

Research Markets Today

27 November 2025

Events Round-Up

AU: CPI (y/y%), Oct: 3.8 vs. 3.6 exp.
 AU: CPI trimmed mean (y/y%), Oct: 3.3 vs. 2.9 exp.
 NZ: RBNZ Official Cash Rate (%), Nov: 2.25 vs. 2.25 exp.
 US: Initial Jobless Claims, 22 Nov: 216 vs. 225 exp.
 US: Durable goods orders (m/m%), Sep: 0.5 vs. 0.5 exp.
 US: Durables ex transport. (m/m%), Sep: 0.6 vs. 0.2 exp.
 US: Chicago PMI, Nov: 36.3 vs. 43.6 exp.

Good morning

Upbeat investor risk sentiment has supported further solid gains for global equities. The S&P is close to 1% higher in afternoon trade and is on track for a fourth consecutive session of gains, having bounced back from last week's selloff. Risk appetite has been supported in recent sessions by growing expectations for an interest-rate cut by the Federal Reserve next month. The US dollar was broadly stable against G10 currencies and treasury yields edged higher.

There was limited economic data to provide the market with direction. Initial jobless claims fell slightly despite expectations for a modest increase. Core US durable orders for September beat the consensus estimate but the data is largely stale by this point. Treasury yields increased following the claims data, led by the front end of the curve, though moves were not large. 10-year yields have since retraced and are little changed at 4.01%.

UK Chancellor Rachel Reeves delivered her widely anticipated Autumn Budget. Taxes were increased by £26 billion which will be used to cover higher welfare spending and to bolster fiscal headroom against future shocks. This will take the overall tax burden to 38% of GDP by the end of the parliament which is an all-time high. The Office for Budget Responsibility published its forecasts ahead of the Budget to a 'technical error' contributing to market volatility.

The pound gained and gilt yields fell, led by the longer maturities, after the Budget announcement. The bond market was comforted by the wider fiscal headroom, a smaller borrowing projection and a decrease in the supply of long-dated gilts. 30-year yields declined 11bp to 5.17%.

The US dollar is little changed against the euro and modestly weaker against the yen in offshore trading. The NZD consolidated after the hawkish cut by the RBNZ contributed to a sharp appreciation in the local session yesterday. The move higher faded ahead of 0.5700 and NZD/USD has oscillated in a narrow range around 0.5680 overnight. The NZD maintained the solid gains made on key cross rates after the RBNZ yesterday.

Australia released its first full monthly CPI report which in time will become the primary measure of inflation. The RBA will continue to forecast and focus on the quarterly trimmed mean measure in the near-term. In any case, headline CPI increased at 0.3% in October taking the annual rate to 3.8% which was higher than the consensus estimate. The trimmed mean measure was also above expectations. The data contributed to a sharp selloff in Australian rates and supported the AUD.

The RBNZ cut rates by 25bp to 2.25% which was in line with expectations and fully discounted by market pricing. The decision was reached by 5-1 majority. The dissenter preferred to leave rates on hold which was the alternative option discussed by the Committee. The modelled OCR track reaches a 2.20% trough in mid-2026 signalling a marginal easing bias. Future moves in the OCR will be data dependent, but the hurdle for further easing appears high.

The modestly hawkish RBNZ tone contributed to a selloff in NZ fixed income in the local session yesterday. The swap curve moved higher and flatter. 2-year rates increased 11bp to 2.70%, the highest level in two months as pricing for the terminal OCR lifted to 2.21%. 10-year rates closed 6bp higher at 3.81%, flattening the 2y/10y curve to +111bp from the recent +117bp peak. There was similar price action for government bonds with 10-year yields closing 6bp higher at 4.32%.

NZ Debt Management (NZDM) released the monthly tender schedule for December and will offer NZ\$900m nominal bonds in the month. There will be two tenders before the seasonal pause in issuance. In the weekly tender today, NZDM will offer NZ\$450million of nominal bonds May-30 (\$225m) and May-34 (\$225m). A small parcel of Sep-2040 inflation-indexed bonds will also be tendered.

The Fed will release the Beige book covering October and early November soon after we go to print this morning. The market will be looking for further evidence to support a December rate cut. The domestic focus will centre on Q3 retail sales data, and the ANZ business confidence survey scheduled today. Confidence measures are the only data of note this evening with market activity likely reduced due to US Thanksgiving.

