

Research Markets Outlook

5 October 2026

All eyes on the QSBO

- **QSBO expected to indicate ongoing expansion**
- **Despite a range of headwinds**
- **Cost and price gauges likely elevated**
- **Lower NZD, higher fuel costs key contributors**
- **Tightness indicators important to monitor too**

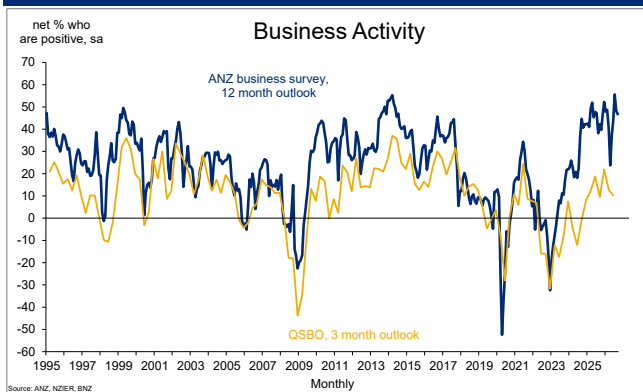
Tomorrow's NZIER Quarterly Survey of Business Opinion (QSBO) is the key data release this week. If it were to follow other indicators, it would indicate the economy is continuing to recover slowly while cost and inflation pressures remain elevated.

Real activity expectations consistent with even modest expansion would be a commendable result, especially in the context of:

- resurgent domestic fuel prices;
- no clear pathway to resolve Middle East tensions;
- rising interest rates;
- election uncertainty;
- a very strong El Nino weather threat to primary production ahead.

Perhaps folk have become a bit desensitised to the risks, but there was little doubting the positive vibes in last week's ANZ business survey with ongoing strength in business confidence and firms' own activity expectations. Given the headwinds, that positivity is quite remarkable.

QSBO activity expectations to remain growth supportive?

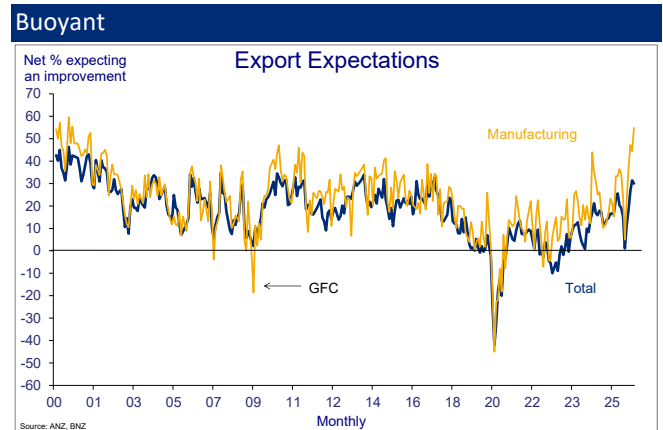


That said, optimism wasn't uniform, expected growth is off a low base, and late month responses suggested sentiment waned a bit through the month. It is difficult to know how much to trust inter-month movements.

We remain of the opinion that growth has continued in the second half of the year. We look for the QSBO to support

this view, although we very much doubt it will match the enthusiasm of last week's monthly survey. Our respective Q3 and Q4 GDP forecasts remain at 0.5% q/q and 0.4% q/q, which equates to around 2% growth for the year.

We have certainly seen some better-looking numbers from the Performance of Manufacturing Index (PMI) over recent months and manufacturers' own activity and profit expectations in last week's business survey rose to their highest level since the early 1990s. Exports are part of this. A lower NZD, particularly against the AUD, is supporting export expectations which have lifted to their highest level since 2000.

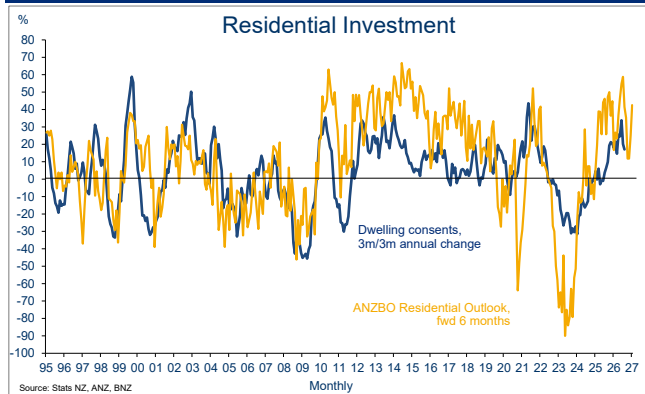


In contrast, service sector growth, while positive, appears to be still lagging other sectors. The Performance of Services Index (PSI) has turned positive, but not to the same degree as the PMI. Last week's consumer confidence reading was remarkably resilient to further fuel price increases but remains at a level that indicates subdued real household spending growth. Housing market indicators also remain muted.

