

# Research Markets Today

24 March 2026

## Events Round-Up

EA: Consumer confidence, Mar: -16.3 vs. -14.2 exp.

## Good Morning

Market price action has been whippy, but the net result is improved sentiment after Trump backed down on his weekend threat to obliterate Iranian infrastructure. Equities have bounced higher, global rates have fallen and oil prices have tumbled. Net currency moves from last week's close have been modest, but the NZD has traded a 1.25 cents range overnight, recovering from a hefty loss.

Markets opened the new week on a cautious note following the escalation of tensions in the Middle East since the NY close on Friday. We outlined the weekend developments in yesterday's note, including Iran showing off its war capability by firing a long-range missile targeting the UK military base at Diego Garcia and Trump's threat to "obliterate" Iran's power plants within 48 hours if it didn't fully open the Strait of Hormuz.

During the Asian trading session and early in the European session, investors were counting down to Trump's 48-hour deadline, which was this afternoon NZ time. This resulted in US S&P equity futures falling as much as 1½%, global rates pushing higher, Brent crude rising above USD114 per barrel and the NZD tumbling to a low just above 0.5760.

Those moves abruptly reversed when, just after midnight and before US markets opened, President Trump posted on social media that the US and Iran "have had, over the last two days, very good and productive conversations regarding a complete and total resolution of our hostilities in the Middle East" and these would continue throughout the week. He thereby postponed military strikes against Iranian power plants and energy infrastructure for five days.

Trump claimed that representatives from Iran reached out to start the talks because they were eager to make a deal, citing conversations by Kusher and Witkoff where Iran agreed to turn over nuclear material and not resume their nuclear programme. Iran's Parliament speaker denied that his country had been in talks with the US and accused Trump of lying to reduce oil prices.

Behind the scenes, countries are attempting to deescalate the war, with Gulf nations in particular pressuring the US

to attempt to end the war. The FT reports that Pakistan has stepped up to position itself as a lead mediator to broker a deal between Iran and the US. However, the WSJ reports Arab officials saying that Iran has set a high bar for ending hostilities that is preventing discussions from gaining traction.

While there is still no obvious end in sight to the hostilities, markets have reacted positively to Trump's backdown, while denials from Iran that there are any ongoing talks has seen some fading of the initial positive market reaction.

In early afternoon trading, the S&P500 is up 1.3%, after being up 2.2% at its peak. The US 10-year rate is 4.35%, coming off an overnight high of 4.44% and down 7bps from the NZ close. The curve is steeper, with a greater fall in the 2-year rate. European rates curves have steepened, with larger falls in 2-year rates than 10-year rates, reversing some of the price action seen at the end of last week.

Chicago Fed President Goolsbee conveyed uncertainty about the policy outlook saying, "we could be back to the environment with multiple rate cuts for the year if inflation behaves" or "I could see circumstances where we would need to raise rates if it was going a different way". ECB Vice President de Guindos said the ECB will be alert to second-round effects of the war and in April they will have more data on the conflict to decide from there. Other ECB members have conveyed similar views recently.

Modest net currency moves from the end of the week mask the volatility seen in currency markets. The NZD recovered 1.25 cents off its low to just over 0.5885, before the move faded, and it trades this morning at 0.5860. While the AUD showed a similar profile, the currency is weaker from last week's close and NZD/AUD has pushed up to 0.8360.

Brent crude tumbled from over USD114 per barrel to USD96 and has since settled around USD100. Reflecting long speculative positions, gold is behaving like a risk asset, falling to just below USD4100 per ounce and shooting higher after Trump's social media post. It currently trades above USD4400.

The domestic rates market felt the full blast of higher global rates, resulting in much higher rates across the curve. The 2-year swap rate closed up 13bps to 3.67% and the 5-year and 10-year rates rose 15bps. NZGBs showed

similar moves, rising 12-15bps across the curve. Rates will be marked much lower on the open, following the offshore moves overnight.

In the day ahead, there will be keen interest in RBNZ Governor Breman's speech to be released this morning, where she will address the impact on NZ of the conflict in the Middle East. We'll be interested in her tone on the policy outlook, ahead of the expected surge in inflation and with the modest economic recovery in play under serious threat.

On the global economic calendar, Japan CPI data will be released today, ahead of US and European PMI data tonight.

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### Coming Up

		Period	Cons.	Prev.	NZT
NZ	RBNZ Governor Anna Breman's speech released				09:00
JN	CPI (y/y%)	Feb	1.5	1.5	12:30
JN	CPI x fr. food, energy (y/y%)	Feb	2.6	2.6	12:30
GE	Services PMI	Mar	52.5	53.5	21:30
GE	Manufacturing PMI	Mar	49.5	50.9	21:30
EC	Manufacturing PMI	Mar	49.6	50.8	22:00
EC	Services PMI	Mar	51.1	51.9	22:00
UK	Services PMI	Mar	53.0	53.9	22:30
UK	Manufacturing PMI	Mar	50.0	51.7	22:30
US	Manufacturing PMI	Mar	51.3	51.6	02:45
US	Services PMI	Mar	52.0	51.7	02:45

