bnz MARKETS

Research

Markets Today

15 September 2026

Events round-up

NZ: Performance Services Index, Aug: 51.2 vs. 50.6 prev.

CA: CPI (y/y%), Aug: 3.0 vs. 3.0 exp.

CA: CPI Core (avg med/trim y/y%), Aug: 1.95 vs. 1.95 exp.

Good morning

Volatility in oil prices has made trading conditions choppy at the start of the week. The US 10-year rate briefly surged through the 5% mark before retracing its move. The NZD continues to underperform, breaking below 0.5760 overnight before recovering somewhat.

Oil prices opened the Asian trading session on a stronger note, driven by supply concerns after Saudi Arabia closed its East-West pipeline due to ongoing attacks. The pipeline has been used to divert oil away from the Strait of Hormuz and has capacity of about 7 million barrels per day. Associated Press reported that it will be out of service for several weeks.

Overnight, Brent crude almost reached USD110 per barrel before falling below USD105. President Trump posted on social media that Ukraine and Russia had agreed not to hit energy targets, which had been another source of upward pressure on energy prices. There has been no public confirmation from Russia or Ukraine on whether these strikes will end. Trump has also been active on social media on other fronts, including saying he was open to engaging with Iran on a deal.

The US 10-year rate hit an overnight high of 5.01% following the surge in oil prices. A combination of lower oil prices and buyers rushing to take advantage of more attractive yields sent the yield sharply lower, and it currently trades at 4.96%, little changed from the NZ close. The last time the yield breached 5%, in October 2023, it closed the day below that level. Some technical analysts will be wondering whether the same will be true this cycle. Those focused on more fundamental forces, such as inflation, policy tightening and the fiscal trajectory, will probably be less inclined to believe the peak has already been reached. A Fed rate hike later this week is nearly fully priced, with short-end rates consistent with this being the start of a series of tightenings, extending well into next year.

The economic data flow has been light, but Canada's CPI figures were in line with expectations. The annual headline increase for August was steady at 3.0%, while the core measure, averaging the median and trimmed mean, was steady at 1.95%. Unlike in many other developed countries, Canada's underlying inflation looks well contained. Even so, the market continues to see a high chance that the Bank of Canada will need to tighten policy after a long hiatus, with four hikes priced over the next five meetings.

In the equity market, the buzz has centred on the future of humanity if AI development remains unchecked, following Anthropic's CEO calling for a slowdown and that call finding support among some of his peers. The weekend news weighed on AI-related stocks in Asian trading, particularly semiconductor stocks. In the US, the SOX index is down 5%, but there has been little spillover into the broader market. After the Nasdaq and S&P futures traded heavily in Asia and the cash market opened on a weak note, a recovery ensued. The Nasdaq and S&P 500 currently show only modest falls. President Trump also posted on social media on this topic, playing down concerns, outlining his opposition to regulating AI development, and arguing that China certainly would not do so.

In the currency market, after two consecutive weeks at the bottom of the leaderboard, the NZD has started a third week in the same position, following the RBNZ's MPS, which showed little intent to get on top of New Zealand's inflation problem. While the RBNZ's easy policy stance can take most of the blame, the USD is also broadly stronger, adding to NZD weakness. The NZD traded at a fresh two-month low below 0.5760 overnight before recovering to 0.5785.

The AUD is modestly weaker at 0.7145, while NZD/AUD has been relatively steady overnight, just below 0.81. NZD/JPY has been probing fresh 2026 lows, although it found some support just above 89.

The domestic rates market was calmer yesterday, following Friday's unhinged session. The sharp selloff in rates at the end of last week attracted some receivers back to the market, helping soak up any lingering pay-side pressure. Swap rates closed the session down 1–2bps, while NZGB yields fell 1–3bps across the curve. There was little reaction to the performance of services index, which continued its incremental upward trend and remained consistent with modest growth in the sector.

On the economic calendar, there are a few bits and pieces, but the key events come later in the week. NZ card spending and China activity data for August are released today, followed by UK labour market data tonight.

