

Research Markets Today

14 October 2026

Events round-up

AU: NAB business conditions, Sep: -1 vs. -1 prev.

US: NFIB small business optimism, Sep: 97.9 vs. 98.2 exp.

US: Existing home sales (m/m%), Sep: 1.5 vs. -0.8 exp.

Good morning

Market movements have remained well contained, with US equities relatively flat and US Treasury yields showing only modest changes. The NZD has recovered slightly, pushing back above the 0.56 mark, and is modestly higher against most key crosses.

The US earnings season got off to a strong start, with JP Morgan, Goldman Sachs, Wells Fargo and Citi all reporting higher profits, supported by both trading and banking operations. Strong equity trading was a notable feature, while net interest margins expanded against the backdrop of higher interest rates. Share price reactions to the results were mixed, and US equities are trading relatively flat overall.

Oil prices remain elevated against the backdrop of Middle East hostilities. The Saudi-led coalition in Yemen warned that some sites should be evacuated ahead of a "special operation", while Trump said in a social media post that "the Houthis are behaving very badly". Bloomberg reported an increase in attacks on ships crossing the Strait of Hormuz and signs that the flow of cargoes may be slowing in response, according to contacts in the shipping industry. Brent crude is trading around USD106.

US Treasury yields continue to be closely correlated with gyrations in oil prices. The 10-year yield tracked lower alongside oil prices during the NZ trading session and fell to an overnight low of 5.17% before reversing course. It is currently at 5.22%, up 3bps from the NZ close, with the curve slightly flatter. In European bond markets, risk sentiment has improved somewhat, with French and peripheral 10-year spreads narrowing against Germany; the French spread has contracted by 5bps.

In economic news, the IMF released its latest World Economic Outlook report yesterday, leaving its forecast for world GDP growth in 2026 unchanged at 3.1%. Growth is expected to pick up to 3.4% in 2027, an upward revision of two-tenths. The inflation forecast was revised up by three-tenths to 4.7% for 2026 and by four-tenths to 4.1% for

2027. The IMF noted that the global economy is once again proving resilient, but unevenly so, with the stable global aggregate masking a reallocation of growth across economies.

In currency markets, the NZD lurched lower yesterday afternoon to a low of 0.5580, but that level once again proved supportive. It subsequently recovered to an overnight high just above 0.5615, close to where it currently sits. The repeated rejection of moves below 0.5580 since the start of the month has solidified that level as a marker of support, for now at least.

Other major currencies showed a similar pattern, reflecting broad-based USD weakness. The AUD has recovered to 0.6980, while the EUR briefly traded above 1.12 overnight. NZD crosses are mostly higher overnight, although the gains have been small.

Global forces supported a move lower in NZ rates yesterday, with NZGB yields marked down 2–4bps across the curve. The 10-year yield closed below 5% for the first time this month, at 4.98%. Swap rates were also marked down 2–4bps, with a flattening bias, leaving the 2-year rate at 3.99% and the 10-year rate at 4.68%.

In the day ahead, China's inflation and trade data will be released. However, the highlight of the week is tonight's US CPI report. The consensus expects the core rate to rise by 0.2% m/m, which would be moderate enough to keep the Fed on the sidelines at its late-October meeting. An upside surprise, however, could increase the pricing of a rate hike from the 6bps currently priced and support the USD.

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Coming up

		Period	Cons.	Prev.	NZT
CH	PPI (y/y%)	Sep	4.4	3.8	14:30
CH	CPI (y/y%)	Sep	1.0	0.8	14:30
CH	Exports (USD, y/y%)	Sep	25.7	25.0	
CH	Imports (USD, y/y%)	Sep	25.0	28.2	
US	CPI (m/m%)	Sep	0.6	0.4	01:30
US	Core CPI (m/m%)	Sep	0.2	0.3	01:30
US	CPI (y/y%)	Sep	3.6	3.4	01:30
US	Core CPI (y/y%)	Sep	2.5	2.4	01:30

