

# Research Markets Today

28 April 2026

## Events Round-Up

JN: CPI (y/y%), Mar: 1.5 vs. 1.4 exp.  
 JN: CPI ex fr. food, energy (y/y%), Mar: 2.4 vs. 2.4 exp.  
 UK: Retail sales ex auto fuel (m/m%), Mar: 0.2 vs. 0.0 exp.  
 GE: IFO expectations, Apr: 83.3 vs. 85.5 exp.  
 CA: Retail sales ex auto (m/m%), Feb: 0.5 vs. 0.8 exp.  
 US: U. of Mich. consumer sent., Apr: 49.8 vs. 48.5 exp.  
 US: U. of Mich. 5-10y inflation exp., Apr: 3.5 vs. 3.4 exp.

## Good Morning

Oil prices continue to climb, with Brent crude nearing USD110 per barrel, as the Strait of Hormuz remains closed and the US-Iran conflict persists. Despite this, the USD has been broadly weaker since Friday's NZ close, and the NZD is trading above 0.59. US equities are also at record highs. US Treasuries remain in a range, with the 10-year yield just above 4.3%.

Risk sentiment improved late last week, fuelled by hopes for renewed negotiations between the US and Iran in Pakistan. US envoys Kushner and Witkoff were scheduled to depart on Saturday, while Iran's foreign minister Araghchi arrived in Pakistan. Although Iran denied that the two parties would meet directly, messages were expected to be conveyed through Pakistani negotiators.

This optimism led to a modest decline in oil prices and US Treasury yields, as well as a broad weakening of the USD. US equities ended last week at new record highs, with the S&P500 closing up 0.8% and the Nasdaq index up 1.6%.

However, President Trump cancelled the US trip after Friday's close, following an Iranian offer that did not meet White House expectations. Trump stated that Iran could contact the US by phone if it wishes to negotiate an end to the conflict.

Yesterday, Axios reported that Iran, through Pakistani mediators, presented a new proposal to the US for reopening the Strait of Hormuz and ending the war, with nuclear negotiations postponed for a later stage. It remains unclear if the US is willing to pursue the proposal. Karoline Leavitt mentioned that Trump will soon respond regarding Iran.

According to Iranian media, Foreign Minister Araghchi conveyed that the government might accept an interim deal, reopening the Strait of Hormuz in exchange for the US ending its naval blockade, agreeing to a new legal framework for traffic through the strait, and guaranteeing no future military action against Iran. Araghchi noted significant alignment between Iran and Oman regarding the strait's future, likely referring to a toll revenue sharing scheme. US Secretary of State Rubio stated the US could not accept Iran retaining control of the Strait of Hormuz or allowing Iranian tolls.

To summarise developments since Friday's NZ close, little has changed; the Strait of Hormuz remains closed, and there is no clearer indication of when it might reopen or when US-Iran peace negotiations may occur. On the Kalshi prediction market, the odds of at least 60 ships crossing the strait by 1 June stand at 31%. This suggests that traffic through the strait could remain effectively closed for at least another month.

Oil prices are still rising, with Brent crude nearing USD110 per barrel. US equities have consolidated at record highs following Friday's strong rally, with investors increasingly focused on the impact of the AI industry. Notably, the Philadelphia Semiconductor Index declined for the first time after a record-breaking 18-day winning streak, falling 1.7%, yet remaining up a massive 36% for April. Additionally, Japan's Nikkei index closed up 1.4% yesterday, setting a new record high, highlighting that it's not just the US market experiencing gains.

The US bond market is holding steady, with the 10-year yield trading in a tight range recently and currently at 4.33%, little changed from Friday's NZ close. The US Attorney announced the closure of her office's investigation into Powell's congressional testimony regarding cost overruns in Fed building renovations, removing a barrier to Kevin Warsh's confirmation as the next Fed Chair. Over the weekend, Senator Tillis declared his support for Warsh's nomination.

In the currency markets, despite the US-Iran stalemate, the USD has come under pressure, weakening broadly during the Friday night trading session and again at the start of the new week. Last week, we noted resistance for the NZD in the 0.5920-0.5930 range, which held overnight. The NZD currently trades at 0.5910, up about 1% from Friday's NZ close. The AUD met resistance overnight at 0.7200 and is

trading just below that level, while NZD/AUD is slightly higher at 0.8225.

