

Market Alert

Tuesday 14 October 2025

CURRENCIES	Spot	6mths
NZD/USD	0.5731	0.0041
NZD/AUD	0.8794	0.0051
NZD/JPY	87.260	-0.88
NZD/EUR	0.4953	-0.0011
NZD/GBP	0.4297	0.0034
NZD/CNH	4.0903	-0.0164
AUD/USD	0.6515	0.0008
AUD/EUR	0.5630	-0.0046
EUR/USD	1.1570	0.0106
USD/CNH	7.1369	-0.0788
GBP/USD	1.3333	-0.0011
EUR/GBP	0.8674	0.0086

INT RATES	NZ	Australia
OCR/Cash	2.50%	3.60%
90 day bills	2.54%	3.63%
2 year swap	2.52%	3.41%
10 year Govt	4.20%	4.40%

Hats off to the man!

Love him or loathe him ... a certain President is receiving a lot of credit this morning after the 20 Israeli hostages that remain alive were released, while over 1900 Palestine prisoners were also freed. Let's hope the peace holds.

But back to markets!

It started in our time zone after President Trump eased back on his confrontational rhetoric, stating "Don't worry about China, it will all be fine! Highly respected President Xi just had a bad moment. The USA wants to help China, not hurt it."

And while the US was closed for Columbus Day, financial markets saw a bounce back of sorts. Despite the national holiday, US equity markets will

generate most of today's headlines with the S&P500 future rallying 1.65% and the NASDAQ surging 2.25%, and while everyone likes a US equity headline, the majority of the moves were more glitter than substance, with European markets 'only' firming 0.25%-0.75%, while Asian markets suffered Friday's hangover, closing 0.25%-0.50% lower.

Commodity markets had an extremely positive session following Friday's losses, with gold and oil both gaining 2.25%, silver surging 3.7%, and copper was on fire, surging 6.0%.

US Treasury markets were closed, so there's nothing to add there, and while FX markets rebounded strongly on the Trump tweet, most currencies struggled for momentum. The USD-index was a touch firmer, but that was mainly due to the weakness of the EUR which fell 1.4% to the 1.1575 level on political concerns after French PM Sebastien Lecornu—the country's 5th PM in 2 years—resigned last Monday, only to be reappointed on Friday! The AUD and NZD have been stable following yesterday's bounce on the open. The AUD/USD, which plummeted to a 0.6473 low on Friday due to Australia's dependence on Chinese trade flows, is now trading at 0.6520, while the NZD/USD recovered from a 0.5717 low to be at 0.5735. The JPY initially made gains, benefiting from a breakdown in coalition talks between the LDP and their junior coalition partner Komeito, which will weaken Takaichi Sanae's hardline stance, although the JPY gave up some of those gains overnight.

Beyond the tweet, the data wasn't bad either!

Despite the trade war, Chinese exports surged to a 6-month high, growing 8.3% in the 12 months to September against forecasts at 6.6%. But while Chinese exports outperformed expectations, rare earth exports (a group of 17 critical minerals used in everything from electric vehicles to military systems) plunged 31% in September amid renewed US tensions! On the other side of the coin, imports climbed 7.4%, surpassing estimates and bringing the trade surplus to USD90.5bn, and while it is lower than forecasts at USD98.6bn, it's still strong enough to help China stay on track for its 5.0% growth target for 2025.

Despite the shutdown of the US Federal government, the US plans to release the September CPI report on 24 October.

According to Deloitte's latest CFO survey ahead of the UK's November budget, CFOs are more anxious about competitiveness and productivity than at any point since 2014!

NZ services PMIs firmed from 47.6 to 48.3 in September. The index has now been in contractionary territory for 19 consecutive months and is some distance below its long-term average at 52.9. The local immigration report wasn't too inspiring either after migration grew by just 460 in August, down from July's, 1,740! On an annual basis, the net inflow of people in NZ stands at just 10,628 individuals, sharply lower than the 10-year average of around 50,000. At least tourism is picking up!



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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	66.60					CAD	0.8042 0.9144
NZD/USD	0.5731	0.0008	0.0022	0.0041	0.0071	CHF	0.4606 0.5239
NZD/AUD	0.8794	0.0008	0.0025	0.0051	0.0104	CNY	4.0845 4.6466
NZD/JPY	87.2600	-0.18	-0.48	-0.8763	-1.62	DKK	3.6982 4.2048
NZD/EUR	0.4953	-0.0003	-0.0006	-0.0011	-0.0021	FJD	1.2865 1.4627
NZD/GBP	0.4297	0.0005	0.0017	0.0034	0.0065	HKD	4.4578 5.0685
						KRW	817.35 929.33
AU TWI	60.90					MYR	2.4209 2.7526
AUD/USD	0.6515	0.0003	0.0006	0.0008	0.0002	NOK	5.7811 6.5730
AUD/NZD	1.1368	-0.0012	-0.0034	-0.0070	-0.0140	SEK	5.4435 6.1893
AUD/JPY	100.04	-0.30	-0.83	-1.58	-3.00	SGD	0.7439 0.8458
AUD/EUR	0.5630	-0.0009	-0.0023	-0.0046	-0.0092	TWD	17.58 19.99
AUD/GBP	0.4885	0.0001	0.0005	0.0009	0.0016	ZAR	9.92 11.28
USD Index	99.27					EQUITIES	
EUR/USD	1.1570	0.0022	0.0058	0.0106	0.0191		Index
USD/JPY	152.25	-0.51	-1.42	-2.59	-4.68	NZX50	13,352
GBP/USD	1.3333	0.0001	-0.0003	-0.0011	-0.0045	ASX200	8,883
EUR/GBP	0.8674	0.0016	0.0044	0.0086	0.0168	Dow Jones	45,976
USD/CNY	7.132	-0.0148	-0.0377	-0.0692	-0.1280	S&P 500	6,650
						FTSE100	9,443
INTEREST			New Zealand		Australia	DAX 40	24,388
RATES			Mid		Mid	Nikkei	48,089
30 day bank bills			2.65%		3.56%	COMMODITIES	
90 day bank bills			2.54%		3.63%		USD
1 year swap			2.40%		3.42%	Brent Crude	63.33
2 year swap			2.52%		3.41%	Gold	4,100.98
3 year swap			2.69%		3.45%	Silver	52.07
5 year swap			3.01%		3.63%	Iron Ore	105.74
10 year swap			3.58%		4.06%	CRB Index	367.43
3 year Govt bond			2.99%		3.53%		
5 year Govt bond			3.42%		3.75%		NZD
10 year Govt bond			4.20%		4.40%	NZ Carbon	56.55

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