

Research Markets Today

25 February 2026

Events Round-Up

US: Conf. Board consumer confid., Feb: 91.2 vs. 87.0 exp.

Good Morning

US equities have recovered some of yesterday's losses, supported by a renewed rotation into IT stocks. Global rates have shown only minor movements. In currency markets, activity has been modest, except for a notable decline in the yen. The NZD is trading at 0.5970.

Newsflow has been light. President Trump's flat 10% global tariff (with some exemptions) took effect as mandated by the US Customs and Border Protection order. However, there is still no indication of when, or if, a 15% rate, which Trump threatened on Saturday, will be implemented. An administration official commented that a timeline for the higher levy has yet to be finalised.

Tech stocks have rebounded following yesterday's decline, which was widely attributed to the doomsday AI report released by Citrini Research. In an example of "circular financing," Meta and AMD have agreed to an AI chips deal worth more than \$100bn, potentially giving Meta up to 10% ownership of AMD's stock. The US S&P 500 is up 0.8% in early afternoon trading, led by the tech sector, while the Nasdaq has recovered over 1%.

There is little to report regarding the global rates market. The US 10-year yield has traded within a narrow range of 4.02% to 4.05%, with the yield curve flattening slightly. Chicago Fed President Goolsbee remains "optimistic that there can be more rate cuts this year," although he emphasised that this depends on seeing actual progress on inflation returning towards the 2% target.

The data calendar has been sparse, but US consumer confidence, as measured by the Conference Board, exceeded expectations by over 4 points, reaching 91.2 in February. However, the series has recently been subject to upward revisions, as was the case for January. Confidence remains at the lower end of its historical range, and the report highlighted that the cost of living remains a primary concern for consumers.

The most notable feature in currency markets has been a weaker yen. In a further escalation of China-Japan trade tensions, originally sparked by PM Takaichi's comments

regarding Taiwan, China has banned the export of critical minerals and other goods with potential military applications to several major Japanese companies. Additionally, the Mainichi newspaper reported yesterday that Takaichi had expressed concern to BoJ Governor Ueda about expected interest-rate increases at a recent meeting, further underscoring her preference for the BoJ to maintain an ultra-easy policy stance.

USD/JPY rose by more than 1% to a high near 156.30 before retreating to 155.70. NZD/JPY climbed more than a full point to 93.2 and currently trades near 93. The NZD is near its daily high, around 0.5970. Aside from the stronger NZD/JPY, NZD cross movements have been minimal. The AUD is trading at 0.7065, with NZD/AUD steady around 0.8450.

In the domestic rates market, NZGBs fell by only about 1 basis point across the curve, following declines in US Treasury yields, another day of cross-market underperformance. In the swaps market, there was paying interest at the short end, lifting the 2-year rate by 1bp to 2.96%, while the 10-year rate fell by 2bps to 3.96%. This resulted in the third consecutive session of curve flattening. At 100bps, the 2s10s swap curve is at its flattest since mid-September. Such flattening is typical ahead of, and during, monetary policy tightening cycles.

Australian monthly CPI data will be released today, providing insights that could influence near-term RBA policy expectations. Later tonight, RBA Governor Bullock is scheduled to speak. President Trump's 2026 State of the Union address will be broadcast at 3pm NZ time. According to the Wall Street Journal, Trump intends to use his address to promote the economy and introduce new initiatives aimed at reducing costs, as Republicans seek to address voters' concerns ahead of the midterm elections later this year.

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Coming Up

	Period	Cons.	Prev.	NZT
AU CPI (y/y%)	Jan	3.7	3.8	13:30
AU CPI trimmed mean (y/y%)	Jan	3.3	3.3	13:30
GE GfK consumer confidence	Mar	-23	-24.1	20:00
AU RBA's Bullock gives fireside chat				21:40