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	% Year		Last	Net Day				
NZD	0.5862	+0.5	0.5762	0.5887	CHF	0.7872	-0.1		S&P 500	6,606	+1.5	16.6	Oil (Brent)	100.87	-10.1
AUD	0.7009	-0.2	0.6911	0.7062	SEK	9.326	-0.2		Dow	46,333	+1.7	10.4	Oil (WTI)	89.10	-9.3
EUR	1.1596	+0.2	1.1485	1.1640	NOK	9.757	+2.0		Nasdaq	21,964	+1.5	23.5	Gold	4426.3	-3.2
GBP	1.3417	+0.6	1.3257	1.3479	HKD	7.834	+0.0		Stoxx 50	5,574	+1.3	2.8	HRC steel	1009.0	-0.3
JPY	158.51	-0.5	158.20	159.66	CNY	6.886	-0.3		FTSE	9,894	-0.2	14.4	CRB	367.1	+0.8
CAD	1.3729	+0.0			SGD	1.276	-0.5		DAX	22,654	+1.2	-1.0	Wheat Chic.	597.3	-1.7
NZD/AUD	0.8364	+0.7			IDR	16,997	+0.4		CAC 40	7,726	+0.8	-3.9	Sugar	15.52	-1.1
NZD/EUR	0.5055	+0.3			THB	32.30	-1.8		Nikkei	51,515	-3.5	37.0	Cotton	66.96	-0.5
NZD/GBP	0.4369	-0.1			KRW	1,488	-1.0		Shanghai	3,813	-3.6	13.3	Coffee	307.0	-0.9
NZD/JPY	92.92	+0.0			TWD	32.12	+0.6		ASX 200	8,366	-0.7	5.4	WM powder	3775	-0.3
NZD/CAD	0.8048	+0.5			PHP	60.30	+0.8		NZX 50	12,900	-0.7	6.4	<b>Australian Futures</b>		
NZ TWI	66.88	+0.1						VIX Index	25.12	-6.2	+30.3	3 year bond	95.14	-0.03	
												10 year bond	94.93	0.10	

  

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				
USD	3.75	4.85	3.67	3.87	USD	4.34	-0.04	15-May-28	3.71	0.12	BKBM 1-mth	2.46	0.03
AUD	4.10	4.31	4.73	5.16	AUD	5.12	0.09	20-Apr-29	4.00	0.14	BKBM 3-mth	2.59	0.06
NZD	2.25	2.59	3.67	4.55	NZD	4.87	0.15	15-May-30	4.22	0.14	1 year	3.08	0.09
EUR	2.00	2.11	2.78	3.03	GER	3.01	-0.04	15-May-31	4.42	0.15	2 year	3.67	0.13
GBP	3.75	3.86	4.27	4.43	GBP	4.92	-0.07	15-May-32	4.55	0.15	3 year	3.93	0.14
JPY	0.73	-0.03	1.29	2.08	JPY	2.31	0.04	14-Apr-33	4.63	0.15	5 year	4.21	0.15
CAD	2.25	4.97	2.83	3.29	CAD	3.53	-0.03	15-May-34	4.72	0.15	7 year	4.37	0.15
								15-May-35	4.80	0.15	10 year	4.55	0.15
								15-May-36	4.87	0.14	15 year	4.78	0.15
								15-May-37	4.96	0.14			
								15-May-41	5.20	0.13			
								15-May-51	5.43	0.13			
								15-May-54	5.45	0.12			

  

Carbon Price				Policy Meeting Run			
	Level	% Day	% Year	NZD	AUD	USD	
NZU	40.41	-0.2	-30.9	1st	2.31	4.26	3.67
				2nd	2.47	4.40	3.68
				3rd	2.63	4.53	3.67
				4th	2.79	4.68	3.67
				5th	2.88	4.77	3.67

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

Rates are as of: NZT 06:52

Source: Bloomberg

**NZD exchange rates**

24/03/2026	6:52 am	Prev. NY close
USD	0.5862	0.5832
GBP	0.4369	0.4371
AUD	0.8364	0.8304
EUR	0.5055	0.5040
JPY	92.92	92.86
CAD	0.8048	0.8003
CHF	0.4599	0.4596
DKK	3.7656	3.7659
FJD	1.2916	1.2832
HKD	4.5731	4.5683
INR	54.86	54.65
NOK	5.6930	5.5769
PKR	163.06	162.93
PHP	35.21	35.05
PGK	2.5142	2.5084
SEK	5.4582	5.4487
SGD	0.7460	0.7477
CNY	4.0212	4.0262
THB	19.27	19.12
TOP	1.3593	1.3435
VUV	69.51	69.38
WST	1.5848	1.5626
XPF	60.27	60.24
ZAR	9.8593	9.9368



**NZD/USD Forward Points**

	BNZ buys NZD	BNZ sells NZD
1 Month	6.97	7.33
3 Months	18.40	19.31
6 Months	33.24	35.45
9 Months	45.41	49.40
1 Year	50.60	56.20

**NZD/AUD Forward Points**

	BNZ buys NZD	BNZ sells NZD
1 Month	13.07	14.08
3 Months	36.70	38.66
6 Months	73.06	78.08
9 Months	112.90	120.46
1 Year	141.03	154.61

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