

Research

Markets Today

30 January 2026

Events round-up

US: Fed Funds rate (upper bd %), Jan: 3.75 vs. 3.75 exp.
NZ: Trade balance (ann \$b), Dec: -2.2 vs. -2.2 prev.
NZ: ANZ activity outlook (net%), Jan: 51.6 vs. 60.9 prev.
EC: Economic confidence, Jan: 99.4 vs. 97.1 exp.
US: Initial jobless claims (k), 24 Jan: 209 vs. 205 exp.

Good morning

There was a risk-off tone across global equity markets led by US technology stocks. Microsoft reported higher-than-expected spending on AI infrastructure, reigniting investor concerns about the vast capital expenditure by large US technology companies. The S&P is down 1% in afternoon trading having rebounded from a larger decline. News of a potential deescalation in the Ukraine conflict contributed to the recovery off the session lows. There were limited moves for government bond markets while the US dollar is broadly firmer against G10 currencies. The AUD and NZD had large swings and traded in a wide range.

Brent crude futures traded above US\$71, and to the highest levels since the middle of last year, after President Trump increased threats against Iran. He said a range of options are being considered, including strikes against the country's leadership, though no final decision had been taken. Precious metals were volatile. Gold surged to a record high just below \$5,600 per ounce before a sharp retracement that corresponded with the fall in equity markets.

Earlier yesterday, the US Federal Reserve kept rates steady as expected. The central bank highlighted continued improvement in underlying economic conditions while signalling a more measured stance toward prospective policy adjustments. The decision was not unanimous, with Governors Waller and Miran dissenting in favour of a 25bp reduction. Chair Powell noted that the economic outlook has strengthened relative to the previous meeting and that labour-market conditions have stabilised. However, he also acknowledged emerging evidence of ongoing cooling across several activity indicators, reinforcing the FOMC's cautious posture.

US treasury yields are marginally lower set against the weak risk backdrop. The market is pricing around 50bp easing by the Fed which is little changed following the

FOMC. There was limited economic data to provide the market with direction. Initial jobless were in line with consensus estimates.

A relaxation in property regulations in China provided support to pro-cyclical exposures. China is no longer requiring regular reporting on the '3 red lines' policy imposed on property developers in 2020. The news contributed to large gains in the stocks of Chinese property developers and supported base metals. Iron ore prices rallied and copper futures traded to a record high.

The US dollar is marginally firmer against the majors in offshore trade while the AUD and NZD have made larger declines amid the volatility in commodity markets. The AUD had gained initially following the developments in China and rally in base metals which saw NZD/USD trade up towards 0.6090. However, both the AUD and NZD dropped sharply alongside equities and the retracement in metals. The NZD is weaker on the major crosses since the local close except for NZD/AUD which has rebounded towards 0.8630.

An initial offshore rally in NZ fixed income which saw 2-year rates dip towards 3.10% retraced with swap rates ending the local session 1bp higher across the curve. The rebound from the session lows corresponded with a move higher in the Australian market. 2-year rates closed at 3.15% and back at the recent peak. Government bonds outperformed swaps at the margin and there was a flattening at the long end of the government curve. The NZGB 10y/30y curve is back at the December lows after the flattening move through this month.

ANZ consumer confidence is released today. Confidence has been moving higher in recent months. A further improvement is required to be consistent with our outlook for spending growth. Preliminary CPI data for Germany is scheduled ahead of the Eurozone release on Monday. Inflation is benign, which relates to a variety of factors, and risks coming in below ECB forecasts in Q1. The advanced reading of Q4 GDP is expected to show the economy expanded 0.2%.

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Coming up

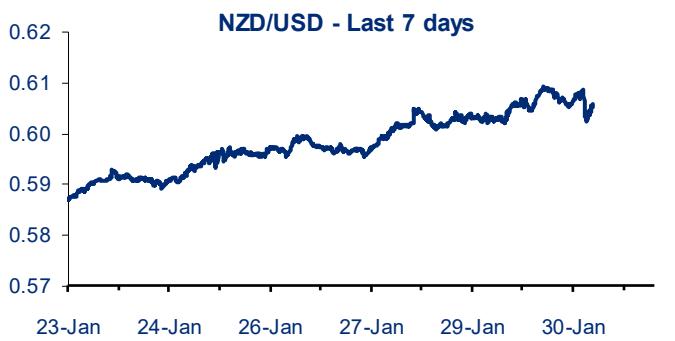
		Period	Cons.	Prev.	NZT
NZ	ANZ Consumer Confidence Index	Jan	101.5	10:00	
JN	Tokyo CPI (y/y%)	Jan	1.7	2	12:30
JN	Tokyo CPI Ex Food, Energy (y/y%)	Jan	2.6	2.6	12:30
GE	Unemployment Claims Rate SA	Jan	6.3	6.3	21:55
GE	GDP SA (q/q%)	4Q P	0.2	0	22:00
EC	GDP SA (q/q%)	4Q A	0.2	0.3	23:00
EC	Unemployment Rate	Dec	6.3	6.3	23:00
GE	CPI (y/y%)	Jan P	1.9	1.8	02:00
GE	CPI EU Harmonized (y/y%)	Jan P	2	2	02:00
CA	GDP (m/m%)	Nov	0.1		02:30
US	PPI Ex Food and Energy (m/m%)	Dec	0.2	0	02:30
US	PPI Ex Food and Energy (y/y%)	Dec	2.9	3	02:30
US	MNI Chicago PMI	Jan	43.5	43.5	03:45
Saturday					
CH	Manufacturing PMI	Jan	50.1	50.1	14:30
CH	Non-manufacturing PMI	Jan	50.3	50.2	14:30

