

# Research Markets Today

11 February 2026

## Events round-up

AU: Westpac consumer confidence, Feb: 90.5 vs. 92.9 prev.

AU: NAB business conditions, Jan: 7 vs. 9 prev.

US: NFIB small business optimism, Jan: 99.3 vs. 99.8 exp.

US: Employment cost Index, Q4: 0.7 vs. 0.8 exp.

US: Retail sales (m/m%), Dec: 0.0 vs. 0.4 exp.

US: Retail sales ex auto, gas (m/m%), Dec: 0.0 vs. 0.4 exp.

US: Retail sales control grp (m/m%), Dec: -0.1 vs. 0.4 exp.

## Good morning

US equities are little changed. The S&P is consolidating just below record highs having fully recovered from the technology sector led weakness from last week. Softer than expected US retail sales supported the case for Fed rate cuts which contributed to a decline in treasury yields and a stronger yen. Global equities were mixed. Major European closed marginally lower while the Nikkei continued its post-election advance and gained a further 2%. The index closed at a fresh record high and is up 15% so far this year.

The softer US labour market is weighing on employment costs. The ECI rose by 0.7% in Q4 which was slightly below the consensus estimate of 0.8% and the slowest pace since Q2 2021. This saw the annual rate slow to 3.4%. There was no indication that the slowdown in immigration is leading to sector-specific pockets of wage pressure in areas like construction and hospitality. The slower rise in employment costs should build confidence amongst US policy makers that wages is unlikely to be a significant source of inflation pressures.

US retail sales were unexpectedly flat in December which was well below the 0.4% consensus estimate. Core sales and the control group also undershot expectations. There was broad weakness across the underlying categories. The broader backdrop points to a consumer losing some momentum. Extreme winter weather in January is likely to further dent spending, setting up a slowdown in consumption growth this quarter.

US Treasuries yields declined after the softer than expected data reinforced expectations of Fed rate cuts later this year. The market increased the chance of three 25bp cuts in 2026 to around 30%, with two still fully

priced. 10-year yields fell 7bp to 4.14%, the lowest level since mid-January. The curve bull flattened with smaller yield declines at the front end of the curve ahead of \$58bn of 3-year supply. After trading to a multi-year high near 74bp last week, the 2y/10y treasury curve has retraced to 69bp.

The yen gained against the US dollar, accompanying a slide in treasury yields and broader weakness in the greenback, following retail sales figures. Outside of the yen, G10 currencies are generally firmer but absolute moves were modest. The AUD and NZD are little changed since the local close yesterday and NZD/USD was confined to narrow trading range. The NZD is stable on the main crosses except for NZD/JPY which declined towards 93.20. NZD/AUD oscillated around 0.8540, the lowest level since mid-2013.

NZ swap rates were largely unchanged in the local session yesterday with few domestic catalysts. The NZ market lagged a rally in Australia contributing to a modest bounce in front-end cross market spreads. The government curve was similarly little changed. 10-year NZGBs closed 1bp lower at 4.52%. Australian 10-year bond futures are 4bp lower in yield terms since the local close suggesting a downward bias for NZ yields on the open.

There is no domestic data today. China PPI and CPI for January the only regional releases of note. The annual CPI rate is expected to record a slower rise on base effects. The key release is the US labour market report which was delayed by the brief government shutdown. The consensus is for the unemployment rate to remain at 4.4%, and a 70k gain in payrolls. The release will also incorporate annual revisions to payrolls where the consensus expects a sizable decline in the year through March 2025.

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## Coming up

	Period	Cons.	Prev.	NZT
CH PPI (y/y%)	Jan	-1.5	-1.9	14:30
CH CPI (y/y%)	Jan	0.4	0.8	14:30
AU RBA's Hauser-Fireside Chat				14:30
US Change in Nonfarm Payrolls	Jan	68	50	02:30
US Average Hourly Earnings (m/m%)	Jan	0.3	0.3	02:30
US Average Hourly Earnings (y/y%)	Jan	3.7	3.8	02:30
US Unemployment Rate	Jan	4.4	4.4	02:30