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Coming Up

		Period	Cons.	Prev.	NZT
US	Fed Releases Beige Book				08:00
NZ	Retail Sales Ex Inflation (q/q%)	3Q	0.6	0.5	10:45
NZ	ANZ Activity Outlook	Nov	44.6		13:00
GE	GfK Consumer Confidence	Dec	-23.5	-24.1	20:00
EC	Economic Confidence	Nov	97	96.8	23:00

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	0.5690	+1.2	0.5663	0.5694	CHF	0.8050	-0.3	S&P 500	6,829	+0.9	13.4	Oil (Brent)	62.72	+0.4
AUD	0.6513	+0.7	0.6484	0.6517	SEK	9.504	-0.3	Dow	47,489	+0.8	5.9	Oil (WTI)	58.29	+0.6
EUR	1.1586	+0.1	1.1547	1.1601	NOK	10.207	-0.2	Nasdaq	23,224	+0.9	21.1	Gold	4164.5	+0.6
GBP	1.3220	+0.4	1.3125	1.3238	HKD	7.777	+0.0	Stoxx 50	5,656	+1.5	18.8	HRC steel	904.0	+0.2
JPY	156.44	+0.2	156.05	156.74	CNY	7.075	-0.1	FTSE	9,692	+0.9	17.4	CRB	294.4	-0.5
CAD	1.4051	-0.3			SGD	1.298	-0.3	DAX	23,726	+1.1	23.0	Wheat Chic.	544.0	+0.9
NZD/AUD	0.8736	+0.6			IDR	16,664	+0.0	CAC 40	8,096	+0.9	12.5	Sugar	15.12	+1.5
NZD/EUR	0.4911	+1.1			THB	32.23	-0.1	Nikkei	49,559	+1.8	30.0	Cotton	62.43	+1.6
NZD/GBP	0.4304	+0.8			KRW	1,469	+0.0	Shanghai	3,864	-0.2	18.5	Coffee	379.3	-1.1
NZD/JPY	89.01	+1.5			TWD	31.35	-0.3	ASX 200	8,607	+0.8	2.4	WM powder	3200	-1.2
NZD/CAD	0.7995	+0.9			PHP	58.87	-0.1	NZX 50	13,562	+0.6	2.6	Australian Futures		
NZ TWI	66.18	+1.0						VIX Index	17.45	-6.0	+23.8	3 year bond	96.09	-0.14
Interest Rates												10 year bond 95.50 -0.06		
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	3.28	3.59	USD	4.00	0.01	15-Apr-27		2.66	0.08	BKBM 1-mth	2.38	0.00
AUD	3.60	3.66	3.76	4.56	AUD	4.53	0.10	15-May-28		2.99	0.10	BKBM 3-mth	2.41	0.01
NZD	2.25	2.41	2.70	3.82	NZD	4.21	0.06	20-Apr-29		3.20	0.09	1 year	2.49	0.08
EUR	2.00	2.07	2.16	2.73	GER	2.67	-0.00	15-May-30		3.42	0.09	2 year	2.70	0.11
GBP	4.00	4.11	3.50	3.94	GBP	4.42	-0.07	15-May-31		3.64	0.08	3 year	2.91	0.11
JPY	0.48	-0.03	0.96	1.61	JPY	1.81	0.00	15-May-32		3.83	0.07	5 year	3.25	0.10
CAD	2.25	4.97	2.28	2.90	CAD	3.14	-0.01	14-Apr-33		3.96	0.06	7 year	3.52	0.09
Carbon Price					Policy Meeting Run							10 year 3.82 0.07		
	Level	% Day	% Year		NZD	AUD	USD					15 year 4.15 0.07		
NZU	41.00	-3.4	-36.0		1st 2.26	3.60	3.68	15-May-36		4.33	0.06	NZ Inflation-Indexed Bonds		
* These are indicative ranges from 5pm NZT; please confirm rates with your BNZ dealer								15-May-37		4.45	0.06	Sept-30	1.41	0.02
Rates are as of: NZT 06:19								15-May-41		4.81	0.06	Sept-35	2.27	0.02
Source: Bloomberg								15-May-54		5.09	0.06	Sept-40	2.72	0.02

