

Research Markets Today

24 November 2025

Events Round-Up

NZ: Trade balance (ann \$b), Oct: -2.3 vs. -2.4 prev.
 JN: CPI (y/y%), Oct: 3.0 vs. 3.0 exp.
 JN: CPI ex fr. food, energy (y/y%), Oct: 3.1 vs. 3.1 exp.
 UK: GfK consumer confidence, Nov: -19 vs. -18 exp.
 UK: Retail sales ex auto fuel (m/m%), Oct: -1.0 vs. -0.5 exp.
 GE: Manufacturing PMI, Nov: 48.4 vs. 49.8 exp.
 GE: Services PMI, Nov: 52.7 vs. 54 exp.
 EC: Manufacturing PMI, Nov: 49.7 vs. 50.1 exp.
 EC: Services PMI, Nov: 53.1 vs. 52.8 exp.
 UK: Manufacturing PMI, Nov: 50.2 vs. 49.2 exp.
 UK: Services PMI, Nov: 50.5 vs. 52 exp.
 EA: Negotiated wages, Q3: 1.9 vs. 2.5 exp.
 CA: Retail sales ex auto (m/m%), Sep: 0.2 vs. -0.5 exp.
 US: Manufacturing PMI, Nov: 51.9 vs. 52 exp.
 US: Services PMI, Nov: 55.0 vs. 54.6 exp.

Good morning

US equities rebounded on Friday after a week characterised by erratic price action. The S&P closed 1% higher following comments from a top Federal Reserve official that raised expectations for a December rate cut. Investors remain cautious after the wild swings in equity markets in recent sessions. The S&P has its biggest intraday reversal on Thursday (3.6%) since the Liberation Day volatility in April. Despite the rebound on Friday, the index fell almost 2% last week and is down 3.5% so far this month. US treasuries rallied and the US dollar index was stable with mixed returns for G10 currencies.

New York Fed President John Williams said there is room to lower interest rates in the near term as the risks to the labour market have risen. He also noted that upside risks to inflation have eased and that he views current policy settings as mildly restrictive. The New York Fed president is typically seen as closely aligned with Fed's leadership.

The market interpreted the comments as reflecting Powell's thinking and revived pricing for a December rate cut. There is 16bp of easing priced for the meeting, up from 8bp earlier in the session. Separately, the Bureau of Labour Statistics has cancelled its October CPI report, and will release November data on 18 December, which is after the FOMC.

Treasuries rallied led by the front end of the curve. 2-year notes closed 3bp lower at 3.51% after the dovish comments. 10-year yields traded as low as 4.04%, the lowest level this month, before retracing to end the session 2bp lower at 4.06%. US PMI data was near consensus expectations and had limited impact on price action. UK gilts outperformed within European government bond markets, after a weaker-than-expected UK services PMI, which raised hopes for further easing by the Bank of England.

Japanese CPI edged higher in October, supporting the case for an interest rate hike by Bank of Japan (BOJ) in coming months. Prime Minister Takaichi announced a ¥21 trillion stimulus package, the largest since the pandemic, that aims to assuage public discontent over rising costs of living. CPI has been at or above the central bank's target for 43 months, the longest stretch since 1992. There is 6bp of hikes priced for the December meeting and a cumulative 19bp by January. A member of the policy board, Kazuyuki Masu said the central bank is close to raising rates in an interview.

Japanese Finance Minister Katayama outlined concern about the recent decline for the yen, which she described as extremely one-sided and rapid, and specifically mentioned intervention as an option. 160 will be a key level for USD/JPY - this is where Japanese authorities repeatedly intervened last year.

G10 currencies were mixed against the US dollar. The yen was the strongest performer after the NZ close following the Japanese finance minister's comments about potential for intervention. Lower US front end rates also supported the yen. The euro slipped marginally against the US dollar. There was limited reaction to the PMIs which largely met expectations in the euro area. The NZD ended the offshore session above 0.5600 having earlier traded to the lowest level since the market turmoil in April. The NZD was firmer on most key cross rates except for the yen.

