

# Research Markets Today

28 July 2026

## Events round-up

GE: IFO expectations, Jul: 86.7 vs. 84.8 exp.

US: Durable goods orders (m/m%), Jun: 0.3 vs. 1.5 exp.

US: Durables ex transport (m/m%), Jun: 0.6 vs. 0.9 exp.

## Good morning

Oil prices have fallen sharply to begin the week after the Trump administration paused plans to escalate strikes against Iran. The pause eased concerns over potential disruption to Middle East energy supplies and initially supported risk appetite. US equity-index futures gained in Asian trading, although the advance faded overnight, leaving the S&P 500 close to flat in afternoon US trade as chip stocks weighed on the index. Bond yields declined, while an initial fall in the US dollar was later pared.

Brent crude traded below \$90 a barrel when futures markets opened yesterday morning, down from almost \$99 at the end of last week. The move lower was sustained overnight. President Trump said he had paused attacks on Iran to give negotiations another chance. In an interview, he said "very deep talks" were taking place with Iran and that "if they don't work out, we will go back to very strong military action." Iranian and Omani negotiators are reportedly seeking an agreement to restart shipping through the Strait of Hormuz.

Global bond yields fell in response to lower oil prices. 10-year Treasury yields declined to 4.64% when trading began in Asia, extending the pullback after reaching 2026 highs last week. However, there has been limited follow-through overnight, with few additional catalysts and only second-tier economic data. Investor demand was solid at the \$69 billion auction of two-year Treasuries, although a sale of five-year notes drew less demand.

Germany's business outlook improved for a third month, showing signs of resilience despite higher energy prices and geopolitical uncertainty. The Ifo expectations index rose to 86.7, above every economist estimate in Bloomberg's survey. The improvement had limited market impact. The German sovereign curve shifted 4bp lower in

parallel, with 10-year Bunds closing at 3.14%, reflecting the broader decline in energy prices.

The US dollar initially weakened against other G10 currencies in Asia as risk sentiment recovered and equities rose. However, the move faded overnight, with the dollar index fully reversing its earlier decline. The Norwegian krone underperformed, reflecting its sensitivity to oil prices. Otherwise, currency moves were modest. After trading above 0.5800 yesterday afternoon, NZD/USD has dipped towards 0.5780. There were limited moves in the main NZD cross rates.

After 2-year rates closed at new 2026 highs on Friday, NZ yields retraced significantly in yesterday's local session, driven by the rally in global fixed income as oil prices fell. NZ swap rates closed 9-10bp lower across the curve, with 2-year rates ending at 3.72% and 10-year rates at 4.41%. NZGBs saw similar price action, with the government curve broadly matching the move in swaps. 10-year NZGBs closed at 4.70%, after peaking near 4.80% late last week.

Australian 10-year bond futures are about 2bp higher in yield terms since the local close suggesting a modest upside for NZ rates on the open.

Filled jobs for June is the only domestic release of note today. We expect a modest gain, broadly consistent with our projected increase in Q2 HLFS employment next week, though the two series do not move one-for-one. RBA Governor Bullock speaks this afternoon, while the Conference Board measure of US consumer confidence will draw some interest overnight.

[stuart\\_ritson@bnz.co.nz](mailto:stuart_ritson@bnz.co.nz)

