

Market Alert

Monday 15 September 2025

CURRENCIES	Spot	6mths
NZD/USD	0.5943	0.0034
NZD/AUD	0.8936	0.0031
NZD/JPY	87.820	-1.05
NZD/EUR	0.5064	-0.0021
NZD/GBP	0.4383	0.0026
NZD/CNH	4.2506	-0.0267
AUD/USD	0.6647	0.0012
AUD/EUR	0.5662	-0.0044
EUR/USD	1.1729	0.0114
USD/CNH	7.1224	-0.0849
GBP/USD	1.3556	-0.0005
EUR/GBP	0.8649	0.0086

INT RATES	NZ	Australia
OCR/Cash	3.00%	3.60%
90 day bills	2.98%	3.64%
2 year swap	2.86%	3.32%
10 year Govt	4.37%	4.33%

It actually was a 'fire in the hole' and duck moment!

Yes ... 9-months after receiving it... I finally used the pizza oven, but trying to light it for the first time, on a windy night, was a challenge. Unfortunately, I thought it best to look inside it when I tried to light it ...needless to say, I've since 'lost' my eye lashes!

Naturally, Saturday was spent making more pizza's ... and watching rugby. The AB's? Well, sometimes you've just got to take your hat off to the opposition, so well done to the Bok's! The Warriors? So close, yet so far. The Black Fern's? At least we've got something positive to shout about. Finally, Manchester United? Let's not go there ...

Friday's night ...

Saw an interesting close to the week

after the University of Michigan's release highlighted the deteriorating outlook amongst the US consumer after sentiment fell sharply to 55.4 in September, a four-month low, from 58.2 in August. The expectations component dropped notably, while the current conditions gauge also eased. The year-ahead inflation expectations were unchanged, but longer-term expectations edged higher for a second consecutive month.

The other releases saw ...

- Chinese new yuan loans rise by CNY589bn in August, although it was below the CNY900bn lent 12-months ago.
- The Bank of Russia delivered its third consecutive rate cut, reducing its benchmark interest rate by 100bps to 17.0%.

President Trump announced, *"The Fed is always late on interest rates. We have the best stock market ever, and inflation is down. We should have lower interest rates."*

As usual, the German's and French can't agree on anything ... with the ECB's Joachim Nagel stating, *"More rate cuts could threaten price stability,"* although colleague Jacques Villeroy left the door open to another rate cut in the coming months, stating *"The upside risks to inflation are less concerning than downside ones."*

Summing up the impact, US Treasury yields closed higher as traders locked in profits at the end of the week. This saw the 2-years firm a pip to 3.56% while the 10-years jumped 4bps to the 4.07% level. The USD-index was 'conflicted' with the

softer consumer sentiment data applying downward pressure, while the higher yields provided support. Ultimately, the USD-index closed slightly higher, with the NZD and AUD easing back a touch following their strong gains over the last week.

Equity markets were 'mixed' although the US exchanges remain near their all-time highs. Interestingly, Tesla shares continue to breakout, surging 7%. Commodities cemented in a positive close to the week, rallying 0.5%-1.0%.

The week ahead ...

is going to be a busy one, with a clutch of central bank meetings. The highlight will be the FOMC meeting Thursday morning our time, while we also have meetings from the BoJ, BoE, BoC, and the Norges Bank, the Norwegian Central Bank.

Beyond that, the Chinese and US trade delegations kick off their fourth round of talks in Madrid this week while, on the data front, we have US retail sales, industrial production, trade, housing starts, building permits, business inventories, and the regional manufacturing surveys from New York and Philadelphia. We also have inflation updates from the UK, Canada, and Japan, with the latest trade numbers from the Eurozone, Japan, and Australia, while we'll also get the latest Australian employment numbers. China's latest monthly data dump will include their latest industrial production and retail sales numbers. In New Zealand, the highlight will be an invariably poor Q2 GDP release, and the latest trade numbers.



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Daily Rates

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FX	Spot	FECs (mid)				Spot Mid	
	Mid	1mth	3mths	6mths	12mths	NZD/...	AUD/...
NZ TWI	68.60					CAD	0.8227
NZD/USD	0.5943	0.0006	0.0018	0.0034	0.0056	CHF	0.4732
NZD/AUD	0.8936	0.0004	0.0016	0.0031	0.0059	CNY	4.2423
NZD/JPY	87.820	-0.20	-0.56	-1.05	-1.94	DKK	3.7797
NZD/EUR	0.5064	-0.0005	-0.0012	-0.0021	-0.0041	FJD	1.3146
NZD/GBP	0.4383	0.0003	0.0012	0.0026	0.0050	HKD	4.6230
						KRW	827.23
AU TWI	61.50					MYR	2.4956
AUD/USD	0.6647	0.0003	0.0008	0.0012	0.0012	NOK	5.8417
AUD/NZD	1.1185	-0.0007	-0.0023	-0.0042	-0.0086	SEK	5.5273
AUD/JPY	98.25	-0.28	-0.80	-1.53	-2.89	SGD	0.7618
AUD/EUR	0.5662	-0.0008	-0.0023	-0.0044	-0.0088	TWD	18.00
AUD/GBP	0.4902	0.0001	0.0005	0.0011	0.0019	ZAR	10.33
USD Index	97.62					EQUITIES	
EUR/USD	1.1729	0.0022	0.0062	0.0114	0.0202		Index
USD/JPY	147.71	-0.48	-1.38	-2.59	-4.61	NZX50	13,228
GBP/USD	1.3556	0.0002	0.0002	-0.0005	-0.0034	ASX200	8,865
EUR/GBP	0.8649	0.0014	0.0043	0.0086	0.0166	Dow Jones	45,834
USD/CNY	7.1242	-0.0147	-0.0433	-0.0787	-0.1457	S&P 500	6,584
						FTSE100	9,283
INTEREST		New Zealand		Australia		DAX 30	23,698
RATES		Mid		Mid		Nikkei	44,768
30 day bank bills			3.08%		3.60%	COMMODITIES	
90 day bank bills			2.98%		3.64%		USD
1 year swap			2.80%		3.37%	Brent Crude	66.99
2 year swap			2.86%		3.33%	Gold	3,642.63
3 year swap			3.00%		3.37%	Silver	42.17
5 year swap			3.27%		3.74%	Iron Ore	105.43
10 year swap			3.81%		4.13%	CRB Index	373.85
3 year Govt bond			3.27%		3.46%		
5 year Govt bond			3.66%		3.68%		NZD
10 year Govt bond			4.37%		4.33%	NZ Carbon	58.25

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