Research

Markets Today

10 August 2026

Events round-up

GE: Industrial production (m/m%), Jun: 0.2 vs. 0.2 exp.

CH: Exports (USD, y/y%), Jul: 23.9 vs. 23 exp.

CH: Imports (USD, y/y%), Jul: 27.5 vs. 29.5 exp.

CH: PPI (y/y%), Jul: 3.5 vs. 3.9 exp.

CH: CPI (y/y%), Jul: 0.5 vs. 0.8 exp.

CA: Unemployment rate (%), Jul: 6.4 vs. 6.5 exp.

US: Change in nonfarm payrolls (k), Jul: -23 vs. 80 exp.

US: Unemployment rate (%), Jul: 4.1 vs. 4.2 exp.

US: Average hourly earnings (m/m%), Jul: 0.1 vs. 0.3 exp.

US: Average hourly earnings (y/y%), Jul: 3.2 vs. 3.5 exp.

Good morning

An unexpected slowdown in the US labour market saw investors trim Fed rate hike expectations and supported risk sentiment. US equities made further gains, with the S&P closing 0.6% higher and extending last week's advance to more than 3%. Investors also welcomed reports that the US will lift its blockade of Iranian ports once a deal to restore shipping is announced. That news saw oil prices ease from session highs, with Brent crude closing near US$82 per barrel. Global bond yields fell, the US dollar weakened broadly, and gold prices extended recent gains.

US nonfarm payrolls fell by 23k, well below the 80k consensus, while prior months were revised down by a further 103k. Job losses were concentrated in government, leisure and hospitality, and retail trade. The unemployment rate declined to 4.1%, but this reflected a continued fall in labour force participation rather than labour market strength. Wage growth also softened, with average hourly earnings rising 3.2% y/y, the slowest pace in more than five years.

The weaker labour-market data should leave the Federal Reserve less inclined to raise rates as policymakers weigh still-elevated inflation against rising downside risks to employment. This week's CPI report will be an important input into the September FOMC decision, although officials will also have August data before the meeting. Markets now price around 11bp of tightening for September, down from 14bp before payrolls. US Treasury yields fell after the release, though the move partly retraced by the weekly close. The 10-year yield touched 4.60% before ending at 4.64%, 4bp lower on the day.

The US dollar fell against G10 currencies, with only limited retracement as rates rebounded from their lows. The Bloomberg Dollar Spot Index fell to its lowest level since the start of June. A stronger-than-expected labour market report in Canada provided support for the Canadian dollar. The NZD and AUD were among the best performers, while the euro and pound lagged at the margin amid the weaker US dollar backdrop. NZD/USD traded above 0.5900, while NZD/EUR and NZD/GBP edged higher.

After several days of steadily unwinding intervention-led gains, the yen also appreciated against the dollar. The latest CFTC futures positioning data, covering the period to last Tuesday, showed a sharp unwind of yen shorts, reducing the total position by around two-thirds. Speculative accounts bought a record US$9b of yen futures over the week, offering some insight into broader FX market positioning changes.

The Financial Times reported that the European Central Bank was only informed about the US sale of euros against the yen after the intervention had been executed. The episode was the first joint Washington-Tokyo intervention in almost 30 years and stood out for its unusual execution. Ordinarily, the US would be expected to use dollars in such an operation, while the limited advance coordination underlined the exceptional nature of the move.

NZ yields moved higher in the local session on Friday, largely reflecting offshore moves, with limited domestic catalysts. The 2-year rate increased 4bp to 3.66%, while the 10-year rate closed 3bp higher at 4.40%. Australian 10-year bond futures are around 3bp lower in yield terms, suggesting a downward bias for NZ rates on the open.

There is little of note on either the NZ or international data calendar today. Attention later in the week will turn to Q3 inflation expectations in the RBNZ's Survey of Expectations and the manufacturing PMI. Across the Tasman, the RBA is unanimously expected to leave the cash rate unchanged at 4.35%, with updated forecasts in the Statement on Monetary Policy the main focus. In the US, July CPI will be the key release, helping to fine-tune expectations for the September FOMC.

