Research

Markets Today

13 August 2026

Events round-up

US: CPI (m/m%), Jul: 0.1 vs. 0.1 exp.

US: Core CPI (m/m%), Jul: 0.2 vs. 0.2 exp.

US: CPI (y/y%), Jul: 3.4 vs. 3.4 exp.

US: Core CPI (y/y%), Jul: 2.5 vs. 2.5 exp.

Good morning

The northern hemisphere summer doldrums continue to produce only modest market movements, and an in-line US CPI report did little to bring life to markets. The main impact was to pare back a little of the tightening priced into the Fed Funds curve, supporting bonds and equities at the margin.

US CPI inflation was in line with consensus for both the headline and core measures. A modest 0.1% m/m increase in CPI nudged the annual rate down to 3.4%, while the 0.2% m/m rise in the ex-food and energy measure lowered the annual increase to 2.5%. Looking further into the figures, there was nothing in the release to alarm investors, with both core goods and core services rising 0.2% m/m.

Another benign inflation print, following much weaker-than-expected payrolls data, provided no smoking gun for the Fed to change its tune and tighten policy in September. However, August data for both series will be released ahead of that meeting and could still shift the outlook. The market pared back rate hikes priced into the curve by 2bps, with September priced at +10bps and +27bps cumulatively priced for the rest of the year. The 2-year Treasury yield is down 2bps for the day to 4.20%, while the 10-year rate is barely lower at 4.68%.

There have been no fresh developments in the Middle East, so oil has traded sideways, with Brent crude around the USD89 per barrel mark. The latest monthly IEA report estimates the world faces an oil shortfall of 1.8m barrels a day, while stockpiles are tightening again despite significant cuts to oil demand estimates. On his TruthSocial account, President Trump said, “The U.S.A. has total control over the Strait of Hormuz. I THINK WE WILL KEEP IT!”, while also pointing to Iran’s weak economic and military position. This sort of goading won’t help get a deal across the line.

US equities are in positive territory, supported by the inflation report and rates backdrop. The S&P500 is currently up 0.3%, while outperformance in the IT sector has lifted the Nasdaq index by 0.7%. The move higher simply reverses the previous day’s fall.

Currency movements have been modest. The USD weakened after the inflation report, but that move wasn’t sustained, and USD indices now show a small gain for the day.

The NZD has underperformed a little, which might be attributed to the messy failed leadership coup within the National party to topple PM Luxon. After yesterday’s developments, Polymarket odds for Opposition leader Hipkins becoming the next PM nudged up to 50%, while Luxon’s odds slipped to 38%. Our playbook for the NZ general election has been that, if the polls remain close — and they still do — there will be pressure on the NZD to weaken in the months leading up to the November election, similar to the 2017 episode. That process may already have begun, although we would also note the typically weak seasonal factors for the NZD through August and September.

The NZD has weakened towards 0.5855, with the overnight recovery to 0.5885 after the US inflation data quickly reversing. Other key majors have shown only small movements overnight, and NZD crosses are all a little weaker. With the AUD steady at 0.7060, NZD/AUD has fallen below 0.83.

In the domestic rates market, the low-volatility environment has continued, with only small movements in rates. Swap rates were marked down 1bp across the curve. The NZGB curve showed a slight steepening bias, with short-end rates down 2bps and longer-term rates up 1-2bps.

In the day ahead, RBA Assistant Governor Kent will give a fireside chat, offering his thoughts after the RBA’s on-hold decision on Tuesday. Domestically, there will be some interest in the RBNZ’s Survey of Expectations, particularly the inflation expectations measures. The key releases tonight will be UK Q2 GDP and US PPI data.

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Coming up

		Period	Cons.	Prev.	NZT
AU	RBA's Kent-Fireside Chat				12:15
NZ	RBNZ 2yr inflation expectations	Q3		2.53	15:00
UK	GDP (q/q%)	Q2	0.4	0.6	18:00
EC	Industrial production (m/m%)	Jun	0.0	-0.2	21:00
US	Initial jobless claims (k)	8-Aug	202	199	00:30
US	PPI ex food, energy (m/m%)	Jul	0.3	0.2	00:30
US	PPI ex food, energy (y/y%)	Jul	4.1	4.7	00:30