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	Last	Net Day						
NZD	0.6059	-0.0	0.6023	0.6089	CHF	0.7671	-0.1	S&P 500	6,917	-0.8	14.5				
AUD	0.7023	-0.3	0.6969	0.7089	SEK	8.829	-0.1	Dow	48,987	-0.0	9.6				
EUR	1.1948	-0.1	1.1906	1.1996	NOK	9.552	-0.4	Nasdaq	23,491	-1.5	19.7				
GBP	1.3798	-0.1	1.3743	1.3848	HKD	7.805	+0.1	Stoxx 50	5,892	-0.7	12.6				
JPY	152.87	-0.3	152.68	153.54	CNY	6.952	+0.1	FTSE	10,172	+0.2	18.9				
CAD	1.3516	-0.3			SGD	1.265	+0.2	DAX	24,309	-2.1	12.3				
NZD/AUD	0.8627	+0.2			IDR	16,755	+0.2	CAC 40	8,071	+0.1	2.5				
NZD/EUR	0.5071	+0.0			THB	31.30	+0.6	Nikkei	53,376	+0.0	35.1				
NZD/GBP	0.4391	+0.0			KRW	1,434	-0.1	Shanghai	4,158	+0.2	27.9				
NZD/JPY	92.62	-0.3			TWD	31.34	+0.2	ASX 200	8,928	-0.1	5.1				
NZD/CAD	0.8189	-0.3			PHP	58.95	+0.3	NZX 50	13,349	-0.5	3.3				
NZ TWI	68.58	+0.1						VIX Index	18.11	+10.8	+9.4				
Australian Futures															
3 year bond		95.71		10 year bond		95.17									
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	3.39	3.86	USD	4.24	-0.00	15-May-28	3.36	0.01					
AUD	3.60	3.85	4.19	4.88	AUD	4.84	0.02	20-Apr-29	3.63	0.02					
NZD	2.25	2.51	3.15	4.25	NZD	4.62	0.00	15-May-30	3.87	0.01					
EUR	2.00	2.03	2.22	2.86	GER	2.84	-0.02	15-May-31	4.09	0.01					
GBP	3.75	4.00	3.54	4.11	GBP	4.51	-0.03	15-May-32	4.23	0.00					
JPY	0.74	-0.03	1.24	2.02	JPY	2.26	0.02	14-Apr-33	4.34	0.00					
CAD	2.25	4.97	2.45	3.18	CAD	3.41	-0.01	15-May-34	4.45	0.00					
Carbon Price															
Level		% Day	% Year	Policy Meeting Run											
NZU		34.75	+1.8			NZD		Last							
			-45.5	1st		AUD		Chg							
				2.26		3.78		15-May-36							
				2.26		3.60		4.62							
				2nd		3.82		4.24							
				3rd		3.95		4.45							
				4th		3.99		4.55							
				5th		4.08		4.55							
NZ Inflation-Indexed Bonds															
Sept-30		1.72		15-May-41		4.98		-0.02							
Sept-35		2.53		15-May-51		5.22		-0.02							
Sept-40		2.93		15-May-54		5.22		-0.02							

NZD exchange rates

30/01/2026	6:19 am	Prev. NY close
USD	0.6059	0.6061
GBP	0.4391	0.4389
AUD	0.8627	0.8608
EUR	0.5071	0.5070
JPY	92.62	92.98
CAD	0.8189	0.8217
CHF	0.4648	0.4656
DKK	3.7868	3.7856
FJD	1.3438	1.3448
HKD	4.7293	4.7284
INR	55.72	55.63
NOK	5.7877	5.8161
PKR	169.56	169.62
PHP	35.72	35.61
PGK	2.5871	2.5869
SEK	5.3492	5.3567
SGD	0.7666	0.7654
CNY	4.2125	4.2114
THB	18.88	18.82
TOP	1.4176	1.4165
VUV	72.47	72.51
WST	1.6488	1.6452
XPF	61.29	61.29
ZAR	9.5726	9.5601

**NZD/USD Forward Points**

	BNZ buys NZD	BNZ sells NZD
1 Month	6.30	6.54
3 Months	20.19	20.61
6 Months	37.41	38.41
9 Months	49.20	51.20
1 Year	55.13	58.07

NZD/AUD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	9.34	9.78
3 Months	31.46	32.48
6 Months	66.09	68.67
9 Months	99.33	104.02
1 Year	129.80	136.64

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