The NZD is stronger against other major currencies since Friday's NZ close. NZD/EUR is approaching 0.5050, NZD/GBP is around 0.4370, and NZD/JPY has recovered to 94.25.

In relation to NZ's future fuel supplies, the FT reported that Asian refineries are reducing production, which is tightening the supply of jet fuel and other refined products. Singapore refineries are operating at less than half their capacity, down from a pre-war utilisation rate of over 80%. Asian jet fuel exports in April are 23% lower than in March and 30% below pre-war levels. Diesel exports are down about 14% from March.

In the domestic rates market on Friday, the curve flattened. NZGB yields were unchanged for the 2-year rate, with declines of 2-3bps at the longer end of the curve. The 2-year swap rate increased for a fourth consecutive day

following a stronger-than-expected Q1 CPI report earlier in the week, closing up 2bps at 3.53%. The 10-year swap rate fell by 1bp to 4.33%.

Looking ahead, the economic calendar is packed with key events and top-tier data, including five major central bank policy meetings. None of the central banks is expected to change policy. The Bank of Japan kicks off today, with attention focused on its response to the weak yen and any upgrades to its inflation projections.

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### Coming Up

		Period	Cons.	Prev.	NZT
NZ	Filled jobs (m/m%)	Mar	0.3		10:45
JN	BoJ target rate (%)	Apr	0.75	0.75	
US	Conf. Board consumer confid.	Apr	89.0	91.8	02:00

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	0.5910	+0.5	0.5887	0.5924	CHF	0.7854	+0.1		S&P 500	7,175	+0.1	29.9	Oil (Brent)	108.29	+2.8
AUD	0.7187	+0.5	0.7165	0.7200	SEK	9.224	+0.0		Dow	49,178	-0.1	22.6	Oil (WTI)	96.46	+2.3
EUR	1.1722	+0.0	1.1720	1.1755	NOK	9.297	-0.3		Nasdaq	24,859	+0.1	43.0	Gold	4675.4	-1.0
GBP	1.3535	+0.0	1.3531	1.3576	HKD	7.837	+0.0		Stoxx 50	5,860	-0.4	13.7	HRC steel	1042.0	+0.0
JPY	159.41	+0.0	159.10	159.46	CNY	6.827	-0.1		FTSE	10,321	-0.6	22.6	CRB	379.1	-0.7
CAD	1.3624	-0.3			SGD	1.274	-0.1		DAX	24,084	-0.2	8.3	Wheat Chic.	630.8	+2.3
NZD/AUD	0.8223	+0.1			IDR	17,211	-0.1		CAC 40	8,142	-0.2	8.0	Sugar	13.83	-0.7
NZD/EUR	0.5042	+0.5			THB	32.39	+0.6		Nikkei	60,537	+1.4	68.9	Cotton	77.33	+0.7
NZD/GBP	0.4366	+0.5			KRW	1,475	-0.1		Shanghai	4,086	+0.2	24.0	Coffee	288.5	-2.2
NZD/JPY	94.21	+0.5			TWD	31.46	-0.2		ASX 200	8,766	-0.2	9.6	WM powder	3790	+0.8
NZD/CAD	0.8052	+0.2			PHP	60.73	-0.0		NZX 50	12,875	-0.1	6.4	<b>Australian Futures</b>		
NZ TWI	66.95	+0.3						VIX Index	18.56	-0.8	-25.3	3 year bond	95.31	0.00	
												10 year bond	94.96	-0.07	

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	3.63	3.89	USD	4.33	0.03	15-May-28	3.60	0.00
AUD	4.10	4.36	4.70	5.11	AUD	4.98	-0.00	20-Apr-29	3.82	-0.01
NZD	2.25	2.59	3.53	4.33	NZD	4.69	-0.03	15-May-30	4.01	-0.01
EUR	2.00	2.16	2.76	3.07	GER	3.03	0.04	15-May-31	4.19	-0.01
GBP	3.75	3.86	4.27	4.50	GBP	4.97	0.06	15-May-32	4.34	-0.02
JPY	0.73	-0.03	1.36	2.27	JPY	2.48	0.04	14-Apr-33	4.43	-0.03
CAD	2.25	4.97	2.71	3.25	CAD	3.50	0.04	15-May-34	4.52	-0.03
								15-May-35	4.61	-0.03
								15-May-36	4.69	-0.03
								15-May-37	4.78	-0.03
								15-May-41	5.03	-0.03
								15-May-51	5.26	-0.02
								15-May-54	5.27	-0.02

