

Market Alert

Tuesday 24 February 2026

CURRENCIES	Spot	6mths
NZD/USD	0.5963	0.0037
NZD/AUD	0.8444	0.0069
NZD/JPY	92.120	-0.78
NZD/EUR	0.5054	-0.0011
NZD/GBP	0.4418	0.0024
NZD/CNH	4.1073	-0.0195
AUD/USD	0.7060	-0.0015
AUD/EUR	0.5983	-0.0063
EUR/USD	1.1799	0.0098
USD/CNH	6.8882	-0.0747
GBP/USD	1.3496	0.0007
EUR/GBP	0.8741	0.0067

INT RATES	NZ	Australia
OCR/Cash	2.25%	3.85%
90 day bills	2.49%	4.04%
2 year swap	2.92%	4.20%
10 year Govt	4.40%	4.82%

There is a lot to get through this morning ...

Equity markets started the week on the back foot due to multiple reasons as US software and private capital shares were hit with fresh waves of selling following last week's Blue Owl announcement, while the impact of AI on company profits and the tariff 'noise' added to the pessimistic outlook. Currently, exchanges are 0.5%-1.5% lower.

Commodity markets were also on the back foot, with energy products under pressure with oil down 0.5%, iron ore down 0.3% to be below the key USD100 per tonne level, while copper was down 0.8%. Conversely, gold and silver benefited from safe-haven flows, firming 1.9% and 3.6% respectively.

With the risk-aversion in equity and commodity markets, bond markets

benefited from safe-haven flows with the US 2-years falling 3bps to 3.45% while the 10-years eased 6bps to 4.03%, although the USD-index fell, with the JPY, CNY and CHF the biggest beneficiaries, although the NZD and AUD weakened.

Looking at the data ... and a few random tariff comments ...

- US factory orders fell 0.7% in December, reversing November's 2.7% gain and slightly exceeding market expectations for a 0.5% decline.
- The Dallas Fed's general business activity index for Texas manufacturing rose to 0.2 in February from January's -1.2.
- US new orders for manufactured goods fell by 0.7% in December while durable goods orders fell by 1.4%.
- German business sentiment rose to its highest level since August, suggesting a modest recovery may be building in Europe's largest economy after the index firmed from 87.6 to 88.6 in February.
- NZ retail sales volumes were up 0.9% in Q4, and 4.4% over the year.

As one would have likely predicted, President Trump has been tweeting up a storm on the tariffs, stating "Any country that wants to 'play games' with the ridiculous Supreme Court decision, will be met with a much higher tariff. I can use Licenses to do absolutely terrible things to foreign countries, especially those countries that have been ripping us off. I do not have to go back to Congress to get approval for

the tariffs." In response to the 10% to 15% tariff increase, the EU postponed a planned vote to approve the EU-US trade deal with EU trade committee chairman, Bernd Lange stating, "It's pure tariff chaos from the US administration." China merely urged the US to drop its unilateral tariffs after Friday's Supreme Court ruling.

In the central bank chit-chat corner ...

Fed member Christopher Waller expressed concerns over the US labour market, warning "The US probably shed jobs last year. Zero job growth does not seem like a stable employment environment. I've never seen the economy growing like this without job growth. There are reasons, including AI, to think that hiring may remain weak. Firms are starting to shed labour after over-hiring. Right now, all the data over the last year has suggested labour demand is falling more than labour supply. If productivity is rising, the neutral rate is rising as well."

The ECB's Christine Lagarde confirmed "Inflation and monetary policy are in a good place. The ECB will decide meeting-to-meeting, we must be agile." On rumours of her pending departure from the role, ahead of the French elections, she then added, "Completing my term is my baseline."

BoE policymaker Alan Taylor suggested "High US import tariffs appear to be here to stay, and their full impact represent a meaningful change which is likely to take 'many years' to be felt."



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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	67.70					CAD	0.8161 0.9664
NZD/USD	0.5963	0.0006	0.0020	0.0037	0.0056	CHF	0.4613 0.5463
NZD/AUD	0.8444	0.0010	0.0033	0.0069	0.0143	CNY	4.1704 4.8860
NZD/JPY	92.1200	-0.12	-0.40	-0.7801	-1.56	DKK	3.7741 4.4691
NZD/EUR	0.5054	-0.0002	-0.0005	-0.0011	-0.0030	FJD	1.3003 1.5398
NZD/GBP	0.4418	0.0005	0.0013	0.0024	0.0040	HKD	4.6619 5.5205
						KRW	860.66 1019.16
AU TWI	65.10					MYR	2.3180 2.7449
AUD/USD	0.7060	-0.0001	-0.0005	-0.0015	-0.0055	NOK	5.6962 6.7453
AUD/NZD	1.1838	-0.0015	-0.0047	-0.0102	-0.0213	SEK	5.3980 6.3921
AUD/JPY	109.69	-0.27	-0.90	-1.81	-3.64	SGD	0.7548 0.8939
AUD/EUR	0.5983	-0.0009	-0.0029	-0.0063	-0.0135	TWD	18.74 22.19
AUD/GBP	0.5230	-0.0001	-0.0005	-0.0015	-0.0041	ZAR	9.54 11.30
USD Index	97.66					EQUITIES	
EUR/USD	1.1799	0.0016	0.0050	0.0098	0.0179		Index
USD/JPY	154.48	-0.37	-1.17	-2.23	-4.02	NZX50	13,420
GBP/USD	1.3496	0.0000	0.0003	0.0007	0.0002	ASX200	9,026
EUR/GBP	0.8741	0.0011	0.0035	0.0067	0.0129	Dow Jones	48,840
USD/CNY	6.908	-0.0122	-0.0368	-0.0705	-0.1295	S&P 500	6,838
						FTSE100	10,685
INTEREST		New Zealand		Australia		DAX 40	24,992
RATES		Mid		Mid		Nikkei	56,826
30 day bank bills		2.41%		3.86%		COMMODITIES	
90 day bank bills		2.49%		4.04%			USD
1 year swap		2.60%		4.16%		Brent Crude	71.38
2 year swap		2.92%		4.20%		Gold	5,208.87
3 year swap		3.16%		4.23%		Silver	87.63
5 year swap		3.49%		4.30%		Iron Ore	99.33
10 year swap		3.98%		4.61%		CRB Index	391.84
3 year Govt bond		3.34%		4.29%			NZD
5 year Govt bond		3.79%		4.43%		NZ Carbon	48.00
10 year Govt bond		4.40%		4.82%			

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