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Currencies

FX Majors — Indicative overnight ranges (*)

	Last	% Day	Low	High
NZD	0.5894	+0.4	0.5865	0.5906
AUD	0.7066	+0.5	0.7032	0.7078
EUR	1.1559	+0.3	1.1518	1.1581
GBP	1.3492	+0.3	1.3434	1.3509
JPY	157.80	-0.4	156.68	158.48
CAD	1.3942	-0.5		
NZD/AUD	0.8341	-0.1		
NZD/EUR	0.5099	+0.1		
NZD/GBP	0.4368	+0.1		
NZD/JPY	93.00	-0.2		
NZD/CAD	0.8217	-0.2		
NZ TWI	66.92	+0.1		

Other FX

	Last	% Day
CHF	0.8079	-0.5
SEK	9.499	-0.1
NOK	9.514	-0.4
HKD	7.845	+0.0
CNY	6.746	-0.1
SGD	1.278	-0.4
IDR	17,897	-0.1
THB	33.06	-0.2
KRW	1,408	-1.1
TWD	32.30	+0.2
PHP	60.96	+0.2

Equities

Major Indices

	Last	% Day	% Year
S&P 500	7,758	+0.6	22.4
Dow	54,037	+0.3	22.9
Nasdaq	26,691	+1.3	25.6
Stoxx 50	6,524	+0.3	22.4
FTSE	10,901	+0.3	19.8
DAX	26,319	+0.7	8.8
CAC 40	8,715	+0.2	13.0
Nikkei	65,607	-0.1	56.9
Shanghai	3,940	+1.0	8.3
ASX 200	9,264	-0.1	5.2
NZX 50	13,824	-1.0	7.6
VIX Index	14.90	-1.7	-10.1

Commodities

Price (Near futures, except CRB)

	Last	Net Day
Oil (Brent)	82.29	-0.2
Oil (WTI)	78.18	-0.3
Gold	4340.7	+2.5
HRC steel	1195.0	+0.1
CRB	380.8	+1.0
SGX Iron Ore	94.70	-0.4
NZ Milk '26	9.76	+0.0
NZ Milk '27	9.60	+0.0
NZ Milk '28	9.63	+0.0
WM powder	3570	+0.0
Australian Futures		
3 year bond	95.47	-0.05
10 year bond	95.02	0.03

Interest Rates

	Rates		Swap Yields	
	Cash	3Mth	2 Yr	10 Yr
USD	3.75	4.85	4.05	4.24
AUD	4.35	4.51	4.55	5.04
NZD	2.50	2.94	3.67	4.41
EUR	2.25	2.48	2.96	3.17
GBP	3.75	3.87	4.18	4.52
JPY	0.98	-0.03	1.64	2.65
CAD	2.25	4.97	2.85	3.40

Benchmark 10 Yr Bonds

	Last	Net Day
USD	4.65	-0.03
AUD	5.01	0.09
NZD	4.71	0.03
GER	3.13	-0.01
GBP	4.92	-0.02
JPY	2.81	0.02
CAD	3.64	0.02

NZ Government Bonds

	Last	Chg
15-May-28	3.59	0.04
20-Apr-29	3.80	0.04
15-May-30	3.98	0.04
15-May-31	4.16	0.04
15-May-32	4.30	0.04
14-Apr-33	4.41	0.04
15-May-34	4.51	0.04
15-May-35	4.62	0.03
15-May-36	4.71	0.03
15-May-37	4.80	0.04
15-May-38	4.87	0.03
15-May-41	5.10	0.04
15-May-51	5.32	0.04
15-May-54	5.33	0.04

NZ BKBM and Swap Yields

	Last	Chg
BKBM 1-mth	2.73	-0.00
BKBM 3-mth	2.94	0.01
1 year	3.39	0.03
2 year	3.67	0.04
3 year	3.81	0.04
5 year	4.03	0.04
7 year	4.20	0.04
10 year	4.41	0.04
15 year	4.66	0.04

NZ Inflation-Indexed Bonds

Sept-30	1.69	0.02
Sept-35	2.51	0.03
Sept-40	2.98	0.02

Carbon Price

	Level	% Day	% Year
NZU	55.25	+0.0	-1.3

Policy Meeting Run

	NZD	AUD	USD
1st	2.74	4.37	3.75
2nd	2.87	4.39	3.81
3rd	3.04	4.47	3.92
4th	3.18	4.51	3.96
5th	3.31	4.54	4.02

