

Research Markets Today

28 January 2026

Events round-up

AU: NAB business conditions, Dec: 9 vs. 7 prev.
US: Conf. Board cons. confidence, Jan: 84.5 vs. 90.6 exp.

Good morning

US equities managed to look past a decline in consumer confidence and gained alongside global indices. The S&P is close to 0.5% higher in afternoon trading, with the index only marginally below the record high, set earlier in the month. The US dollar remained under pressure, and made broad based losses against G10 currencies, with the dollar index falling to a four-year low. US treasuries were little changed overall. Brent crude prices traded above US\$67 on geopolitical concerns with a growing US military presence near Iran.

Gold prices held above US\$5,000 per ounce for a second consecutive session. The weaker USD backdrop has supported the move which has been underpinned by the elevated geopolitical risks. The precious metal has gained 18% this year driven largely by the 'debasement trade' with investors less certain about the performance of sovereign debt markets in a risk off event. Positioning data highlights growing speculative interest in recent weeks.

US Conference Board consumer confidence dropped to 84.5 in January which was well below the consensus estimate of 91.0. The index is at the lowest level in more than 10-years. The expectations index, which typically has a stronger relationship with consumption, was weak along with the labour market indicators. The widely watched differential between jobs being plentiful compared with hard to get fell to the lowest level since February 2021.

Yields at the front end of the treasury curve dipped after the confidence data but moves were small overall. There was a modest curve steepening with an underperformance in the 30-year sector. 10-year yields were stable at 4.22%. Treasuries have remained in a narrow range as the market looks ahead to the FOMC tomorrow morning. The Federal Reserve is expected to hold rates steady following three straight cuts at the end of last year. However, the decision is unlikely to be unanimous with some members expected to vote to reduce the policy rate.

The US dollar remained under pressure. The widely watched dollar index (DXY) is on track for the sharpest 4-

day decline since the tariff volatility last April and has fallen to the lowest level since early 2022. Concerns about US economic policy and potential for FX intervention to support the yen have weighed on the dollar. The euro and pound made fresh multi-year highs, while NZD/USD pushed above 0.6000, to the highest level since the middle of last year. The NZD is broadly stable on the key cross rates overnight though did lag the Swiss franc which was the best performing major currency. The premium to buy short term options, which protect against the downside for the US dollar, surged to the highest level since at least 2011.

It was a quiet session for NZ fixed income in the local session yesterday in the absence of economic data or other catalysts to provide the market with direction. An initial dip in yields retraced, and both the swap and government curve were largely unchanged by the close, as the market consolidated the recent selloff. Australian 10-year bond futures have increased 3bp in yield terms since the local close suggesting a modest upside bias for NZ rates on the open.

NZ filled jobs for December are released today. A small gain is expected, which would be consistent with a 0.3% increase in employment in the Q4 Household Labour Survey, when it is released next week. December quarter CPI in Australia will be closely monitored. The consensus expects an increase in the trimmed mean measure to 3.3% which is above the Reserve Bank of Australia's projection from November. The market is pricing close to a 60% chance of a 25bp hike next week. The Bank of Canada is expected to leave rates on hold along with the US Federal early tomorrow morning.

stuart_ritson@bnz.co.nz

Coming up

		Period	Cons.	Prev.	NZT
NZ	Filled Jobs (m/m%)	Dec		0.3	10:45
AU	CPI (y/y%)	4Q	3.6		13:30
AU	CPI Trimmed Mean (y/y%)	4Q	3.3	3	13:30
GE	GfK Consumer Confidence	Feb	-25.5	-26.9	20:00
CA	Bank of Canada Rate Decision	28-Jan	2.25	2.25	03:45
US	FOMC Rate (Upper Bound)	28-Jan	3.75	3.75	08:00

