Research

Markets Today

11 May 2026

Events round-up

JN: Scheduled Full-Time Pay (y/y%), Mar: 2.6 vs. 3.0 exp.

CH: Exports (US$ y/y%), Apr: 14.1 vs. 8.3 exp.

CH: Imports (US$ y/y%), Apr: 25.3 vs. 20.0 exp.

GE: Industrial Production (m/m%), Mar: -0.7 vs. 0.4 exp.

CA: Unemployment Rate, Apr: 6.9 vs. 6.7 exp.

US: Change in Nonfarm Payrolls, Apr: 115 vs. 65 exp.

US: Average Hourly Earnings (m/m%), Apr: 0.2 vs. 0.3 exp.

US: Average Hourly Earnings (y/y%), Apr: 3.6 vs. 3.8 exp.

US: Unemployment Rate, Apr: 4.3 vs. 4.3 exp.

US: U. of Mich. Sentiment, May P: 48.2 vs. 49.5 exp.

US: U. of Mich. 5-10 Yr Inflation, May P: 3.4 vs. 3.5 exp.

Good morning

A stronger-than-expected US jobs report lifted risk appetite and contributed to further gains for equity markets. The S&P 500 rose nearly 1% to a fresh record high and extended a run of gains to six consecutive weeks. Brent crude prices remained steady near US$101 per barrel. Treasury yields declined and the US dollar fell against most G10 currencies. Over the weekend, Iran said it had sent its response to the US proposed memorandum of understanding to end the war. Details of the memorandum and Iran's reply have not been released.

US nonfarm payrolls rose 115k in April, beating the consensus estimate of 65k. There were net downward revisions of 16k for the past two months. The unemployment rate held at 4.3% as expected, while average hourly earnings increased 0.2%, taking the annual rate to 3.6%. Hiring momentum looks firmer than last year. Payroll growth has averaged 76k a month through April versus about 42k over the same period in 2025. However, some of the forward-looking indicators including hiring intentions from the NFIB survey and the Conference Board survey suggest some caution about the outlook.

US consumer sentiment fell to a fresh record low as inflation worries weighed on household finances and buying conditions. One-year inflation expectations eased slightly to 4.5%, while five-to-10-year expectations held at 3.4%. The current-conditions gauge dropped to 47.8, the lowest on record, and perceptions of personal finances sank to the weakest since 2009. The headline decline reflected weaker current conditions, while the expectations index – which has historically been a better guide to consumer spending growth - edged marginally higher to 48.5 from 48.1.

There was limited impact on US rates markets following the economic data. Money-market pricing continued to suggest the Fed will keep its key interest rates steady this year, as the market's focus shifts towards upcoming inflation data. US treasury yields closed modestly lower across the curve in a parallel shift. 10-year notes dipped 3bp to 4.35%.

Canada's April labour report was softer than expected. Employment fell 17.7k, as full-time jobs dropped for a third straight month. The unemployment rate climbed to 6.9% from 6.7%, reflecting labour-force growth outpacing hiring. The market trimmed the amount of tightening expected for this year and the Canadian dollar (CAD) fell. The Bank of Canada is expected to keep the overnight rate at 2.25% until late 2026 with a full 25bp hike not fully priced till the late October meeting.

Except for the CAD, the US dollar was broadly weaker against G10 currencies overnight Friday. The dollar index has fallen to the bottom end of the recent trading range and is back at levels that prevailed ahead of the conflict. The pound was not impacted after the Labour Party saw significant losses in UK local elections placing further pressure on Prime Minister Keir Starmer. The NZD was firmer against the US dollar trading up towards 0.5960.

NZ swap rates ended the local session on Friday higher and steeper reflecting an increase in global rates with few domestic catalysts. The front end of the curve outperformed; 2-year swaps closed 3bp higher at 3.55%. 10-year swaps, with a greater sensitivity to offshore markets, increased 7bp to 4.34%. The 2y/10y curve rebounded from multi-month lows to +79bp.

There is no domestic data scheduled today. The conflict in the Middle East is expected to lift China's producer prices in April, while consumer inflation stayed subdued, suggesting limited pass-through so far. US existing home sales for April are released overnight.