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	0.6046	-0.1	0.6034	0.6061	CHF	0.7666	+0.0	S&P 500	6,968	+0.0	14.9	Oil (Brent)	68.82	-0.3
AUD	0.7074	-0.2	0.7065	0.7091	SEK	8.894	-0.3	Dow	50,432	+0.6	13.4	Oil (WTI)	64.01	-0.6
EUR	1.1902	-0.1	1.1889	1.1929	NOK	9.526	-0.6	Nasdaq	23,249	+0.1	17.9	Gold	5002.7	-1.0
GBP	1.3662	-0.2	1.3654	1.3697	HKD	7.818	+0.0	Stoxx 50	6,047	-0.2	12.9	HRC steel	978.0	+0.1
JPY	154.18	-1.1	154.06	155.63	CNY	6.912	-0.1	FTSE	10,354	-0.3	18.1	CRB	311.1	+0.5
CAD	1.3534	-0.2			SGD	1.265	-0.1	DAX	24,988	-0.1	14.0	Wheat Chic.	537.0	-0.4
NZD/AUD	0.8547	+0.1			IDR	16,811	+0.0	CAC 40	8,328	+0.1	4.0	Sugar	14.19	-1.1
NZD/EUR	0.5080	-0.1			THB	31.23	+0.3	Nikkei	57,651	+2.3	48.0	Cotton	61.83	+0.3
NZD/GBP	0.4425	+0.1			KRW	1,457	-0.1	Shanghai	4,128	+0.1	24.3	Coffee	289.9	-1.4
NZD/JPY	93.22	-1.2			TWD	31.56	-0.1	ASX 200	8,867	-0.0	4.5	WM powder	3670	-2.5
NZD/CAD	0.8183	-0.3			PHP	58.53	+0.1	NZX 50	13,514	+0.5	4.6	<b>Australian Futures</b>		
NZ TWI	68.36	-0.2						VIX Index	17.46	+0.6	+10.4	3 year bond	95.68	0.03
												10 year bond	95.19	0.06
<b>Interest Rates</b>														
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	3.28	3.75	USD	4.14	-0.06	15-May-28	3.28	-0.00	BKBM 1-mth	2.41	0.00	
AUD	3.85	3.94	4.25	4.84	AUD	4.83	-0.04	20-Apr-29	3.54	-0.00	BKBM 3-mth	2.49	0.00	
NZD	2.25	2.49	3.10	4.18	NZD	4.53	-0.01	15-May-30	3.78	-0.01	1 year	2.68	-0.00	
EUR	2.00	1.98	2.20	2.82	GER	2.81	-0.03	15-May-31	3.98	-0.01	2 year	3.10	0.00	
GBP	3.75	3.96	3.48	4.12	GBP	4.51	-0.02	15-May-32	4.14	-0.01	3 year	3.37	0.00	
JPY	0.73	-0.03	1.28	1.99	JPY	2.24	-0.05	14-Apr-33	4.24	-0.01	5 year	3.71	0.00	
CAD	2.25	4.97	2.42	3.12	CAD	3.36	-0.04	15-May-34	4.35	-0.02	7 year	3.94	-0.00	
								15-May-35	4.44	-0.01	10 year	4.18	-0.01	
								15-May-36	4.53	-0.01	15 year	4.45	-0.01	
								15-May-37	4.63	-0.01				
								15-May-41	4.89	-0.01	<b>NZ Inflation-Indexed Bonds</b>			
								15-May-51	5.12	-0.01	Sept-30	1.68	0.01	
								15-May-54	5.12	-0.01	Sept-35	2.48	0.01	
											Sept-40	2.88	0.01	
<b>Carbon Price</b>					<b>Policy Meeting Run</b>									
	Level	% Day	% Year		NZD	AUD	USD							
NZU	41.45	+7.7	-34.7	1st	2.25	3.89	3.60							
				2nd	2.26	4.06	3.53							
				3rd	2.29	4.08	3.38							
				4th	2.33	4.18	3.28							
				5th	2.44	4.19	3.17							
* These are indicative ranges from 5pm NZT; please confirm rates with your BNZ dealer														
Rates are as of: NZT 06:17														
Source: Bloomberg														

**NZD exchange rates**

11/02/2026	6:17 am	Prev. NY close
USD	0.6046	0.6055
GBP	0.4425	0.4422
AUD	0.8547	0.8537
EUR	0.5080	0.5082
JPY	93.22	94.39
CAD	0.8183	0.8210
CHF	0.4635	0.4639
DKK	3.7957	3.7970
FJD	1.3294	1.3340
HKD	4.7269	4.7324
INR	54.76	54.96
NOK	5.7592	5.7989
PKR	169.06	169.36
PHP	35.39	35.40
PGK	2.5904	2.5876
SEK	5.3771	5.3984
SGD	0.7645	0.7664
CNY	4.1793	4.1906
THB	18.84	18.91
TOP	1.4090	1.4078
VUV	72.06	72.41
WST	1.6197	1.6290
XPF	60.45	60.50
ZAR	9.6456	9.6266



**NZD/USD Forward Points**

	BNZ buys NZD	BNZ sells NZD
1 Month	6.05	6.25
3 Months	19.06	19.55
6 Months	35.40	36.40
9 Months	46.10	48.10
1 Year	51.71	54.29

**NZD/AUD Forward Points**

	BNZ buys NZD	BNZ sells NZD
1 Month	9.37	9.78
3 Months	31.66	32.73
6 Months	68.29	70.66
9 Months	104.70	109.26
1 Year	137.89	143.86

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