

Market Alert

Friday 13 February 2026

CURRENCIES	Spot	6mths
NZD/USD	0.6034	0.0036
NZD/AUD	0.8510	0.0067
NZD/JPY	92.270	-0.78
NZD/EUR	0.5086	-0.0012
NZD/GBP	0.4431	0.0025
NZD/CNH	4.1626	-0.0193
AUD/USD	0.7089	-0.0015
AUD/EUR	0.5975	-0.0061
EUR/USD	1.1863	0.0096
USD/CNH	6.8971	-0.0726
GBP/USD	1.3619	0.0003
EUR/GBP	0.8710	0.0068
INT RATES	NZ	Australia
OCR/Cash	2.25%	3.85%
90 day bills	2.49%	4.01%
2 year swap	3.06%	4.20%
10 year Govt	4.55%	4.90%

It's Friday the 13th!

What could possibly go wrong?

Well ... for a start, I've just found out that tomorrow is Valentine's Day, so I've got no excuses on that one! And I've also got an engagement party to go to over the weekend. Did you know, you're not supposed to wear white to an engagement party? As someone said to me yesterday, if someone shows up in white to my engagement party I'll be making sure some red wine gets spilt on that dress! Should I just skip to the end and show up in black?

Breaking the overnight releases down

- US initial claims fell by 5k to 227k last week, slightly above forecasts at 222k, while continuing claims rose to 1,862k, above forecasts at 1,850k.

- US existing home sales sank 8.4% to an annualised rate of 3.9m in January, firmly below expectations at 4.2m.
- In Q4, the UK economy grew by a modest 0.1%, the same rate as in Q3 and slightly below expectations of 0.2%.
- BoE member Sarah Breeden suggested, "It's reasonable to expect a further 25bp rate cut by the end of April."

The theory behind the market reaction!

And it comes down to one thing ... exuberance. Thank you, Mr. Greenspan!

Basically, Alphabet's 100-year sterling bond issue is raising fears over a debt-fuelled AI 'arms race' with strategists warning the tech ramp up of borrowings to fund the data centre and AI infrastructure is a classic sign of late-cycle credit market exuberance!

Overnight, markets decided it would be a good time to apply fresh pressure to the tech sector. While the European bourses were mixed, ranging between -0.5% and +0.5%, the US exchanges are 1.0% lower with the NASDAQ falling 1.5% on tech profitability concerns. Citibank also warned markets are being too calm about US inflation.

Commodity markets were mixed with energy and precious metals all lower, although the other metals and agri-products firmed.

Currency markets were quiet with the USD-index virtually unchanged although the AUD did see some profit taking with AUD/USD trading just below the 0.7100 level despite RBA Governor Michele Bullock describing any inflation print "with a three in front of it" as unacceptable. The NZD/USD is slightly lower, although NZD/AUD has reclaimed the 0.8500 level.

US Treasuries have been bid throughout the overnight session, due to a combination of factors, or who you believe in other words, with it being either the second take on the non-farms release with the sizeable downward revisions, or today's poor performance of US equity markets, but whichever way you dice it, the facts are the 2-year yield is 5bp lower at 3.48%, while the 10-year has fallen to a 2-month low, dropping 7bp to 4.11%. We also had the US Treasury department sell USD25bn 30-year bonds at 4.75% against the 'when issued' yield at 4.77%. the bid-coverage ratio was 2.66 versus the prior 2.42. So, all up, a good result. As someone said to me this morning, with equity markets having a mini-meltdown, gold hit by a quick USD155 drop, silver plummeting another 10%, when everyone is running for the door ... a 4.75% yield is actually quite appealing!

Daily Rates

Friday 13 February 2026

FX	Spot	FECs (mid)				Spot Mid	
	Mid	1mth	3mths	6mths	12mths	NZD/...	AUD/...
NZ TWI	68.30					CAD	0.8215
NZD/USD	0.6034	0.0006	0.0020	0.0036	0.0049	CHF	0.4644
NZD/AUD	0.8510	0.0009	0.0032	0.0067	0.0131	CNY	4.1823
NZD/JPY	92.2700	-0.13	-0.40	-0.7821	-1.63	DKK	3.7992
NZD/EUR	0.5086	-0.0002	-0.0005	-0.0012	-0.0035	FJD	1.3058
NZD/GBP	0.4431	0.0005	0.0014	0.0025	0.0037	HKD	4.7159
						KRW	868.27
AU TWI	65.40					MYR	2.3529
AUD/USD	0.7089	-0.0001	-0.0004	-0.0015	-0.0054	NOK	5.7531
AUD/NZD	1.1746	-0.0014	-0.0046	-0.0097	-0.0200	SEK	5.3877
AUD/JPY	108.75	-0.27	-0.88	-1.78	-3.57	SGD	0.7615
AUD/EUR	0.5975	-0.0009	-0.0029	-0.0061	-0.0133	TWD	18.94
AUD/GBP	0.5205	0.0000	-0.0004	-0.0013	-0.0037	ZAR	9.62
							11.31
USD Index	96.97					EQUITIES	
EUR/USD	1.1863	0.0016	0.0050	0.0096	0.0177	Index	
USD/JPY	152.91	-0.36	-1.15	-2.18	-3.91	NZX50	13,531
GBP/USD	1.3619	-0.0001	0.0001	0.0003	-0.0006	ASX200	9,044
EUR/GBP	0.8710	0.0012	0.0035	0.0068	0.0132	Dow Jones	49,587
USD/CNY	6.901	-0.0121	-0.0369	-0.0700	-0.1290	S&P 500	6,867
						FTSE100	10,402
INTEREST		New Zealand			Australia	DAX 40	24,853
RATES		Mid			Mid	Nikkei	57,640
30 day bank bills		2.41%			3.85%	COMMODITIES	
90 day bank bills		2.49%			4.01%	USD	
1 year swap		2.69%			4.18%	Brent Crude	67.34
2 year swap		3.06%			4.20%	Gold	4,931.79
3 year swap		3.32%			4.23%	Silver	75.83
5 year swap		3.66%			4.33%	Iron Ore	100.59
10 year swap		4.14%			4.60%	CRB Index	390.95
3 year Govt bond		3.51%			4.34%		
5 year Govt bond		3.97%			4.49%		
10 year Govt bond		4.55%			4.90%	NZ Carbon	44.30

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