Construction indicators have been mixed, but net positive driven by infrastructure investment and improvement in residential building activity. In August, residential building consents were 11.7% higher than a year ago. Together with positive construction sector sentiment in last week's business survey, the data promise more building activity ahead. We look for similar guidance from the QSBO tomorrow.

More broadly firms' investment intentions in the QSBO will give direction for capital expenditure ahead, with the latter pushing meaningfully above year earlier levels in Q2.

Positive signals for residential building



We are also keen to see the QSBO's guidance on costs and inflationary pressures. This, at a time when imported inflation risks continue to climb.

The NZ TWI slipped below 64 last week to be around 4.3% below the RBNZ's assumptions in its September Monetary Policy Statement. If sustained, this would add around 0.4 percentage points to inflation forecasts over the coming year or so. Higher refined petroleum product prices have been compounded by the currency move, lifting domestic petrol prices to within a whisker of their Q2 peak.

All this maintains upside risk to our Q4 annual CPI forecast of 4.3%, following an expected dip to 3.8% in Q3 from Q2's 4.1%. For reference, the RBNZ forecast 3.9% annual CPI inflation for both Q3 and Q4.

Pricing intentions and inflation expectations edged lower in the ANZ business survey last week despite rising fuel prices and a lower NZD. Wage inflation gauges inched higher. Consumer inflation expectations eased marginally lower, from 4.7% to 4.5% for the month overall, although the late month sample saw them back above 5%.

Still too high

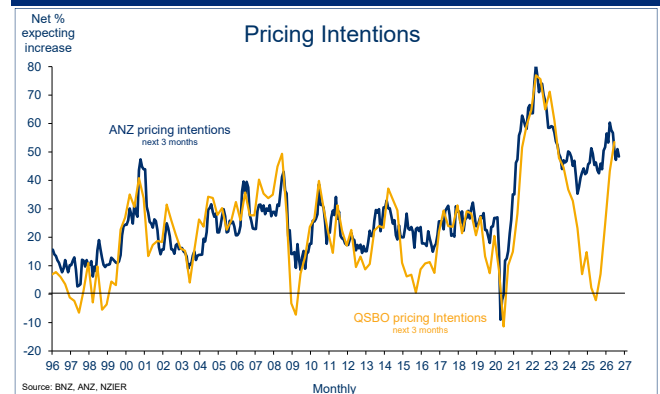


Pricing intentions and inflation expectations moves are small and do not conclusively show things are heading in the direction, but they offer a modicum of hope.

The indicators remain elevated compared to historical averages. They need to fall significantly further to be consistent with inflation falling to the midpoint of the RBNZ's target band.

The same is true for QSBO pricing intentions, which rose sharply in the previous two surveys. Judging by historical relationships, anything like the previous outcome in tomorrow's release would see it at a level consistent with annual CPI inflation around 5%. It would need to ease a fair way to provide comfort that inflation is dead and buried.

Pricey



QSBO labour market indicators will also be worth a look. Employment intentions have been strengthening and consistent with moderate employment growth.

The survey's difficulty in finding labour questions will give a guide to pressures in the labour market. While labour demand has been increasing so too has labour supply. The QSBO indicators will give a feel for the balance between the two. This, in turn, will give a sense of directional pressure on the unemployment rate and wage inflation.

The QSBO's other tightness indicators including factor constraints on firms' ability to increase output, will also be followed closely. They will give a feel for the size of the output gap. They have been mixed of late rather than universally weak.

The QSBO will be of obvious interest to the RBNZ to gauge activity and associated inflationary pressures. After the QSBO, September's Selected Prices on 16 October, and the Q3 CPI on 22 October are the other key releases ahead of the Bank's 28 October Monetary Policy Review.

Turning to the remainder of this week's data. This afternoon's ANZ commodity prices are expected to show subdued world prices for NZ's major export commodities, but a falling NZ dollar will add a bit more life to prices in NZ dollar terms for September.

Indicators for the GDT dairy auction early Wednesday morning look more positive than negative. A positive outcome would add to a falling NZ dollar that suggests upside risk to Fonterra's (and our) \$9.50 milk price forecast for the 2026/27 season.

Lastly, the Government's Financial Statements for the year ended June 2026 are to be released on Thursday. One would expect these to be not too far away from the unaudited accounts published in last week's PREFU.

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Global Watch

- **A quiet week of data ahead**
- **FOMC minutes released**
- **ECB and BoE speakers will be watched**

This will be a quiet week of data after a bumper crop last week. Final services PMIs are out for Australia, Japan, the UK and the euro-zone (Monday) and the US (Tuesday). Preliminary surveys have reinforced US outperformance (although the final US manufacturing outcome last week wasn't quite as strong as initially reported), with Europe improving and the UK remaining in expansionary territory. EU-China trade talks are taking place Thursday and Friday.

