

Research Markets Today

13 March 2026

Events round-up

NZ: Manufacturing volume, Q4: -0.5 vs. 1.1 prev.

NZ: Manufacturing sales, Q4: 0.6 vs. 2.7 prev.

US: Trade balance (\$b), Jan: -54.5 vs. -66 exp.

US: Initial jobless claims, 7 Mar: 213 vs. 215 exp.

US: Housing starts (k), Jan: 1487 vs. 1341 exp.

US: Building permits (k), Jan: 1376 vs. 1410 exp.

Good morning

Oil prices have surged again, weighing on risk sentiment. Brent traded above US\$100 per barrel after President Trump said preventing Iran from acquiring nuclear weapons was a higher priority than oil prices. A record release of strategic oil reserves has failed to cap the rally, while concerns around private credit and fresh US tariff probes added to the risk-off tone. Global equities sold off, with the S&P 500 down more than 1%, bond yields are higher, and the US dollar firmer against G10 currencies.

Prospects for a rapid restoration of oil flows through the Strait of Hormuz are fading. Iran's new leader has vowed to keep the route closed, with seven vessels reportedly struck in the past day. While US officials expect naval escorts to be in place by end-March, the International Energy Agency has downgraded its oil-supply growth outlook, warning the Middle East conflict is driving an unprecedented disruption to global energy markets.

Second-tier US data had little impact on price action, with geopolitics remaining the dominant driver. The market has continued to pare back expectations for Fed easing, with just 22bp of cuts priced by December. This represents a sharp reversal of the post-payrolls move late last week, as concerns around the inflationary impact of higher oil prices have re-emerged.

US Treasuries sold off, led by the front end, as markets priced less than one Fed cut this year. 2-year yields rose 6bp to 3.72%, the highest level in over six months, continuing the sharp rebound from below 3.40% earlier in March. The long end was more stable, with 10-year yields little changed at 4.24%, near the top of the recent range. Curve flattening extended, with the 2s/10s narrowing to around 52bp.

European bond markets remain under pressure, with 10-year Bund yields rising to multi-year highs at 2.96%, matching the previous cyclical peak in 2023. Global yields are being pushed higher by concerns the Iran conflict will lift defence spending and widen fiscal deficits, alongside renewed energy-driven inflation risks and increased sovereign borrowing needs.

The US dollar is broadly firmer against G10 currencies in offshore trade, with the DXY back near the top of its recent range. Moves in the majors were modest, but risk-sensitive currencies underperformed, with the NZD and AUD the weakest in the G10 basket. NZD/USD slipped to 0.5860, near recent lows, with the NZD weaker on most crosses aside from NZD/AUD, which was little changed.

NZ swap rates traded higher in a largely parallel shift in the local session yesterday reflecting moves in offshore markets. There market is again pricing more than 50bp of RBNZ tightening by end-2026. We finalised our Q4 GDP forecast at 0.3% after the latest partials which is below the RBNZ's 0.5% projection from the February MPS though the market remains focussed on geopolitics for now. 2-year rates closed 11bp higher at 3.27%, with the market closing in on Monday's multi-month high of 3.31%.

There was a similar parallel shift in the government curve. The weekly bond tender saw solid appetite from investors – particularly for May-41 line - despite the ongoing volatile conditions in fixed income markets. The backup in yields into the auction likely contributed to demand. 10-year government bonds closed 10bp higher at 4.67%.

The PMI is released today after printing a firm 55.2 in January, pointing to solid momentum in manufacturing activity. While the survey period covers February and should be largely insulated from recent geopolitical developments, sentiment effects may be evident at the margin. In the UK, January GDP is the key release. The US PCE data is unlikely to move markets given it is dated and will form the baseline as the market incorporates the inflationary implications of higher energy prices. Elevated geopolitical risks and oil prices are also likely to weigh on Michigan consumer sentiment.

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Coming up

		Period	Cons.	Prev.	NZT
NZ	BusinessNZ Manufacturing PMI	Feb	55.2	10:30	
UK	Monthly GDP (m/m%)	Jan	0.2	0.1	20:00
EC	Industrial Production (m/m%)	Jan	0.6	-1.4	23:00
US	Personal Income	Jan	0.5	0.3	01:30
US	Real Personal Spending	Jan	0	0.1	01:30
US	Core PCE Price Index (m/m%)	Jan	0.4	0.4	01:30
US	Core PCE Price Index (y/y%)	Jan	3.1	3	01:30
US	Durable Goods Orders	Jan P	1.1	-1.4	01:30
US	Durables Ex Transportation	Jan P	0.5	1	01:30
US	GDP Annualized (q/q%)	4Q S	1.4	1.4	01:30
CA	Unemployment Rate	Feb	6.6	6.5	01:30
US	U. of Mich. Sentiment	Mar P	55	56.6	03:00
US	U. of Mich. 5-10 Yr Inflation	Mar P	3.4	3.3	03:00
US	JOLTS Job Openings	Jan	6750	6542	03:00