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Coming up

		Period	Cons.	Prev.	NZT
NZ	Card spending total (m/m%)	Aug		1.0	10:45
CH	Retail sales (y/y%)	Aug	0.8	0.6	14:00
CH	Industrial production (y/y%)	Aug	4.8	4.5	14:00
CH	Fixed assets invest.(ytd y/y%)	Aug	-7.1	-6.7	14:00
UK	Pvt earnings x bonus (3m/y/y%)	Jul	2.8	2.8	18:00
UK	Unemployment rate (3mths %)	Jul	4.9	4.9	18:00
US	Empire manufacturing	Sep	15.0	20.6	00:30

Source: Bloomberg

Currencies

FX Majors — Indicative overnight ranges (*)

	Last	% Day	Low	High
NZD	0.5786	-0.5	0.5757	0.5789
AUD	0.7145	-0.3	0.7108	0.7149
EUR	1.1556	-0.4	1.1523	1.1564
GBP	1.3510	-0.1	1.3464	1.3514
JPY	154.23	+0.4	154.18	155.00
CAD	1.3903	+0.2		
NZD/AUD	0.8098	-0.1		
NZD/EUR	0.5007	-0.1		
NZD/GBP	0.4283	-0.4		
NZD/JPY	89.24	-0.1		
NZD/CAD	0.8044	-0.3		
NZ TWI	65.22	-0.3		

Other FX

	Last	% Day
CHF	0.8163	-0.0
SEK	9.742	+0.4
NOK	9.320	+0.4
HKD	7.843	+0.0
CNY	6.710	+0.0
SGD	1.270	+0.2
IDR	17,669	+0.3
THB	33.17	+0.4
KRW	1,346	+0.3
TWD	31.78	+0.4
PHP	62.86	+0.2

Equities

Major Indices

	Last	% Day	% Year
S&P 500	7,636	-0.3	16.0
Dow	52,486	-0.2	14.5
Nasdaq	26,280	-0.2	18.7
Stoxx 50	6,260	-1.0	16.1
FTSE	10,698	+0.4	15.2
DAX	25,441	-0.5	7.4
CAC 40	8,118	-0.8	3.7
Nikkei	63,493	-0.8	41.8
Shanghai	3,885	-0.1	0.4
ASX 200	8,750	+0.1	-1.2
NZX 50	13,561	-0.1	2.7
VIX Index	16.72	+5.6	+13.3

Commodities

Price (Near futures, except CRB)

	Last	Net Day
Oil (Brent)	104.82	+0.3
Oil (WTI)	100.56	+0.6
Gold	4318.1	-1.3
HRC steel	1234.0	+0.0
CRB	423.1	+0.0
SGX Iron Ore	95.80	+0.2
NZ Milk '26	9.75	+0.0
NZ Milk '27	9.90	+0.0
NZ Milk '28	9.81	+0.1
WM powder	3665	-0.1

Australian Futures

3 year bond	95.04	0.05
10 year bond	94.67	0.02

Interest Rates

	Rates		Swap Yields	
	Cash	3Mth	2 Yr	10 Yr
USD	3.75	4.85	4.51	4.57
AUD	4.35	4.67	4.97	5.41
NZD	2.75	3.13	4.03	4.73
EUR	2.25	2.65	3.49	3.54
GBP	3.75	3.87	4.67	4.88
JPY	0.99	-0.03	1.86	2.85
CAD	2.25	4.97	3.31	3.71

Benchmark 10 Yr Bonds

	Last	Net Day
USD	4.96	-0.01
AUD	5.34	-0.03
NZD	5.01	-0.02
GER	3.52	0.01
GBP	5.37	0.02
JPY	3.01	0.02
CAD	3.94	-0.00

NZ Government Bonds

	Last	Chg
15-May-28	3.91	-0.02
20-Apr-29	4.15	-0.03
15-May-30	4.34	-0.03
15-May-31	4.50	-0.03
15-May-32	4.64	-0.03
14-Apr-33	4.74	-0.03
15-May-34	4.84	-0.02
15-May-35	4.93	-0.02
15-May-36	5.01	-0.02
15-May-37	5.10	-0.02
15-May-38	5.15	-0.02
15-May-41	5.37	-0.02
15-May-51	5.59	-0.01
15-May-54	5.60	-0.01

NZ BKBM and Swap Yields

	Last	Chg
BKBM 1-mth	2.95	0.00
BKBM 3-mth	3.13	0.04
1 year	3.66	-0.01
2 year	4.03	-0.02
3 year	4.19	-0.02
5 year	4.40	-0.02
7 year	4.55	-0.02
10 year	4.73	-0.01
15 year	4.95	-0.01

NZ Inflation-Indexed Bonds

Sept-30	1.84	-0.00
Sept-35	2.61	-0.00
Sept-40	3.07	0.00

Carbon Price

	Level	% Day	% Year
NZU	50.55	+3.1	-13.2

Policy Meeting Run

	NZD	AUD	USD
1st	2.91	4.56	3.87
2nd	3.12	4.69	3.98
3rd	3.31	4.74	4.15
4th	3.47	4.84	4.24
5th	3.61	4.90	4.37