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	0.5612	+0.4	0.5592	0.5617	CHF	0.8331	-0.2	S&P 500	7,797	-0.1	17.2	Oil (Brent)	105.72	-0.9
AUD	0.6979	+0.3	0.6960	0.6986	SEK	9.974	-0.7	Dow	51,647	-0.4	12.1	Oil (WTI)	94.12	+0.4
EUR	1.1192	+0.3	1.1172	1.1205	NOK	9.527	-0.5	Nasdaq	27,190	-0.2	19.8	Gold	4152.9	-0.1
GBP	1.3248	+0.3	1.3217	1.3255	HKD	7.848	+0.0	Stoxx 50	6,167	-0.6	10.8	HRC steel	1276.0	+0.2
JPY	158.39	-0.1	157.83	158.47	CNY	6.693	-0.0	FTSE	10,650	-0.1	12.8	CRB	417.1	+0.6
CAD	1.4218	-0.5			SGD	1.280	-0.0	DAX	25,260	-0.1	3.6	SGX Iron Ore	90.65	+0.1
NZD/AUD	0.8041	+0.2			IDR	17,900	-0.1	CAC 40	7,828	-0.1	-1.3	NZ Milk '27	10.18	+0.5
NZD/EUR	0.5014	+0.1			THB	33.57	-0.1	Nikkei	67,778	-1.8	44.7	NZ Milk '28	10.12	+0.5
NZD/GBP	0.4236	+0.2			KRW	1,342	+0.6	Shanghai	3,801	+0.1	-2.3	NZ Milk '29	10.00	+0.0
NZD/JPY	88.89	+0.3			TWD	32.16	+0.7	ASX 200	8,784	+0.0	-1.3	WM powder	3810	+1.6
NZD/CAD	0.7979	+0.0			PHP	62.80	+0.1	NZX 50	13,750	-0.6	3.6	Australian Futures		
NZ TWI	63.91	+0.3						VIX Index	15.49	+1.8	-18.6	3 year bond	95.12	0.02
												10 year bond	94.66	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	4.00	4.85	4.68	4.83	USD	5.22	-0.02	15-May-28	3.80	-0.02	BKBM 1-mth	3.01	-0.01	
AUD	4.60	4.77	4.92	5.43	AUD	5.29	-0.03	20-Apr-29	4.08	-0.02	BKBM 3-mth	3.23	0.00	
NZD	2.75	3.23	3.99	4.68	NZD	4.98	-0.04	15-May-30	4.27	-0.03	1 year	3.70	-0.01	
EUR	2.50	2.63	3.41	3.54	GER	3.47	-0.01	15-May-31	4.42	-0.03	2 year	3.99	-0.02	
GBP	3.75	3.87	4.73	4.97	GBP	5.45	0.01	15-May-32	4.57	-0.04	3 year	4.14	-0.02	
JPY	1.25	1.30	1.92	2.90	JPY	3.01	-0.01	14-Apr-33	4.68	-0.04	5 year	4.33	-0.03	
CAD	2.25	2.40	3.14	3.66	CAD	3.88	-0.00	15-May-34	4.79	-0.04	7 year	4.49	-0.04	
								15-May-35	4.89	-0.04	10 year	4.68	-0.04	
								15-May-36	4.98	-0.04	15 year	4.90	-0.04	
								15-May-37	5.07	-0.04				
								15-May-38	5.12	-0.04	NZ Inflation-Indexed Bonds			
								15-May-41	5.33	-0.04	Sept-30	1.93	-0.03	
								15-May-51	5.53	-0.04	Sept-35	2.70	-0.03	
								15-May-54	5.53	-0.04	Sept-40	3.15	-0.03	
Carbon Price				Policy Meeting Run										
	Level	% Day	% Year		NZD	AUD	USD							
NZU	50.90	+1.1	-10.0	1st	2.91	4.68	3.95							
* These are indicative ranges from 5pm NZT; please confirm rates with your BNZ dealer				2nd	3.09	4.74	4.16							
Rates are as of: NZT 06:47				3rd	3.26	4.81	4.27							
Source: Bloomberg				4th	3.42	4.84	4.44							
				5th	3.57	4.89	4.54							