Australian Westpac consumer confidence and ANZ-indeed job ads are out Tuesday, followed by Melbourne Institute inflation expectations on Thursday. Monday is a public holiday in NSW, QLD, SA and ACT.

In Japan, the BoJ's Ueda speaks Tuesday. Wage data (Wednesday), trade (Thursday), household spending and machine tool orders (both Friday) fill out the local slate. China's markets are closed through to Wednesday for its weeklong Golden Week holiday. Credit data is due on Friday.

In the US, FOMC minutes will be released on Thursday and cover the September 25bp hike. PCE data last week makes the inflation picture a little less worrying. Ahead of Payrolls, markets lean towards a hold this month and remain priced for a hike in December. ISM services and the trade balance (both Tuesday) are the other main prints, with UMich sentiment's preliminary October print out on Friday. The Fed's Williams speaks Wednesday, notable given his (and Jefferson's) comments last week against the case for back-to-back hikes for the Fed. In Canada, merchandise trade (Tuesday) and labour market data (Friday) are the key releases.

In Europe, quiet data week continues. After the services PMIs, retail sales data are released on Tuesday, and a host of ECB speakers are to come through the week. Comments here could influence the current low probability pricing for the 29 October ECB meeting following the jump in inflation during September. There is no major UK economic data, but BoE Governor Bailey and Deputy Governor Lombardelli speak at different events, both on Thursday. Markets continue to look for further signals that any of the six BoE unchanged rate voters will switch sides to a hike in either November or December.

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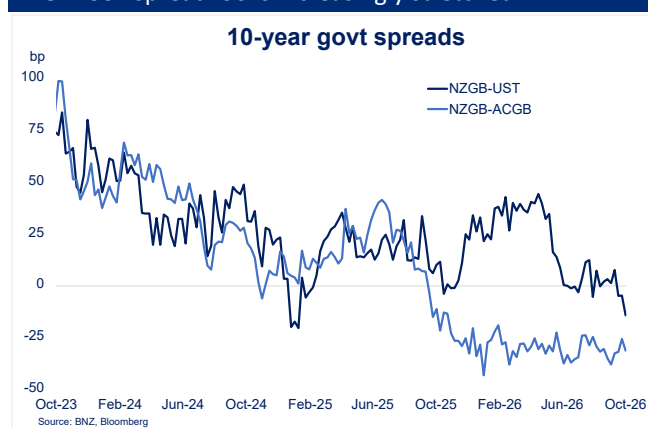
Fixed Interest Market

Reuters: BNZL, BNZM Bloomberg:BNZ

Offshore developments remain the dominant influence on NZ fixed income, with elevated global rates volatility and few domestic catalysts offering a meaningful offset. The 10-year US Treasury yield reached a fresh 24-year high of 5.34%, while the MOVE index rose to its highest level since the onset of the US–Iran conflict. Pressure extended across European sovereign markets as concerns over France’s fiscal outlook intensified. The French 10-year spread to Germany widened to a high of 159bps from around 100bp two weeks earlier, alongside broader widening in Italy, Belgium and Greece spreads.

The recent cross-market outperformance of NZGBs relative to US Treasuries appears overextended. The 10-year spread has narrowed to over minus 20bp, its tightest level in six years. A more dovish RBA shift and softer Australian inflation helped anchor the NZ market. However, the spread looks too narrow when adjusted for the prospective RBNZ–Fed policy paths. We are cautious on NZGB valuations against USTs, while remaining constructive on NZGBs versus swaps.

NZGB–UST spread looks increasingly stretched

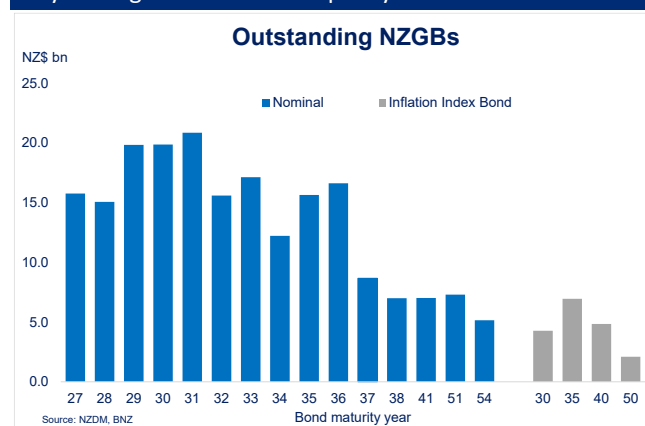


After a busy week of first-tier global releases, the upcoming calendar offers fewer obvious catalysts. In New Zealand, attention will centre on the QSBO, one of the key releases ahead of the RBNZ’s 28 October Policy Review. Pricing for the October meeting has eased to around 2.90%, from a recent high of 2.95%. Despite the gradual and data-dependent language in the September MPS, we expect a follow-up hike this month. However, the market appears to extrapolate too much tightening beyond the near term, with the implied OCR approaching 4.0% by December 2027.

