bnz MARKETS

Research

Markets Today

24 August 2026

Events round-up

NZ: Trade Balance 12 Mth YTD (NZ$bn), Jul: -5 vs. -4 prev.

UK: GfK Consumer Confidence, Aug: -14 vs. -18 exp.

JN: CPI (y/y%), Jul: 1.9 vs. 1.9 exp.

JN: CPI Ex Fresh Food, Energy (y/y%), Jul: 1.9 vs. 1.9 exp.

UK: Retail Sales Ex Auto Fue (m/m%), Jul: -0.9 vs. -0.5 exp.

GE: Manufacturing PMI, Aug P: 54.1 vs. 52.1 exp.

GE: Services PMI, Aug P: 48.5 vs. 50.1 exp.

EC: Manufacturing PMI, Aug P: 52.8 vs. 51.8 exp.

EC: Services PMI, Aug P: 51.7 vs. 51.5 exp.

UK: Manufacturing PMI, Aug P: 51.5 vs. 51.5 exp.

UK: Services PMI, Aug P: 52.8 vs. 51.8 exp.

CA: Retail Sales Ex Auto (m/m%), Jun: 0.6 vs. 0.3 exp.

US: Manufacturing PMI, Aug P: 53.2 vs. 53.9 exp.

US: Services PMI, Aug P: 56.8 vs. 54 exp.

EC: Consumer Confidence, Aug P: -15.5 vs. -16 exp.

Good morning

US equities ended last week on a positive note, with the S&P 500 supported by upbeat business surveys pointing to resilient economic activity. Treasury market volatility moderated, though yields still moved higher across the curve, while the US dollar remained near recent lows. Precious metals extended their recent gains, as Treasury buyback plans renewed concerns about fiscal debasement and sustained demand for alternatives to the greenback.

Crude oil extended recent gains, with prices embedding a higher geopolitical premium as stalled US-Iran negotiations and ongoing economic threats kept the market well supported. Front-month Brent futures pushed towards US$95 per barrel, up nearly 6% over the week. Markets remain focused on US efforts to increase pressure on Iran's economy, including the prospect of measures affecting Tehran and countries that continue to trade with it.

US business activity strengthened in August, led by solid services momentum. The composite PMI rose to 56.0, the highest since April 2022, with Services increasing to 56.8 even as Manufacturing eased to 53.2. The data reinforced the picture of resilient activity and helped support risk sentiment into the end of the week. In the Eurozone, the composite PMI rose to 52.1, above expectations, with manufacturing driving the upside surprise.

Treasury yields extended higher after the PMI data. Unlike in recent sessions the move was led by the front end of the curve. 10-year yields closed last week at 4.73% and towards the top of the 4.60% - 4.75% trading range that has contained price action through August. European bond markets showed limited reaction to the PMI data.

Japanese inflation firmed in July as the Bank of Japan weighs the case for another rate rise. Core inflation, which excludes fresh food and energy, rose to 1.9% y/y, strengthening for the first time in nine months. Market pricing continues to imply around an 80% chance of a September hike, with currency weakness and recent government intervention keeping pressure on the BoJ to consider further policy normalisation.

Currency markets were subdued as the US dollar consolidated near multi-month lows. Net moves across G10 currencies were small, though the AUD and NZD modestly outperformed. NZD/USD traded above 0.5980, its highest level since early June. The NZD was marginally firmer on most key crosses, although NZD/AUD slipped below 0.8340. The Canadian dollar will be in focus after trade talks with the US broke down after the market close, prompting Prime Minister Carney to announce counter-tariffs on US products.

NZ fixed income ended Friday's local session higher and steeper, largely reflecting offshore moves. Two-year swaps closed 4bp above Thursday's level at 3.67%, around the top of the week's range. The 2y/10y curve steepened to +78bp, with 10-year rates up 7bp to 4.45%. Ten-year Australian bond futures were little changed on Friday night relative to the local close, suggesting limited directional bias for NZ rates on the open.

It is a quiet start to the week for economic data, with NZ quarterly retail sales the only local release. Sales volumes have been resilient but are expected to slow in Q2, partly reflecting higher fuel costs. Filled jobs are the only other domestic release of note this week, while offshore attention will be on Australian monthly CPI and the RBA minutes, US PCE and GDP revisions, and remarks from Fed Chair Warsh at Jackson Hole.