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

Rates at NY close

Source: Bloomberg

NZD exchange rates

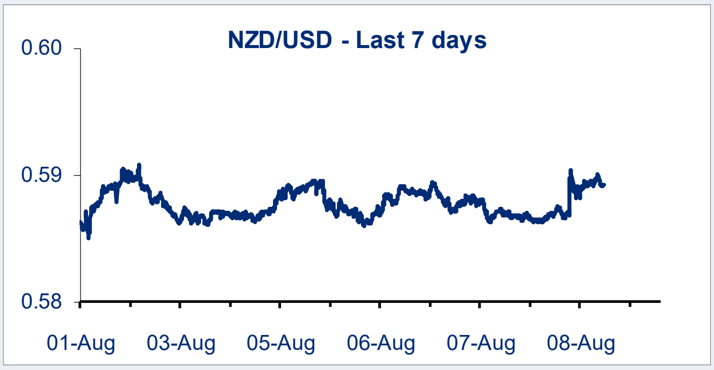
8/08/2026	NY close	Prev. NY close
USD	0.5894	0.5870
GBP	0.4368	0.4363
AUD	0.8341	0.8348
EUR	0.5099	0.5093
JPY	93.00	93.00
CAD	0.8217	0.8226
CHF	0.4761	0.4768
DKK	3.8113	3.8076
FJD	1.3090	1.3056
HKD	4.6230	4.6049
INR	56.11	55.90
NOK	5.6064	5.6064
PKR	163.74	163.11
PHP	35.89	35.70
PGK	2.6133	2.5814
SEK	5.5980	5.5833
SGD	0.7532	0.7535
CNY	3.9751	3.9630
THB	19.48	19.40
TOP	1.3753	1.3831
VUV	70.19	69.91
WST	1.6045	1.5961
XPF	60.80	60.59
ZAR	9.5144	9.6060

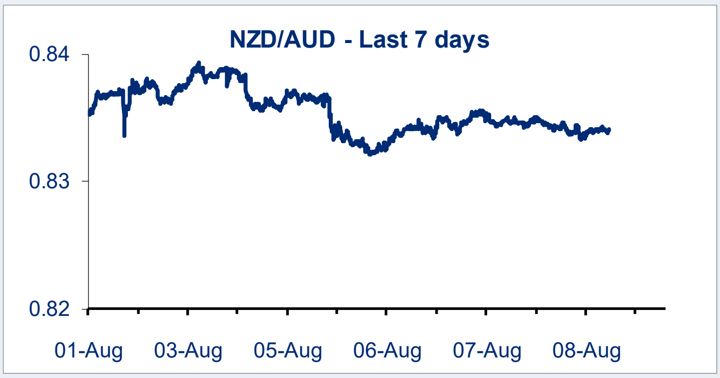
NZD/USD Forward Points

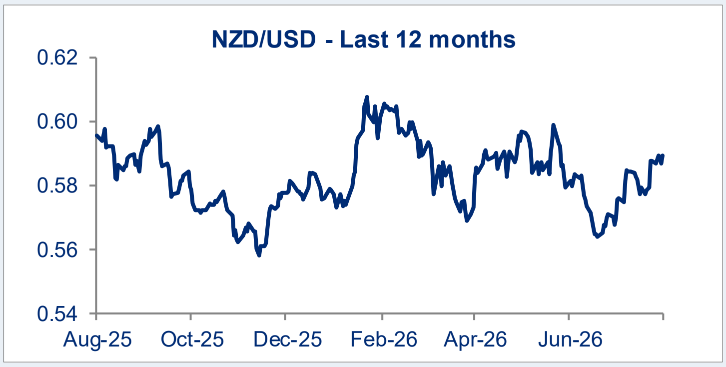
	BNZ buys NZD	BNZ sells NZD
1 Month	5.44	5.64
3 Months	15.13	15.63
6 Months	27.83	29.13
9 Months	37.27	39.85
1 Year	45.38	48.82

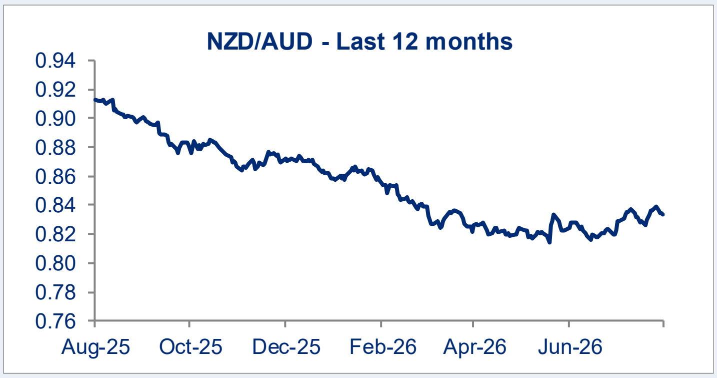
NZD/AUD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	12.28	12.74
3 Months	34.49	35.53
6 Months	63.85	66.69
9 Months	87.77	92.92
1 Year	108.93	116.07









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