The PREFU materially reduced the NZGB funding requirement relative to the Budget, with forecast issuance lowered by NZ\$15bn across the projection period. The

FY27 programme was cut by NZ\$4bn to NZ\$30bn. NZ Debt Management also signalled a tap syndication of the May-2034 nominal green bond in the second half of FY27. The current programme would imply a transaction of only around NZ\$3bn, assuming unchanged tenders, although NZDM could issue more to pre-fund future requirements. With no HYEPU expected in 2026, the programme is unlikely to be revised before next May’s BEFU unless the fiscal or funding outlook changes materially.

May-2034 green bond has capacity for further issuance



The choice of the May-2034 green bond is unsurprising given the smaller funding requirement. The line has NZ\$12bn outstanding, compared with around NZ\$19bn of identified eligible green expenditure, leaving sufficient capacity for additional issuance within the Green Bond Framework. One implication is that the April-2037 bond will remain relatively small for a current 10-year benchmark, with any prospective tap unlikely before July 2027.

Collectively, the reduced programme, modest syndication requirement and limited near-term scope to increase supply provide a supportive backdrop for NZGBs versus swaps. However, elevated global bond-market volatility, evident in the sharp rise in the MOVE, may delay the anticipated tightening in matched-maturity swap spreads.

We nevertheless favour further tightening in 10-year matched-maturity swap spreads and ultimately expect the spread to trade through +30bp, although this may require global bond-market volatility to normalise. This position also benefits from positive carry. The principal risk is a material post-election change in the fiscal outlook, but absent a significant shift in policy, benign supply should remain a supportive driver.

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Foreign Exchange Market

Reuters pg BNZFWDS Bloomberg pg BNZ

Last week, NZD/USD fell nearly 1% to 0.5615, marking a sixth consecutive weekly decline. Weaker risk appetite drove broad-based gains in the USD. The NZD was mixed on the crosses, trading relatively flat against the CAD and AUD but weakening against the JPY, CNY and GBP. NZD/EUR was modestly stronger, as a sharp rise in France's country risk premium amid fiscal concerns weighed on the euro. New milestones included the NZ TWI falling to a fresh 15-year low, NZD/CNY reaching a 17-year low, NZD/GBP hitting an 11-year low, and NZD/JPY and NZD/USD trading at their lowest levels this year.

Financial markets looked increasingly fragile last week. The fragility was most evident in rates markets and, while weaker risk appetite spread to credit markets, equities have yet to be affected. At the heart of the global bond market sell-off is a loss of confidence in the benign inflation-policy regime that previously anchored long-term rates. The US corporate high-yield spread used in our risk appetite index has surged 40bps over the past fortnight.

Lower risk appetite has spilled into currency markets, supporting the USD through its safe-haven characteristics. Dollar indices have risen more than 3% since early September, with the EUR-heavy DXY Index trading above 102 and at its highest level in eighteen months. The RBNZ's strategy of suppressing NZ short-term rates has resulted in further NZD currency debasement. A low-yielding, high-risk currency such as the NZD is finding conditions difficult in this environment.

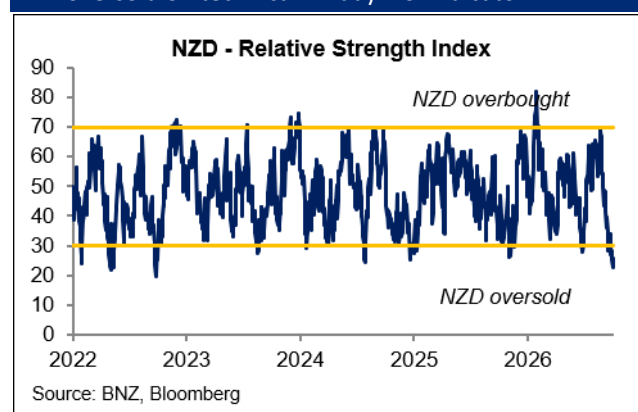
Some key Fed speakers dampened market expectations for an October rate hike. NY Fed President Williams said there was "no need for urgency", while Vice Chair Jefferson said officials might need more time to assess the case for higher rates. These comments followed softer US core PCE deflators, aided by downward revisions, while a weak employment report at the end of the week reinforced the view that the Fed is now unlikely to deliver a back-to-back hike at its October meeting. The USD strengthened regardless, as the broader risk mood dominated currency markets.

NZD/USD traded down to 0.5586, a new low for 2026, before finding some support just above last November's low of 0.5581. We suggest that the new technical support level is around that mark. The NZD's 14-day relative-strength indicator moved into "oversold" territory more than a week ago, suggesting a low hurdle for some form of recovery. The NZD is trading below the midpoint of the 0.55–0.60 range we outlined following our recent FX revisions. Despite the tough trading conditions that are likely to be sustained for a while for the NZD, we continue to see 0.55 as a very strong support level that would require significant developments to breach.