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Coming up

		Period	Cons.	Prev.	NZT
NZ	Retail Sales Ex Inflation (q/q%)	2Q		0.9	10:45

Source: Bloomberg

Currencies

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

	Last	% Day	Low	High
NZD	0.5979	+0.6	0.5964	0.5988
AUD	0.7173	+0.8	0.7144	0.7180
EUR	1.1678	+0.0	1.1669	1.1711
GBP	1.3646	+0.1	1.3619	1.3676
JPY	159.00	-0.0	158.36	159.05
CAD	1.3768	-0.2		
NZD/AUD	0.8336	-0.2		
NZD/EUR	0.5120	+0.6		
NZD/GBP	0.4382	+0.5		
NZD/JPY	95.07	+0.6		
NZD/CAD	0.8232	+0.5		
NZ TWI	67.44	+0.4		

Other FX

	Last	% Day
CHF	0.8010	+0.1
SEK	9.472	-0.2
NOK	9.302	-0.5
HKD	7.841	-0.0
CNY	6.722	-0.1
SGD	1.270	-0.2
IDR	17,694	-0.3
THB	32.64	-0.7
KRW	1,386	-0.6
TWD	31.86	-0.2
PHP	61.71	+0.1

Equities

Major Indices

	Last	% Day	% Year
S&P 500	7,677	+0.5	20.5
Dow	53,277	+1.0	19.0
Nasdaq	26,180	+0.4	24.1
Stoxx 50	6,462	+0.6	18.3
FTSE	10,817	+0.6	16.2
DAX	26,137	+0.6	7.6
CAC 40	8,484	+0.4	6.9
Nikkei	66,016	-0.3	54.8
Shanghai	3,905	+0.0	3.6
ASX 200	9,059	-0.3	1.0
NZX 50	13,973	+0.4	7.1
VIX Index	15.19	-5.1	-8.5

Commodities

Price (Near futures, except CRB)

	Last	Net Day
Oil (Brent)	93.86	+0.1
Oil (WTI)	86.60	-0.3
Gold	4624.1	+2.4
HRC steel	1194.0	+0.0
CRB	406.2	+0.7
SGX Iron Ore	96.40	+0.7
NZ Milk '26	9.75	+0.0
NZ Milk '27	9.77	-0.5
NZ Milk '28	9.75	-0.1
WM powder	3690	-0.5

Australian Futures

3 year bond	95.44	-0.04
10 year bond	94.95	0.00

Interest Rates

	Rates Cash	Rates 3Mth	Swap Yields 2 Yr	Swap Yields 10 Yr
USD	3.75	4.85	4.08	4.33
AUD	4.35	4.49	4.57	5.11
NZD	2.50	3.00	3.67	4.45
EUR	2.25	2.51	3.06	3.28
GBP	3.75	3.87	4.26	4.65
JPY	0.98	-0.03	1.72	2.75
CAD	2.25	4.97	2.93	3.52

Benchmark 10 Yr Bonds

	Last	Net Day
USD	4.73	0.03
AUD	5.06	0.05
NZD	4.75	0.06
GER	3.26	-0.00
GBP	5.06	-0.01
JPY	2.89	0.03
CAD	3.76	0.01

NZ Government Bonds

	Last	Chg
15-May-28	3.58	0.04
20-Apr-29	3.79	0.05
15-May-30	3.99	0.05
15-May-31	4.16	0.05
15-May-32	4.33	0.06
14-Apr-33	4.43	0.05
15-May-34	4.54	0.06
15-May-35	4.65	0.06
15-May-36	4.75	0.06
15-May-37	4.85	0.06
15-May-38	4.91	0.06
15-May-41	5.15	0.07
15-May-51	5.38	0.07
15-May-54	5.39	0.07

NZ BKBM and Swap Yields

	Last	Chg
BKBM 1-mth	2.84	0.01
BKBM 3-mth	3.00	0.01
1 year	3.40	0.02
2 year	3.67	0.04
3 year	3.82	0.04
5 year	4.04	0.06
7 year	4.23	0.06
10 year	4.45	0.07
15 year	4.72	0.07

NZ Inflation-Indexed Bonds

Sept-30	1.70	0.04
Sept-35	2.53	0.04
Sept-40	2.99	0.04

Carbon Price

	Level	% Day	% Year
NZU	52.35	-0.8	-7.8

Policy Meeting Run

	NZD	AUD	USD
1st	2.74	4.38	3.74
2nd	2.86	4.47	3.79
3rd	3.03	4.51	3.90
4th	3.15	4.56	3.95
5th	3.26	4.55	4.01