Longer dated swap and bond yields moved higher in the local session on Friday with limited data to provide the market with direction. 10-year swap rates closed 3bp higher at 3.79% while the front end was unchanged. The 2y/10y curve reached a fresh cycle high of +117bp. 10-year NZGBs underperformed against ACGBs, and USTs potentially linked to some profit taking after the May-2036

tap earlier last week. Australian 10-year government bond futures as little changed since the local close on Friday suggesting limited directional bias for rates on the open.

It is a quiet start to the week for economic data. There are no domestic releases and the German Ifo index is the only international data of note scheduled.

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Coming Up

	Period	Cons.	Prev.	NZT
GE IFO Expectations	Nov	91.6	22:00	

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	0.5613	+0.5	0.5583	0.5615	CHF	0.8083	+0.3	S&P 500	6,603	+1.0	10.6	Oil (Brent)	62.56	-1.3
AUD	0.6456	+0.2	0.6421	0.6461	SEK	9.551	-0.0	Dow	46,245	+1.1	4.4	Oil (WTI)	58.06	-1.6
EUR	1.1515	-0.1	1.1491	1.1552	NOK	10.253	+0.4	Nasdaq	22,273	+0.9	17.2	Gold	4079.5	+0.5
GBP	1.3101	+0.2	1.3039	1.3110	HKD	7.783	-0.0	Stoxx 50	5,515	-1.0	15.2	HRC steel	857.0	+0.1
JPY	156.38	-0.7	156.20	157.26	CNY	7.105	-0.2	FTSE	9,540	+0.1	15.5	CRB	295.6	-0.7
CAD	1.4102	+0.0			SGD	1.308	-0.0	DAX	23,092	-0.8	19.5	Wheat Chic.	539.8	-0.2
NZD/AUD	0.8694	+0.3			IDR	16,716	-0.1	CAC 40	7,983	+0.0	10.0	Sugar	14.78	+0.8
NZD/EUR	0.4874	+0.7			THB	32.41	-0.1	Nikkei	48,626	-2.4	25.4	Cotton	61.35	-0.5
NZD/GBP	0.4284	+0.3			KRW	1,471	-0.2	Shanghai	3,835	-2.4	17.4	Coffee	369.5	-1.9
NZD/JPY	87.77	-0.1			TWD	31.42	+0.6	ASX 200	8,417	-1.6	0.3	WM powder	3310	+0.5
NZD/CAD	0.7914	+0.6			PHP	58.84	-0.4	NZX 50	13,419	-0.1	2.9	Australian Futures		
NZ TWI	65.53	+0.4						VIX Index	23.43	-11.3	+53.7	3 year bond	96.22	0.02
Interest Rates												10 year bond 95.53 0.00		
	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	3.29	3.63	USD	4.06	-0.02	15-Apr-27	2.60	-0.00	BKBM 1-mth	2.43	-0.03	
AUD	3.60	3.65	3.67	4.53	AUD	4.46	-0.01	15-May-28	2.92	0.01	BKBM 3-mth	2.44	-0.02	
NZD	2.50	2.44	2.62	3.79	NZD	4.17	0.03	20-Apr-29	3.13	0.02	1 year	2.41	-0.01	
EUR	2.00	2.05	2.16	2.75	GER	2.70	-0.01	15-May-30	3.35	0.02	2 year	2.62	0.00	
GBP	4.00	4.11	3.54	4.02	GBP	4.55	-0.04	15-May-31	3.58	0.03	3 year	2.82	0.00	
JPY	0.48	-0.03	0.94	1.61	JPY	1.78	-0.05	15-May-32	3.77	0.03	5 year	3.19	0.02	
CAD	2.25	4.97	2.30	2.94	CAD	3.20	-0.03	14-Apr-33	3.91	0.03	7 year	3.47	0.02	
Carbon Price								15-May-34	4.05	0.03	10 year	3.79	0.03	
								15-May-35	4.17	0.03	15 year	4.11	0.03	
								15-May-36	4.28	0.03	NZ Inflation-Indexed Bonds			
								15-May-37	4.41	0.03	Sept-30	1.36	-0.00	
								15-May-41	4.77	0.03	Sept-35	2.22	-0.00	
* These are indicative ranges from 5pm NZT; please confirm rates with your BNZ dealer								15-May-51	5.06	0.03	Sept-40	2.67	-0.00	
								15-May-54	5.05	0.04				
Rates at NY close														
Source: Bloomberg														