NZD/AUD has managed to hold above its recent 13-year low of 0.8006. The RBA voted unanimously to raise the cash rate for a fourth time this year, lifting it by 25bps to a 15-year high of 4.6%. The Bank maintained a tightening bias, but Governor Bullock sounded slightly dovish, noting that the Board had considered leaving rates unchanged at this meeting and expressing hope that the tightening already delivered would prove sufficient. This helped prevent NZD/AUD from falling further, but we are still not prepared to rule out a move below 0.80 at some stage. The significant negative gap between New Zealand and Australian short-term rates—more than 150bps for three-month rates—remains a formidable headwind for the NZD.

The economic calendar for the week ahead is light. The key domestic release will be tomorrow's QSBO, where our focus will be on capacity pressures and inflation indicators. The US ISM services index is released tonight, with interest centred on whether it delivers the same message as the bumper PMI reading a couple of weeks ago. A number of central bank policymakers from the Fed, ECB, BoE and BoJ are speaking this week.

NZD oversold on technical 14-day RSI indicator



Cross Rates and Recent Ranges

	Last wk		
	Current	% chg	Last 3-wks range*
NZD/USD	0.5616	-0.9%	0.5590 - 0.5770
NZD/AUD	0.8077	0.1%	0.8010 - 0.8130
NZD/CAD	0.8005	-0.1%	0.7950 - 0.8070
NZD/GBP	0.4241	-0.8%	0.4230 - 0.4300
NZD/EUR	0.4991	0.3%	0.4960 - 0.5020
NZD/JPY	88.60	-0.5%	88.10 - 90.50

*Indicative range over last 3 weeks, rounded

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Technicals

NZD/USD

Outlook: Downside risk
 ST Resistance: 0.60 (ahead of 0.6120)
 ST Support: 0.5580 (ahead of 0.55)

After six consecutive weekly falls the November-2025 low around 0.5580 has become the next support level. The key support level of 0.55 remains important.



NZD/AUD

Outlook: Downside risk
 ST Resistance: 0.84 (ahead of 0.87)
 ST Support: 0.80

There is some indicative support around 0.80, but nothing below that level.



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NZ 5-year Swap Rate

Outlook: Lower
 MT Resistance: 4.48
 MT Support: 4.10

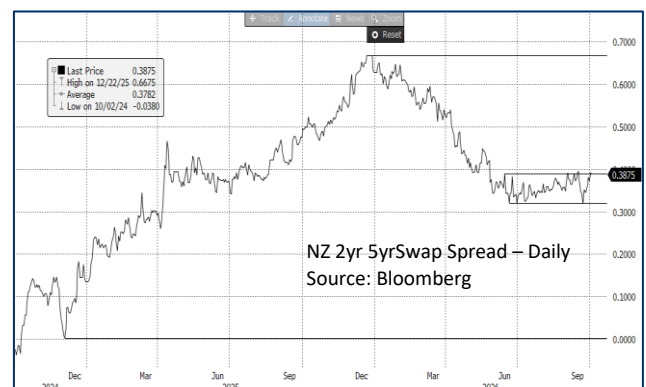
5-year swap tried to break our resistance last week but failed to do so, closing the week lower in yield. We favour lower yields however this would be reversed should our resistance see a clean break.



NZ 2-year - 5-year Swap Spread (yield curve)

Outlook: Neutral
 MT Resistance: 0.67
 MT Support: 0

2s5s curve is sitting at the top of the short-term range. We watch closely for a move in either direction.



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Quarterly Forecasts

Forecasts as at 5 October 2026

Key Economic Forecasts

Quarterly % change unless otherwise specified

	Forecasts									
	Jun-25	Sept-25	Dec-25	Mar-26	Jun-26	Sept-26	Dec-26	Mar-27	Jun-27	Sept-27
GDP (production s.a.)	-0.6	0.9	0.5	0.9	0.2	0.5	0.4	0.6	0.7	0.7
Retail trade (real s.a.)	0.7	2.0	0.8	1.0	-0.5	0.9	0.2	0.6	0.7	0.8
Current account (ann, % GDP)	-3.6	-3.1	-3.0	-3.0	-3.2	-3.6	-4.3	-4.5	-4.4	-4.3
CPI (q/q)	0.5	1.0	0.6	0.9	1.5	0.7	1.1	0.5	0.4	0.6
Employment	-0.2	0.0	0.5	0.2	0.5	0.4	0.5	0.5	0.6	0.7
Unemployment rate %	5.2	5.3	5.4	5.4	5.6	5.6	5.5	5.5	5.4	5.3
Pr. avg hourly earnings (ann %)	4.6	4.1	3.5	3.5	3.0	3.1	3.2	3.8	3.2	3.2
Trading partner GDP (ann %)	3.4	3.2	3.3	3.6	3.2	2.9	2.8	2.8	2.8	2.9
CPI (y/y)	2.7	3.0	3.1	3.1	4.1	3.8	4.3	3.9	2.8	2.7
GDP (production s.a., y/y)	-0.9	1.2	1.6	1.7	2.6	2.2	2.1	1.7	2.2	2.4