Source: Bloomberg

Currencies

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

	Last	% Day	Low	High
NZD	0.5857	-0.4	0.5855	0.5885
AUD	0.7063	+0.0	0.7056	0.7091
EUR	1.1524	-0.2	1.1520	1.1563
GBP	1.3491	-0.1	1.3490	1.3544
JPY	159.48	+0.1	158.60	159.54
CAD	1.3943	+0.1		
NZD/AUD	0.8293	-0.4		
NZD/EUR	0.5082	-0.2		
NZD/GBP	0.4341	-0.3		
NZD/JPY	93.41	-0.3		
NZD/CAD	0.8166	-0.3		
NZ TWI	66.59	-0.4		

Other FX

	Last	% Day
CHF	0.8136	+0.3
SEK	9.585	+0.7
NOK	9.498	+0.1
HKD	7.847	+0.0
CNY	6.747	+0.0
SGD	1.281	+0.1
IDR	17,877	+0.1
THB	33.10	-0.1
KRW	1,419	+0.5
TWD	32.25	-0.1
PHP	61.21	-0.1

Equities

Major Indices

	Last	% Day	% Year
S&P 500	7,754	+0.3	20.3
Dow	53,855	+0.1	21.1
Nasdaq	26,635	+0.7	22.8
Stoxx 50	6,534	-0.3	22.5
FTSE	10,833	-0.1	18.4
DAX	26,331	-0.2	9.6
CAC 40	8,675	-0.5	11.9
Nikkei	67,524	+0.8	56.0
Shanghai	3,947	+0.3	7.7
ASX 200	9,209	-0.4	4.3
NZX 50	13,738	-0.9	7.6
VIX Index	14.54	-4.8	-1.3

Commodities

Price (Near futures, except CRB)

	Last	Net Day
Oil (Brent)	88.99	+0.1
Oil (WTI)	83.32	+0.2
Gold	4408.9	+0.6
HRC steel	1196.0	+0.1
CRB	390.5	+0.1
SGX Iron Ore	95.90	+0.3
NZ Milk '26	9.75	+0.0
NZ Milk '27	9.63	+0.5
NZ Milk '28	9.63	+0.7
WM powder	3595	+1.3

Australian Futures

3 year bond	95.45	0.02
10 year bond	94.98	0.01

Interest Rates

Rates / **Swap Yields**

	Cash	3Mth	2 Yr	10 Yr
USD	3.75	4.85	4.06	4.28
AUD	4.35	4.51	4.55	5.07
NZD	2.50	2.95	3.65	4.39
EUR	2.25	2.49	2.98	3.18
GBP	3.75	3.87	4.23	4.57
JPY	0.99	-0.03	1.68	2.70
CAD	2.25	4.97	2.88	3.45

Benchmark 10 Yr Bonds

	Last	Net Day
USD	4.68	-0.00
AUD	5.02	-0.01
NZD	4.70	0.01
GER	3.16	0.00
GBP	4.97	0.01
JPY	2.86	0.03
CAD	3.69	-0.02

NZ Government Bonds

	Last	Chg
15-May-28	3.56	-0.02
20-Apr-29	3.77	-0.02
15-May-30	3.97	-0.01
15-May-31	4.14	-0.00
15-May-32	4.29	0.01
14-Apr-33	4.40	0.01
15-May-34	4.50	0.01
15-May-35	4.60	0.01
15-May-36	4.70	0.01
15-May-37	4.79	0.01
15-May-38	4.86	0.02
15-May-41	5.09	0.01
15-May-51	5.31	0.01
15-May-54	5.32	0.01

NZ BKBM and Swap Yields

	Last	Chg
BKBM 1-mth	2.78	0.02
BKBM 3-mth	2.95	0.01
1 year	3.38	-0.00
2 year	3.65	-0.01
3 year	3.79	-0.01
5 year	4.00	-0.01
7 year	4.18	-0.01
10 year	4.39	-0.01
15 year	4.64	-0.01

NZ Inflation-Indexed Bonds

Sept-30	1.70	0.01
Sept-35	2.52	0.01
Sept-40	2.99	0.01

Carbon Price

	Level	% Day	% Year
NZU	54.85	+0.2	-4.2

Policy Meeting Run

	NZD	AUD	USD
1st	2.74	4.39	3.74
2nd	2.85	4.48	3.80
3rd	3.02	4.52	3.91
4th	3.17	4.53	3.96
5th	3.29	4.53	4.02

