

Market Alert

Tuesday 10 March 2026

CURRENCIES	Spot	6mths
NZD/USD	0.5916	0.0034
NZD/AUD	0.8397	0.0070
NZD/JPY	93.685	-0.89
NZD/EUR	0.5108	-0.0013
NZD/GBP	0.4418	0.0027
NZD/CNH	4.0876	-0.0225
AUD/USD	0.7044	-0.0019
AUD/EUR	0.6082	-0.0066
EUR/USD	1.1580	0.0094
USD/CNH	6.9102	-0.0777
GBP/USD	1.3389	-0.0006
EUR/GBP	0.8646	0.0074

INT RATES	NZ	Australia
OCR/Cash	2.25%	3.85%
90 day bills	2.49%	4.13%
2 year swap	3.13%	4.43%
10 year Govt	4.73%	5.04%

It ain't new,

and it ain't different, but like every other commentary you're going to read this morning, it's got to start with the price of oil. But before everyone starts running to the petrol pump to start filling up their cars ... take a pause ... yes, crude oil rallied to an overnight high at USD119.48, a 30% rally, as the penny finally dropped that this could be a long war, but since then, it's topped out! So good news, bad news ... the good news is that the price of crude has pulled back to the USD94.50 level, the bad news is that it's still up 3.75% on the day! I know we all love a bit of volatility ... but this is taking things a bit far!

But war also creates opportunities, and Ron Hubbard is one of those men making the most of this opportunity.

Ron, who is a bunker manufacturer, has been inundated with calls with, allegedly, 2 senior members of the Trump administration placing orders and asking, "When will my bunker be ready?" Surely that can't be a good sign!

Looking at the overnight moves!

Unfortunately, with no sign of the war abating, we should prepare ourselves for more spikes and violent reactions as we witnessed yesterday. The Strait of Hormuz essentially remains shut, which is effectively draining 18 million barrels of oil from global production a day, with word on the street being that the Gulf producers are within days of filling their storage capacity. Saudi Arabia, the UAE and Iraq have already cut output, and the Saudis are also racing to divert cargoes to the Red Sea.

By all accounts Iran has chosen Mojtaba Khamenei, son of martyred leader Ali Khamenei, as his successor as Supreme Leader. With little footage of him, Mojtaba Khamenei tended to remain in the background, although he is believed to be more of a hardliner than his father, which suggests he's unlikely to concede to Trump's demands for Iran to surrender.

The violent knee-jerk reactions in our time zone were largely corrected overnight, as per the oil rebound, but we did see similar moves in other financial products. A similar move saw Nikkei futures trade 10% lower at one stage, although they are now 'only' trading down 3.5%. Overall, equity markets are

trading 0.5% to 1.5% lower. In amongst the chaos, Treasury yields had similar moves with the 10-years surging from 4.13% to 4.21%, before retreating back to 4.13%. The 2-year yield is current 4bps higher on the day at 3.60%. Interestingly, the Australian 10-year government bond yield climbed to its highest level since July 2011 at 5.00% before easing back to 4.88%, while the New Zealand 10-year Govvie climbed 20bps to 4.69%. The USD index closed on Saturday at 98.85, spiked to a high at 99.69 yesterday, before retreating to its current level at 99.15. The NZD and AUD have recovered from yesterday, as has the EUR, although the JPY remains under pressure.

In terms of the data releases

Chinese inflation surged from 0.2% to 1.3% in the year to February, its highest level in 3 years and a lot stronger than the expected 0.8%. A lot of the gain will have been generated by the Lunar New Year, but there was further positive sign after producer inflation firmed to -1.4% to -0.9%, ahead of forecasts at -1.2%.

Germany's factory orders slumped 11.1% in January which was far worse than the forecast 4.3% drop. It was the first decline since August, largely driven by a 39.4% plunge in fabricated metal products.

Eurozone investor confidence contracted 3.1% in March, which was better than the expected 5.0% fall.



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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	67.00					CAD	0.8034	0.9567
NZD/USD	0.5916	0.0007	0.0020	0.0034	0.0051	CHF	0.4613	0.5494
NZD/AUD	0.8397	0.0011	0.0035	0.0070	0.0140	CNY	4.0832	4.8642
NZD/JPY	93.685	-0.16	-0.44	-0.8893	-1.87	DKK	3.8155	4.5437
NZD/EUR	0.5108	-0.0002	-0.0006	-0.0013	-0.0031	FJD	1.2912	1.5377
NZD/GBP	0.4418	0.0005	0.0015	0.0027	0.0047	HKD	4.6243	5.5069
						KRW	872.49	1039.02
AU TWI	65.20					MYR	2.3423	2.7894
AUD/USD	0.7044	-0.0001	-0.0006	-0.0019	-0.0058	NOK	5.6921	6.7785
AUD/NZD	1.1902	-0.0017	-0.0050	-0.0107	-0.0209	SEK	5.4407	6.4791
AUD/JPY	110.89	-0.34	-0.98	-1.99	-4.04	SGD	0.7559	0.9002
AUD/EUR	0.6082	-0.0011	-0.0032	-0.0066	-0.0137	TWD	18.85	22.45
AUD/GBP	0.5259	-0.0001	-0.0004	-0.0012	-0.0033	ZAR	9.78	11.65
USD Index	99.15					EQUITIES		
EUR/USD	1.1580	0.0019	0.0051	0.0094	0.0161		Index	
USD/JPY	158.35	-0.46	-1.26	-2.41	-4.44	NZX50	13,099	
GBP/USD	1.3389	0.0000	-0.0001	-0.0006	-0.0031	ASX200	8,599	
EUR/GBP	0.8646	0.0014	0.0038	0.0074	0.0139	Dow Jones	47,167	
USD/CNY	6.9066	-0.0143	-0.0392	-0.0763	-0.1415	S&P 500	6,721	
						FTSE100	10,250	
INTEREST			New Zealand		Australia	DAX 40	23,409	
RATES			Mid		Mid	Nikkei	52,729	
30 day bank bills			2.42%		3.90%	COMMODITIES		
90 day bank bills			2.49%		4.13%		USD	
1 year swap			2.75%		4.33%	Brent Crude	98.88	
2 year swap			3.13%		4.43%	Gold	5,124.80	
3 year swap			3.37%		4.46%	Silver	86.00	
5 year swap			3.70%		4.52%	Iron Ore	101.91	
10 year swap			4.13%		4.74%	CRB Index	444.24	
3 year Govt bond			3.70%		4.58%		NZD	
5 year Govt bond			4.17%		4.70%	NZ Carbon	44.25	
10 year Govt bond			4.73%		5.04%			

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