Interest Rates

Historical data - qtr average

Forecast data - end quarter

	Government Stock				Swaps			US Rates		Spread
	Cash	90 Day	5 Year	10 Year	2 Year	5 Year	10 Year	SOFR	US 10 yr	NZ-US
		Bank Bills						3 month		Ten year
2025 Jun	3.33	3.38	3.85	4.55	3.19	3.57	4.10	4.30	4.35	0.19
Sep	3.08	3.09	3.67	4.42	2.99	3.40	3.95	4.20	4.25	0.17
Dec	2.33	2.51	3.54	4.27	2.71	3.26	3.85	3.80	4.10	0.18
2026 Mar	2.25	2.50	3.96	4.52	3.12	3.71	4.15	3.65	4.20	0.33
Jun	2.25	2.62	4.11	4.61	3.48	3.89	4.25	3.65	4.40	0.19
Sep	2.58	2.98	4.24	4.77	3.72	4.08	4.45	3.85	4.75	0.02
Forecasts										
Dec	3.25	3.75	4.40	4.95	4.00	4.25	4.65	4.15	4.90	0.05
2027 Mar	3.75	4.00	4.30	4.90	3.95	4.20	4.65	4.15	4.80	0.10
Jun	3.75	4.00	4.20	4.90	3.90	4.15	4.70	4.15	4.75	0.15
Sep	3.75	4.00	4.15	4.85	3.85	4.10	4.65	4.15	4.65	0.20
Dec	3.75	4.00	4.15	4.90	3.80	4.10	4.70	4.15	4.65	0.25
2028 Mar	3.75	3.85	4.10	4.85	3.75	4.05	4.65	3.90	4.60	0.25

Exchange Rates (End Period)

USD Forecasts

	NZD/USD	AUD/USD	EUR/USD	GBP/USD	USD/JPY
Current	0.56	0.70	1.13	1.32	158
Forecasts					
Dec-26	0.58	0.71	1.15	1.33	155
Mar-27	0.58	0.70	1.15	1.32	153
Jun-27	0.58	0.69	1.15	1.31	151
Sept-27	0.59	0.68	1.15	1.31	150
Dec-27	0.59	0.67	1.15	1.31	149
Mar-28	0.60	0.68	1.14	1.30	148
Jun-28	0.61	0.69	1.14	1.30	147

NZD Forecasts

	NZD/USD	NZD/AUD	NZD/EUR	NZD/GBP	NZD/JPY	TWI-17
Current	0.56	0.81	0.50	0.42	88.6	63.9
Forecasts						
Dec-26	0.58	0.81	0.50	0.43	89.1	64.9
Mar-27	0.58	0.82	0.50	0.44	88.0	64.8
Jun-27	0.58	0.84	0.50	0.44	87.6	65.3
Sept-27	0.59	0.87	0.51	0.45	88.5	66.8
Dec-27	0.59	0.88	0.51	0.45	87.9	67.0
Mar-28	0.60	0.88	0.53	0.46	88.8	68.1
Jun-28	0.61	0.88	0.54	0.47	89.7	69.0

TWI Weights

16.2%	17.8%	9.2%	4.0%	4.7%
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Source for all tables: Stats NZ, Bloomberg, Reuters, RBNZ, BNZ