NZD exchange rates

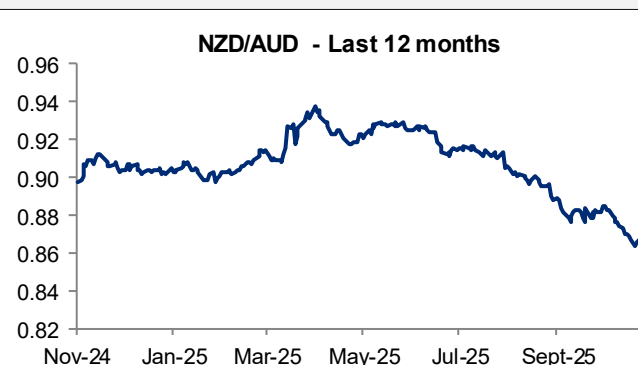
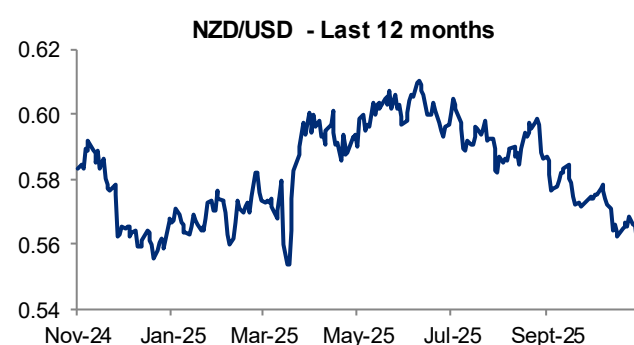
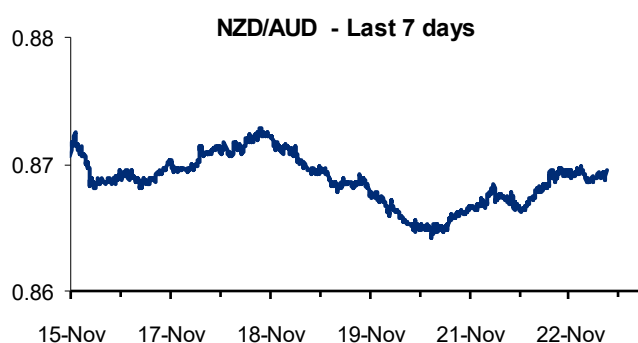
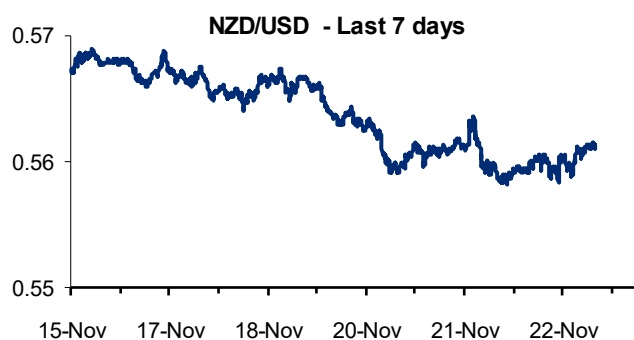
22/11/2025	NY close	Prev. NY close
USD	0.5613	0.5584
GBP	0.4284	0.4271
AUD	0.8694	0.8671
EUR	0.4874	0.4844
JPY	87.77	87.93
CAD	0.7914	0.7871
CHF	0.4536	0.4500
DKK	3.6401	3.6177
FJD	1.2883	1.2863
HKD	4.3680	4.3465
INR	50.18	49.53
NOK	5.7542	5.7035
PKR	157.49	156.74
PHP	33.02	32.98
PGK	2.3749	2.3621
SEK	5.3601	5.3352
SGD	0.7339	0.7303
CNY	3.9874	3.9739
THB	18.23	18.12
TOP	1.3423	1.3330
VUV	68.72	68.15
WST	1.5685	1.5613
XPF	58.04	57.71
ZAR	9.7527	9.6279

NZD/USD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	8.24	8.46
3 Months	21.74	22.24
6 Months	41.43	42.47
9 Months	57.83	59.81
1 Year	70.40	73.49

NZD/AUD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	10.06	10.51
3 Months	27.81	29.12
6 Months	56.83	59.61
9 Months	86.35	90.60
1 Year	114.47	123.07



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