NZD exchange rates

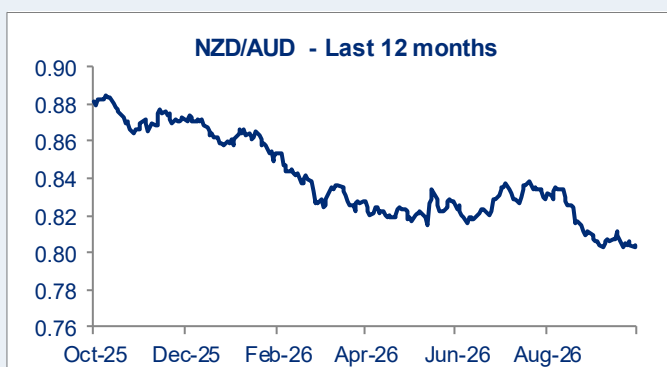
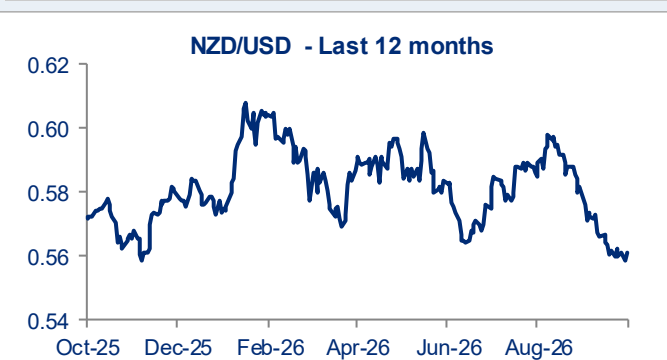
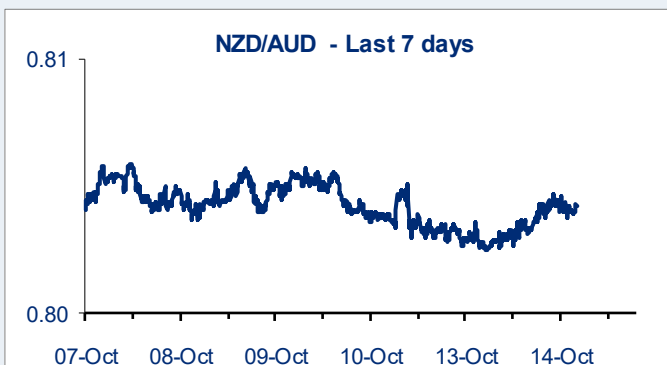
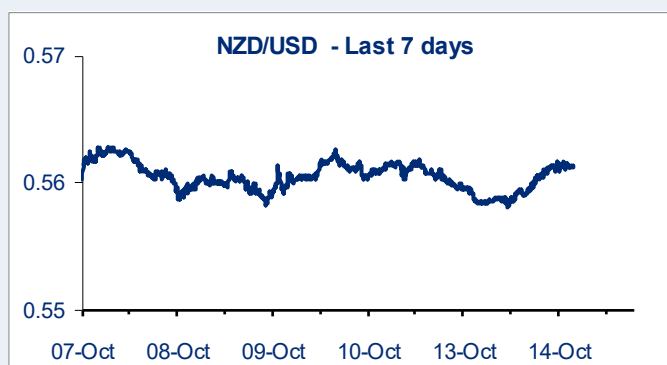
14/10/2026	6:47 am	Prev. NY close
USD	0.5612	0.5588
GBP	0.4236	0.4231
AUD	0.8041	0.8030
EUR	0.5014	0.5009
JPY	88.89	88.63
CAD	0.7979	0.7981
CHF	0.4677	0.4664
DKK	3.7495	3.7446
FJD	1.2702	1.2574
HKD	4.4051	4.3854
INR	53.48	53.52
NOK	5.3463	5.3519
PKR	155.49	154.83
PHP	35.25	35.07
PGK	2.5284	2.5002
SEK	5.5987	5.6104
SGD	0.7185	0.7155
CNY	3.7564	3.7405
THB	18.87	18.74
TOP	1.3279	1.3254
VUV	67.41	67.13
WST	1.5510	1.5462
XPF	59.58	59.27
ZAR	9.2630	9.2438

NZD/USD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	5.47	5.67
3 Months	15.47	16.03
6 Months	29.67	30.81
9 Months	42.14	45.37
1 Year	54.35	58.45

NZD/AUD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	12.04	12.48
3 Months	32.70	33.95
6 Months	60.36	63.04
9 Months	82.34	88.70
1 Year	102.41	110.59



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