

Market Alert

Tuesday 29 October 2024

| CURRENCIES | Spot | 6mths |
|------------|--------|---------|
| NZD/USD | 0.5978 | 0.0013 |
| NZD/AUD | 0.9081 | 0.0012 |
| NZD/JPY | 91.640 | -1.86 |
| NZD/EUR | 0.5529 | -0.0037 |
| NZD/GBP | 0.4609 | 0.0011 |
| NZD/CNH | 4.2710 | -0.0449 |
| AUD/USD | 0.6582 | 0.0005 |
| AUD/EUR | 0.6088 | -0.0049 |
| EUR/USD | 1.0811 | 0.0094 |
| USD/CNH | 7.1446 | -0.0922 |
| GBP/USD | 1.2969 | -0.0003 |
| EUR/GBP | 0.8336 | 0.0074 |

| INT RATES | NZ | Australia |
|--------------|-------|-----------|
| OCR/Cash | 4.75% | 4.35% |
| 90 day bills | 4.55% | 4.45% |
| 2 year swap | 3.57% | 4.01% |
| 10 year Govt | 4.52% | 4.58% |

There's something in the water...

... which is impacting our sportsmen and women ... and long may it continue because we're on fire! A huge congratulations to the Black Caps on their historic test series win in India, and a big shout out to the White Ferns after they levelled the ODI series. Well done Liam Lawson for not taking a step back and putting a few egos in their place, while AFC Auckland continued to make a positive start on the A-league, even if it wasn't the best performance. The netballers were fantastic, and let's put our foot on their throat and go for 4-zip, but on the other side, there's some work to do for our rugby boys from both codes. Finally, the car-crash that is Manchester United continues with ETH receiving his pink slip, although a GBP9m pay-off will caution the blow!

The weekend's retaliatory strikes ...

... took centre stage for financial markets overnight as easing concerns over supply disruptions weighed on WTI and crude oil prices as they plummeted -6.0%, while natural gas prices are -10.5% lower. Asset-selling was the order of the day which saw treasury yields firm with the 2 and 10-years 4bps higher at 4.16% and 4.28%, while currencies were largely range bound with USD/JPY at 153.25. Equity markets closed 0.5%-1.0% higher across the board, although even they opened under pressure.

In terms of the actual releases, the Dallas Fed general business activity index for manufacturing firmed from -9 to -3, UK retail sales volumes fell -6.0% in October following September's 4.0% gain, while Chinese industrial profits dropped -3.5% in the first 9-months of 2024, reversing a 0.4% growth in the prior period.

BoC Governor, Tiff Macklem, announced, "We will have to discover the neutral rate over time."

With a week to go

... every headline, lead article and first report will be on the US election, but it's also an important week for data releases as well!

There is a long list of data releases from the US, so here goes, we have ... Q3 GDP, non-farm payrolls, the unemployment rate, the JOLTS jobs report, PCE inflation, ISM PMIs, consumer confidence, and

personal spending and income figures ... which will give the Fed members plenty to think about ahead of next week's FOMC meeting!

From the Eurozone, we have the latest inflation and GDP growth updates from the Euro area, Germany, and France, while China will publish its manufacturing and services PMIs, and Japan's central bank will announce its interest rate decision alongside the latest unemployment rate and consumer confidence updates. We also have Q3 inflation from Australia.



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Daily Rates

Tuesday 29 October 2024

| FX | Spot | FECs (mid) | | | | Spot Mid | | |
|-------------------|--------|------------|--------------------|---------|------------------|--------------------|--------------|--------|
| | Mid | 1mth | 3mths | 6mths | 12mths | NZD/... | AUD/... | |
| NZ TWI | 69.90 | | | | | CAD | 0.8304 | 0.9146 |
| NZD/USD | 0.5978 | 0.0001 | 0.0006 | 0.0013 | 0.0030 | CHF | 0.5172 | 0.5696 |
| NZD/AUD | 0.9081 | -0.0002 | 0.0001 | 0.0012 | 0.0046 | CNY | 4.2596 | 4.6907 |
| NZD/JPY | 91.640 | -0.35 | -1.03 | -1.86 | -3.30 | DKK | 4.1231 | 4.5404 |
| NZD/EUR | 0.5529 | -0.0007 | -0.0018 | -0.0037 | -0.0076 | FJD | 1.3477 | 1.4841 |
| NZD/GBP | 0.4609 | 0.0001 | 0.0005 | 0.0011 | 0.0023 | HKD | 4.6452 | 5.1154 |
| | | | | | | KRW | 826.82 | 910.51 |
| AU TWI | 61.80 | | | | | MYR | 2.6048 | 2.8684 |
| AUD/USD | 0.6582 | 0.0002 | 0.0005 | 0.0005 | -0.0003 | NOK | 6.5726 | 7.2379 |
| AUD/NZD | 1.1011 | 0.0002 | -0.0002 | -0.0018 | -0.0060 | SEK | 6.3627 | 7.0067 |
| AUD/JPY | 100.91 | -0.37 | -1.15 | -2.19 | -4.15 | SGD | 0.7905 | 0.8705 |
| AUD/EUR | 0.6088 | -0.0006 | -0.0021 | -0.0049 | -0.0116 | TWD | 19.19 | 21.13 |
| AUD/GBP | 0.5075 | 0.0002 | 0.0005 | 0.0005 | -0.0001 | ZAR | 10.58 | 11.65 |
| USD Index | 104.32 | | | | | EQUITIES | | |
| EUR/USD | 1.0811 | 0.0014 | 0.0044 | 0.0094 | 0.0203 | | Index | |
| USD/JPY | 153.31 | -0.60 | -1.88 | -3.43 | -6.24 | NZX50 | 12,772 | |
| GBP/USD | 1.2969 | -0.0001 | -0.0002 | -0.0003 | -0.0003 | ASX200 | 8,222 | |
| EUR/GBP | 0.8336 | 0.0011 | 0.0035 | 0.0074 | 0.0158 | Dow Jones | 42,423 | |
| USD/CNY | 7.1254 | -0.0176 | -0.0538 | -0.1117 | -0.2222 | S&P 500 | 5,831 | |
| | | | | | | FTSE100 | 8,286 | |
| INTEREST | | | New Zealand | | Australia | DAX 30 | 19,532 | |
| RATES | | | Mid | | Mid | Nikkei | 38,606 | |
| 30 day bank bills | | | 4.88% | | 4.36% | COMMODITIES | | |
| 90 day bank bills | | | 4.55% | | 4.45% | | USD | |
| 1 year swap | | | 3.90% | | 4.20% | Brent Crude | 71.50 | |
| 2 year swap | | | 3.61% | | 4.02% | Gold | 2,741.24 | |
| 3 year swap | | | 3.58% | | 3.97% | Silver | 33.66 | |
| 5 year swap | | | 3.73% | | 4.22% | Iron Ore | 104.23 | |
| 10 year swap | | | 4.11% | | 4.51% | CRB Index | 339.53 | |
| 3 year Govt bond | | | 3.81% | | 4.03% | | NZD | |
| 5 year Govt bond | | | 4.02% | | 4.15% | NZ Carbon | 63.10 | |
| 10 year Govt bond | | | 4.52% | | 4.58% | | | |

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