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

Rates are as of: NZT 06:51

Source: Bloomberg

NZD exchange rates

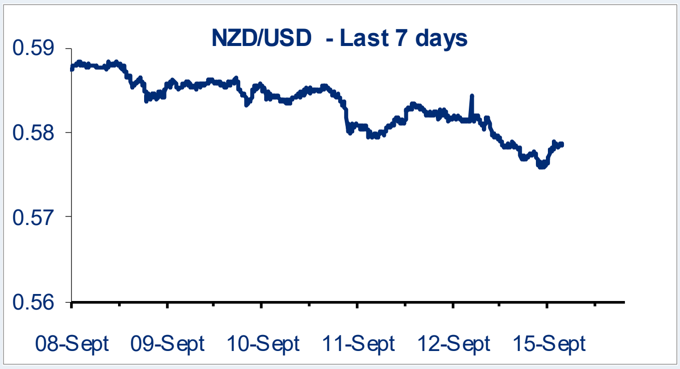
15/09/2026	6:51 am	Prev. NY close
USD	0.5786	0.5815
GBP	0.4283	0.4300
AUD	0.8098	0.8111
EUR	0.5007	0.5013
JPY	89.24	89.32
CAD	0.8044	0.8066
CHF	0.4722	0.4748
DKK	3.7416	3.7474
FJD	1.2785	1.2868
HKD	4.5367	4.5603
INR	55.27	55.50
NOK	5.3894	5.4008
PKR	160.51	161.38
PHP	36.36	36.46
PGK	2.5798	2.5890
SEK	5.6337	5.6405
SGD	0.7345	0.7368
CNY	3.8805	3.9004
THB	19.24	19.21
TOP	1.3571	1.3686
VUV	68.40	68.72
WST	1.5735	1.5818
XPF	59.46	59.59
ZAR	9.3940	9.3838

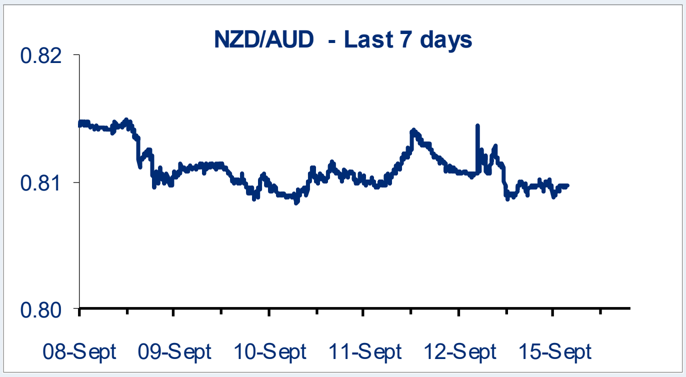
NZD/USD Forward Points

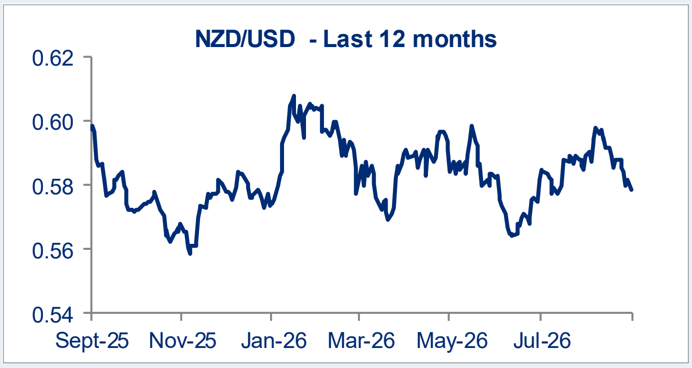
	BNZ buys NZD	BNZ sells NZD
1 Month	5.15	5.36
3 Months	15.19	15.78
6 Months	28.76	29.92
9 Months	39.86	42.01
1 Year	49.09	53.17

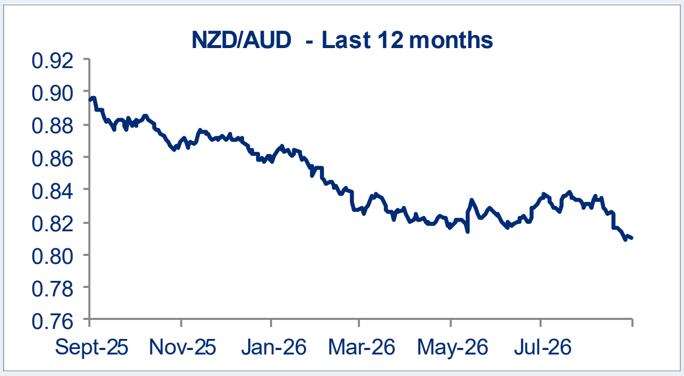
NZD/AUD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	10.37	10.78
3 Months	32.35	33.54
6 Months	61.26	63.87
9 Months	86.49	91.21
1 Year	108.04	116.07









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