

Research Markets Today

26 February 2026

Events round-up

AU: CPI (y/y%), Jan: 3.8 vs. 3.7 exp.
 AU: CPI trimmed mean (y/y%), Jan: 3.4 vs. 3.3 exp.
 GE: GfK consumer confidence, Mar: -24.7 vs. -23 exp.

Good morning

Risk sentiment remains buoyant, driving further gains across global equities ahead of Nvidia's results due after the US close. The S&P 500 is up more than 0.5% in afternoon trade, while European and Asian markets are also well supported. The Euro Stoxx has pushed to a fresh record high and the Nikkei closed over 2% higher. Sovereign bond and FX markets were little changed.

US trade policy uncertainty is back in focus after the White House flagged plans to lift the global US tariff rate to 15% 'where appropriate,' while emphasising continuity with existing trade agreements. US Trade Representative Jamieson Greer said countries with deals would avoid a higher cumulative tariff burden, and the administration will use a 150-day window to run trade investigations that could ultimately lead to more targeted, permanent tariffs by country and industry.

It was a quiet session for global rates markets in the absence of first-tier data or other catalysts. 10- treasuries were little changed near 4.04% as the market consolidates towards the lower end of the range from the past six months. The exception was in Japan where there was a notable curve steepening, led by underperformance at the longer end of the curve, after the government nominated two dovish-leaning policy board members. 30-year JGB yields increased 8bp to 3.34%.

The yen weakened as investors scaled back expectations for Bank of Japan tightening. USD/JPY traded to a two-week high, while money markets pared year-end hike pricing. There is 43bp of tightening priced by December, down from 53bp at the start of the week. Elsewhere, there was little impact in currency markets after President Trump reiterated his resolve to impose trade tariffs in his State of the Union address.

The AUD outperformed after inflation data surprised to the upside. This move has seen AUD/JPY reach the highest level since 1990. NZD/USD is modestly higher relative to the local close yesterday and is also firmer against the yen. NZD/AUD has fallen to fresh multi-year lows near 0.8410.

Australia monthly CPI for January was stronger than expected, underpinning expectations for a further 25bp hike in May and that policy may need to stay restrictive for longer. The trimmed-mean CPI rose 3.4% y/y versus the 3.3% consensus estimate and follows data last week which pointed to a resilient labour market. Front end yields increased immediately after the release supporting the AUD. The market is pricing 22bp of tightening by the May RBA meeting and a cumulative 39bp by year-end.

NZ swap rates ended the local session 1-2bp higher across the curve with few domestic catalysts. There was limited spillover to NZ rates after the move in Australia following the CPI data. The government curve largely matched the move in swaps but saw some underperformance in the ultras. The NZGB 10Y/30Y curve steepened to +65bp having bounced off the +60bp level for the second time in recent months.

NZ Debt Management will undertake the weekly bond tender today. NZ\$450 million is being offered across May-2031 (\$250m) and May-2034 (NZ\$200m) lines. A small parcel of Sep-2035 inflation-indexed bonds will be included in the tender.

ANZ business confidence is the only domestic release of note in the day ahead. Firms' activity outlook eased in January but remains at elevated levels. Inflation expectations and pricing intentions will be closely watched. In the US, initial jobless claims are due and are expected to remain volatile amid seasonal adjustment effects.

stuart_ritson@bnz.co.nz

Coming up

		Period	Cons.	Prev.	NZT
NZ	ANZ Activity Outlook	Feb	51.6	13:00	
EC	Economic Confidence	Feb	99.8	99.4	23:00
US	Initial Jobless Claims	21-Feb	216	206	02:30

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	Last	% Day	% Year	Last	Net Day			
NZD	0.5990	+0.5	0.5960	0.5992	CHF	0.7729	-0.2	S&P 500	6,922	+0.7	16.2	Oil (Brent)	70.75	+0.0
AUD	0.7110	+0.9	0.7073	0.7117	SEK	9.028	-0.4	Dow	49,312	+0.5	13.0	Oil (WTI)	65.44	-0.3
EUR	1.1803	+0.3	1.1771	1.1808	NOK	9.553	-0.3	Nasdaq	23,071	+1.1	21.3	Gold	5167.9	+0.2
GBP	1.3537	+0.5	1.3491	1.3541	HKD	7.820	-0.0	Stoxx 50	6,160	+0.9	13.1	HRC steel	1006.0	+0.7
JPY	156.38	+0.3	155.53	156.82	CNY	6.864	-0.3	FTSE	10,777	+1.2	24.3	CRB	309.8	-0.1
CAD	1.3680	-0.1			SGD	1.264	-0.3	DAX	25,135	+0.8	12.2	Wheat Chic.	564.3	-1.0
NZD/AUD	0.8425	-0.4			IDR	16,800	-0.2	CAC 40	8,536	+0.5	6.0	Sugar	14.54	-0.3
NZD/EUR	0.5075	+0.2			THB	31.07	-0.1	Nikkei	58,583	+2.2	53.6	Cotton	64.80	+2.0
NZD/GBP	0.4425	-0.0			KRW	1,427	-0.9	Shanghai	4,147	+0.7	23.9	Coffee	283.4	-0.4
NZD/JPY	93.67	+0.8			TWD	31.32	-0.4	ASX 200	9,128	+1.2	10.8	WM powder	3815	-1.9
NZD/CAD	0.8194	+0.3			PHP	57.52	-0.4	NZX 50	13,526	-0.0	8.6	Australian Futures		
NZ TWI	67.58	+0.0						VIX Index	18.76	-4.0	-3.4	3 year bond	95.72	-0.03
												10 year bond	95.28	-0.02