NZD exchange rates

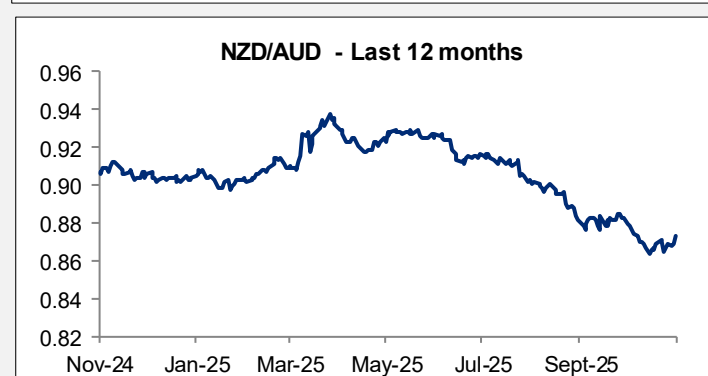
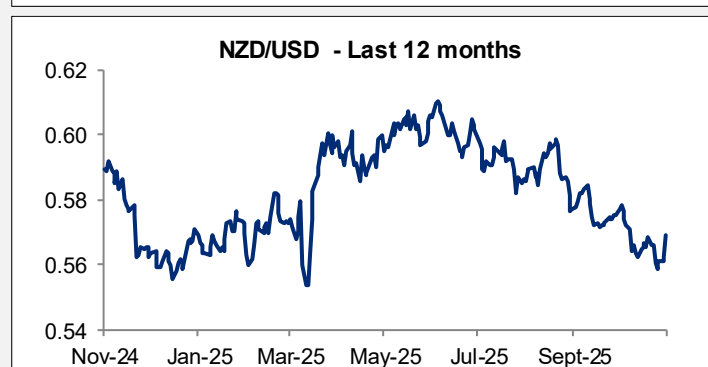
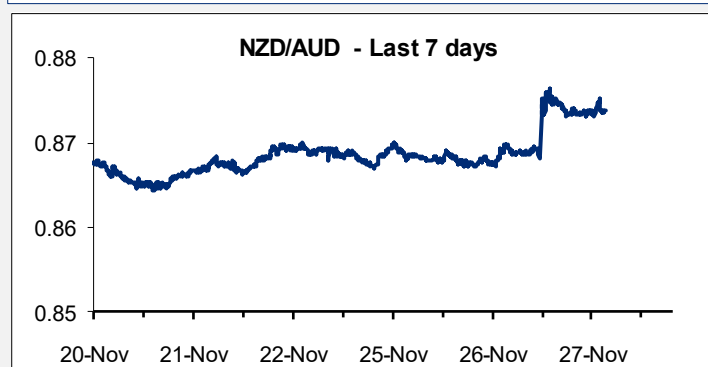
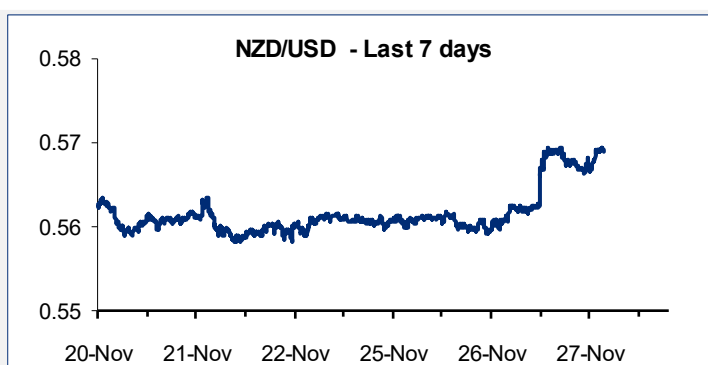
27/11/2025	6:19 am	Prev. NY close
USD	0.5690	0.5621
GBP	0.4304	0.4269
AUD	0.8736	0.8689
EUR	0.4911	0.4858
JPY	89.01	87.72
CAD	0.7995	0.7924
CHF	0.4580	0.4539
DKK	3.6679	3.6285
FJD	1.2976	1.2922
HKD	4.4252	4.3706
INR	50.79	50.15
NOK	5.8079	5.7498
PKR	159.65	157.74
PHP	33.49	33.12
PGK	2.4141	2.3828
SEK	5.4079	5.3589
SGD	0.7383	0.7315
CNY	4.0258	3.9823
THB	18.34	18.16
TOP	1.3599	1.3435
VUV	69.96	69.21
WST	1.5893	1.5705
XPF	58.66	57.99
ZAR	9.7382	9.6791

NZD/USD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	7.88	8.07
3 Months	20.92	21.33
6 Months	39.71	40.71
9 Months	55.49	57.41
1 Year	67.07	69.43

NZD/AUD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	10.17	10.64
3 Months	28.01	29.03
6 Months	56.93	59.67
9 Months	87.22	92.22
1 Year	116.67	123.03



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