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	0.5858	-0.9	0.5855	0.5912	CHF	0.7846	+0.5	S&P 500	6,700	-1.1	19.7	Oil (Brent)	99.36	+7.9
AUD	0.7085	-0.9	0.7072	0.7148	SEK	9.337	+1.1	Dow	46,831	-1.2	13.3	Oil (WTI)	94.77	+8.5
EUR	1.1520	-0.4	1.1511	1.1566	NOK	9.691	+0.5	Nasdaq	22,399	-1.4	26.9	Gold	5133.3	-0.8
GBP	1.3349	-0.5	1.3338	1.3410	HKD	7.827	+0.0	Stoxx 50	5,749	-0.8	7.3	HRC steel	1017.0	+0.0
JPY	159.27	+0.2	158.57	159.29	CNY	6.880	+0.1	FTSE	10,305	-0.5	20.7	CRB	355.0	+2.0
CAD	1.3629	+0.3			SGD	1.278	+0.3	DAX	23,590	-0.2	4.0	Wheat Chic.	602.3	+1.3
NZD/AUD	0.8268	-0.0			IDR	16,893	+0.0	CAC 40	7,984	-0.7	-0.1	Sugar	14.43	+1.3
NZD/EUR	0.5085	-0.5			THB	32.10	+1.0	Nikkei	54,453	-1.0	48.0	Cotton	65.24	+0.1
NZD/GBP	0.4388	-0.5			KRW	1,489	+0.8	Shanghai	4,129	-0.1	22.5	Coffee	291.5	+1.5
NZD/JPY	93.30	-0.7			TWD	31.80	+0.1	ASX 200	8,629	-1.3	11.4	WM powder	3840	-0.5
NZD/CAD	0.7984	-0.7			PHP	59.41	+0.4	NZX 50	13,199	-0.7	8.1	Australian Futures		
NZ TWI	66.75	-0.6						VIX Index	25.99	+7.3	+7.3	3 year bond	95.46	-0.09
												10 year bond	95.03	0.00

Interest Rates													
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	3.54	3.78	USD	4.24	0.01	15-May-28	3.38	0.09	BKBM 1-mth	2.43	0.00
AUD	3.85	4.18	4.54	5.06	AUD	4.95	0.10	20-Apr-29	3.67	0.09	BKBM 3-mth	2.50	0.00
NZD	2.25	2.50	3.27	4.29	NZD	4.66	0.09	15-May-30	3.92	0.09	1 year	2.82	0.06
EUR	2.00	2.12	2.59	2.97	GER	2.96	0.03	15-May-31	4.14	0.09	2 year	3.27	0.11
GBP	3.75	3.88	3.96	4.33	GBP	4.77	0.09	15-May-32	4.29	0.09	3 year	3.54	0.11
JPY	0.73	-0.03	1.26	2.02	JPY	2.19	0.02	14-Apr-33	4.38	0.10	5 year	3.86	0.11
CAD	2.25	4.97	2.65	3.24	CAD	3.51	0.02	15-May-34	4.48	0.09	7 year	4.07	0.11
								15-May-35	4.57	0.09	10 year	4.29	0.11
								15-May-36	4.66	0.09	15 year	4.55	0.11
								15-May-37	4.75	0.09			
								15-May-41	5.02	0.09	NZ Inflation-Indexed Bonds		
								15-May-51	5.27	0.09	Sept-30	1.70	0.08
								15-May-54	5.28	0.09	Sept-35	2.48	0.08
											Sept-40	2.90	0.08

Carbon Price				Policy Meeting Run			
	Level	% Day	% Year	NZD	AUD	USD	
NZU	44.00	-0.2	-28.5	1st	2.26	4.03	3.64
				2nd	2.31	4.20	3.63
				3rd	2.39	4.26	3.59
				4th	2.53	4.40	3.55
				5th	2.58	4.47	3.50

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

Rates are as of: NZT 06:16

Source: Bloomberg

NZD exchange rates

13/03/2026	6:17 am	Prev. NY close
USD	0.5858	0.5913
GBP	0.4388	0.4409
AUD	0.8268	0.8268
EUR	0.5085	0.5112
JPY	93.30	93.99
CAD	0.7984	0.8038
CHF	0.4596	0.4615
DKK	3.7996	3.8195
FJD	1.2858	1.3056
HKD	4.5852	4.6272
INR	54.01	54.42
NOK	5.6769	5.7065
PKR	163.62	165.19
PHP	34.80	34.98
PGK	2.5174	2.5410
SEK	5.4694	5.4578
SGD	0.7488	0.7535
CNY	4.0302	4.0647
THB	18.65	18.77
TOP	1.3620	1.3726
VUV	69.73	70.72
WST	1.5767	1.5894
XPF	59.93	60.81
ZAR	9.8120	9.7501



NZD/USD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	6.70	6.91
3 Months	19.58	20.02
6 Months	35.81	37.27
9 Months	47.67	50.45
1 Year	55.12	58.48

NZD/AUD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	11.51	12.04
3 Months	36.12	37.18
6 Months	73.82	77.03
9 Months	111.10	116.76
1 Year	144.78	152.33

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