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	0.5970	+0.2	0.5943	0.5974	CHF	0.7735	-0.2	S&P 500	6,893	+0.8	15.2	Oil (Brent)	71.24	-0.3
AUD	0.7064	+0.1	0.7027	0.7074	SEK	9.039	-0.2	Dow	49,213	+0.8	13.2	Oil (WTI)	66.09	-0.3
EUR	1.1786	+0.0	1.1766	1.1793	NOK	9.553	-0.1	Nasdaq	22,877	+1.1	18.6	Gold	5132.1	-1.4
GBP	1.3517	+0.2	1.3470	1.3537	HKD	7.823	+0.0	Stoxx 50	6,117	+0.0	12.2	HRC steel	984.0	+0.0
JPY	155.72	+0.7	154.95	156.28	CNY	6.882	-0.3	FTSE	10,681	-0.0	23.3	CRB	310.1	-0.3
CAD	1.3707	+0.1			SGD	1.267	+0.0	DAX	24,986	-0.0	11.4	Wheat Chic.	571.8	-0.3
NZD/AUD	0.8451	+0.1			IDR	16,829	+0.2	CAC 40	8,519	+0.3	5.3	Sugar	14.55	+0.7
NZD/EUR	0.5065	+0.2			THB	31.07	+0.2	Nikkei	57,321	+0.9	49.9	Cotton	64.31	+1.2
NZD/GBP	0.4417	+0.0			KRW	1,441	-0.2	Shanghai	4,117	+0.9	22.1	Coffee	285.5	+2.7
NZD/JPY	92.96	+0.9			TWD	31.45	+0.1	ASX 200	9,022	-0.0	9.3	WM powder	3890	+0.0
NZD/CAD	0.8183	+0.3			PHP	57.77	+0.3	NZX 50	13,532	+0.8	10.0	Australian Futures		
NZ TWI	67.53	+0.2						VIX Index	19.45	-7.4	+2.5	3 year bond	95.75	0.02
												10 year bond	95.29	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	3.75	4.85	3.28	3.60	USD	4.03	0.00	15-May-28	3.09	-0.01	BKBM 1-mth	2.42	0.00
AUD	3.85	3.99	4.23	4.77	AUD	4.69	-0.02	20-Apr-29	3.35	-0.01	BKBM 3-mth	2.49	0.00
NZD	2.25	2.49	2.96	3.96	NZD	4.35	-0.01	15-May-30	3.58	-0.01	1 year	2.61	0.00
EUR	2.00	2.03	2.19	2.73	GER	2.71	-0.00	15-May-31	3.79	-0.01	2 year	2.96	0.01
GBP	3.75	3.93	3.39	3.94	GBP	4.31	-0.01	15-May-32	3.95	-0.01	3 year	3.20	0.01
JPY	0.73	-0.03	1.21	1.88	JPY	2.09	-0.03	14-Apr-33	4.05	-0.01	5 year	3.51	0.00
CAD	2.25	4.97	2.30	2.92	CAD	3.18	-0.01	15-May-34	4.15	-0.01	7 year	3.72	-0.01
								15-May-35	4.26	-0.01	10 year	3.96	-0.02
								15-May-36	4.35	-0.01	15 year	4.23	-0.03
								15-May-37	4.46	-0.01			
								15-May-41	4.74	-0.01			
								15-May-51	4.97	-0.01			
								15-May-54	4.98	-0.01			

Carbon Price				Policy Meeting Run			
	Level	% Day	% Year		NZD	AUD	USD
NZU	46.75	-2.6	-26.3	1st	2.25	3.89	3.64
				2nd	2.26	4.07	3.61
				3rd	2.28	4.09	3.51
				4th	2.35	4.20	3.41
				5th	2.39	4.20	3.28

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

Rates are as of: NZT 06:43

Source: Bloomberg

NZD exchange rates

25/02/2026	6:43 am	Prev. NY close
USD	0.5970	0.5956
GBP	0.4417	0.4414
AUD	0.8451	0.8441
EUR	0.5065	0.5054
JPY	92.96	92.11
CAD	0.8183	0.8158
CHF	0.4620	0.4614
DKK	3.7851	3.7757
FJD	1.3125	1.3192
HKD	4.6718	4.6572
INR	54.32	54.13
NOK	5.7049	5.6980
PKR	166.95	166.54
PHP	34.49	34.29
PGK	2.5653	2.5529
SEK	5.4002	5.3951
SGD	0.7562	0.7542
CNY	4.1100	4.1126
THB	18.52	18.47
TOP	1.3911	1.3871
VUV	70.80	70.52
WST	1.5962	1.6036
XPF	60.20	60.05
ZAR	9.5246	9.5415

NZD/USD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	6.44	6.64
3 Months	19.87	20.27
6 Months	37.84	38.76
9 Months	50.92	52.81
1 Year	58.24	60.98

NZD/AUD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	9.94	10.41
3 Months	33.02	34.02
6 Months	70.69	73.08
9 Months	109.18	113.36
1 Year	143.24	149.53



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