

Research Markets Today

29 April 2026

Events Round-Up

NZ: Filled jobs (m/m%), Mar: 0.3 vs. 0.2 prev.

JN: BoJ target rate (%), Apr: 0.75 vs. 0.75 exp.

EA: ECB 1-year CPI expectations (%), Mar: 4.0 vs. 2.5 prev.

US: Conf. Board consumer confid., Apr: 92.8 vs. 89.0 exp.

Good Morning

Risk sentiment is slightly weaker as investors await further updates on the US-Iran conflict. Brent crude has climbed above USD110 per barrel, global interest rates are rising, equity markets are softer, and the US dollar is broadly stronger. The NZD has fallen back below 0.59.

The US-Iran conflict remains unresolved. President Trump's social media posts continue to be unhelpful in resolving the situation. Overnight, he posted, "Iran has just informed us that they are in a 'State of Collapse.' They want us to 'Open the Hormuz Strait' as soon as possible, as they try to figure out their leadership situation (Which I believe they will be able to do!)." Meanwhile, CNN reported that mediators in Pakistan are expected to receive a revised proposal from Iran in the coming days aimed at ending the war.

Analytics firm Kpler estimates that Iran has between 12 and 22 days before its unsold oil fills available storage. After that point, the country will be forced to start shutting down production, which could permanently damage its ageing, low-pressure oil fields. Treasury Secretary Bessent claimed that Iran has already begun reducing production due to the US blockade. This underscores the urgency to reach an agreement that would reopen the Strait of Hormuz.

Oil prices have risen for a seventh consecutive day, with Brent crude trading as high as USD112.70 overnight and currently sitting at USD111. The UAE announced it would withdraw from the OPEC cartel, a move that allows it greater flexibility to invest in expanding output and adapt to the uncertain future surrounding the Strait of Hormuz.

On a positive note, the FT reported that China is set to resume exporting jet fuel, gasoline, and diesel from May. This move could significantly relieve global shortages caused by the Iran conflict. Sources indicated that China's fuel supply has stabilised, and the government intends to

export to Asian countries where stocks are dangerously low.

Global equity markets are weaker. Adding to the downward pressure on US equities, the WSJ reported that OpenAI missed its targets for new users and revenue, causing concern among company leaders about supporting its significant data centre expenditure. This has impacted the tech sector, with the Nasdaq index currently down close to 1% and the S&P500 falling 0.5%.

Global interest rates are rising, with a notable increase at the short end across Europe. The ECB's consumer inflation expectations survey showed a sharp rise in the 1-year ahead rate from 2.5% to 4.0%, and a three-years ahead increase from 2.5% to 3.0%. While markets expect the ECB to keep rates unchanged at this week's meeting, a 25bps hike at the June meeting is now fully priced in, with nearly three full hikes anticipated this year. Germany's 2-year bund yield rose 8bps to 2.65%, and the 10-year yield increased 3bps to 3.07%.

The US Treasury yield curve also flattened, with the 2-year yield up 4bps on the day and the 10-year yield rising 1bp to 4.35%. Rate changes by the Fed this year are still considered unlikely. The Conference Board's US consumer confidence index unexpectedly rose to 92.8 in April, its highest level since December. While surprising given the surge in petrol prices, this increase comes from a historically low base. Similarly, the labour market indicator—based on the gap between those saying jobs are plentiful and those saying jobs are hard to get—improved to a four-month high of 7.5.

Yesterday, the Bank of Japan kept its policy rate unchanged, as widely expected, though a 6-3 vote was somewhat surprising, with three members voting for a 25bps hike. However, a modest increase in the yen faded after Governor Ueda refrained from signalling imminent tightening at his press conference, despite reiterating the ongoing need to gradually raise interest rates.

Uncertainty in the Middle East has allowed the BoJ to maintain its ultra-loose policy stance despite mounting inflationary pressures. The BoJ continues to show little inclination to address deeply negative real interest rates that are weighing on the yen's value, despite four consecutive years of inflation above target. The market remains unconvinced that a rate hike will occur at the next

meeting in June, and even a 25bps hike in July is not fully priced in.

In currency markets, the US dollar is broadly stronger compared to this time yesterday, though overnight, the Australian dollar and euro have held steady. The NZD has sustained a fall below 0.59, and NZD/AUD is near multi-year lows just below 0.82. The NZD also posted minor losses against the euro, pound, and yen, while remaining flat against the Canadian dollar.

In the domestic rates market, yields largely tracked offshore movements, while domestic factors added upward pressure on short-end swaps. The 2-year swap rate has risen each day since last week's higher-than-expected CPI surprise, gaining another 6bps yesterday to reach 3.59%. It remains around 8bps below the peak in March. The 10-year swap rate increased 4bps to 4.37%, with NZGB yields showing similar moves. The May meeting is now priced for a 15bps increase by the OIS market, with total increases of 95bps expected by year-end—just short of four full hikes.

