

Research Markets Today

12 February 2026

Events Round-Up

CH: PPI (y/y%), Jan: -1.4 vs. -1.5 exp.

CH: CPI (y/y%), Jan: 0.2 vs. 0.4 exp.

US: Change in nonfarm payrolls (k), Jan: 130 vs. 65 exp.

US: Avg hourly earnings (m/m%), Jan: 0.4 vs. 0.3 exp.

US: Avg hourly earnings (y/y%), Jan: 3.7 vs. 3.7 exp.

US: Unemployment rate (%), Jan: 4.3 vs. 4.4 exp.

Good Morning

A much stronger than expected US employment report drove the US Treasuries curve flatter while US equities show a small gain. NZD/USD is little changed at 0.6060 while NZD/AUD falls below 0.85 as AUD rises to a three-year high above 0.71.

US non-farm payrolls rose by 130k, well above the 65k expected, even accounting for a net 17k downward revision for the past two months. Private payrolls were even stronger, rising by 172k. Labour force participation ticked higher, but that didn't prevent the unemployment rate ticking down to 4.3%. Average hourly earnings also beat expectations, with a 0.4% m/m gain, although the annual figure was in line at 3.7% y/y. The annual benchmarking exercise resulted in a downward revision to payrolls of close to the 900k previously estimated by the BLS for the year to March 2025.

Warmer than usual weather during the survey week which inflated the jobs figure and the fact that much of the job creation over the past year has been in the healthcare sector, offered a couple of crumbs for the doves to chew on, but the general conclusion was that this was a strong jobs report that justified a decent pause in the US monetary policy easing cycle.

US short rates rose, with the next first full rate cut priced shifting from June to July, and 6bps added to the expected Fed Funds rate for December, taking pricing for the rest of the year to 54bps of cuts. The Treasuries curve flattened, with the 2-year rate up 5bps for the day against a small lift in the 10-year rate to 4.15%, after jumping to as high as 4.20% overnight. In a prepared speech, Kansas City Fed President, one of the more hawkish FOMC members, reaffirmed his resistance to further interest rate cuts, arguing that further Fed easing would risk allowing inflation to remain too high.

US equities initially reacted positively to the jobs report, but the gain faded and the S&P500 shows a small gain in early afternoon trading.

The blip higher in the USD wasn't sustained after the jobs report. NZD/USD shows little net change around 0.6060 after a brief dip to 0.6025. JPY has been the strongest major currency over the past 24 hours and overnight, with USD/JPY falling below 153, as traders continue to pare short yen positions following Takaichi's strong weekend election result. NZD/JPY has fallen to 92.6, well below the near-0.95 peak early on Monday.

Yesterday, the AUD rose up through 0.71 for the first time in three years, supported by some hawkish inflation comments by Deputy Governor Hauser. The gain has been sustained and the AUD currently sits at 0.7140. NZD/AUD continues to trend lower, weighed by large negative NZ-Australian rates differentials, and has fallen below 0.85 for the first time since 2013. On the other crosses, NZD/GBP had nudged up to a fresh six-month high of 0.4435, while NZD/CAD and NZD/EUR continue to hover near multi-month highs.

In other news, the Congressional Budget Office's annual update of the long-term Budget outlook painted a grim picture of the US fiscal accounts, highlighting an unsustainable trajectory. In ten years, interest costs on the debt will consume 26% of federal revenue. While the budget deficit will be stable around 5.7/5.8% of GDP over the next two years, the deficit will gradually rise to 6.7% in ten years. A poor US fiscal outlook is already well understood by the market.

Oil prices rose more than 2%, with Brent Crude trading back over the USD70 mark, with some focus on Middle East tensions, before prices slipped back somewhat. The WSJ reports the US is considering seizing oil tankers with Iranian crude and Axios reported an aircraft carrier strike group could be sent to the region should talks over Iran's nuclear programme fail.

Global forces dragged down NZ rates yesterday, with NZGB yields down 2-4bps across the curve and swaps rates fell 2-5bps.

On the economic calendar, tonight sees the release of UK Q4 GDP where the consensus expects a modest 0.2% q/q increase. In the US, jobless claims and existing home sales data are released.

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NZD exchange rates

12/02/2026	6:51 am	Prev. NY close
USD	0.6061	0.6044
GBP	0.4437	0.4430
AUD	0.8490	0.8543
EUR	0.5099	0.5081
JPY	92.64	93.31
CAD	0.8216	0.8191
CHF	0.4666	0.4642
DKK	3.8094	3.7964
FJD	1.3306	1.3336
HKD	4.7350	4.7254
INR	54.94	54.75
NOK	5.7370	5.7559
PKR	169.37	169.05
PHP	35.31	35.38
PGK	2.5962	2.5895
SEK	5.3853	5.3721
SGD	0.7643	0.7644
CNY	4.1872	4.1780
THB	18.82	18.83
TOP	1.4116	1.4062
VUV	72.19	72.07
WST	1.6294	1.6256
XPF	60.61	60.44
ZAR	9.6203	9.6408



NZD/USD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	6.08	6.28
3 Months	19.45	19.90
6 Months	36.85	37.85
9 Months	48.80	50.80
1 Year	55.71	58.29

NZD/AUD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	9.29	9.71
3 Months	31.59	32.62
6 Months	68.20	70.53
9 Months	104.88	109.40
1 Year	139.24	145.25

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