

# Market Alert

Thursday 11 September 2025

CURRENCIES	Spot	6mths
NZD/USD	0.5945	0.0034
NZD/AUD	0.8983	0.0031
NZD/JPY	87.620	-1.06
NZD/EUR	0.5081	-0.0022
NZD/GBP	0.4393	0.0026
NZD/CNH	4.2311	-0.0252
AUD/USD	0.6617	0.0014
AUD/EUR	0.5655	-0.0045
EUR/USD	1.1700	0.0116
USD/CNH	7.1198	-0.0830
GBP/USD	1.3528	-0.0004
EUR/GBP	0.8645	0.0087

  

INT RATES	NZ	Australia
OCR/Cash	3.00%	3.60%
90 day bills	2.99%	3.64%
2 year swap	2.88%	3.29%
10 year Govt	4.43%	4.39%

## The good ... and the bad ...

Of having children, and it was highlighted within a short 3-hour window last night! First up was the graduation ceremony ... my 7th so far with, another planned for next year! But then I got home and discovered Poland had shot down some Russian drones that entered its territory during a strike on neighbouring Ukraine, and guess where one of the children is currently vacationing ... yep ... Poland! Oh well, let's see what today brings!

## Guess what ... the surprises didn't stop there!

Because ahead of tonight's US CPI release, PPI, or wholesale, inflation surprised, falling 0.1% in August. This follows July's downwardly revised 0.6% print and expectation for a 0.3% gain. Core PPI also declined 0.1%, below

forecasts for a 0.3% increase. On an annual basis, headline producer inflation slowed to 2.6%, while core producer inflation eased to 2.8%.

The other headlines saw ...

- Chinese consumer inflation also fell, but Chinese deflation isn't a shock these days! CPI contracted 0.4% in the year to August, after being flat in July. Expectations had been for a 0.2% drop.
- To add to the woe, Chinese PPIs declined 2.9%, which was in line with forecasts.
- Australian business confidence fell from 8 to a 3-month low of 4 in August.
- New Zealand visitors rose 6.6% in the year to July, mainly due to Australian tourists. Net annual migration remained positive, but benign at 13k.

Following the recent payrolls revisions, the department that collects the data, the Labor Department, is starting a review of the "challenges", it's encountering in collecting and reporting its key data.

At this stage at least ... Fed Governor Lisa Cook will remain as a member of the FOMC after a judge temporarily blocked President Trump's bid to fire her. That means she'll be able to take part in next week's meeting with the market becoming increasingly optimistic on the Fed's cutting cycle forecasting 2 x 25bps rate cuts, with a 80% chance of a third, before year end.

The UK Chambers of Commerce has suggested Chancellor Reeves' budget may trigger another inflation surge due to regulatory burdens and tax hikes.

Sebastien Lecornu took over as French Prime Minister, which may be a poisoned chalice given the country's debt levels and the opposition to budget cuts. Unfortunately, the appointment didn't distract the youth of France from rioting!

## This morning, I want to be ...

Larry Ellison ... because Oracle's stock surged 34% after the company unveiled a massive jump in cloud bookings from AI demand, which means young Larry is now the richest man in the world with his personal net worth rising USD101bn on the day. The positive Oracle result supported the S&P500, although equity markets were mixed ranging between -0.5% and +0.5%. Mind you, rather than Oracle shares, you should have brought some Pokémon cards ... because they've risen 3281% since their launch in 2004!

Commodity prices firmed, with oil up 1.8%, which a bit of a surprise with all the rumours of further production increases.

After yesterday's bounce, treasury yields reverted to their downward trend with the 2-years 3bps lower at 3.55% while the 10-years fell 4bps to 4.05% having traded at a 5-month low of 4.04% during the session.

Finally, the USD-index was a touch firmer, although the AUD and NZD outperformed rallying 0.5% and 0.3% respectively, which saw the NZD/AUD ease back to 0.8980.



**BANCORP**

BANCORP TREASURY SERVICES LIMITED

**Barrington**  
TREASURY SERVICES

**Barrington**  
ASSET CONSULTING



**BANCORP**

BANCORP CORPORATE FINANCE LIMITED

# Daily Rates

Thursday 11 September 2025

FX	Spot	FECs (mid)				Spot Mid		
	Mid	1mth	3mths	6mths	12mths	NZD/...	AUD/...	
NZ TWI	68.20					CAD	0.8238	0.9172
NZD/USD	0.5945	0.0006	0.0019	0.0034	0.0056	CHF	0.4748	0.5287
NZD/AUD	0.8983	0.0005	0.0017	0.0031	0.0060	CNY	4.2317	4.7116
NZD/JPY	87.620	-0.21	-0.55	-1.06	-1.98	DKK	3.7918	4.2218
NZD/EUR	0.5081	-0.0005	-0.0011	-0.0022	-0.0044	FJD	1.3169	1.4662
NZD/GBP	0.4393	0.0003	0.0012	0.0026	0.0050	HKD	4.6294	5.1544
						KRW	825.28	918.88
AU TWI	61.10					MYR	2.5020	2.7858
AUD/USD	0.6617	0.0003	0.0008	0.0014	0.0017	NOK	5.8989	6.5679
AUD/NZD	1.1125	-0.0006	-0.0021	-0.0042	-0.0081	SEK	5.5525	6.1822
AUD/JPY	97.33	-0.29	-0.80	-1.53	-2.87	SGD	0.7619	0.8483
AUD/EUR	0.5655	-0.0009	-0.0023	-0.0045	-0.0087	TWD	17.99	20.03
AUD/GBP	0.4889	0.0001	0.0005	0.0011	0.0021	ZAR	10.39	11.56
USD Index	97.82					<b>EQUITIES</b>		
EUR/USD	1.1700	0.0023	0.0062	0.0116	0.0210		<b>Index</b>	
USD/JPY	147.39	-0.51	-1.39	-2.61	-4.68	NZX50	13,276	
GBP/USD	1.3528	0.0003	0.0003	-0.0004	-0.0028	ASX200	8,830	
EUR/GBP	0.8645	0.0015	0.0044	0.0087	0.0172	Dow Jones	45,491	
USD/CNY	7.1207	-0.0168	-0.0456	-0.0828	-0.1465	S&P 500	6,533	
						FTSE100	9,225	
<b>INTEREST</b>		<b>New Zealand</b>		<b>Australia</b>		DAX 30	23,633	
<b>RATES</b>		Mid		Mid		Nikkei	43,838	
30 day bank bills		3.10%		3.60%		<b>COMMODITIES</b>		
90 day bank bills		2.99%		3.64%			<b>USD</b>	
1 year swap		2.81%		3.35%		Brent Crude	67.63	
2 year swap		2.89%		3.30%		Gold	3,641.70	
3 year swap		3.03%		3.35%		Silver	41.18	
5 year swap		3.31%		3.73%		Iron Ore	106.08	
10 year swap		3.87%		4.15%		CRB Index	373.93	
3 year Govt bond		3.29%		3.45%				
5 year Govt bond		3.69%		3.70%			<b>NZD</b>	
10 year Govt bond		4.43%		4.39%		NZ Carbon	58.44	

This document has been prepared by Bancorp Treasury Services Limited ("BTSL"). Whilst all reasonable care has been taken to ensure the facts stated are accurate and the opinions given are fair and reasonable, neither BTSL nor any of its directors, officers or employees shall in any way be responsible for the contents. No liability is assumed by BTSL, its directors, officers or employees for action taken or not taken on the basis of this document.