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Coming up

		Period	Cons.	Prev.	NZT
CH	PPI (y/y%)	Apr	1.8	0.5	13:30
CH	CPI (y/y%)	Apr	0.9	1	13:30
US	Existing Home Sales (m/m%)	Apr	2.4	-3.6	02:00

Source: Bloomberg

Currencies

FX Majors / **Indicative overnight ranges (*)**

	Last	% Day	Low	High
NZD	0.5966	+0.5	0.5948	0.5969
AUD	0.7247	+0.5	0.7222	0.7249
EUR	1.1786	+0.5	1.1742	1.1788
GBP	1.3632	+0.6	1.3578	1.3637
JPY	156.69	-0.2	156.44	156.86
CAD	1.3676	+0.1		
NZD/AUD	0.8232	-0.1		
NZD/EUR	0.5062	-0.1		
NZD/GBP	0.4376	-0.1		
NZD/JPY	93.47	+0.3		
NZD/CAD	0.8158	+0.5		
NZ TWI	67.19	+0.3		

Other FX

	Last	% Day
CHF	0.7766	-0.5
SEK	9.214	-0.7
NOK	9.211	-1.1
HKD	7.829	-0.0
CNY	6.801	-0.0
SGD	1.267	-0.1
IDR	17,382	+0.3
THB	32.20	-0.3
KRW	1,461	+0.4
TWD	31.42	+0.1
PHP	60.62	+0.3

Equities

Major Indices

	Last	% Day	% Year
S&P 500	7,399	+0.8	30.7
Dow	49,609	+0.0	20.3
Nasdaq	26,247	+1.7	46.4
Stoxx 50	5,912	-1.0	11.3
FTSE	10,233	-0.4	19.6
DAX	24,339	-1.3	3.6
CAC 40	8,113	-1.1	4.8
Nikkei	62,714	-0.2	67.2
Shanghai	4,180	-0.0	25.1
ASX 200	8,744	-1.5	6.2
NZX 50	13,175	-0.7	4.5
VIX Index	17.19	+0.6	-21.5

Commodities

Price (Near futures, except CRB)

	Last	Net Day
Oil (Brent)	101.29	+1.2
Oil (WTI)	95.42	+0.6
Gold	4730.7	+0.4
HRC steel	1078.0	+0.2
CRB	389.4	+0.4
Wheat Chic.	619.0	+1.1
Sugar	14.69	+1.0
Cotton	84.73	+2.1
Coffee	274.8	+0.6
WM powder	3865	+0.8

Australian Futures

3 year bond	95.34	-0.06
10 year bond	95.01	0.01

Interest Rates

Rates / **Swap Yields**

	Cash	3Mth	2 Yr	10 Yr
USD	3.75	4.85	3.72	3.95
AUD	4.35	4.44	4.68	5.07
NZD	2.25	2.63	3.55	4.34
EUR	2.00	2.25	2.78	3.03
GBP	3.75	3.86	4.25	4.47
JPY	0.74	-0.03	1.36	2.27
CAD	2.25	4.97	2.75	3.24

Benchmark 10 Yr Bonds

	Last	Net Day
USD	4.35	-0.03
AUD	4.99	0.07
NZD	4.69	0.07
GER	3.01	0.00
GBP	4.91	-0.04
JPY	2.48	0.00
CAD	3.47	-0.05

NZ Government Bonds

	Last	Chg
15-May-28	3.63	0.04
20-Apr-29	3.82	0.04
15-May-30	4.00	0.05
15-May-31	4.18	0.05
15-May-32	4.33	0.06
14-Apr-33	4.42	0.06
15-May-34	4.52	0.07
15-May-35	4.61	0.07
15-May-36	4.69	0.07
15-May-37	4.79	0.07
15-May-41	5.05	0.08
15-May-51	5.25	0.07
15-May-54	5.25	0.07

NZ BKBM and Swap Yields

	Last	Chg
BKBM 1-mth	2.45	0.00
BKBM 3-mth	2.63	0.02
1 year	3.16	0.01
2 year	3.55	0.03
3 year	3.73	0.04
5 year	3.96	0.05
7 year	4.14	0.06
10 year	4.34	0.07
15 year	4.58	0.07

NZ Inflation-Indexed Bonds

Sept-30	1.52	0.05
Sept-35	2.31	0.05
Sept-40	2.77	0.04

Carbon Price

	Level	% Day	% Year
NZU	51.75	+0.0	-3.2

Policy Meeting Run

	NZD	AUD	USD
1st	2.33	4.41	3.63
2nd	2.51	4.56	3.61
3rd	2.73	4.63	3.61
4th	2.89	4.70	3.63
5th	3.10	4.72	3.65