Looking ahead today, RBNZ Governor Breman will participate in a panel discussion, where she is likely to reiterate recent policy messages. Australian CPI data are expected to show annual headline inflation rising to 4.8% in March from 3.7%. More attention will be given to the quarterly trimmed mean, which is expected to show a 0.9% quarter-on-quarter increase—the same as in Q4—paving the way for another rate hike next week. German

CPI data are expected to show annual inflation rising to 3.1% in April from 2.8%.

The Bank of Canada and US Federal Reserve will provide policy updates overnight, with both central banks expected to remain in a wait-and-see mode before making any policy adjustments. For the Federal Reserve, it will be the last meeting chaired by Powell. Both meetings are expected to have little impact on markets.

jason.k.wong@bnz.co.nz

Coming Up

		Period	Cons.	Prev.	NZT
NZ	RBNZ's Breman speaks on panel				12:30
AU	CPI (y/y%)	Mar	4.8	3.7	13:30
AU	CPI trimmed mean (q/q%)	Q1	0.9	0.9	13:30
AU	CPI trimmed mean (y/y%)	Q1	3.5	3.4	13:30
EA	Economic confidence	Apr	95.1	96.6	21:00
GE	CPI EU harmonised (y/y%)	Apr	3.1	2.8	00:00
US	Goods trade balance (\$b)	Mar	-87.8	-98.5	00:30
US	Housing starts (k)	Mar	1388	1487	00:30
US	Building permits (k)	Mar	1390	1386	00:30
US	Durable goods orders (m/m%)	Mar	0.5	-1.3	00:30
US	Durables ex transport. (m/m%)	Mar	0.4	0.9	00:30
CA	Bank of Canada policy rate (%)	Apr	2.25	2.25	01:45
US	Fed Funds rate (upper bd)	Apr	3.75	3.75	06:00

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	0.5888	-0.4	0.5866	0.5894	CHF	0.7892	+0.5	S&P 500	7,133	-0.6	29.0	Oil (Brent)	111.56	+3.1
AUD	0.7186	+0.0	0.7151	0.7187	SEK	9.266	+0.5	Dow	49,135	-0.1	22.1	Oil (WTI)	100.28	+4.0
EUR	1.1716	-0.0	1.1678	1.1718	NOK	9.314	+0.3	Nasdaq	24,666	-0.9	42.0	Gold	4591.5	-1.8
GBP	1.3520	-0.1	1.3463	1.3521	HKD	7.837	-0.0	Stoxx 50	5,836	-0.4	12.9	HRC steel	1042.0	+0.0
JPY	159.58	+0.1	159.27	159.79	CNY	6.838	+0.2	FTSE	10,333	+0.1	22.8	CRB	381.2	+0.6
CAD	1.3683	+0.4			SGD	1.276	+0.2	DAX	24,018	-0.3	7.8	Wheat Chic.	658.3	+4.5
NZD/AUD	0.8194	-0.3			IDR	17,243	+0.2	CAC 40	8,104	-0.5	7.0	Sugar	14.11	+2.2
NZD/EUR	0.5026	-0.3			THB	32.51	+0.5	Nikkei	59,917	-1.0	66.2	Cotton	77.34	+0.4
NZD/GBP	0.4355	-0.2			KRW	1,473	-0.1	Shanghai	4,079	-0.2	24.0	Coffee	290.7	+1.3
NZD/JPY	93.96	-0.2			TWD	31.53	+0.2	ASX 200	8,711	-0.6	7.9	WM powder	3825	+0.9
NZD/CAD	0.8057	+0.1			PHP	61.29	+0.9	NZX 50	12,764	-0.9	6.1	Australian Futures		
NZ TWI	66.75	-0.3						VIX Index	18.23	+1.2	-27.5	3 year bond	95.27	-0.04
												10 year bond	94.91	-0.05

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	3.67	3.90	USD	4.35	0.01	15-May-28	3.65	0.05	BKBM 1-mth	2.40	0.00
AUD	4.10	4.37	4.78	5.15	AUD	5.03	0.05	20-Apr-29	3.85	0.04	BKBM 3-mth	2.62	0.03
NZD	2.25	2.62	3.59	4.37	NZD	4.74	0.04	15-May-30	4.03	0.03	1 year	3.21	0.04
EUR	2.00	2.17	2.83	3.10	GER	3.07	0.03	15-May-31	4.22	0.03	2 year	3.59	0.06
GBP	3.75	3.86	4.33	4.54	GBP	5.01	0.03	15-May-32	4.37	0.03	3 year	3.77	0.05
JPY	0.74	-0.03	1.38	2.28	JPY	2.48	0.00	14-Apr-33	4.47	0.04	5 year	4.01	0.05
CAD	2.25	4.97	2.75	3.27	CAD	3.52	0.02	15-May-34	4.56	0.04	7 year	4.18	0.05
								15-May-35	4.65	0.04	10 year	4.37	0.04
								15-May-36	4.74	0.04	15 year	4.61	0.05
								15-May-37	4.82	0.04			
								15-May-41	5.07	0.04			
								15-May-51	5.29	0.03			
								15-May-54	5.30	0.03			