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	3.30	3.62	USD	4.05	0.02	15-May-28	3.09	0.00	BKBM 1-mth	2.42	0.00
AUD	3.85	3.99	4.25	4.79	AUD	4.72	0.03	20-Apr-29	3.35	0.00	BKBM 3-mth	2.49	0.00
NZD	2.25	2.49	2.97	3.98	NZD	4.35	0.00	15-May-30	3.58	0.00	1 year	2.62	0.00
EUR	2.00	2.04	2.19	2.73	GER	2.71	0.00	15-May-31	3.79	0.00	2 year	2.97	0.00
GBP	3.75	3.92	3.40	3.95	GBP	4.31	0.01	15-May-32	3.95	0.00	3 year	3.21	0.00
JPY	0.73	-0.03	1.23	1.96	JPY	2.14	0.05	14-Apr-33	4.05	0.00	5 year	3.52	0.00
CAD	2.25	4.97	2.33	2.94	CAD	3.19	0.01	15-May-34	4.15	0.00	7 year	3.74	0.00
								15-May-35	4.26	0.00	10 year	3.98	0.00
								15-May-36	4.35	0.00	15 year	4.24	0.00
								15-May-37	4.46	0.00			
								15-May-41	4.74	0.00	NZ Inflation-Indexed Bonds		
								15-May-51	4.97	0.00	Sept-30	1.57	0.00
								15-May-54	4.98	0.00	Sept-35	2.37	0.00
											Sept-40	2.77	0.00

Carbon Price				Policy Meeting Run			
	Level	% Day	% Year		NZD	AUD	USD
NZU	45.10	-3.5	-28.6	1st	2.25	3.88	3.64
				2nd	2.26	4.08	3.61
				3rd	2.28	4.11	3.51
				4th	2.36	4.22	3.42
				5th	2.39	4.23	3.29

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

Rates are as of: NZT 06:08

Source: Bloomberg

NZD exchange rates

26/02/2026	6:09 am	Prev. NY close
USD	0.5990	0.5966
GBP	0.4425	0.4423
AUD	0.8425	0.8453
EUR	0.5075	0.5068
JPY	93.67	92.99
CAD	0.8194	0.8173
CHF	0.4630	0.4618
DKK	3.7916	3.7863
FJD	1.3165	1.3214
HKD	4.6842	4.6673
INR	54.48	54.26
NOK	5.7222	5.7095
PKR	167.46	166.82
PHP	34.45	34.46
PGK	2.5697	2.5583
SEK	5.4077	5.4032
SGD	0.7570	0.7560
CNY	4.1111	4.1060
THB	18.62	18.50
TOP	1.3953	1.3884
VUV	71.12	70.82
WST	1.6154	1.6058
XPF	60.34	60.18
ZAR	9.4944	9.5321



NZD/USD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	7.36	7.56
3 Months	20.40	20.80
6 Months	38.59	39.55
9 Months	51.29	53.09
1 Year	58.57	61.23



NZD/AUD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	11.29	11.76
3 Months	33.73	34.67
6 Months	72.24	74.56
9 Months	110.02	113.89
1 Year	143.48	149.08



Contact Details

BNZ Research

Stephen Toplis
Head of Research

Doug Steel
Senior Economist

Matt Brunt
Economist

Jason Wong
Senior Markets Strategist

Stuart Ritson
Senior Interest Rate Strategist

Mike Jones
BNZ Chief Economist

Main Offices

Wellington

Level 2, BNZ Place
1 Whitmore St
Private Bag 39806
Wellington Mail Centre
Lower Hutt 5045
New Zealand
Toll Free: 0800 283 269

Auckland

80 Queen Street
Private Bag 92208
Auckland 1142
New Zealand
Toll Free: 0800 283 269

Christchurch

111 Cashel Street
Christchurch 8011
New Zealand
Toll Free: 0800 854 854

This document has been produced by Bank of New Zealand (BNZ). BNZ is a registered bank in New Zealand and is only authorised to offer products and services to customers in New Zealand.

Analyst Disclaimer: The Information accurately reflects the personal views of the author(s) about the securities, issuers and other subject matters discussed, and is based upon sources reasonably believed to be reliable and accurate. The views of the author(s) do not necessarily reflect the views of the NAB Group. No part of the compensation of the author(s) was, is, or will be, directly or indirectly, related to any specific recommendations or views expressed.

BNZ maintains an effective information barrier between the research analysts and its private side operations. Private side functions are physically segregated from the research analysts and have no control over their remuneration or budget. The research functions do not report directly or indirectly to any private side function. The Research analyst might have received help from the issuer subject in the research report.

New Zealand: The information in this publication is provided for general information purposes only, and is a summary based on selective information which may not be complete for your purposes. This publication does not constitute any advice or recommendation with respect to any matter discussed in it, and its contents should not be relied on or used as a basis for entering into any products described in it. Bank of New Zealand recommends recipients seek independent advice prior to acting in relation to any of the matters discussed in this publication.

Any statements as to past performance do not represent future performance, and no statements as to future matters are guaranteed to be accurate or reliable.

Neither Bank of New Zealand nor any person involved in this publication accepts any liability for any loss or damage whatsoever which may directly or indirectly result from any advice, opinion, information, representation or omission, whether negligent or otherwise, contained in this publication.

USA: If this document is distributed in the United States, such distribution is by nabSecurities, LLC. This document is not intended as an offer or solicitation for the purchase or sale of any securities, financial instrument or product or to provide financial services. It is not the intention of nabSecurities to create legal relations on the basis of information provided herein.