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		Last	% Day	% Year		Last	Net Day
NZD	0.6012	+0.6	0.5955	0.6022	CHF	0.7677 -1.2	S&P 500	6,982	+0.4	16.1	Oil (Brent)	67.01	+2.2
AUD	0.6973	+0.8	0.6902	0.6982	SEK	8.823 -1.2	Dow	48,982	-0.9	9.5	Oil (WTI)	61.99	+2.2
EUR	1.1963	+0.7	1.1850	1.1990	NOK	9.632 -1.4	Nasdaq	23,829	+1.0	23.2	Gold	5079.3	-0.0
GBP	1.3766	+0.6	1.3664	1.3791	HKD	7.800 +0.0	Stoxx 50	5,995	+0.6	15.5	HRC steel	940.0	-0.2
JPY	153.05	-0.7	152.88	154.88	CNY	6.955 +0.0	FTSE	10,208	+0.6	20.0	CRB	315.1	+0.9
CAD	1.3605	-0.7			SGD	1.263 -0.5	DAX	24,894	-0.2	17.0	Wheat Chic.	532.5	-0.1
NZD/AUD	0.8622	-0.2			IDR	16,768 -0.1	CAC 40	8,153	+0.3	3.1	Sugar	14.89	+0.5
NZD/EUR	0.5025	-0.1			THB	31.02 -0.3	Nikkei	53,334	+0.8	36.7	Cotton	63.72	+1.3
NZD/GBP	0.4367	+0.0			KRW	1,438 -0.3	Shanghai	4,140	+0.2	27.4	Coffee	366.9	+3.1
NZD/JPY	92.01	-0.1			TWD	31.47 -0.1	ASX 200	8,942	+0.9	6.5	WM powder	3515	+0.0
NZD/CAD	0.8179	-0.1			PHP	59.09 +0.2	NZX 50	13,511	+0.4	4.3	Australian Futures		
NZ TWI	68.13	+0.3					VIX Index	16.03	-0.7	-10.4	3 year bond	95.67	-0.01
Interest Rates											10 year bond	95.09	-0.07
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	3.41	3.87	USD	4.22 0.01	15-May-28	3.32	-0.01		BKBM 1-mth	2.41	0.00
AUD	3.60	3.81	4.23	4.94	AUD	4.84 0.03	20-Apr-29	3.58	-0.00		BKBM 3-mth	2.50	0.00
NZD	2.25	2.50	3.11	4.21	NZD	4.60 0.00	15-May-30	3.83	0.01		1 year	2.71	-0.00
EUR	2.00	2.04	2.26	2.90	GER	2.88 0.01	15-May-31	4.04	0.01		2 year	3.11	-0.00
GBP	3.75	4.00	3.56	4.13	GBP	4.53 0.03	15-May-32	4.19	0.01		3 year	3.39	-0.00
JPY	0.74	-0.03	1.27	2.05	JPY	2.29 0.05	14-Apr-33	4.30	0.01		5 year	3.74	-0.00
CAD	2.25	4.97	2.47	3.19	CAD	3.42 0.05	15-May-34	4.41	0.00		7 year	3.97	-0.01
Carbon Price					Policy Meeting Run			15-May-35	4.51	0.00	10 year	4.21	-0.00
	Level	% Day	% Year		NZD	AUD	USD	15-May-36	4.60	0.01	15 year	4.48	-0.01
NZU	33.70	+0.6	-47.2		1st	2.25	3.76	3.64	15-May-37	4.70	0.00	NZ Inflation-Indexed Bonds	
* These are indicative ranges from 5pm NZT;					2nd	2.26	3.80	3.61	15-May-41	4.97	0.01	Sept-30	1.70 -0.02
please confirm rates with your BNZ dealer					3rd	2.31	3.95	3.57	15-May-51	5.22	0.01	Sept-35	2.51 -0.02
Rates are as of: NZT 06:29					4th	2.37	4.00	3.45	15-May-54	5.23	0.00	Sept-40	2.92 -0.02
Source: Bloomberg					5th	2.49	4.11	3.37					