Annual Forecasts

Forecasts as at 5 October 2026	March Years					December Years				
	Actuals		2026	Forecasts		Actuals		2025	Forecasts	
	2024	2025		2027	2028	2023	2024		2026	2027
GDP - annual average % change										
Private Consumption	1.3	0.1	1.3	1.1	2.3	1.1	0.3	1.0	1.1	1.9
Government Consumption	1.1	-1.4	3.7	0.3	1.0	0.1	-1.0	2.4	2.0	0.3
Total Investment	-1.2	-5.0	0.2	5.5	3.7	-0.4	-4.9	-1.2	4.6	4.2
Stocks - pts cont'n to growth	-1.4	0.4	0.3	0.1	0.1	-1.2	0.4	-0.1	0.4	0.0
GNE	-0.9	-1.0	1.9	1.8	2.4	-0.8	-0.9	0.7	2.3	2.1
Exports	8.4	3.0	4.1	6.9	3.4	12.0	3.6	4.3	6.6	3.8
Imports	-1.5	0.7	6.3	3.9	2.6	-0.8	1.1	3.7	6.1	2.2
Real Expenditure GDP	1.5	-0.5	1.3	2.5	2.6	2.2	-0.2	0.7	2.6	2.4
GDP (production)	1.8	-0.9	0.9	2.1	2.6	2.2	-0.3	0.3	2.1	2.3
GDP - annual % change (q/q)	1.5	-0.7	1.7	1.7	3.0	1.4	-1.6	1.6	2.1	2.8
Output Gap (ann avg, % dev)	1.2	-0.5	-1.0	-0.5	0.0	1.4	-0.1	-1.1	-0.4	-0.2
Nominal Expenditure GDP - \$bn	417	432	452	474	499	413	428	446	468	493
Prices and Employment -annual % change										
CPI	4.0	2.5	3.1	3.9	2.3	4.7	2.2	3.1	4.3	2.3
Employment	1.0	-0.9	0.5	1.9	2.8	2.6	-1.3	0.2	1.6	2.6
Unemployment Rate %	4.4	5.2	5.4	5.5	5.0	4.0	5.1	5.4	5.5	5.1
Wages - ave. hr. ord. time earnings (private sector)	4.8	3.8	3.5	3.8	3.2	6.6	4.0	3.5	3.2	3.2
Productivity (ann av %)	-0.6	0.1	1.3	0.7	0.1	-0.7	0.1	1.2	1.0	0.1
Unit Labour Costs (ann av %)	6.6	4.4	2.4	2.4	3.1	7.1	4.7	2.9	2.0	3.1
House Prices (stratified, mth)	2.7	-0.7	0.2	-1.8	3.3	0.7	-0.8	-0.3	-1.0	2.0
External Balance										
Current Account - \$bn	-23.3	-19.0	-13.7	-21.5	-16.9	-24.8	-20.9	-13.5	-19.9	-18.7
Current Account - % of GDP	-5.6	-4.4	-3.0	-4.5	-3.4	-6.0	-4.9	-3.0	-4.3	-3.8
Government Accounts - June Yr, % of GDP										
OBEGAL ex ACC (core op. balance) (Treasury forecasts)	-2.1	-2.1	-1.9	-1.4	-0.2					
Net Core Crown Debt (ex NZS) (Treasury forecasts)	41.7	41.9	41.0	43.7	43.9					
Bond Programme - \$bn (Treasury forecasts)	39.3	42.6	35.0	30.0	28.0					
Bond Programme - % of GDP	9.4	9.9	7.8	6.3	5.6					
Financial Variables ⁽¹⁾										
NZD/USD	0.61	0.57	0.58	0.58	0.60	0.62	0.57	0.58	0.58	0.59
USD/JPY	150	149	159	153	148	144	154	156	155	149
EUR/USD	1.09	1.08	1.16	1.15	1.14	1.09	1.05	1.17	1.15	1.15
NZD/AUD	0.93	0.91	0.83	0.82	0.88	0.93	0.91	0.87	0.81	0.88
NZD/GBP	0.48	0.44	0.44	0.44	0.46	0.49	0.45	0.43	0.43	0.45
NZD/EUR	0.56	0.53	0.51	0.50	0.53	0.57	0.55	0.49	0.50	0.51
NZD/YEN	91.1	85.4	92.8	88.0	88.8	89.5	88.4	90.3	89.1	87.9
TWI	71.2	67.9	66.8	64.8	68.1	72.0	68.5	66.8	64.9	67.0
Overnight Cash Rate (end qtr)	5.50	3.75	2.25	3.75	3.75	5.50	4.25	2.25	3.25	3.75
90-day Bank Bill Rate	5.64	3.60	2.50	4.00	3.85	5.63	4.26	2.49	3.75	4.00
5-year Govt Bond	4.60	4.00	4.10	4.30	4.10	4.50	3.90	3.90	4.40	4.15
10-year Govt Bond	4.60	4.50	4.65	4.90	4.85	4.65	4.45	4.50	4.95	4.90
2-year Swap	4.91	3.35	3.32	3.95	3.75	4.93	3.53	2.98	4.00	3.80
5-year Swap	4.40	3.65	3.87	4.20	4.05	4.43	3.63	3.61	4.25	4.10
US 10-year Bonds	4.20	4.25	4.25	4.80	4.60	4.00	4.40	4.15	4.90	4.65
NZ-US 10-year Spread	0.40	0.25	0.40	0.10	0.25	0.65	0.05	0.35	0.05	0.25