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

Rates at NY close

Source: Bloomberg

NZD exchange rates

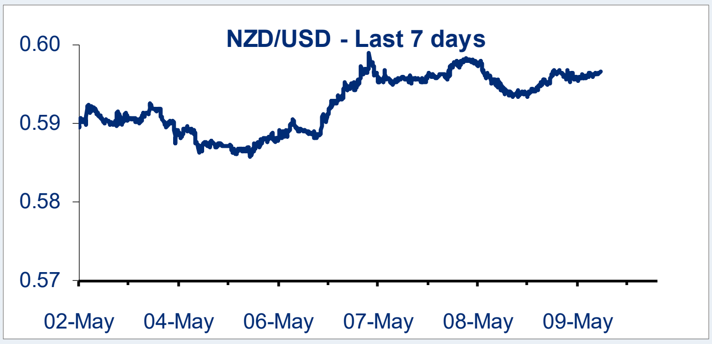
9/05/2026	NY close	Prev. NY close
USD	0.5966	0.5940
GBP	0.4376	0.4382
AUD	0.8232	0.8240
EUR	0.5062	0.5066
JPY	93.47	93.22
CAD	0.8158	0.8117
CHF	0.4634	0.4634
DKK	3.7835	3.7853
FJD	1.3040	1.3052
HKD	4.6718	4.6527
INR	56.38	55.99
NOK	5.4961	5.5308
PKR	166.29	165.58
PHP	36.18	35.88
PGK	2.5989	2.5826
SEK	5.4981	5.5124
SGD	0.7561	0.7538
CNY	4.0579	4.0416
THB	19.22	19.10
TOP	1.3870	1.3750
VUV	70.58	69.87
WST	1.5888	1.5896
XPF	60.69	60.54
ZAR	9.7716	9.7895

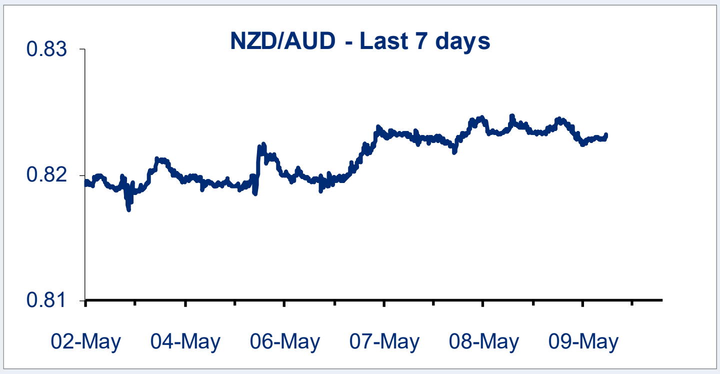
NZD/USD Forward Points

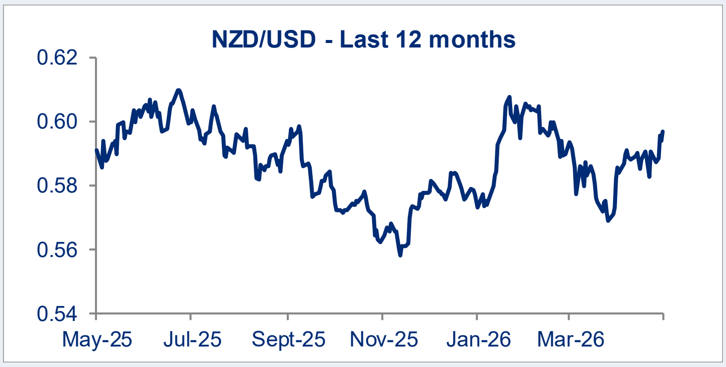
	BNZ buys NZD	BNZ sells NZD
1 Month	5.87	6.07
3 Months	16.31	16.85
6 Months	28.07	29.07
9 Months	35.35	36.87
1 Year	37.91	40.74

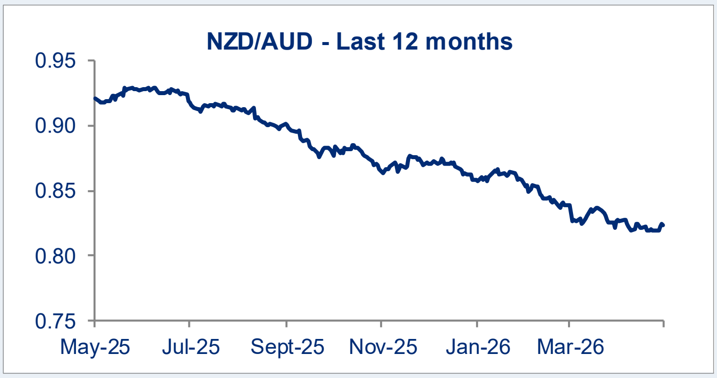
NZD/AUD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	12.97	13.46
3 Months	38.10	39.25
6 Months	74.67	77.04
9 Months	106.90	110.14
1 Year	131.06	136.99









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