NZD exchange rates

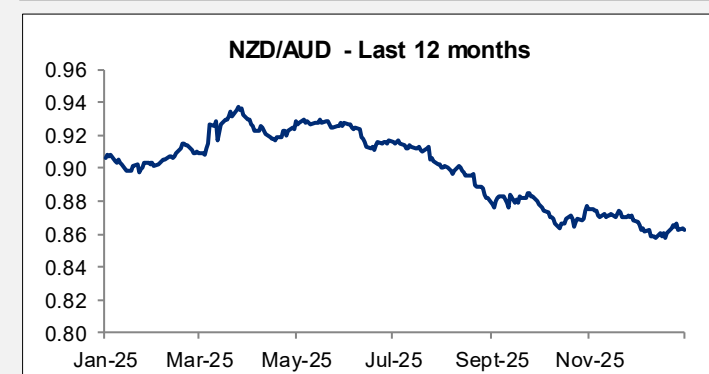
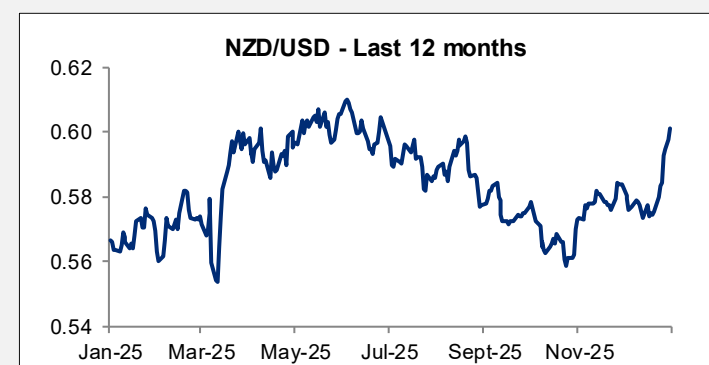
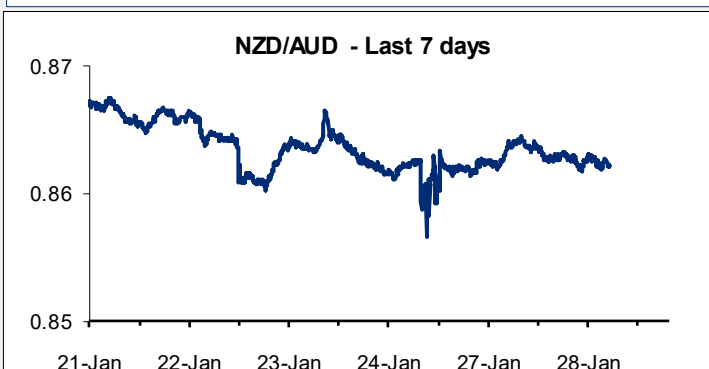
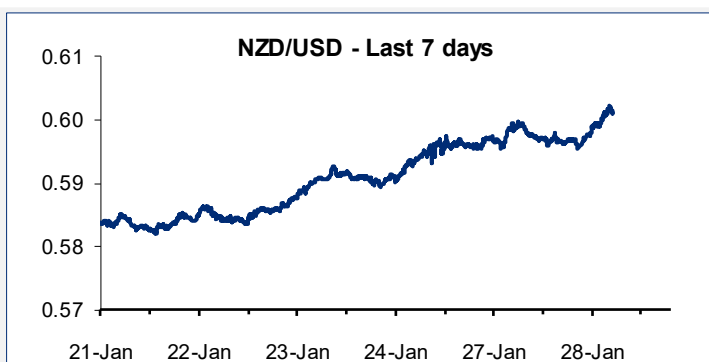
28/01/2026	6:29 am	Prev. NY close
USD	0.6012	0.5974
GBP	0.4367	0.4367
AUD	0.8622	0.8637
EUR	0.5025	0.5029
JPY	92.01	92.11
CAD	0.8179	0.8189
CHF	0.4615	0.4641
DKK	3.7527	3.7556
FJD	1.3441	1.3362
HKD	4.6896	4.6583
INR	55.14	54.94
NOK	5.7906	5.8374
PKR	168.25	167.18
PHP	35.52	35.23
PGK	2.5659	2.5519
SEK	5.3044	5.3375
SGD	0.7596	0.7585
CNY	4.1811	4.1544
THB	18.67	18.57
TOP	1.4053	1.3984
VUV	72.04	71.61
WST	1.6341	1.6263
XPF	60.77	60.60
ZAR	9.6001	9.5877

NZD/USD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	6.65	6.86
3 Months	20.18	20.68
6 Months	37.84	38.86
9 Months	50.32	52.32
1 Year	56.95	60.05

NZD/AUD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	9.62	10.05
3 Months	30.88	32.03
6 Months	65.69	68.36
9 Months	100.65	105.38
1 Year	132.41	139.41



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

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