⁽¹⁾ Average for the last month in the quarter

Source: Statistics NZ, BNZ, RBNZ, NZ Treasury

Key Upcoming Events

All times and dates NZT

	Median	Fcast	Last		Median	Fcast	Last
Monday 05 October				CA Ivey Purchasing Managers Index SA Sep			64.3
NZ ANZ Commodity Price MoM Sep			-0.40%	US Fed's Bowman Speaks			
AU Melbourne Institute Inflation YoY Sep			4.80%	US Fed's Schmid Speaks			
JN Consumer Confidence Index Sep	35.3		35.5	JN Labor Cash Earnings YoY Aug	3.70%		4.70%
EC ECB's Kocher, Buch, BIS's de Cos speak				EC ECB's Cipollone Speaks			
EC ECB's Nagel Speaks				EC ECB's Vujcic Speaks			
EC ECB's Lane Speaks				CH Foreign Reserves Sep	\$3425.00b		\$3438.33b
EC S&P Global Eurozone Services PMI Sep F	53		53	Thursday 08 October			
EC S&P Global Eurozone Composite PMI Sep F	53.1		53.1	NZ GDT Dry Auction			
UK S&P Global UK Services PMI Sep F	51.7		51.7	US NY Fed 1-Yr Inflation Expectations Sep	3.64%		3.58%
UK S&P Global UK Composite PMI Sep F	51.7		51.7	EC ECB's Vujcic Speaks			
EC ECB's Schnabel Speaks				US FOMC Meeting Minutes September-16			
EC ECB's Escriva Speaks				US Consumer Credit Aug	\$15.000b		\$18.062b
EC PPI MoM Aug	1.90%		1.60%	UK RICS House Price Balance Sep	-30.00%		-28.00%
Tuesday 06 October				JN BoP Current Account Balance Aug	¥3125.5b		¥2988.9b
EC ECB's Kocher Speaks				AU Consumer Inflation Expectation Oct			4.90%
CA S&P Global Canada Services PMI Sep			46.8	US Fed's Waller Speaks			
CA S&P Global Canada Composite PMI Sep			47.8	EC ECB's Zigman Speaks			
US S&P Global US Services PMI Sep F	58.7		58.7	UK BOE's Greene Speaks			
US S&P Global US Composite PMI Sep F	58.4		58.4	EC ECB's Lane Speaks			
US ISM Services Index Sep	55		55.4	UK BOE's Pill Speaks			
NZ NZIER Business Opinion Survey				Friday 09 October			
AU Westpac Consumer Conf Index Oct			84.4	UK BOE Governor Speaks			
UK BOE's Mann Speaks				US Initial Jobless Claims October-3	200k		197k
UK S&P Global UK Construction PMI Sep	44.9		44.3	UK BOE's Lombardelli			
EC Retail Sales MoM Aug	0.20%		-0.60%	US Wholesale Trade Sales MoM Aug			0.80%
JN BOJ Governor Ueda Speaks				JN Household Spending YoY Aug	-3.60%		-3.60%
Wednesday 07 October				NZ Govt Financial Accounts - FY to June 2026			
EC ECB's Zigman Speaks				EC ECB's Wunsch Speaks			
US ADP Weekly Employment Change Sept-19			20.000k	EC ECB's Cipollone Speaks			
US Trade Balance Aug	-\$102.0b		-\$88.6b	Saturday 10 October			
CA Int'l Merchandise Trade Aug	1.45b		0.77b	CA Unemployment Rate Sep	6.50%		6.40%
US Imports MoM Aug	3.90%		2.80%	EC ECB's Schnabel Speaks			
US Exports MoM Aug	0.60%		-2.10%	US U. of Mich. Sentiment Oct P	47.8		48.1
EC ECB's Cipollone Speaks				US Fed's Collins Speaks			

Historical Data

	Today	Week Ago	Month Ago	Year Ago		Today	Week Ago	Month Ago	Year Ago
CASH AND BANK BILLS					SWAP RATES				
Call	2.75	2.75	2.75	3.00	2 years	4.02	4.13	3.73	2.64
1mth	3.00	3.01	2.95	2.84	3 years	4.19	4.30	3.88	2.81
2mth	3.11	3.12	3.00	2.78	4 years	4.31	4.41	4.00	2.98
3mth	3.23	3.24	3.06	2.77	5 years	4.41	4.49	4.10	3.14
6mth	3.42	3.48	3.26	2.70	10 years	4.77	4.82	4.49	3.74
GOVERNMENT STOCK					FOREIGN EXCHANGE				
05/28	3.84	3.95	3.61	2.95	NZD/USD	0.5616	0.5667	0.5879	0.5843
05/31	4.50	4.60	4.21	3.62	NZD/AUD	0.8070	0.8074	0.8145	0.8829
04/33	4.75	4.85	4.47	3.96	NZD/JPY	88.63	89.19	90.75	87.83
05/36	5.05	5.13	4.78	4.35	NZD/EUR	0.4990	0.4983	0.5058	0.4988
05/41	5.40	5.46	5.18	4.83	NZD/GBP	0.4241	0.4276	0.4342	0.4332
05/54	5.61	5.66	5.44	5.13	NZD/CAD	0.8000	0.8032	0.8121	0.8146
GLOBAL CREDIT INDICES (ITRXX)					TWI	63.9	64.3	66.0	67.2
Nth America 5Y	60	60	50	51					
Europe 5Y	65	62	51	56					

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