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

Rates are as of: NZT 06:44

Source: Bloomberg

NZD exchange rates

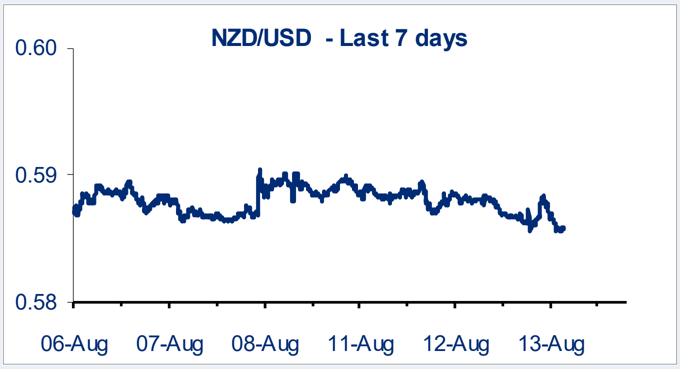
13/08/2026	6:44 am	Prev. NY close
USD	0.5857	0.5881
GBP	0.4341	0.4354
AUD	0.8293	0.8328
EUR	0.5082	0.5095
JPY	93.41	93.67
CAD	0.8166	0.8189
CHF	0.4764	0.4768
DKK	3.7987	3.8092
FJD	1.2990	1.3060
HKD	4.5962	4.6146
INR	55.84	56.13
NOK	5.5620	5.5824
PKR	162.60	163.41
PHP	35.84	36.03
PGK	2.5939	2.5873
SEK	5.6108	5.6001
SGD	0.7500	0.7526
CNY	3.9503	3.9671
THB	19.42	19.40
TOP	1.3649	1.3913
VUV	69.49	69.80
WST	1.5931	1.5988
XPF	60.44	60.70
ZAR	9.4613	9.5297

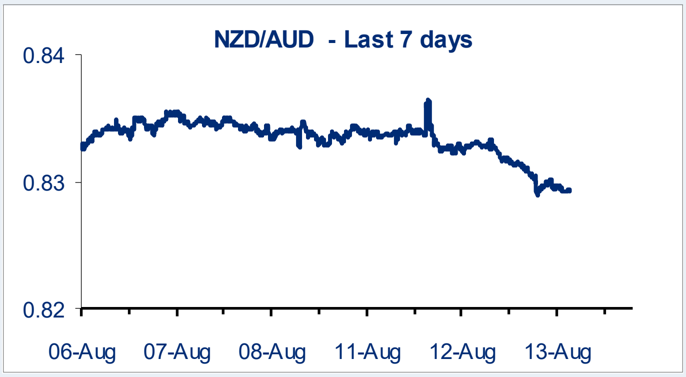
NZD/USD Forward Points

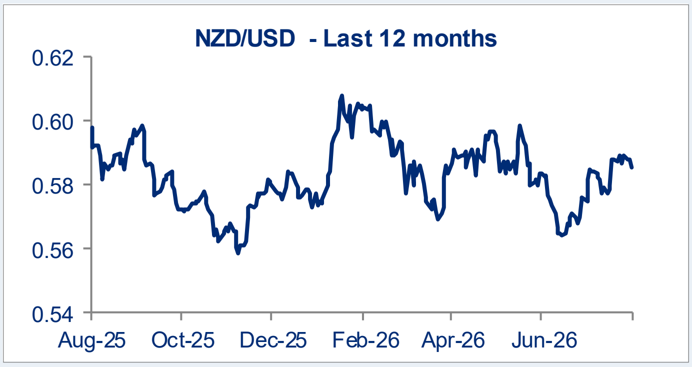
	BNZ buys NZD	BNZ sells NZD
1 Month	5.33	5.59
3 Months	15.05	15.77
6 Months	27.47	29.25
9 Months	36.27	39.85
1 Year	44.28	48.52

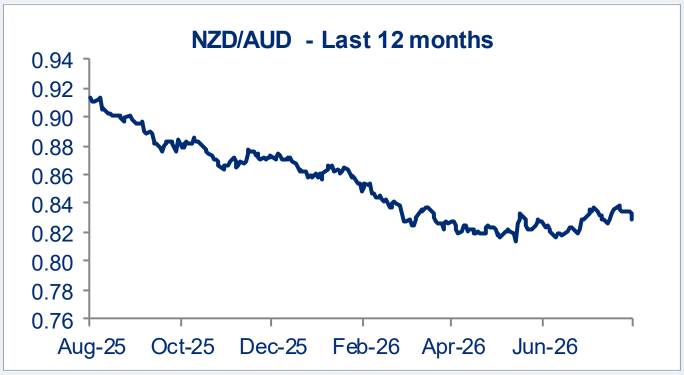
NZD/AUD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	12.07	12.63
3 Months	34.48	36.04
6 Months	64.02	67.74
9 Months	86.87	93.74
1 Year	108.62	117.06









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