## Coming up

|    |                                 | Period | Cons. | Prev. | NZT   |
|----|---------------------------------|--------|-------|-------|-------|
| NZ | Filled Jobs (m/m%)              | Jun    | 0.3   | 10:45 |       |
| AU | RBA's Bullock-Speech            |        |       | 15:05 |       |
| US | Adv. Goods Trade Balance (\$bn) | Jun    | -100  | -106  | 00:30 |
| US | Conf. Board Consumer Conf.      | Jul    | 92.1  | 91.2  | 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   |                     | Last      | % Day       | % Year                           |                            | Last   | Net Day |
| NZD                                                                                      | 0.5775 | -0.3                            | 0.5773      | 0.5807 | CHF                   | 0.8189 | +0.1    | S&P 500             | 7,401     | -0.2        | 15.8                             | Oil (Brent)                | 88.38  | -8.7    |
| AUD                                                                                      | 0.6988 | +0.1                            | 0.6986      | 0.7010 | SEK                   | 9.729  | +0.1    | Dow                 | 52,073    | +0.2        | 16.0                             | Oil (WTI)                  | 82.34  | -7.8    |
| EUR                                                                                      | 1.1371 | +0.0                            | 1.1368      | 1.1410 | NOK                   | 9.668  | +0.9    | Nasdaq              | 24,848    | -0.5        | 17.7                             | Gold                       | 4080.2 | +0.2    |
| GBP                                                                                      | 1.3291 | -0.3                            | 1.3284      | 1.3352 | HKD                   | 7.842  | -0.0    | Stoxx 50            | 6,282     | +0.0        | 17.4                             | HRC steel                  | 1156.0 | +0.0    |
| JPY                                                                                      | 163.71 | -0.1                            | 163.33      | 163.77 | CNY                   | 6.765  | -0.1    | FTSE                | 10,782    | +0.4        | 18.2                             | CRB                        | 395.7  | -1.1    |
| CAD                                                                                      | 1.4122 | +0.2                            |             |        | SGD                   | 1.291  | +0.1    | DAX                 | 25,361    | +1.0        | 4.7                              | Wheat Chic.                | 678.8  | -2.4    |
| NZD/AUD                                                                                  | 0.8264 | -0.3                            |             |        | IDR                   | 18,009 | +0.3    | CAC 40              | 8,406     | +0.4        | 7.3                              | Sugar                      | 14.58  | -1.4    |
| NZD/EUR                                                                                  | 0.5079 | -0.3                            |             |        | THB                   | 33.62  | -0.2    | Nikkei              | 64,931    | +0.5        | 58.4                             | Cotton                     | 79.41  | +1.1    |
| NZD/GBP                                                                                  | 0.4345 | -0.0                            |             |        | KRW                   | 1,467  | +0.5    | Shanghai            | 3,858     | +1.2        | 7.4                              | Coffee                     | 324.6  | +2.9    |
| NZD/JPY                                                                                  | 94.54  | -0.3                            |             |        | TWD                   | 32.29  | -0.3    | ASX 200             | 8,894     | +1.4        | 2.3                              | WM powder                  | 3500   | +0.9    |
| NZD/CAD                                                                                  | 0.8155 | -0.1                            |             |        | PHP                   | 61.68  | -0.3    | NZX 50              | 13,851    | +0.6        | 7.3                              | Australian Futures         |        |         |
| NZ TWI                                                                                   | 66.26  | -0.4                            |             |        |                       |        |         | VIX Index           | 19.22     | +3.4        | +28.7                            | 3 year bond                | 95.39  | 0.11    |
|                                                                                          |        |                                 |             |        |                       |        |         |                     |           |             |                                  | 10 year bond               | 94.95  | 0.03    |
| 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                            | 4.17        | 4.22   | USD                   | 4.64   | -0.03   | 15-May-28           | 3.67      | -0.10       | BKBM 1-mth                       | 2.70                       | 0.00   |         |
| AUD                                                                                      | 4.35   | 4.54                            | 4.66        | 5.10   | AUD                   | 5.00   | -0.09   | 20-Apr-29           | 3.88      | -0.10       | BKBM 3-mth                       | 2.91                       | 0.01   |         |
| NZD                                                                                      | 2.50   | 2.91                            | 3.72        | 4.41   | NZD                   | 4.71   | -0.09   | 15-May-30           | 4.04      | -0.09       | 1 year                           | 3.42                       | -0.03  |         |
| EUR                                                                                      | 2.25   | 2.49                            | 2.99        | 3.16   | GER                   | 3.13   | -0.04   | 15-May-31           | 4.20      | -0.09       | 2 year                           | 3.72                       | -0.09  |         |
| GBP                                                                                      | 3.75   | 3.87                            | 4.29        | 4.57   | GBP                   | 5.00   | -0.04   | 15-May-32           | 4.33      | -0.09       | 3 year                           | 3.86                       | -0.10  |         |
| JPY                                                                                      | 0.98   | -0.03                           | 1.55        | 2.67   | JPY                   | 2.79   | -0.03   | 14-Apr-33           | 4.42      | -0.09       | 5 year                           | 4.06                       | -0.09  |         |
| CAD                                                                                      | 2.25   | 4.97                            | 2.81        | 3.32   | CAD                   | 3.56   | -0.04   | 15-May-34           | 4.52      | -0.09       | 7 year                           | 4.22                       | -0.09  |         |
| Carbon Price                                                                             |        |                                 |             |        | Policy Meeting Run    |        |         |                     |           |             |                                  |                            |        |         |
|                                                                                          | Level  | % Day                           | % Year      |        | NZD                   | AUD    | USD     |                     |           |             |                                  |                            |        |         |
| NZU                                                                                      | 55.50  | -0.1                            | -1.0        |        | 1st                   | 2.74   | 4.43    | 3.73                | 15-May-35 | 4.62        | -0.09                            | 10 year                    | 4.41   | -0.09   |
| * These are indicative ranges from 5pm NZT;<br>please confirm rates with your BNZ dealer |        |                                 |             |        | 2nd                   | 2.91   | 4.47    | 3.90                | 15-May-36 | 4.71        | -0.09                            | 15 year                    | 4.65   | -0.09   |
| Rates are as of: NZT 06:18                                                               |        |                                 |             |        | 3rd                   | 3.11   | 4.58    | 3.98                | 15-May-37 | 4.79        | -0.09                            | NZ Inflation-Indexed Bonds |        |         |
| Source: Bloomberg                                                                        |        |                                 |             |        | 4th                   | 3.28   | 4.62    | 4.07                | 15-May-41 | 5.07        | -0.08                            | Sept-30                    | 1.66   | -0.03   |
|                                                                                          |        |                                 |             |        | 5th                   | 3.42   | 4.65    | 4.12                | 15-May-51 | 5.30        | -0.09                            | Sept-35                    | 2.47   | -0.04   |
|                                                                                          |        |                                 |             |        |                       |        |         |                     |           |             |                                  | Sept-40                    | 2.94   | -0.03   |

