
Sept-30	1.57	0.01
Sept-35	2.35	0.01
Sept-40	2.77	0.01

Carbon Price	Level	% Day	% Year
NZU	46.24	+0.0	-25.3

Policy Meeting Run	NZD	AUD	USD
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

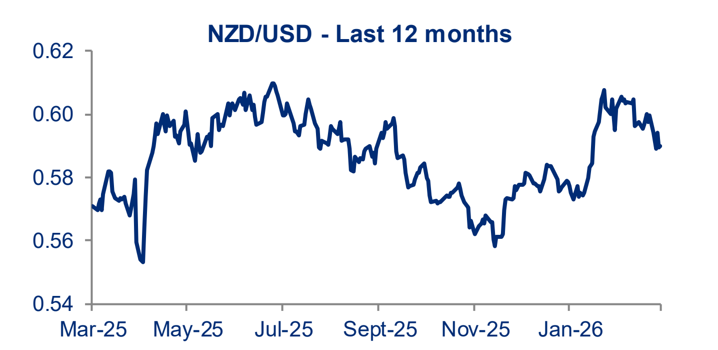
7/03/2026	NY close	Prev. NY close
USD	0.5901	0.5895
GBP	0.4401	0.4413
AUD	0.8394	0.8412
EUR	0.5079	0.5078
JPY	93.12	92.90
CAD	0.8005	0.8063
CHF	0.4577	0.4605
DKK	3.7926	3.7938
FJD	1.3006	1.3088
HKD	4.6136	4.6095
INR	54.11	54.00
NOK	5.6518	5.7022
PKR	164.78	164.80
PHP	34.80	34.55
PGK	2.5335	2.5300
SEK	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

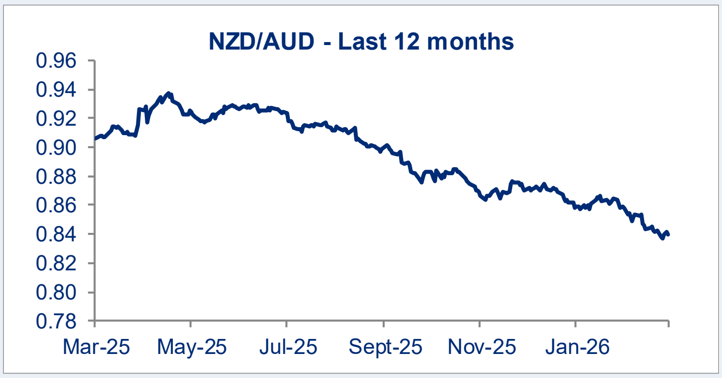
NZD/USD Forward Points

	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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