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

Rates at NY close

Source: Bloomberg

NZD exchange rates

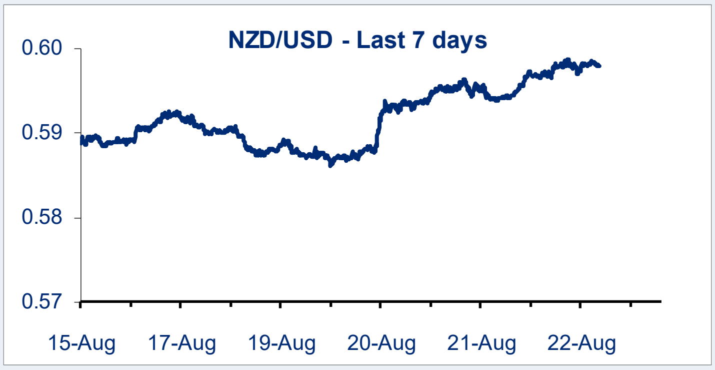
22/08/2026	NY close	Prev. NY close
USD	0.5979	0.5943
GBP	0.4382	0.4360
AUD	0.8336	0.8354
EUR	0.5120	0.5089
JPY	95.07	94.52
CAD	0.8232	0.8195
CHF	0.4790	0.4757
DKK	3.8280	3.8042
FJD	1.3236	1.3137
HKD	4.6889	4.6614
INR	57.23	56.88
NOK	5.5625	5.5585
PKR	165.96	164.96
PHP	36.87	36.74
PGK	2.5534	2.6308
SEK	5.6644	5.6402
SGD	0.7592	0.7560
CNY	4.0193	3.9967
THB	19.54	19.52
TOP	1.3888	1.3970
VUV	70.70	70.25
WST	1.6160	1.6081
XPF	61.11	60.77
ZAR	9.5743	9.5862

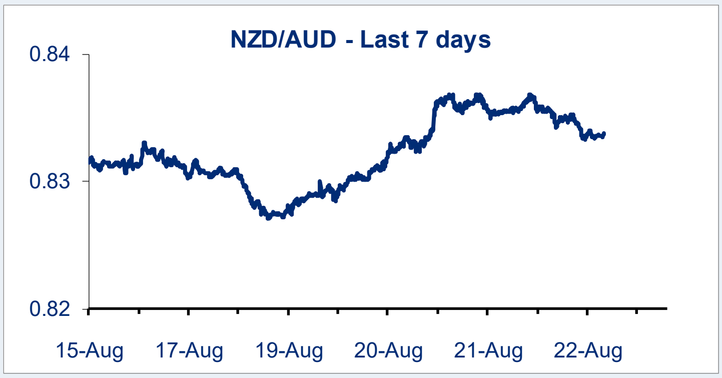
NZD/USD Forward Points

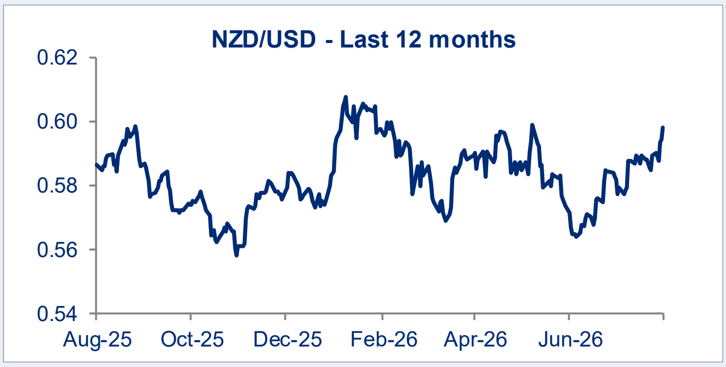
	BNZ buys NZD	BNZ sells NZD
1 Month	4.97	5.21
3 Months	14.16	14.72
6 Months	26.66	27.92
9 Months	36.31	38.99
1 Year	45.24	48.96

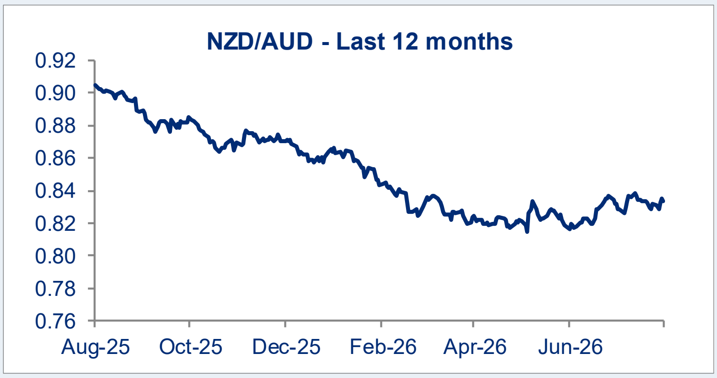
NZD/AUD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	11.09	11.66
3 Months	32.37	33.73
6 Months	61.48	64.42
9 Months	85.63	91.14
1 Year	107.77	115.40









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