**NZD exchange rates**

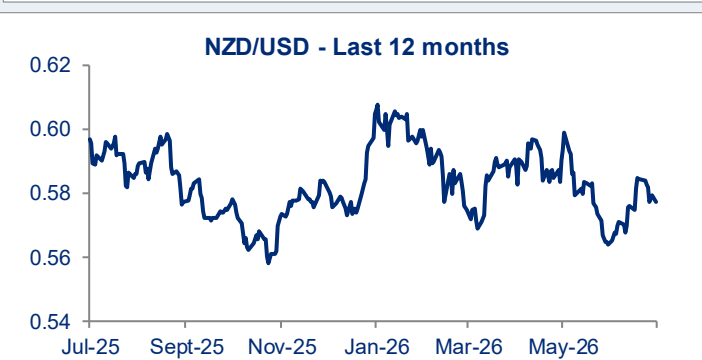
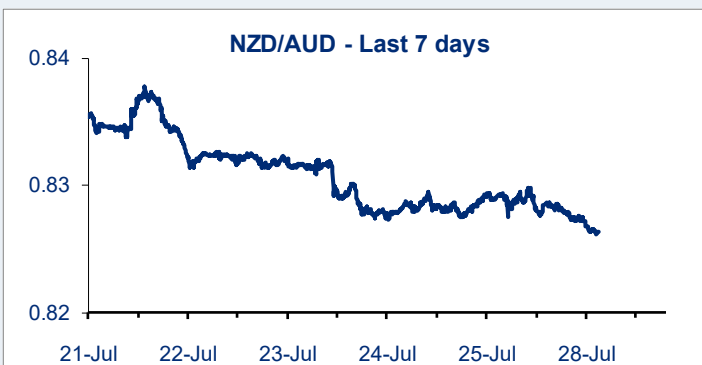
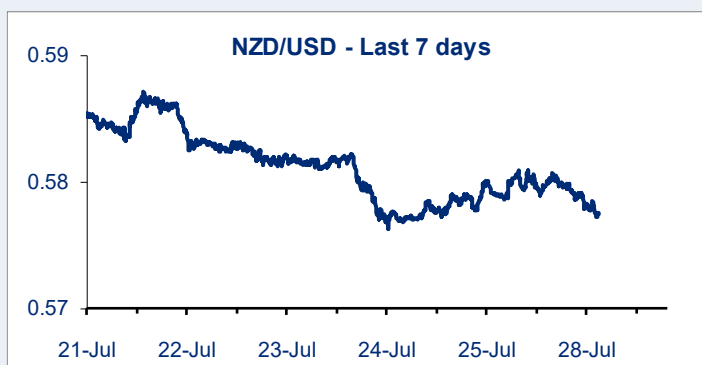
| 28/07/2026 | 6:18 am | Prev. NY close |
|------------|---------|----------------|
| USD        | 0.5775  | 0.5793         |
| GBP        | 0.4345  | 0.4347         |
| AUD        | 0.8264  | 0.8301         |
| EUR        | 0.5079  | 0.5095         |
| JPY        | 94.54   | 94.91          |
| CAD        | 0.8155  | 0.8166         |
| CHF        | 0.4729  | 0.4740         |
| DKK        | 3.7963  | 3.8085         |
| FJD        | 1.2879  | 1.2937         |
| HKD        | 4.5288  | 4.5432         |
| INR        | 55.38   | 55.94          |
| NOK        | 5.5834  | 5.5484         |
| PKR        | 160.47  | 160.97         |
| PHP        | 35.62   | 35.83          |
| PGK        | 2.5485  | 2.5531         |
| SEK        | 5.6187  | 5.6327         |
| SGD        | 0.7458  | 0.7476         |
| CNY        | 3.9059  | 3.9225         |
| THB        | 19.39   | 19.51          |
| TOP        | 1.3569  | 1.3466         |
| VUV        | 68.91   | 69.09          |
| WST        | 1.5723  | 1.5775         |
| XPF        | 60.45   | 60.64          |
| ZAR        | 9.6792  | 9.7538         |

**NZD/USD Forward Points**

|          | BNZ buys NZD | BNZ sells NZD |
|----------|--------------|---------------|
| 1 Month  | 6.29         | 6.52          |
| 3 Months | 16.23        | 16.83         |
| 6 Months | 30.22        | 31.38         |
| 9 Months | 40.36        | 42.60         |
| 1 Year   | 48.20        | 51.80         |

**NZD/AUD Forward Points**

|          | BNZ buys NZD | BNZ sells NZD |
|----------|--------------|---------------|
| 1 Month  | 13.36        | 13.87         |
| 3 Months | 34.99        | 36.32         |
| 6 Months | 65.58        | 68.35         |
| 9 Months | 90.27        | 95.25         |
| 1 Year   | 111.09       | 118.55        |



# Contact Details

## BNZ Research

**Stephen Toplis**

Head of Research

**Doug Steel**

Senior 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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