Carbon Price				Policy Meeting Run			
	Level	% Day	% Year		NZD	AUD	USD
NZU	49.75	+1.1	+1.7	1st	2.40	4.32	3.65
				2nd	2.61	4.42	3.64
				3rd	2.84	4.60	3.63
				4th	3.01	4.71	3.61
				5th	3.20	4.81	3.60

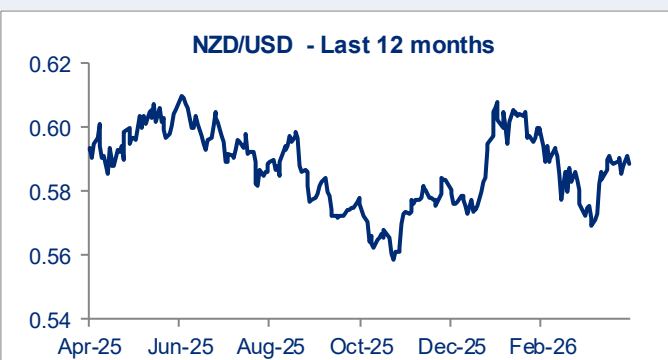
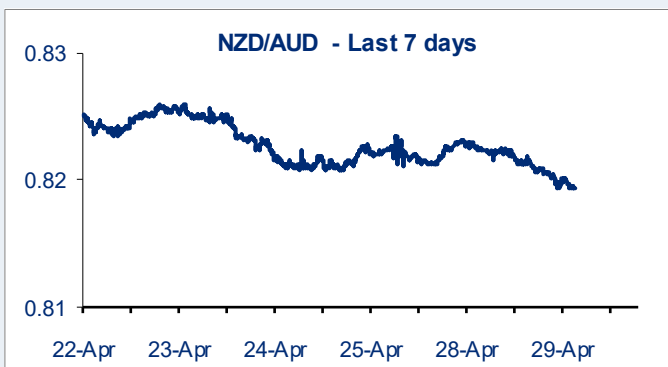
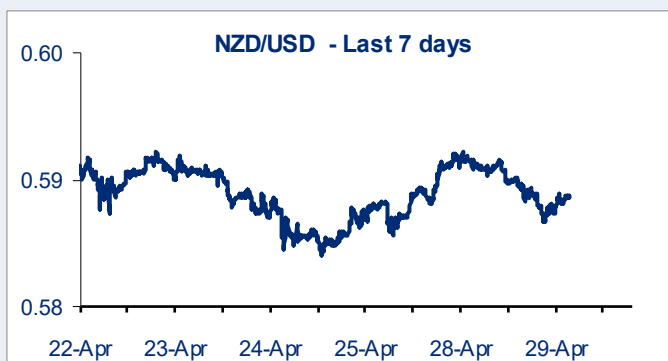
* These are indicative ranges from 5pm NZT; please confirm rates with your BNZ dealer

Rates are as of: NZT 06:48

Source: Bloomberg

NZD exchange rates

29/04/2026	6:48 am	Prev. NY close
USD	0.5888	0.5908
GBP	0.4355	0.4365
AUD	0.8194	0.8222
EUR	0.5026	0.5041
JPY	93.96	94.19
CAD	0.8057	0.8051
CHF	0.4645	0.4641
DKK	3.7550	3.7663
FJD	1.3003	1.3085
HKD	4.6111	4.6302
INR	55.63	55.65
NOK	5.4837	5.4892
PKR	164.35	#VALUE!
PHP	36.05	35.88
PGK	2.5549	2.5698
SEK	5.4583	5.4463
SGD	0.7512	0.7529
CNY	4.0235	4.0332
THB	19.13	19.11
TOP	1.3533	1.3720
VUV	69.43	69.89
WST	1.6017	1.5949
XPF	59.96	60.17
ZAR	9.7358	9.7730



NZD/USD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	5.76	5.96
3 Months	16.50	16.99
6 Months	27.65	28.74
9 Months	32.94	35.72
1 Year	34.41	38.39

NZD/AUD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	11.94	12.42
3 Months	37.19	38.26
6 Months	72.89	75.40
9 Months	104.75	109.96
1 Year	131.69	139.57

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 Street
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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