Carbon Price			Policy Meeting Run				
	Level	% Day	% Year		NZD	AUD	USD
NZU	49.20	+0.0	-2.6	1st	2.39	4.30	3.65
				2nd	2.58	4.39	3.64
				3rd	2.81	4.55	3.62
				4th	2.96	4.63	3.60
				5th	3.16	4.73	3.59

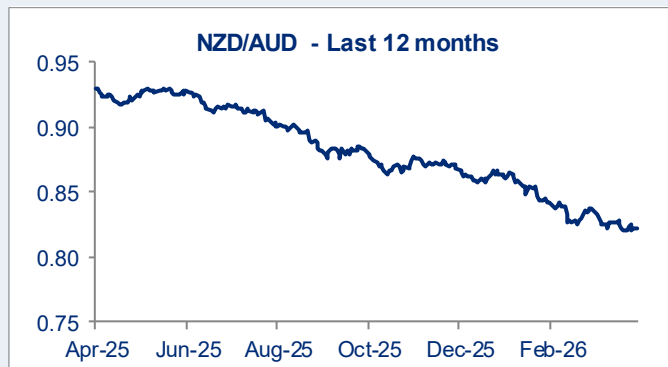
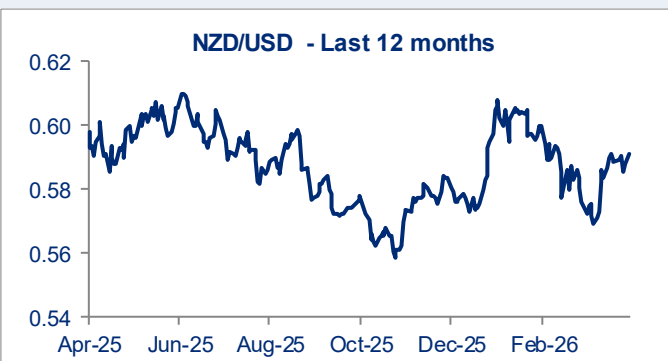
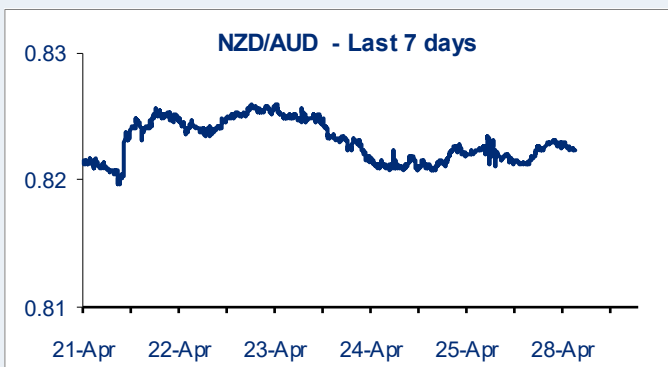
\* These are indicative ranges from 5pm NZT; please confirm rates with your BNZ dealer

Rates are as of: NZT 06:47

Source: Bloomberg

**NZD exchange rates**

28/04/2026	6:47 am	Prev. NY close
USD	0.5910	0.5881
GBP	0.4366	0.4346
AUD	0.8223	0.8223
EUR	0.5042	0.5017
JPY	94.21	93.73
CAD	0.8052	0.8038
CHF	0.4642	0.4617
DKK	3.7673	3.7491
FJD	1.3116	1.2997
HKD	4.6317	4.6081
INR	55.67	55.43
NOK	5.4945	5.4829
PKR	165.07	#VALUE!
PHP	35.89	35.71
PGK	2.5673	2.5570
SEK	5.4511	5.4228
SGD	0.7532	0.7500
CNY	4.0345	4.0179
THB	19.11	19.07
TOP	1.3886	1.3766
VUV	69.91	69.58
WST	1.5949	1.5866
XPF	60.19	59.90
ZAR	9.7811	9.7101



**NZD/USD Forward Points**

	BNZ buys NZD	BNZ sells NZD
1 Month	6.07	6.33
3 Months	16.73	17.27
6 Months	28.37	29.99
9 Months	34.65	37.40
1 Year	36.59	39.61

**NZD/AUD Forward Points**

	BNZ buys NZD	BNZ sells NZD
1 Month	12.30	12.88
3 Months	36.74	37.94
6 Months	72.16	75.50
9 Months	104.65	109.65
1 Year	130.99	137.49

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